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SHUN TAK HOLDINGS LIMITED
信 德 集 團 有 限 公 司
(Incorporated in Hong Kong with limited liability)
(Stock Code: 242)
Website: http://www.shuntakgroup.com

2014 Annual Results Announcement

GROUP RESULTS

The board of directors (the "Board") of Shun Tak Holdings Limited (the "Company") announces the consolidated annual results for the year ended 31 December 2014 of the Company and its subsidiaries (the "Group").

Our consolidated profit attributable to the owners for the year was HK$4,453 million (2013: HK$1,406 million). Underlying profit attributable to the owners which principally adjusted for unrealised revaluation surplus on investment properties would be HK$2,577 million (2013: HK$389 million). Basic earnings per share were HK147.0 cents (2013: HK47.0 cents).

DIVIDENDS

The Board has recommended a final dividend of HK2.0 cents per share (2013: nil) and a special dividend of HK14.5 cents per share (2013: nil) for the year ended 31 December 2014. An interim dividend of HK5.0 cents per share (2013: nil) for the six months ended 30 June 2014 was paid during the year. The total dividends for the year amounted to HK21.5 cents per share (2013: nil).

Subject to shareholders' approval at the forthcoming annual general meeting of the Company, the proposed final dividend and special dividend are expected to be paid on 10 July 2015 to shareholders of the Company whose names appear on the register of members of the Company on 30 June 2015.

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	2014 HK$'000	2013 HK$'000
Turnover	2	**9,538,561**	3,575,726
Other income		**257,198**	140,265
		9,795,759	3,715,991
Other gains, net	3	**22,713**	383
Cost of inventories sold and services provided		**(4,669,794)**	(1,561,101)
Staff costs		**(1,234,493)**	(1,090,939)
Depreciation and amortisation		**(155,387)**	(192,539)
Other costs		**(528,003)**	(407,007)
Fair value changes on investment properties		**941,420**	576,790
Operating profit	2,4	**4,172,215**	1,041,578
Finance costs	5	**(135,408)**	(158,639)
Share of results of joint ventures		**1,581,224**	910,133
Share of results of associates		**50,801**	16,903
Profit before taxation		**5,668,832**	1,809,975
Taxation	6	**(404,999)**	(91,732)
Profit for the year		**5,263,833**	1,718,243
Attributable to:			
Owners of the Company		**4,452,909**	1,406,447
Non-controlling interests		**810,924**	311,796
Profit for the year		**5,263,833**	1,718,243
Earnings per share (HK cents)	8		
- basic		**147.0**	47.0
- diluted		**143.5**	46.3

Details of the dividends proposed for the year are disclosed in note 7.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2014

	2014	2013
	HK$'000	*HK$'000*
Profit for the year	**5,263,833**	1,718,243
Other comprehensive (loss)/income		
Items that may be reclassified to profit or loss:		
Available-for-sale investments:		
Changes in fair value	**(570)**	(12,020)
Reversal of reserve upon disposal of available-for-sale investments	**11**	(787)
Cash flow hedges:		
Changes in fair value, net of tax	**(138,539)**	(2,698)
Transfer to profit or loss	**47,590**	4,911
Reversal of asset revaluation reserve upon sales of properties, net of tax	**(164,288)**	—
Currency translation differences	**(36,563)**	(23,386)
Other comprehensive loss for the year, net of tax	**(292,359)**	(33,980)
Total comprehensive income for the year	**4,971,474**	1,684,263
Attributable to:		
Owners of the Company	**4,234,592**	1,368,571
Non-controlling interests	**736,882**	315,692
Total comprehensive income for the year	**4,971,474**	1,684,263

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2014

	Note	**2014** *HK$'000*	2013 *HK$'000*
Non-current assets			
Property, plant and equipment		**2,197,556**	2,067,927
Investment properties		**7,686,004**	6,471,180
Prepaid premium for land lease and land use rights		**347,784**	8,170
Joint ventures		**5,990,068**	4,738,077
Associates		**1,583,049**	1,519,039
Intangible assets		**37,270**	37,047
Available-for-sale investments		**996,367**	999,070
Derivative financial instruments		**8,133**	—
Mortgage loans receivable		**9,640**	14,480
Deferred tax assets		**26,753**	12,890
Other non-current assets		**240,908**	813,042
		19,123,532	16,680,922
Current assets			
Properties for or under development		**7,930,387**	9,292,429
Inventories		**2,090,492**	2,136,386
Trade and other receivables, and deposits paid	9	**2,500,969**	2,170,633
Derivative financial instruments		**—**	8,113
Taxation recoverable		**1,142**	3,498
Cash and bank balances		**15,808,605**	8,138,435
		28,331,595	21,749,494
Current liabilities			
Trade and other payables, and receipts in advance	9	**1,802,281**	1,943,117
Deposits received from sale of properties		**—**	730,529
Bank borrowings		**2,887,000**	670,000
Convertible bonds		**—**	827,279
Derivative financial instruments		**115,871**	—
Provision for employee benefits		**15,166**	17,059
Taxation payable		**384,610**	17,861
Loans from non-controlling shareholders		**681,719**	1,158,114
		5,886,647	5,363,959
Net current assets		**22,444,948**	16,385,535
Total assets less current liabilities		**41,568,480**	33,066,457

	2014	2013
	HK$'000	*HK$'000*
Non-current liabilities		
Receipts in advance	—	49,435
Bank borrowings	**6,304,045**	4,245,000
Medium term notes	**3,138,755**	3,134,161
Derivative financial instruments	—	4,556
Deferred tax liabilities	**1,014,014**	1,117,232
	10,456,814	8,550,384
Net assets	**31,111,666**	24,516,073
Equity		
Share capital: nominal value	—	749,220
Other statutory capital reserves	—	8,977,057
Share capital and other statutory capital reserves	**9,858,250**	9,726,277
Other reserves	**16,051,919**	11,411,830
Proposed dividends	**502,007**	—
Equity attributable to owners of the Company	**26,412,176**	21,138,107
Non-controlling interests	**4,699,490**	3,377,966
Total equity	**31,111,666**	24,516,073

NOTES TO THE FINANCIAL STATEMENTS

1 Basis of preparation

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRS"), which collective term includes all applicable individual HKFRS, Hong Kong Accounting Standards ("HKAS") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and certain financial assets and financial liabilities (including derivative financial instruments) which have been measured at fair value.

In accordance with the transitional and saving arrangements for Part 9 of the Hong Kong Companies Ordinance (Cap. 622), "Accounts and Audit" as set out in sections 76 to 87 of Schedule 11 to the Hong Kong Companies Ordinance (Cap. 622), the consolidated financial statements are prepared in accordance with the applicable requirements of the predecessor Companies Ordinance (Cap. 32) for this financial year and the comparative period.

The preparation of consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in the 2014 annual financial statements.

Impact of new or revised Hong Kong Financial Reporting Standards

Adoption of new standards

The Group has adopted the following relevant new or revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting
Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011)	Investment Entities
HK(IFRIC) — Int 21	Levies

The adoption of the above does not have any significant impact to the Group's results for the year ended 31 December 2014 and the Group's financial position as at 31 December 2014.

In addition, the requirements of Part 9 "Accounts and Audit" of the new Hong Kong Companies Ordinance (Cap. 622) come into operation as from the Company's first financial year commencing on or after 3 March 2014 in accordance with section 358 of that Ordinance. The Group is in the process of making an assessment of expected impact of the changes in the Companies Ordinance on the consolidated financial statements in the period of initial application of Part 9 of the new Hong Kong Companies Ordinance (Cap. 622). So far it has concluded that the impact is unlikely to be significant and only the presentation and the disclosure of information in the consolidated financial statements will be affected.

The Group has not early applied the following new or revised HKFRSs that have been issued but are not yet effective

A number of new standards and amendments to standards and interpretations, that are relevant to the Group, are issued but not yet effective for financial periods beginning on 1 January 2014, and have not been applied in preparing these consolidated financial statements.

Amendment to HKAS 1[(2)]	Presentation of Financial Statements
Amendments to HKAS 19 (2011)[(1)]	Defined Benefit Plans: Employee Contributions
Amendments to HKAS 27 (2011)[(2)]	Equity Method in Separate Financial Statements
Amendments to HKFRS 10 and HKAS 28[(2)]	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to HKFRS 10, HKFRS 12 and HKAS 28[(2)]	Investment Entities: Applying the Consolidation Exception
Annual improvement to HKFRSs 2010 — 2012 Cycle[(1)]	
Annual improvement to HKFRSs 2011 — 2013 Cycle[(1)]	
Annual improvement to HKFRSs 2012 — 2014 Cycle[(2)]	
Amendments to HKFRS 11[(2)]	Accounting for Acquisition of Interest in Joint Operations
Amendments to HKAS 16 and HKAS 38[(2)]	Clarification of Acceptable Methods of Depreciation and Amortisation
HKFRS 15[(3)]	Revenue from Contracts with Customers
HKFRS 9 (2014)[(4)]	Financial Instruments

[(1)] Effective for annual periods beginning 1 July 2014

[(2)] Effective for annual periods beginning 1 January 2016

[(3)] Effective for annual periods beginning 1 January 2017

[(4)] Effective for annual periods beginning 1 January 2018

The Group has already commenced an assessment of the impact of these new or revised HKFRSs, certain of them will give rise to change in presentation, disclosure and measurements of certain items in the financial statements.

Other than the new or revised HKFRSs explained below, other new and revised HKFRSs would not be expected to have a material impact on the Group.

HKFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of HKFRS 9 was issued in July 2014. It replaces the guidance in HKAS 39 that relates to the classification and measurement of financial instruments. HKFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit and loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in HKAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. HKFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes.

Contemporaneous documentation is still required but is different from that currently prepared under HKAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Group is yet to assess HKFRS 9's full impact.

HKFRS 15, 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces HKAS 18 'Revenue' and HKAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2017 and earlier application is permitted. The Group is assessing the impact of HKFRS 15.

2 Segment information

(a) Segment results, assets and liabilities

Management evaluates performance of the reportable segments on the basis of operating profit or loss before fair value changes on investment properties, non-recurring gains and losses, interest income and unallocated corporate net expenses.

Inter-segment transactions have been entered into on terms agreed by the parties concerned. The Group's measurement methods used to determine reported segment profit or loss remain unchanged from 2013.

Segment assets principally comprise all tangible assets, intangible assets and current assets directly attributable to each segment with the exception of interests in joint ventures and associates, taxation recoverable, deferred tax assets and other corporate assets.

Segment liabilities include all liabilities and borrowings directly attributable to and managed by each segment with the exception of taxation payable, deferred tax liabilities and other corporate liabilities.

2014

	Property	Transportation	Hospitality	Investment	Eliminations	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Turnover and other income						
External turnover (note c)	5,909,420	2,437,768	772,758	418,615	—	9,538,561
Inter-segment turnover	1,458	708	50,002	—	(52,168)	—
Other income (external and excluding interest income)	12,053	43,142	3,359	1,981	—	60,535
	5,922,931	2,481,618	826,119	420,596	(52,168)	9,599,096
Segment results	2,486,554	236,263	91,893	379,102	—	3,193,812
Fair value changes on investment properties	941,420	—	—	—	—	941,420
Interest income						196,663
Unallocated income						543
Unallocated expense						(160,223)
Operating profit						4,172,215
Finance costs						(135,408)
Share of results of joint ventures	1,722,322	(135,713)	(5,385)	—	—	1,581,224
Share of results of associates	37,440	715	6,886	5,760	—	50,801
Profit before taxation						5,668,832
Taxation						(404,999)
Profit for the year						5,263,833

	Property HK$'000	Transportation HK$'000	Hospitality HK$'000	Investment HK$'000	Eliminations HK$'000	Consolidated HK$'000
Assets						
Segment assets	**23,523,399**	**3,668,478**	**1,426,362**	**1,049,256**	**(22,849)**	**29,644,646**
Joint ventures	**5,986,743**	**111,681**	**(108,356)**	**—**	**—**	**5,990,068**
Associates	**1,373,451**	**4,351**	**200,751**	**4,496**	**—**	**1,583,049**
Unallocated assets						**10,237,364**
Total assets						**47,455,127**
Liabilities						
Segment liabilities	**1,279,044**	**380,521**	**133,146**	**12,044**	**(21,845)**	**1,782,910**
Unallocated liabilities						**14,560,551**
Total liabilities						**16,343,461**
Other information						
Additions to non-current assets (other than financial instruments and deferred tax assets)	**1,692,300**	**19,008**	**23,267**	**4,198**	**—**	**1,738,773**
Depreciation	**6,223**	**109,204**	**37,459**	**541**	**—**	**153,427**
Amortisation						
- prepaid premium for land lease and land use rights	**—**	**—**	**244**	**—**	**—**	**244**
- intangible assets	**—**	**—**	**173**	**89**	**—**	**262**
Impairment losses						
- trade receivables	**—**	**—**	**44**	**—**	**—**	**44**

2013

	Property	Transportation	Hospitality	Investment	Eliminations	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Turnover and other income						
External turnover (note c)	355,287	2,265,831	737,701	216,907	—	3,575,726
Inter-segment turnover	669	620	49,241	—	(50,530)	—
Other income (external and excluding interest income)	2,872	31,238	3,047	1,200	—	38,357
	358,828	2,297,689	789,989	218,107	(50,530)	3,614,083
Segment results	79,766	164,904	70,125	171,955	—	486,750
Fair value changes on investment properties	576,790	—	—	—	—	576,790
Interest income						101,908
Unallocated income						739
Unallocated expense						(124,609)
Operating profit						1,041,578
Finance costs						(158,639)
Share of results of joint ventures	949,018	(24,355)	(14,530)	—	—	910,133
Share of results of associates	9,685	492	4,480	2,246	—	16,903
Profit before taxation						1,809,975
Taxation						(91,732)
Profit for the year						1,718,243

	Property	Transportation	Hospitality	Investment	Eliminations	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Assets						
Segment assets	21,850,650	3,178,485	1,444,536	1,038,154	(21,103)	27,490,722
Joint ventures	4,575,778	261,754	(99,455)	—	—	4,738,077
Associates	1,318,893	4,296	193,864	1,986	—	1,519,039
Unallocated assets						4,682,578
Total assets						38,430,416
Liabilities						
Segment liabilities	2,257,217	341,518	122,310	5,419	(21,103)	2,705,361
Unallocated liabilities						11,208,982
Total liabilities						13,914,343
Other information						
Additions to non-current assets (other than financial instruments and deferred tax assets)	1,822,961	258,330	48,412	1,665	—	2,131,368
Depreciation	16,585	110,647	62,623	974	—	190,829
Amortisation						
- prepaid premium for land lease and land use rights	—	—	244	—	—	244
- intangible assets	—	—	160	89	—	249
Impairment losses						
- trade receivables	—	—	13	—	—	13

(b) Geographical information

	Hong Kong	Macau	Others	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
2014				
Turnover and other income from external customers	**4,045,334**	**5,439,177**	**114,585**	**9,599,096**
Non-current assets	**6,289,255**	**1,503,860**	**2,475,499**	**10,268,614**
2013				
Turnover and other income from external customers	1,929,371	1,583,181	101,531	3,614,083
Non-current assets	6,517,346	1,271,483	795,495	8,584,324

(c) External turnover

External turnover comprises of revenue by each reportable segment and dividend income from available-for-sale investments.

3 Other gains, net

	2014	2013
	HK$'000	HK$'000
Net gain on disposal of subsidiaries	**18,351**	—
Net loss on disposal of property, plant and equipment	**(408)**	(1,135)
Net gain on disposal of investment properties	**4,239**	—
Net (loss)/gain on disposal of available-for-sale investments	**(12)**	779
Others	**543**	739
	22,713	383

4 Operating profit

	2014	2013
	HK$'000	*HK$'000*
After crediting:		
Rental income from investment properties	**195,517**	190,171
Less: Direct operating expenses arising from investment properties	**(20,089)**	(13,361)
	175,428	176,810
Dividend income from listed investments	**8,802**	7,888
Dividend income from unlisted investments	**377,575**	181,089
After charging:		
Cost of inventories		
- properties	**2,983,509**	29,592
- fuel	**929,463**	954,207
- others	**137,912**	149,129
	4,050,884	1,132,928
(Write-back of impairment)/impairment losses		
- amounts due by a joint venture	**—**	9,186
- amounts due by an associate	**(339)**	339
- trade receivables, net	**(45)**	(78)

5 Finance costs

	2014	2013
	HK$'000	*HK$'000*
Interest on bank borrowings and overdraft wholly repayable within 5 years	**109,732**	79,308
Interest on convertible bonds wholly repayable within 5 years	**34,036**	41,415
Interest on medium term notes	**180,036**	147,495
Interest on loans from non-controlling shareholders	**1,377**	5,108
Other finance costs	**9,195**	5,009
Total interest expenses	**334,376**	278,335
Less: Amount capitalised in properties for or under development	**(198,968)**	(119,696)
	135,408	158,639

6 Taxation

	2014	2013
	HK$'000	*HK$'000*
Hong Kong profits tax	**99,571**	15,063
Overseas taxation	**297,676**	12,119
Deferred taxation	**7,752**	64,550
	404,999	91,732

Hong Kong profits tax is calculated at 16.5% (2013: 16.5%) on the estimated assessable profits for the year. Overseas taxation is calculated at tax rates applicable to jurisdictions in which the Group operates.

7 Dividends

	2014	2013
	HK$'000	*HK$'000*
Interim dividend, paid of HK5.0 cents on 3,042,465,785 shares (2013: nil)	**152,123**	—
Proposed final dividend of HK2.0 cents on 3,042,465,785 shares (2013: nil)	**60,849**	—
Proposed special dividend of HK14.5 cents on 3,042,465,785 shares (2013: nil)	**441,158**	—
	654,130	—

8 Earnings per share

The calculation of basic earnings per share is based on profit attributable to owners of the Company of HK$4,452,909,000 (2013: HK$1,406,447,000) and the weighted average number of 3,028,195,718 shares (2013: 2,992,880,719 shares) in issue during the year. The calculation of diluted earnings per share is based on profit attributable to owners of the Company of HK$4,486,946,000 (2013: HK$1,447,862,000) and the weighted average number of 3,127,695,419 shares (2013: 3,125,769,750 shares) in issue after adjusting for the effects of all dilutive potential ordinary shares.

9 Trade receivables and payables — ageing analysis

Trade debtors are managed in accordance with defined credit policies, dependent on market requirements and businesses which they operate. Subject to negotiation, credit is only available for major customers with well-established trading records. The Group offers general credit terms ranging from 0 day to 60 days to its customers, except for sales of properties the proceeds from which are receivable pursuant to the terms of the relevant agreements.

The ageing analysis of trade debtors by invoice date is as follows:

	2014	2013
	HK$'000	*HK$'000*
0 - 30 days	**1,323,516**	103,504
31 - 60 days	**22,151**	23,208
61 - 90 days	**5,140**	4,327
over 90 days	**3,021**	4,793
	1,353,828	135,832

The ageing analysis of trade creditors by invoice date is as follows:

	2014	2013
	HK$'000	*HK$'000*
0 - 30 days	**821,829**	698,852
31 - 60 days	**2,864**	3,735
61 - 90 days	**2,498**	1,367
over 90 days	**281**	7,918
	827,472	711,872

10 Comparatives

The comparative figures of "Intangible assets", "Properties for or under development" and "Deferred tax liabilities" in the consolidated balance sheets as at 31 December 2013 and 2012 have been adjusted by a transfer from "Intangible assets" of HK$362,453,000 to "Properties for or under development" of HK$411,878,000 and "Deferred tax liabilities" of HK$49,425,000. The adjustments are to adjust the fair value of the properties for or under development and the related deferred tax liabilities arising from an acquisition of additional equity interest in a then associate, which subsequently became a subsidiary of the Group in 2007. The adjustments do not have any impact on the net assets to the consolidated balance sheets and have no impact to the consolidated income statements in prior years.

BUSINESS REVIEW

PROPERTY

The property division registered a profit of HK$2,487 million (2013: HK$80 million), with the improved performance driven by restored confidence in the real estate market in 2014. Revaluation gain also increased to HK$941 million (2013: HK$577 million). The encouraging performance is underscored by accrual of profits from the pre-launch and popular sales of Nova City Phase 4, complemented by successful re-launch of remaining units at Chatham Gate. Monetization of assets from the disposal of Taipa Hills Memorial Garden also contributed to the solid earnings.

Property Developments

Projects Completed with Recent Sales

In Macau

One Central (Group interest: 51%)

One Central is an exemplary integrated development located on the Macau Peninsula waterfront, a benchmark-setting property jointly developed with Hongkong Land Holdings Limited. All residential units at One Central Residences and The Residences and Apartments at Mandarin Oriental, Macau have been sold and the final five units were handed over to homebuyers. The last triplex unit at The Residences and Apartments at Mandarin Oriental, Macau was sold in February 2014 at record breaking market price.

In Hong Kong

Chatham Gate (Group interest: 51%)

The development comprises two grand residential towers offering units from studio to four-bedroom configurations. In 2014, 94 residential units and 76 private car parks have been sold, contributing solidly to the profits of the Group. As of 31 December 2014, the cumulative number of residential units sold was 331 out of a total of 334 units. A shopping arcade with a developable gross floor area of 61,000 square feet opened in January 2014 to provide everyday conveniences to the neighboring community and registered 89% in occupancy as of year end.

Assets Monetization

In Macau

Taipa Hills Memorial Garden (Group interest: 79%)

On 31 July 2014, the Group and its joint venture partner completed the respective sales agreements with a third party to dispose the entire property, along with its value-adding services developed by the Group for a gain (net of transaction costs) of approximately HK$18 million. The third party continues with the operation of Taipa Hills Memorial Garden, while the Group has successfully monetized the assets with favorable returns during the investment period.

In Hong Kong

Car Parks at The Belcher's (Group interest: 51%)

The Group completed the disposal of 257 private car parks and 3 motorcycles car parks in 2014, after identifying a favorable opportunity to capitalize upon a substantial valuation gain on these long term investments located at The Belcher's. Based on total sales proceeds of approximately HK$796 million, the Group recognized a net gain of approximately HK$338 million, including a fair value gain in 2014. This is a strategic step to consolidate resources leading to improvements in portfolio return for the future.

Project Under Development with Recent Sales

In Macau

Nova Park (Group interest: 100%)

Nova Park, Phase 4 of Nova City, is a striking urban park-side residential development set at the heart of the thriving Taipa community with an unimpeded view of the stunning Taipa Central Park. Its three residential towers cover a gross floor area of approximately 680,000 square feet and offer 620 residential units in total. As of 31 December 2014, a total of 80% of units has been sold. We have successfully set benchmark pricing for the Taipa district during our various launches. The last recorded average selling price for the batch launched in November 2014 reached around HK$12,000 per square foot. Sales launch for remaining units is scheduled for the first half of 2015. Superstructure works have been completed and fitting out works are in progress. Occupation permit was issued in December 2014, with handover of units scheduled for the first half of 2015.

Projects Under Development

In Macau

Nova City Phase 5 (Group interest: residential - 71%; commercial - 100%)

A joint residential development with China State Construction International Holdings Limited, this next phase of Nova City will comprise over 2.3 million square feet of residential units in eight towers. These towers will sit above a large-scale lifestyle shopping centre spanning over 650,000 square feet solely developed by the Group. It will house a diverse range of tenants catering to the locals' needs, including supermarkets, dining outlets, leisure retail and entertainment. The mall is expected to become the largest convenience shopping hub in Taipa, serving its residents and neighboring communities. Foundation works have been completed and substructure works have commenced with project completion scheduled for 2018.

Harbour Mile (Group interest: 100%)

The premium residential site in Nam Van adjoining the Macau Tower Convention & Entertainment Centre ("Macau Tower") is under planning. The Macau SAR Government is continuing to review the Master Plan of Nam Van area, and is anticipated to need more time to finalize the Master Plan.

Hotel Development at Cotai Site (Group interest: 100%)

The Group has made application for land grant and is in discussion with the Macau SAR Government on its plan to develop hospitality facilities on the site.

In Hong Kong

Luxury Mansions at Chung Hom Kok (Group interest: 100%)

This development comprises five luxury residential houses in a premium and tranquil location at Chung Hom Kok. Superstructure works were completed and fitting out works are in progress. The Group is currently planning for its sales launch in the latter half of 2015.

In Northern China

Beijing Tongzhou Integrated Development
(Group interest: Phase 1 - 24%; Phase 2 - 19.35%)

An iconic landmark in Tongzhou, a district which is poised to become the new Central Business District and new municipal government administration office of Beijing, this integrated development will comprise retail, office and serviced apartments in one prime address along the famous Grand Canal on a 1.3 million square feet (123,000 square meters) site with a combined developable gross floor area of about 6.8 million square feet (634,200 square meters). The complex enjoys direct connectivity to the M6 subway line which has launched for operation in 2014, and the S6 subway line which is currently under planning. It is also conveniently connected to bus interchange stations. The project is slated for completion in 2017.

Shun Tak Tower (Group interest: 100%)

The project is a wholly-owned property in the Beijing Dong Zhi Men near East 2nd Ring Road, comprising both office and hospitality components. The site spans 63,000 square feet (5,832 square meters), with a developable gross floor area of approximately 419,000 square feet (38,900 square meters) rising 21 levels aboveground, and 182,000 square feet (16,900 square meters) in 4 underground levels. It commands a prominent location next to the airport highway and enjoys close proximity to Beijing downtown, embassy area, and YanSha district. Handover of the property was completed in June 2014 and fitting out works are in progress. Pre-lease preparations for the office units are in progress while its hospitality component is scheduled for completion in 2016.

In Southern China

Hengqin Integrated Development (Group interest: 70%)

In January 2014, the Group entered into a strategic partnership with Perennial Hengqin Investment Group Pte. Ltd. to develop an integrated landmark in Hengqin that will comprise one office tower, one serviced apartment and hotel tower, as well as a commercial podium. The 257,000 square-foot site (23,834 square meters) has a developable gross floor area of 1,410,000 square feet (131,000 square meters), and enjoys unparalleled connectivity located immediately adjacent to the port and commercial facilities at the border to Macau and only a few minutes' drive away from the Cotai strip. In the future, it will be connected locally by the Hengqin and Macau light rails, and regionally by the Guangzhou-Zhuhai Intercity Rail. Foundation works is in progress and project completion is scheduled for 2018.

Investment Properties

In Macau

One Central Shopping Mall (Group interest: 51%)

One of the defining attributes of One Central is a 400,000 square feet premium shopping mall, which houses a top notch collection of international designer brands and their flagship stores. Its popularity demonstrates the Group's vision and strength in creating projects appealing to major international tenants. The retail mall posted an average occupancy rate of 96% over the year, yielding encouraging income for the Group, with average rents increased by around 7%.

Shun Tak House (Group interest: 100%)

The property, situated in a busy tourist locale at the heart of the Macau Peninsula, covers over 28,000 square feet of leasable area and consistently maintains 100% occupancy with two major retail anchor tenants. As tourism in Macau develops rapidly, the property has achieved substantial revaluation gain and has attained promising rental revisions upon lease renewal.

In Hong Kong

Shun Tak Centre, Shop No. 402 (Group interest: 100%)

The Group purchased this 33,387 square feet property from The Open University of Hong Kong in January 2013, along with a lease contract with the institution which has expired in September 2013. The undertaking represents a vision to capitalize upon the strong cross-border foot traffic, strengthen tenant mix and unleash its yield potential. Lease negotiations are ongoing with popular interests received.

The Westwood (Group interest: 51%)

The Westwood, a 5-storey shopping centre at The Belcher's with approximately 158,000 square feet of leasable area, is the largest shopping destination in the Western Mid-Levels. It is home to a wide selection of retail chains and educational institutions providing daily conveniences to West Island. With the launch of the MTR West Island Line in December 2014, visitor numbers have significantly improved and occupancy has consistently maintained above 97%.

Liberté Place (Group interest: 64.56%)

Liberté Place, the shopping podium of Liberté which connects directly to the Lai Chi Kok MTR Station, offers a wide variety of dining and household conveniences to residents of the West Kowloon community, including the neighboring Banyan Garden and The Pacifica. Occupancy consistently stands over 90%.

In China

Guangzhou Shun Tak Business Centre (Group interest: 60%)

The Guangzhou Shun Tak Business Centre, a 32-storey office tower on a 6-storey shopping arcade, recorded satisfactory leasing revenue and maintained an occupancy rate of around 80% over the year.

Property Services

Shun Tak Property Management Limited ("STPML"), the Group's wholly-owned subsidiary, offers professional property management service in Hong Kong and Macau, with a portfolio of over 26 million square feet of properties, including the 10 million square-foot University of Macau Hengqin Campus, which is progressively taking in over 10,000 students in its first year. STPML also operates complementing businesses including Shun Tak Macau Services Limited, a property cleaning service company; and Clean Living (Macau) Limited which offers both retail and institutional laundry services.

TRANSPORTATION

2014 has been a solidly profitable year for the transportation division as momentum for regional tourism builds at an encouraging pace. Over the 12 months, TurboJET has serviced over 14 million passengers on its Hong Kong-Macau routes, representing a 2% year-on-year increase. Driven by steady market demand, effective yield and cost management, as well as effective product improvement and diversification strategies, the transportation division posted a 43% year-on-year improvement in profit at HK$236 million (2013: HK$165 million), demonstrating favorable results from consistent investments in innovation and value-creation.

Shun Tak - China Travel Shipping Investments Limited

TurboJET registered three consecutive years of profit growth as it continues to transform through service innovation catering to a new generation of travelers. A fare increment approved by the Macau SAR Government on services between Macau and Hong Kong in October 2014 and the Pearl River Delta in December 2014 also enabled the company to continue reinvesting in its sustainability plans and upgrading schemes.

TurboJET currently operates six Premier vessels and has completed its upgrading scheme by February 2015. During which time, the fleet will comprise eight Premier vessels, consistently offering Premier Grand service at 30-minutes' intervals. The upgrade scheme has enabled TurboJET to enrich its product spectrum, develop and foster new market demand in the changing landscape of cross-regional transportation. Demand for Premier Grand class service has increased by 45% in year 2014, representing the fastest growing market segment.

Committed to the creation of a total travel experience, TurboJET has redefined and elevated its services through various online and offline programs. A range of electronic-based ticketing tools ranging from web and mobile apps, etickets and stored value cards have been introduced to achieve greater convenience and flexibility to passengers. In 2014, sales through electronic channels recorded a year-on-year growth of more than 47%. In addition, all fleet is newly equipped with cross-boundary complimentary Wi-Fi access so passengers can stay connected throughout their journeys. Moreover, the company has strengthened its passenger handling capability at the Macau Maritime Ferry Terminal through an overhaul renovation, increasing ticket counters from 17 to 29, self-service ticketing kiosks from 3 to 12, and airport route check-in counters from 6 to 10. Moreover, TurboJET has extended its seamless connectivity from the sea to land, launching a value-adding service for its Premier Grand passengers complimentary transit to any destination of choice in Macau, as well as between Hong Kong Macau Ferry Terminal and Hong Kong International Airport.

In January 2014, Shun Tak—China Travel Ship Management Limited took up the management of Shenzhen Airport Fuyong Ferry Terminal, a strategically important foothold for TurboJET network of alliances with mainland operators in the development of a seamless multimodal transportation network within the Pearl River Delta. In the first year of its management, passenger traffic at the Shenzhen Airport Fuyong Ferry Terminal has increased by 21%.

SkyPier recorded a passenger throughput of 2.8 million in 2014, representing a 3% year-on-year growth. In spite of the uptrend, growth is expected to be restrictive in ensuing years as it may be impacted by the construction of the third runway at Hong Kong International Airport, which may impose new operational constraints such as vessel speed restrictions and re-routing.

Shun Tak & CITS Coach (Macao) Limited

The land transportation arm, Shun Tak & CITS Coach (Macao) Limited, continued to deliver strong returns through its cross-border and local rental business. As at 31 December 2014, it operated a fleet of 144 vehicles, and recorded HK$100 million (2013: HK$92 million) in revenue over the year.

HOSPITALITY

Fiscal 2014 has been another record-setting year for Hong Kong and Macau tourism in terms of visitor arrivals. Benefiting from the strong traffic, the Group's hotel portfolio led the division's performance and posted solid results. The new hotel management arm, Artyzen Hospitality Group, signed three hotel management contracts and began to extend its regional footprint. Collectively, the hospitality division concluded the year with a profit of HK$92 million in 2014 (2013: HK$70 million), representing a year-on-year growth of 31%.

Hotels

In Hong Kong, the 658-room Hong Kong SkyCity Marriott Hotel is directly connected to Asia World-Expo and located in close proximity to Hong Kong International Airport and SkyPier. It is 20 minutes away from downtown via Airport Express, and well complemented by a number of key attractions in Lantau Island. Catering to an international mix of business and transient clients, the hotel has grown in popularity over the years, posting an average occupancy rate of 85% and registering HK$400 million in revenue in 2014 which represents 7% year-on-year growth. It was conferred the title of "Asia's Leading Airport Hotel" by World Travel Awards 2014, and "Winner Certificate of Excellence 2014" by Trip Advisor and daodao.com.

Mandarin Oriental, Macau is one of the leading luxury hotels in Macau renowned for its bespoke services and fine elegance. It achieves market-leading average room rates and occupancy among non-gaming establishments through a strong recurrent customer base and high brand loyalty. In 2014, the hotel recorded an all-time highest average occupancy rate of 81%, and a revenue of MOP254 million (equivalent to HK$247 million). It is prestigiously named "Five Star Hotel & Five Star Spa" by Forbes Travel Guide 2014 and "Asia's Top 5 Leisure Hotels" by Now Travel Asia Awards 2014.

Rebranded as the Grand Coloane Resort in mid-2014, the 208-room hotel offers rooms and suites each opening to a private and spacious terrace with an uninterrupted picturesque view of the beach. The resort completed a room upgrade program in the first half of year and continues to be a favorite among holidaymakers who prefer a uniquely idyllic and relaxing experience in a non-gaming environment. The property achieved a 72% occupancy rate in 2014 and received the "Macau Green Hotel Award" from Macau Environmental Protection Bureau. Adjacent to the resort, the renowned 18-hole Macau Golf & Country Club completed a course revamp and successfully hosted the 16th Macau Open attended by many celebrity players.

Artyzen Hospitality Group

Rooted in a culture to extend the best hospitality services, the Group announced the Artyzen Hospitality Group in July 2013 to provide hotel management solutions to hotel owners and developers. Through a suite of originally created luxury hotel brands characterized by distinctive Asian offerings, it appeals to the burgeoning China outbound tourist market. Moreover, it has partnered with the widely popular European citizenM hotel brand for its Asian launch. The group secured a management agreement for a 267-room citizenM hotel in Taipei to be opened by June 2017, and started managing two operating hotels in Macau, namely, the Grand Lapa Hotel with over 400 rooms and the 208-room Grand Coloane Resort. The group will continue to focus on securing management agreements and extending its brand distribution across key cities in 2015.

Hospitality Management

The Group has a solid track record in tourism facility management with the success of Macau Tower being an exemplary precedence that demonstrates the strength of its international perspective and sales outreach. In 2014, Macau Tower registered a 4% increase in paid visitors to its observation levels. AJ Hackett-Macau Tower continued to be a signature component of Macau Tower, attracting a huge number of international customers and media over the year. In 2014, the operation experienced a 31% increase in profit with 16,060 visitors challenging the World's Highest Commercial Bungy Jump under Guinness World Record.

Travel and MICE

Shun Tak Travel is a key wholesaler in Macau tourism products and a recognized leader in event hospitality management. Its highly customizable quality services have become widely popular among corporate clients.

Facing headwinds including China's anti-graft policy and austerity measures, as well as tightened visa control to Macau, Shun Tak Travel managed to maintain comparable revenue as last year through the successful bidding of various sizable high level events, including the APEC — Tourism Ministerial Meeting and Macao International Trade and Investment Fair. However, gross profit decreased by 8% under a more competitive market and rising costs.

Shun Tak MICE Services Company Limited has been gaining industry recognition as a professional hospitality and event management company. In 2014, it has strengthened its reputation in Shanghai and Beijing, having handled a number of high end brand launches and eminent wedding banquets.

INVESTMENT

The investment division posted a profit of HK$379 million in 2014 (2013: HK$172 million), with the promising return mainly attributable to dividend payouts from Sociedade de Turismo e Diversões de Macau, S.A. ("STDM").

The Group owns an effective interest in STDM of approximately 11.5%, which in turn owns approximately 53.93% effective shareholding in SJM Holdings Limited, a listed company in Hong Kong. SJM Holdings Limited owns the entire shareholding interests of Sociedade de Jogos de Macau, S.A., one of six gaming concessionaires licensed by the Macau SAR Government to operate casinos in Macau.

The Group, through a three-way consortium with Worldwide Flight Services Holding SA and Royal Caribbean Cruises Ltd., was awarded a 10-year tenancy management agreement of the Kai Tak Cruise Terminal ("KTCT") in year 2012. The terminal soft opened to welcome the first cruise ship in June 2013, while a second berth has started operation in the second half of 2014. KTCT comprises approximately 5,600 square meters of commercial space, of which about 87% has been leased in 2014. In addition to regular recurrent rental income, KTCT is gradually gaining popularity as a world class venue for performances, events and exhibitions attracting notable events such as the Dome Festival and various luxurious car launches.

Macau Matters Company Limited is the Group's retail arm operating Toys "R" Us Macau. In addition to its flagship store at Macau Tower, the company opened a second outlet in December 2014 near Senado Square, a bustling tourist hub. The company is currently the largest single brand toy store in Macau.

RECENT DEVELOPMENTS AND PROSPECT

The Group concluded 2014 on a positive note, with the year characterized by promising growth in property sales, strengthened passenger and tourist spending, as well as high dividend income generated through investments. While results have been promising, the Group will adopt a more conservative approach entering 2015, as businesses are subject to underlying headwinds including rising interest rates, a slowdown in China economic growth, continuation of anti-graft and austerity drive, and setbacks in Macau gaming market performance.

The property division contributed solid earnings to the Group in 2014, underscored by stellar performance in residential property sales with the closing of 94 Chatham Gate residential units in Hong Kong and a cumulative sum of 493 Nova Park residential units in Macau. One-off extraordinary income from the disposal of Taipa Hills Memorial Garden, as well as sales of parking bays at Chatham Gate and The Belcher's, further strengthened the division's balance sheet.

In 2015, the property division will continue to build a well balanced real estate portfolio of sales and leasing properties. Efforts will be geared towards the preparation of sales launch for five luxury mansions at Chung Hom Kok in Hong Kong. In China, the Group will continue to harness its forte in developing integrated complexes with three large scale projects progressing on track, namely, the Beijing Tongzhou Integrated Development, Hengqin Integrated Development and Shun Tak Tower, Beijing. Leasing of offices for the latter is currently being planned.

Over the past years, TurboJET has been dedicated to refining its legacy services and elevating customer experience in anticipation of changing regional travel demands. With the completion of an upgrade program for its Premier fleet and facilities at Macau Maritime Ferry Terminal, it has successfully spurred new demand in the luxury market segment and built foundational strength to ensure long term sustainable growth. In addition, a land transit service, offered on a complimentary basis to all Premier Grand passengers, has been introduced in March 2015. The service aims to complete the company's commitment to a totally seamless journey, and will further enhance its competitiveness by leveraging its network advantage.

The division currently manages a network of ports that are strategic anchors to a multimodal transportation network within the Pearl River Delta. Passenger throughput at SkyPier, Shenzhen Airport Fuyong Ferry Terminal and Macau Maritime Ferry Terminal experienced a year-on-year increase of 3%, 21% and 2.6% respectively, testifying to the Group's integral role in effectively driving regional connectivity. Cooperating with its mainland partners, TurboJET has plans to reinforce service frequencies between Macau, Shenzhen and Shekou, with the objective of introducing sailings every half an hour. Furthermore, TurboJET is solidifying operational plans for the future permanent Taipa Ferry Terminal, with target readiness by early 2016.

The Group has been determinedly focused on forging a well-rounded tourism brand with a full spectrum of services that comprises hotel investments, hotel management, destination management, retail ticketing, MICE and event planning. All hotels under the Group delivered financial results in line with expectations, both in terms of revenue and occupancy, despite a weakened Macau gaming market in the second half of year. The Group's newly established hotel management company, Artyzen Hospitality Group, secured three hotel management agreements in 2014, bringing into its portfolio Grand Lapa hotel, Grand Coloane Resort and a future citizenM hotel in Taipei currently under development. These will set the stage for continued execution and expansion of its commercial reach in order to prepare for further growth.

Under investment division, Macau Matters Company Limited opened its second Toys "R" Us store in the bustling old city centre with the objective of capitalizing upon tourist traffic.

In the second half of 2014, Macau gaming revenue began to contract as it is adversely affected by China's anti-corruption campaigns and tightened visa policies. It is expected that future returns on investments in Sociedade de Turismo e Diversões de Macau, S.A. will be impacted.

As foundations laid in previous years have translated into real results in 2014, the Group will remain intently focused on executing its key strategies and maintaining the same high standards in all its properties, transportation services and hospitality offers as the public has grown to expect. Entering 2015 with volatility and uncertainties plaguing the market, it will invest with continued discipline in order to balance profitability and well-paced expansion.

GROUP FINANCIAL REVIEW

Liquidity, Financial Resources and Capital Structure

The Group's bank balances and deposits stood at HK$15,809 million as at 31 December 2014. It is the Group's policy to secure adequate funding to match with cash flows required for working capital and investing activities. At 31 December 2014, total bank loan facilities available to the Group was HK$17,255 million, of which HK$8,064 million remained undrawn. The Group's bank borrowings outstanding at the year end amounted to HK$9,191 million. Apart from the bank borrowings, the Group's borrowings also comprised the medium term notes ("MTN") of HK$3,139 million.

On 22 October 2014, the Group fully redeemed the convertible bonds in the principal amount of HK$833.8 million in accordance with its terms and conditions.

As the Group had a net cash balance at the year end, no gearing ratio is presented (at 31 December 2013: a gearing ratio of 3.5% expressed as a ratio of net borrowings to equity attributable to owners of the Company). The Group will continue with its financial strategy of maintaining a healthy gearing ratio and consider steps to reduce its finance costs.

The maturity profile of the Group's borrowings is set out below:

Maturity Profile

Within 1 year	1-2 years	2-5 years	over 5 years	Total
23%	25%	25%	27%	100%

During the year, 45,585,066 new shares were issued upon exercise of share options granted by the Company.

Material Acquisitions, Disposal and Commitments

In January 2014, Fast Shift Investments Limited, an indirect wholly-owned subsidiary of the Company, issued class B share to City Universe Limited ("CUL"), an indirect wholly-owned subsidiary of China State Construction International Holdings Limited at a consideration of HK$2,066 million. Upon the share subscription, CUL entitled to or bear 29% of the economic benefits in or losses arising from the residential portion of Nova City Phase V development. The Group recognised a gain of HK$1,056 million directly in retained profits of the Group.

In June 2014, the Group completed the acquisition of a wholly-owned property project in the Beijing Dong Cheng District near East 2nd Ring Road, comprising both office and hospitality components at a consideration of RMB1,290 million.

In July 2014, the Group disposed its interests in the business of columbarium operation and the funeral service at a total consideration of HK$660 million.

In May 2008, the Group agreed to acquire the land development right of Nam Van site in Macau at a consideration of HK$3,145 million. The outstanding commitment of which at the year end amounted to about HK$2,830 million.

Charges on Assets

At the year end, bank loans to the extent of approximately HK$2,941 million (2013: HK$1,865 million) were secured with charges on certain assets of the Group amounting to an aggregate carrying value of HK$13,426 million (2013: HK$11,206 million). Out of the above secured bank loans, an aggregate amount of HK$2,245 million (2013: HK$1,770 million) was also secured by pledges of shares in certain subsidiaries.

Contingent Liabilities

There was no material contingent liabilities of the Group at the year end.

Financial Risk

The Group adopts a conservative policy in financial risk management with insignificant exposure to currency and interest rate risks. Except for the guaranteed MTN, all the funds raised by the Group are on a floating rate basis. Except for the MTN of US$400 million and bank loan of RMB200 million, none of the Group's outstanding borrowings was denominated in foreign currency at the year end. Approximately 89% of the bank deposits, cash and bank balances are denominated in Hong Kong dollar, Macau Pataca and United States dollar with the remaining balance mainly in Renminbi. The Group's principal operations are primarily conducted in Hong Kong dollar so that the exposure to foreign exchange fluctuations is insignificant. While the Group has financial assets and liabilities denominated in the United States dollar and Macau pataca, they are continuously pegged to Hong Kong dollar and the exposure to currency risk for such currencies is insignificant to the Group. The Group engages in fuel hedging and currency swap activities to minimise its exposure to fluctuations in fuel prices and foreign exchange rate in accordance with the Group's approved treasury policies.

Human Resources

The Group, including subsidiaries but excluding joint ventures and associates, employed approximately 3,370 employees at the year end. The Group adopts competitive remuneration packages for its employees. Promotion and salary increments are based on performance. Social activities are organised to foster team spirit amongst employees and they are encouraged to attend training classes that are related to the Group's businesses and developments.

PROPOSED ADOPTION OF NEW ARTICLES OF ASSOCIATION

To bring the existing articles of association (the "Articles of Association") of the Company in line with the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) which came into effect on 3 March 2014, the Board has proposed to adopt a new articles of association (the "New Articles of Association"). The Board has also proposed to take this opportunity to update the Articles of Association to remove outdated references and reflect other recent changes in laws and practices relating to corporate governance.

The proposed adoption of the New Articles of Association is subject to the approval of the shareholders of the Company by way of a special resolution at the 2015 annual general meeting of the Company.

A circular containing, among other things, details of the proposed major changes made to the Articles of Association and a copy of the New Articles of Association, marked to show changes to the Articles of Association, together with a notice convening the 2015 annual general meeting of the Company will be despatched to the shareholders of the Company in due course.

CLOSURE OF REGISTER OF MEMBERS

For the purposes of determining shareholders' eligibility to attend and vote at the 2015 annual general meeting of the Company, and entitlements to the final dividend and special dividend the register of members of the Company will be closed. Details of such closures are set out below:

(i) For determining shareholders' eligibility to attend and vote at the 2015 annual general meeting of the Company:

Latest time to lodge transfer documents for registration	4:30 p.m. on Friday, 12 June 2015
Closure of register of members	Monday, 15 June 2015 to Friday, 19 June 2015 (both days inclusive)
Record date	Friday, 19 June 2015

(ii) For determining shareholders' entitlements to the final dividend and special dividend:

Latest time to lodge transfer documents for registration	4:30 p.m. on Thursday, 25 June 2015
Closure of register of members	Friday, 26 June 2015 to Tuesday, 30 June 2015 (both days inclusive)
Record date	Tuesday, 30 June 2015

During the above closure periods, no transfer of shares will be registered. To be eligible to attend and vote at the 2015 annual general meeting of the Company, and to qualify for the final dividend and special dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than the aforementioned latest time.

ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held on Friday, 19 June 2015. The notice of annual general meeting will be published on the websites of the Company and The Stock Exchange of Hong Kong Limited and despatched to the shareholders of the Company in due course.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

On 22 October 2014, being the maturity date of the 3.3% guaranteed convertible bonds due 2014 with the remaining outstanding aggregate principal amount of HK$833,800,000 issued by Joyous King Group Limited, an indirect wholly-owned subsidiary of the Company, were redeemed in full.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2014.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance. As corporate governance requirements change from time to time, the Board periodically reviews the corporate governance practices of the Company to meet rising expectations of the shareholders of the Company and comply with the increasingly stringent regulatory requirements. The Board is of the opinion that the Company has applied the principles and complied with all code provisions in the Corporate Governance Code as set out in Appendix 14 of the Listing Rules throughout the year ended 31 December 2014, except for deviation from the first part of code provision E.1.2, which states that the chairman of the board should attend annual general meeting. In the absence of the Group Executive Chairman at the Company's annual general meeting held on 10 June 2014, the Managing Director (who is also chairman of the executive committee) and the Deputy Managing Director, together with the chairmen of the audit committee and nomination committee and other directors, made themselves available to answer the shareholders' questions regarding the activities of the Company and various Board committees.

REVIEW BY AUDIT COMMITTEE

The Group's consolidated financial statements for the year ended 31 December 2014 have been reviewed by the audit committee of the Company. The figures in respect of the preliminary announcement of the Group's results for the year ended 31 December 2014 have been agreed by the Company's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on this preliminary announcement.

By order of the Board
SHUN TAK HOLDINGS LIMITED
Pansy Ho
Managing Director

Hong Kong, 26 March 2015

As at the date of this announcement, the executive directors of the Company are Dr. Stanley Ho, Ms. Pansy Ho, Ms. Daisy Ho, Ms. Maisy Ho, Mr. David Shum and Mr. Rogier Verhoeven; the non-executive directors are Dato' Dr. Cheng Yu Tung and Mrs. Louise Mok; and the independent non-executive directors are Sir Roger Lobo, Mr. Norman Ho, Mr. Charles Ho and Mr. Michael Ng.