

RESULTS

The Company has in the past disclosed in its annual and interim reports the interest income from bonds and structured products and dividend income from listed and unlisted equity investments as “Investment Income, Net” and building management fee income and property management services income as “Other Income” in the consolidated statement of comprehensive income. Having reviewed the factors mentioned below, the directors of the Company (“Directors”) consider that it is more appropriate to classify these items as components of the revenue of the Company and its subsidiaries (together, “Group”), these items should now be presented in and classified as “Revenue” of the Group under the new accounting policy (“Reclassification”). The Reclassification will not have any effect on the consolidated statement of financial position or the consolidated net profit of the Group.

Securities Investments

Securities investment is one of the principal activities of the Group. The Group’s strategy is to maintain securities investment portfolio for treasury management and invest in securities investments and treasury products with attractive yield and good prospect in order to bring stable and satisfactory realised return in long run. Following the reduction of the scale of operations of the Group for sales of development properties and holding of investment properties for generation of rental income in recent years, the revenue contribution of (i) interest income from bonds and structured products; and (ii) dividend income from listed and unlisted equity investments have become more and more significant to the Group. In the recent years, the Group has committed significant financial and managerial resources in pursuance of its securities investment strategies. Hence, the Directors consider that it is more appropriate to classify the (i) interest income from bonds and structured products; and (ii) dividend income from listed and unlisted equity investments as components of the revenue of the Group, rather than as items recorded under “Investment Income, Net”.

Building and property management services income

The provision of building and property management services is a significant activity of the Group, entailing the employment of the highest number of employees amongst all revenue-generating activities of the Group. In terms of manpower employed, the Directors consider that it is more appropriate to classify the building and property management services income as a component of the revenue of the Group, rather than as an item recorded under “Other Income”.

業績

本公司過往於年度及中期報告中，於綜合全面收益報表內將債券及結構性產品之利息收入以及上市及非上市股本投資之股息收入列為「投資收入淨額」，以及將樓宇管理費收入及物業管理服務收入列為「其他收入」。經審視下述因素，本公司之董事（「董事」）認為將該等項目分類為本公司及其附屬公司（統稱「本集團」）之收入部分，即該等項目現應呈列及分類為本集團之「收入」（「經重新分類事項」）更為恰當。經重新分類事項不會對本集團之綜合財務狀況報表及綜合溢利淨額構成任何影響。

證券投資

證券投資為本集團主要業務之一。本集團之策略是維持證券投資組合之財資管理以及投資具吸引收益率及良好前景之證券投資及財資產品，以確保長遠帶來穩定及滿意之變現回報。隨著本集團近年發展物業銷售及持有投資物業而產生租金收入之經營規模減少，(i)債券及結構性產品之利息收入以及(ii)上市及非上市股本投資之股息收入對本集團收入貢獻顯得更為重要。近年來，本集團按照證券投資策略投入大量財務及管理資源。因此，董事認為將(i)債券及結構性產品之利息收入以及(ii)上市及非上市股本投資之股息收入分類為本集團之收入部分而非計入「投資收入淨額」項目更為恰當。

樓宇及物業管理服務收入

提供樓宇及物業管理服務為本集團一項主要業務，在本集團所有產生收入活動中需要僱用最多員工人數。就僱用人力資源而言，董事認為將樓宇及物業管理服務收入分類為本集團之收入部分而非計入「其他收入」項目更為恰當。

RESULTS (Cont'd)

Further, in the opinion of the Directors, the Reclassification results in the consolidated financial statements providing reliable and more relevant information, taking into account the practice adopted by other listed companies in Hong Kong for the presentation and classification of similar items as the subject matter of the Reclassification.

Revenue

Revenue for the year ended 31 December 2020 ("Year") amounted to HK\$3,041.5 million (2019: HK\$1,310.0 million (restated)), an increase of 132.2% over last year and comprised gross rental income of HK\$373.5 million (2019: HK\$523.0 million), gain on sales of investments held-for-trading on a net basis of HK\$25.3 million (2019: nil), dividend income from listed and unlisted equity investments of HK\$1,973.2 million (2019: nil), interest income from bonds and structured products of HK\$596.1 million (2019: HK\$715.9 million), building and property management services income of HK\$53.2 million (2019: HK\$55.1 million) and others of HK\$20.2 million (2019: HK\$16.0 million). The increase in revenue was mainly due to the dividend income from shares of China Evergrande Group (stock code: 3333) ("China Evergrande") ("Evergrande Shares") of HK\$1,967.7 million, which will be elaborated below.

Gross Profit

Gross profit for the Year amounted to HK\$2,961.5 million (2019: HK\$1,266.5 million (restated)), an increase of 133.8% as compared with last year which also mainly due to the dividend income from the Evergrande Shares despite of the decrease in net rental income and interest income from bonds and structured products for the Year.

Property Leasing

For property leasing, the rental revenue in non-retail and retail section decreased by 32.3% to HK\$302.1 million and 7.3% to HK\$71.4 million respectively during the Year. The total rental income in revenue for the Year recorded a decrease of 28.6% to HK\$373.5 million as compared with last year of HK\$523.0 million. The decrease in rental income was mainly due to an anchor tenant of an investment property in the United Kingdom surrendered the lease during the Year.

業績(續)

此外，董事經考慮香港其他上市公司就對類似經重新分類事項項下之項目之呈列及分類所採納之慣例，認為於綜合財務報表內經重新分類事項之結果可提供可靠及更相關之資料。

收入

截至二零二零年十二月三十一日止年度(「本年度」)之收入為3,041,500,000港元(二零一九年：1,310,000,000港元(重列))，較去年增加132.2%，當中包含租金收入總額373,500,000港元(二零一九年：523,000,000港元)、按淨額基準呈報出售持作買賣之投資收益25,300,000港元(二零一九年：無)、上市及非上市股本投資之股息收入1,973,200,000港元(二零一九年：無)、債券及結構性產品之利息收入596,100,000港元(二零一九年：715,900,000港元)、樓宇及物業管理服務收入53,200,000港元(二零一九年：55,100,000港元)以及其他收入20,200,000港元(二零一九年：16,000,000港元)。收入增加主要由於來自中國恆大集團(股份代號：3333)(「中國恆大」)股份(「恆大股份」)之股息收入1,967,700,000港元(以下將作出詳述)。

毛利

本年度之毛利為2,961,500,000港元(二零一九年：1,266,500,000港元(重列))，較去年增加133.8%，主要亦由於於本年度來自恆大股份之股息收入，儘管租金收入淨額以及債券及結構性產品之利息收入下降。

物業租賃

在物業租賃方面，於本年度非零售及零售部分之租金收入分別減少32.3%至302,100,000港元及減少7.3%至71,400,000港元。本年度之收入錄得之租金收入總額較去年之523,000,000港元減少28.6%至373,500,000港元。租金收入下降主要由於英國投資物業之一位主要租戶於本年度退回其租賃。

RESULTS (Cont'd)

Property Leasing (Cont'd)

Together with the attributable rental revenue generated from associates and an investee company of HK\$94.3 million (2019: from associates, a joint venture and an investee company of HK\$129.7 million), the total attributable rental revenue to the Group amounted to HK\$467.8 million (2019: HK\$652.7 million), which represents a decrease of 28.3% over last year.

Attributable net rental income for the Year showed HK\$389.5 million, a decrease of 34.8% over HK\$597.5 million in last year.

Property Development and Trading

During the Year, the Group did not dispose of any trading property (2019: no disposal).

In respect of properties held by associates, sales of two units and two store rooms of Hing Wai Centre in Aberdeen (50% interest) generated profit of HK\$0.3 million as reflected in the share of results of investments accounted for using the equity method. In respect of properties held by an investee company, sales of a unit and two parking spaces of The Coronation in West Kowloon (15% interest) were recorded by the investee company during the Year and will contribute profit to the Group upon recognition of dividend income.

The Group's associate and investee company executed properties sale agreements to third parties recorded an attributable contracted sales of HK\$11.9 million for the Year.

Securities Investments

The Group has in the ordinary and usual course of business conducted its securities investment activities, as at 31 December 2020, mainly comprised bonds, listed equity investments and treasury products. During the Year, the gain (excluding gain/loss recognised in financial assets measured at fair value through other comprehensive income ("FVTOCI") reserve) recognised from securities investments and treasury products was HK\$2,068.7 million (2019: HK\$1,685.7 million), comprised gain on listed equity investments at FVTOCI of HK\$1,936.3 million (2019: loss of HK\$113.2 million) and gain on investments and treasury products at fair value through profit or loss ("FVTPL") of HK\$132.4 million (2019: HK\$1,798.9 million).

業績(續)

物業租賃(續)

連同應佔聯營公司及一間接受投資公司租金收入94,300,000港元(二零一九年：聯營公司、一間合資公司及一間接受投資公司租金收入129,700,000港元)，本集團應佔租金收入總額467,800,000港元(二零一九年：652,700,000港元)，相對去年減幅為28.3%。

本年度之應佔租金收入淨額為389,500,000港元，較去年之597,500,000港元減少34.8%。

物業發展及買賣

於本年度，本集團並無出售任何買賣物業(二零一九年：並無出售)。

至於由聯營公司所持有之物業，銷售位於香港仔之興偉中心兩個單位及兩個儲物室(佔50%權益)帶來溢利300,000港元，已反映於攤佔以權益法入賬投資之業績內。至於由一間接受投資公司所持有之物業，銷售位於西九龍之御金•國峯一個單位及兩個車位(佔15%權益)於本年度由接受投資公司入賬並將於確認股息收入時為本集團帶來溢利。

本集團之聯營公司及接受投資公司與第三者於本年度已簽訂物業銷售協議之應佔訂約銷售額為11,900,000港元。

證券投資

本集團在一般及日常業務過程中進行證券投資活動，於二零二零年十二月三十一日主要包含債券、上市股本投資及財資產品。於本年度，來自證券投資及財資產品確認之收益(不包括於通過其他全面收益以反映公平值(「通過其他全面收益以反映公平值」)計量之金融資產之儲備內確認之收益/虧損)為2,068,700,000港元(二零一九年：1,685,700,000港元)，包含來自通過其他全面收益以反映公平值之上市股本投資之收益為1,936,300,000港元(二零一九年：虧損為113,200,000港元)及通過損益以反映公平值(「通過損益以反映公平值」)之投資及財資產品之收益為132,400,000港元(二零一九年：1,798,900,000港元)。

RESULTS (Cont'd)

Securities Investments (Cont'd)

During the Year, the Group disposed of listed investments held-for-trading and recognised a realised gain of HK\$25.3 million (the gains/losses of which was included in revenue) with gross proceeds of HK\$365.2 million (2019: no disposal). The realised loss from sales of bonds of HK\$436.7 million (2019: realised gain of HK\$184.2 million) was recognised in profit or loss during the Year, comprising the realised loss on bonds in the industry of the People's Republic of China ("PRC")-based real estate of HK\$137.7 million (2019: realised gain of HK\$82.0 million), the realised loss on bonds in the industry of overseas financial institutions of HK\$255.3 million (2019: realised gain of HK\$97.4 million) and the realised loss on bonds in other industries of HK\$43.7 million (2019: realised gain of HK\$4.8 million). During the Year, the Group had acquired 22 bonds (2019: 19 bonds) in the sum of HK\$2,039.6 million (2019: HK\$3,436.7 million), and disposed of/redeemed 33 bonds (2019: 19 bonds) (including those with partial disposal) with carrying amounts in the sum of HK\$7,305.7 million (2019: HK\$2,309.4 million). Bonds acquired were mainly in the industry of PRC-based real estate of 98.7% (2019: 96.9%) and overseas financial institutions and insurance of 1.3% (2019: 3.1%). In addition, the Group recorded a minimal realised gain (2019: realised loss of HK\$0.7 million) on the structured products during the Year.

During the Year, the Group disposed of certain bonds under the disposal agreement entered into with Ms. Chan, Hoi-wan, an executive Director and the trustee of substantial shareholders of the Company, on 29 January 2020. Pursuant to the terms under the disposal agreement, consideration shall be determined based on the higher of (i) 100% of principal amount and (ii) prevailing market bid price for the bonds to be disposed of. The excess amount paid by Ms. Chan, Hoi-wan, at the consideration of 100% of principal amount over the prevailing market bid price of the bonds disposed of was directly recognised in the reserve as it is deemed as the contribution from the Company's equity participant. During the Year, the Group recognised gain of HK\$206.6 million in the contribution reserve.

業績(續)

證券投資(續)

於本年度，本集團出售持作買賣之上市投資而確認之已變現收益為25,300,000港元(其收益／虧損已包括於收入內)，所得銷售總額為365,200,000港元(二零一九年：並無出售)。出售債券之已變現虧損為436,700,000港元(二零一九年：已變現收益184,200,000港元)已於本年度之損益內確認，當中包含來自中華人民共和國(「中國」)房地產行業之債券之已變現虧損137,700,000港元(二零一九年：已變現收益82,000,000港元)、海外金融機構行業之債券之已變現虧損255,300,000港元(二零一九年：已變現收益97,400,000港元)，及其他行業之債券之已變現虧損43,700,000港元(二零一九年：已變現收益4,800,000港元)。於本年度，本集團購入22隻(二零一九年：19隻)債券總額為2,039,600,000港元(二零一九年：3,436,700,000港元)，及出售／贖回33隻(二零一九年：19隻)債券(包括部分出售之債券)賬面值總額為7,305,700,000港元(二零一九年：2,309,400,000港元)。購入之債券主要來自中國房地產行業佔98.7%(二零一九年：96.9%)以及海外金融機構及保險行業佔1.3%(二零一九年：3.1%)。此外，於本年度本集團錄得來自結構性產品之已變現收益屬較少數(二零一九年：已變現虧損700,000港元)。

於本年度，本集團與陳凱韻女士(一位執行董事及本公司之主要股東之信託人)於二零二零年一月二十九日訂立出售協議，並按該協議出售若干債券。根據該出售協議之條款，代價應按(i)出售債券本金金額之100%及(ii)出售債券之現行市場買入價(以較高者為準)釐定。出售債券之代價由陳凱韻女士以本金金額之100%支付而超出現行市場買入價之額外金額直接於儲備內確認，而該額外金額被視作為本公司權益參與者之注資金額。於本年度，本集團於注資儲備內確認之收益為206,600,000港元。

RESULTS (Cont'd)

Securities Investments (Cont'd)

Furthermore, the Group recorded an unrealised gain of HK\$0.3 million (2019: HK\$978.5 million) mainly representing the changes in fair value of bonds and listed equity investments, which had no effect on the cash flow of the Group. The unrealised gain of HK\$14.9 million (2019: HK\$978.5 million) from changes in fair value of bonds represented 27 bonds (2019: 34 bonds), mainly comprising the unrealised gain from the industry of overseas financial institutions of HK\$11.2 million (2019: HK\$399.8 million) or increase in fair value of 3.8% (2019: 12.4%) over the Year; and the unrealised gain from the industry of PRC-based real estate of HK\$3.7 million (2019: HK\$518.9 million) or increase in fair value of 0.1% (2019: 11.5%) over the Year. The Group believes that the fluctuation in price of bonds during the Year, among others, was owing to concerns about the economic impact of COVID-19 pandemic and the ongoing tensions in the United States-China relationship exacerbated, the global economy has been greatly affected. During the Year, the Group also recorded unrealised loss on listed investments held-for-trading of HK\$12.7 million (2019: nil) and unrealised loss on structured products of HK\$1.9 million (2019: nil).

During the Year, interest income from bonds (which was included in revenue) amounted to HK\$585.7 million (2019: HK\$714.0 million), represented 10.30% (2019: 8.46%) (before effect on leverage) return on average market value of bondholding during the Year. The interest income from structured products (which was included in revenue) amounted to HK\$10.4 million (2019: HK\$1.9 million).

Summing up the realised and unrealised gain/loss and adding the net income from net dividend income from listed equity investments, interest income, other net investment expenses and net finance costs of HK\$2,479.8 million (2019: interest income, other net investment income and net finance costs of HK\$523.7 million), the gain recognised from securities investments and treasury products was HK\$2,068.7 million (2019: HK\$1,685.7 million), of which net dividend income from the Evergrande Shares was HK\$1,967.6 million (2019: nil) for the Year.

The dividend income from listed equity investments of HK\$1,969.8 million (2019: nil) and interest income from bonds and structured products of HK\$596.1 million (2019: HK\$715.9 million) were recorded in revenue.

業績(續)

證券投資(續)

此外，本集團錄得未變現收益300,000港元(二零一九年：978,500,000港元)主要為債券及上市股本投資之公平值之變動，對本集團現金流量並無影響。債券之公平值變動之未變現收益14,900,000港元(二零一九年：978,500,000港元)乃來自27隻(二零一九年：34隻)債券，主要包含來自海外金融機構行業之未變現收益11,200,000港元(二零一九年：399,800,000港元)或於本年度之公平值增加3.8%(二零一九年：12.4%)；及中國房地產行業之未變現收益3,700,000港元(二零一九年：518,900,000港元)或於本年度之公平值增加0.1%(二零一九年：11.5%)。本集團相信於本年度債券價格波動，乃因(其中包括)受到2019冠狀病毒病疫情及中美緊張關係持續升溫等因素之經濟影響，令全球經濟深受影響。於本年度，本集團亦錄得持作買賣之上市投資之未變現虧損12,700,000港元(二零一九年：無)及結構性產品之未變現虧損1,900,000港元(二零一九年：無)。

於本年度，債券之利息收入(已包括於收入內)為585,700,000港元(二零一九年：714,000,000港元)，於本年度持有債券按平均市值計算之回報為10.30%(二零一九年：8.46%)(槓桿影響前)。結構性產品之利息收入(已包括於收入內)為10,400,000港元(二零一九年：1,900,000港元)。

總括已變現及未變現收益／虧損以及加入上市股本投資之股息收入淨額、利息收入、其他投資開支淨額及財務費用淨額之收入淨額為2,479,800,000港元(二零一九年：利息收入、其他投資收入淨額及財務費用淨額之收入淨額為523,700,000港元)，證券投資及財資產品確認之收益為2,068,700,000港元(二零一九年：1,685,700,000港元)，其中1,967,600,000港元(二零一九年：無)為於本年度來自恆大股份之股息收入淨額。

來自上市股本投資之股息收入1,969,800,000港元(二零一九年：無)以及債券及結構性產品之利息收入596,100,000港元(二零一九年：715,900,000港元)已計入收入內。

RESULTS (Cont'd)

Securities Investments (Cont'd)

The respective income/expense from securities investments under different categories are further elaborated below:

Investments and Treasury Products at Fair Value Through Profit or Loss

The investments and treasury products at FVTPL recorded a profit before and after net finance costs of HK\$184.9 million (2019: HK\$1,899.2 million) and HK\$132.4 million (2019: HK\$1,798.9 million) respectively for the Year.

Gain from the investments and treasury products at FVTPL reflected in the consolidated statement of comprehensive income for the Year comprised: (a) a realised gain on listed investments held-for-trading of HK\$25.3 million (2019: nil), a realised loss on fair value changes of bonds of HK\$436.7 million (2019: realised gain of HK\$184.2 million) and minimal realised gain (2019: realised loss of HK\$0.7 million) on structured products; (b) an unrealised gain on fair value changes of bonds of HK\$14.9 million (2019: HK\$978.5 million), unrealised loss on listed investments held-for-trading of HK\$12.7 million (2019: nil) and unrealised loss on structured products of HK\$1.9 million (2019: nil); and (c) interest income from bonds and structured products of HK\$596.1 million (2019: HK\$715.9 million), dividend income of HK\$2.1 million (2019: nil) and other net investment expenses of HK\$2.2 million (2019: other investment income of HK\$21.3 million). Net relevant finance costs for the Year was HK\$52.5 million (2019: HK\$100.3 million) including interest expense of HK\$35.9 million (2019: HK\$103.8 million) and exchange loss of HK\$16.6 million (2019: exchange gain of HK\$3.5 million).

業績(續)

證券投資(續)

以下就來自不同類別之證券投資收入／開支作進一步詳述：

通過損益以反映公平值之投資及財資產品

通過損益以反映公平值之投資及財資產品於本年度計入財務費用淨額前及後分別錄得溢利184,900,000港元(二零一九年：1,899,200,000港元)及132,400,000港元(二零一九年：1,798,900,000港元)。

於本年度，通過損益以反映公平值之投資及財資產品之收益反映於綜合全面收益報表內，包含(a)持作買賣之上市投資之已變現收益25,300,000港元(二零一九年：無)、債券之公平值變動之已變現虧損436,700,000港元(二零一九年：已變現收益184,200,000港元)及結構性產品之已變現收益屬較少數(二零一九年：已變現虧損700,000港元)；(b)債券之公平值變動之未變現收益14,900,000港元(二零一九年：978,500,000港元)、持作買賣之上市投資之未變現虧損12,700,000港元(二零一九年：無)及結構性產品之未變現虧損1,900,000港元(二零一九年：無)；以及(c)債券及結構性產品之利息收入596,100,000港元(二零一九年：715,900,000港元)、股息收入2,100,000港元(二零一九年：無)及其他投資開支淨額2,200,000港元(二零一九年：其他投資收入21,300,000港元)。本年度相關財務費用淨額為52,500,000港元(二零一九年：100,300,000港元)，包括利息開支35,900,000港元(二零一九年：103,800,000港元)及匯兌虧損16,600,000港元(二零一九年：匯兌收益3,500,000港元)。

RESULTS (Cont'd)

Securities Investments (Cont'd)

The respective income/expense from securities investments under different categories are further elaborated below: (Cont'd)

Investments and Treasury Products at Fair Value Through Profit or Loss (Cont'd)

The table below summarises the performance of bonds, structured products and listed investments held-for-trading during the Year:

業績(續)

證券投資(續)

以下就來自不同類別之證券投資收入／開支作進一步詳述：(續)

通過損益以反映公平值之投資及財資產品(續)

下表概述於本年度債券、結構性產品及持作買賣之上市投資之表現：

		Realised (loss) gain		Unrealised gain (loss)		Interest/dividend income		Total (loss) profit	
		已變現(虧損)收益		未變現收益(虧損)		利息/股息收入		(虧損)溢利總額	
		2020	2019	2020	2019	2020	2019	2020	2019
		HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
Bond issuers by industry	按債券發行人之行業								
Overseas financial institutions	海外金融機構	(255.3)	97.4	11.2	399.8	114.7	278.7	(129.4)	775.9
PRC-based real estate	中國房地產	(137.7)	82.0	3.7	518.9	465.0	413.9	331.0	1,014.8
Others	其他	(43.7)	4.8	-	59.8	6.0	21.4	(37.7)	86.0
		(436.7)	184.2	14.9	978.5	585.7	714.0	163.9	1,876.7
Structured products	結構性產品	-	(0.7)	(1.9)	-	10.4	1.9	8.5	1.2
Listed investments held-for-trading	持作買賣之上市投資	25.3	-	(12.7)	-	2.1	-	14.7	-
		(411.4)	183.5	0.3	978.5	598.2	715.9	187.1	1,877.9
Other net investment (expenses) income	其他投資(開支)收入淨額							(2.2)	21.3
Profit before net finance costs	財務費用淨額前之溢利							184.9	1,899.2
Net finance costs	財務費用淨額							(52.5)	(100.3)
Profit after net finance costs	財務費用淨額後之溢利							132.4	1,798.9

RESULTS (Cont'd)

Securities Investments (Cont'd)

The respective income/expense from securities investments under different categories are further elaborated below: (Cont'd)

Listed Equity Investments at Fair Value Through Other Comprehensive Income

(a) Implication on Profit or Loss for the Year

Dividend income, other investment expenses and relevant finance costs of holding listed equity investments at FVTOCI were recognised in profit or loss for the Year. During the Year, net dividend income of HK\$1,967.6 million (2019: nil) (after transaction cost) from holding of 860,000,000 Evergrande Shares and net relevant finance costs of HK\$31.3 million (2019: HK\$113.2 million) were recorded, hence the results from listed equity investments at FVTOCI recorded a net gain of HK\$1,936.3 million (2019: net loss of HK\$113.2 million).

(b) Implication on Other Comprehensive Expenses for the Year

During the Year, the unit share price of China Evergrande had dropped from HK\$21.6 as at 31 December 2019 to HK\$14.9 as at 31 December 2020, or 31.0% over the Year, hence an unrealised loss on fair value change of listed equity investment at FVTOCI of HK\$5,762.0 million (2019: HK\$1,591.0 million) was recognised in other comprehensive expenses. Further, another listed equity investment at FVTOCI was disposed of and recorded a net realised gain of HK\$0.1 million (2019: nil) in other comprehensive expenses for the Year. Realised gain/loss on fair value change is a cash item while unrealised fair value change is a non-cash item and will not affect the cash flow of the Group. The Group believes that the decrease in share price of China Evergrande for the Year, among others, was owing to the unstable business environment it faced and overwhelming uncertainties surrounding the epidemic.

業績(續)

證券投資(續)

以下就來自不同類別之證券投資收入／開支作進一步詳述：(續)

通過其他全面收益以反映公平值之上市股本投資

(a) 本年度損益之影響

於本年度，持有通過其他全面收益以反映公平值之上市股本投資而產生之股息收入、其他投資開支及相關財務費用於損益內確認。於本年度，錄得來自持有860,000,000股恆大股份之股息收入淨額1,967,600,000港元(二零一九年：無)(扣除交易成本後)及相關財務費用淨額31,300,000港元(二零一九年：113,200,000港元)，因此通過其他全面收益以反映公平值之上市股本投資之業績錄得收益淨額1,936,300,000港元(二零一九年：虧損淨額113,200,000港元)。

(b) 本年度其他全面支出之影響

於本年度，中國恆大每股股價由二零一九年十二月三十一日之21.6港元下跌至二零二零年十二月三十一日之14.9港元或於本年度下跌31.0%，因此通過其他全面收益以反映公平值之上市股本投資之公平值變動之未變現虧損5,762,000,000港元(二零一九年：1,591,000,000港元)於其他全面支出內確認。此外，出售另一項通過其他全面收益以反映公平值之上市股本投資而錄得已變現收益淨額100,000港元(二零一九年：無)於本年度其他全面支出內確認。公平值變動之已變現收益／虧損乃現金項目，而未變現公平值變動乃非現金項目，對本集團現金流量並無構成影響。本集團相信於本年度中國恆大之股價下跌乃因(其中包括)其面對之營商環境不穩定及圍繞著流行病之巨大不明朗因素。

RESULTS (Cont'd)

Securities Investments (Cont'd)

The respective income/expense from securities investments under different categories are further elaborated below: (Cont'd)

Listed Equity Investments at Fair Value Through Other Comprehensive Income (Cont'd)

The table below summarises the performance of listed equity investments at FVTOCI during the Year:

業績(續)

證券投資(續)

以下就來自不同類別之證券投資收入／開支作進一步詳述：(續)

通過其他全面收益以反映公平值之上市股本投資(續)

下表概述於本年度通過其他全面收益以反映公平值之上市股本投資之表現：

		Stock code	Number of shares	Closing price (per share)	Recorded in consolidated statement of financial position 錄入綜合財務狀況報表		Recorded in consolidated statement of comprehensive income 錄入綜合全面收益報表	
					Financial assets measured at fair value through other comprehensive income 通過其他全面收益以反映公平值計量之金融資產 HK\$ million 百萬港元	Financial assets measured at fair value through other comprehensive income reserve 通過其他全面收益以反映公平值計量之金融資產之儲備 HK\$ million 百萬港元	Profit for the Year 本年度溢利 HK\$ million 百萬港元	Other comprehensive expenses for the Year 本年度其他全面支出 HK\$ million 百萬港元
At 31 December 2019	於二零一九年十二月三十一日	3333	860,000,000	21.6	18,576.0	4,980.0		
		9988	12,800	207.2	2.7	0.4		
Disposal	出售	9988	12,800	216.6	(2.8)	-	-	
Realised fair value changes (including transaction cost)	已變現公平值變動 (包括交易成本)	9988			0.1	0.1	0.1	
Unrealised fair value changes	未變現公平值變動	3333			(5,762.0)	(5,762.0)	(5,762.0)	
					(5,764.7)	(5,761.9)	-	
Transfer to retained profits upon disposal	出售時轉撥至保留溢利	9988				(0.5)		
Net dividend income	股息收入淨額	3333				1,967.6	-	
Net finance costs	財務費用淨額					(31.3)	-	
Profit/other comprehensive expenses for the Year	本年度溢利／其他全面支出					1,936.3	(5,761.9)	
At 31 December 2020	於二零二零年十二月三十一日	3333	860,000,000	14.9	12,814.0	(782.0)		
Percentage to total assets At 31 December 2020	估資產總額之百分比 於二零二零年十二月三十一日				34.2%			
At 31 December 2019	於二零一九年十二月三十一日				38.4%			

RESULTS (Cont'd)

Other Income and Expenses

Other income for the Year, which mainly came from surrender premium and dilapidations settlement received from tenants in respect of properties in the United Kingdom, rental services income, leasing administration services and property administration services income increased to HK\$281.3 million (2019: HK\$20.8 million (restated)), representing an increase of 12.5 times. The increase was mainly due to surrender premium and dilapidations settlement received from tenants in respect of properties in the United Kingdom in aggregate of HK\$249.8 million (2019: HK\$2.0 million) was recorded during the Year.

During the Year, administrative expenses increased by 19.0% to HK\$320.6 million (2019: HK\$269.5 million). The increase in administrative expenses was mainly due to the increase in depreciation of right-of-use assets of HK\$42.9 million during the Year. Finance costs decreased by 41.8% to HK\$215.6 million (2019: HK\$370.2 million) during the Year, including exchange loss of HK\$13.1 million (2019: exchange gain of HK\$4.3 million) on translation of foreign currency other borrowings hedged for foreign currency securities investments and exchange loss of HK\$7.1 million (2019: exchange gain of HK\$9.5 million) on translation of foreign currency bank borrowing and loan. The decrease in finance costs was mainly due to the decrease in total borrowings and interest rates during the Year.

Other gains and losses for the Year recorded a loss of HK\$4.9 million mainly comprised write-down of stock of properties (2019: HK\$12.3 million comprised loss on dissolution of subsidiaries of HK\$10.6 million, write-down of stock of properties of HK\$0.7 million and allowance for credit losses recognised in respect of advances to associates of HK\$1.0 million).

Investments Accounted for Using the Equity Method

The share of results of investments accounted for using the equity method for the Year recorded a loss of HK\$38.4 million (2019: profit of HK\$209.7 million), comprised loss from the share of results of associates of HK\$35.6 million and a joint venture of HK\$2.8 million (2019: profit from the share of results of associates of HK\$5.0 million and a joint venture of HK\$204.7 million).

The share of results of associates turned from profit to loss was mainly derived from (a) decrease in fair value of investment properties held by associates; and (b) share of loss from Hilton Beijing (50% interest) as business was severely affected by COVID-19 pandemic.

業績(續)

其他收入及開支

本年度之其他收入主要來自就英國物業向租戶收取之退租補償及拆卸費用、租賃服務收入、租務行政服務及物業行政服務收入，增加至281,300,000港元(二零一九年：20,800,000港元(重列))，增幅為12.5倍。該增加主要由於本年度就英國物業向租戶收取之退租補償及拆卸費用錄得合共249,800,000港元(二零一九年：2,000,000港元)。

於本年度，行政開支增加19.0%至320,600,000港元(二零一九年：269,500,000港元)。行政開支增加主要由於於本年度使用權資產折舊增加42,900,000港元。財務費用於本年度減少41.8%至215,600,000港元(二零一九年：370,200,000港元)，當中包括外幣其他借貸用以對沖外幣證券投資所產生之匯兌虧損13,100,000港元(二零一九年：匯兌收益4,300,000港元)以及外幣銀行借貸及貸款所產生之匯兌虧損7,100,000港元(二零一九年：匯兌收益9,500,000港元)。財務費用之減少主要由於於本年度借貸總額及利率下跌所致。

本年度其他收益及虧損錄得虧損4,900,000港元主要包含物業存貨之減值虧損(二零一九年：12,300,000港元)，包含附屬公司解散之虧損10,600,000港元、物業存貨之減值700,000港元以及就墊付聯營公司款項確認之信貸虧損撥備1,000,000港元)。

以權益法入賬之投資

本年度攤佔以權益法入賬投資之業績錄得虧損38,400,000港元(二零一九年：溢利209,700,000港元)，包含攤佔聯營公司業績之虧損35,600,000港元及一間合資公司業績之虧損2,800,000港元(二零一九年：攤佔聯營公司業績之溢利5,000,000港元及一間合資公司業績之溢利204,700,000港元)。

攤佔聯營公司業績由盈轉虧乃主要由於(a)聯營公司所持有之投資物業公平值減少；及(b)攤佔北京希爾頓酒店(佔50%權益)之虧損(其業務受2019冠狀病毒病疫情嚴重影響)所致。

RESULTS (Cont'd)

Investments Accounted for Using the Equity Method (Cont'd)

During the Year, the Group acquired remaining 49% interest in Landrich (H.K.) Limited, details were disclosed in the paragraph headed "Other Information and Event After the Reporting Period" in the section headed "Chairman's Statement" of this annual report.

Fair Value Changes on Investment Properties

Investment properties of the Group in Hong Kong and Mainland China were revalued at 31 December 2020 by B.I. Appraisals Limited ("B.I. Appraisals") whereas investment properties in the United Kingdom were revalued by Peak Vision Appraisals Limited ("Peak Vision Appraisals"). B.I. Appraisals and Peak Vision Appraisals are independent property valuers. An unrealised loss on fair value changes of investment properties of HK\$1,549.2 million (2019: HK\$742.7 million) was recorded during the Year. The unrealised fair value change is a non-cash item and will not affect the cash flow of the Group.

PROFIT, CORE PROFIT, DIVIDENDS, REPURCHASE, CASH PAYMENT RATIO AND TOTAL COMPREHENSIVE EXPENSES

Profit

Profit for the Year attributable to owners of the Company was HK\$622.2 million as compared to HK\$790.2 million for last year. The decrease in profit for the Year was mainly due to a mix of the following reasons: (a) decrease in profit from investments and treasury products at FVTPL of HK\$1,666.5 million; (b) increase in unrealised loss on fair value changes of investment properties of HK\$806.5 million; (c) share of results of investments accounted for using the equity method turned from profit of HK\$209.7 million to loss of HK\$38.4 million; (d) decrease in net rental income; (e) net dividend income of HK\$1,967.6 million (2019: nil) was recognised from the Evergrande Shares during the Year; (f) surrender premium and dilapidations settlement received from tenants in respect of properties in the United Kingdom of HK\$249.8 million (2019: HK\$2.0 million) were recorded during the Year; and (g) no impairment loss of goodwill (2019: HK\$322.9 million) was recognised during the Year. Earnings per share for the Year was HK\$0.33 (2019: HK\$0.41).

業績(續)

以權益法入賬之投資(續)

於本年度，本集團收購隆裕(香港)有限公司餘下49%權益，詳情於本年報「主席報告書」一節中「其他資料及報告期末後事項」一段內披露。

投資物業之公平值變動

保柏國際評估有限公司(「保柏國際評估」)已就本集團位於香港及中國大陸之投資物業進行於二零二零年十二月三十一日之物業估值以及漂鋒評估有限公司(「漂鋒評估」)就位於英國之投資物業進行估值。保柏國際評估及漂鋒評估均為獨立物業估值師。於本年度錄得投資物業之公平值變動之未變現虧損為1,549,200,000港元(二零一九年：742,700,000港元)。未變現之公平值變動乃非現金項目，對本集團現金流量並無構成影響。

溢利、核心溢利、股息、回購、現金支出比率及全面支出總額

溢利

本公司擁有人應佔本年度之溢利為622,200,000港元，相比去年為790,200,000港元。本年度溢利減少主要由於混合以下原因：(a)來自通過損益以反映公平值之投資及財務產品之溢利減少1,666,500,000港元；(b)投資物業之公平值變動之未變現虧損增加806,500,000港元；(c)攤佔以權益法入賬投資之業績由溢利209,700,000港元轉為虧損38,400,000港元；(d)租金收入淨額減少；(e)於本年度確認來自恆大股份之股息收入淨額1,967,600,000港元(二零一九年：無)；(f)於本年度錄得就英國物業向租戶收取之退租補償及拆卸費用249,800,000港元(二零一九年：2,000,000港元)；及(g)於本年度並無確認商譽之減值虧損(二零一九年：322,900,000港元)。本年度之每股盈利為0.33港元(二零一九年：0.41港元)。

PROFIT, CORE PROFIT, DIVIDENDS, REPURCHASE, CASH PAYMENT RATIO AND TOTAL COMPREHENSIVE EXPENSES (Cont'd)

Core Profit

If the net loss on the major non-cash items of HK\$1,605.1 million (2019: HK\$907.2 million) is excluded, the Group will have a core profit for the Year attributable to owners of the Company of HK\$2,227.3 million (2019: HK\$1,697.4 million) and a core profit per share of HK\$1.17 (2019: HK\$0.89).

The major non-cash items represented the attributable net unrealised fair value loss on investment properties together with their respective deferred tax from the Group and its associates and joint venture of HK\$1,605.1 million (2019: attributable net unrealised fair value loss on investment properties together with their respective deferred tax from the Group and its associates and joint venture of HK\$584.3 million and impairment loss of goodwill of HK\$322.9 million).

Dividends

Final dividend of HK1 cent (year ended 31 December 2018: HK10 cents) per share in total amount of HK\$19.07 million for the year ended 31 December 2019 was paid in cash on 11 June 2020.

Interim dividend of HK1 cent (half year ended 30 June 2019: HK1 cent) per share in total amount of HK\$19.07 million for the half year ended 30 June 2020 was paid on 7 September 2020.

Total dividends of HK\$38.1 million were paid in cash during the Year.

Repurchase

During the Year, the Company had not repurchased any of the Company's share.

Cash Payment Ratio

Based on (a) the core profit for the Year of HK\$2,227.3 million or HK\$1.17 per share (2019: HK\$1,697.4 million or HK\$0.89 per share); and (b) cash final dividend for the Year of HK1 cent (2019: HK1 cent) per share proposed; and (c) cash interim dividend for 2020 of HK1 cent (2019: HK1 cent) per share paid, the ratio of such cash payment to the core profit is 1.7% (2019: 2.2%).

溢利、核心溢利、股息、回購、現金支出比率及全面支出總額(續)

核心溢利

如撇除主要非現金項目虧損淨額1,605,100,000港元(二零一九年：907,200,000港元)，本集團將錄得本公司擁有人應佔本年度之核心溢利2,227,300,000港元(二零一九年：1,697,400,000港元)及每股核心溢利為1.17港元(二零一九年：0.89港元)。

主要非現金項目乃指來自本集團以及其聯營公司及合資公司之應佔投資物業之未變現公平值虧損淨額連同其相關之遞延稅項共1,605,100,000港元(二零一九年：本集團以及其聯營公司及合資公司之應佔投資物業之未變現公平值虧損淨額連同其相關之遞延稅項584,300,000港元以及商譽之減值虧損322,900,000港元)。

股息

截至二零一九年十二月三十一日止年度之每股1港仙(截至二零一八年十二月三十一日止年度：每股10港仙)總額為19,070,000港元之末期股息，已於二零二零年六月十一日以現金派付。

截至二零二零年六月三十日止半年度之每股1港仙(截至二零一九年六月三十日止半年度：每股1港仙)總額為19,070,000港元之中期股息，已於二零二零年九月七日以現金派付。

於本年度，以現金派付之股息總額為38,100,000港元。

回購

於本年度，本公司並無回購本公司之任何股份。

現金支出比率

根據(a)本年度之核心溢利2,227,300,000港元或每股1.17港元(二零一九年：1,697,400,000港元或每股0.89港元)；及(b)建議宣派以現金派付本年度之末期股息每股1港仙(二零一九年：每股1港仙)；及(c)以現金派付之二零二零年中期股息每股1港仙(二零一九年：每股1港仙)，該現金支出與核心溢利之比率為1.7%(二零一九年：2.2%)。

PROFIT, CORE PROFIT, DIVIDENDS, REPURCHASE, CASH PAYMENT RATIO AND TOTAL COMPREHENSIVE EXPENSES (Cont'd)

Total Comprehensive Expenses

Total comprehensive expenses for the Year attributable to owners of the Company was HK\$4,978.6 million or HK\$2.61 per share (2019: HK\$283.6 million or HK\$0.15 per share), which comprised (a) profit for the Year attributable to owners of the Company of HK\$622.2 million (2019: HK\$790.2 million); and (b) other comprehensive expenses for the Year attributable to owners of the Company of HK\$5,600.8 million (2019: HK\$1,073.8 million) which mainly included unrealised loss on fair value changes of listed equity investment at FVTOCI of HK\$5,762.0 million (2019: HK\$1,590.6 million), details are disclosed in the sub-paragraph headed "Listed Equity Investments at Fair Value Through Other Comprehensive Income (b) Implication on Other Comprehensive Expenses for the Year" of paragraph headed "Securities Investments" above.

NET ASSET VALUE

As at 31 December 2020, the Group's net asset value attributable to owners of the Company amounted to HK\$28,758.8 million (2019: HK\$33,568.9 million), a decrease of HK\$4,810.1 million or 14.3% when compared with 31 December 2019. With the total number of ordinary shares in issue of 1,907,619,079 as at 31 December 2020 and 2019, the net asset value per share attributable to owners of the Company was HK\$15.08 (2019: HK\$17.60). The movement in net asset value was mainly due to (a) total comprehensive expenses for the Year attributable to owners of the Company of HK\$4,978.6 million; (b) gain of HK\$206.6 million recognised in contribution reserve upon disposal of debt securities during the Year; and (c) final and interim dividends recognised as distribution during the Year totaling of HK\$38.1 million.

During the Year, loss on fair value changes of the listed equity investments categorised as financial assets measured at FVTOCI of HK\$5,761.9 million (2019: HK\$1,590.6 million) was recorded in other comprehensive expenses, and the Group transferred the balance of the financial assets measured at FVTOCI reserve of the disposed listed equity investment of HK\$0.5 million to retained profits. The cumulative amount of loss on fair value changes of listed equity investment(s) included in financial assets measured at FVTOCI reserve as at 31 December 2020 was HK\$782.0 million (2019: cumulative amount of gain on fair value changes of HK\$4,980.4 million).

Other than the existing projects and those disclosed in the final results, the Group did not have material acquisition or disposal of assets and any future plans for material investment or capital assets.

溢利、核心溢利、股息、回購、現金支出比率及全面支出總額(續)

全面支出總額

本公司擁有人應佔本年度之全面支出總額為4,978,600,000港元或每股2.61港元(二零一九年: 283,600,000港元或每股0.15港元), 其中包含(a)本公司擁有人應佔本年度之溢利622,200,000港元(二零一九年: 790,200,000港元); 及(b)本公司擁有人應佔本年度之其他全面支出5,600,800,000港元(二零一九年: 1,073,800,000港元), 主要包括通過其他全面收益以反映公平值之上市股本投資之公平值變動未變現虧損5,762,000,000港元(二零一九年: 1,590,600,000港元), 詳情已於上文「證券投資」一段中之「通過其他全面收益以反映公平值之上市股本投資(b)本年度其他全面支出之影響」分段內披露。

資產淨值

於二零二零年十二月三十一日, 本公司擁有人應佔本集團之資產淨值為28,758,800,000港元(二零一九年: 33,568,900,000港元), 較二零一九年十二月三十一日減少4,810,100,000港元或14.3%。根據於二零二零年及二零一九年十二月三十一日之已發行普通股總數1,907,619,079股計算, 本公司擁有人應佔之每股資產淨值為15.08港元(二零一九年: 17.60港元)。資產淨值變動主要由於(a)本公司擁有人應佔本年度之全面支出總額4,978,600,000港元; (b)於本年度就出售債務證券時確認於注資儲備之收益206,600,000港元; 及(c)於本年度已確認派發之末期及中期股息合共38,100,000港元。

於本年度, 分類為通過其他全面收益以反映公平值計量之金融資產之上市股本投資之公平值變動虧損為5,761,900,000港元(二零一九年: 1,590,600,000港元), 並錄入為其他全面支出, 及本集團將已出售上市股本投資之通過其他全面收益以反映公平值計量之金融資產之儲備結餘500,000港元轉撥至保留溢利。於二零二零年十二月三十一日, 上市股本投資之公平值變動虧損之累計金額782,000,000港元(二零一九年: 公平值變動收益之累計金額4,980,400,000港元)已包括在通過其他全面收益以反映公平值計量之金融資產之儲備內。

除現有項目及於全年業績內所披露者外, 本集團並無重大收購或出售資產及重大投資或資本資產之未來計劃。

NET CURRENT LIABILITIES

The Group recorded net current liabilities as at 31 December 2020 of HK\$1,508.9 million (2019: HK\$1,138.6 million), of which current assets were HK\$4,272.0 million (2019: HK\$8,653.9 million) and current liabilities were HK\$5,780.9 million (2019: HK\$9,792.5 million). The position was mainly due to certain of the Group's current liabilities had been utilised to finance the Group's non-current assets.

In the consolidated statement of financial position and within securities investment activities, which comprised of bonds, listed equity investments and structured products, the total carrying amount as at 31 December 2020 was HK\$16,306.8 million (2019: HK\$27,554.2 million). Included in non-current assets were part of the bonds in the sum of HK\$1,571.3 million (2019: HK\$1,607.4 million) presented as financial assets measured at FVTPL and listed equity investment(s) in the sum of HK\$12,814.0 million (2019: HK\$18,578.7 million) presented as financial assets measured at FVTOCI. Included in current assets were part of the bonds, listed investments held-for-trading and structured products in the sum of HK\$1,921.5 million (2019: bonds of HK\$7,368.1 million) presented as financial assets measured at FVTPL. Margin loans utilised to finance the securities investments in both non-current and current assets in the sum of HK\$1,074.1 million (2019: HK\$7,128.4 million) were presented as borrowings in current liabilities.

The ratio of margin loans against pledged securities investments was loan-to-value ratio, which was 8.3% (2019: 25.9%) as at 31 December 2020. In accordance with the terms and conditions of margin loans facility agreements of the Group with financial institutions, among others, as long as the securities investments maintained market value which is in excess of pre-defined loan-to-value ratios as set out by the financial institutions, the margin loans upon interest payment due date would be roll-overed month-for-month, and repayment of margin loans by the Group to financial institutions would not be required. As such, very often margin loans of the Group which were presented as current liabilities would not be current and would be repayable over one year. As at 31 December 2020, the outstanding margin loans amounted to HK\$1,074.1 million (2019: HK\$7,128.4 million) were recorded in current liabilities. In the event that the Group intends to reduce or repay part of the margin loans, the Group might, among others, dispose of some of the securities investments to effect the payment.

流動負債淨值

於二零二零年十二月三十一日，本集團錄得流動負債淨值1,508,900,000港元(二零一九年：1,138,600,000港元)，其中流動資產為4,272,000,000港元(二零一九年：8,653,900,000港元)及流動負債為5,780,900,000港元(二零一九年：9,792,500,000港元)。該狀況主要由於本集團若干流動負債用作融資本集團非流動資產所致。

於二零二零年十二月三十一日綜合財務狀況報表及證券投資活動中，包含債券、上市股本投資及結構性產品之賬面值總額為16,306,800,000港元(二零一九年：27,554,200,000港元)。非流動資產當中包括呈列為通過損益以反映公平值計量之金融資產之部分債券1,571,300,000港元(二零一九年：1,607,400,000港元)及呈列為通過其他全面收益以反映公平值計量之金融資產之上市股本投資12,814,000,000港元(二零一九年：18,578,700,000港元)。流動資產當中包括部分債券、持作買賣之上市投資及結構性產品並呈列為通過損益以反映公平值計量之金融資產合共1,921,500,000港元(二零一九年：債券7,368,100,000港元)。用作融資非流動及流動資產中之證券投資之保證金貸款合共1,074,100,000港元(二零一九年：7,128,400,000港元)，呈列為流動負債中之借貸。

貸款價值比率乃保證金貸款除以已抵押之證券投資之比率，於二零二零年十二月三十一日為8.3%(二零一九年：25.9%)。根據本集團與金融機構之保證金貸款融資協議之條款及條件(其中包括)，只要證券投資之市值維持超過金融機構規定之預先定義貸款價值比率，到期支付利息之保證金貸款將按月滾存，本集團無需向金融機構償還保證金貸款。因此，本集團慣常將保證金貸款呈列為流動負債，然而並非流動以及將於一年後償還。於二零二零年十二月三十一日於流動負債中錄得未償還保證金貸款1,074,100,000港元(二零一九年：7,128,400,000港元)。倘本集團有意減少或償還部分保證金貸款，則本集團可能(其中包括)出售部分證券投資以支付貸款。

NET CURRENT LIABILITIES (Cont'd)

Securities investments and treasury products of the Group were frequently traded in the market, and formed part of the Group's treasury management. They were presented as non-current assets and current assets according to their intended holding periods.

If the entire securities investments and treasury products of the Group as at 31 December 2020 were presented as current assets, current assets would be increased by HK\$14,385.3 million (2019: HK\$20,186.1 million), and net current liabilities position of HK\$1,508.9 million (2019: HK\$1,138.6 million) would become net current assets position of HK\$12,876.4 million (2019: HK\$19,047.5 million).

The Group believes that the net current liabilities position as at 31 December 2020 would not have adverse financial effect to the Group's liquidity or gearing position and the Group has ability to continue as a going concern.

SECURITIES INVESTMENTS

The Group's strategy is to maintain securities investment portfolio for treasury management and invest in securities investments and treasury products with attractive yield and good prospect in order to bring stable and satisfactory realised return in long run. During the Year, the Group diversified the bonds portfolio comprised of the bonds issued by overseas financial institutions and PRC-based real estate companies.

As at 31 December 2020, the portfolio of securities investments and treasury products of HK\$16,306.8 million (2019: HK\$27,554.2 million) comprised (a) bonds, structured products and listed investments held-for-trading (presented as financial assets measured at FVTPL (non-current and current assets)) in aggregate of HK\$3,492.8 million (2019: bonds of HK\$8,975.5 million); and (b) listed equity investment(s) (presented as financial assets measured at FVTOCI) of HK\$12,814.0 million (2019: HK\$18,578.7 million), representing 43.5% (2019: 57.0%) of total assets.

流動負債淨值(續)

本集團之證券投資及財資產品經常於市場買賣，及成為本集團財資管理之一部分。證券投資及財資產品乃按擬定持有期呈列為非流動資產及流動資產。

倘將本集團於二零二零年十二月三十一日之全部證券投資及財資產品呈列為流動資產，流動資產將會增加14,385,300,000港元(二零一九年：20,186,100,000港元)，及流動負債淨值狀況1,508,900,000港元(二零一九年：1,138,600,000港元)將變為流動資產淨值狀況12,876,400,000港元(二零一九年：19,047,500,000港元)。

本集團相信，於二零二零年十二月三十一日之流動負債淨值狀況將不會對本集團之流動資金或負債狀況造成不利之財務影響，且本集團能夠繼續持續經營。

證券投資

本集團之策略是維持證券投資組合之財資管理以及投資具吸引收益率及良好前景之證券投資及財資產品，以確保長遠帶來穩定及滿意之變現回報。於本年度，本集團使債券組合多元化，組合包含海外金融機構及中國房地產公司發行之債券。

於二零二零年十二月三十一日，證券投資及財資產品組合16,306,800,000港元(二零一九年：27,554,200,000港元)中包含(a)債券、結構性產品及持作買賣之上市投資(呈列為通過損益以反映公平值計量之金融資產(於非流動及流動資產內))合共3,492,800,000港元(二零一九年：債券8,975,500,000港元)；及(b)上市股本投資(呈列為通過其他全面收益以反映公平值計量之金融資產)12,814,000,000港元(二零一九年：18,578,700,000港元)，佔資產總額43.5%(二零一九年：57.0%)。

SECURITIES INVESTMENTS (Cont'd)

The respective securities investments under different categories are elaborated below:

Listed Equity Investments at Fair Value Through Other Comprehensive Income

In prior years, the Group had acquired 860,000,000 shares of China Evergrande and recorded as financial assets measured at FVTOCI. During the Year, there was no acquisition or disposal of shares of China Evergrande. The Group held 860,000,000 shares of China Evergrande, representing approximately 6.5% of the total issued share capital of China Evergrande as at 31 December 2020.

As at 31 December 2019, the cumulative unrealised gain on fair value change of the Evergrande Shares was HK\$4,980.0 million and the carrying amount of the Evergrande Shares was HK\$18,576.0 million. After deducting the unrealised fair value loss of HK\$5,762.0 million for the Year, the carrying amount of the Evergrande Shares as at 31 December 2020 was HK\$12,814.0 million, representing 34.2% (2019: 38.4%) of total assets. The cumulative unrealised gain on fair value change of the Evergrande Shares of HK\$4,980.0 million as at 31 December 2019 turned to unrealised loss on fair value change of HK\$782.0 million as at 31 December 2020, which was recorded in the financial assets measured at FVTOCI reserve.

China Evergrande group is principally engaged in property development, property investment, property management, new energy vehicle business, hotel operations, finance business, internet business and health industry business in the PRC. According to the audited consolidated financial statements of China Evergrande for the years ended 31 December 2019 and 2018, the revenue and profit attributable to shareholders were Renminbi ("RMB") 477.6 billion (2018: RMB466.2 billion) and RMB17.3 billion (2018: RMB37.4 billion) respectively; while the total assets and total equity were RMB2,206.6 billion (2018: RMB1,880.0 billion) and RMB358.5 billion (2018: RMB308.6 billion) respectively, the net debt was RMB571.1 billion (2018: RMB468.9 billion). In accordance with the unaudited consolidated financial statements of China Evergrande for the six months ended 30 June 2020, the revenue and profit attributable to shareholders were RMB266.6 billion and RMB6.5 billion respectively; while the total assets and total equity were RMB2,299.1 billion and RMB316.5 billion respectively, the net debt was RMB630.8 billion. Net debt is calculated as total borrowings less cash and cash equivalents and restricted cash.

證券投資(續)

以下就不同類別之證券投資作出詳述：

通過其他全面收益以反映公平值之上市股本投資

於過往年度，本集團購入860,000,000股中國恒大股份，並列為通過其他全面收益以反映公平值計量之金融資產。於本年度，本集團並無購入或出售中國恒大股份，並持有860,000,000股中國恒大股份(相當於中國恒大於二零二零年十二月三十一日之全部已發行股本約6.5%)。

於二零一九年十二月三十一日，恒大股份之公平值變動之累計未變現收益為4,980,000,000港元及恒大股份之賬面值為18,576,000,000港元。經扣除本年度未變現公平值虧損5,762,000,000港元後，於二零二零年十二月三十一日恒大股份之賬面值為12,814,000,000港元，佔資產總額34.2%(二零一九年：38.4%)。恒大股份之公平值變動之累計未變現收益由二零一九年十二月三十一日之4,980,000,000港元轉為於二零二零年十二月三十一日之公平值變動之累計未變現虧損782,000,000港元，並已錄入通過其他全面收益以反映公平值計量之金融資產之儲備內。

中國恒大集團主要於中國從事房地產開發、物業投資、物業管理、新能源汽車業務、酒店運營、金融業務、互聯網業務及健康業務。根據中國恒大於截至二零一九年及二零一八年十二月三十一日止年度之經審核綜合財務報表，收入及股東應佔溢利分別為人民幣(「人民幣」)477,600,000,000(二零一八年：人民幣466,200,000,000)及人民幣17,300,000,000(二零一八年：人民幣37,400,000,000)；而資產總額及股本權益總額分別為人民幣2,206,600,000,000(二零一八年：人民幣1,880,000,000,000)及人民幣358,500,000,000(二零一八年：人民幣308,600,000,000)，債務淨額為人民幣571,100,000,000(二零一八年：人民幣468,900,000,000)。根據中國恒大於截至二零二零年六月三十日止六個月之未經審核綜合財務報表，收入及股東應佔溢利分別為人民幣266,600,000,000及人民幣6,500,000,000；而資產總額及股本權益總額分別為人民幣2,299,100,000,000及人民幣316,500,000,000，債務淨額為人民幣630,800,000,000。債務淨額乃按借貸總額減現金及現金等值物以及受限制現金計算。

SECURITIES INVESTMENTS (Cont'd)

The respective securities investments under different categories are elaborated below: (Cont'd)

Listed Equity Investments at Fair Value Through Other Comprehensive Income (Cont'd)

As at 31 December 2019, the carrying amount of another listed equity investment at FVTOCI was HK\$2.7 million, after recorded a net realised gain of HK\$0.1 million (2019: an unrealised gain on fair value change of HK\$0.4 million) and was decreased by a disposal of HK\$2.8 million (2019: nil), the carrying amount of that listed equity investment at FVTOCI became nil. The cumulative fair value gain together with the transaction costs in the financial assets measured at FVTOCI reserve of that listed equity investment disposed of amounted to HK\$0.5 million was transferred to retained profits.

Investments and Treasury Products at Fair Value Through Profit or Loss

As at 31 December 2019, the carrying amount of the bonds presented as financial assets measured at FVTPL was HK\$8,975.5 million. During the Year, the bonds portfolio was decreased by a net disposal of HK\$5,266.1 million (including disposal to Ms. Chan, Hoi-wan of HK\$6,377.6 million and net acquisition from third parties of HK\$1,111.5 million). After deducting the fair value loss of HK\$421.8 million recognised in profit or loss, the bonds portfolio of the Group became HK\$3,287.6 million as at 31 December 2020, representing 8.8% (2019: 18.6%) of total assets, which formed part of the Group's cash management activities.

證券投資(續)

以下就不同類別之證券投資作出詳述：(續)

通過其他全面收益以反映公平值之上市股本投資(續)

於二零一九年十二月三十一日，通過其他全面收益以反映公平值之另一項上市股本投資之賬面值為2,700,000港元。計入已變現收益淨額100,000港元(二零一九年：公平值變動之未變現收益400,000港元)及就出售減少2,800,000港元(二零一九年：無)後，該上市股本投資之賬面值為零。出售該上市股本投資之累計公平值收益連同交易成本包括在通過其他全面收益以反映公平值計量之金融資產之儲備內之500,000港元已轉撥至保留溢利。

通過損益以反映公平值之投資及財資產品

於二零一九年十二月三十一日，呈列於通過損益以反映公平值計量之金融資產之債券賬面值為8,975,500,000港元。於本年度，該債券組合已就出售淨額減少5,266,100,000港元(包括出售予陳凱韻女士6,377,600,000港元及向第三方購入淨額1,111,500,000港元)。經扣除於損益確認之公平值虧損421,800,000港元後，本集團於二零二零年十二月三十一日之債券組合為3,287,600,000港元，佔資產總額8.8%(二零一九年：18.6%)，該組合為本集團資金管理活動之一部分。

SECURITIES INVESTMENTS (Cont'd)

The respective securities investments under different categories are elaborated below: (Cont'd)

Investments and Treasury Products at Fair Value Through Profit or Loss (Cont'd)

As at 31 December 2020, the bonds portfolio comprised bonds issued by overseas financial institutions of 9.4% (2019: 40.5%), PRC-based real estate companies of 90.6% (2019: 55.9%) and no other industries (2019: 3.6%). They are denominated in different currencies with 91.4% (2019: 97.0%) in United States dollar ("US\$"), 8.0% (2019: 3.0%) in Pound Sterling ("GBP") and 0.6% (2019: nil) in Euro ("EUR"). The bonds denominated in US\$ carry at fixed rate range from 7.000% to 13.000% (2019: 4.750% to 13.750%) per annum of which notional amount of US\$188.2 million (2019: US\$937.0 million) are callable, all bonds denominated in GBP carry at fixed rate range from 5.875% to 7.250% (2019: 5.875% to 7.250%) per annum of notional amount of GBP23.5 million (2019: GBP24.5 million) are callable and bond denominated in EUR carries at fixed rate of 6.125% of notional amount of EUR2.0 million (2019: nil) is callable. As at 31 December 2020, the bonds portfolio comprised of 27 bonds (2019: 34 bonds); in terms of credit rating, non-investment grade and unrated were 18 bonds and 9 bonds (2019: investment grade, non-investment grade and unrated were 5 bonds, 26 bonds and 3 bonds) respectively. In terms of maturity, 5 bonds (2019: 17 bonds) were contingent convertible bonds issued by overseas financial institutions which were perpetual with no fixed tenor, 22 bonds (2019: 17 bonds) issued by issuers other than overseas financial institutions of which 21 bonds (2019: 17 bonds) will be matured between 2021 to 2025 (2019: between 2020 to 2046) and remaining 1 bond (2019: nil) was perpetual bond.

證券投資(續)

以下就不同類別之證券投資作出詳述：(續)

通過損益以反映公平值之投資及財資產品(續)

於二零二零年十二月三十一日，該債券組合包含 9.4%(二零一九年：40.5%)由海外金融機構發行、90.6%(二零一九年：55.9%)由中國房地產公司發行及並無(二零一九年：3.6%)由其他行業之公司發行之債券。該等債券以美元(「美元」)(91.4%)(二零一九年：97.0%)、英鎊(「英鎊」)(8.0%)(二零一九年：3.0%)及歐元(「歐元」)(0.6%)(二零一九年：無)之不同貨幣計值。以美元計值之債券固定年利率為7.000厘至13.000厘(二零一九年：4.750厘至13.750厘)，其中名義金額為188,200,000美元(二零一九年：937,000,000美元)之債券為可贖回。全部以英鎊計值之債券固定年利率為5.875厘至7.250厘(二零一九年：5.875厘至7.250厘)，名義金額為23,500,000英鎊(二零一九年：24,500,000英鎊)之債券為可贖回。及以歐元計值之債券固定年利率為6.125厘，其名義金額為2,000,000歐元(二零一九年：無)之債券為可贖回。於二零二零年十二月三十一日，該債券組合包含27隻(二零一九年：34隻)債券，以信貸評級分類，18隻及9隻債券分別為非投資評級及未獲評級(二零一九年：5隻、26隻及3隻分別為投資評級、非投資評級及未獲評級)。以到期日分類，5隻(二零一九年：17隻)由海外金融機構發行之或然可換股債券為永續債券及並無固定期限。22隻(二零一九年：17隻)由海外金融機構以外之發行人發行之債券中21隻(二零一九年：17隻)將於二零二一年至二零二五年到期(二零一九年：於二零二零年至二零四六年到期)，餘下1隻(二零一九年：無)為永續債券。

SECURITIES INVESTMENTS (Cont'd)

證券投資(續)

The respective securities investments under different categories are elaborated below: (Cont'd)

以下就不同類別之證券投資作出詳述：(續)

Investments and Treasury Products at Fair Value Through Profit or Loss (Cont'd)

通過損益以反映公平值之投資及財資產品(續)

Details and movement of the bonds portfolio at the end of the reporting period are set out below:

於報告期末債券組合之詳情及變動載列如下：

		Overseas financial institutions 海外金融機構 HK\$ million 百萬港元	PRC-based real estate 中國房地產 HK\$ million 百萬港元	Others 其他 HK\$ million 百萬港元	Total 總額 HK\$ million 百萬港元
Movement of bonds portfolio	債券組合之變動				
Carrying amounts	賬面值				
At 31 December 2019	於二零一九年十二月三十一日	3,632.4	5,015.1	328.0	8,975.5
Purchases	購入	17.2	2,012.3	10.1	2,039.6
Disposals	出售	(3,096.0)	(3,915.3)	(294.4)	(7,305.7)
Fair value changes (recognised in profit or loss)	公平值變動 (於損益內確認)	(244.1)	(134.0)	(43.7)	(421.8)
At 31 December 2020	於二零二零年十二月三十一日	309.5	2,978.1	-	3,287.6
Percentage to total assets	佔資產總額之百分比				
At 31 December 2020	於二零二零年十二月三十一日	0.8%	8.0%	-	8.8%
At 31 December 2019	於二零一九年十二月三十一日	7.5%	10.4%	0.7%	18.6%
		At 31 December 2020 於二零二零年十二月三十一日	Percentage to total	At 31 December 2019 於二零一九年十二月三十一日	Percentage to total
		HK\$ million 百萬港元	佔總額之百分比	HK\$ million 百萬港元	佔總額之百分比
Bond issuers by industry	按債券發行人之行業				
Carrying amounts	賬面值				
Overseas financial institutions	海外金融機構	309.5	9.4%	3,632.4	40.5%
PRC-based real estate	中國房地產	2,978.1	90.6%	5,015.1	55.9%
Others	其他	-	-	328.0	3.6%
		3,287.6	100.0%	8,975.5	100.0%

SECURITIES INVESTMENTS (Cont'd)

The respective securities investments under different categories are elaborated below: (Cont'd)

Investments and Treasury Products at Fair Value Through Profit or Loss (Cont'd)

Details and movement of the bonds portfolio at the end of the reporting period are set out below: (Cont'd)

證券投資(續)

以下就不同類別之證券投資作出詳述：(續)

通過損益以反映公平值之投資及財資產品(續)

於報告期末債券組合之詳情及變動載列如下：(續)

		At 31 December 2020			At 31 December 2019		
		Coupon rate (per annum)	HK\$ million	Percentage to total	Coupon rate (per annum)	HK\$ million	Percentage to total
		票息年利率	百萬港元	佔總額之百分比	票息年利率	百萬港元	佔總額之百分比
Bonds by currency	按債券之貨幣						
Carrying amounts	賬面值						
US\$	美元	7.000% to 13.000% 7.000厘至 13.000厘	3,004.6	91.4%	4.750% to 13.750%	8,710.3	97.0%
GBP	英鎊	5.875% to 7.250% 5.875厘至 7.250厘	262.6	8.0%	5.875% to 7.250%	265.2	3.0%
EUR	歐元	6.125% 6.125厘	20.4	0.6%	n/a 不適用	-	-
			3,287.6	100.0%		8,975.5	100.0%

Investment in China Evergrande

As at 31 December 2020, the Group's securities investments in an entity with a value which exceeds 5% of the Group's total assets is investments in China Evergrande. The Group's securities investments in China Evergrande including listed shares and bonds amounted to HK\$13,414.2 million (2019: HK\$20,012.0 million) or 35.8% (2019: 41.4%) of total assets.

於中國恆大之投資

於二零二零年十二月三十一日，本集團於一實體之證券投資價值超出本集團之資產總額5%，該投資為於中國恆大之投資。本集團於中國恆大之證券投資(包括上市股份及債券)為13,414,200,000港元(二零一九年：20,012,000,000港元)或佔資產總額35.8%(二零一九年：41.4%)。

SECURITIES INVESTMENTS (Cont'd)

Investment in China Evergrande (Cont'd)

The Group held 860,000,000 shares of China Evergrande at a total consideration (including transaction costs) of HK\$13,596.0 million. As at 31 December 2020, the market value of the Evergrande Shares was HK\$12,814.0 million (2019: HK\$18,576.0 million), there was net dividend income of HK\$1,967.6 million (after transaction costs) for the Year. During the Year, the Group disposed of 4 bonds which were issued by China Evergrande and its indirect wholly-owned subsidiary, Scenery Journey Limited (collectively "Evergrande Group") recorded a realised loss of HK\$77.0 million and relevant interest income of HK\$104.0 million in profit or loss and gain of HK\$155.3 million in the contribution reserve. As at 31 December 2020, the Group also held 6 bonds which were issued by the Evergrande Group.

Details and performance of the 6 bonds issued by the Evergrande Group as at 31 December 2020 and for the Year are summarised as follows:

Bonds	Name of issuer	Acquisition cost	Market price	Market value	Unrealised gain (loss)	Interest income
債券	發行人名稱	收購成本 HK\$ million 百萬港元	市價 %	市值 HK\$ million 百萬港元	未變現 收益(虧損) HK\$ million 百萬港元	利息收入 HK\$ million 百萬港元
Evergrande 8.75% 恆大8.75%	China Evergrande Group 中國恆大集團	6.2	83.080	6.4	0.3	0.1
Evergrande 10.5% 恆大10.5%	China Evergrande Group 中國恆大集團	40.1	91.040	42.3	2.2	0.3
Evergrande 12% 恆大12%	China Evergrande Group 中國恆大集團	112.7	94.895	117.7	5.0	0.6
Scenery Journey 11.5% 景程11.5%	Scenery Journey Limited 景程有限公司	29.6	94.435	29.3	(0.3)	1.3
Scenery Journey 12% 景程12%	Scenery Journey Limited 景程有限公司	14.7	93.325	14.5	(0.2)	0.8
Scenery Journey 13% 景程13%	Scenery Journey Limited 景程有限公司	438.5	96.730	390.0	(23.4)	52.4
Evergrande Group's bonds at 31 December 2020	於二零二零年十二月三十一日 恆大集團之債券	641.8		600.2	(16.4)	55.5

Evergrande 8.75% bond carries fixed coupon rate of 8.75% per annum. It is denominated in US\$ and matures on 28 June 2025. The bond is listed on the Frankfurt Stock Exchange, the Singapore Exchange Securities Trading Limited ("SGX-ST") and the Stuttgart Stock Exchange and rated "B3e" by Moody's Investors Service, Inc. ("Moody's").

Evergrande 10.5% bond carries fixed coupon rate of 10.5% per annum. It is denominated in US\$ and matures on 11 April 2024. The bond is listed on the SGX-ST and rated "B2" by Moody's.

證券投資(續)

於中國恆大之投資(續)

本集團持有860,000,000股中國恆大股份，總代價為13,596,000,000港元(包括交易成本)。於二零二零年十二月三十一日，恆大股份市值為12,814,000,000港元(二零一九年：18,576,000,000港元)。本年度股息收入淨額為1,967,600,000港元(扣除交易成本後)。於本年度，本集團出售4隻由中國恆大及其一間間接全資擁有之附屬公司景程有限公司(統稱「恆大集團」)發行之債券並於損益錄得已變現虧損77,000,000港元及相關利息收入104,000,000港元以及於注資儲備內錄得收益155,300,000港元。於二零二零年十二月三十一日，本集團亦持有6隻由恆大集團發行之債券。

6隻由恆大集團發行之債券於二零二零年十二月三十一日及本年度之詳情及表現概述如下：

恆大8.75%債券之固定票息年利率為8.75厘。債券以美元計值並於二零二五年六月二十八日到期。該債券於法蘭克福證券交易所、新加坡證券交易所有限公司(「新交所」)及斯圖加特證券交易所上市以及被穆迪投資者服務公司(「穆迪」)評級為「B3e」。

恆大10.5%債券之固定票息年利率為10.5厘。債券以美元計值並於二零二四年四月十一日到期。該債券於新交所上市及被穆迪評級為「B2」。

SECURITIES INVESTMENTS (Cont'd)

Investment in China Evergrande (Cont'd)

Evergrande 12% bond carries fixed coupon rate of 12% per annum. It is denominated in US\$ and matures on 22 January 2024. The bond is listed on the SGX-ST and rated "B2" by Moody's.

Scenery Journey 11.5% bond carries fixed coupon rate of 11.5% per annum. It is denominated in US\$ and matures on 24 October 2022. The bond is listed on the SGX-ST and rated "B2" by Moody's.

Scenery Journey 12% bond carries fixed coupon rate of 12% per annum. It is denominated in US\$ and matures on 24 October 2023. The bond is listed on the SGX-ST and rated "B2" by Moody's.

Scenery Journey 13% bond carries fixed coupon rate of 13% per annum. It is denominated in US\$ and matures on 6 November 2022. The bond is listed on the SGX-ST and rated "B2e" by Moody's.

China Evergrande group is principally engaged in property development, property investment, property management, new energy vehicle business, hotel operations, finance business, internet business and health industry business in the PRC. Its shares are listed on The Stock Exchange of Hong Kong Limited (stock code: 3333). China Evergrande is one of the leading real estate developers in the PRC with strong property sale and reasonable profit margin. The Group believes that dividend payment from the Evergrande Shares will provide steady income to the Group. Bonds issued by the Evergrande Group carry attractive coupon interest rates which the Group believes that it will enhance investment return from treasury management perspective.

Unlisted Securities Investments

The Group invested in an exempted limited partnership formed under the Exempted Limited Partnership Law (Revised) of the Cayman Islands and the carrying amount was HK\$467.9 million as at 31 December 2019. During the Year, the Group has contributed US\$1.1 million (equivalent to approximately HK\$8.3 million) and received distribution of US\$2.3 million (equivalent to approximately HK\$17.6 million) (which were included in financial assets measured at FVTOCI), after adding the fair value gain for the Year of HK\$30.0 million (which was recognised in financial assets measured at FVTOCI reserve), the carrying amount was HK\$488.6 million as at 31 December 2020, representing 1.3% (2019: 1.0%) of total assets.

RISK MANAGEMENT

The Group has established adequate risk management procedures that enable it to identify, measure, monitor and control various types of risk it faces. This is supplemented by active management involvement, effective internal controls and adequate internal audit in the best interests of the Group.

證券投資(續)

於中國恆大之投資(續)

恆大12%債券之固定票息年利率為12厘。債券以美元計值並於二零二四年一月二十二日到期。該債券於新交所上市及被穆迪評級為「B2」。

景程11.5%債券之固定票息年利率為11.5厘。債券以美元計值並於二零二二年十月二十四日到期。該債券於新交所上市及被穆迪評級為「B2」。

景程12%債券之固定票息年利率為12厘。債券以美元計值並於二零二三年十月二十四日到期。該債券於新交所上市及被穆迪評級為「B2」。

景程13%債券之固定票息年利率為13厘。債券以美元計值並於二零二二年十一月六日到期。該債券於新交所上市及被穆迪評級為「B2e」。

中國恆大集團主要於中國從事房地產開發、物業投資、物業管理、新能源汽車業務、酒店運營、金融業務、互聯網業務及健康業務。其股份於香港聯合交易所有限公司上市(股份代號：3333)。中國恆大為於中國領先房地產發展商之一，擁有強大物業銷售及合理溢利率。本集團相信來自恆大股份之股息將為本集團提供穩定收入。恆大集團發行之債券之票息利率吸引，本集團相信其將會加強財資管理方面之投資回報。

非上市證券投資

本集團已投資於一間按開曼群島獲豁免有限合夥企業法(經修訂)成立之獲豁免有限合夥企業及於二零一九年十二月三十一日其賬面值為467,900,000港元。於本年度，本集團已注資1,100,000美元(相當於約8,300,000港元)及已收分派2,300,000美元(相當於約17,600,000港元)(計入通過其他全面收益以反映公平值計量之金融資產)，經計入本年度公平值收益30,000,000港元(於通過其他全面收益以反映公平值計量之金融資產之儲備內確認)後，於二零二零年十二月三十一日之賬面值為488,600,000港元，佔資產總額1.3%(二零一九年：1.0%)。

風險管理

本集團設有一套完善的風險管理程序，以識別、衡量、監察及控制其面對的各種風險，同時輔以管理層之積極參與、有效的內部監控及足夠的內部審核，以保障本集團的最佳利益。

EQUITY

The number of issued ordinary shares as at 31 December 2020 and 2019 were 1,907,619,079.

DEBT AND GEARING

As at 31 December 2020, the Group's total debt amounted to HK\$7,389.0 million (2019: HK\$13,574.3 million), comprised bank and other borrowings of HK\$7,263.8 million (2019: HK\$13,442.3 million) and lease liabilities amounted to HK\$125.2 million (2019: HK\$132.0 million). Cash and deposits at banks amounted to HK\$1,654.5 million (2019: HK\$565.3 million), pledged deposits amounted to HK\$260.5 million (2019: HK\$274.2 million) and net debt (including lease liabilities) amounted to HK\$5,474.0 million (2019: HK\$12,734.8 million).

Total debt to equity ratio (including lease liabilities) was 25.7% (2019: 40.4%) and net debt to equity ratio (including lease liabilities) was 19.0% (2019: 37.9%), which are expressed as a percentage of total debt, and net debt, respectively, over the total equity of HK\$28,780.3 million (2019: HK\$33,590.4 million). The decrease in both ratios was mainly due to decrease in total debt and net debt.

If the securities investments and treasury products of HK\$16,306.8 million (2019: HK\$27,554.2 million) are included, there would be a net cash position of HK\$10,832.8 million (2019: HK\$14,819.4 million).

As at 31 December 2020, the Group's bank and other borrowings of HK\$7,263.8 million, 73.1%, 12.8% and 14.1% were repayable within 1 year, 1 to 2 years and 2 to 5 years respectively. Of which the Group's bank and other borrowings were denominated in HK\$ (28.2%), GBP (54.4%), US\$ (17.0%) and EUR (0.4%) before entering the cross currency swap. HK\$, GBP and EUR securities investments were hedged by HK\$, GBP and EUR borrowings. During the Year, the Group has entered into short term US\$/HK\$ cross currency swap to enhance interest payable on borrowing, and as at 31 December 2020, notional amount of approximately US\$159.7 million was outstanding. The Group's bank borrowings were carried at interest rates calculated with reference to cost of funds, Hong Kong Interbank Offered Rate ("HIBOR") or London Interbank Offered Rate; other borrowings were carried at interest rates calculated with reference to cost of funds or HIBOR. As at 31 December 2020, all the Group's borrowings were on floating rate basis. Except as disclosed, no hedging for interest rate is subsisted at the end of the reporting period.

股本

於二零二零年及二零一九年十二月三十一日的已發行普通股數目為1,907,619,079股。

債務及資本與負債比率

於二零二零年十二月三十一日，本集團之債務總額為7,389,000,000港元(二零一九年：13,574,300,000港元)，包含銀行及其他借貸7,263,800,000港元(二零一九年：13,442,300,000港元)以及租賃負債125,200,000港元(二零一九年：132,000,000港元)。現金及銀行存款為1,654,500,000港元(二零一九年：565,300,000港元)，抵押存款為260,500,000港元(二零一九年：274,200,000港元)，而債務淨額(包括租賃負債)為5,474,000,000港元(二零一九年：12,734,800,000港元)。

債務總額與股本權益比率(包括租賃負債)為25.7%(二零一九年：40.4%)，而債務淨額與股本權益比率(包括租賃負債)為19.0%(二零一九年：37.9%)，乃分別將債務總額及債務淨額除以股本權益總額28,780,300,000港元(二零一九年：33,590,400,000港元)得出之百分比。兩個比率減少主要由於債務總額及債務淨額減少所致。

倘計入證券投資及財資產品16,306,800,000港元(二零一九年：27,554,200,000港元)，則狀況將會為現金淨額10,832,800,000港元(二零一九年：14,819,400,000港元)。

於二零二零年十二月三十一日，本集團之銀行及其他借貸7,263,800,000港元中，73.1%、12.8%及14.1%須分別於一年內、一年至兩年內及兩年內償還。於本集團之銀行及其他借貸中，以港元(28.2%)、英鎊(54.4%)、美元(17.0%)及歐元(0.4%)(進行貨幣掉期前)計值。港元、英鎊及歐元之證券投資以港元、英鎊及歐元借貸對沖。於本年度，本集團訂立短期美元/港元貨幣掉期以改善借貸之應付利息，以及於二零二零年十二月三十一日未償還之名義金額約為159,700,000美元。本集團之銀行借貸參照資金成本、香港銀行同業拆息(「香港銀行同業拆息」)或倫敦銀行同業拆息計算利率；而其他借貸參照資金成本或香港銀行同業拆息計算利率。於二零二零年十二月三十一日，本集團所有借貸均為浮息借貸。除所披露者外，於報告期末並無就利率作出對沖。

PLEDGE OF ASSETS

As at 31 December 2020, the Group had pledged the following assets with their respective carrying amounts:

- (a) The Group's investment properties of HK\$12,387.0 million (2019: HK\$12,248.6 million) and bank deposits of HK\$233.2 million (2019: HK\$255.8 million) were pledged to the banks to secure general banking and loan facilities granted to the Group.
- (b) The Group's bonds, listed equity investments and structured product with carrying amounts of HK\$12,877.3 million (2019: bonds and listed equity investments of HK\$27,554.2 million) and cash deposits of HK\$27.3 million (2019: HK\$18.4 million) were pledged to the financial institutions to secure margin and securities facilities granted to the Group in respect of securities transactions, of which HK\$1,074.1 million (2019: HK\$7,128.4 million) was utilised as at 31 December 2020 as borrowings due within one year.
- (c) Interests in certain subsidiaries of the Company have been pledged as part of the security to secure certain bank borrowings granted to the Group.

As at 31 December 2019, the Group had subordinated and assigned its advance to a joint venture of HK\$158.8 million to a bank to secure a banking facility granted to the joint venture.

FINANCIAL AND INTEREST INCOME/EXPENSES

Interest income was included in revenue and investment income. Interest income for the Year decreased to HK\$603.4 million (2019: HK\$724.9 million), representing a decrease of 16.8% as compared with last year which was mainly due to the decrease in bonds portfolio and hence its relevant interest income during the Year.

資產抵押

於二零二零年十二月三十一日，本集團已抵押以下資產連同其相關之賬面值：

- (a) 就本集團獲授之一般銀行及貸款融資，本集團之投資物業12,387,000,000港元(二零一九年：12,248,600,000港元)及銀行存款233,200,000港元(二零一九年：255,800,000港元)已抵押予銀行。
- (b) 就本集團有關證券交易獲授之保證金及證券融資，本集團之債券、上市股本投資及結構性產品之賬面值12,877,300,000港元(二零一九年：債券及上市股本投資之賬面值27,554,200,000港元)及現金存款27,300,000港元(二零一九年：18,400,000港元)已抵押予金融機構。而本集團於二零二零年十二月三十一日已動用融資並於一年內到期之借貸為1,074,100,000港元(二零一九年：7,128,400,000港元)。
- (c) 本公司若干附屬公司之權益已質押為本集團獲授若干銀行借貸之部分抵押品。

於二零一九年十二月三十一日，本集團已就一間合資公司獲授之銀行信貸額將其墊付該合資公司款項158,800,000港元轉歸及授讓予一間銀行。

財務及利息收入／開支

收入及投資收入均包括利息收入。本年度之利息收入較去年減少至603,400,000港元(二零一九年：724,900,000港元)，減幅為16.8%，主要由於於本年度債券組合減少以致相關利息收入減少。

FINANCIAL AND INTEREST INCOME/EXPENSES

(Cont'd)

Finance costs included interest expenses on bank and other borrowings and lease liabilities; exchange difference on translation of foreign currency borrowings; and arrangement fee and facility and commitment fee expenses. Interest expenses (excluding interest expenses on lease liabilities) for the Year amounted to HK\$185.4 million, representing a decrease of 50.7% over last year of HK\$375.8 million. Interest capitalised for the Year was HK\$2.8 million (2019: nil). The decrease in interest expenses was mainly due to the decrease in total borrowings and interest rates during the Year. The average interest rate over the year under review was 1.99% (2019: 2.67%), which was expressed as a percentage of total interest paid (excluding interest on lease liabilities) over the average total interest-bearing borrowings.

REMUNERATION POLICIES

As at 31 December 2020, the Group employed a total of 475 staff (2019: 481 staff) including about 236 staff (2019: 235 staff) employed under the estate management company in Hong Kong and 1 staff (2019: 1 staff) in the United Kingdom.

Employees were remunerated on the basis of their performance, experience and prevailing industry practice. Remuneration packages comprised salary and year-end discretionary bonus based on market conditions and individual performance. The executive Directors continued to review employees' contributions and to provide them with necessary incentives and flexibility for their better commitment and performance.

UNITED KINGDOM AND MAINLAND CHINA

As at 31 December 2020, the Group's investment properties in the United Kingdom with carrying amount of GBP719.7 million (equivalent to approximately HK\$7,614.2 million) (2019: GBP788.2 million (equivalent to approximately HK\$8,051.1 million)) incurred a net loss of HK\$396.7 million (2019: HK\$813.0 million) to the Group for the Year, the loss mainly included in gross profit, other income, fair value changes on investment properties, finance costs and taxation. GBP exchange gain of foreign operations included in other comprehensive expenses for the Year amounted to HK\$132.5 million (2019: HK\$114.3 million). As at 31 December 2020, the Group's net investment in the United Kingdom amounted to HK\$4,025.4 million (2019: HK\$4,129.6 million) representing 14.0% (2019: 12.3%) of the Group's total equity.

財務及利息收入／開支(續)

財務費用包括銀行借貸及其他借貸以及租賃負債之利息開支；外幣借貸所產生之匯兌差額；以及安排費用與信貸及承擔費用開支。本年度之利息開支(不包括租賃負債之利息開支)為185,400,000港元，較去年之375,800,000港元減少50.7%。於本年度資本化之利息為2,800,000港元(二零一九年：無)。利息開支減少主要由於於本年度借貸總額及利率下降所致。於回顧年內之平均利率為1.99厘(二零一九年：2.67厘)，乃以利息支付總額(不包括租賃負債之利息)除以平均計息借貸總額得出之百分比。

酬金政策

於二零二零年十二月三十一日，本集團共有僱員475人(二零一九年：481人)包括受僱於香港物業管理公司之僱員約236人(二零一九年：235人)以及位於英國之僱員1人(二零一九年：1人)。

僱員薪金乃根據其表現、經驗及目前業內慣例釐定。酬金包含薪金以及按市況及個人表現釐定之年終酌情花紅。執行董事持續檢討僱員之貢獻及向彼等提供所需之獎勵及彈性，使其更投入工作及有更佳表現。

英國及中國大陸

本集團位於英國之投資物業於二零二零年十二月三十一日之賬面值為719,700,000英鎊(相當於約7,614,200,000港元)(二零一九年：788,200,000英鎊(相當於約8,051,100,000港元))並為本集團於本年度帶來虧損淨額396,700,000港元(二零一九年：813,000,000港元)，而該虧損主要包括毛利、其他收入、投資物業之公平值變動、財務費用及稅項。已計入本年度之其他全面支出之境外業務之英鎊匯兌收益為132,500,000港元(二零一九年：114,300,000港元)。於二零二零年十二月三十一日，本集團於英國之投資淨額為4,025,400,000港元(二零一九年：4,129,600,000港元)，佔本集團股本權益總額14.0%(二零一九年：12.3%)。

UNITED KINGDOM AND MAINLAND CHINA

(Cont'd)

Loss incurred by the Group's investment in Mainland China (mainly included in fair value changes on investment properties, share of results of investments accounted for using the equity method and taxation) for the Year amounted to HK\$44.3 million (2019: HK\$24.5 million). RMB exchange gain of foreign operations included in other comprehensive expenses (including share of investments accounted for using the equity method) for the Year amounted to HK\$30.0 million (2019: exchange loss of HK\$11.6 million). The Group's net investment in Mainland China as at 31 December 2020 amounted to HK\$518.1 million (2019: HK\$536.6 million) representing 1.8% (2019: 1.6%) of the Group's total equity.

PROPERTY VALUATION

Property valuations in respect of the Group's investment properties in Hong Kong and Mainland China as at 31 December 2020 and 2019 were carried out by B.I. Appraisals, independent qualified professional valuer. For the investment properties in the United Kingdom, the property valuations as at 31 December 2020 and 2019 were carried out by Peak Vision Appraisals, another independent qualified professional valuer. Their valuations were based on investment method and/or direct comparison method and/or residual method as the valuation methodologies and were used in preparing 2020 final results.

The Group's investment properties were valued at HK\$14,373.3 million (2019: HK\$14,759.5 million), a decrease of 9.7% over 2019 after adjusted for the additions and exchange adjustments of investment properties during the Year. The decrease in fair value of HK\$1,549.2 million was recognised in the consolidated statement of comprehensive income for the Year. The Group also shared a decrease in fair value of investment properties of associates and a joint venture of HK\$62.3 million in total for the Year.

The decrease in fair value of HK\$1,549.2 million was mainly derived from the decrease in fair value of Harcourt House and Causeway Place in Hong Kong and River Court in the United Kingdom. The spreading of COVID-19 pandemic has adversely affected the fair value of investment properties of the Group. The fair value change is a non-cash item and will not affect the cash flow of the Group.

英國及中國大陸(續)

本集團於中國大陸之投資(主要包括投資物業之公平值變動、攤佔以權益法入賬投資之業績及稅項)於本年度帶來虧損44,300,000港元(二零一九年: 24,500,000港元)。已計入本年度之其他全面支出(包括攤佔以權益法入賬之投資)之境外業務之人民幣匯兌收益為30,000,000港元(二零一九年: 匯兌虧損11,600,000港元)。於二零二零年十二月三十一日, 本集團於中國大陸之投資淨額為518,100,000港元(二零一九年: 536,600,000港元), 佔本集團股本權益總額1.8%(二零一九年: 1.6%)。

物業估值

本集團位於香港及中國大陸之投資物業由獨立合資格專業估值師保柏國際評估進行於二零二零年及二零一九年十二月三十一日之物業估值。就位於英國之投資物業, 由另一獨立合資格專業估值師漂鋒評估進行於二零二零年及二零一九年十二月三十一日之物業估值。所有評估皆採納投資法及/或直接比較法及/或剩餘價值法作為估值方法, 並已用於編製二零二零年全年業績。

本集團投資物業之估值為14,373,300,000港元(二零一九年: 14,759,500,000港元), 經作出調整本年度投資物業之添置及匯兌調整後, 較二零一九年減少9.7%。本年度之公平值減少1,549,200,000港元已計入綜合全面收益報表內。本集團亦於本年度攤佔聯營公司及一間合資公司之投資物業之公平值減少合共62,300,000港元。

公平值減少1,549,200,000港元乃主要來自位於香港之夏慤大廈及銅鑼灣地帶以及位於英國之River Court之公平值減少所致, 2019冠狀病毒病疫情之蔓延已對本集團之投資物業的公平值產生不利影響。公平值變動乃非現金項目, 對本集團現金流量並無構成影響。