

### RESULTS

#### Revenue

Revenue for the year ended 31 December 2021 ("Year") amounted to HK\$1,299.8 million (2020: HK\$3,041.5 million), a decrease of 57.3% over last year and comprised gross rental income of HK\$327.3 million (2020: HK\$373.5 million), property sales of HK\$235.4 million (2020: nil), gain on sales of investments held-for-trading on a net basis of HK\$183.9 million (2020: HK\$25.3 million), dividend income from listed and unlisted equity investments of HK\$169.5 million (2020: HK\$1,973.2 million), interest income from bonds and structured products of HK\$315.5 million (2020: HK\$596.1 million), building and property management services income of HK\$50.1 million (2020: HK\$53.2 million) and others of HK\$18.1 million (2020: HK\$20.2 million). The decline in revenue was mainly due to the decrease in dividend income from shares of China Evergrande Group (listed on The Stock Exchange of Hong Kong Limited ("Stock Exchange")) (stock code: 3333) ("China Evergrande") ("Evergrande Shares") for the Year.

#### Gross Profit

Gross profit for the Year amounted to HK\$1,017.4 million (2020: HK\$2,961.5 million), a decrease of 65.6% as compared with last year which was also mainly due to the decrease in dividend income from the Evergrande Shares despite of the increase in property sales profit of HK\$17.3 million and increase in gain on sales of investments held-for-trading of HK\$158.6 million.

#### Property Leasing

For property leasing, the rental revenue in non-retail section decreased by 17.0% to HK\$250.8 million and retail section increased by 7.1% to HK\$76.5 million during the Year. The total rental income in revenue for the Year recorded a decrease of 12.4% to HK\$327.3 million as compared with last year of HK\$373.5 million. The decrease in rental income was mainly due to an anchor tenant of an investment property in the United Kingdom surrendered the lease in the year of 2020, if rental income from the anchor tenant is excluded, the total rental revenue would record a decrease of 1.7% as compared with last year.

### 業績

#### 收入

截至二零二一年十二月三十一日止年度(「本年度」)之收入為1,299,800,000港元(二零二零年：3,041,500,000港元)，較去年減少57.3%，當中包含租金收入總額327,300,000港元(二零二零年：373,500,000港元)、物業銷售235,400,000港元(二零二零年：無)、按淨額基準呈報出售持作買賣之投資收益183,900,000港元(二零二零年：25,300,000港元)、上市及非上市股本投資之股息收入169,500,000港元(二零二零年：1,973,200,000港元)、債券及結構性產品之利息收入315,500,000港元(二零二零年：596,100,000港元)、樓宇及物業管理服務收入50,100,000港元(二零二零年：53,200,000港元)以及其他收入18,100,000港元(二零二零年：20,200,000港元)。收入下降主要由於於本年度來自中國恒大集團(於香港聯合交易所有限公司(「聯交所」)上市)(股份代號：3333)(「中國恒大」)股份(「恒大股份」)之股息收入減少所致。

#### 毛利

本年度之毛利為1,017,400,000港元(二零二零年：2,961,500,000港元)，較去年減少65.6%，主要亦由於來自恒大股份之股息收入減少所致，儘管物業銷售溢利增加17,300,000港元及出售持作買賣之投資收益增加158,600,000港元。

#### 物業租賃

在物業租賃方面，於本年度非零售部分之租金收入減少17.0%至250,800,000港元及零售部分之租金收入增加7.1%至76,500,000港元。本年度之收入錄得之租金收入總額較去年之373,500,000港元減少12.4%至327,300,000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二零二零年退回其租賃。如撇除該主要租戶之租金收入，租金收入總額較去年將錄得減少1.7%。

## RESULTS (Cont'd)

### Property Leasing (Cont'd)

Together with the attributable rental revenue generated from associates and an investee company of HK\$104.0 million (2020: HK\$94.3 million), the total attributable rental revenue to the Company and its subsidiaries (collectively the "Group") amounted to HK\$431.3 million (2020: HK\$467.8 million), which represents a decrease of 7.8% over last year.

Attributable net rental income for the Year showed HK\$363.6 million, a decrease of 6.6% over HK\$389.5 million in last year.

### Property Development and Trading

During the Year, sales of a house and certain parking spaces in Beijing, the People's Republic of China ("PRC") recorded property sales revenue and gross profit of HK\$235.4 million and HK\$17.3 million respectively (2020: no disposal).

In respect of properties held by associates, sales of one unit of The Hermitage in West Kowloon (25% interest) and one parking space of Greenville Residence in Yuen Long (50% interest) generated profit of HK\$4.8 million and HK\$0.2 million respectively 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 1,825 units and certain parking spaces of Grand Central in Kwun Tong (10% interest) were recorded by the investee company during the Year and will contribute profit to the Group upon recognition of dividend income.

In summary, the Group together with its associates and investee company recorded an attributable sales of HK\$2,607.7 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 2021, mainly comprised bonds, listed equity investments and treasury products. During the Year, the net loss (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\$1,995.5 million (2020: gain of HK\$2,068.7 million), comprised gain on listed equity investments at FVTOCI of HK\$150.0 million (2020: HK\$1,936.3 million) and loss on investments and treasury products at fair value through profit or loss ("FVTPL") of HK\$2,145.5 million (2020: gain of HK\$132.4 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104,000,000港元(二零二零年: 94,300,000港元), 本公司及其附屬公司(統稱「本集團」)應佔租金收入總額為431,300,000港元(二零二零年: 467,800,000港元), 相對去年減幅為7.8%。

本年度之應佔租金收入淨額為363,600,000港元, 較去年之389,500,000港元減少6.6%。

### 物業發展及買賣

於本年度, 出售位於中華人民共和國(「中國」)北京之一套房子及若干車位, 錄得物業銷售收入及毛利分別為235,400,000港元及17,300,000港元(二零二零年: 並無出售)。

至於由聯營公司所持有之物業, 銷售位於西九龍之帝峯·皇殿一個單位(佔25%權益)及位於元朗之逸翠軒一個車位(佔50%權益)分別帶來溢利4,800,000港元及200,000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, 銷售位於觀塘之凱匯1,825個單位及若干車位(佔10%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。

總括而言, 本集團連同其聯營公司及接受投資公司於本年度錄得應佔銷售為2,607,700,000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, 於二零二一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虧損淨額(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1,995,500,000港元(二零二零年: 收益2,068,700,000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150,000,000港元(二零二零年: 1,936,300,000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虧損為2,145,500,000港元(二零二零年: 收益132,400,000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\$183.9 million (2020: HK\$25.3 million) (the gains/losses of which was included in revenue) with gross proceeds of HK\$3,977.7 million (2020: HK\$365.2 million). During the Year, the Group disposed of/redeemed 26 bonds (2020: 33 bonds) (including those with partial disposal) with carrying amounts in the sum of HK\$2,165.9 million (2020: HK\$7,305.7 million) and recorded a realised loss of HK\$1,668.0 million (2020: HK\$436.7 million). During the Year, the Group had acquired 6 bonds (2020: 22 bonds) in the sum of HK\$1,419.4 million (2020: HK\$2,039.6 million). In addition, realised loss on the structured products of HK\$13.5 million (2020: a minimal realised gain) was recorded during the Year.

Furthermore, the Group recorded an unrealised loss of HK\$947.7 million (2020: unrealised gain of HK\$0.3 million) mainly representing the changes in fair value of bonds, listed equity investments and structured products, which had no effect on the cash flow of the Group. The unrealised loss of HK\$606.9 million (2020: unrealised gain of HK\$14.9 million) from changes in fair value of bonds represented 12 bonds (2020: 27 bonds), mainly comprising the unrealised loss from the industry of PRC-based real estate of HK\$607.1 million (2020: unrealised gain of HK\$3.7 million) or decrease in fair value of 70.4% (2020: increase of 0.1%) over the Year. Of which, certain PRC-based real estate issuers had defaulted in paying interest and/or repayment of principal generally for its offshore United States dollar ("US\$") bonds in 2021 and fair value of these bonds decreased significantly. Further, allowance for credit losses of bond interest receivables of HK\$11.9 million were also made during the Year. In addition, the Group believes that the decrease in price of bonds in the industry of PRC-based real estate in the Year, among others, was owing to concerns about the liquidity and going concern issues and the tightening gearing policy over the real estate developers in the PRC. During the Year, the Group also recorded unrealised loss on listed investments held-for-trading and structured products of HK\$339.6 million (2020: HK\$12.7 million) and HK\$1.2 million (2020: HK\$1.9 million) respectively.

## 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183,900,000港元(二零二零年：25,300,000港元)(其收益／虧損已包括於收入內)，所得銷售總額為3,977,700,000港元(二零二零年：365,200,000港元)。於本年度，本集團出售／贖回26隻(二零二零年：33隻)(包括部分出售之債券)債券賬面值總額為2,165,900,000港元(二零二零年：7,305,700,000港元)，錄得已變現虧損為1,668,000,000港元(二零二零年：436,700,000港元)。於本年度，本集團購入6隻(二零二零年：22隻)債券，總額為1,419,400,000港元(二零二零年：2,039,600,000港元)。此外，於本年度錄得來自結構性產品之已變現虧損為13,500,000港元(二零二零年：屬數目較少之已變現收益)。

此外，本集團錄得未變現虧損947,700,000港元(二零二零年：未變現收益300,000港元)主要為債券、上市股本投資及結構性產品之公平值變動，對本集團現金流量並無影響。債券之公平值變動之未變現虧損606,900,000港元(二零二零年：未變現收益14,900,000港元)乃來自12隻(二零二零年：27隻)債券，主要包含來自中國房地產行業之未變現虧損607,100,000港元(二零二零年：未變現收益3,700,000港元)或於本年度之公平值減少70.4%(二零二零年：增加0.1%)。其中，若干中國房地產發行人於二零二一年違約，一直拖欠支付其離岸美元(「美元」)債券之利息及／或償還本金，而該等債券之公平值大幅下跌。此外，本年度亦就債券之應收利息已作出之信貸虧損撥備為11,900,000港元。另外，本集團相信於本年度中國房地產行業之債券價格下跌，乃因(其中包括)於中國之房地產發展商面對流動資金及持續經營問題以及收緊借貸比率政策。於本年度，本集團亦錄得持作買賣之上市投資及結構性產品之未變現虧損分別為339,600,000港元(二零二零年：12,700,000港元)及1,200,000港元(二零二零年：1,900,000港元)。

## RESULTS (Cont'd)

### Securities Investments (Cont'd)

During the Year, interest income from bonds (which was included in revenue) amounted to HK\$305.0 million (2020: HK\$585.7 million), represented 10.9% (2020: 10.3%) (before effect on leverage) return on average market value of bondholding during the Year. The decrease in interest income from bonds was mainly due to disposals of debt securities to Ms. Chan, Hoi-wan (an executive director of the Company ("Executive Director") and the trustee of substantial shareholders of the Company) in year 2020, details of the transaction were set out in the Company's announcement dated 29 January 2020, circular dated 28 February 2020 and announcement dated 18 December 2020. The interest income from structured products (which was included in revenue) amounted to HK\$10.5 million (2020: HK\$10.4 million).

Summing up the realised and unrealised gain/loss and adding the net income from net dividend income, interest income, other investment income/expenses and net finance costs of HK\$449.8 million (2020: HK\$2,479.8 million), the loss recognised from securities investments and treasury products was HK\$1,995.5 million (2020: gain of HK\$2,068.7 million), of which net dividend income from the Evergrande Shares was HK\$156.5 million (2020: HK\$1,967.6 million) for the Year.

The dividend income from listed equity investments of HK\$168.3 million (2020: HK\$1,969.8 million) and interest income from bonds and structured products of HK\$315.5 million (2020: HK\$596.1 million) were recorded in revenue.

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 loss before and after net finance costs of HK\$2,138.0 million and HK\$2,145.5 million respectively (2020: profit before and after net finance costs of HK\$184.9 million and HK\$132.4 million respectively) for the Year.

## 業績(續)

### 證券投資(續)

於本年度，債券之利息收入(已包括於收入內)為305,000,000港元(二零二零年：585,700,000港元)，於本年度持有債券按平均市值計算之回報為10.9%(二零二零年：10.3%)(槓桿影響前)。債券之利息收入減少主要由於於二零二零年出售債務證券予陳凱韻女士(本公司之執行董事(「執行董事」)及本公司之主要股東之信託人)(交易之詳情載列於本公司日期為二零二零年一月二十九日之公布、日期為二零二零年二月二十八日之通函及日期為二零二零年十二月十八日之公布內)。結構性產品之利息收入(已包括於收入內)為10,500,000港元(二零二零年：10,400,000港元)。

總括已變現及未變現收益／虧損以及加入股息收入淨額、利息收入、其他投資收入／開支及財務費用淨額之收入淨額為449,800,000港元(二零二零年：2,479,800,000港元)，證券投資及財資產品確認之虧損為1,995,500,000港元(二零二零年：收益2,068,700,000港元)，其中156,500,000港元(二零二零年：1,967,600,000港元)為於本年度來自恒大股份之股息收入淨額。

來自上市股本投資之股息收入168,300,000港元(二零二零年：1,969,800,000港元)以及債券及結構性產品之利息收入315,500,000港元(二零二零年：596,100,000港元)已計入收入內。

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虧損2,138,000,000港元及2,145,500,000港元(二零二零年：財務費用淨額前及後分別錄得溢利184,900,000港元及132,400,000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)

Details of realised and unrealised gain/loss, interest and dividend income by each type of bonds, listed investments held-for-trading and structured products during the Year are shown below:

## 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)

於本年度各類債券、持作買賣之上市投資及結構性產品之已變現及未變現收益／虧損、利息及股息收入之詳情如下所示：

		Realised loss		Unrealised (loss) gain		Interest/dividend income		Total (loss) profit	
		已變現虧損		未變現(虧損)收益		利息/股息收入		(虧損)溢利總額	
		2021	2020	2021	2020	2021	2020	2021	2020
		二零二一年	二零二零年	二零二一年	二零二零年	二零二一年	二零二零年	二零二一年	二零二零年
		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
<b>Bond issuers by industry</b>	按債券發行人之行業								
Overseas financial institutions	海外金融機構	9.7	(255.3)	0.2	11.2	12.7	114.7	22.6	(129.4)
PRC-based real estate	中國房地產	(1,677.7)	(137.7)	(607.1)	3.7	292.3	465.0	(1,992.5)	331.0
Others	其他	-	(43.7)	-	-	-	6.0	-	(37.7)
		(1,668.0)	(436.7)	(606.9)	14.9	305.0*	585.7	(1,969.9)	163.9
<b>Listed investments held-for-trading</b>	持作買賣之上市投資	183.9	25.3	(339.6)	(12.7)	11.7	2.1	(144.0)	14.7
<b>Structured products</b>	結構性產品	(13.5)	-	(1.2)	(1.9)	10.5	10.4	(4.2)	8.5
		(1,497.6)	(411.4)	(947.7)	0.3	327.2	598.2	(2,118.1)	187.1
Other net investment expenses	其他投資開支淨額							(19.9)*	(2.2)
(Loss) profit before net finance costs	財務費用淨額前之(虧損)溢利							(2,138.0)	184.9
Net finance costs	財務費用淨額							(7.5)	(52.5)
(Loss) profit after net finance costs	財務費用淨額後之(虧損)溢利							(2,145.5)	132.4

\* allowance for credit losses recognised in respect of bond interest receivables of HK\$11.9 million was included in "other net investment expenses".

\* 「其他投資開支淨額」包括就債券之應收利息確認之信貸虧損撥備為11,900,000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)

#### Listed Equity Investments at Fair Value Through Other Comprehensive Income

##### (a) Implication on Profit or Loss for the Year

Dividend income, other investment income 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\$156.5 million (2020: HK\$1,967.6 million) (after transaction cost) from holding of 860,000,000 Evergrande Shares, net relevant finance costs of HK\$6.8 million (2020: HK\$31.3 million) and other investment income of HK\$0.3 million (2020: nil) were recorded, hence the results from listed equity investments at FVTOCI recorded a net gain of HK\$150.0 million (2020: HK\$1,936.3 million). Dividend income for the Year represented 2020 final dividend (2020: 2019 and 2018 final dividends) from the Evergrande Shares, the decrease was mainly due to the decrease in both China Evergrande's profit attributable to the shareholders and its dividend payout ratio (year 2020 was less than respective year 2019 and year 2018).

##### (b) Implication on Other Comprehensive Expenses for the Year

During the Year, the Group through a series of transactions disposed of certain Evergrande Shares in the open market of the Stock Exchange and recorded a realised loss of HK\$7,869.9 million (inclusive of transaction costs) (2020: another listed equity investment at FVTOCI was disposed of and recorded a net realised gain of HK\$0.1 million). The unit share price of China Evergrande had dropped from HK\$14.90 as at 31 December 2020 to HK\$1.59 as at 31 December 2021, or 89.3% over the Year, hence an unrealised loss on fair value change of the remaining Evergrande Shares of HK\$3,051.9 million (2020: unrealised loss on fair value change of 860,000,000 Evergrande Shares of HK\$5,762.0 million) was recognised in other comprehensive expenses. The Group believes that the decrease in share price of China Evergrande for the Year, among others, was owing to liquidity and going concern issues, decline in profitability and reduced dividend payout ratio of China Evergrande, and the tightening gearing policy over the real estate developers in the PRC. 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.

## 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、其他投資收入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股恒大股份之股息收入淨額156,500,000港元(二零二零年：1,967,600,000港元)(扣除交易成本後)、相關財務費用淨額6,800,000港元(二零二零年：31,300,000港元)及其他投資收入300,000港元(二零二零年：無)，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150,000,000港元(二零二零年：1,936,300,000港元)。於本年度之股息收入乃指來自恒大股份之二零二零年末期股息(二零二零年：二零一九年及二零一八年末期股息)，該減少主要由於中國恒大股東應佔之溢利及其派息率(二零二零年少於相關二零一九年及二零一八年)均減少所致。

##### (b) 本年度其他全面支出之影響

於本年度，本集團透過一系列交易於聯交所公開市場出售若干恒大股份並錄得已變現虧損7,869,900,000港元(包括交易成本)(二零二零年：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)。中國恒大每股股價由二零二零年十二月三十一日之14.90港元下跌至二零二一年十二月三十一日之1.59港元或於本年度下跌89.3%，因此餘下恒大股份之公平值變動之未變現虧損3,051,900,000港元(二零二零年：860,000,000股恒大股份之公平值變動之未變現虧損5,762,000,000港元)於其他全面支出內確認。本集團相信於本年度中國恒大之股價下跌乃因(其中包括)中國恒大之流動資金及持續經營問題、盈利下降以及派息率減少，以及於中國之房地產發展商面對收緊借貸比率政策。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且對本集團之現金流量並無構成影響。

## 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 performance of listed equity investments at FVTOCI – the Evergrande Shares during the Year are summarised as follows:

## 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)

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 – 恒大股份之表現概述如下：

		Number of shares	Closing price (per share)	Recorded in consolidated statement of financial position		Recorded in consolidated statement of comprehensive income	
				錄入綜合財務狀況報表	錄入綜合全面收益報表	Financial assets measured at fair value through other comprehensive income	Financial assets measured at fair value through other comprehensive income reserve
		股份數目	收市價 (每股)	通過其他全面收益以反映公平值計量之金融資產	通過其他全面收益以反映公平值計量之金融資產之儲備	本年度溢利	本年度其他全面支出
			HK\$ 港元	HK\$ million 百萬港元	HK\$ million 百萬港元	HK\$ million 百萬港元	HK\$ million 百萬港元
At 31 December 2020	於二零二零年十二月三十一日	860,000,000	14.90	12,814.0	(782.0)		
Disposal	出售	630,703,000		(1,530.4)	-	-	-
Realised fair value change	已變現公平值變動			(7,867.1)	(7,869.9)	-	(7,869.9)
Unrealised fair value change	未變現公平值變動			(3,051.9)	(3,051.9)	-	(3,051.9)
				(12,449.4)	(10,921.8)	-	(10,921.8)
Transfer to retained profits upon disposal	於出售時轉撥至保留溢利				9,219.0		
Net dividend income	股息收入淨額					156.5	-
Other investment income	其他投資收入					0.3	-
Net finance costs	財務費用淨額					(6.8)	-
<b>Profit/other comprehensive expenses for the Year</b>	<b>本年度溢利／其他全面支出</b>					<b>150.0</b>	<b>(10,921.8)</b>
<b>At 31 December 2021</b>	<b>於二零二一年十二月三十一日</b>	<b>229,297,000</b>	<b>1.59</b>	<b>364.6</b>	<b>(2,484.8)</b>		
<b>Percentage to total assets</b>	<b>佔資產總額之百分比</b>						
<b>At 31 December 2021</b>	<b>於二零二一年十二月三十一日</b>				<b>1.7%</b>		
At 31 December 2020	於二零二零年十二月三十一日				34.2%		

## RESULTS (Cont'd)

### Other Income and Expenses

During the Year, the Group recorded other income of HK\$63.2 million (2020: HK\$281.3 million). The decrease was mainly due to the amount of dilapidations settlement received from tenants in respect of investment properties in the United Kingdom reduced to HK\$0.4 million (2020: surrender premium and dilapidations settlement in aggregate of HK\$249.8 million, mainly represented the amount received in respect of an anchor tenant of an investment property in the United Kingdom surrendered the lease which was an one-off item).

During the Year, administrative expenses increased by 7.5% to HK\$344.5 million (2020: HK\$320.6 million). The increase in administrative expenses was mainly due to increase in depreciation expenses of HK\$36.6 million. Finance costs decreased by 51.5% to HK\$104.5 million (2020: HK\$215.6 million) during the Year, including exchange loss of HK\$3.8 million (2020: HK\$13.1 million) on translation of foreign currency other borrowings hedged for foreign currency securities investments and exchange loss of HK\$1.8 million on translation of foreign currency bank borrowing (2020: HK\$7.1 million on translation of foreign currency bank borrowing and loan). The decrease in finance costs was mainly due to the decrease in average total borrowings and average interest rates during the Year.

Other gains and losses for the Year recorded a minimal loss (2020: loss of HK\$4.9 million mainly comprised write-down of stock of properties).

### 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 from the share of results of associates of HK\$106.7 million (2020: HK\$38.4 million comprised loss from the share of results of associates of HK\$35.6 million and a joint venture of HK\$2.8 million). The increase in loss from the share of results of associates was mainly due to recognition of an impairment loss by an associate despite of the decrease in loss on fair value change of investment properties held by associates.

## 業績(續)

### 其他收入及開支

於本年度，本集團錄得其他收入63,200,000港元(二零二零年：281,300,000港元)。該減幅主要來自就英國投資物業向租戶收取之拆卸費用減至400,000港元(二零二零年：退租補償及拆卸費用合共249,800,000港元，主要乃指來自英國投資物業之一位主要租戶退回其租賃而收取之金額並為一次性項目)。

於本年度，行政開支增加7.5%至344,500,000港元(二零二零年：320,600,000港元)。行政開支增幅主要由於折舊開支增加36,600,000港元。財務費用於本年度減少51.5%至104,500,000港元(二零二零年：215,600,000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3,800,000港元(二零二零年：13,100,000港元)以及外幣銀行借貸所產生之匯兌虧損1,800,000港元(二零二零年：外幣銀行借貸及貸款所產生之匯兌虧損7,100,000港元)。財務費用之減少主要由於於本年度平均借貸總額及平均利率下跌所致。

本年度其他收益及虧損錄得虧損屬較少數目(二零二零年：虧損4,900,000港元主要包含物業存貨之減值虧損)。

### 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攤佔聯營公司業績之虧損106,700,000港元(二零二零年：38,400,000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)。攤佔聯營公司業績之虧損增加主要由於一間聯營公司確認減值虧損，儘管聯營公司持有之投資物業之公平值變動虧損減少。



## RESULTS (Cont'd)

## Fair Value Changes on Investment Properties

Investment properties of the Group in Hong Kong and Mainland China and one of the investment properties in the United Kingdom were revalued at 31 December 2021 by LCH (Asia-Pacific) Surveyors Limited ("LCH (Asia-Pacific)") whereas the remaining investment properties in the United Kingdom were revalued by Peak Vision Appraisals Limited ("Peak Vision Appraisals"). LCH (Asia-Pacific) and Peak Vision Appraisals are independent property valuers. An unrealised loss on fair value changes of investment properties of HK\$1,376.6 million (2020: HK\$1,549.2 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.

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

## Loss/Profit

Loss for the Year attributable to owners of the Company was HK\$3,515.3 million as compared to profit of HK\$622.2 million for last year. The turning from profit to loss for the Year was mainly due to (a) decrease in net dividend income from the Evergrande Shares; (b) results in the segment of investments and treasury products at FVTPL turned from profit to loss; and (c) decrease in dilapidations settlement received from tenants in respect of investment properties in the United Kingdom during the Year. Loss per share for the Year was HK\$1.84 (2020: earnings per share of HK\$0.33).

## Core Loss/Profit

If the net loss on the major non-cash items of HK\$1,395.9 million (2020: HK\$1,605.1 million) is excluded but the share of accumulated realised fair value gain recognised in prior years on disposal of an investment property of an associate of HK\$0.8 million (2020: nil) is included, the Group will have a core loss for the Year attributable to owners of the Company of HK\$2,118.6 million (2020: core profit of HK\$2,227.3 million) and a core loss per share of HK\$1.11 (2020: core profit per share of HK\$1.17).

The major non-cash items represented the attributable net unrealised fair value loss on investment properties together with their respective deferred tax (if any) from the Group and its associates of HK\$1,395.9 million (2020: from the Group and its associates and joint venture of HK\$1,605.1 million).

## 業績(續)

## 投資物業之公平值變動

利駿行測量師有限公司(「利駿行測量師」)已就本集團位於香港及中國大陸之投資物業以及其中一項位於英國之投資物業進行於二零二一年十二月三十一日之物業估值以及灤鋒評估有限公司(「灤鋒評估」)就餘下位於英國之投資物業進行估值。利駿行測量師及灤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1,376,600,000港元(二零二零年：1,549,200,000港元)。未變現之公平值變動乃非現金項目，對本集團之現金流量並無構成影響。

## 虧損／溢利、核心虧損／溢利、股息、回購、現金支出比率及全面支出總額

## 虧損／溢利

本公司擁有人應佔本年度之虧損為3,515,300,000港元，相比去年溢利為622,200,000港元。本年度轉盈為虧主要由於：(a)於本年度來自恒大股份之股息收入淨額減少；(b)於本年度通過損益以反映公平值之投資及財資產品之分類業績轉盈為虧；及(c)於本年度就英國投資物業向租戶收取之拆卸費用減少。本年度之每股虧損為1.84港元(二零二零年：每股盈利0.33港元)。

## 核心虧損／溢利

如撇除主要非現金項目虧損淨額1,395,900,000港元(二零二零年：1,605,100,000港元)，但包括攤佔一間聯營公司就出售一項投資物業於過往年度確認之累積已變現公平值收益800,000港元(二零二零年：無)，本集團將錄得本公司擁有人應佔本年度之核心虧損2,118,600,000港元(二零二零年：核心溢利2,227,300,000港元)及每股核心虧損為1.11港元(二零二零年：每股核心溢利1.17港元)。

主要非現金項目乃指來自本集團及其聯營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(如有)共1,395,900,000港元(二零二零年：來自本集團以及其聯營公司及合資公司之金額共1,605,100,000港元)。

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

### Dividends

Final dividend of HK1 cent (year ended 31 December 2019: HK1 cent) per share in total amount of HK\$19.1 million for the year ended 31 December 2020 was paid in cash on 11 June 2021 and no interim dividend for 2021 (half year ended 30 June 2020: HK1 cent per share).

Total dividend of HK\$19.1 million was 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 loss for the Year of HK\$2,118.6 million or HK\$1.11 per share (2020: core profit of HK\$2,227.3 million or HK\$1.17 per share); and (b) no final dividend (2020: cash final dividend of HK1 cent per share) proposed; and (c) no interim dividend (2020: cash interim dividend of HK1 cent per share) paid, the cash payment ratio is undefined as a result of core loss for the Year (2020: ratio of cash payment to the core profit was 1.7%).

### Total Comprehensive Expenses

Total comprehensive expenses for the Year attributable to owners of the Company was HK\$14,375.7 million or HK\$7.54 per share (2020: HK\$4,978.6 million or HK\$2.61 per share), which comprised (a) loss for the Year attributable to owners of the Company of HK\$3,515.3 million (2020: profit of HK\$622.2 million); and (b) other comprehensive expenses for the Year attributable to owners of the Company of HK\$10,860.4 million (2020: HK\$5,600.8 million) which mainly included realised loss of HK\$7,869.9 million (2020: nil) and unrealised loss of HK\$3,051.9 million (2020: HK\$5,762.0 million) on fair value changes of listed equity investment at FVTOCI, 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.

## 虧損／溢利、核心虧損／溢利、股息、回購、現金支出比率及全面支出總額(續)

### 股息

截至二零二零年十二月三十一日止年度之每股1港仙(截至二零一九年十二月三十一日止年度：每股1港仙)總額為19,100,000港元之末期股息，已於二零二一年六月十一日以現金派付，以及並無二零二一年中期股息(截至二零二零年六月三十日止半年度：每股1港仙)。

於本年度，以現金派付之股息總額為19,100,000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)本年度之核心虧損2,118,600,000港元或每股1.11港元(二零二零年：核心溢利2,227,300,000港元或每股1.17港元)；及(b)不建議派付末期股息(二零二零年：以現金派付之末期股息每股1港仙)；及(c)並無派付中期股息(二零二零年：以現金派付之中期股息每股1港仙)，本年度之核心虧損導致該現金支出比率未能確定(二零二零年：現金支出與核心溢利之比率1.7%)。

### 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14,375,700,000港元或每股7.54港元(二零二零年：4,978,600,000港元或每股2.61港元)，其中包含(a)本公司擁有人應佔本年度之虧損3,515,300,000港元(二零二零年：溢利622,200,000港元)；及(b)本公司擁有人應佔本年度之其他全面支出10,860,400,000港元(二零二零年：5,600,800,000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已變現虧損7,869,900,000港元(二零二零年：無)及公平值變動未變現虧損3,051,900,000港元(二零二零年：5,762,000,000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。

## NET ASSET VALUE

As at 31 December 2021, the Group's net asset value attributable to owners of the Company amounted to HK\$14,375.6 million (2020: HK\$28,758.8 million), a decrease of HK\$14,383.2 million or 50.0% when compared with 31 December 2020. With the total number of ordinary shares in issue of 1,907,619,079 as at 31 December 2021 and 2020, the net asset value per share attributable to owners of the Company was HK\$7.54 (2020: HK\$15.08). 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\$14,375.7 million; (b) final dividend recognised as distribution during the Year totaling of HK\$19.1 million; and (c) forfeiture of unclaimed dividends recorded in retained profits of HK\$11.6 million.

During the Year, loss on fair value changes of listed equity investment categorised as financial assets measured at FVTOCI of HK\$10,921.8 million (2020: HK\$5,761.9 million) was recorded in other comprehensive expenses, and the Group transferred the negative balance of the financial assets measured at FVTOCI reserve of the disposed listed equity investment of HK\$9,219.0 million to retained profits. The cumulative amount of loss on fair value changes of listed equity investment included in financial assets measured at FVTOCI reserve as at 31 December 2021 was HK\$2,484.8 million (2020: HK\$782.0 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.

## 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 2021, the portfolio of securities investments and treasury products of HK\$1,066.0 million (2020: HK\$16,306.8 million) comprised (a) bonds, listed investments held-for-trading and structured products (presented as financial assets measured at FVTPL (non-current and current assets)) in aggregate of HK\$701.4 million (2020: HK\$3,492.8 million); and (b) listed equity investment (presented as financial assets measured at FVTOCI) of HK\$364.6 million (2020: HK\$12,814.0 million), representing 4.9% (2020: 43.5%) of total assets.

## 資產淨值

於二零二一年十二月三十一日，本公司擁有人應佔本集團之資產淨值為14,375,600,000港元(二零二零年：28,758,800,000港元)，較二零二零年十二月三十一日減少14,383,200,000港元或50.0%。根據於二零二一年及二零二零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7.54港元(二零二零年：15.08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14,375,700,000港元；(b)於本年度已確認派發之末期股息總額19,100,000港元；及(c)於保留溢利錄得沒收未被領取之股息11,600,000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10,921,800,000港元(二零二零年：5,761,900,000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之負債結餘9,219,000,000港元轉撥至保留溢利。於二零二一年十二月三十一日，上市股本投資之公平值變動虧損之累計金額2,484,800,000港元(二零二零年：782,000,000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。

## 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。

於二零二一年十二月三十一日，證券投資及財資產品組合1,066,000,000港元(二零二零年：16,306,800,000港元)中包含(a)債券、持作買賣之上市投資及結構性產品(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701,400,000港元(二零二零年：3,492,800,000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)364,600,000港元(二零二零年：12,814,000,000港元)，佔資產總額4.9%(二零二零年：43.5%)。

## 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, the Group disposed of 630,703,000 shares of China Evergrande. Hence, the Group held 229,297,000 shares of China Evergrande as at 31 December 2021, representing approximately 1.7% of the total issued share capital of China Evergrande as at 31 December 2021.

As at 31 December 2020, the cumulative unrealised loss on fair value change of the Evergrande Shares was HK\$782.0 million and the carrying amount of the Evergrande Shares was HK\$12,814.0 million. After deducting the carrying amount of HK\$1,530.4 million upon disposal, together with realised and unrealised fair value losses of HK\$10,919.0 million for the Year, the carrying amount of the Evergrande Shares as at 31 December 2021 was HK\$364.6 million, representing 1.7% (2020: 34.2%) of total assets. The cumulative unrealised loss on fair value change of the Evergrande Shares was increased from HK\$782.0 million as at 31 December 2020 to HK\$2,484.8 million as at 31 December 2021, which was recorded in the financial assets measured at FVTOCI reserve.

China Evergrande group is principally engaged in, among other things, property development, property investment and property management in the PRC. According to the audited consolidated financial statements of China Evergrande for the years ended 31 December 2020 and 2019, the revenue and profit attributable to shareholders were Renminbi ("RMB") 507.2 billion (2019: RMB477.6 billion) and RMB8.1 billion (2019: RMB17.3 billion) respectively; while the total assets and total equity were RMB2,301.2 billion (2019: RMB2,206.6 billion) and RMB350.4 billion (2019: RMB358.5 billion) respectively, the net debt was RMB535.8 billion (2019: RMB571.1 billion). In accordance with the unaudited consolidated financial statements of China Evergrande for the six months ended 30 June 2021, the revenue and profit attributable to shareholders were RMB222.7 billion and RMB14.4 billion respectively; while the total assets and total equity were RMB2,377.6 billion and RMB411.0 billion respectively, the net debt was RMB410.1 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，本集團出售630,703,000股中國恒大股份。因此，於二零二一年十二月三十一日，本集團持有229,297,000股中國恒大股份(相當於中國恒大於二零二一年十二月三十一日之全部已發行股本約1.7%)。

於二零二零年十二月三十一日，恒大股份之公平值變動之累計未變現虧損為782,000,000港元及恒大股份之賬面值為12,814,000,000港元。經扣除本年度出售之賬面值1,530,400,000港元連同已變現及未變現公平值虧損10,919,000,000港元後，於二零二一年十二月三十一日恒大股份之賬面值為364,600,000港元，佔資產總額1.7%(二零二零年：34.2%)。恒大股份之公平值變動之累計未變現虧損由二零二零年十二月三十一日之782,000,000港元增加至於二零二一年十二月三十一日之2,484,800,000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(其中包括)房地產開發、物業投資及物業管理。根據中國恒大於截至二零二零年及二零一九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」)507,200,000,000(二零一九年：人民幣477,600,000,000)及人民幣8,100,000,000(二零一九年：人民幣17,300,000,000)；而資產總額及股本權益總額分別為人民幣2,301,200,000,000(二零一九年：人民幣2,206,600,000,000)及人民幣350,400,000,000(二零一九年：人民幣358,500,000,000)，債務淨額為人民幣535,800,000,000(二零一九年：人民幣571,100,000,000)。根據中國恒大於截至二零二一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222,700,000,000及人民幣14,400,000,000；而資產總額及股本權益總額分別為人民幣2,377,600,000,000及人民幣411,000,000,000，債務淨額為人民幣410,100,000,000。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)

## Investments and Treasury Products at Fair Value Through Profit or Loss

As at 31 December 2020, the carrying amount of the bonds presented as financial assets measured at FVTPL was HK\$3,287.6 million. During the Year, the bonds portfolio was decreased by a net disposal of HK\$746.5 million. After deducting the fair value loss of HK\$2,274.9 million recognised in profit or loss, the bonds portfolio of the Group became HK\$266.2 million as at 31 December 2021, representing 1.2% (2020: 8.8%) of total assets, which formed part of the Group's cash management activities.

As at 31 December 2021, the bonds portfolio comprised of 12 bonds (2020: 27 bonds). In terms of credit rating, non-investment grade and unrated were 9 bonds and 3 bonds (2020: 18 bonds and 9 bonds) respectively. In terms of maturity, 1 bond (2020: 5 bonds) was (were) contingent convertible bond(s) issued by overseas financial institution(s) which was (were) perpetual with no fixed tenor, 11 bonds (2020: 22 bonds) issued by issuers in the industry of PRC-based real estate of which 10 bonds will be matured between 2022 to 2024 and 1 bond was matured (2020: 21 bonds would be matured between 2021 to 2025 and remaining 1 bond was perpetual bond).

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

## 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

於二零二零年十二月三十一日，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3,287,600,000港元。於本年度，該債券組合已就出售淨額減少746,500,000港元。經扣除於損益確認之公平值虧損2,274,900,000港元後，本集團於二零二一年十二月三十一日之債券組合為266,200,000港元，佔資產總額1.2%(二零二零年：8.8%)，該組合為本集團資金管理活動之一部分。

於二零二一年十二月三十一日，該債券組合包含12隻(二零二零年：27隻)債券。以信貸評級分類，9隻及3隻(二零二零年：18隻及9隻)債券分別為非投資評級及未獲評級。以到期日分類，1隻(二零二零年：5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。11隻(二零二零年：22隻)由中國房地產行業之發行人發行之債券中10隻將於二零二二年至二零二四年到期及1隻已到期(二零二零年：21隻將於二零二一年至二零二五年到期及餘下1隻為永續債券)。

於報告期末債券組合之詳情及變動載列如下：

		<b>Overseas financial institutions</b> 海外金融機構 <b>HK\$ million</b> 百萬港元	<b>PRC-based real estate</b> 中國房地產 <b>HK\$ million</b> 百萬港元	<b>Total 總額</b> <b>HK\$ million</b> 百萬港元
<b>Movement of bonds portfolio</b>	<b>債券組合之變動</b>			
Carrying amounts	賬面值			
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
Purchases	購入	-	1,419.4	1,419.4
Disposals	出售	(308.1)	(1,857.8)	(2,165.9)
Fair value changes (recognised in profit or loss)	公平值變動 (於損益內確認)	9.9	(2,284.8)	(2,274.9)
<b>At 31 December 2021</b>	<b>於二零二一年十二月三十一日</b>	<b>11.3</b>	<b>254.9</b>	<b>266.2</b>
<b>Percentage to total assets</b>	<b>佔資產總額之百分比</b>			
<b>At 31 December 2021</b>	<b>於二零二一年十二月三十一日</b>	<b>0.0%</b>	<b>1.2%</b>	<b>1.2%</b>
At 31 December 2020	於二零二零年十二月三十一日	0.8%	8.0%	8.8%

## 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: (Cont'd)

於報告期末債券組合之詳情及變動載列如下：(續)

Bond issuers by industry	按債券發行人之行業	At 31 December 2021		At 31 December 2020	
		於二零二一年十二月三十一日		於二零二零年十二月三十一日	
		HK\$ million	Percentage to total	HK\$ million	Percentage to total
		百萬港元	佔總額之百分比	百萬港元	佔總額之百分比
Carrying amounts	賬面值				
Overseas financial institutions	海外金融機構	254.9	95.8%	309.5	9.4%
PRC-based real estate	中國房地產	11.3	4.2%	2,978.1	90.6%
		<b>266.2</b>	<b>100.0%</b>	3,287.6	100.0%

Bonds by currency	按債券之貨幣	At 31 December 2021			At 31 December 2020		
		於二零二一年十二月三十一日			於二零二零年十二月三十一日		
		Coupon rate (per annum)	HK\$ million	Percentage to total	Coupon rate (per annum)	HK\$ million	Percentage to total
		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	
Carrying amounts	賬面值						
US\$	美元	8.600% to 13.000%	254.9	95.8%	7.000% to 13.000%	3,004.6	91.4%
		8.600厘至 13.000厘			7.000厘至 13.000厘		
Pound Sterling ("GBP")	英鎊(「英鎊」)	7.125%	11.3	4.2%	5.875% to 7.250%	262.6	8.0%
		7.125厘			5.875厘至 7.250厘		
Euro	歐元	-	-	-	6.125%	20.4	0.6%
					6.125厘		
			<b>266.2</b>	<b>100.0%</b>		3,287.6	100.0%

As at 31 December 2021, the Group held investments held-for-trading of HK\$428.4 million (2020: HK\$152.7 million), of which HK\$194.3 million (2020: HK\$85.3 million) were listed shares in Hong Kong and HK\$234.1 million (2020: HK\$67.4 million) were listed shares in elsewhere.

於二零二一年十二月三十一日，本集團持有持作買賣之投資428,400,000港元(二零二零年：152,700,000港元)，當中194,300,000港元(二零二零年：85,300,000港元)之股份於香港上市及234,100,000港元(二零二零年：67,400,000港元)之股份於其他地區上市。

## SECURITIES INVESTMENTS (Cont'd)

### Unlisted Securities Investments

The Group invested in an exempted limited partnership formed under the Exempted Limited Partnership Law (Revised) of the Cayman Islands (presented as financial assets measured at FVTOCI) and the carrying amount was HK\$488.6 million as at 31 December 2020. During the Year, the Group has contributed US\$1.2 million (equivalent to approximately HK\$9.0 million), after deducting the fair value loss for the Year of HK\$71.7 million (which was recognised in financial assets measured at FVTOCI reserve), the carrying amount was HK\$425.9 million as at 31 December 2021, representing 2.0% (2020: 1.3%) 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.

## EQUITY

The number of issued ordinary shares as at 31 December 2021 and 2020 were 1,907,619,079.

## DEBT AND GEARING

As at 31 December 2021, the Group's total debt amounted to HK\$5,515.2 million (2020: HK\$7,389.0 million), comprised bank borrowings of HK\$5,455.5 million (2020: bank and other borrowings of HK\$7,263.8 million) and lease liabilities amounted to HK\$59.7 million (2020: HK\$125.2 million). Cash and deposits at banks amounted to HK\$2,479.9 million (2020: HK\$1,654.5 million), pledged deposits amounted to HK\$277.5 million (2020: HK\$260.5 million) and net debt (including lease liabilities) amounted to HK\$2,757.8 million (2020: HK\$5,474.0 million).

Total debt to equity ratio (including lease liabilities) was 38.3% (2020: 25.7%) and net debt to equity ratio (including lease liabilities) was 19.2% (2020: 19.0%), which are expressed as a percentage of total debt, and net debt, respectively, over the total equity of HK\$14,398.8 million (2020: HK\$28,780.3 million). The increase in total debt to equity ratio was mainly due to decrease in total equity.

## 證券投資(續)

### 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(呈列為通過其他全面收益以反映公平值計量之金融資產)及於二零二零年十二月三十一日其賬面值為488,600,000港元。於本年度，本集團已注資1,200,000美元(相當於約9,000,000港元)，經扣除本年度公平值虧損71,700,000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，於二零二一年十二月三十一日之賬面值為425,900,000港元，佔資產總額2.0%(二零二零年：1.3%)。

## 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。

## 股本

於二零二一年及二零二零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

於二零二一年十二月三十一日，本集團之債務總額為5,515,200,000港元(二零二零年：7,389,000,000港元)，包含銀行借貸5,455,500,000港元(二零二零年：銀行及其他借貸7,263,800,000港元)以及租賃負債59,700,000港元(二零二零年：125,200,000港元)。現金及銀行存款為2,479,900,000港元(二零二零年：1,654,500,000港元)，抵押存款為277,500,000港元(二零二零年：260,500,000港元)，而債務淨額(包括租賃負債)為2,757,800,000港元(二零二零年：5,474,000,000港元)。

債務總額與股本權益比率(包括租賃負債)為38.3%(二零二零年：25.7%)，而債務淨額與股本權益比率(包括租賃負債)為19.2%(二零二零年：19.0%)，乃分別將債務總額及債務淨額除以股本權益總額14,398,800,000港元(二零二零年：28,780,300,000港元)得出之百分比。債務總額與股本權益比率增加主要由於股本權益總額減少所致。

## DEBT AND GEARING (Cont'd)

If the securities investments and treasury products of HK\$1,066.0 million (2020: HK\$16,306.8 million) are included, the net debt to equity ratio would be 11.8% (2020: net cash position of HK\$10,832.8 million).

As at 31 December 2021, the Group's bank borrowings of HK\$5,455.5 million, 66.8%, 5.8% and 27.4% were repayable within 1 year, 1 to 2 years and 2 to 5 years respectively. Of which the Group's bank borrowings were denominated in HK\$ (27.0%), GBP (50.3%) and US\$ (22.7%) before entering the cross currency swap. 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 2021, notional amount of approximately US\$159.0 million was outstanding. As at 31 December 2021, the Group's bank borrowings were carried at interest rates calculated with reference to cost of funds, Hong Kong Interbank Offered Rate, London Interbank Offered Rate or compounded reference rate and all the Group's bank borrowings were on floating rate basis. Except as disclosed, no hedging for interest rate is subsisted at the end of the reporting period.

## PLEDGE OF ASSETS

As at 31 December 2021, the Group had pledged the following assets with their respective carrying amounts:

- (a) The Group's investment properties of HK\$11,334.9 million (2020: HK\$12,387.0 million), properties of HK\$42.9 million (2020: nil) and bank deposits of HK\$277.5 million (2020: HK\$233.2 million) were pledged to the banks to secure general banking facilities granted to the Group.
- (b) As at 31 December 2021, none of securities investment were pledged (2020: the Group's bonds, listed equity investments and structured product with carrying amounts of HK\$12,877.3 million and cash deposits of HK\$27.3 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 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.

## 債務及資本與負債比率(續)

倘計入證券投資及財資產品1,066,000,000港元(二零二零年: 16,306,800,000港元), 則債務淨額與股本權益比率為11.8%(二零二零年: 現金淨額狀況10,832,800,000港元)。

於二零二一年十二月三十一日, 本集團之銀行借貸5,455,500,000港元中, 66.8%、5.8%及27.4%須分別於一年內、一年至兩年內及兩年至五年內償還。於本集團之銀行借貸中, 以港元(27.0%)、英鎊(50.3%)及美元(22.7%)(進行貨幣掉期前)計值。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, 以及於二零二一年十二月三十一日未償還之名義金額約為159,000,000美元。於二零二一年十二月三十一日, 本集團之銀行借貸參照資金成本、香港銀行同業拆息、倫敦銀行同業拆息或複合參考利率計算利率, 而本集團所有銀行借貸均為浮息借貸。除所披露者外, 於報告期末並無就利率作出對沖。

## 資產抵押

於二零二一年十二月三十一日, 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融資, 本集團之投資物業11,334,900,000港元(二零二零年: 12,387,000,000港元)、物業42,900,000港元(二零二零年: 無)及銀行存款277,500,000港元(二零二零年: 233,200,000港元)已抵押予銀行。
- (b) 於二零二一年十二月三十一日, 並無抵押證券投資(二零二零年: 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港元及現金存款27,300,000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)。
- (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。



## FINANCIAL AND INTEREST INCOME/EXPENSES

## 財務及利息收入／開支

Interest income was included in revenue and investment expenses, net. Interest income for the Year decreased to HK\$320.4 million (2020: HK\$603.4 million), representing a decrease of 46.9% as compared with last year which was mainly due to the decrease in bonds portfolio and hence its relevant interest income during the Year.

收入及投資開支淨額均包括利息收入。本年度之利息收入減少至320,400,000港元(二零二零年：603,400,000港元)，較去年減少46.9%，主要由於於本年度債券組合減少以致相關利息收入減少。

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\$89.0 million, representing a decrease of 52.0% over last year of HK\$185.4 million. Interest capitalised for the Year was HK\$2.3 million (2020: HK\$2.8 million). The decrease in interest expenses was mainly due to the decrease in average total borrowings and interest rates during the Year. The average interest rate over the year under review was 1.29% (2020: 1.99%), which was expressed as a percentage of total interest paid (excluding interest on lease liabilities) over the average total interest-bearing borrowings.

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89,000,000港元，較去年之185,400,000港元減少52.0%。於本年度資本化之利息為2,300,000港元(二零二零年：2,800,000港元)。利息開支減少主要由於於本年度平均借貸總額及利率下降所致。於回顧年內之平均利率為1.29厘(二零二零年：1.99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。

## REMUNERATION POLICIES

## 酬金政策

As at 31 December 2021, the Group employed a total of 474 staff (2020: 475 staff) including about 236 staff (2020: 236 staff) employed under the estate management company in Hong Kong and 5 staff (2020: 1 staff) in the United Kingdom.

於二零二一年十二月三十一日，本集團共有僱員474人(二零二零年：475人)包括受僱於香港物業管理公司之僱員約236人(二零二零年：236人)以及位於英國之僱員5人(二零二零年：1人)。

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.

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。

## UNITED KINGDOM AND MAINLAND CHINA

As at 31 December 2021, the Group's investment properties (excluding properties occupied for own use) in the United Kingdom with carrying amount of GBP645.8 million (equivalent to approximately HK\$6,799.6 million) (2020: GBP719.7 million (equivalent to approximately HK\$7,614.2 million)) incurred a net loss of HK\$843.8 million (2020: HK\$396.7 million) to the Group for the Year, the loss mainly included in gross profit, other income, fair value changes on investment properties, administrative expenses, finance costs and taxation. GBP exchange loss of foreign operations included in other comprehensive expenses for the Year amounted to HK\$30.0 million (2020: exchange gain of HK\$132.5 million). As at 31 December 2021, the Group's net investment in the United Kingdom amounted to HK\$4,226.4 million (2020: HK\$4,025.4 million) representing 29.4% (2020: 14.0%) of the Group's total equity.

Loss incurred by the Group's investment in Mainland China (mainly included in gross profit, 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\$135.7 million (2020: HK\$44.3 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\$11.9 million (2020: HK\$30.0 million). The Group's net investment in Mainland China as at 31 December 2021 amounted to HK\$392.5 million (2020: HK\$518.1 million) representing 2.7% (2020: 1.8%) of the Group's total equity.

## 英國及中國大陸

本集團位於英國之投資物業(不包括自用之物業)於二零二一年十二月三十一日之賬面值為645,800,000英鎊(相當於約6,799,600,000港元)(二零二零年: 719,700,000英鎊(相當於約7,614,200,000港元))並為本集團於本年度帶來虧損淨額843,800,000港元(二零二零年: 396,700,000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、行政開支、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虧損為30,000,000港元(二零二零年: 匯兌收益132,500,000港元)。於二零二一年十二月三十一日,本集團於英國之投資淨額為4,226,400,000港元(二零二零年: 4,025,400,000港元),佔本集團股本權益總額29.4%(二零二零年: 14.0%)。

本集團於中國大陸之投資(主要包括毛利、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135,700,000港元(二零二零年: 44,300,000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11,900,000港元(二零二零年: 30,000,000港元)。於二零二一年十二月三十一日,本集團於中國大陸之投資淨額為392,500,000港元(二零二零年: 518,100,000港元),佔本集團股本權益總額2.7%(二零二零年: 1.8%)。

## PROPERTY VALUATION

Property valuations in respect of the Group's investment properties in Hong Kong, Mainland China and one of investment properties in the United Kingdom as at 31 December 2021 were carried out by LCH (Asia-Pacific), an independent qualified professional property valuer. For the remaining investment properties in the United Kingdom, the property valuations as at 31 December 2021 were carried out by Peak Vision Appraisals, another independent qualified professional property valuer (2020: investment properties in Hong Kong and Mainland China were carried out by B.I. Appraisals Limited and investment properties in the United Kingdom were carried by Peak Vision Appraisals, both are independent qualified professional property valuers). 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 2021 final results.

The Group's investment properties were valued at HK\$13,292.2 million (2020: HK\$14,373.3 million), a decrease of 9.5% over 2020 after adjusted for the additions, acquisition, transfer and exchange adjustments of investment properties during the Year. The decrease in fair value of HK\$1,376.6 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 of HK\$19.3 million for the Year.

The decrease in fair value of HK\$1,376.6 million was mainly derived from the decrease in fair value of River Court in the United Kingdom. The global outbreak and persistence 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.

## 物業估值

本集團位於香港及中國大陸之投資物業以及其中一項位於英國之投資物業由獨立合資格專業物業估值師利駿行測量師進行於二零二一年十二月三十一日之物業估值。就餘下位於英國之投資物業，由另一獨立合資格專業物業估值師漂鋒評估進行於二零二一年十二月三十一日之物業估值(二零二零年：位於香港及中國大陸之投資物業由保柏國際評估有限公司進行估值以及位於英國之投資物業由漂鋒評估進行估值，兩者均為獨立合資格專業物業估值師)。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，並已用於編製二零二一年全年業績。

本集團投資物業之估值為13,292,200,000港元(二零二零年：14,373,300,000港元)，經作出調整本年度投資物業之添置、收購、轉撥及匯兌調整後，較二零二零年減少9.5%。本年度之公平值減少1,376,600,000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之投資物業之公平值減少19,300,000港元。

公平值減少1,376,600,000港元乃主要來自位於英國之River Court之公平值減少所致。2019冠狀病毒病疫情於全球爆發及持續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，對本集團之現金流量並無構成影響。