

CORPORATE PROFILE

Founded in 1886, The Wharf (Holdings) Limited (Stock code: 4) is a premier company with HK\$444 billion of total assets. Backed by a long standing mission of “Building for Tomorrow” and a proven execution track record, the Group has produced consistent and productive performance over the years. As one of only seven constituent stocks from the original Hang Seng Index of 50 years ago, Wharf is among the top local blue chips that are most actively traded and widely held. Over the past 10 years, earnings per share have doubled and dividends per share have increased by 138%, for a compound annual growth rate of 9%.

The Group is active in Hong Kong and Mainland China with prime real estate as primary strategic focus. Site acquisition, development and marketing are its core competencies while mall development and retail management remain its strategic differentiation. The Group also owns an emerging hotel business under Wharf Hotels, valuable port assets under Modern Terminals, and Communications, Media & Entertainment assets in Hong Kong.

Investment Properties (“IP”) in Hong Kong and China continues to grow over the years and has been a key growth driver for the Group. With a book value of HK\$310 billion, it accounted for 76% of the Group’s core profit in 2015.

Harbour City and Times Square are flagships in this portfolio. The former is a global landmark with international showcase effect for retailers and a regional landmark for shoppers. The latter, with its prominent 17-level mall design and expertly-managed trade mix, is among the most successful vertical malls globally.

The portfolio also extends to the prime Central business district, the Peak and the new CBD2 in Kowloon East.

In Central, recent acquisitions included the iconic Murray Building (for conversion into a unique urban chic hotel) in 2013, Crawford House in Queen’s Road Central in 2014 and the office tower and a prime shop in Wheelock House in Pedder Street subsequent to the year end.

On the Peak, home to the ultimate in exclusive and exquisite residences, the portfolio displays a landmark collection of the most luxurious residences with a total attributable GFA of about 400,000 square feet.

In Kowloon East, immense untapped potential is being unlocked with the exceptional “Kowloon East Waterfront Portfolio” which comprises Kowloon Godown and Wharf T&T Square, as well as parent company Wheelock’s One Bay East, all located in the new vibrant CBD2 and span a 500-metre coastline with a stunning Victoria Harbour view.

China IP has started to bear fruit, with addition of a series of five IFSs. Phase one of Chengdu opened in early 2014 and the smaller Wuxi opened in late 2014. Chongqing is scheduled to open in 2017, followed by Changsha and Suzhou. Among them, Chengdu IFS and Changsha IFS are set to match Harbour City in scale and dominance to become landmarks. Times Outlet represents another product strategy with Chengdu having already established itself and Changsha to open soon.

On China Development Properties ("DP"), attributable contracted sales in 2015 increased to a record RMB26 billion, 21% over 2014. Net order book at year-end increased to RMB25 billion (net of business tax). With a land bank of about 8.4 million square metres spanning 15 cities in the Mainland, the Group continues to be selective in land acquisition focusing on first-tier and top second-tier cities.

Marco Polo currently operates 14 hotels in the Asia Pacific region, six of which owned by the Group. A solid pipeline of new hotels is set to expand Marco Polo's portfolio in Asia Pacific over the next few years. The Group introduces an exclusive collection of "sophisticated urban chic" hotels under the luxury brand Niccolo, with the first one opening in Chengdu IFS in April 2015. Conversion of Murray Building in Central, Hong Kong, into a Niccolo hotel is scheduled for opening in 2017.

"Building for Tomorrow" also extends to Wharf's "Business-in-Community" pursuit. In addition to the flagship school improvement programme "Project *WeCan*", the Wharf Hong Kong Secondary School Art Competition and Wharf Architectural Design Internship have gained traction over the years. Backed by 1,000 staff volunteers, the Group has also supported a series of "Business-in-Community" initiatives benefitting different segments of society. The Group was named a constituent member of the "Hang Seng Corporate Sustainability Index" in 2015, an index that covers the top 30 corporate sustainability leaders in Hong Kong, in recognition of the Group's sound performance in corporate social responsibility.