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## **Wing Tai Properties Limited**

**永泰地產有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 369)**

### **ANNOUNCEMENT OF 2021 ANNUAL RESULTS, FINAL DIVIDEND, RECORD DATE AND CLOSURE OF REGISTER OF MEMBERS**

#### **CHAIRMAN'S STATEMENT**

Dear Shareholders,

In spite of the overall tough operating environment amid COVID-19 pandemic, the Group managed to deliver improved operating results for 2021.

We reported a consolidated profit attributable to shareholders of HK\$854 million for 2021, a turnaround from a HK\$674 million loss last year, mainly due to the reduction in net fair value loss on investment properties and financial instruments. Earnings per share were HK\$0.63. Excluding the net fair value loss, we achieved a core consolidated profit attributable to shareholders of HK\$683 million, a 50% increase from \$456 million last year, driven mainly by the booking of sales profit on the OMA OMA residential project upon the handover of our pre-sales units in the fourth quarter of 2021.

During the second half of 2021, with the easing of pandemic conditions and a still low interest rate environment, the Hong Kong residential primary sale market remained stable. Capturing the solid demand for premium mass housing, we continued to sell the remaining units of our "Upper Gold Coast" series. However, hit by the Omicron variant outbreak since January 2022, the residential market nearly came to a halt.

We are working diligently to obtain the Occupation Permit for OMA by the Sea residential project in coming months and to obtain the Certificate of Compliance in the fourth quarter. However, the timing of its issuance by the government may be hindered by the current pandemic situation. For the newly acquired medium-density residential site near Sheung Shui MTR, master planning and design work have commenced, adopting the same "Affordable Luxury" approach as our well-received "Upper Gold Coast" series.

The leasing market in Hong Kong and London continued to suffer from economic uncertainty and social distancing measures under the pandemic, although the market sentiment and number of viewings slightly improved in the final quarter of 2021. Our occupancy and rental rates continued to decline gradually, resulting in decreased leasing income in 2021. However, revaluation of our office properties stabilised in the second half of 2021, and as a result, total fair value loss on investment properties for 2021 reduced significantly from 2020.

Affected by the travel ban and quarantine measures under the pandemic, our hospitality operation was still in operating loss in 2021. Our Lanson Place hotel in Hong Kong joined the designated quarantine hotel program in late November 2021, that helped to improve the occupancy rate and revenue until January 2022, when the government imposed a travel ban on eight countries due to the Omicron variant surge.

Faced with these challenges and uncertainties, our management stayed focused and cautious while monitoring our business operation and cash flow. With a healthy financial position and cash flow, the Board of Directors has recommended a final dividend of HK21.0 cents. Together with the interim dividend of HK6.0 cents per share, the total dividends for 2021 will be HK27.0 cents per share, same as last year.

I would like to thank our employees, especially our frontline teams, for their dedication and professionalism in another challenging year. I would also like to express my gratitude to my fellow Board members, business partners and stakeholders as a whole for their confidence and support to the Group.

**Cheng Wai Chee, Christopher**  
Chairman

Hong Kong, 24 March 2022

## FINANCIAL RESULTS

The Board of Directors (the “Directors”) of Wing Tai Properties Limited (the “Company”) presents the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2021, together with comparative figures for the previous year, as follows:

### CONSOLIDATED INCOME STATEMENT

		Year ended 31 December	
	Note	2021 HK\$'M	2020 HK\$'M
<b>Revenue</b>	3	3,423.2	2,777.8
Cost of sales		(2,083.6)	(1,777.7)
<b>Gross profit</b>		1,339.6	1,000.1
Other gains, net	4	489.0	215.6
Selling and distribution costs		(160.3)	(154.6)
Administrative expenses		(316.2)	(337.7)
Change in fair value of			
– investment properties		(527.4)	(1,064.5)
– financial instruments	5	75.1	(150.4)
		(452.3)	(1,214.9)
<b>Profit/(loss) from operations</b>	6	899.8	(491.5)
Finance costs		(112.7)	(96.0)
Finance income		13.6	41.0
Share of results of joint ventures		242.9	(12.3)
Share of results of associates		1.8	3.7
<b>Profit/(loss) before taxation</b>		1,045.4	(555.1)
Taxation	7	(127.8)	(60.8)
<b>Profit/(loss) for the year</b>		917.6	(615.9)
<b>Profit/(loss) for the year attributable to:</b>			
Shareholders of the Company		854.4	(674.4)
Holders of perpetual capital securities		65.5	63.8
Non-controlling interests		(2.3)	(5.3)
		917.6	(615.9)
<b>Earnings/(loss) per share attributable to shareholders of the Company</b>	8		
– Basic		HK\$0.63	(HK\$0.50)
– Diluted		HK\$0.63	(HK\$0.50)

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December	
	2021	2020
	HK\$'M	HK\$'M
<b>Profit/(loss) for the year</b>	917.6	(615.9)
<b>Other comprehensive income</b>		
<b>Items that will not be reclassified to profit or loss:</b>		
Release of other reserve upon disposal of a subsidiary	-	1.9
<b>Items that have been/may be reclassified subsequently to profit or loss:</b>		
Exchange differences on translation of foreign operations	3.4	58.7
Net gain/(loss) on net investment hedge		
– Fair value gains/(losses)	8.3	(3.7)
– Realised upon settlement	13.6	(4.4)
Net gain/(loss) on cash flow hedge		
– Fair value gains/(losses)	4.1	(4.3)
Release of translation reserve upon dissolution of a subsidiary	(3.8)	-
Release of translation reserve upon disposal of a subsidiary	-	0.6
Share of other comprehensive income of a joint venture	0.6	0.5
	26.2	47.4
<b>Other comprehensive income for the year, net of tax</b>	26.2	49.3
<b>Total comprehensive income/(loss) for the year</b>	943.8	(566.6)
<b>Total comprehensive income/(loss) for the year attributable to:</b>		
Shareholders of the Company	880.6	(625.1)
Holders of perpetual capital securities	65.5	63.8
Non-controlling interests	(2.3)	(5.3)
<b>Total comprehensive income/(loss) for the year</b>	943.8	(566.6)

## CONSOLIDATED BALANCE SHEET

		At 31 December	
	Note	2021 HK\$'M	2020 HK\$'M
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Investment properties		21,777.7	20,375.6
Other properties, plant and equipment		65.9	82.3
Investments in joint ventures		1,635.0	1,365.3
Loans to joint ventures		3,787.6	3,868.3
Investments in associates		26.1	23.3
Loans to associates		22.4	22.4
Financial investments at amortised cost		375.7	293.3
Financial investments at fair value through profit or loss		627.8	537.8
Other non-current assets		585.4	1,500.7
Deferred tax assets		17.6	31.3
Derivative financial instruments		98.8	63.1
		<u>29,020.0</u>	<u>28,163.4</u>
<b>Current assets</b>			
Properties for sale		5,702.0	4,243.8
Trade and other receivables, deposits and prepayments	10	264.5	1,711.6
Financial investments at amortised cost		340.0	475.5
Financial investments at fair value through profit or loss		-	75.3
Other current assets		1,206.9	5.3
Derivative financial instruments		8.8	0.7
Sales proceeds held in stakeholders' accounts		711.9	1,375.1
Tax recoverable		18.9	5.0
Bank balances and cash		1,465.5	1,190.1
		<u>9,718.5</u>	<u>9,082.4</u>
<b>Current liabilities</b>			
Trade and other payables and accruals	11	3,152.2	4,655.5
Derivative financial instruments		117.0	32.6
Tax payable		79.0	11.9
Bank and other borrowings		3,458.1	725.9
		<u>6,806.3</u>	<u>5,425.9</u>

## CONSOLIDATED BALANCE SHEET (Continued)

	At 31 December	
	2021	2020
	HK\$'M	HK\$'M
<b>Non-current liabilities</b>		
Bank and other borrowings	3,346.2	3,653.7
Other long-term liability	32.8	48.4
Derivative financial instruments	2.3	110.2
Deferred tax liabilities	385.1	366.6
	<u>3,766.4</u>	<u>4,178.9</u>
<b>NET ASSETS</b>	<u>28,165.8</u>	<u>27,641.0</u>
<b>EQUITY</b>		
<b>Shareholders' funds</b>		
Share capital	677.4	677.3
Reserves	25,975.5	25,448.3
	<u>26,652.9</u>	<u>26,125.6</u>
<b>Perpetual capital securities</b>	1,513.4	1,513.3
<b>Non-controlling interests</b>	(0.5)	2.1
<b>TOTAL EQUITY</b>	<u>28,165.8</u>	<u>27,641.0</u>

NOTES:

## 1. Basis of preparation

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and disclosure requirements of the Hong Kong Companies Ordinance (Cap.622).

These consolidated financial statements are presented in millions of Hong Kong dollars (HK\$’M).

## 2. Significant accounting policies

### (a) Amendments to standards effective for the current accounting period beginning on 1 January 2021 and relevant to the Group

Amendments to HKFRS 16	COVID-19 – Related rent concessions
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest rate benchmark reform – Phase 2

The adoption of the above amendments to standards did not have any significant impact to the consolidated financial statements in the current and prior years.

*Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 – Interest rate benchmark reform – Phase 2*

For financial instruments measured using amortised cost measurement, changes to the basis for determining the contractual cash flows required by interest rate benchmark reform are reflected by adjusting their effective interest rate. No immediate gain or loss is recognised by applying practical expedients permitted by the amendments. These expedients are only applicable to changes that are required by interest rate benchmark reform, which is the case if, and only if, the change is necessary as a direct consequence of interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis.

Where some or all of a change in the basis for determining the contractual cash flows of a financial asset and liability does not meet the above criteria, the above practical expedient is first applied to the changes required by interest rate benchmark reform, including updating the instrument’s effective interest rate. Any additional changes assessed for modification or derecognition, with the resulting modification gain or loss recognised immediately in profit or loss where the instrument is not derecognised.

As at 31 December 2021, the Group has completed the transition from interest rate benchmarks to alternative benchmark interest rates. The Group adopted it using retrospective approach. The adoption did not have any significant impact to the consolidation financial statements in the current and prior years.

## 2. Significant accounting policies (Continued)

### (b) New standard, amendments and improvements to standards relevant to the Group that are not yet effective in 2021 and have not been early adopted by the Group

The Group has not early adopted the following new standard, amendments and improvements to standards that have been issued but are not yet effective for the year ended 31 December 2021:

		<b>Effective for annual periods beginning on or after</b>
Amendments to HKFRS 16	COVID-19 – Related rent concessions beyond 30 June 2021	1 April 2021
Amendments to HKAS 16	Proceeds before intended use	1 January 2022
Amendments to HKAS 37	Onerous contracts – Cost of fulfilling a contract	1 January 2022
Amendments to HKFRS 3	Reference to Conceptual Framework	1 January 2022
Amendments to Accounting Guideline 5 (Revised)	Revised Accounting Guideline 5 Merger Accounting for Common Control Combinations	1 January 2022
Annual improvements HKFRS 17	Annual improvements 2018–2020 cycle Insurance contracts and related amendments	1 January 2022
Amendments to HKAS 1	Classification of liabilities as current or non-current and related amendments to Hong Kong Interpretation 5 (2020)	1 January 2023
Amendments to HKAS 8	Definition of accounting estimate	1 January 2023
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of accounting policies	1 January 2023
Amendments to HKAS 12	Deferred tax related to assets and liabilities arising from a single transaction	1 January 2023
Hong Kong Interpretation 5 (2020)	Presentation of Financial Statements – Classification by the borrower of a term loan that contains a repayment on demand clause	1 January 2023
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture	To be determined

The Group is in the process of making an assessment of the impact of these new standard, amendments and improvements to standards and is not yet in a position to state whether they would have a significant impact on the Group's results and financial position.



### 3. Revenue and segment information

Revenue represents the amounts received and receivable from third parties net of value-added tax and discounts in connection with the following activities:

	2021 HK\$'M	2020 HK\$'M
Sale of properties and project management income	2,652.7	2,021.6
Rental income and property management income	667.0	682.2
Interest income from financial investments	36.5	32.0
Interest income from mortgage loan receivables	47.8	25.7
Dividend income from financial investments	19.2	16.3
	<u>3,423.2</u>	<u>2,777.8</u>

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by Executive Directors in order to allocate resources to the segment and to assess its performance.

Segment information are analysed on the basis of the Group's operating divisions. They are (i) Property Development, (ii) Property Investment and Management, (iii) Hospitality Investment and Management and (iv) Others. Others mainly represent investing activities and corporate activities including central management and administrative function.

### 3. Revenue and segment information (Continued)

	Property development HK\$'M	Property investment and management HK\$'M	Hospitality investment and management HK\$'M	Others HK\$'M	Elimination HK\$'M	Total HK\$'M
<b>For the year ended 31 December 2021</b>						
<b>REVENUE</b>						
External sales	2,728.7	570.0	68.8	55.7	-	3,423.2
Inter-segment sales	2.3	14.9	-	-	(17.2)	-
<b>Total</b>	<b>2,731.0</b>	<b>584.9</b>	<b>68.8</b>	<b>55.7</b>	<b>(17.2)</b>	<b>3,423.2</b>
<b>RESULTS</b>						
Profit/(loss) before change in fair value of investment properties and financial instruments	997.7	330.9	(10.1)	33.6	-	1,352.1
Change in fair value of						
- investment properties	-	(508.2)	(19.2)	-	-	(527.4)
- financial instruments	77.6	23.4	-	(25.9)	-	75.1
<b>Profit/(loss) from operations</b>	<b>1,075.3</b>	<b>(153.9)</b>	<b>(29.3)</b>	<b>7.7</b>	<b>-</b>	<b>899.8</b>
Finance costs	(58.3)	(30.9)	(10.9)	(25.2)	12.6	(112.7)
Finance income	1.3	4.5	0.1	20.3	(12.6)	13.6
Share of results of joint ventures	49.2	203.4	(9.7)	-	-	242.9
Share of results of associates	-	1.8	-	-	-	1.8
<b>Profit/(loss) before taxation</b>	<b>1,067.5</b>	<b>24.9</b>	<b>(49.8)</b>	<b>2.8</b>	<b>-</b>	<b>1,045.4</b>
Taxation						(127.8)
<b>Profit for the year</b>						<b>917.6</b>
<b>Other item</b>						
Depreciation and amortisation	7.5	1.8	0.3	7.4	-	17.0

### 3. Revenue and segment information (Continued)

	Property development HK\$'M	Property investment and management HK\$'M	Hospitality investment and management HK\$'M	Others HK\$'M	Elimination HK\$'M	Total HK\$'M
<b>For the year ended 31 December 2020</b>						
<b>REVENUE</b>						
External sales	2,053.6	613.7	62.2	48.3	-	2,777.8
Inter-segment sales	1.5	15.8	-	-	(17.3)	-
<b>Total</b>	<b>2,055.1</b>	<b>629.5</b>	<b>62.2</b>	<b>48.3</b>	<b>(17.3)</b>	<b>2,777.8</b>
<b>RESULTS</b>						
Profit/(loss) before change in fair value of investment properties and financial instruments	318.4	391.2	(13.1)	26.9	-	723.4
Change in fair value of						
- investment properties	(3.9)	(886.9)	(173.7)	-	-	(1,064.5)
- financial instruments	(60.6)	(11.5)	-	(78.3)	-	(150.4)
<b>Profit/(loss) from operations</b>	<b>253.9</b>	<b>(507.2)</b>	<b>(186.8)</b>	<b>(51.4)</b>	<b>-</b>	<b>(491.5)</b>
Finance costs	(41.2)	(51.9)	(18.2)	(18.2)	33.5	(96.0)
Finance income	7.5	2.9	0.1	64.0	(33.5)	41.0
Share of results of joint ventures	59.2	(42.0)	(29.5)	-	-	(12.3)
Share of results of associates	-	3.7	-	-	-	3.7
<b>Profit/(loss) before taxation</b>	<b>279.4</b>	<b>(594.5)</b>	<b>(234.4)</b>	<b>(5.6)</b>	<b>-</b>	<b>(555.1)</b>
Taxation						(60.8)
<b>Loss for the year</b>						<b>(615.9)</b>
<b>Other item</b>						
Depreciation and amortisation	8.7	1.4	0.2	7.9	-	18.2

Inter-segment transactions are entered into under the normal commercial terms and conditions mutually agreed among group companies.

### 3. Revenue and segment information (Continued)

The segment assets and liabilities at 31 December 2021 and 2020 and additions to non-current assets for the years then ended are as follows:

	Property development HK\$'M	Property investment and management HK\$'M	Hospitality investment and management HK\$'M	Others HK\$'M	Total HK\$'M
<b>At 31 December 2021</b>					
<b>ASSETS</b>					
Segment assets (Note a)	11,420.7	16,975.3	2,222.8	2,468.5	33,087.3
Investments in joint ventures and loans to joint ventures	3,927.1	1,370.0	161.5	-	5,458.6
Investments in associates and loans to associates	1.8	46.7	-	-	48.5
	<u>15,349.6</u>	<u>18,392.0</u>	<u>2,384.3</u>	<u>2,468.5</u>	<u>38,594.4</u>
Other assets (Note a)					144.1
Consolidated total assets					<u>38,738.5</u>
<b>LIABILITIES</b>					
Segment liabilities (Note b)	(2,847.8)	(219.7)	(41.3)	(76.2)	(3,185.0)
Other liabilities (Note b)					(7,387.7)
Consolidated total liabilities					<u>(10,572.7)</u>
<b>Additions to non-current assets (Note d)</b>	<u>-</u>	<u>0.9</u>	<u>6.3</u>	<u>0.3</u>	<u>7.5</u>
<b>At 31 December 2020</b>					
<b>ASSETS</b>					
Segment assets (Note a)	8,511.4	17,389.1	2,223.9	2,333.0	30,457.4
Investments in joint ventures and loans to joint ventures	5,691.5	854.8	96.3	-	6,642.6
Investments in associates and loans to associates	1.9	43.8	-	-	45.7
	<u>14,204.8</u>	<u>18,287.7</u>	<u>2,320.2</u>	<u>2,333.0</u>	<u>37,145.7</u>
Other assets (Note a)					100.1
Consolidated total assets					<u>37,245.8</u>
<b>LIABILITIES</b>					
Segment liabilities (Note b)	(4,319.7)	(226.2)	(66.1)	(91.9)	(4,703.9)
Other liabilities (Note b)					(4,900.9)
Consolidated total liabilities					<u>(9,604.8)</u>
<b>Additions to non-current assets (Note d)</b>	<u>7.2</u>	<u>1.7</u>	<u>2.2</u>	<u>2.2</u>	<u>13.3</u>

### 3. Revenue and segment information (Continued)

The following is an analysis of the Group's revenue by geographical areas in which the customers are located, irrespective of the origin of the goods/services:

	Year ended 31 December	
	2021 HK\$'M	2020 HK\$'M
Hong Kong	3,310.6	2,673.6
United Kingdom	29.1	28.6
The PRC	24.3	23.8
Singapore	21.6	18.3
Others	37.6	33.5
	<u>3,423.2</u>	<u>2,777.8</u>

The followings are analyses of the Group's non-current assets including investment properties and other properties, plant and equipment, and additions to non-current assets by geographical areas in which the assets are located.

	Non-current assets (Note c)		Additions to non-current assets (Note d)	
	At 31 December		Year ended 31 December	
	2021 HK\$'M	2020 HK\$'M	2021 HK\$'M	2020 HK\$'M
Hong Kong	20,471.3	19,088.3	7.5	13.3
United Kingdom	834.9	845.5	-	-
The PRC	537.4	524.1	-	-
	<u>21,843.6</u>	<u>20,457.9</u>	<u>7.5</u>	<u>13.3</u>

#### Notes:

- Segment assets consist primarily of investment properties, other properties, plant and equipment, financial investments at amortised cost, financial investments at fair value through profit or loss, other non-current assets, properties for sale, trade and other receivables, deposits and prepayments, other current assets, sales proceeds held in stakeholders' accounts and bank balances and cash. Other assets comprise mainly derivative financial instruments, tax recoverable and deferred tax assets.
- Segment liabilities comprise operating liabilities. Other liabilities include tax payable, bank and other borrowings, deferred tax liabilities and derivative financial instruments.
- Non-current assets include investment properties and other properties, plant and equipment.
- Additions to non-current assets comprise additions to investment properties and other properties, plant and equipment.

The Group's operations are principally located in Hong Kong, the United Kingdom and the People's Republic of China other than Hong Kong (the "PRC").

#### 4. Other gains, net

	2021 HK\$'M	2020 HK\$'M
Compensation income arising from early termination of tenancy agreements	-	2.4
Compensation income arising from early termination of a management agreement	3.3	-
Exchange gains/(losses), net	0.6	(2.5)
Forfeited deposits received from properties sales and rental deposit	5.3	5.0
Gain on disposal of other properties, plant and equipment	-	0.5
Gain on distribution in specie of the joint ventures (Note)	472.2	193.5
Government grants and subsidies	0.2	19.1
Loss on disposal of a subsidiary	-	(2.5)
Management fee income from joint ventures	1.7	0.1
Provision for doubtful debts	(5.0)	(5.5)
Others	10.7	5.5
	<u>489.0</u>	<u>215.6</u>

#### Note:

In May 2021, all unsold residential units of a joint venture project, La Vetta, were distributed to shareholders. The units are held for leasing and classified as investment properties. On the date of distribution, the Group's attributable residential units were distributed at fair value of HK\$1,922.9 million. Therefore, it resulted in a fair value gain of HK\$472.2 million, net of tax, which was recorded during the year.

In September 2020, all unsold residential units of a joint venture project, Le Cap, were distributed to shareholders. The units are held for leasing and classified as investment properties. On the date of distribution, the Group's attributable residential units were distributed at fair value of HK\$977.7 million. Therefore, it resulted in a fair value gain of HK\$193.5 million, net of tax, which was recorded in 2020.

#### 5. Change in fair value of financial instruments

	2021 HK\$'M	2020 HK\$'M
Net fair value gain on derivative financial instruments	43.6	2.9
Gain/(loss) on financial liabilities at fair value through profit or loss classified under other long-term liability	14.0	(7.7)
Loss on financial investments at fair value through profit or loss	(10.9)	(80.3)
Gain/(loss) on mortgage loan receivables at fair value through profit or loss	28.4	(65.3)
	<u>75.1</u>	<u>(150.4)</u>

## 6. Profit/(loss) from operations

	2021 HK\$'M	2020 HK\$'M
Profit/(loss) from operations has been arrived at after charging/(crediting) the following:		
Staff costs including directors' remuneration	252.8	266.3
Retirement benefits costs	10.4	10.8
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Total staff costs (Note)	263.2	277.1
Share-based compensation expenses (Note)	12.5	14.3
Auditor's remuneration		
– Audit services	5.0	4.6
– Non-audit services	0.7	0.6
Cost of properties included in cost of sales	1,905.6	1,609.3
Depreciation of other properties, plant and equipment	16.7	18.0
Direct operating expenses arising from investment properties generating rental income	155.1	145.8
Gain on disposal of other properties, plant and equipment	-	(0.5)
Loss on disposal of a subsidiary	-	2.5
Gross rental income from investment properties	(643.2)	(656.9)
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### *Note:*

Share-based compensation expenses recognised in the consolidated income statement in respect of share options and incentive shares granted to certain directors and employees are not included in the total staff costs above.

## 7. Taxation

Hong Kong profits tax has been calculated at 16.5% (2020: 16.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

The amount of taxation charged/(credited) to the consolidated income statement represents:

	2021 HK\$'M	2020 HK\$'M
Current taxation		
– Current tax on profits for the year	98.7	57.6
– Under/(over)-provision in prior years	0.4	(0.3)
	<u>99.1</u>	<u>57.3</u>
Deferred taxation		
– Change in fair value of investment properties	3.9	(3.9)
– Temporary differences on tax depreciation	20.8	21.3
– Utilisation/(recognition) of tax losses	1.5	(11.4)
– Other temporary differences	2.5	(2.5)
	<u>28.7</u>	<u>3.5</u>
Income tax expenses	<u>127.8</u>	<u>60.8</u>

## 8. Earnings/(loss) per share

### (a) Basic

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the year.

	2021	2020
Profit/(loss) attributable to shareholders of the Company (expressed in HK\$'M)	<u>854.4</u>	<u>(674.4)</u>
Weighted average number of ordinary shares in issue	<u>1,354,730,663</u>	<u>1,354,460,672</u>
Basic earnings/(loss) per share	<u>HK\$0.63</u>	<u>(HK\$0.50)</u>



## 8. Earnings/(loss) per share (Continued)

### (b) Diluted

Diluted earnings/(loss) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares at the beginning of the year. The Company has share options and incentive shares outstanding during the year which are dilutive potential ordinary shares. Calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average daily market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding incentive shares.

	2021	2020
Profit/(loss) attributable to shareholders of the Company (expressed in HK\$'M)	854.4	(674.4)
Weighted average number of ordinary shares in issue	1,354,730,663	1,354,460,672
Effect of dilutive potential shares issuable under the Company's share incentive scheme	12,197	230,246
Weighted average number of shares for the purpose of calculating diluted earnings/(loss) per share	1,354,742,860	1,354,690,918
Diluted earnings/(loss) per share	HK\$0.63	(HK\$0.50)

## 9. Dividends

	2021 HK\$'M	2020 HK\$'M
Interim dividend paid on 5 October 2021 of HK6.0 cents (2020: HK6.0 cents) per ordinary share	81.3	81.3
Proposed final dividend of HK21.0 cents (2020: HK21.0 cents) per ordinary share	284.8	284.5
	366.1	365.8

The final dividend is not accounted for as a dividend payable in these financial statements until it has been approved at the forthcoming annual general meeting of the Company.

## 10. Trade and other receivables, deposits and prepayments

	2021 HK\$'M	2020 HK\$'M
Trade receivables (Note a)	16.3	14.8
Deferred rent receivables	15.8	13.6
Amounts due from joint ventures	6.9	7.4
Loans to joint ventures	36.0	1,409.0
Contract assets (Note b)	109.8	178.3
Other receivables, deposits and prepayments	79.7	88.5
	<u>264.5</u>	<u>1,711.6</u>

### Notes:

- (a) The Group allows different credit periods to its customers. Credit periods vary from 30 to 90 days in accordance with industry practice. Sales proceeds receivable from sale of properties are settled in accordance with the terms of respective contracts. The following is an ageing analysis of the Group's trade receivables (net of provision) at 31 December, based on the invoice dates:

	2021 HK\$'M	2020 HK\$'M
0 – 30 days	10.2	9.1
31 – 90 days	2.6	2.6
Over 90 days	3.5	3.1
	<u>16.3</u>	<u>14.8</u>

- (b) It mainly represents sales commissions incurred for obtaining property sales contracts.

## 11. Trade and other payables and accruals

	2021 HK\$'M	2020 HK\$'M
Trade payables (Note a)	9.7	8.8
Contract liabilities (Note b)	2,341.0	3,817.7
Rental deposits received	163.7	161.3
Construction costs payable	158.4	211.4
Amounts due to joint ventures	73.5	70.3
Amounts due to an associate	2.0	-
Other payables and accruals	403.9	386.0
	<u>3,152.2</u>	<u>4,655.5</u>

## 11. Trade and other payables and accruals (Continued)

Notes:

(a) The ageing analysis of the Group's trade payables based on invoice date at 31 December is as follows:

	2021 HK\$'M	2020 HK\$'M
0 – 30 days	6.2	7.2
31 – 90 days	3.3	1.2
Over 90 days	0.2	0.4
	<u>9.7</u>	<u>8.8</u>

(b) It represents sales deposits received from property sales.

## 12. Scope of work of PricewaterhouseCoopers

The financial figures in respect of this results announcement for the year ended 31 December 2021 have been agreed by the Group auditor, PricewaterhouseCoopers, to the amounts set out in the Group's consolidated financial statements for the year ended 31 December 2021. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on the announcement.

## FINAL DIVIDEND, RECORD DATE AND CLOSURE OF REGISTER OF MEMBERS

### FINAL DIVIDEND AND RECORD DATE

The Directors recommend the payment of a final dividend of HK21.0 cents (2020: HK21.0 cents) per share for the year ended 31 December 2021. Including the interim dividend of HK6.0 cents (2020: HK6.0 cents) per share distributed on 5 October 2021, the total dividend payout for the year ended 31 December 2021 shall be HK27.0 cents (2020: HK27.0 cents) per share. Subject to the passing of the relevant resolution at an annual general meeting to be held on 31 May 2022 (the "AGM"), the final dividend will be distributed on or around 23 June 2022 to shareholders whose names appear on the register of members of the Company at the close of business on 6 June 2022 (the Record Date).

In order to qualify for the entitlement of the final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on 6 June 2022.

## **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of ascertaining shareholders' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from 23 May 2022 to 24 May 2022 (both days inclusive), during which period the registration of transfers of shares will be suspended. In order to be eligible to attend and vote at the AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on 20 May 2022.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

For the year ended 31 December 2021, the Group's revenue was HK\$3,423 million, compared with HK\$2,778 million in 2020. The increase was mainly due to more revenue recognised from first-time revenue recognition upon handover of pre-sold units of OMA OMA, as compared to The Carmel in 2020.

Consolidated profit for the year was HK\$918 million, an increase of HK\$1,534 million compared with loss of HK\$616 million in 2020. The increase was mainly attributable to (i) HK\$1,023 million decrease in fair value loss on investment properties and financial instruments including joint ventures (2021 loss was HK\$301 million, 2020 loss was HK\$1,324 million), (ii) HK\$309 million higher profit from property development segment due to more profit recognised from OMA OMA than The Carmel, (iii) HK\$279 million increase of one-off valuation gain from distribution in specie of the unsold units of La Vetta than Le Cap.

The 2021 net fair value loss on investment properties and financial instruments including joint ventures was HK\$301 million amidst a sluggish leasing market under COVID-19. The loss from investment properties, mainly Landmark East, was HK\$510 million. The gain from financial instruments, mainly interest rate swap contracts, was HK\$209 million.

Consolidated profit attributable to shareholders was HK\$854 million, an increase of HK\$1,528 million compared with consolidated loss of HK\$674 million in 2020.

Earnings per share attributable to shareholders was HK\$0.63, compared with loss per share attributable to shareholders of HK\$0.50 in 2020.

Core consolidated profit attributable to shareholders, excluding one-off valuation gain and change in fair value on investment properties and financial instruments including joint ventures, was HK\$683 million, an increase of HK\$227 million, mainly due to more property sales handed over to buyers, compared with HK\$456 million in 2020.

## Property Development

The property development segment revenue excluding inter-segment sales was HK\$2,729 million in 2021, compared with HK\$2,054 million in 2020. Segment profit before taxation (including fair value changes) was HK\$1,068 million, compared with HK\$279 million in 2020. Excluding fair value changes in investment properties and financial instruments including joint ventures (2021 gain was HK\$84 million; 2020 loss was HK\$58 million) and the one-off valuation gain (2021 was HK\$472 million, 2020 was HK\$193 million) from distribution in specie of unsold units of La Vetta and distribution in specie of unsold units of Le Cap in 2021 and 2020 respectively, segment profit before taxation was HK\$512 million in 2021, compared with HK\$144 million in 2020, as a result of more sold units of OMA OMA than The Carmel handed over to buyers during the year.

### *Wholly-owned projects*

The Carmel, a low-density residential site in Siu Sau, Tai Lam, Tuen Mun, provides a saleable area of approximately 147,000 square feet for 178 residential units of apartment and house. In 2021, around 3% (in terms of number) of the residential units, mainly house units and special units, were sold. Cumulatively, as at 31 December 2021, all residential units were sold. Around 2% (in terms of number) was handed over to buyers with related revenue recognised in 2021.

OMA OMA, a medium-density residential site on So Kwun Wat Road, So Kwun Wat, Tuen Mun, provides a saleable area of approximately 234,000 square feet for 466 residential apartment units. Occupation permit and Certificate of Compliance was obtained in March and October 2021, respectively. In 2021, around 4% (in terms of number) of the residential units were sold. Cumulatively, as at 31 December 2021, around 90% (in terms of number) of the residential units were sold. Around 87% (in terms of number) of the residential units were handed over to buyers with related revenue recognised in 2021.

The Group has held Le Cap and La Vetta, Kau To, Shatin, low-density residential projects, for leasing after distributions of unsold units to shareholders in 2020 and 2021 respectively. The Group has approximately 36,000 square feet salable area for 16 residential units including houses and apartments, and 22 car parking spaces, at Le Cap. As at 31 December 2021, all residential units were leased. The Group has approximately 72,000 square feet saleable area for 34 residential units including houses and apartments, and 48 car parking spaces, at La Vetta. As at 31 December 2021, around 74% of the residential units (in terms of number) were leased.

### *Majority-owned projects*

The Group has a 70% interest in OMA by the Sea, the site adjacent to The Carmel in Siu Sau, Tai Lam, Tuen Mun. This medium-density residential site has a saleable area of approximately 252,000 square feet for 517 residential apartment units. Superstructure work has commenced and the project is scheduled for completion in 2022. In 2021, around 15% (in terms of number) of the residential units were pre-sold. Cumulatively, as at 31 December 2021, around 89% (in terms of number) of the residential units were pre-sold. Related revenue and profit of the pre-sold units will be recognised upon handover to buyers prior to the project's material date that falls in 2022.

In June 2021, the Group won a government tender for a medium-density residential site located at the junction of Fan Kam Road and Castle Peak Road – Kwu Tung, Fanling, New Territories, for a consideration of HK\$2.6 billion. The Group has a 85% interest and the site is in possession in July 2021. The site is adjacent to Fanling Golf Course and is within a 10-minute walk to Sheung Shui MTR station, with a gross floor area of approximately 284,170 square feet. The Group is the lead project manager, and lead sales and marketing manager for this project. Master planning and design work have commenced.

#### *Joint venture project*

The Group has a 50% interest in a commercial complex site in Central, through the tender for H18C of the Gage Street/Graham Street project as put up by the Urban Renewal Authority. Advantageously located in the heart of the bustling Central financial hub, the site provides a gross floor area of up to 433,500 square feet to be developed into a Grade A office tower, a hotel, retail shops, as well as public open space with green facilities for the neighbourhood. The Group is the lead project manager and lead leasing manager for this project. The foundation work for the project is in progress.

### **Property Investment and Management**

The property investment and management segment revenue excluding inter-segment sales reduced to HK\$570 million in 2021, compared with HK\$614 million in 2020. Segment profit before taxation (including fair value changes) was HK\$25 million, compared with loss of HK\$595 million in 2020. Excluding fair value changes in investment properties and financial instruments, including joint ventures (2021 was fair value loss of HK\$332 million; 2020 was fair value loss of HK\$985 million), segment profit before taxation was HK\$353 million, compared with HK\$397 million in 2020. The decrease was mainly attributable to lower leasing income. The ongoing impact of COVID-19 has slowed down office space demand that softened office leasing market in Hong Kong and London.

As at 31 December 2021, the Group's portfolio of investment properties, mostly Grade A office buildings, has a total area of approximately 1,919,000 square feet with an aggregate attributable fair market valuation of around HK\$19,900 million. The portfolio encompasses 1,525,000 square feet in Hong Kong, 328,000 square feet in London and 6,200 square metre in Beijing.

#### *Wholly-owned properties in Hong Kong*

Landmark East is the Group's flagship property located in Kowloon East. This property is a Grade A office complex comprising twin towers of 36 floors and 34 floors respectively with a total gross floor area of approximately 1,338,000 square feet and 454 car parking spaces. As at 31 December 2021, the property achieved an occupancy of approximately 85%.

Shui Hing Centre is an industrial building in Kowloon Bay, with a gross floor area of approximately 187,000 square feet. As at 31 December 2021, the property achieved an occupancy of approximately 87%. The building obtained the Town Planning Board approval for redevelopment in April 2021.

*Wholly-owned properties in London, the United Kingdom*

The commercial property located at Savile Row/Vigo Street, West End, has a net internal area of approximately 14,000 square feet of Grade A office and retail space.

The commercial property located on Brook Street, West End, offers easy access to the upcoming Bond Street Station of London Crossrail and has a net internal area of approximately 19,000 square feet of Grade A office and retail space.

The commercial property located at Berkeley Square, West End, has a net internal area of approximately 7,900 square feet of Grade A office space.

As at 31 December 2021, the above three wholly-owned properties achieved an average occupancy of approximately 95%.

*Joint venture properties in London, the United Kingdom*

The Group has a 25% interest in a commercial property located on Fleet Place, the City. The property has a net internal area of approximately 192,000 square feet of Grade A office and retail space.

The Group has a 33% interest in a commercial property located at Cavendish Square, West End. The property has a net internal area of approximately 13,000 square feet of Grade A office space.

The Group has a 50% interest in a commercial property located at 30 Gresham Street, City of London. The property has a net internal area of approximately 404,000 square feet of Grade A office, retail space and ancillary accommodation, with 48 car parking spaces.

In April 2021, the Group completed the acquisition of a 21% interest in 66 Shoe Lane, a Grade A office building in a prime business hub on the western edge of The City of London. The property has a net internal area of approximately 154,000 square feet of office and ancillary space and approximately 4,000 square feet of retail space. The office space is fully leased to a global Big Four accounting and professional services firm with tenors of 15 years (including rent-free periods) expiring on 28 September 2035.

As at 31 December 2021, the above four joint venture properties achieved an average occupancy of approximately 88%.

### *Wholly-owned property in Beijing, China*

The Group has 33 residential units at Central Park, Beijing with a gross floor area of approximately 6,200 square metre. As at 31 December 2021, 91% of units (in terms of number) were leased.

### **Hospitality Investment and Management**

The hospitality investment and management segment revenue was HK\$69 million in 2021 compared with HK\$62 million in 2020. Segment loss before taxation (including fair value changes) was HK\$50 million in 2021 compared with segment loss of HK\$234 million in 2020, mainly due to fair value changes in investment properties, including joint ventures (2021 was fair value loss of HK\$28 million; 2020 was fair value loss of HK\$202 million). Excluding fair value changes in investment properties, segment loss before taxation was HK\$22 million in 2021, compared with loss of HK\$32 million in 2020.

The wholly-owned Lanson Place Causeway Bay hotel in Hong Kong and 50% owned Lanson Place Bukit Ceylon in Kuala Lumpur has continually suffered from the pandemic, given travel restrictions and quarantine measures are still in place, resulted in low occupancy and average room rates in 2021. Lanson Place Causeway Bay hotel started designated quarantine hotel operation with effect from 28 November 2021.

Lanson Place Waterfront Suites, our wholly-owned prime harbour-front furnished residence in Sai Wan Ho, has been held for leasing. The occupancy remains stable during the pandemic.

### **Others**

This segment represents investing activities and central management and administrative expenses. Segment revenue was HK\$56 million in 2021, compared with HK\$48 million in 2020.

Segment profit before taxation (including fair value changes) was HK\$3 million in 2021 compared with a segment loss of HK\$6 million in 2020, mainly due to fair value changes in financial instruments (2021 was fair value loss of HK\$26 million; 2020 was fair value loss of HK\$78 million). Fair value loss of HK\$78 million in 2020 was mainly attributable to the fair value loss from the Group's investment in Singapore REITs, which are listed on the Singapore Exchange.

Excluding fair value changes in financial instruments, segment profit before taxation was HK\$29 million in 2021, a decrease of HK\$43 million compared with HK\$72 million in 2020 due to a decrease in bank interest income during the year.



## FINANCIAL REVIEW

### Liquidity and Financial Resources

The Group's net assets totalled HK\$28,166 million as at 31 December 2021 (2020: HK\$27,641 million). The increase of HK\$525 million is mainly resulted from the profit for the year of HK\$918 million, offset by the distribution of the 2020 final dividend and 2021 interim dividend of HK\$366 million and distribution to holders of perpetual capital securities of HK\$65 million.

As at 31 December 2021, the Group's bank and other borrowings totalled HK\$6,804 million (2020: HK\$4,380 million). The maturity profile of the Group's bank and other borrowings is set out below:

	31 December 2021		31 December 2020	
	HK\$ million	%	HK\$ million	%
Repayable:				
Within one year	3,458	51%	726	17%
Between one and two years	1,345	20%	1,629	37%
Between two and five years	1,755	26%	2,008	46%
After five years	246	3%	17	0%
	<u>6,804</u>	<u>100%</u>	<u>4,380</u>	<u>100%</u>

As at 31 December 2021, the Group's net borrowings (total bank and other borrowings less bank balances and cash) were HK\$5,339 million (2020: HK\$3,190 million), representing 19.0% of the Group's net assets (2020: 11.5%). Interest for the Group's bank borrowings is mainly on a floating rate basis while interest for the Group's bonds is on a fixed rate basis. The Group will closely monitor the exposure to interest rate fluctuations and, if appropriate, hedge by interest rate swap contracts to the extent desirable.

The Group's bank balances and cash as well as unutilised revolving loan facilities are set out as follows:

	31 December 2021	31 December 2020
	HK\$ million	HK\$ million
Bank balances and cash	1,465	1,190
Unutilised revolving loan facilities	<u>2,582</u>	<u>2,561</u>
	<u>4,047</u>	<u>3,751</u>

## **Foreign Currencies**

The Group principally operates in Hong Kong, and as a result, has immaterial exposure to exchange rate fluctuations. The Group conducts its business mainly in Hong Kong dollars, and to a lesser extent Renminbi, UK pounds, Singapore dollars and Malaysia Ringgits. For transactions in foreign currencies, the Group will closely monitor the exposure and, if appropriate, hedge by local currency financing and other financial instruments to the extent desirable. In particular, exposure to investments in foreign operations in the United Kingdom is substantially covered by local currency financing and forward exchange contracts.

## **Contingent Liabilities**

As at 31 December 2021, the Group had contingent liabilities of HK\$5,260 million (2020: HK\$5,415 million) in respect of guarantees given by the Company for banking facilities granted to certain joint ventures. The guarantees were given severally and in proportion to the Group's equity interests in the joint ventures.

## **Pledge of Assets**

As at 31 December 2021, the Group's advances to joint ventures of HK\$2,890 million (2020: HK\$2,892 million) were subordinated to the loan facilities of joint ventures and assigned. The shares in these joint ventures beneficially owned by the Group are pledged to the financial institutions.

As at 31 December 2021, several of the Group's investment properties, financial investments at amortised cost and other properties, plant and equipment with carrying values of HK\$4,413 million, HK\$153 million and HK\$34 million respectively, were pledged to secure credit facilities for the Group.

## **PROSPECTS**

The year 2022 opened in unpredictable circumstances, with Hong Kong facing a rapid worsening Omicron outbreak and the global economy rocked by the Russia/Ukraine crisis. The Hong Kong economy and property market will remain challenging in the near future until the spread of the Omicron variant is under control and the border with the Mainland is reopened.

The latest government budget has introduced various relief measures and economic stimulus initiatives for economic recovery, including a higher loan-to-value mortgage policy for first-time home buyers, which may help to stimulate the mass residential market. We will continue our sales of remaining units in OMA OMA and OMA by the Sea, and target to handover all pre-sales units of OMA by the Sea to buyers after the issuance of the Certificate of Compliance, expected in the fourth quarter. However, the timing of its issuance by the government may be affected by the current pandemic situation. Related revenue and profit will be recognised upon completion of the handover.

For Landmark East, we have completed most of the lease renewals due in 2022, and together with the new leases committed on hand, we expect a gradual recovery of the occupancy rate. However, rental rates will still be under pressure, given new office supply in Kowloon East. For our hotel operation, we expect a gradual improvement in operating results after the Omicron spread is contained and travel ban is eased.

With a resilient capital structure and balanced source of income from diversified asset portfolios, the Group will stay vigilant against market fluctuations while cautiously seeking strategic opportunities.

## **KEY RISKS AND UNCERTAINTIES**

The Group's business, financial conditions or results of operations are affected by a number of key risks and uncertainties outlined below. There may be other risks or uncertainties, including those which are not known to the Group or which the Group currently deems to be immaterial but may affect the Group in future.

### **Business Risks**

#### *Property development*

A majority of the Group's assets are located in, and a majority of the Group's revenue is derived from Hong Kong. As a result, the general state of Hong Kong and the property market, the interest rate changes and the political and legal situations in Hong Kong may have a significant impact on the Group's operating results and financial condition.

The Group's activities on its development properties are also subject to various laws and regulations of Hong Kong. Developing properties, refurbishment and other re-development projects require government permits. The government may introduce property cooling measures from time to time which may have a significant impact on the property market and may adversely affect the Group's property sales performance and financial condition.

#### *Property investment and hospitality business*

Financial performance may be materially and adversely affected in the event of a decline in rental or occupancy levels, or difficulties in securing lease renewals or obtaining new tenants. The Group cannot be assured that existing tenants will renew their leases upon expiration or that the Group will be able to find replacement tenants at rental rates equal to or above the current rental rates for tenancies.

## **CORPORATE SOCIAL RESPONSIBILITY**

### **Employees**

As at 31 December 2021, the Group had approximately 420 employees. The Group offers comprehensive remuneration and benefit packages to our employees, which are structured according to prevailing salary levels in the market, individual merit and performance. The Group has a mandatory provident fund scheme and an occupational retirement scheme to provide retirement benefits to all employees in Hong Kong.

Employees, including directors, are eligible for the Company's share option plan where the shares options are generally exercisable by phases within ten years.

### **Communities**

The Group takes pride in being an outstanding member of the communities in which it operates. As such, the Group has introduced a number of initiatives under its Corporate Social Responsibility mission and shall continue to seek innovative and meaningful ways to engage its employees and associates in building stronger and more vibrant communities in which it operates.

The Group's 2021 activities covered the followings:

- Red Packet Collection for Re-use
- Dignity Mama Stall Children Books Program
- Heifer HK 20K Animal Virtual Run
- Donation to Tung Wah Chu Sau Cheung Nursing Home

### **Environment**

The Group established the environmental policy addressing environmental issues. For details, please refer to Environmental, Social and Governance Report, which is available on the websites of the Company and the Hong Kong Exchanges and Clearing Limited together with the 2021 annual report.

### **Compliance with Laws and Regulations**

The Group is committed to complying with all relevant rules and regulations issued by the Government of the Hong Kong Special Administrative Region in relation to construction of properties, sales of properties, property management and employees, etc. The Group also holds relevant required licences for the provision of hospitality services. Relevant employees are trained to any changes in the applicable laws, rules and regulations from time to time.

## **Relationship with Suppliers**

The selection of major suppliers or contractors is conducted through tendering process in all the Group's segments. The Internal Audit Department of the Group regularly reviews the procurement and tendering procedures to ensure that the processes are conducted in an open and fair manner.

## **Relationship with Customers**

For our residential development projects, the Group has comprehensive hand-over procedures to ensure delivery of quality products to our customers.

For our commercial and residential estate management and hospitality management, the Group obtains regular feedback from customers in order to enhance quality of services.

## **OTHER INFORMATION**

### **CORPORATE GOVERNANCE**

The Company is committed to achieving and maintaining high standards of corporate governance and has established policies and procedures for compliance with regulatory requirements, including the requirements under the Listing Rules.

The Company has applied the principles and complied with all the applicable code provisions of the Corporate Governance Code contained in Appendix 14 to the Listing Rules during the financial year ended 31 December 2021.

### **REVIEW BY AUDIT COMMITTEE**

The Audit Committee has reviewed the Group's consolidated financial statements for the year ended 31 December 2021, including the accounting principles and practices adopted by the Group.

### **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES**

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares during the year.

## ANNUAL REPORT

The 2021 annual report containing all the financial and other related information of the Company required by the Listing Rules will be published on the website of the Hong Kong Exchanges and Clearing Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at [www.wingtaiproperties.com](http://www.wingtaiproperties.com) and copies thereof will be dispatched to shareholders of the Company on or about 26 April 2022.

By Order of the Board  
**WING TAI PROPERTIES LIMITED**  
**Chung Siu Wah, Henry**  
*Company Secretary & Group Legal Counsel*

Hong Kong, 24 March 2022

As at the date of this announcement, the directors of the Company are:

*Executive Directors:*

Cheng Wai Chee, Christopher, Cheng Wai Sun, Edward, Cheng Man Piu, Francis, Chow Wai Wai, John and Ng Kar Wai, Kenneth

*Non-Executive Directors:*

Kwok Ping Luen, Raymond (Kwok Ho Lai, Edward as his alternate), Hong Pak Cheung, William, Ng Tak Wai, Frederick and Chen Chou Mei Mei, Vivien

*Independent Non-Executive Directors:*

Simon Murray, Yeung Kit Shing, Jackson, Haider Hatam Tyebjee Barma, Cheng Hoi Chuen, Vincent, and Lam Kin Fung, Jeffrey