

Lifestyle

International Holdings Ltd.
利福國際集團有限公司

Stock Code 股份代號 : 1212

Enliven Life's Journey

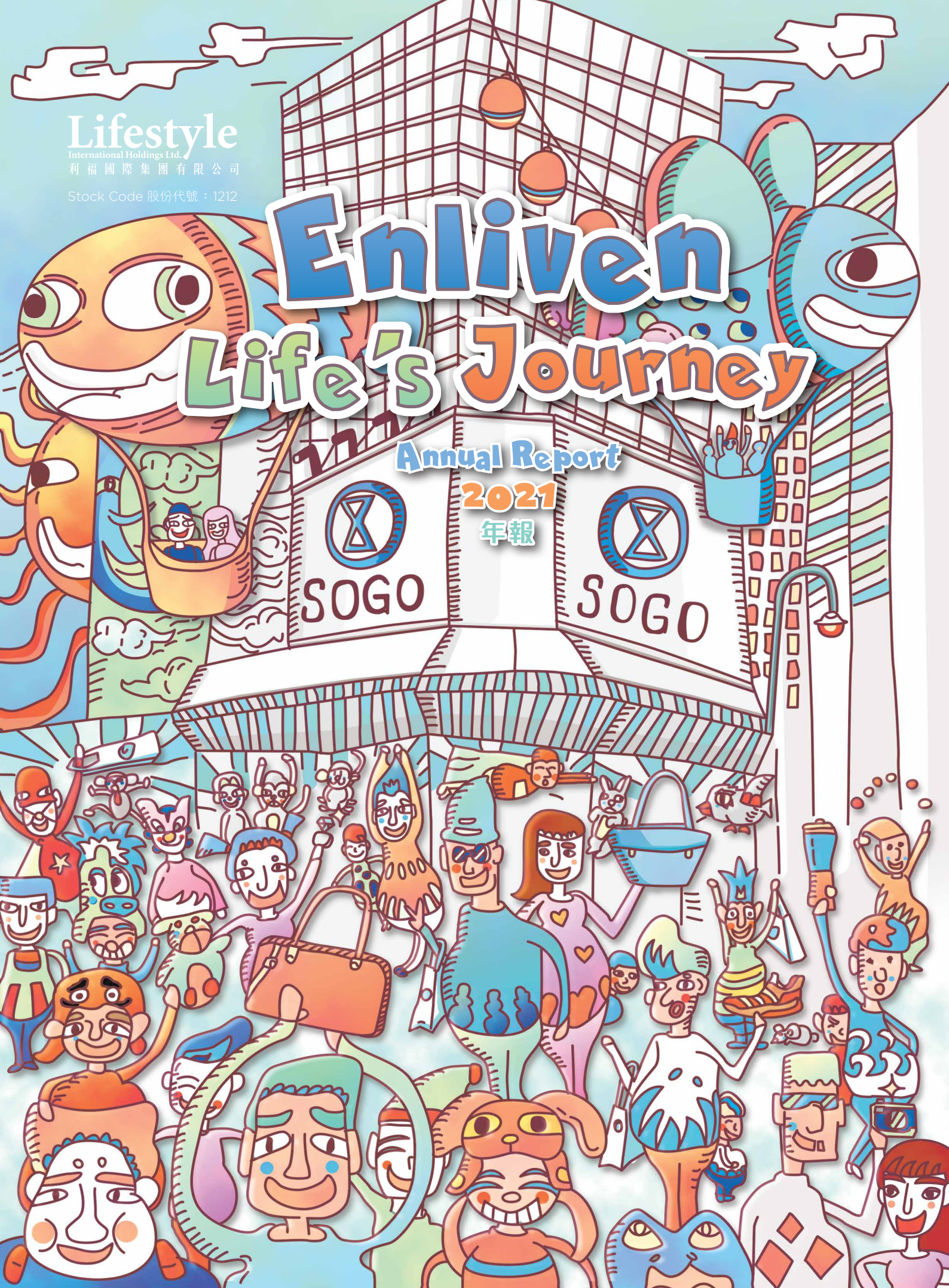
Annual Report

2021

年報


SOGO


SOGO

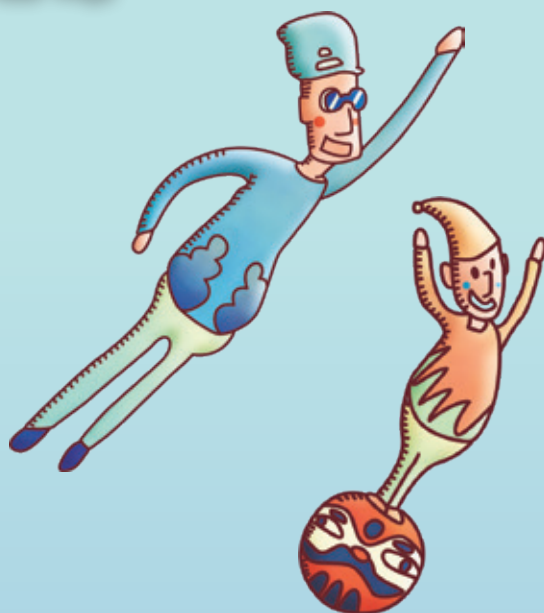


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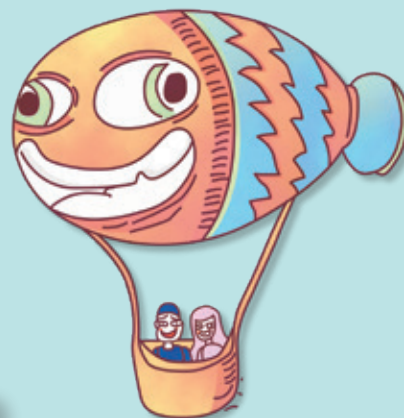
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Corporate Profile



企業簡介

Lifestyle International Holdings Limited (together with its subsidiaries, the "Group") is a Hong Kong-based premier retail operator that specialises in the operation of mid to upper-end department stores in Hong Kong. The Group's two SOGO stores in Hong Kong including the flagship store in Causeway Bay, the largest and leading department store in Hong Kong, as well as the Tsim Sha Tsui store. Characterised by the "one-stop shopping" concept with unparalleled brand equity, the Group's department stores offer a wide variety of goods ranging from daily necessities to luxury products as well as personal care services, such as beauty salons, in a comfortable shopping environment.

To stay competitive in the ever-evolving retail landscape, the Group will continue to forge closer ties with consumers and keep abreast of market changes, leveraging on its omni-channel and upgraded system, with a view to offering seamless and compelling customer experiences with attentive care that stand out from the market.

To capture the rising purchasing power in the East Kowloon area in Hong Kong, the Kai Tak Project commenced ground-breaking in December 2017, with the twin towers topping out in the second quarter of 2022. Upon completion, the twin towers will host a new SOGO department store along with complementary retailing, entertainment, dining and lifestyle servicing facilities. The retail complex is expected to be in business by the end of 2023 and is set to become a new landmark in East Kowloon, thereby further fortifying the Group's leading position in the Hong Kong retailing market. As part of its continuous efforts to diversify and enhance its asset portfolio, the Group acquired a high-quality freehold commercial property at St. James, a prime area in London in November 2020 and has leased back to the seller with the lease expiring in May 2024, securing a stable rental income stream for the Group in the foreseeable future.

利福國際集團有限公司(連同其附屬公司,「本集團」)是扎根於香港的龍頭零售營運商,在香港專門經營中高檔次百貨店。本集團在香港的兩家崇光百貨分別為全港最大型位於銅鑼灣的旗艦店以及尖沙咀店。在「一站式購物」概念及優越的品牌認受性下,本集團的百貨店於舒適購物環境提供廣泛種類的貨品,從日常必需品至奢侈品以及個人護理服務,例如美妍中心。

為了在瞬息萬變的零售環境中保持競爭力,本集團將利用其已升級的全渠道系統,繼續與消費者建立更緊密的聯繫,並緊貼市場變化,悉心提供無縫且具吸引力的顧客體驗,從市場上脫穎而出。

為了吸納香港九龍東地區不斷上升的購買力,啟德項目於二零一七年十二月動工,雙子塔於二零二二年第二季平頂。竣工後,雙子塔除將迎來新的崇光百貨店,另外將設有其他零售、娛樂、餐飲及生活時尚的配套服務設施。預期啟德零售綜合體將於二零二三年底投入營運,該零售綜合體勢將成為東九龍的新地標,並進一步鞏固本集團在香港零售市場的領導地位。作為不斷分散和強化其資產組合的一部份,本集團於二零二零年十一月於倫敦的黃金地段收購一項位於聖詹姆斯的優質永久業權商業物業,並返租回予賣方,租賃期於二零二四年五月屆滿,於可見未來為本集團鎖定穩定的租金收入。



Corporate 企業資料 Information

Board of Directors

Executive Directors

Mr. Lau Kam Sen
Ms. Lau Kam Shim

Non-executive Directors

Mr. Lau Luen Hung, Thomas (Chairman)
Mr. Doo Wai Hoi, William
Ms. Lau Yuk Wai, Amy

Independent Non-executive Directors

Mr. Lam Siu Lun, Simon
Mr. Shek Lai Him, Abraham
Mr. Hui Chiu Chung
Mr. Ip Yuk Keung

Company Secretary

Mr. Poon Fuk Chuen

Audit Committee

Mr. Lam Siu Lun, Simon (Chairman)
Mr. Shek Lai Him, Abraham
Mr. Hui Chiu Chung
Mr. Ip Yuk Keung

Remuneration Committee

Mr. Lau Luen Hung, Thomas
Mr. Lam Siu Lun, Simon (Chairman)
Mr. Shek Lai Him, Abraham
Mr. Hui Chiu Chung

Nomination Committee

Mr. Lau Luen Hung, Thomas
Mr. Lam Siu Lun, Simon (Chairman)
Mr. Shek Lai Him, Abraham
Mr. Hui Chiu Chung

Registered Office

Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

董事會

執行董事

劉今晨先生
劉今蟾小姐

非執行董事

劉鑾鴻先生(主席)
杜惠愷先生
劉玉慧女士

獨立非執行董事

林兆麟先生
石禮謙先生
許照中先生
葉毓強先生

公司秘書

潘福全先生

審核委員會

林兆麟先生(主席)
石禮謙先生
許照中先生
葉毓強先生

薪酬委員會

劉鑾鴻先生
林兆麟先生(主席)
石禮謙先生
許照中先生

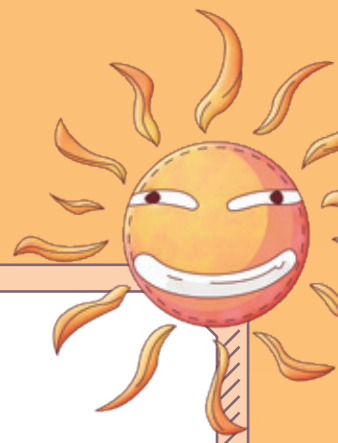
提名委員會

劉鑾鴻先生
林兆麟先生(主席)
石禮謙先生
許照中先生

註冊辦事處

Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands





Head Office and Principal Place of Business in Hong Kong

20th Floor, East Point Centre
555 Hennessy Road
Causeway Bay, Hong Kong

Principal Banker

Bank of China (Hong Kong) Limited

Auditor

PricewaterhouseCoopers
Certified Public Accountants and
Registered Public Interest Entity Auditor

Solicitors

Reed Smith Richards Butler LLP
Sit, Fung, Kwong & Shum

Hong Kong Share Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor, Hopewell Centre
183 Queen's Road East, Wanchai, Hong Kong

Cayman Islands Share Registrar and Transfer Office

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3, Building D
P.O. Box 1586, Gardenia Court, Camana Bay
Grand Cayman, KY1-1100, Cayman Islands

Share Information

Place of listing: The Stock Exchange of Hong Kong Limited
Stock code: 1212
Board lot: 500 shares
Financial year end: 31 December
Closing share price at 31 December 2021: HK\$4.29
Market capitalisation at 31 December 2021: HK\$6,443 million

Website

www.lifestylehk.com.hk

總辦事處及香港主要營業地點

香港銅鑼灣
軒尼詩道 555 號
東角中心 20 樓

主要往來銀行

中國銀行(香港)有限公司

核數師

羅兵咸永道會計師事務所
執業會計師及
註冊公眾利益實體核數師

律師

禮德齊伯禮律師行有限法律責任合夥
薛馮鄺岑律師行

香港股份過戶登記處

香港中央證券登記有限公司
香港灣仔皇后大道東 183 號
合和中心 17 樓 1712-1716 號舖

開曼群島股份過戶登記處

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3, Building D
P.O. Box 1586, Gardenia Court, Camana Bay
Grand Cayman, KY1-1100, Cayman Islands

股份資料

上市地點：香港聯合交易所有限公司
股份代號：1212
每手買賣單位：500股
財政年度年結日：十二月三十一日
於二零二一年十二月三十一日股份收市價：4.29港元
於二零二一年十二月三十一日市值：64.43億港元

網址

www.lifestylehk.com.hk

Financial Highlights

財務摘要

For the year ended 31 December 截至十二月三十一日止年度

Operating Results 經營業績

HK\$'000 千港元	2017	2018	2019	2020	2021
Sales proceeds 銷售所得款項	10,316,508	11,707,732	9,445,511	5,673,704	6,236,651
Revenue 收入	3,755,092	4,358,010	3,542,032	1,993,024	2,289,573
Profit/(loss) before taxation 除稅前溢利/(虧損)	3,412,689	2,162,376	2,116,176	246,963	(1,173,144)
Profit/(loss) for the year attributable to owners of the Company 本年度本公司擁有人應佔溢利/(虧損)	2,875,674	1,690,070	1,890,676	138,510	(1,305,000)
Basic earnings/(losses) per share (HK\$) 每股基本盈利/(虧損)(港元)	1.79	1.08	1.26	0.09	(0.87)
Total dividends per share (HK cents) 每股股息總額(港仙)	63.2	66.5	30.0	Nil	Nil

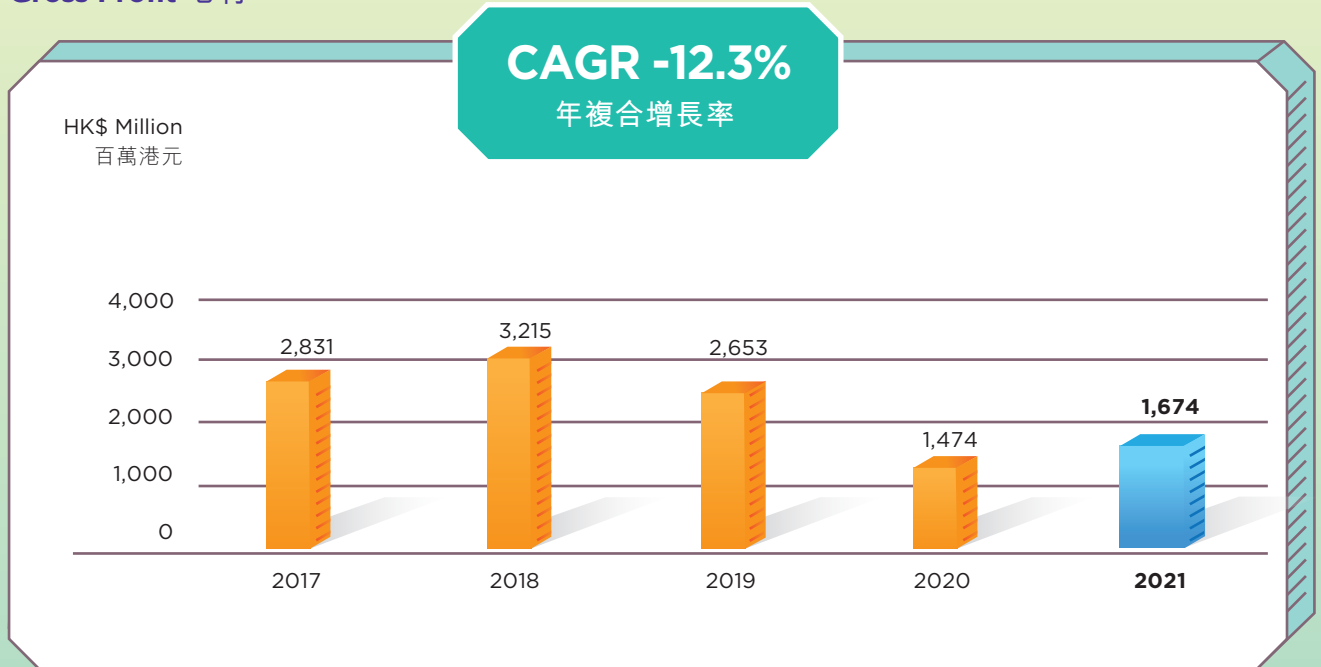
Revenue 收入



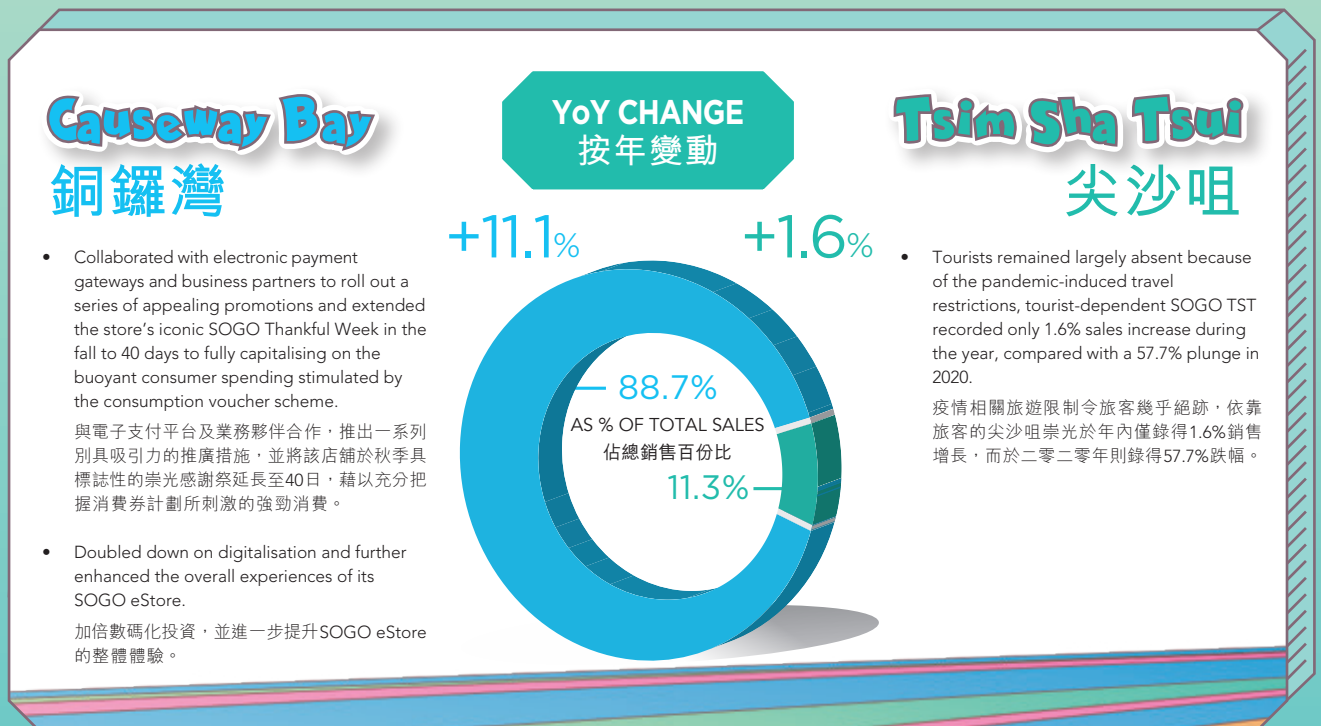


For the year ended 31 December 截至十二月三十一日止年度

Gross Profit 毛利



2021 Sales Proceeds By Store 二零二一年按門店劃分之銷售所得款項





主席報告

Chairman's Statement

Lau Luen Hung, Thomas 劉鑾鴻
Chairman 主席



Dear Shareholders,

2021 witnessed a year of recovery from the previous year's lockdown recession, despite the diminishing growth momentum of the global economy due to supply chain bottlenecks and fresh outbreaks of COVID-19 variants. On the back of export growth and a revival of local consumption, Hong Kong's economy emerged from a two-year recession. However, the maintenance of stringent border restrictions continued to freeze inbound tourism and business travel, curtailing the recovery of the city's retail industry.

With the gradual easing of social distancing measures and a low comparison base of the previous year, Hong Kong's retail sales slightly recovered, however the aggregate sales value of a predominantly local-centric retail market remained far below pre-pandemic levels. Although there was an improvement in consumption sentiment, consumers remained price sensitive and sales promotions were the main driver in attracting customer visits to our stores. Nonetheless, the Group managed to seize opportunities in a slightly improved retail market and capture the spending spree powered by the government consumption voucher scheme through a series of tailored promotions, alongside the roll-out of a 40-day long SOGO Thankful Week between October to December. However, the Group's sales growth during the year came at the cost of a profit margin squeeze as extensive sales promotions and SOGO Rewards expenses ate into profits. Meanwhile, the Group continued to experience pressure upon commission rates resulting from continued rental concessions and the repositioning of certain key brand partners.

For the year ended 31 December 2021, the Group's revenue increased by 14.9%, as a result of an improvement of in-store customer foot traffic and the contribution of the full year rental income from the London-based commercial property acquired in November 2020. Despite an improvement in the performance of the Group's core department store operations, the Group's full year results swung to a net loss of HK\$1,305 million, as compared to a net profit of HK\$139 million in the previous year. The net loss was caused by the significant amount of net investment loss being recorded, which was largely a result of the unrealized fair value loss on the Group's holdings of equity and debt securities issued by certain property development groups based in mainland China. The Board believes that as the unrealized fair value loss is non-cash, it will not result in any further cash outflows for the Group.

致各位股東：

儘管全球經濟增長勢頭因供應鏈遇到樽頸及新的 COVID-19 變種病毒爆發而有所放緩，二零二一年是世界經濟從上年度的封城衰退中復甦的一年。在強勁的出口增長及本地消費復甦的推動下，香港經濟擺脫了兩年的衰退。然而，入境旅遊業及商業差旅因維持嚴格的邊境限制繼續停擺，阻礙了香港零售業的復甦。

由於去年社交距離措施逐漸放寬及低比較基數，香港的零售額稍微回升，但主要聚焦本土需求的零售市場的整體銷售價值仍遠低於疫情前的水平。儘管消費氣氛有所改善，消費者對價格仍然敏感，而銷售推廣活動為吸引顧客蒞臨店鋪的主要推動因素。然而，本集團設法在零售市場略有改善的情況下抓住機遇，並透過推出一系列量身定製的推廣活動，同時在十月至十二月舉辦為期 40 日的崇光感謝祭，以把握政府消費券計劃帶來的消費熱潮。然而，由於廣泛的推廣活動和 SOGO Rewards 開支蠶食利潤，本集團於年內達致銷售增長的同時卻令利潤率有所壓縮。與此同時，持續的租金優惠及若干主要品牌合作夥伴的重新定位，導致本集團繼續承受佣金率壓力。

截至二零二一年十二月三十一日止年度，本集團的收入增加 14.9%，此乃由於本集團店鋪的顧客人流有所改善以及來自於二零二零年十一月收購倫敦商業物業的全年租金收入的貢獻。儘管本集團的核心百貨店業務表現有所提升，本集團全年業績卻錄得虧損淨額 1,305 百萬港元，而去年則為溢利淨額 139 百萬港元。虧損淨額乃主要由於本集團持有若干中國內地房地產開發集團發行的股權及債務證券之未變現公平值虧損，導致錄得重大投資虧損淨額。董事會相信，由於未變現公平值虧損並非現金，其將不會導致本集團產生任何進一步現金流出。



In view of the challenging retailing operating environment and protracted uncertainties in respect of the fair value market value changes of the Group's financial investments, the board of directors has resolved to not recommend payment of the final dividend.

During the year, the Group extended the lease period of its London-based commercial property by an additional 18 months to May 2024, further securing a stable rental income stream for the Group in the foreseeable future.

Regarding the Group's Kai Tak Project, construction works of the project have been progressing as scheduled and the two towers are expected to be topped out by the second quarter of 2022. Preliminary leasing works have already commenced and the Kai Tak twin-towers complex is expected to be in business by the end of 2023. With the continuous re-development of the surrounding Kai Tak area, we remain confident that our twin-towers complex will become a new landmark in the East Kowloon district.

Meanwhile, looming global interest rate hikes and persisting Sino-U.S. tensions would continue to weigh upon global economic recovery and consumer sentiment. In Hong Kong, with strict border controls remaining enforced, we foresee 2022 would be a much tougher and uncertain year for both its retailing industry and economy, particularly with the recent outbreak of the Omicron variant that has severely disrupted normal daily activities, further dealing a heavy blow upon the local economy. The current 5th wave's damaging impact will likely be more severe versus the 1st COVID outbreak in the first half of 2020. Should the COVID-19 resurgence persist for a long period, the local retail market will face a further downturn this year. Under current circumstances, the chance of a border re-opening within the first half of 2022 is slim. Even with the re-opening of borders, taking into account the significant changes in global economic dynamics and a permanently altered retail landscape, a recovery of Hong Kong's retail industry back to pre-pandemic levels remains elusive.

In spite of these challenges, the Group continues to have faith in the future of Hong Kong and is confident in its eventual long-term recovery as we believe the integration of Hong Kong within the Greater Bay Area, alongside the continued support from China, will offer the region immense potential in the coming years. With our solid brand equity and long-term business outlook, we are convinced that the Group is favorably placed to leverage upon this wider economic context. As always, the Group stays open to lucrative business opportunities and strives to drive sustainable return for our shareholders in the long run.

On behalf of the board of directors, I would like to express my sincere gratitude to all our staff members for their diligence and contribution, particularly with regards to their commitment in providing quality services throughout the past challenging year. Lastly, I would like to extend my heartfelt thanks to our customers, business partners and shareholders for their trust and unwavering support for the Group. We look forward to your continued patronage and support in the years to come.

Lau Luen Hung, Thomas
Chairman

4 March, 2022

鑑於零售經營環境挑戰重重及本集團金融投資公平市值變動的長期不確定性，董事會議決不建議派發末期股息。

年內，本集團將其倫敦商業物業的租期額外延長18個月至二零二四年五月，以為本集團於可見未來鎖定穩定的租金收入來源。

本集團的啟德項目方面，該項目的建設工程已按計劃進行，預計雙子塔將於二零二二年第二季度平頂。前期租賃籌備工作已經展開，而啟德雙子塔綜合體預期於二零二三年底投入營運。隨著啟德發展區的周邊環境不斷建成，我們相信，雙子塔綜合體將成為九龍東地區的新地標。

與此同時，迫在眉睫的全球加息及持續的中美緊張局勢將繼續對全球經濟復甦及消費者信心構成壓力。在香港，由於仍在實施嚴格的邊境口岸管制，我們預計二零二二年對零售業及經濟而言將是更艱巨及不明朗的一年，尤其是最近爆發的Omicron變種病毒嚴重擾亂正常的日常活動，進一步對本地經濟造成沉重打擊。與二零二零年上半年的第一次新冠病毒爆發相比，當前第五波疫情的破壞性影響或會更嚴重。倘COVID-19疫情長期持續，今年本地零售市場將面臨進一步下滑。在目前情況下，二零二二年上半年重新開放邊境的機會甚微。即使邊境重新開放，考慮到全球經濟態勢的重大變化及零售格局也發生不可逆轉的改變，香港零售業恢復至疫情前的水平更是遙遙無期。

儘管面臨各種挑戰，本集團仍對香港的未來及其最終的長遠復甦充滿信心。我們相信，香港在大灣區內整合以及中國的持續支持下，將在未來數年為該地區帶來巨大潛力。憑藉我們穩固的品牌認受性及長期業務展望，我們深信本集團具備有利條件，可把握更廣泛的經濟環境。一如既往，本集團對具潛力的商機持開放態度，並致力為股東帶來長遠的可持續回報。

本人謹代表董事會向全體員工的辛勤付出及貢獻致以衷心謝意，尤其感謝他們在過去充滿挑戰的一年中致力提供優質服務。最後，本人藉此向所有顧客、業務夥伴及股東對本集團的信任和堅定支持致以誠摯謝意。我們期待各位往後繼續蒞臨本店並予以支持。

劉鑾鴻
主席

二零二二年三月四日

Management Discussion and Analysis

Market Overview

The world economy staged an uneven recovery in 2021 from the pandemic lows, underpinned by varying pace of vaccinations and divergent economic stimulus across countries. Yet, prolonged travel restrictions and COVID-19 containment measures across the globe to control the spread of virus hindered the pace of recovery.

China's economy continued its recovery trajectory but the sequential growth momentum slowed by fresh outbreaks of COVID-19 variants and supply chain disruptions. The world's second largest economy saw its gross domestic product expand 8.1% last year, up from 2.3% in 2020. Total retail sales of consumer goods in China rose 12.5% for the year, compared with a decline of 3.9% in 2020.

Hong Kong, the Group's home market, swung to growth in 2021 after two successive years of contraction thanks to the continued revival of global economic activity and stable local pandemic situation. The city's GDP expanded by 6.4% in 2021, compared with a 6.1% contraction in 2020. Hong Kong's retail sales rebounded on improving consumer sentiment backed by easing COVID-19 restrictions and improving job market, while the government's consumption voucher scheme launched in the second half of the year also boosted consumer spending. However, inbound tourism remained virtually frozen, posing a constraint on the pace of economic recovery. Visitor arrivals to Hong Kong plunged 97.4% in 2021, compared with a decline of 93.6% in 2020. Visitations from mainland China reported a decline of 97.6% for the full year, compared with a 93.8% drop in 2020. For the whole year, retail sales in Hong Kong rose 8.1% year-on-year, compared with a decline of 24.3% in 2020. Sales of luxury goods categories, including jewelry and watches, rose 27.3% whereas department store sales decreased 3.3% year-on-year.

市場概覽

於二零二一年，取決於各地對疫苗接種速度及經濟刺激措施的差異，世界各國經濟從疫情的低谷走出並錄得不同程度的復甦。然而，全球為控制病毒傳播採取的長期旅遊限制及COVID-19防控措施阻礙了復甦步伐。

中國經濟持續復甦，但由於新的COVID-19變種病毒爆發及供應鏈中斷導致增長勢頭有所放緩。作為全球第二大經濟體，中國去年的國內生產總值增長為8.1%，增幅高於二零二零年的2.3%。而年內中國消費品零售總額增加12.5%，二零二零年則下跌3.9%。

由於全球經濟活動持續復甦及本地疫情穩定，本集團的本土市場香港在連續兩年經濟收縮後於二零二一年出現反彈。香港的本地生產總值於二零二一年上升6.4%，而二零二零年則為下跌6.1%。隨著COVID-19疫情限制放寬及就業市場改善的支持下，消費者信心得以改善，香港的零售額有所回升，而政府於下半年推出的消費券計劃更提振了消費者消費。然而，訪港旅遊業仍處於幾乎停頓狀態，對經濟復甦步伐造成限制。二零二一年訪港旅客總數大跌97.4%，而二零二零年的跌幅則為93.6%。中國內地訪港旅客全年計錄得97.6%跌幅，而二零二零年則下跌93.8%。但全年計，香港的零售額仍按年上升8.1%，二零二零年則下跌24.3%。而奢侈品類商品（包括珠寶及手錶）銷售額按年增加27.3%，百貨店銷售則按年下跌3.3%。





引領潮流的地標

Trendsetting **Landmark with** **Unrivalled Location**

Financial Review 2021

In light of the evolving pandemic situation and standstill of tourism, the Group has stayed vigilant and agilely adjusted its business strategy to adapt to the changing market needs. As a leading retail operator in Hong Kong, the Group continuously optimised its operations and implemented compelling promotional offers to boost sales to local customers and capture the opportunities brought by the consumption voucher scheme. On the other hand, the Group agreed during the year with the tenant of its prime commercial property in London to extend the lease period by a further 18 months to May 2024, further securing a stable rental income stream for the Group in the foreseeable future.

Revenue and Sales Proceeds

For the year ended 31 December 2021, the Group's department store operations saw its revenue increased by 14.9% over the previous year to HK\$2,289.6 million, while total gross sales proceeds, derived from direct, After Purchase Order ("APO") and concessionaire sales transactions, were up by 9.9% to approximately HK\$6,236.7 million. The sales growth was a result of the improvement in customer foot traffic at the stores of the Group, thanks to the gradual relaxation of social distancing measures and the consumption vouchers disbursed by the Hong Kong government during the year. The increase in the Group's revenue was mainly attributable to the approximately 17.8% growth in direct sales; the approximately 4.4% increase in commission income derived from concessionaire and APO sales; and receipt of the full year rental income of approximately HK\$120.0 million from the London-based commercial property the Group acquired and leased back to the seller on 20 November 2020.

Gross Profit and Concessionaire Rates

The Group's gross profit margin as a percentage of revenue saw a small decline to 73.1% from 73.9% in 2020 as the growth in direct sales was slightly higher than the percentage increase in commission deriving from APO and concessionaire sales transactions and other revenue items which gross margins are theoretically 100%. As retail sales grew during the year coupled with an increase in rental income, the Group's gross profit increased 13.6% to HK\$1,674.1 million, from HK\$1,473.6 million recorded a year earlier. On the other hand, the Group's blended average concessionaire rate in respect of the concessionaire sales transactions experienced a slight drop to 23.0% from last year's 23.4% as, while the Group faced pressure upon commission rates resulting from continued rental concessions and the repositioning of certain key brand partners, the sales growth during the year of branded luxury items, which concessionaire rates in general are lower, outperformed most other product categories and therefore weighed down the blended average rate.

二零二一年財務回顧

鑑於疫情變化莫測及旅遊業全面停擺，本集團保持警惕，靈活調整業務策略，以適應千變萬化的市場需求。作為香港的龍頭零售營運商，本集團持續優化營運，並推出極具吸引力的推廣優惠，以促進來自本地顧客的銷售，並把握消費券計劃帶來的機遇。另一方面，本集團於年內與其位於倫敦優質商業物業的租戶協議，將租期進一步延長18個月至二零二四年五月，以於可見未來鎖定穩定的租金收入來源。

收入及銷售所得款項

截至二零二一年十二月三十一日止年度，本集團百貨店業務的收入較去年增加14.9%至2,289.6百萬港元，而自營、銷售後訂單（「銷售後訂單」）及特許專櫃銷售交易產生的總銷售所得款項總額亦增加9.9%至約6,236.7百萬港元。由於年內香港政府逐步放寬社交距離措施及派發消費券，令本集團店舖的顧客人流有所提升而帶動銷售增長。本集團自營銷售增長約17.8%，帶動收入增長；來自特許專櫃及銷售後訂單銷售之佣金收入增加約4.4%；及本集團於二零二零年十一月二十日收購並返租回予賣方之倫敦商業物業而錄得全年租金收入約120.0百萬港元。

毛利及特許專櫃扣率

本集團按收入百分比計算的毛利率由二零二零年的73.9%稍跌至73.1%，乃由於自營銷售的增長略高於來自銷售後訂單及特許專櫃銷售交易的佣金以及其他收益項目（毛利率理論上為100%）增長率。由於年內零售額增長及租金收入增加，本集團的毛利由前一年錄得的1,473.6百萬港元上升13.6%至1,674.1百萬港元。另一方面，本集團有關特許專櫃銷售交易的平均特許專櫃扣率由去年的23.4%微跌至23.0%，而本集團同時面對持續租金優惠及若干主要品牌夥伴重新定位所導致的佣金率壓力，由於特許專櫃率一般較低之品牌奢侈品的年內銷售增長表現優於大多數其他產品類別，因而拖累綜合平均比率。

Net Profit Attributable to Shareholders

For the year ended 31 December 2021, the Group recorded a net loss attributable to owners of the Company of HK\$1,305.0 million, compared with a profit of HK\$138.5 million as reported in 2020. The loss this year was mainly caused by the significant amount of investment loss to the tune of HK\$1,900.1 million as compared to an investment income of HK\$34.6 million recorded in 2020, but was cushioned by a smaller revaluation deficit on the Group's investment properties of HK\$32.0 million as compared to last year's revaluation deficit of HK\$418.1 million. The net profit attributable to the Group's core retail operations (before counting the fair value changes on financial assets and liabilities measured at fair value through profit and loss ("FA/L@FVTP") and investment properties, and non-recurring items) would amount to approximately HK\$857.1 million, representing an increase of 7.0% from HK\$801.2 million in 2020, primarily a result of an improvement in retail sales and the additional rental income from the Group's London-based property, but was off-set by a decrease in bank interest income and an exchange loss.

Selling and Distribution Costs

The aggregate selling and distribution costs of the Group decreased 3.4% as compared to the previous year and represented 9.0% (2020: 10.2%) of the aggregated gross sales proceeds. The decrease was mainly attributable to lower depreciation and amortisation charges during the year, with other marketing, selling and distribution costs remained relatively stable.

Administrative Expenses

The Group's general administrative expenses increased 10.5% as compared to last year as the Group's control measures on staff related costs and expenses were gradually uplifted amid an improving COVID-19 situation and operating environment.

Staff Costs

Staff costs (excluding those of the directors) of the Group increased 5.2% to approximately HK\$223.1 million during the year under review following cost control measures being uplifted. While the annual general increment of salaries and wages for the Group's employees was largely in line with the market trend, remuneration reviews and bonuses are based on performance of individual staff and operating and financial performances of the Group. The Group's total number of headcounts remained the same as last year at 675 at the end of 2021.

股東應佔溢利淨額

截至二零二一年十二月三十一日止年度，本集團錄得本公司擁有人應佔虧損淨額1,305.0百萬港元，而二零二零年所報告的溢利為138.5百萬港元。本年度虧損主要是由於投資虧損金額大幅增加至1,900.1百萬港元，而二零二零年則錄得投資收入34.6百萬港元，惟被本集團較低的投資物業重估虧損32.0百萬港元所抵銷，而去年的重估虧損則為418.1百萬港元。本集團核心零售業務溢利淨額（未計入按公平值計入損益的金融資產及負債（「按公平值計入損益的金融資產及負債」）及投資物業的公平值變動、及非經常性項目）約為857.1百萬港元，較二零二零年的801.2百萬港元上升7.0%，主要由零售銷售額有所改善及本集團倫敦物業的額外租金收入所帶動，但銀行利息收入的減少和匯兌損失對其有所抵銷。

銷售及分銷成本

本集團的銷售及分銷成本總額較去年減少3.4%，佔本集團的總銷售所得款項總額9.0%（二零二零年：10.2%）。該減少主要是由於年內折舊及攤銷費用較低，而其他營銷、銷售及分銷成本維持相對穩定。

行政開支

本集團的一般行政開支較去年增加10.5%，乃由於本集團對員工相關成本及開支的控制措施在COVID-19疫情及經營環境好轉下逐步解除。

員工成本

於回顧年度，隨著成本控制措施有所解除，本集團的員工成本（不包括董事酬金）上升5.2%至約223.1百萬港元。雖然本集團員工的薪金及工資的全年整體升幅與市場走勢大致同步，但薪酬檢討及花紅乃根據個別員工的表現及本集團的營運及財務表現而定。本集團於二零二一年年底的員工總數與去年同為675名。

Other Income, Gains and Losses

These comprise mainly management fee, credit card recharges, miscellaneous incomes received from the counters and tenants, and other sundry incomes and exchange gain/loss. The decrease in other income, gains and losses of the Group for the year was mainly attributable to an exchange loss of HK\$34.9 million being recorded, as compared to an exchange gain of HK\$45.9 million recorded in 2020, arising from translating the Group's US dollar ("US\$ or USD") denominated bonds payable amid a strengthening USD against the HK dollar.

Net Investment (Loss)/Income

For the year 2021, the Group recorded a net investment loss of approximately HK\$1,900.1 million, compared to a net investment income of HK\$34.6 million in 2020. The net investment (loss)/income comprised mainly fair value changes, interest and investment income received and receivable, and dividend income from a portfolio of FA/L@FVTPL which amounted to approximately HK\$1,590.6 million (2020: HK\$4,610.2 million) as at 31 December 2021.

Of the approximately HK\$1,900.1 million net investment loss for the year, approximately HK\$2,280.6 million represented unrealized loss on fair value changes attributable to the Group's holdings of certain equity and debt securities, with an aggregate fair value of HK\$157.5 million and HK\$740.9 million respectively as at 31 December 2021, which were issued by certain property development groups based in mainland China. As at 31 December 2021, the Group's aggregate FA/L@FVTPL grouped under current assets and current liabilities amounted to approximately HK\$1,586.7 million and HK\$25.0 million respectively.

Finance Costs

The Group's total finance costs consisted mainly of finance charges and interest expenses on bank loans and bonds payable. The aggregate amount of finance costs and interest incurred during the year, before capitalisation, was approximately HK\$539.2 million (2020: HK\$586.6 million). Notwithstanding additional bond interest being incurred for the bonds issued in June 2021, the overall interest incurred still saw a decrease when compared to last year as the HIBOR, to which the Group's floating rate loans are referenced, remained at extremely low level throughout the year. Finance costs charged to the profit and loss account for the year amounted to HK\$358.6 million (2020: HK\$369.3 million) after HK\$180.6 million (2020: HK\$217.3 million) of the borrowing costs relating to the Kai Tak Project has been capitalised.

其他收入、收益及虧損

其他收入、收益及虧損主要包括從專櫃及租戶收取的管理費、信用卡費用回扣及其他收入，以及其他雜項收入和匯兌收益／虧損。本集團年內的其他收入、收益及虧損減少，乃主要由於錄得匯兌虧損34.9百萬港元所致，而二零二零年錄得的匯兌收益則為45.9百萬港元，是由於美元（「美元」）兌港元轉強時換算本集團以美元計值的應付債券所致。

投資（虧損）／收入淨額

於二零二一年，本集團錄得投資虧損淨額約1,900.1百萬港元，而二零二零年的投資收入淨額為34.6百萬港元。投資（虧損）／收入淨額主要包括按公平值計入損益的金融資產及負債組合之公平值變動、已收及應收的利息和投資收入，以及股息收入。於二零二一年十二月三十一日，該投資組合約值1,590.6百萬港元（二零二零年：4,610.2百萬港元）。

於年內約1,900.1百萬港元的投資虧損淨額中，約2,280.6百萬港元乃來自本集團持有之若干股本及債務證券公平值變動的未變現虧損，於二零二一年十二月三十一日，該等由若干中國內地房地產開發集團發行之股本及債務證券，公平值總額分別為157.5百萬港元及740.9百萬港元。於二零二一年十二月三十一日，本集團分類為流動資產及流動負債項下按公平值計入損益的金融資產及負債總額分別約為1,586.7百萬港元及25.0百萬港元。

融資成本

本集團的總融資成本主要包括銀行貸款及應付債券的財務費用及利息開支。年內所產生的資本化前融資成本及利息總額約為539.2百萬港元（二零二零年：586.6百萬港元）。儘管於二零二一年六月發行的債券產生額外債券利息，但整體利息支出仍較去年有所減少，原因是香港銀行同業拆息（本集團浮息貸款的參考利率）於整年維持在極低水平。與啟德項目相關的借貸成本為180.6百萬港元（二零二零年：217.3百萬港元）資本化後，年內於損益中扣除的融資成本為358.6百萬港元（二零二零年：369.3百萬港元）。

Liquidity and Financial Resources

The Group's adjusted EBITDA (excluding fair value changes on the Group's FA/L@FVTPL and investment properties) for the year increased 2.1% to HK\$1,518.8 million (2020: HK\$1,487.8 million). The slight increase in the adjusted EBITDA was the net result of an increase in the Group's retail revenue as well as the full year rental income from the London-based property but was offset by a decrease in bank interest income of approximately HK\$97.0 million amid an extremely low interest environment and an exchange loss of HK\$34.9 million as opposed to last year's exchange gain of HK\$45.9 million.

As at the end of 2021, before counting the Group's net FA/L@FVTPL of approximately HK\$1,590.6 million (2020: HK\$4,610.2 million), the Group's net debt (total borrowings less cash and cash equivalents) decreased to HK\$14,883.2 million from HK\$16,163.5 million a year earlier, with the cash and cash equivalents amounted to approximately HK\$3,817.1 million (2020: HK\$4,175.8 million). Of the cash kept at banks in Hong Kong, approximately 96.0% was denominated in US dollar and Hong Kong dollar and the remaining was denominated in other currencies including Pound Sterling (£) and Renminbi.

The Group had as at end of 2021 outstanding bank loans amounted to approximately HK\$9,729.0 million (2020: HK\$13,503.1 million) and bonds payable amounted to approximately HK\$8,971.3 million (2020: HK\$6,836.2 million) respectively. The outstanding bank loans comprised HK\$3,750 million term loan drawn under the 5-year HK\$8,000 million secured loan facility renewed during the year, which consists of HK\$5,000 million term loan and HK\$3,000 million revolving loan. The HK\$5,000 million term loan is repayable semi-annually from December 2023 onward and the interest on this loan facility is calculated with reference to HIBOR. The Group's other outstanding bank loans consisted of also a term loan of HK\$3,891 million drawn under the HK\$9,000 million 5-year secured project loan facility for financing payment of part of the land premium of the Kai Tak Land. This HK\$9,000 million project loan facility does not require repayment until the end of the 5-year term in July 2022 and bears interest also calculated with reference to HIBOR. To ensure this project loan facility will match the progress of the construction works of the Group's Kai Tak project, the Group has formally served a request letter to the lenders for an 18-month extension of this loan facility from July 2022 to Jan 2024. The remaining outstanding bank loans comprised short-term Japanese Yen ("JPY") and Sterling loans totaling JPY302.9 million (equivalent to approximately HK\$20.5 million) and £204.2 million (equivalent to approximately HK\$2,150.1 million) respectively drawn under an aggregate US\$725 million facilities. This short-term loan facility is secured against certain of the Group's financial assets and cash deposits and bears interest calculated with reference to LIBOR.

流動資金及財務資源

本集團於年內的經調整未計利息、稅項、折舊及攤銷前的盈利(不包括本集團按公平值計入損益的金融資產及負債及投資物業之公平值變動)增加2.1%至1,518.8百萬港元(二零二零年：1,487.8百萬港元)。經調整未計利息、稅項、折舊及攤銷前的盈利輕微增加乃由於本集團零售收入增加及倫敦物業全年租金收入的淨影響所致，惟被銀行利息收入在極低利息環境下減少約97.0百萬港元及匯兌虧損34.9百萬港元(相對去年匯兌收益45.9百萬港元)所抵銷。

於二零二一年年底，未計及估值約為1,590.6百萬港元(二零二零年：4,610.2百萬港元)的本集團按公平值計入損益的金融資產及負債淨額，本集團的淨負債(總借貸減現金及現金等價物)由去年的16,163.5百萬港元減至14,883.2百萬港元，而現金及現金等價物約為3,817.1百萬港元(二零二零年：4,175.8百萬港元)。於香港銀行存放的現金當中，約96%以美元及港元計值，而其餘的現金則以其他貨幣(包括英鎊及人民幣)計值。

於二零二一年年底，本集團分別有未償還銀行貸款約9,729.0百萬港元(二零二零年：13,503.1百萬港元)及應付債券約8,971.3百萬港元(二零二零年：6,836.2百萬港元)。未償還銀行貸款包括根據年內續期的5年期有抵押貸款融資8,000百萬港元而提取的3,750百萬港元定期貸款，當中包括5,000百萬港元定期貸款及3,000百萬港元可循環貸款。5,000百萬港元的定期貸款自二零二三年十二月起每半年還款一次，該貸款融資的利息乃參考香港銀行同業拆息計算。本集團的其他未償還銀行貸款亦包括根據就支付部分啟德地皮地價撥付資金的9,000百萬港元5年期有抵押項目貸款融資而提取的3,891百萬港元定期貸款。該9,000百萬港元項目貸款融資毋須於二零二二年七月的5年期完結前償還，利息亦參考香港銀行同業拆息計算。為確保該項目貸款融資將配合本集團啟德項目建築工程進度，本集團已向貸款人正式送達要求函，以將該貸款融資由二零二二年七月延長18個月至二零二四年一月。其餘未償還的銀行貸款包括根據在總額為725百萬美元融資額度下提取金額分別為合共302.9百萬日圓(「日圓」)(相等於約20.5百萬港元)的短期日圓貸款及204.2百萬英鎊(相等於約2,150.1百萬港元)的短期英鎊貸款。該短期貸款融資以本集團若干金融資產及現金存款作抵押，並參考倫敦銀行同業拆息計息。

As at 31 December 2021, the Group had unsecured guaranteed bonds payable of HK\$8,971.3 million (US\$1,155.4 million at maturity) which comprised a US\$205.4 million 5-year bond (bearing interest at 4.25% and maturing in October 2022), a US\$300 million 5-year bond (bearing interest at 4.875% and maturing in July 2024), a US\$300 million 10-year bond (bearing interest at 4.5% and maturing in June 2025) and a US\$350 million 5-year bond (bearing interest at 4.8% and maturing in June 2026). The Group during the year repurchased and subsequently cancelled an aggregate principal amount of US\$81.5 million of the 4.25% unsecured guaranteed bonds due 2022 for a consideration of US\$83.1 million, which repurchase was funded by proceeds from the US\$350 million 4.8% unsecured guaranteed bond issued in June 2021.

As at 31 December 2021, the Group's net debt to equity ratio or net gearing (defined as total borrowings less cash and cash equivalents divided by equity attributable to owners of the Company) shot up to 560.7% (2020: 380.2%) which was mainly caused by the loss suffered by the Group for the year. Meanwhile, the relatively high level of net gearing was also due to the fact that the Group's self-owned store property in Causeway Bay, Hong Kong is stated at historical cost less depreciation and amortisation, thereby its fair market value has not been taken into account in the calculation of the equity attributable to owners of the Company.

As at the year end, the Group had aggregate unutilised banking facilities in the amount equivalent to approximately HK\$12,843.4 million (2020: HK\$8,091.5 million) of which approximately US\$446.7 million (equivalent to HK\$3,484.4 million) is uncommitted.

On 4 February 2022, the Group entered into a facility agreement with a syndicate of banks for a 5-year secured facility of up to £ 125.0 million (equivalent to approximately HK\$1,308.8 million) for refinancing part of the cost of acquisition of the Group's London-based property. This facility bears interest calculated with reference to SONIA (Sterling Overnight Interbank Average Rate) and does not require repayment until the end of the 5-year term in March 2027.

Foreign Exchange Management

The functional currency of the Company and its major subsidiaries is Hong Kong dollar, in which most of the transactions are denominated. As described under the "Liquidity and Financial Resources" section above, certain monetary assets and liabilities of the Group are denominated in USD and Sterling. The Group currently does not require a sophisticated and comprehensive foreign currency hedging policy as the Hong Kong dollar, in which most of the Group's transactions are denominated, is pegged to the USD in which certain of the Group's borrowings and cash are denominated. While the Group's exposure to the Sterling borrowings is somewhat hedged by the holding of an investment property in London, the Group will continue to monitor closely and to look at different options with an aim to reduce the potential foreign exchange impact to the Group caused by future fluctuations of the Sterling.

於二零二一年十二月三十一日，本集團有無抵押應付擔保債券8,971.3百萬港元(於到期時為1,155.4百萬美元)，包括一筆5年期債券205.4百萬美元(按4.25%計息及於二零二二年十月到期)、一筆5年期債券300百萬美元(按4.875%計息及於二零二四年七月到期)、一筆10年期債券300百萬美元(按4.5%計息及於二零二五年六月到期)及一筆5年期債券350百萬美元(按4.8%計息及於二零二六年六月到期)的無抵押應付擔保債券。本集團於年內購回並於其後註銷本金總額為81.5百萬美元於二零二二年到期之4.25%無抵押應付擔保債券，代價為83.1百萬美元，有關購回以於二零二一年六月發行之350百萬美元4.8%無抵押應付擔保債券之所得款項撥付。

於二零二一年十二月三十一日，本集團的淨負債與權益比率或淨資本負債率(即總借貸減現金及現金等價物除以本公司擁有人應佔權益)大幅上升至560.7%(二零二零年：380.2%)，主要是本集團本年度虧損所致。同時，相對較高的淨資本負債率亦由於本集團於香港銅鑼灣店自有物業按歷史成本減折舊及攤銷入賬，其公平市值於計算本公司擁有人應佔權益時並無計算在內。

於年底，本集團未動用的累計銀行融資額度折合約12,843.4百萬港元(二零二零年：8,091.5百萬港元)，其中約446.7百萬美元(相等於3,484.4百萬港元)為非承諾融資額度。

於二零二二年二月四日，本集團與一銀團訂立5年期有抵押融資協議，金額最多為125百萬英鎊(相等於約1,308.8百萬港元)，以就本集團倫敦物業的部分收購成本進行再融資。該融資參考英鎊隔夜平均銀行同業拆息計息，並毋須於二零二七年三月5年期結束前償還。

外匯監管

本公司及其主要附屬公司的功能貨幣為港元，大部分交易以港元結算。如上文「流動資金及財務資源」部分所述，本集團有若干以美元及英鎊計值的貨幣資產及負債。本集團現時並無一套精密而全面的外幣對沖政策，是由於本集團大部分交易以港元結算及本集團若干借貸及現金以美元計算，而港元與美元掛鈎。儘管在一定程度上，於倫敦持有投資物業可對沖本集團英鎊借貸的風險，本集團將繼續密切監察及尋求不同方案，以減少英鎊未來的波動對本集團的潛在外匯影響。

Pledge of Assets

As at 31 December 2021, certain of the Group's leasehold land and buildings in Hong Kong with carrying value aggregating approximately HK\$1,081.2 million (2020: HK\$1,126.6 million), together with shares of certain subsidiaries of the Group, were pledged to secure the HK\$8,000 million (2020: HK\$8,000 million) loan facility granted to the Group, of which HK\$3,750 million (2020: HK\$7,000 million) was utilised.

In addition, the entire Kai Tak Project, comprising the land, construction in progress and investment property under development, with an aggregate carrying value of HK\$11,380.1 million as at 31 December 2021 (2020: HK\$10,193.4 million) was pledged to secure the HK\$9,000 million loan facility granted to the Group, of which HK\$3,891.0 million (2020: HK\$3,891.0 million) was utilised as at the year end. Moreover, certain of the Group's financial assets with carrying value amounted to approximately HK\$2,996.3 million at the year end (2020: HK\$5,091.3 million) were pledged to secure loan facility aggregating approximately US\$725 million (2020: US\$725 million).

Contingent Liabilities

The Group did not have any material contingent liabilities as at 31 December 2021.

Material Acquisitions and Disposals

There were no material acquisitions and disposals during the year under review.

Significant Investments

As part of the Group's cash management and treasury functions, the Group keeps a portfolio of financial investments which comprises listed and unlisted debt securities and equity securities and other derivative products.

As at 31 December 2021, the Group held approximately HK\$740.9 million (2020: HK\$1,815.4 million) of debt securities and HK\$835.5 million (2020: HK\$1,376.6 million) of equity securities measured at fair value through profit or loss and represented 3.2% (2020: 7.0%) and 3.6% (2020: 5.3%) respectively of the total assets of the Group. These securities investments included debt and equity securities issued by the China Evergrande Group (stock code: 3333) and its subsidiaries ("Evergrande Group") with fair value representing approximately 1.1% (2020: 5.2%) and 0.7% (2020: 2.1%) respectively of the total assets of the Group as at 31 December 2021. The drastic decrease in fair value of the Group's financial investment portfolio was mainly due to the unrealised fair value loss of approximately HK\$2,280.6 million being recorded in respect of the Group's holding of equity and debt securities issued by certain property development groups based in mainland China of which approximately HK\$1,499.0 million was attributable to securities issued by the Evergrande Group.

The fair value of the Group's financial investment portfolio as at 31 December 2021 will continue to be affected by future changes in market prices, which can be susceptible to both global and local economic, financial and policy risks. However, any unrealised fair value changes on the Group's financial investment portfolio is non-cash and therefore will not affect the operating cash flows of the Group. The Group will continue to monitor and if necessary to adjust its investment strategy and financial investment portfolio.

資產抵押

於二零二一年十二月三十一日，本集團已將賬面總值約1,081.2百萬港元(二零二零年：1,126.6百萬港元)的若干香港租賃土地及樓宇，連同本集團若干附屬公司的股份，作為本集團獲得貸款融資額8,000百萬港元(二零二零年：8,000百萬港元)的抵押品，其中已動用3,750百萬港元(二零二零年：7,000百萬港元)。

此外，於二零二一年十二月三十一日，本集團將賬面總值11,380.1百萬港元(二零二零年：10,193.4百萬港元)的整個啟德項目(包括土地、在建工程及在建投資物業)作為本集團獲得貸款融資額9,000百萬港元的抵押品，其中3,891.0百萬港元(二零二零年：3,891.0百萬港元)在年末已被動用。另外，本集團於年末將若干賬面值約2,996.3百萬港元(二零二零年：5,091.3百萬港元)金融資產作為貸款融資總額約725百萬美元(二零二零年：725百萬美元)的抵押品。

或然負債

於二零二一年十二月三十一日，本集團並無任何重大或然負債。

重大收購及出售

本集團於回顧年度內並無任何重大收購及出售。

重大投資

作為本集團現金管理及庫務職能的一部分，本集團持有由上市及非上市債務證券及股票以及其他衍生產品組成的金融投資組合。

於二零二一年十二月三十一日，本集團持有債務證券約740.9百萬港元(二零二零年：1,815.4百萬港元)及按公平值計入損益之上市股票約835.5百萬港元(二零二零年：1,376.6百萬港元)，分別佔本集團總資產3.2%(二零二零年：7.0%)及3.6%(二零二零年：5.3%)。該等證券投資包括由中國恒大集團(股份代號：3333)及其附屬公司(「恒大集團」)發行的債務及股本證券，有關公平值分別約佔本集團於二零二一年十二月三十一日的總資產1.1%(二零二零年：5.2%)及0.7%(二零二零年：2.1%)。本集團的金融投資組合大幅下跌是主要由於就本集團所持有的若干中國內地房地產開發集團所發行的股本及債務證券錄得未變現公平值虧損約2,280.6百萬港元，其中約1,499.0百萬港元是由於恒大集團所發行的證券所致。

本集團於二零二一年十二月三十一日的金融投資組合公平值將繼續受市場價格之未來變動所影響，而市場價格可易受全球及本地經濟、金融及政策風險影響。然而，本集團金融投資組合的任何未變現公平值變動均為非現金，因此不影響本集團的經營現金流量。本集團將繼續監察並於有需要時調整其投資策略及金融投資組合。

Review of Operations

The Hong Kong retail market saw during the year continuous improvement from last year's low base, however, the aggregate retail sales value remained far below the pre-pandemic level as inbound tourism remained frozen amid the lingering pandemic and cross-border closure. Facing the challenging local-centric market environment, the Group strived to capture local spending power and seized the consumption momentum fueled by the consumption voucher scheme through strengthening collaborations with business partners to offer comprehensive and alluring promotions, alongside continuous enhancement of the Group's omni-channel shopping experiences.

SOGO CWB

Adapting to the new normal, consumer sentiment continued to improve during the year amid a stable pandemic situation in Hong Kong and gradual recovery of the local economy. Leveraging on the Group's strong brand equity and successful marketing campaigns introduced to drive patronage and spending alongside a low comparison base, the flagship SOGO Causeway Bay store ("SOGO CWB") resumed growth with sales proceeds increased by 11.1% for the year, compared with a drop of 36.2% in 2020. The overall traffic footfall increased 11.1% with average ticket-size (excluding transactions from the Freshmart supermarket) increased 7.5% to HK\$1,602. Stay-and-buy ratio however decreased by 3.3 percentage points to 37.0%.

Under the leadership of its seasoned management team, the Group collaborated with electronic payment gateways and business partners to roll out a series of appealing promotions and extended the store's iconic SOGO Thankful Week in the fall to 40 days to fully capitalising on the buoyant consumer spending stimulated by the consumption voucher scheme.

To stay competitive in the rapidly evolving retail market, the Group doubled down on digitalisation and further enhanced the overall experiences of its SOGO eStore, while continuing to strengthen customer loyalty and entice more customer spending by leveraging its well-received SOGO Rewards program. The Group also integrated live-streaming marketing into its physical store experience to drive footfall and to enhance connectivity with customers.

As the demand for airtime picked up on the back of an improving retailing environment, advertising income during the year from CVISION, the Group's outdoor advertising screen at the building façade of SOGO CWB, increased by around 50.0% from the previous year.

業務回顧

年內，與去年的低基數相比，香港零售市場持續改善，但由於疫情揮之不去及跨境關閉，入境旅遊業依然陷於停頓，零售總額仍遠低於疫情前水平。面對充滿挑戰及聚焦本地需求的市場環境，本集團致力捕捉本地消費力，並把握消費券計劃所帶動的消費勢頭，加強與業務夥伴合作，提供全面而吸引的推廣活動，同時不斷提升本集團的全面購物體驗。

銅鑼灣崇光

隨著適應新常态，年內消費情緒持續改善，香港疫情有所穩定，本地經濟逐漸復甦。憑藉本集團強大的品牌號召力及營銷活動成功帶動人流及消費，加上低比較基數，銅鑼灣崇光（「銅鑼灣崇光」）旗艦店恢復增長，年內的銷售所得款項增加11.1%，而於二零二零年則為下跌36.2%。整體客流量增加11.1%，平均每宗交易額（不包括來自崇光超市交易）增加7.5%至1,602港元。然而，逗留購買比率則下跌3.3個百分點至37.0%。

在經驗豐富的管理團隊領導下，本集團與電子支付平台及業務夥伴合作，推出一系列別具吸引力的推廣措施，並將該店舖於秋季具標誌性的崇光感謝祭延長至40日，藉以充分把握消費券計劃所刺激的強勁消費。

在瞬息萬變的零售市場中保持競爭力，本集團加倍數碼化投資，並進一步提升SOGO eStore的整體體驗，同時通過備受歡迎的SOGO Rewards計劃繼續加強客戶忠誠度及吸引更多消費。本集團更在實體店舖體驗中加入現場直播營銷，從而帶動人流及加強與顧客的聯繫。

隨著零售環境改善，廣告需求反彈，本集團銅鑼灣崇光外牆的戶外廣告屏幕CVISION於年內廣告收入較去年上升約50%。

At the Forefront of Fashion

走在潮流尖端

SOGO TST

While tourists remained largely absent because of the pandemic-induced travel restrictions, gradual improvement in consumer confidence underpinned by local economic recovery and the consumption voucher scheme rendered some support to the operations of the Group's tourist-dependent SOGO Tsim Sha Tsui ("SOGO TST"). Unlike the CWB store, in the absence of tourists, SOGO TST recorded only 1.6% sales increase during the year, compared with a 57.7% plunge in 2020.

Wa San Mai

Located at the same building as our SOGO CWB, business of our Wa San Mai restaurant was bolstered by an increase in customer patronage amid easing pandemic situation during the year, with its business receipts saw an increase of 22.3% year-on-year to approximately HK\$56.4 million, as compared to a 22.6% decline in 2020.

London-based Property

For 2021, the gross rental income generated by the London-based commercial property, with a single tenant lease, amounted to £ 11.2 million, equivalents to approximately HK\$120.0 million. During the year, the Group extended the lease period with the tenant for an additional 18 months to May 2024, further securing a stable rental income stream for the Group in the next two years.

Kai Tak Project

With a site area of approximately 14,159 square metres, the Group's Kai Tak Land is being developed into two blocks of commercial buildings to provide approximately 101,000 square metres of space mainly for retailing use. The commercial blocks will be housing a full-fledged SOGO department store and other facilities complementary to the operations of a department store as well as to use for the operation of a shopping mall and other entertaining and dining facilities.

Construction works of the Kai Tak Project during the year have been progressing smoothly as scheduled and the twin-towers complex are expected to be topped out by the second quarter of 2022. Preliminary leasing works have already been commenced and the Kai Tak retail complex is expected to be in business by the end of 2023. The Group believes that this twin-towers retail complex will become a landmark in the new Kai Tak development and East Kowloon area, further broadening and solidifying the Group's presence in the Hong Kong retailing market.

尖沙咀崇光

雖然疫情相關旅遊限制令旅客幾乎絕跡，本地經濟復甦及消費券計劃令消費者信心逐步改善，為本集團依賴旅客的尖沙咀崇光（「尖沙咀崇光」）營運提供一定支持。有別於銅鑼灣店舖，尖沙咀崇光在欠缺旅客下於年內僅錄得1.6%銷售增長，而於二零二零年則錄得57.7%跌幅。

和三味

和三味餐廳與銅鑼灣崇光位於同一幢物業，在年內疫情緩和及下，業務受到客戶惠顧增加的推動，其營業收入按年增長22.3%至約56.4百萬港元，而二零二零年則下跌22.6%。

倫敦物業

於二零二一年，由單一租戶承租之倫敦商業物業所產生的租金收入總額為11.2百萬英鎊（相等於約120.0百萬港元）。年內，本集團延長有關租戶的租期18個月至二零二四年五月，進一步鎖定本集團未來兩年穩定的租金收入。

啟德項目

本集團的啟德地皮佔地面積約14,159平方米，正發展成兩幢商業大廈，提供約101,000平方米空間，主要作零售用途。有關商業大廈將開設一間全面的崇光百貨店和配合百貨店營運的其他設施，以及用作購物商場和其他娛樂及餐飲設施。

啟德項目的建築工程於年內如期順利施工，雙子塔綜合體預期於二零二二年第二季度平頂。前期租賃籌備工作已經展開，預期啟德零售綜合體於二零二三年底前投入營運。本集團相信該雙子塔綜合體將成為新啟德發展區及九龍東的地標，並將進一步擴展及鞏固本集團於香港零售市場的佔有率。

為生活增添姿彩

Add Spice to life

會籍級別



TSUBAKI 茶花
紅卡會籍



AJISAI 繡球花
藍卡會籍



KIKU 菊花
金卡會籍



YURI 美妍卡會籍

Outlook and Plan

Looking ahead, the Group holds a pessimistic view on the outlook of the Hong Kong's retail sector for 2022 as the ongoing COVID-19 resurgence casts a pall over the city's economy. The recent exponential outbreak of the Omicron variant prompted the Hong Kong government to impose the strictest social distancing measures that have seriously disrupted normal economic activities in the city and further pushed back the long-awaited border reopening. Prolonged uncertainties over the pandemic and stricter containment measures set to weigh on consumer sentiment and put pressure on the local economy and the retail industry in the near term. The local retail market might even slip back into a downturn this year if the city's most severe COVID-19 outbreak persists for a long time.

Meanwhile, the global economic recovery could slow down in 2022 as new waves of pandemic collide with growing inflationary pressures and ongoing supply chain disruptions. Heightening geopolitical tensions and monetary tightening in major economies would also pose risks to the global economic growth. Against the backdrop of a challenging macroeconomic environment, it is expected that the Hong Kong government will continue to introduce stimulus and relief measures to support employment and the local economy. Meanwhile, Hong Kong's further integration with the Greater Bay Area will also lend support to the economic growth of the city in the long run. Whilst it is hoped that rising vaccination rates in Hong Kong would help pave the way for the eventual opening-up of borders, the prospect of resuming quarantine-free cross-border travel anytime soon is dim. As the pandemic has reshaped the global retail landscape for good and significantly changed the consumer behaviours, full recovery of the local retail market to the pre-pandemic level appears distant even with the reopening of borders and resumption of travel.

Notwithstanding the headwinds, as a prominent retail operator in Hong Kong, the Group will strive to stay ahead of consumer needs and bolster its competitiveness in the ever-changing retail landscape through continuous enhancement in both digitalisation and service capabilities. The Group will continue to enhancing the store environment in order to provide customers with invigorating experiences. With our strong brand equity and competent management leadership, we believe the Group will be the forerunner in capitalising on the market opportunities when the pandemic recedes.

In an effort to serve our commitment to creating shareholder value and driving sustainable growth, the Group will continuously pursue synergistic business opportunities and lucrative strategic investments.

展望與計劃

展望未來，COVID-19疫情持續反彈為本港經濟蒙上陰影，本集團對二零二二年香港零售業的前景抱持悲觀的看法。近期本地幾何級爆發Omicron變種病毒，促使香港政府實施最嚴格的社交距離措施，對市內正常的商業活動造成嚴重干擾，並進一步推遲期待已久的邊境解封時間。疫情持續的不確定性及更嚴格的防疫措施勢必打擊消費意慾，短期內對本地經濟及零售業構成壓力。倘香港最嚴峻的COVID-19疫情長期持續，本地零售市場更有可能於本年度出現倒退的情況。

與此同時，新一波疫情遭逢通脹壓力上升及供應鏈持續中斷，將可能拖慢全球經濟於二零二二年的復甦步伐。地緣政治緊張局勢加劇及主要經濟體系收緊銀根，亦將會對全球經濟增長構成風險。在充滿挑戰的宏觀經濟環境下，預期香港政府將會繼續推出刺激及紓困措施，以支援就業及本地經濟。另一方面，香港與大灣區進一步融合亦將長遠地支持本地經濟增長。儘管香港疫苗接種率上升將有望為最終解封邊境作準備，惟無望於短期內能恢復免檢跨境出行。由於疫情已徹底改變全球零售格局及消費者行為，即使重新開放邊境及恢復出行，本地零售市場似乎難以完全回復至疫情前的水平。

儘管困難重重，本集團作為香港的知名零售營運商，將致力預判消費者需要，並通過持續提升數碼化及服務能力，在千變萬化的零售格局中增強競爭力。本集團亦會繼續改善店舖環境，為顧客提供耳目一新的體驗。憑藉強大的品牌實力及管理層的出色領導才能，於疫情消退後，相信本集團在把握市場機遇上將扮演領導角色。

為達致創造股東價值及推動可持續增長的承諾，本集團將繼續尋求具協同效應的商機及具潛力的策略性投資。

Environmental, Social and Governance Report

環境、社會及管治報告

About this Report

Reporting Scope

This report is the 6th Environmental, Social and Governance Report of Lifestyle International Holdings Limited (“Lifestyle International” or the “Company”). The report focuses on the sustainability policies, performance and initiatives with respect to the operations of our two department stores in Causeway Bay and Tsim Sha Tsui, (“SOGO CWB” and “SOGO TST”) as well as the property development project at Kai Tak (“PTK”) for the period from 1 January 2021 to 31 December 2021, unless otherwise stated.

The report is prepared in compliance with the Environmental, Social and Governance (“ESG”) Reporting Guide set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. In aligning our strategies with international sustainability principles, we have also prepared this report with reference to the 10 principles of the United Nations Global Compact (UNGC).

Our Vision

As the premier department store operator in Hong Kong, Lifestyle International is committed to its’ conduct as a responsible, ethical and sustainable corporate citizen. We strive to offer a one-stop shopping experience that focuses upon providing our customers with a wide range of quality goods and services within a comfortable and enjoyable shopping environment.

關於本報告

報告範圍

本報告乃利福國際集團有限公司(「利福國際」或「本公司」)的第六份環境、社會及管治報告。本報告聚焦於二零二一年一月一日至二零二一年十二月三十一日期間，有關我們在銅鑼灣及尖沙咀的兩間百貨店(「銅鑼灣崇光」及「尖沙咀崇光」)營運以及位於啟德的物業發展項目(「啟德項目」)的可持續發展政策、績效及舉措(除非另有說明)。

本報告乃根據香港聯合交易所有限公司證券上市規則附錄27所載的環境、社會及管治(「環境社會管治」)報告指引編製。為使我們的策略與國際可持續性原則一致，我們亦參考聯合國全球契約(UNGC)的10項原則編製本報告。

我們的願景

作為香港龍頭百貨店營運商，利福國際堅持其負責任、道德及可持續的企業公民品德。我們致力提供一站式購物體驗，重點為顧客在舒適愉悅的購物環境下提供多種類優質貨品及服務。

Our business philosophy comprises of the engagement of our various key stakeholders:

我們的業務理念有賴各主要持份者的參與：

- Customers:** our main goal is to satisfy our customers and provide them with a world-class shopping environment and experience.
 - Employees:** our people are our most precious asset and their well-being is essential for the productivity and growth of our business.
 - Business partners:** we treat our partners with respect and conduct all businesses with integrity and in a responsible manner.
 - Community:** we act as a conscientious member of society and are dedicated to contributing towards the long-term well-being of our environment and community.
 - Shareholders:** we strive to maximize long-term value and return for our shareholders.
- 顧客：**我們的主要目標為滿足顧客並為其提供世界級購物環境及體驗。
 - 僱員：**我們的員工為我們最寶貴的資產，其身心健康對旗下業務的生產力及增長至關重要。
 - 業務夥伴：**我們尊重對待我們的夥伴，並以真誠及負責任的態度進行所有業務。
 - 社區：**我們身為社會上認真負責的一份子，致力為環境及社區的長期福祉作出貢獻。
 - 股東：**我們致力達致股東的長期價值及爭取最大回報。

Our commitment towards our stakeholders provides us guidance in our sustainability policy, where we strive to ensure that the values of our social and environmental responsibilities are integrated within our daily operations and business code of conduct.

We believe that the pursuit of integrating our sustainability goals within our business is an ever-evolving process and we will persist to further improve upon our performance in the years to come.

Sustainability Policy

1. Governance

- Conduct our business with the highest level of integrity and responsibility when engaging with our business partners.
- Ensure compliance of all applicable legal requirements as well as environmental and social standards in the respective jurisdictions of our operations.

2. Environment

- Minimize the environmental impact of our business through the incorporation of sustainable practices into our property development, management and daily operations.
- Cultivate an environmentally conscious culture within our company and endeavor to minimize the carbon impact of our business activities.
- Promote environmentally friendly lifestyle practices, materials and lifestyle to our staff, customers and business partners.
- Optimize the energy, water and resource consumption of our business operations.
- Respond to climate change by enhancing our climate resilience and devising mitigation measures.
- Regularly engage with our different stakeholder groups on environmental related issues and communicate our sustainability initiatives.

3. Employees

- Provide a healthy and safe working environment for all our employees.
- Treat employees with fairness and respect, providing them with a supportive working environment within which they can reach their greatest potential.
- Empower employees to take leadership in the addressing of sustainability related issues within their spheres of influence.

我們對持份者的承諾為可持續政策提供指引，據此我們盡力確保社會及環境責任價值整合至日常營運及業務操守準則。

我們相信旗下業務納入追求可持續發展目標的過程不斷演變，並將堅持不懈於未來數年進一步提升績效。

可持續政策

1. 管治

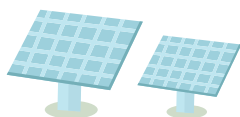
- 以最高誠信及責任水平與業務夥伴合作。
- 確保遵守經營所在的各司法管轄區的所有適用法律要求以及環境及社會準則。

2. 環境

- 透過在物業發展、管理及日常營運中納入可持續實務，減少我們業務對環境的影響。
- 於本公司內培育環保意識文化，並盡力將業務活動的碳影響減至最低。
- 向我們的員工、顧客及業務夥伴推廣環保的生活常規、物料及生活模式。
- 優化我們業務營運的能源消耗、用水量及資源消耗。
- 透過提升我們抗禦氣候的能力及制定減緩措施，以應對氣候變化。
- 定期與我們各持份者團體就環境相關事宜進行交流，並傳達我們的可持續發展計劃。

3. 僱員

- 為我們所有僱員提供健康及安全的工作環境。
- 公平對待及尊重僱員，為其提供支持性的工作環境，讓其可發揮最大潛能。
- 授權僱員在其職責影響範圍內解決可持續發展相關事宜方面發揮領導作用。



4. Customers

- Be a trusted provider of safe, authentic and environmentally responsible products and services.
- Strengthen mindful lifestyle awareness and deepen engagement with our customers through socially and environmentally sustainable related activities.

5. Supply Chain

- Engage with suppliers and contractors who embrace sustainable development and demonstrate strong ethical, environmental and social commitment.

6. Community

- Closely engage with different community groups to identify and contribute towards the solving of social issues.

We aim to holistically integrate our values and sustainability commitments into our business model and company culture that in turn will support our long-term growth.

Materiality Assessment

The materiality assessment is an exercise through which we identify issues of importance to the Group from a sustainability perspective and prioritize those which are considered material. Through the engagement of the Group's various stakeholders, ESG issues that are of most relevance to our stakeholders are identified, helping us to determine our long-term ESG goals and strategies in the coming years.

In 2018, we conducted a comprehensive materiality assessment with our employees with the assistance of a sustainability consultant. We continue to devise our ESG strategies and initiatives based upon the findings of this assessment.

Stakeholder Engagement

4. 顧客

- 成為提供安全、真實及對環保負責的產品及服務而值得信賴的供應商。
- 通過社會及環境可持續發展的相關活動，令顧客更為注意其生活模式，並加深與顧客的交流。

5. 供應鏈

- 聘用接納可持續發展並展現良好的道德、環境及社會承諾的供應商及承包商。

6. 社區

- 與不同的社區團體密切接觸，以識別並為解決社會事宜作出貢獻。

我們旨在整體上整合我們的價值及可持續發展承諾至業務模式及公司文化，從而長遠支持業務增長。

重要性評估

重要性評估乃從可持續角度識別出對本集團而言屬重要的事宜，並優先處理該等被視為重大的事宜。通過本集團各持份者的參與，我們得以識別與持份者最為相關的環境社會管治事宜，以助我們釐定未來數年的長遠環境社會管治目標及策略。

於二零一八年，在可持續顧問的協助下，我們與我們的僱員進行全面的重要性評估。我們繼續根據評估結果制定環境社會管治策略及措施。

持份者參與



Engagement Channels

Shareholders' meetings
 Investors & Analysts meetings
 Results Presentations
 Financial Reports, Announcements & Circulars
 Training & Workshops
 Volunteer Activities
 Interviews & Meetings
 Project Collaborations
 Public Events & Social Gatherings
 Sponsorships & Donations
 Social media platforms
 Surveys
 Industry events

參與渠道

股東大會
 投資者及分析員會議
 業績發佈
 財務報告、公告及通函
 培訓及工作坊
 義工活動
 面談及會議
 項目合作
 公開活動及社交聚會
 贊助及捐獻
 社交媒體平台
 調查
 業界活動

Corporate Governance



管治架構

The Board is the highest governing body of the Company and holds the ultimate responsibility of the overall strategic development and corporate governance of the Company. The Board comprises of members with diverse backgrounds, including retail, property investment, finance, accounting and entrepreneurship. We believe that the maintenance of a diverse Board composition contributes towards the elevation of financial performance and promotes a more inclusive corporate governance of the Group.

董事會為本公司之最高監管機構，並對本公司整體策略發展及企業管治承擔最終責任。董事會由擁有多元化背景(包括零售、物業投資、財務、會計及創業)的成員組成。我們相信，維持多元化的董事會組合有助於提升財務業績，並促進本集團更具包容性的企業管治。

To ensure high governance standards in ESG related matters, the Company has a robust ESG governance structure with clearly defined responsibilities in place. The formulation of our ESG strategy and the day-to-day management and reporting on ESG matters resides with the ESG Committee, which is headed by our Executive Director and comprises of members from all major departments. The responsibilities of the ESG Committee includes the formulation of ESG strategies, sustainability reporting, stakeholder engagement, materiality assessment, regular monitoring of the performance of outlined ESG initiatives and the promotion of ESG matters both internally and externally.

為確保環境社會管治相關事宜秉持高管治標準，本公司已針對環境社會管治設有穩健並清晰界定職責的管治架構。環境社會管治委員會負責制定我們的環境社會管治策略，以及對環境社會管治事宜進行日常管理及匯報。該委員會由執行董事領導，其成員來自所有主要部門。環境社會管治委員會的職責包括制定環境社會管治策略、可持續匯報、與持份者交流、重要性評估、定期監察已規劃的環境社會管治措施的績效，以及於本公司內外推廣環境社會管治事宜。

A biannual report which covers the performance of ESG initiatives and forthcoming plans is distributed to Board members to provide them with timely updates regarding the progress of ESG activities and thus, enhancing the oversight of the Board upon the ESG developments within the Group.

To ensure the effective implementation of ESG strategies and identify any potential risks and opportunities, the ESG Committee conducts regular quarterly meetings to discuss a range of pre-defined ESG initiatives, set appropriate policies and follow up upon the progress of business units which are charged with carrying out related measures. The ESG Committee promotes the integration of sustainable and socially responsible best practices into our daily operations and decision-making processes across all levels of the Group with the supports of all business units.

Environment



Environmental Policy

Lifestyle International's Environmental Policy targets to reduce our environmental carbon footprint and promote an environmentally sustainable culture within our store operations. We will:

- Quantify the environmental impact of our operations and design measures to reduce our greenhouse gas emissions.
- Consistently work to improve the efficiency of our energy consumption.
- Ensure a healthy and comfortable environment within our business premises.
- Adopt green practices and technologies to better conserve our natural resources.
- Ensure compliance with applicable environmental and related legislations with our staff, business partners & other stakeholders.
- Minimize our waste generation and manage our waste in a responsible manner.
- Cultivate an environmentally conscious mindset amongst all employees through regular internal communications and trainings.

Climate Change

The Group recognizes the potential impact of climate change on our business operations. We are committed to managing climate change risks and devising mitigation measures in response to climate change and enhancing our climate change resilience. We strive to:

- Reduce our carbon footprint by the setting of long-term carbon emissions reduction targets.
- Monitor and regularly report upon the progress of reaching our carbon reduction targets.

我們向董事會派發半年一次報告，內容涵蓋環境社會管治措施的表現及即將推行的計劃，以及時向彼等提供關於環境社會管治工作進度的最新消息，從而加強董事會對本集團環境社會管治發展的監管。

為了確保環境社會管治策略得到有效落實，以及識別任何潛在風險與機遇，環境社會管治委員會定期舉行季度會議，以討論一系列預先界定的環境社會管治措施，制定適當的政策並跟進負責推行措施的業務單位的進展。環境社會管治委員會在所有業務單位的支持下，推動將可持續及對社會負責的最佳實踐融入我們在本集團各個層面的日常運營及決策過程。

環境

環境政策

利福國際的環境政策旨在降低我們的環境碳足跡，並在我們的店舖營運中推廣可持續環保文化。我們將：

- 量化營運的環境影響，並設計減少溫室氣體排放的措施。
- 持續著力改善能源消耗的效率。
- 確保營商物業內的環境健康舒適。
- 採納綠色實務及技術以更有效節約天然資源。
- 與員工、業務夥伴及其他持份者確保遵守適用環境及相關法例。
- 將我們產生的廢物減至最低及以負責任的態度處理廢物。
- 透過定期內部溝通及培訓培育全體僱員的環保意識。

氣候變化

本集團確認到氣候變化對我們業務營運的潛在影響。我們致力管理氣候變化風險，並制定減緩措施，以應對氣候變化並提升我們的氣候變化抗禦能力。我們竭盡所能：

- 通過設立長期碳減排目標，減少我們的碳足跡。
- 監察及定期匯報實現我們減碳目標的進展。

- Incorporate climate-related risks and opportunities into our risk assessment management.
 - Adopt green practices and technologies to improve energy efficiency within our business operations.
 - Formulate the appropriate procedures and measures to prevent and minimize the damage caused by climate change.
 - Incorporate climate resilience considerations into renovations and equipment procurement.
 - Adopt energy efficient and environmentally friendly design within the Group's properties.
 - Support the use of renewable energy and sustainable products and materials.
 - Promote and encourage our customers, suppliers and business partners to adopt a sustainable lifestyle and business practices wherever possible.
 - Monitor and respond timely towards climate related policy and regulatory changes.
- 將氣候相關風險及機遇納入我們的風險評估管理。
 - 採納環保實務及技術，從而改善業務營運中的能源效益。
 - 制定適當的程序及措施，從而預防並減少氣候變化造成的損害。
 - 在裝修及設備採購中將抗禦氣候的能力納入考慮。
 - 於本集團物業採納節省能源及環保的設計。
 - 支持使用再生能源以及可持續產品及物料。
 - 盡可能促進及鼓勵我們的顧客、供應商及業務夥伴採用可持續的生活方式及商業慣例。
 - 監察及即時應對氣候相關政策及監管變動。

By incorporating the climate-related risks into our risk assessment management, the following risks and opportunities have been identified:

通過將與氣候相關的風險納入風險評估管理，我們已識別出以下風險及機遇：

Risks 風險	Consequences 後果	Mitigation measures 減緩策略
<p>1) Physical Risks 實體風險 Extreme weather conditions, flooding, and heat stress. 極端天氣狀況、水災及炎熱天氣。</p>	<ul style="list-style-type: none"> — Damage to buildings and facilities. 損害建築物及設施。 — Injuries to staff or customers. 員工或顧客受傷。 — Disruptions to business operations. 業務營運中斷。 — Increase in insurance premiums. 增加保費。 — Increase in maintenance costs. 增加維修成本。 — Higher operating costs, such as electricity charges resulting from more air-conditioning required in response to higher temperatures. 增加營運成本，例如就氣溫升高而使用更多空調所產生較高的電費。 	<ul style="list-style-type: none"> — Operating procedures and guidelines in place for extreme weather conditions. 為極端天氣狀況制定操作程序及指引。 — Adequate insurance policies in place. 制定充足的保險計劃。 — Incorporation of climate resilience considerations into <ul style="list-style-type: none"> i) renovations and equipment procurement of our stores, and ii) building design of PTK. 將抗禦氣候的能力考慮納入在 <ul style="list-style-type: none"> i) 店舖裝修及設備採購及 ii) 啟德項目的樓宇設計。
<p>2) Transition risks 轉型風險 More stringent laws and regulations with the transition towards a low carbon economy. 隨着低碳經濟轉型而實施更嚴格法律及法規。</p>	<ul style="list-style-type: none"> — Higher compliance costs. 合規成本增加。 — Increase capital expenses on renovations. 裝修的資本開支增加。 — Loss of reputation. 聲譽受損。 	<ul style="list-style-type: none"> — Actively monitor and respond to regulatory changes as well as evolving market demands with respect to our business operations. 積極監察並應對法規變化及有關我們業務營運不斷變化的市場需求。

Opportunities 機遇	Benefits 裨益	Current practices 目前慣例
Higher operating efficiency. 更高的營運效率。	<ul style="list-style-type: none"> Improvement in operating procedures. 改善營運程序。 Reduction in operating expenses. 減少營運開支。 	<ul style="list-style-type: none"> Replace and retrofit inefficient equipment. 更換及改造低效的設備。 Conduct regular service maintenance programs. 定期執行服務維修計劃。
Increasing customer demand for products and services that promote a green and sustainable lifestyle. 對推動綠色及可持續生活方式的產品及服務的顧客需求增加。	<ul style="list-style-type: none"> Develop new revenue stream through innovative products and services. 通過創新的產品及服務開拓新的收入來源。 Enhance brand equity and improve customer loyalty and confidence. 增強品牌認受性，提高顧客的忠誠度及信心。 	<ul style="list-style-type: none"> Regular customer engagement to better understand their needs and values. 定期聯繫顧客，以了解他們的需求及價值。 Actively monitor the market trends and customer demand, to inform and adjust our business strategies accordingly. 積極監察市場趨勢及顧客需求，以報告並對我們的業務策略進行相應調整。

Energy Management

能源管理



2030 Target (compare to 2020 level)
二零三零年目標(以二零二零年水平比較)

Purchased electricity intensity 購買電力密度

Portable water intensity 飲用水密度



As a leading department store operator, we strive to reduce our overall energy consumption and maximize the efficiency of all the facilities within our buildings with respect to the consumption of electricity, water and gas, which are the main sources of energy used within our operations.

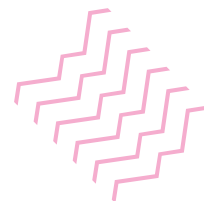
作為龍頭百貨店營運商，我們竭盡所能降低整體能源消耗，亦盡力提高旗下樓宇內所有設施耗用電力、水及燃氣的效益，而電力、水及燃氣均為我們營運所用的主要能源。

Energy consumption patterns are actively monitored to ensure the equipment and facilities are operating at optimal levels. During the year, temperature of the chilled water supply at CWB store was fine-tuned during the winter season to improve energy efficiency.

我們積極監控能源消耗模式，以確保設備及設施以最佳水平運作。年內，銅鑼灣店舖的冷凍水供應的溫度在冬季微調，以提高能源效益。

The Group's major energy consumption is electricity consumed by the air conditioning systems, general lighting, refrigeration systems, and other equipment such as lifts, escalators and I.T. facilities. Measures are in place to ensure that the facilities are maintained to function at their optimal operational conditions. Such measures include procurement of energy efficient equipment, timely replacement of inefficient parts, and regularly conducting preventive maintenance programs by our contractors and/or in-house maintenance team. In 2021, we replaced the whole driving device and control system for four office lifts in order to improve their operational performance and safety.

本集團的主要能源消耗為空調系統、一般照明、製冷系統以及升降機、自動扶梯及資訊科技設施等其他設備的電力消耗。我們已制定措施確保此等設施保持以最佳狀態運作。有關措施包括採購節能設備、及時更換缺乏效益的部件，以及由我們的承包商及／或內部維修團隊定期進行預防性維修計劃。於二零二一年，我們更換了四台辦公升降機的整個驅動裝置及控制系統，以提高其運行性能及安全性。



All our properties are lit by LED lighting devices. In 2021, LED lighting has been installed at electrical meter rooms, air conditioning plant rooms and customer toilets at the SOGO CWB store. In addition, to minimize the impact of light pollution, all external lighting facilities of our stores such as LED screens, light boxes and logo signage operate in full compliance with the requirements under "Charter on External Lighting" by the Environment Bureau.

我們所有的物業均由LED照明設備照明。於二零二一年，銅鑼灣崇光店舖的電錶房、冷氣機房及顧客洗手間均安裝了LED照明。此外，為了減低光污染的影響，旗下店舖所有戶外燈光設施，如LED屏幕、燈箱及商標標誌牌等，其運作均全面遵守環境局「戶外燈光約章」的要求。

In comparison to electricity, the consumption of water and gas is relatively insignificant within our business operations. Water is mainly used for sanitary facilities for both customers and staff within the department stores and office premises. Sensor water taps and flushing facilities have been installed to minimize the water consumption in washrooms. Gas is mainly used in the staff canteen and our Japanese restaurant in SOGO CWB.

與電力相比，我們的業務營運的用水量及燃氣消耗較不重大。耗水主要用於百貨店及辦公場所內為顧客及員工而設的衛生設施。為盡量減少洗手間的耗水，我們已安裝感應水龍頭及沖水裝置。燃氣主要用於員工食堂及銅鑼灣崇光的日式餐廳。

Energy & Water Consumption and Greenhouse Gas Emissions

能源消耗及用水量以及溫室氣體排放



2030 Target (compare to 2020 level)
二零三零年目標 (以二零二零年水平比較)

Scope 1 and Scope 2 GHG Emission intensity 範疇1及範疇2溫室氣體排放密度



The aggregate energy & water consumption and Greenhouse Gas ("GHG") Emissions at SOGO CWB and SOGO TST, and auxiliary supporting facilities for 2020-2021 is presented as below:

於二零二零年至二零二一年，銅鑼灣崇光、尖沙咀崇光及其配套設施的能源消耗及用水總量以及溫室氣體(「溫室氣體」)排放呈列如下：

GHG emissions in total and intensity 溫室氣體排放量及密度	Unit 單位	CO ₂		2021	2020
		二零二零年		二零二一年	二零二零年
(Scope 1) (範疇1)	Kg Co ₂ e 公斤二氧化碳當量			26	21
(Scope 2) (範疇2)	Kg Co ₂ e 公斤二氧化碳當量			15,110,619	17,173,856
Total GHG emissions 總溫室氣體排放量	Kg Co ₂ e 公斤二氧化碳當量			15,110,645	17,173,877
Intensity 密度	Kg Co ₂ e/ft ² 公斤二氧化碳當量/平方尺			21.3	25.5 [#]

Energy consumption 能源消耗	Unit 單位	Total consumption 總消耗量		Unit 單位	Intensity 密度	
		2021 二零二一年	2020 二零二零年		2021 二零二一年	2020 [#] 二零二零年 [#]
Purchased Electricity 購買電力	kWh 千瓦小時	22,184,063	22,134,821	kWh/ft ² 千瓦小時/平方尺	31.3	32.8
Purchased Towngas 購買煤氣	MJ 兆焦耳	1,270,896	1,068,144	MJ/ft ² 兆焦耳/平方尺	1.8	1.6
Portable water 飲用水	m ³ 立方米	80,033	94,800	m ³ /ft ² 立方米/平方尺	0.1	0.1

[#] Figures in 2020 are restated after the presentation of intensity is changed from square foot from square meter. Conversion factor of 1 sq.m. to 10.7639 sq.ft. is used.

二零二零年之數字在密度呈列由平方米改為平方尺後重列。使用換算系數為1平方米對10.7639平方尺。

Remarks

1. Total operating area used for computation of GHG emissions and energy intensity is 708,336ft².
2. Emission Factor used for purchased electricity from Hong Kong Electric and CLP is 0.71 (2020: 0.81) and 0.37 (2020: 0.5) respectively. Emission Factor for Towngas from Hong Kong and China Gas is 0.065 per MJ (2020: 0.065 per MJ).
3. Scope 1 GHG emissions are from sources that are owned or controlled by the Group, which includes combustion of diesel and petrol.
4. Scope 2 GHG emissions is calculated basing on purchased electricity and Towngas only, excluding those electricity consumptions by central air-conditioning systems which are not under our operating control that consumption data cannot be readily available and reliably measured.

備註

1. 計算溫室氣體排放及能源密度所用總營運面積為708,336平方呎。
2. 就香港電燈及中電購買電力所用排放係數分別為0.71(二零二零年：0.81)及0.37(二零二零年：0.5)。就香港中華煤氣購買煤氣所用排放係數為每兆焦耳0.065(二零二零年：每兆焦耳0.065)。
3. 範疇1溫室氣體排放來自本集團擁有或控制的來源，包括燃燒柴油及汽油。
4. 範疇2溫室氣體排放僅根據購買電力及煤氣計算，不包括並非由我們操作監控的中央空調系統所耗電力，因為不容易取得及可靠計量該等耗電數據。

The purchased electricity remained stable when compared to 2020. The purchase of Towngas increased by 19% as last year's figure was weighted down by shortened operating hours of the staff canteen and Japanese restaurant. The total GHG emissions were reduced by 12%, mainly as a result of lower emission factor for purchased electricity from Hong Kong Electric this year.

與二零二零年相比，購買電力保持穩定。購買煤氣增加19%，原因為員工食堂及日本餐廳的營業時間縮短，導致去年的數字有所減少。總溫室氣體排放減少12%，主要是由於本年來自港燈的購買電力的排放係數較低。

Store Renovation

We implement sustainable and green construction practices, including the issuance of the "Green Fit-Out Guideline", sharing of façade hoarding and the use of air purifiers during renovations. Through these practices, we have achieved savings both in terms of time and costs, for our renovation projects, minimized the nuisance to the public, and kept dust and odours generated through renovations to a minimum, as well as reduced the overall generation of construction waste. There were around 90% of small-scale counter renovations this year adopted the practice of reusing existing fixtures.

店舖裝修

我們實施可持續綠色建築實踐措施，包括發出「綠色裝修指引」(Green Fit-Out Guideline)、共享外牆圍版及於裝修過程中使用空氣淨化器。通過該等實踐，我們在裝修項目上節省了時間及成本、對公眾的滋擾減至最低、將因裝修產生的灰塵及氣味保持在最低水平，以及減少整體建築廢料的產生。本年度約90%小型櫃位裝修採納重用現有固定裝置做法。



2030 Target (compare to 2020 level)
二零三零年目標(以二零二零年水平比較)

Non-hazardous wastes intensity 無害廢棄物密度



Waste Management and Recycling

Waste prevention and management play an indispensable role within our overall environmental policy. In addition to minimizing unnecessary environmental impact, we believe that waste prevention increases our overall operational efficiency and generates long-term cost savings. We recognize the importance of promoting waste consciousness amongst our various stakeholders in order to effectively implement our waste management policy that includes the promotion of recycling and practices that support the reduction of material consumption.

廢物管理及回收

廢物預防及管理在我們的整體環境政策中擔當不可或缺的角色。除了減少不必要的環境影響外，我們認為避免產生廢物可提高整體營運效率，長遠而言可減省成本。我們確認加強各持份者減廢意識的重要性，以便有效實施廢物管理政策，包括推廣回收及支持減少消耗物料的做法。

The aggregated non-hazardous solid waste generated from SOGO CWB and SOGO TST in 2021 was 2,553 tonnes (Intensity: 0.0036 tonnes/ft²).

於二零二一年，銅鑼灣崇光及尖沙咀崇光產生的無害固體廢棄物總數為2,553公噸(密度：0.0036公噸/平方呎)。

Workplace Conduct

Environmental sustainability is a central consideration in influencing our workplace conduct and plays an important part in our vendor selection.

Centralized rubbish bins are installed at our head office to reduce plastic rubbish bags and waste disposal costs. The use of FSC® certified paper has been adopted for company letters and envelopes this year.

In 2021, the Group was again awarded the “Green Office Awards Labelling Scheme (GOALS)” and “Eco-Healthy Workplace” label by the World Green Organization (“WGO”) for our continuous efforts in the promotion of a sustainable and healthy workplace environment.

Environmentally Friendly Shopping

To advocate environmentally responsible shopping, we sell reusable shopping bags and provide P-life biodegradable plastic shopping bags as carrying options for our customers. Moreover, we regularly hold environmentally friendly activities and promotions within our stores to educate, arouse and encourage our customers to adopt a more sustainable and mindful lifestyle.

In 2021, we organized and supported the following initiatives to promote and raise awareness of environment related issues:

- WWF Earth Hour.
- WELL water refill station at SOGO CWB to provide lead-free drinking water to customers as well as staff while helping to reduce single-use plastic bottles.
- “SOGO x Fashion Clinic” summer promotion, where preloved garments were donated by fashion brands to create unique patchwork cushion covers for redemption. Redemption proceeds were in turn donated to environmental charity organization — “Redress” to help to advocate fashion sustainable development.
- First ever collaboration with SOGO & SEIBU, in which renowned Japanese artist Mr. Masami Yanagida was invited to create key visual “Choice for the Future” to convey message of “sustainable things that can be done while enjoying autumn life”- spreading positive energy and sustainable choices through the artist’s view of the world. Camping mats and camping chairs were created with environmentally friendly fabric for sales/redemption, proceeds from which were donated to Friends of the Earth (HK).

工作場所操守

環境可持續性為影響工作場所操守的核心考慮因素，是我們選擇供應商的重要考量之一。

我們在總辦事處安裝中央垃圾桶，以減少塑料垃圾袋及廢物處理成本。本年度，公司信件及信封均已採納使用FSC®認證紙張。

於二零二一年，本集團再度獲世界綠色組織（「WGO」）頒發「綠色辦公室獎勵標籤計劃」（GOALS）及「健康工作間」標籤，表揚我們努力不懈地促進可持續及健康的工作環境。

環保購物

為了倡導環保購物，我們出售可循環使用的購物袋，並向顧客提供使用P-life生物分解塑料購物袋盛載貨品的選項。此外，我們定期於旗下店舖舉辦環保活動及推廣活動，以教育、促使及鼓勵顧客採納更具可持續性及細心的生活模式。

於二零二一年，為推廣環境相關事宜並提高有關意識，我們曾舉辦及支持以下活動：

- 世界自然基金會地球一小時。
- 於銅鑼灣崇光提供WELL飲用水機，向顧客及員工提供無鉛飲用水，同時減少單次使用塑膠瓶。
- 「崇光 x Fashion Clinic」夏季促銷活動，時尚品牌捐出過季布料，打造獨特拼布咕啞套，以作兌換。兌換所得款項依次捐贈予環保慈善組織「Redress」，以幫助倡導時裝可持續發展。
- 首次與崇光西武合作，邀請日本知名藝術家Masami Yanagida先生創作主視覺「Choice for the Future」，傳達「享受秋季生活時可做的可持續事情」的訊息，透過藝術家的世界觀傳播正能量及可持續發展的選擇。露營墊及露營椅子以環保面料製造以供銷售／兌換，其所得款項捐贈予香港地球之友。



Food Recycling

Due to our operational needs, a certain amount of food waste is regularly generated on a daily basis at our stores. To divert such waste from landfill, we adopt proper waste segregation procedures and support the recycling of waste into valuable resources.

In addition, the cooking processes at the eateries within our premises produce waste cooking oil. As improper handling or storage of cooking oil waste may lead to environmental contamination, we follow guidelines issued by the Environmental Protection Department to ensure the proper storage and record of cooking oil waste. A qualified contractor is engaged to collect and transport the cooking oil waste to designated facilities of the Environmental Protection Department so that it can be disposed in a proper and professional manner.

We strive to minimizing food waste. We reduce food waste by providing guidelines to staff on food waste segregation. Daily food waste collected under our food recycling program is turned into compost or animal feed. In 2021, around 22,356 kg of food waste was collected, saving approximately 12,743 kg of CO₂e emissions from the landfill, an amount similar to last year.

We have also been donating food to "Food Angel", our long-term local food bank partner, to provide help towards those in need and to raise the awareness towards treasuring food as a precious resource. In 2021, Food Angel has collected approximately 1,143 kg from our food sections as food rescue donation, an increase of 225% comparing to 2020 as the donation has largely resumed to normal this year whereas, the food collection services were suspended for around 8 months amidst the COVID-19 pandemic in 2020.

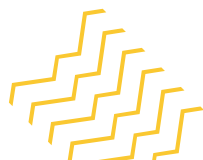
食品回收

基於運營需要，我們旗下的店舖每天定時產生若干廚餘。為免此類廢物送往堆填區，我們採用適當的廢物分類程序，支持將廢物循環再造為珍貴的資源。

此外，旗下處所內餐廳的烹飪過程會產生廢食油。由於不當處理或存儲食油廢料可導致環境污染，我們已遵循環境保護署發佈的指引，以確保妥當存儲及記錄食油廢料。我們委聘合資格承包商收集並運送廢食油到環境保護署的指定設施，以便妥當且專業地棄置廢食油。

我們竭盡所能盡量減少廚餘。我們通過向員工提供廚餘分類的指引以減少廚餘。根據我們的食物回收計劃收集的日常廚餘將轉化為堆肥或動物飼料。於二零二一年，已收集到約22,356公斤廚餘，減省約12,743公斤二氧化碳當量的排放物送往堆填區，數量與去年相近。

此外，我們持續向我們長期的本地食物銀行夥伴「惜食堂」捐贈食品，援助有需要人士及提高珍惜寶貴食物的意識。於二零二一年，惜食堂自我們的食物部收集約1,143公斤食品作援助食品之用，較二零二零年增加225%，原因為本年度的捐贈已大致恢復正常，而在二零二零年COVID-19疫情期間曾停止收集食物服務約八個月。





Initiatives for property development project at Kai Tak ("PTK")

啟德物業發展項目(「啟德項目」)的舉措



We uphold the environmental standards with our contractors through house rules, tender documents, method statements, and continuously monitor the environmental performance at the construction site of PTK.

我們通過內部規則、招標文件、方法聲明與承包商一起維護環境準則，並持續監察啟德項目施工現場的環境績效。

Waste Management

廢物管理

We endeavor to minimize construction waste by putting effective waste management practices in place and offer our full support to the contractor in waste reduction.

我們努力透過實施有效的廢物管理措施，以盡量減少建築廢物，並全力支持承包商進行減廢。

Measures implemented included:

實施的措施包括：

- Erect dust proofing measures and hoarding to separate the construction site with the adjacent public facilities such as the Kai Tak Station Square and the Kai Tak Avenue Park.
- Recycling and proper storage of chemical waste, and disposal of general waste to licensed landfill sites.
- Ensure that contractors possess necessary licenses and operate in full compliance of relevant environmental regulations.
- Implementation of waste management plan.
- Adoption of modularization of building services installations and prefabrication on construction site to reduce wastage and pollution.

- 安裝防塵措施及圍板，將工地及鄰近啟德車站廣場、啟德大道公園等公共設施分隔。
- 回收及妥善儲存化學廢物，以及將一般廢物棄置到有執照的堆填區場地。
- 確保承包商擁有必要的許可證並在營運中全面遵守相關的環境法規。
- 實施廢物管理計劃。
- 在建築工地採用模塊化的樓宇裝備裝置及預製件，以減少廢料及污染。

We actively engage with our suppliers and contractors to adopt sustainable management practices. To ensure our contractors are fully aware of our waste minimization approach to properly handle, reuse and recycle waste, regular workshops are held with contractors to review the environmental performance of the construction site and the contractor, and the latest low carbon and waste management initiatives are also regularly discussed and explored.

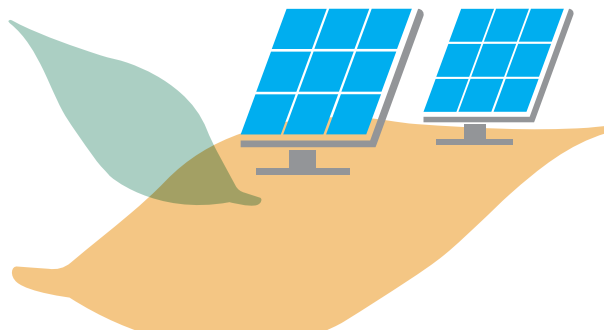
我們積極與供應商及承包商合作，採用可持續管理實踐。為確保我們的承包商充分了解我們的廢物最少化方法以妥善處理、再利用及回收廢物，承包商定期舉辦研討會，以檢討建築地盤及承包商的環保績效，以及亦會定期討論及探索最新的低碳及廢物管理措施。

Building Information Modelling ("BIM")

建築信息模擬 ("BIM")

BIM is adopted to provide an accurate estimation of the quantity of building materials required, provide better coordination and avoid construction clashes on site. Compared with conventional construction methods, BIM helps minimize potential abortive works on site and facilitates the building services team to pre-fabricate the materials for an expedition of the construction process. It also helps reduce the use of paper as space-use simulations and 3D models enhance the visualizations of the works for all working parties and enable swift changes in the modelling process.

採用BIM可準確估計所需的建築材料數量，提供更好的協調並避免現場施工衝突。與傳統的建造方法相比，BIM有助盡量減少潛在現場流產工作，並有利於樓宇裝備團隊預製材料以加快建造過程。其亦有助減少紙張使用，因為空間使用模擬及3D模型增強了所有工作方對作品的視覺化，並促進在建模過程中作出迅速改動。



Health & Safety

To safeguard the health and safety of workers and contractors, the main contractor of the project is responsible to devise the Project Health and Safety Plan to monitor workers and contractors for performing on-site inspection, incident reporting and regular audits. Site safety practices include:

- Periodic internal site inspections to identify hazards and risks.
- Monitoring of lost-time injuries, near-miss incidents as well as reportable and major injuries.
- Monthly meetings to review site safety performance with project staff, contractor, and sub-contractor safety supervisors.
- Organise regular occupational health and safety (OHS) training, well-being talks and safety workshops to promote site safety.
- Guidelines on precautionary measures and emergency plans to maintain preparedness against bad and extreme weather events.

We maintain close collaboration with our contractors to ensure effective OHS management at our construction site. In the tender documents of the main contractor, they set out clearly the OHS conditions and safety guidelines to be observed regarding site safety, which include the requirements to prepare an Environmental Health and Safety Plan. During the term of the contract, we also carry out ongoing monitoring to ensure contractors meet our requirements.

In light of COVID-19 pandemic, we have strengthened the communications with our contractors and proactively taken measures to improve site hygiene conditions. These include:

- Automatic body temperature scanner.
- Hand sanitizers.
- “Leave Home Safe” QR codes at the entrance gate of the site.
- Staggered lunch hours for construction workers and the use of partitions at the canteens to maintain social distancing.
- Increase the frequency of cleaning common areas, toilets, lobbies and the canteens.

Sustainability

We are conscious of managing the environmental impacts of our PTK. Principles of sustainability are incorporated into the planning, design, construction and commissioning of the development to minimize impacts to the environment. We strive to create a greener and more sustainable development project and continue to leverage innovative technologies for the advancement of building efficiency and sustainability to the next level.

健康及安全

為保障工人及承包商的健康及安全，項目的主要承包商負責制定了項目健康及安全計劃，以監察工人及承包商進行現場檢查、事故匯報及定期審計。現場安全措施包括：

- 定期進行內部現場巡查，以識別隱患及風險。
- 監控誤工、未遂事件以及可報告的重大事故。
- 與項目人員、承包商及分包商安全主管每月舉行會議，審查現場安全績效。
- 舉辦定期職業健康與安全 (OHS) 培訓、健康講座及安全研討會，以促進工地安全。
- 預防措施及應急計劃指引，以保持對惡劣及極端天氣事件的準備。

我們與承包商保持緊密合作，以確保在我們的施工現場進行有效的OHS管理。在總承包商招標文件中，清楚地列出了須遵守的OHS條件及安全指引，其中包括編製環境健康及安全計劃的要求。在合約期限內，我們亦會持續進行監察，以確保承包商符合我們的要求。

鑑於COVID-19疫情，我們已加強與承包商的溝通，並積極採取措施改善工地衛生情況。該等措施包括：

- 自動體溫掃描器。
- 搓手液。
- 在工場入口處貼上「安心出行」二維碼。
- 將建築工人的用膳時間交錯，並在食堂使用隔板以保持社交距離。
- 增加公共區域、洗手間、大堂及食堂的清潔頻率。

可持續性

我們有意識地管理我們啟德項目對環境的影響。可持續性原則被納入開發項目的規劃、設計、施工及調試中，以盡量減少對環境的影響。我們致力創造更綠色及更可持續的發展項目，並繼續利用創新科技，將建築效率及可持續發展提升至更高水平。

PTK has tentatively obtained BEAM Plus New Building “Provisional Platinum” rating from the Hong Kong Green Building Council (“HKGBC”). Furthermore, we also endeavor to ensure the development project will undergo the Life Cycle Assessment, and to reduce further its environmental impacts with the following initiatives:

- Achieve BEAM Plus certification.
- Adopt sustainable building standards.
- Construct climate-proofing buildings by incorporating environmentally responsible designs and facilities.
- Utilize technologies to minimize GHG emissions and pursue innovative solutions.
- Encourage the use of electric vehicles in the community by installing electric vehicle charging stations.
- Promote and encourage the deployment of energy-efficient systems, including the use of renewable energy and new technologies such as bio-diesel generator and chilled panel radiation system.
- Improve the quality of the indoor environment and therefore benefit the long-term health, well-being, and productivity of its occupants.

Lifestyle International is committed to deploying innovative technologies to enhance the sustainability of the design and construction and acknowledges the importance of the close collaboration with our contractors in achieving these sustainability goals.

啟德項目已初步獲得香港綠色建築議會（「香港綠色建築議會」）頒發的綠建環評新建建築「暫定鉑金級」評級。此外，我們亦努力確保開發項目將進行生命週期評估，並通過以下舉措進一步減少其對環境的影響：

- 獲得綠建環評認證。
- 採用可持續建築標準。
- 通過結合對環境負責的設計及設施來建造不受氣候影響的建築。
- 利用技術最大限度地減少溫室氣體排放並尋求創新解決方案。
- 通過安裝電動汽車充電站，鼓勵社區使用電動汽車。
- 促進及鼓勵採用節能系統，包括使用可再生能源及新技術，如生物柴油發電機及冷板輻射系統。
- 改善室內環境質量，從而有利於居住者的長期健康、福祉及生產力。

利福國際致力採用創新技術以提高設計及施工的可持續性，並確認到與承包商緊密合作以達成該等可持續發展目標的重要性。

Employees

僱員

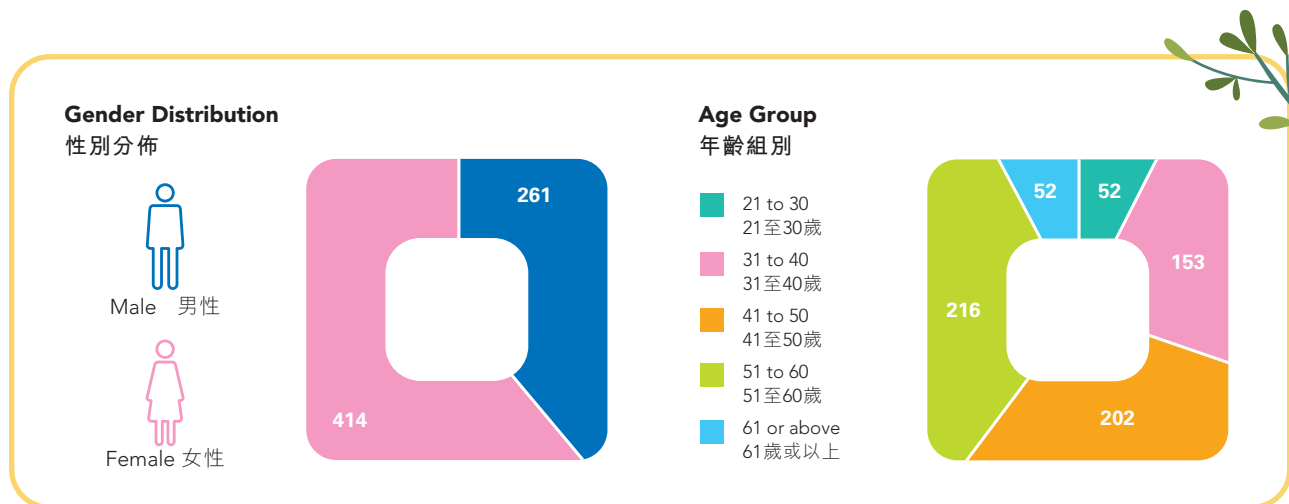


Staff and workplace

As at 31 December 2021, Lifestyle International employed a total of 675 staff and they are all based in Hong Kong. The gender and age distribution of our staff are as follows:

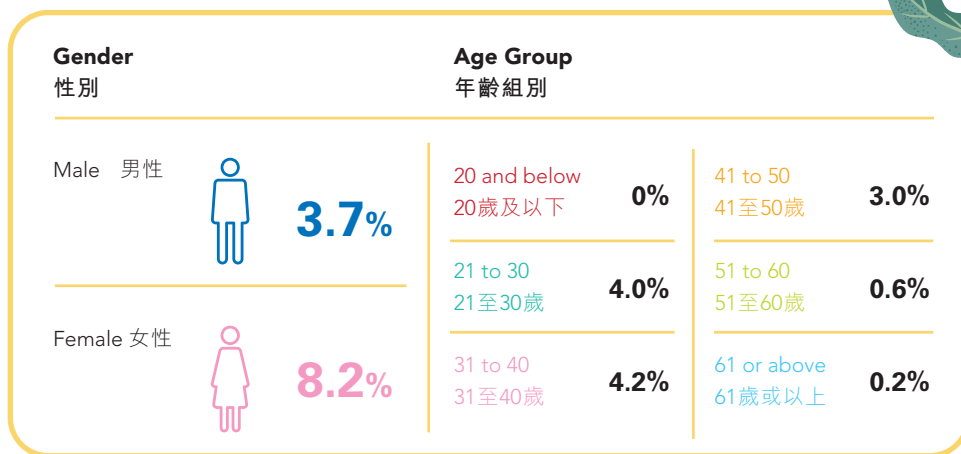
員工和工作場所

於二零二一年十二月三十一日，利福國際合共聘用675名員工，彼等駐香港。我們員工的性別及年齡分佈如下：



Turnover Rate

流失率



Lifestyle International has consistently complied with the relevant laws, rules and regulations on compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare throughout the year.

A performance management system is used to objectively review our staff members' performance level. Observations and evaluations of staff members' work behavior and accomplishments form the basis for decision making within the reward system. These decisions include wage, salary, and benefit determinations; promotion, demotion, transfer, or termination actions; and coaching and counseling, training, or career development options.

Lifestyle International has put in place appropriate policies and procedures to prevent the occurrence of forced labour or child labour, and also to ensure that such cases do not arise through indirect involvement with our suppliers or business partners, including concessionaire counters, contractors, labour brokers or recruitment agencies. Throughout the reporting year, we have no reporting of non-compliance cases in the aforesaid areas.

Anti-corruption

Lifestyle International regards fair play, honesty and integrity as our important commercial assets in business. Our anti-corruption policy sets out the basic standard of expected conduct of all staff members. Seminars are arranged for the directors and our staff to reinforce their knowledge of recognizing and dealing with bribery and corruption. We have complied with relevant standards, rules and regulations on bribery, extortion, fraud and money laundering throughout the year. For the reporting year, there were no legal cases brought against the Group or its employees regarding corrupt practices.

利福國際全年一直持續遵守有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的相關法律、法規及規例。

績效管理制度乃用於客觀檢討我們的員工表現水平。觀察及評估員工工作行為及成就為獎勵制度作出決策奠定基礎。此等決策包括釐定工資、薪金及福利；晉升、降級、調職或解僱行動；及輔導和諮詢、培訓或職業發展選擇。

利福國際設有適當政策及程序防止出現強制勞工或童工，並確保此等情況不會經我們的供應商或業務夥伴(包括特許專櫃、承包商、勞務經紀人或招聘機構)間接參與而發生。於整個報告年度中，我們並無上述範圍內任何不合規情況的報告。

反貪污

利福國際視公平競爭、誠實和誠信為業務中的重要商業資產。我們的反貪污政策載列所有員工預期操守的基本標準。我們為董事及員工安排研討會，以增進識別及處理賄賂及貪污的知識。我們全年一直遵守有關賄賂、勒索、欺詐及洗黑錢的相關標準、法規及規例。於報告年度，概無對本集團或其僱員提出任何有關貪污行為的法律訴訟。

The Group has whistleblowing policy in place to provide reporting channels and guidance for possible improprieties in matters of financial reporting, internal control or other matters, and to provide reassurance to whistleblowers of the protection that the Group will extend to them against unfair dismissal or victimization. Whistleblowing reports received by the Internal Audit Department are reviewed by the Audit Committee. No whistleblowing case has been reported during the reporting year.

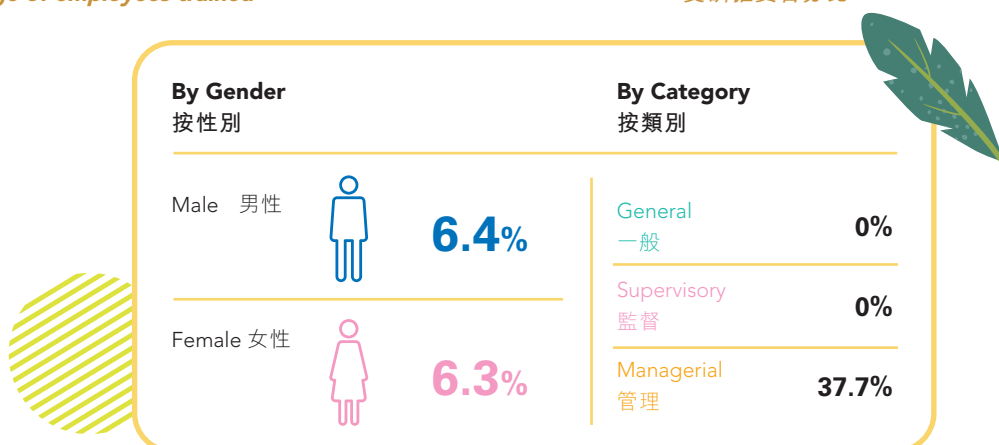
本集團已制定舉報政策，為財務報告、內部控制或其他事項中可能存在的不當行為提供舉報渠道及指引，並向舉報人保證本集團將向彼等提供保障，使彼等不會被不公平解僱或傷害。內部審計部收到的舉報報告由審核委員會審閱。於報告年度，概無任何舉報案件。

Staff Training and Development

員工培訓與發展

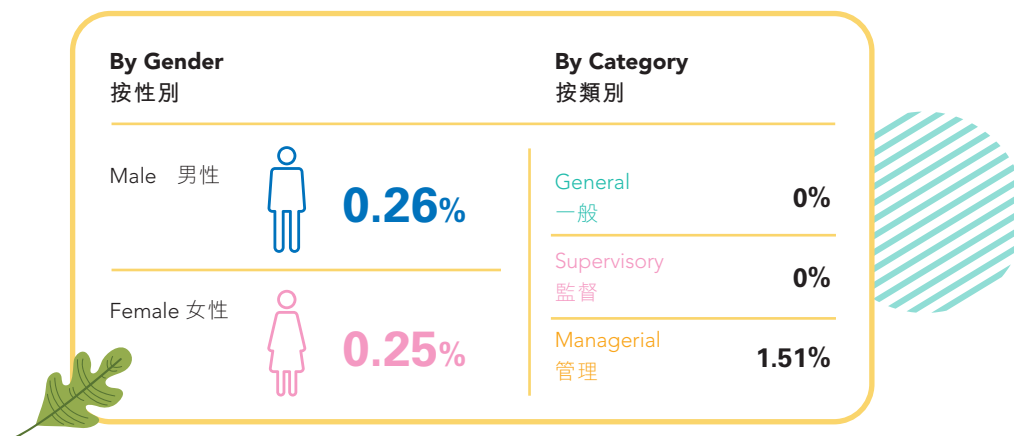
Percentage of employees trained

受訓僱員百分比



Average training hours completed per employee

每位僱員完成的平均培訓時數



Lifestyle International considers human resources as the foundational asset within our organization. Our mission in talent development is closely intertwined with the goals and objectives of the Group.

利福國際視人力資源為組織的根本。我們在人才培育方面的使命與本集團的企業目標息息相關。

In June, a seminar on the topic "Connecting the online and offline customer journey" conducted by Professor Anirban Mukhopadhyay, Lifestyle International Professor of Business from Hong Kong University of Science and Technology, was organized for our managers from sales and marketing related departments to sharpen their knowledge on enhancing the online and offline customer experience.

於六月，我們為銷售及市場推廣相關部門的經理舉辦由香港科技大學利福國際商學教授諳寧寶 (Anirban Mukhopadhyay) 教授主講，以「連接線上線下顧客旅程 (Connecting the online and offline customer journey)」為主題的研討會，以增強彼等在提升線上及線下顧客體驗方面的知識。

With an emphasis upon personal development and growth, staff members are encouraged to proactively pursue their own development. Through the performance management system, staff members regularly meet their immediate supervisors and managers to discuss their work performance and identify personal objectives and potential training opportunities.

Based on the performance review and regular discussions, staff members are able to obtain feedback on their work and share their aspirations and expectations with their superiors. Training plans are developed and appropriate resources are allocated to help achieve both the staff member's personal as well as corporate development goals.

Health and Safety

Lifestyle International considers the health and safety of its' staff, customers, visitors and members of the public at large to be of the greatest importance. There were no reported cases of fatality from 2019 to 2021. In 2021, a total of 268 man-days were lost due to work-related injuries.

To provide a risk and hazard-free environment for all, we are committed to:

- Conduct regular inspections of all parts of the Group's premises.
- Conduct fire drills for staff members to practice evacuation procedures of the premises in the event of a fire or other emergencies.
- Obtain professional advice on best health and safety practices where necessary.
- Provide staff members with advisory services on health and safety matters.
- Provide updates and training to enhance staff members' awareness on health and safety issues.
- Promote health & safety at work and gather staff members' feedback through the Health & Safety Committee.

Every staff member participates and shares the responsibility in helping formulate and monitor the procedures and arrangements for workplace health and safety. Through the Health & Safety Committee, which comprises of representatives from different functions within the Group, staff members share duties in:

- Identifying, reporting and rectifying workplace hazards in relation to health and safety and report such hazards promptly.
- Assisting the investigation of any accident, injury or near accident to minimize re-occurrence.
- Adopting safe working methods and procedures.
- Providing advice and suggestions for the improvement and maintenance of health and safety standards.

Mental health is an integral part of one's personal health. To take care of the mental well-being of our staff members, consultative services provided by a professional organization under the Employee Assistance Program has been made available since June 2018. Confidential consultative services are provided by qualified counsellors to staff members through a 24-hour hotline or face-to-face appointments, covering both work and non-work related issues.

我們著重個人發展與成長，因此我們鼓勵員工積極尋求員工本身的發展。透過績效管理制度，員工會與其直屬上司和經理定期會面，討論其工作表現、確立個人目標和潛在的培訓機會。

通過表現檢討及定期面談，員工能獲得其工作反饋，並與其上司分享其抱負及期望。我們制定培訓計劃並分配適當的資源，以助員工實現個人及企業的發展目標。

健康與安全

利福國際視其員工、顧客、訪客和普羅大眾的健康和安全至關重要。二零一九年至二零二一年並無任何身亡事故報告。二零二一年因工傷共損失268人日。

為向大眾提供一個無風險與危害的環境，我們致力於：

- 對本集團處所所有部分進行定期檢查。
- 為員工舉辦消防演習，以練習在火災或其他緊急情況下處所的疏散程序。
- 在必要時獲取有關最佳健康及安全實踐的專業意見。
- 向員工提供關於健康及安全事宜的諮詢服務。
- 提供最新消息及培訓，以提高員工對健康及安全的意識。
- 透過健康及安全委員會推廣工作健康及安全，並收集員工反饋。

每名員工參與並分擔協助制定及監測工作場所健康與安全程序和安排的責任。通過由本集團不同職能代表組成的健康及安全委員會，員工分擔以下職責：

- 識別、報告及糾正工作場所中與健康及安全有關的危害，並立即報告有關危害。
- 協助調查任何事故、受傷或準事故，以盡量減少有關情況再次發生。
- 採用安全的工作方法和程序。
- 提供關於改進和維持健康和安全的標準的意見和建議。

心理健康是構成個人健康的一部份。為了照顧我們員工的心理健康，自二零一八年六月起，提供由專業組織根據僱員協助計劃提供的諮詢服務。合資格顧問通過24小時熱線或預約面談為員工提供保密的諮詢服務，當中涵蓋與工作及非工作相關的問題。

COVID-19 Response

To safeguard the health and safety of our customers and staff members amidst the COVID-19 situation, the following measures have been implemented this year:

Measures at stores

- An emergency response team, which comprises of store managers and managers from the Human Resources and Administration departments, is tasked to devise the strategies and procedures for virus preventive measures.
- Issue guidelines to front-line staff for implementing precautionary measures.
- Set up mask disposal points on shop floors and at office areas.
- Adjust store business hours in response to the changing virus situation.
- Require staff and customers to wear face masks within the premises.
- Provide hand sanitiser dispensers for customers in main traffic spots.
- Disinfect all public areas and facilities regularly.

Customers

- Promote our eStore platform as an alternative sales channel for our customers.
- Offer different collections of protective face masks and related hygiene products for sale to customers.

Concessionaires

- Offer rent concessions to our concessionaires.
- Strengthen targeted promotion campaigns to drive up customer traffic of the stores.

Employees

- Provide personal protective equipment to staff, such as surgical face masks, disposable rubber hand gloves and face shields.
- Schedule flexible working arrangements for staff.
- Promote the use of digital tools such as video conferencing to minimize in-person meetings.
- Maintain records of rosters for our own staff as well as staff from concessionaire counters to monitor staff movements.
- Arrange social distancing seating plans at the staff canteen.
- Provide 2 days paid leave to staff for each COVID-19 vaccination dose.

Others

- Produce our own videos on the CVISION LED screen to help promote social-distancing and hygiene related practices.

COVID-19的應對措施

在 COVID-19 疫情期間，為了保障顧客及員工的健康及安全，我們已於本年度採取以下措施：

店舖採取的措施

- 由店長以及人力資源及行政部門的經理組成的應急小組，負責制定預防病毒措施的策略及程序。
- 向前線員工發布實施預防措施的指引。
- 在工作場所及辦公室區域設置口罩棄置點。
- 因應病毒變化的情況，調整店舖營業時間。
- 要求員工及顧客在處所內佩戴口罩。
- 在主要人流位置為顧客提供消毒潔手裝置。
- 定期在所有公共空間及設施進行消毒。

顧客

- 推廣我們的eStore平台，作為向顧客進行銷售的另一渠道。
- 向顧客出售不同款式的防護口罩及相關衛生產品。

特許經營商

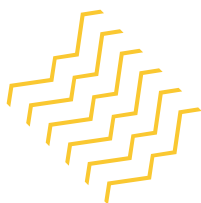
- 對特許經營商提供租金優惠。
- 加強針對性的促銷活動，增加門店客流量。

僱員

- 為員工提供個人防護設備，例如外科口罩、即棄膠手套及面罩。
- 為員工提供靈活的工作安排。
- 促進使用視像會議等數碼工具，以盡量減少面晤。
- 保存我們公司的員工以及特許專櫃員工的出勤記錄，以監察員工的動向。
- 在員工食堂制定符合社交距離的座位安排。
- 為每次接種COVID-19疫苗的員工提供2天有薪假期。

其他

- 製作我們自己的影片於CVISION LED屏幕播放，以助宣傳社交距離及衛生相關習慣。





Social and Community Support

社會及社區支援



Lifestyle International is committed in actively connecting and interacting with the community and fostering harmony between the people and the environment. The Group focuses on contributing our time and resources towards the following four main aspects:

- Community support.
- Environmental protection and sustainability.
- Education and youth development.
- Arts and Culture Promotion.

In 2021, we have organized and participated the following charitable activities:

- “Live in Pink” charity sale/redemption promotions in October to raise funds for Hong Kong Breast Cancer Foundation.
- “Orbis Virtual Moonwalkers 2021” by Orbis Hong Kong. In addition to cash donation, 77 staff members joined the walk and completed a total of 4,997 km.
- In collaboration with The Boys’ & Girls’ Clubs Association of Hong Kong. Our volunteers had a handicraft workshop making Nutcracker lightbox with kids from low income families at Christmas.

利福國際致力於主動與社區聯繫及互動，並促進人們與環境之間的和諧。本集團將時間和資源集中用於下列四個主要方面：

- 社區支援。
- 環境保護和可持續性。
- 教育及青年發展。
- 文化藝術推廣。

於二零二一年，我們組織及參與以下慈善活動：

- 在十月進行的「Live in Pink」慈善義賣／換購活動，為香港乳癌基金會籌款。
- 奧比斯香港的「2021奧比斯盲俠行」。除捐贈現金外，77名員工參加步行，並完成4,997公里的路程。
- 與香港小童群益會合作。我們的義工舉辦一個手工藝品工作坊，在聖誕節與來自低收入家庭的孩子們一起製作胡桃夾子燈箱。

Operating Practices

Supply Chain Management

We are committed to managing our supply chain in a socially and environmentally responsible manner. The Group has two main types of suppliers, namely product/service vendors and concessionaire counters. We continue to enhance our working procedures and strengthen collaboration with them to mitigate and manage potential risks within our supply chain. We have an established green procurement policy for general office supplies. In the selection process of the suppliers, we place emphasis on the environmental friendliness of their product and services provided.

The Group has 125 key product/service suppliers, of which around 93% are based in Hong Kong, 6% are based in mainland China and 1% are based in other regions. We are committed to source locally to minimise the carbon footprint generated from the transportation of products. In addition, this helps to reduce operating cost, enhance supply stability and improve timeliness of delivery.

Supplier Code of Conduct

The Supplier Code of Conduct helps us to control supply chain risks, engage with our suppliers, uphold the standards of our products and services, and promote ethical business practices. It sets out the requirements for compliance with relevant rules and regulations, labour rights and working conditions, environmental standards and documentation policy. In 2021, a Supplier Code of Conduct was conducted to assess the standards of our suppliers and findings will be analyzed and used for enhancing monitoring and management of our suppliers.

Concessionaire Counters

We maintain close business relation with our concessionaire counters. We work together to determine categories of merchandise for sale, devise shop design, organize joint marketing and promotion activities, and identify their day-to-day operational needs. Our concessionaire counters are required to operate their counters in compliance with our house rules and guidelines. The performance of our concessionaire counters is regularly monitored by designated managers who closely interact with brands on issues such as sales performance, customer experience and growth opportunities. We also regularly collaborate with our concessionaire counters in the promotion of environmentally friendly products and lifestyle practices to our customers as well as to support the local community through joint charitable sales activities.

營運慣例

供應鏈管理

我們承諾以對社會及環境負責任的方式，管理我們的供應鏈。本集團有兩大類供應商，即產品／服務供應商及特許專櫃。我們繼續優化工作程序及加強與彼等的合作，以減緩及管理供應鏈中的潛在風險。我們已就一般文儀用品訂立綠色採購政策。在選擇供應商的過程中，我們非常重視彼等所提供產品及服務的環保性。

本集團擁有125家主要產品／服務供應商，其中約93%位於香港，6%位於中國內地，1%位於其他地區。我們致力於本地採購，務求盡量減少產品運輸所產生的碳足跡。這亦有助於降低營運成本，提升供應穩定程度並改善交貨及時性。

供應商操守守則

供應商操守守則有助我們控制供應鏈風險、與供應商合作、維護我們的產品及服務標準，並促進合乎道德的商業行為。其載列遵守相關規則及法規、勞工權利及工作條件、環境標準及文件政策的要求。於二零二一年，進行了供應商操守守則調查，以評估供應商的標準，調查結果將被分析並用於加強對我們供應商的監控和管理。

特許專櫃

我們與特許專櫃保持密切的業務關係。我們共同釐定銷售商品的類別、制定店鋪設計、組織聯合市場推廣及促銷活動，並確定彼等的日常營運需求。特許專櫃須按照我們的內部規則及指引經營其專櫃。特許專櫃的業績由指定經理定期監控，彼等與品牌就銷售業績、顧客體驗及增長機會等事宜進行緊密互動。我們亦定期與特許專櫃合作，向顧客推廣環保產品及生活習慣，並通過聯合慈善銷售活動支持本地社區。

Product Safety

Product safety is of utmost importance to our business and our Product Safety Policy reinforces our commitment towards the sale of safe merchandise, particularly under the Kids Fashion & Toys product category which includes all baby and children products. Our product safety practices are vigorously executed to ensure that our merchandise selection is in strict compliance with relevant laws and regulations.

We require all our suppliers to assure upon the quality of their products, with primary concern placed upon the health and safety of the end users. We maintain a manual which documents the latest requirements under relevant ordinances and regulations, including the Toys and Children's Products Safety Ordinance; Toys and Children's Product Safety Regulation; Consumer Goods Safety Ordinance & Regulations; The Trade Mark Ordinance; The Copyright Ordinance; The Trade Descriptions Ordinance; and the Prevention of Copyright Piracy Ordinance. All our suppliers are required to be in strict compliance of the relevant regulations.

Lifestyle International will:

- Fully comply with the Toys and Children's Products Safety Ordinance and the Consumer Goods Safety Regulation.
- Conduct regular examinations on our suppliers and business partners to ensure that the products they supply are in strict compliance with the listed safety standards.
- Act in accordance with the Trade Mark Ordinance and perform continuous inspections as set out in the standards.
- Keep abreast of the latest changes of standards, evaluate their impact and develop up-to-date policies to maintain continuous safety control on our merchandise.
- Continuously enhance the standards on product safety by adopting best practices.
- Provide regular training to staff to update their awareness on product safety concerns at all times.

During the reporting year, there were no products sold subject to recalls for safety and health reasons.

Food Safety

We attach great importance to food products offered to our customers at our stores and we make every effort, from sourcing ingredients, product selection to food quality control, to provide assurance on the quality and safety of our food products.

Multiple control measures are in place to ensure that the source of our products meet the highest quality and safety standards. All suppliers must go through stringent selection processes, under which their track records as well as their commitment in offering socially and environmentally sustainable products are taken into consideration.

Our policies and procedures require regular site visits being made to the suppliers' production facilities and that selected products must comply with all regulatory requirements and are accompanied by qualified certificates.

產品安全

產品安全為我們業務至為重要的一環。我們的產品安全政策強化我們對銷售安全產品，特別是兒童時裝及玩具(包括所有嬰兒及兒童商品)的承諾。我們厲行產品安全常規，確保所挑選的產品嚴格遵守相關法律及規例。

我們要求所有供應商保證產品質量，首要關注最終用家的健康及安全。我們設有手冊，載列包括《玩具及兒童產品安全條例》、《玩具及兒童產品安全規例》、《消費品安全條例及規例》、《商標條例》、《版權條例》、《商品說明條例》及《防止盜用版權條例》等相關條例及規例的最新要求。我們的所有供應商均須嚴格遵守相關規例。

利福國際將：

- 全面遵守《玩具及兒童產品安全條例》及《消費品安全規例》。
- 對供應商及業務夥伴定期進行檢查，確保其供應的產品嚴格遵守所列的安全標準。
- 根據《商標條例》的規定執行，並按照標準所載持續進行檢查。
- 緊貼最新標準變更、評估其影響及制定最新政策，持續對商品進行安全監控。
- 透過採納最佳常規，持續提高產品安全標準。
- 為員工提供定期培訓，時刻提升其對產品安全問題的意識。

於報告年度，概無因安全及健康理由而須召回已售產品。

食品安全

我們非常重視在旗下店舖為顧客提供的食品，從原料採購、產品選擇到食品質量控制，我們均竭盡全力提供食品質量及安全保證。

我們已採取多種控制措施，以確保產品來源符合最高的質量及安全標準。所有供應商均須經過嚴格的甄選過程，其中會考慮彼等的往績記錄及彼等在提供社會及環境可持續產品方面的承諾。

我們的政策及程序要求對供應商的生產設施進行定期實地視察，所選產品必須符合所有法規要求並附有合格的證書。



We engage SGS Group to conduct food testing twice a year to ensure the safety and quality of our food products offered to our customers. In 2021, we setup a new position of Quality Assurance Supervisor in order to strengthen the compliance of food safety guidelines for supermarkets and food stalls. The duties of the Quality Assurance Supervisor include analysing microbiological test results, handling the food safety inspections from government bureaus, conducting on-site hygiene inspections, and checking the proper labelling of food products to ensure compliance with the relevant regulations.

Customer Engagement

Our mission is to satisfy the needs of our customers and to provide them with a world-class shopping experience. We respect, listen and take into serious consideration the views, concerns and feedback from our customers. We actively work to improve our dialogue (via comment notes, emails, social media and phone calls) with our customers to better understand their needs and expectations.

Maintaining and providing high-quality customer services is a core part of our business philosophy. Considerate customer care services such as power bank rental machines are available at both our SOGO CWB and SOGO TST stores. In 2021, self-checkout kiosks with contactless payment functions were installed at the supermarket of SOGO CWB to provide greater convenience to our customers. Our customer services are extended to the after-sales journey which we believe is even more important, as we endeavor to cultivate a lifetime relationship with each of our customers.

Customer services play an important and direct role in our shoppers' in-store experience as well as our overall store service proposition. Our customer services team acts as an effective communication channel between our stores and the customers we serve, which in turn contributes towards the building of long-term customer loyalty. We strive to provide a swift, sincere and helpful response to any queries or issues raised by our customers, in order to fully meet and exceed their expectations.

We attach great importance to customer feedback and have a standardized and well-established feedback-handling system to ensure customer enquiries and complaints are dealt with in a consistent and effective manner. To facilitate our customer experience and cater to their evolving communication expectations, we have established a variety of feedback and complaint channels, including our online platform, telephone hotline and email, to allow our customers to reach us anytime and anywhere. Customers can also express their opinions and share their thoughts in person to a dedicated customer service specialist stationed at the in-store concierge during our business hours.

Management regularly reviews reports on customer suggestions, compliments and complaints. Lessons learnt from customer feedback are swiftly communicated to our vendors, consignment partners and staff, which help contribute towards the continuous improvement of our product and service offering. During the reporting period, we received a monthly average of 245 enquiries or complaints which required follow-up and there were no significant cases of non-compliance in relation to our products and services.

In addition, we are committed to ensuring that our marketing and communications materials comply with relevant rules and regulations. Our marketing communications do not contain false or deceptive messages and the omission of important information. Procedures are in place to uphold intellectual property rights when using all advertising materials, graphics and designs in compliance of trademark, patent and copyright regulations.

我們委聘SGS集團每年進行兩次食品檢驗，以確保我們向顧客提供的食品安全及質量。於二零二一年，我們新設質量保證主管一職，以加強超市及小食店對食品安全指引的合規性。質量保證主管的職責包括分析微生物檢測結果、處理政府部門的食品安全檢查、進行現場衛生檢查以及檢查食品的標籤以確保符合相關規定。

顧客參與

我們的使命是滿足顧客的需求，並為彼等提供世界一流的購物體驗。我們尊重、聽取並認真考慮顧客的意見、關注和反饋，積極努力通過意見表、電郵、社交媒體及電話改善我們與顧客的溝通，更深入了解其需求和期望。

保持及提供高品質的顧客服務是我們的經營理念的核心部份。我們的銅鑼灣崇光店及尖沙咀崇光店均提供周到的顧客服務，例如設有流動電源出租機。於二零二一年，銅鑼灣崇光的超市已安裝具有非接觸式支付功能的自助結賬機，為顧客提供更大的便利。我們的顧客服務延伸至售後服務上，我們認為此舉對致力與各名顧客建立終生關係而言甚為重要。

顧客服務於顧客的店內購物體驗及旗下店舖的整體服務主張中起著重要及直接的作用。我們的顧客服務團隊充當旗下店舖與顧客之間的有效溝通渠道，從而有助於長遠建立顧客忠誠度。我們努力為顧客提出的任何疑問或問題提供快速、真誠和有用的回應，務求完全滿足甚至超越彼等的期望。

我們一直重視顧客對我們的意見回饋，並設有完善及既定的意見管理機制，確保以一致及有效的方式去處理查詢及投訴事件。為更方便顧客及迎合他們不斷變化溝通期望，我們設立了多種反饋及投訴渠道，包括能讓顧客隨時隨地表達意見及建議的網上平台、電話熱線及電子郵件。顧客亦可於營業時間內親身向店內禮賓處的顧客服務專員表達意見和分享他們的想法。

公司管理層會定期審閱顧客建議、表揚和投訴，從中汲取經驗並向我們的供應商、寄售商合作夥伴及員工轉達，藉以幫助持續改善我們的產品及服務質素。於報告期間，我們每月平均接獲約245宗需跟進的查詢或投訴，當中並無出現違反法規的重大個案。

此外，我們致力於確保我們的市場推廣及宣傳材料符合相關規則及法規。我們的市場推廣宣傳材料不包含虛假或欺詐信息，亦無遺漏重要資料。我們已制定程序，在使用符合商標、專利及版權法規的所有推廣材料、圖形及設計時維護知識產權。

Advertising and Marketing

In 2021, the following major store marketing and customer engagement activities were held:

- An enhancement of our POINTASTIC redemption points scheme under SOGO Rewards loyalty program to allow members to redeem privileges and gifts at a more affordable point level.
- Festive videos on social media to showcase products and encourage shopping both at physical store and online.

To support the promotion of arts and culture, we worked with local artists during the year and organized the following events:

- Collaborate with local artist — Plastic Thing via “SOGO x Plastic Thing” Summer sales campaign — a series of colorful visual, Whatsapp stickers and tailor-made merchandises were created.
- Collaborate with local artist, Cheap Century at Christmas to present “SOGO X CHEAP CENTURY XMAS Cheeeers!” program featuring unique limited-edition gifts, charity sale of DIY coloring set and allowing customers to upload photos and recording festive greeting voice messages. Half of the proceeds from the event were donated to Hong Kong Single Parents Association.

廣告及營銷

於二零二一年，舉行以下主要的店舖營銷及顧客聯繫活動：

- 提升SOGO Rewards忠誠計劃下的POINTASTIC積分換領計劃，讓會員能夠以更實惠的積分換領待遇及禮品。
- 在社交媒體上播放節日影片，以展示產品並鼓勵在實體店及網上購物。

為支持推廣藝術及文化，我們於年內與本地藝術家合作，舉辦以下活動：

- 在「SOGO x Plastic Thing」夏之祭與本地藝術家Plastic Thing合作 — 創作了一系列色彩繽紛的Whatsapp貼紙及度身定制的商品。
- 與本地藝術家Cheap Century合作在聖誕節推出「SOGO X CHEAP CENTURY XMAS Cheeeers!」活動，包括獨特的限量版精品、DIY彩色套裝的慈善義賣及允許顧客上載照片及錄製節日問候語音信息。活動的一半收益捐贈予香港單親協會。



Consumer Privacy

With the aim of enhancing our customers' shopping experience and deepening their engagement with our SOGO stores via events and promotions, Lifestyle International has leveraged upon consumers' personal information, to the extent allowed by the relevant privacy laws, for our various direct marketing (including cross-marketing) purposes. We respect the privacy and inviolability of the rights of our customers and do not reveal or use customer information for any other purpose. Customers have the right to request us to update their personal information or delete their data from our records.

Lifestyle International seriously takes into serious account personal data protection and strives to ensure that adequate resources are deployed to protect customers' personal data against any unauthorized use, access, modification or disclosure. Compliance procedures are in place to ensure strict adherence to applicable laws, rules and regulations, including but not limited to the Personal Data (Privacy) Ordinance.

We place utmost importance in protecting the privacy of our customers throughout the cycle of collection, processing and usage of their personal data. We strive to ensure that our customers' personal data is always securely processed and stored and only for the purposes for which it has been collected. Regular network security assessment is performed by the external consultants.

During the reporting year, no complaint was received concerning possible breaches of customer privacy laws and the loss of customer data.

顧客私隱

為提升顧客的購物體驗，並通過活動和促銷活動加強彼等與崇光店的互動，利福國際借助相關私隱法例允許下取得的顧客個人資料作不同直銷（包括聯合營銷）用途。我們尊重顧客的私隱權和不受侵犯的權利，不會出於任何其他目的披露或使用顧客資料。顧客有權要求我們更新其個人資料或將之從我們的記錄中刪除。

利福國際嚴肅看待個人資料的保護，並致力確保投放足夠資源保護顧客的個人資料免受任何未經授權的挪用、存取、修改或披露。我們設有合規程序，以確保嚴格遵守適用法律、法規及規例，包括但不限於《個人資料（私隱）條例》。

我們在收集、處理及使用顧客個人資料的整個流程中對保障彼等的私隱給予最高度的重視。我們致力確保顧客的個人資料僅按收集時指定的用途安全處理及保存。網絡安全定期由外部顧問評估。

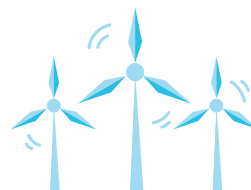
於報告年度，概無接獲有關可能違反顧客私隱法例及遺失顧客資料的投訴。




Environmental, Social and Governance Reporting Guide of The Stock Exchange of Hong Kong Limited

香港聯合交易所有限公司的環境、社會及管治報告指引

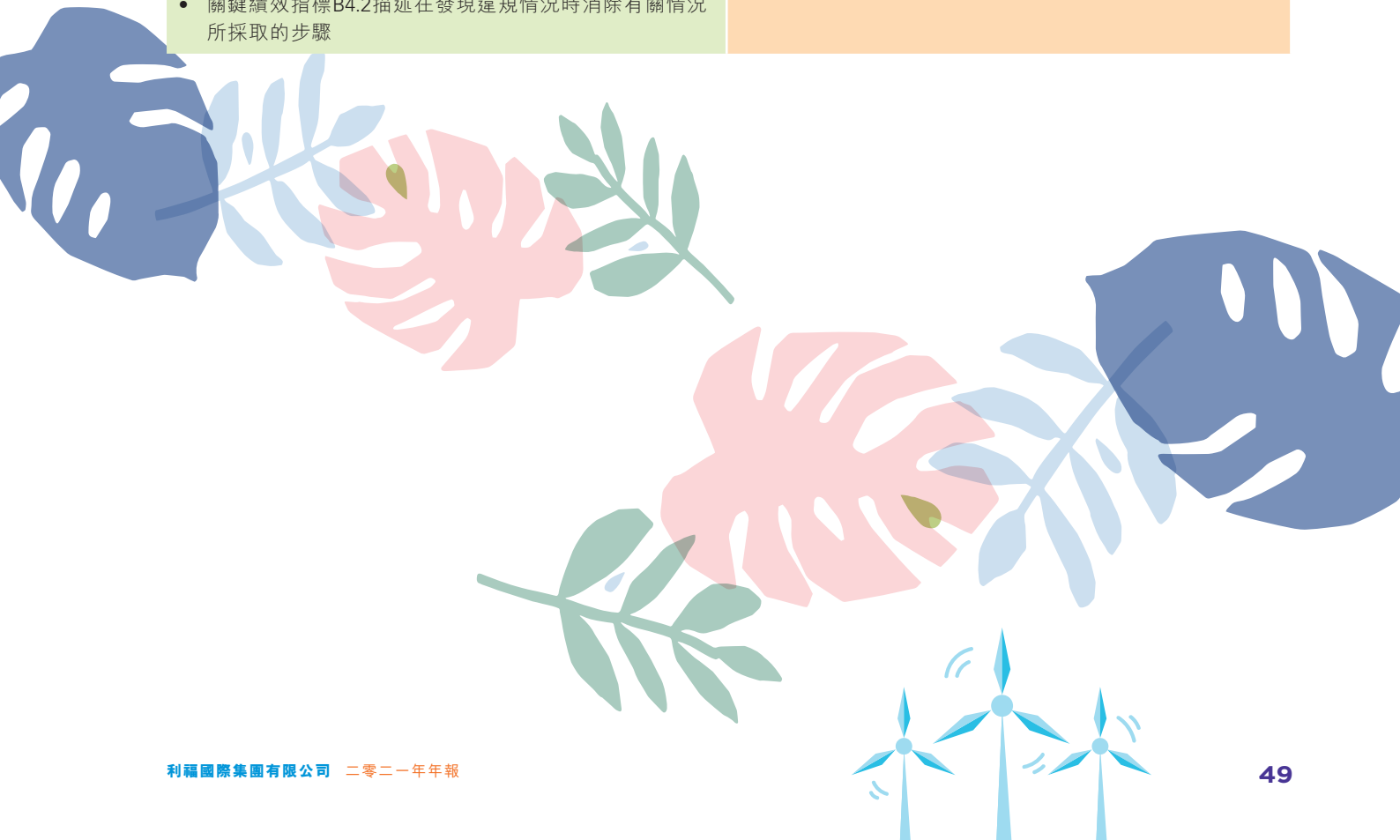
A. Environmental 環境	Reference 參考
A1 Emissions 排放物	
<ul style="list-style-type: none"> General Disclosure 一般資料披露 	Environment — Environmental Policy, Climate Change, Energy Management, Waste Management and Recycling 環境 — 環境政策、氣候變化、能源管理、廢物管理及回收
<ul style="list-style-type: none"> KPI A1.1 The types of emissions and respective emissions data 關鍵績效指標A1.1排放物種類及相關排放數據 	Environment — Energy & Water Consumption and Greenhouse Gas Emissions 環境 — 能源消耗及用水量以及溫室氣體排放
<ul style="list-style-type: none"> KPI A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and intensity 關鍵績效指標A1.2直接 (範圍1) 及能源間接 (範圍2) 溫室氣體排放量及密度 	Environment — Energy & Water Consumption and Greenhouse Gas Emissions 環境 — 能源消耗及用水量以及溫室氣體排放
<ul style="list-style-type: none"> KPI A1.3 Total hazardous waste produced and intensity 關鍵績效指標A1.3所產生有害廢棄物總量及密度 	Considered to be not material 被視為不重大
<ul style="list-style-type: none"> KPI A1.4 Total non-hazardous waste produced and intensity 關鍵績效指標A1.4所產生無害廢棄物總量及密度 	Environment — Waste Management and Recycling 環境 — 廢物管理及回收
<ul style="list-style-type: none"> KPI A1.5 Description of emission target(s) set and steps taken to achieve them 關鍵績效指標A1.5描述所訂立排放目標及達致該等目標所採取的步驟 	Environment — Energy Management, Climate Change 環境 — 能源管理、氣候變化
<ul style="list-style-type: none"> KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them 關鍵績效指標A1.6 描述處理有害及無害廢棄物的方法，並描述所訂立的減廢目標及達致該等目標所採取的步驟 	Environment — Waste Management and Recycling 環境 — 廢物管理及回收
A2 Use of resources 資源使用	
<ul style="list-style-type: none"> General Disclosure 一般資料披露 	Environment — Environmental Policy 環境 — 環境政策
<ul style="list-style-type: none"> KPI A2.1 Direct and/or indirect energy consumption by type in total and intensity 關鍵績效指標A2.1按類型劃分的直接及／或間接能源總耗量及密度 	Environment — Energy & Water Consumption and Greenhouse Gas Emissions 環境 — 能源消耗及用水量以及溫室氣體排放
<ul style="list-style-type: none"> KPI A2.2 Water consumption in total and intensity 關鍵績效指標A2.2總耗水量及密度 	



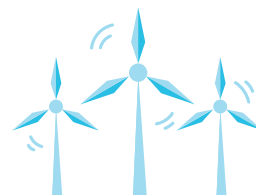
<ul style="list-style-type: none"> • KPI A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them • 關鍵績效指標A2.3描述所訂立的能源使用效益目標及達致該等目標所採取的步驟 	Environment — Energy Management 環境 — 能源管理
<ul style="list-style-type: none"> • KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them • 關鍵績效指標A2.4描述取用適當水源是否存在問題、所訂立的用水效益目標及達致該等目標所採取的步驟 	Environment — Energy Management 環境 — 能源管理
<ul style="list-style-type: none"> • KPI A2.5 Total packaging material used for finished products • 關鍵績效指標A2.5製成品所用包裝材料的總量 	Considered to be not material 被視為不重大
A3 The environment and natural resources 環境及天然資源	
<ul style="list-style-type: none"> • General Disclosure • 一般資料披露 	Environment — Environmental Policy 環境 — 環境政策
<ul style="list-style-type: none"> • KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and actions taken to manage them • 關鍵績效指標A3.1描述業務活動對環境及天然資源的重大影響及已採取的有關管理措施 	Environment — Climate Change, Energy Management, Waste Management and Recycling, Initiatives for property development project at Kai Tak 環境 — 氣候變化、能源管理、廢物管理及回收、啟德物業發展項目的舉措
A4 Climate Change 氣候變化	
<ul style="list-style-type: none"> • General Disclosure • 一般資料披露 	Environment — Climate Change 環境 — 氣候變化
<ul style="list-style-type: none"> • KPI A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them • 關鍵績效指標A4.1描述已經及可能會對發行人產生影響的重大氣候相關事宜，及應對行動 	Environment — Climate Change 環境 — 氣候變化

B. Social 社會	Reference 參考
Employment and Labour Practices 僱傭及勞工常規	
B1 Employment 僱傭	
<ul style="list-style-type: none"> • General Disclosure • 一般資料披露 	 Employees — Staff and workplace 僱員 — 員工和工作場所
<ul style="list-style-type: none"> • KPI B1.1 Total workforce by gender, employment type, age group and geographical region • 關鍵績效指標B1.1按性別、僱傭類型、年齡組別及地區劃分的僱員總數 	
<ul style="list-style-type: none"> • KPI B1.2 Employee turnover rate by gender, age group and geographical region • 關鍵績效指標B1.2按性別、年齡組別及地區劃分的僱員流失比率 	
B2 Health and safety 健康與安全	
<ul style="list-style-type: none"> • General Disclosure • 一般資料披露 	Employees — Health and Safety, COVID-19 Response, Initiatives for property development project at Kai Tak 僱員 — 健康與安全、COVID-19的應對措施、啟德物業發展項目的舉措
<ul style="list-style-type: none"> • KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year • 關鍵績效指標B2.1 過去三年(包括報告年度)因工作關係而死亡的人數及比率 	Employees — Health and Safety 僱員 — 健康與安全
<ul style="list-style-type: none"> • KPI B2.2 Lost days due to work injury • 關鍵績效指標B2.2 因工傷損失工作日數 	
<ul style="list-style-type: none"> • KPI B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored • 關鍵績效指標B2.3 描述所採納的職業健康與安全措施，以及相關執行及監察方法 	Employees — Health and Safety, COVID-19 Response, Initiatives for property development project at Kai Tak 僱員 — 健康與安全、COVID-19的應對措施、啟德物業發展項目的舉措

<p>B3 Development and training 發展及培訓</p>	
<ul style="list-style-type: none"> • General Disclosure • 一般資料披露 	
<ul style="list-style-type: none"> • KPI B3.1 The percentage of employees trained by gender and employee category • 關鍵績效指標B3.1按性別及僱員類別劃分的受訓僱員百分比 	<p>Employees — Staff Training and Development 僱員 — 員工培訓與發展</p>
<ul style="list-style-type: none"> • KPI B3.2 Average training hours completed per employee by gender and employee category • 關鍵績效指標B3.2按性別及僱員類別劃分，每名僱員完成受訓的平均時數 	
<p>B4 Labour standards 勞工準則</p>	
<ul style="list-style-type: none"> • General Disclosure • 一般資料披露 	
<ul style="list-style-type: none"> • KPI B4.1 Description of measures to review employment practices to avoid child and forced labour • 關鍵績效指標B4.1描述檢討招聘慣例的措施以避免聘用童工及強制勞工 	<p>Employees — Staff and workplace 僱員 — 員工和工作場所</p>
<ul style="list-style-type: none"> • KPI B4.2 Description of steps taken to eliminate such practices when discovered • 關鍵績效指標B4.2描述在發現違規情況時消除有關情況所採取的步驟 	



<p>Operating Practices 營運慣例</p>	
<p>B5 Supply chain management 供應鏈管理</p>	
<ul style="list-style-type: none"> • General Disclosure • 一般資料披露 	
<ul style="list-style-type: none"> • KPI B5.1 Number of suppliers by geographical region • 關鍵績效指標B5.1按地區劃分的供應商數目 	
<ul style="list-style-type: none"> • KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored • 關鍵績效指標B5.2描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法 • KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored • 關鍵績效指標B5.3 描述有關識別供應鏈每個環節的環境及社會風險的慣例，以及相關執行及監察方法 	<p>Operating Practices — Supply Chain Management, Supplier Code of Conduct, Concessionaire Counters 營運慣例 — 供應鏈管理、供應商操守守則、特許專櫃</p>
<ul style="list-style-type: none"> • KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored • 關鍵績效指標B5.4 描述在挑選供應商時促使多用環保產品及服務的慣例，以及相關執行及監察方法 	
<p>B6 Product responsibility 產品責任</p>	
<ul style="list-style-type: none"> • General Disclosure • 一般資料披露 	<p>Operating Practices — Product Safety, Food Safety 營運慣例 — 產品安全、食品安全</p>
<ul style="list-style-type: none"> • KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons • 關鍵績效指標B6.1已售或已運送產品總數中因安全與健康理由而須回收的百分比 	<p>Operating Practices — Product Safety 營運慣例 — 產品安全</p>
<ul style="list-style-type: none"> • KPI B6.2 Number of products and service related complaints received and how they are dealt with • 關鍵績效指標B6.2接獲關於產品及服務的投訴數目以及應對方法 	<p>Operating Practices — Customer Engagement 營運慣例 — 顧客參與</p>
<ul style="list-style-type: none"> • KPI B6.3 Description of practices relating to observing and protecting intellectual property rights • 關鍵績效指標B6.3描述與維護及保障知識產權有關的慣例 	<p>Operating Practices — Customer Engagement 營運慣例 — 顧客參與</p>



<ul style="list-style-type: none"> • KPI B6.4 Description of quality assurance process and recall procedures • 關鍵績效指標B6.4描述質量檢定過程及產品回收程序 	<p>Considered to be not material 被視為不重大</p>
<ul style="list-style-type: none"> • KPI B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored • 關鍵績效指標B6.5描述消費者資料保障及私隱政策，以及相關執行及監察方法 	<p>Operating Practices — Consumer Privacy 營運慣例 — 顧客私隱</p>
<p>B7 Anti-corruption 反貪污</p>	
<ul style="list-style-type: none"> • General Disclosure • 一般資料披露 	<p>Employees — Anti-corruption 僱員 — 反貪污</p> 
<ul style="list-style-type: none"> • KPI B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases • 關鍵績效指標B7.1於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果 	
<ul style="list-style-type: none"> • KPI B7.2 Description of preventive measures and whistleblowing procedures, how they are implemented and monitored • 關鍵績效指標B7.2描述防範措施及舉報程序，以及相關執行及監察方法 	
<ul style="list-style-type: none"> • KPI B7.3 Description of anti-corruption training provided to directors and staff • 關鍵績效指標B7.3 描述向董事及員工提供的反貪污培訓 	

Community

社區

<p>B8 Community Investment 社區投資</p>	
<ul style="list-style-type: none"> • General Disclosure • 一般資料披露 	<p>Social and Community Support 社會及社區支援</p>
<ul style="list-style-type: none"> • KPI B8.1 Focus areas of contribution • 關鍵績效指標B8.1專注貢獻範疇 	
<ul style="list-style-type: none"> • KPI B8.2 Resources contributed • 關鍵績效指標B8.2在專注範疇所動用資源 	



Corporate Governance Report

企業管治報告

Corporate Governance Principles

The board of directors (“Board”) and management of the Company are committed to maintaining good corporate governance practices appropriate to the businesses of the Group. The Company has adopted the code provisions in the Corporate Governance Code (“CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) as its guidelines and focus on a quality Board, sound internal controls, and transparency and accountability to all stakeholders.

Corporate Governance Code Compliance

The Company has complied with the code provisions of the CG Code for the year ended 31 December 2021.

The Board

(1) Board Composition

As at the date of this report, the Board consists of a total of nine directors, including two executive directors, three non-executive directors and four independent non-executive directors. More than one-third of the Board is represented by independent non-executive directors with one of whom being a certified public accountant. The Board believes that the number of executive and non-executive directors is reasonable and adequate to provide sufficient checks and balances that would safeguard the interests of the shareholders and the Company. The directors possess professional qualification and knowledge and industry experience and expertise, which enable them to make valuable and diversified advice and guidance to the Group’s business activities and development.

Details of the composition of the Board are set out in the “Corporate Information” in this annual report. During the year and up to the date of this report, there was no change in the composition of the Board. The directors’ biographical details and the relationships among them are set out in the “Profile of Directors” in this annual report.

The independence of the independent non-executive directors is assessed according to the relevant rules and requirements under the Listing Rules. The Company has received written annual confirmation of independence from each of the independent non-executive directors and the Company is of the view that all independent non-executive directors meet the independence guidelines as set out in Rule 3.13 of the Listing Rules and are independent.

企業管治原則

本公司董事會（「董事會」）及管理層致力對本集團業務維持恰當的良好企業管治常規。本公司已採納香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四之《企業管治守則》（「企管守則」）之守則條文為指引，並著重高質素之董事會、健全之內部監控，以向所有持份者提供透明度及問責。

遵守企業管治守則

本公司截至二零二一年十二月三十一日止年度內已遵守企管守則之守則條文。

董事會

(1) 董事會組成

截至本報告日期，董事會由合共九位董事組成，包括兩位執行董事、三位非執行董事及四位獨立非執行董事。超過三分之一董事會成員由獨立非執行董事出任，其中一人為執業會計師。董事會相信，執行董事與非執行董事之數目是合理且足以提供監察及起平衡作用，以保障股東及本公司之利益。各董事擁有專業資格和知識及行業經驗和專門知識，可為本集團業務活動及發展帶來寶貴貢獻及提供不同意見與指引。

董事會組成詳情列載於本年報「企業資料」內。於年內及直至本報告日期，董事會組成並無變動。各董事之個人履歷詳情及董事間的關係，列載於本年報「董事簡介」內。

獨立非執行董事的獨立性乃根據上市規則相關條例及規定而作出評核。本公司已接獲各獨立非執行董事書面發出確認其獨立性之週年確認書，本公司認為所有獨立非執行董事皆符合上市規則第3.13條之獨立性指引，並為獨立人士。

(2) Board Diversity Policy

The Company adopted a Board diversity policy in accordance with the requirements set out in the code provisions of the CG Code. The Company recognizes the benefits of having a diverse Board, and sees diversity at the Board level is essential in achieving a sustainable and balanced development. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, educational background, ethnicity, professional experience, skills, knowledge, industry experience and expertise. All Board appointments are based on meritocracy and considered against a variety of criteria, having due regard for the benefits of diversity on the Board.

(3) Chairman and Executive Directors

The Chairman of the Board is responsible for setting overall strategic plan and development of the Group whereas the executive directors are responsible, in addition to assisting in setting the Group's strategic plan, for implementing the Board's decisions, monitoring and supervising the Group's overall performance, ensuring adequate capital and managerial resources are available to implement the business strategies being adopted from time to time, setting out and monitoring targets, plans and direction for management, reporting to the Board on the Group's performance and proposing business plans and strategies for further evaluation and assessment by the Board.

There is a clear segregation of duties and responsibilities between the Chairman and the executive directors.

(4) Responsibilities

The Board is charged with promoting the success of the Company by directing and supervising its affairs in a responsible and effective manner. The Board steers and oversees the management of the Company including, establishing the strategic direction and setting long-term objectives for the Company, monitoring the performance of management, protecting and maximising the interests of the Company and its shareholders, and reviewing, considering and approving and the subsequent reviewing and monitoring of the annual budget against actual performances and results. The Board has delegated management, under the leadership of the executive directors, with authorities and responsibilities for the day-to-day operations and administration of the Group.

Each director has a duty to act in good faith in the best interests of the Company. The directors are aware of their collective and individual responsibilities to the Company and the shareholders in respect of the manner in which the affairs of the Company are being controlled and managed.

(2) 董事會成員多元化政策

本公司根據企管守則之守則條文規定採納董事會成員多元化政策。本公司確認並深信董事會成員多元化裨益良多，且將董事會層面之多元化視作達致可持續及均衡發展的關鍵元素。本公司在設定董事會成員組合時，會從多個方面考慮董事會成員多元化，包括但不限於性別、年齡、教育背景、種族、專業經驗、技能、知識、行業經驗及專門知識。董事會所有委任均以用人唯才為原則，並以各種標準充分顧及董事會成員多元化的裨益。

(3) 主席及執行董事

董事會主席負責制定本集團整體策略計劃及發展，而執行董事除協助制定本集團的策略規劃外，亦負責執行董事會決策、監察與監督本集團整體表現、確保具備充裕資金及管理資源以執行不時所採納之業務策略、為管理層制定及監察目標、計劃及方向、就本集團表現向董事會匯報以及提呈業務計劃和策略以讓董事會作進一步的分析及評估。

主席與執行董事之間的職務及職責劃分清晰。

(4) 責任

董事會以負責任、重效益的態度領導及監管本公司，促使其成功。董事會負責領導及監管本公司管理層，工作包括制訂本公司之策略方向、訂立本公司長遠目標、監控管理層表現、保障及盡力提高本公司與其股東之利益，以及審閱、考慮及批准及隨後審查及監控年度預算、並對實際表現及業績作考評。董事會委派由執行董事所領導的管理層，授權負責管理本集團日常業務及行政事宜。

各董事均有責任真誠地以本公司的最佳利益為前提行事。董事明白，須就本公司的監控和管理事宜向本公司及股東承擔共同和個別的责任。

Directors are requested to make declaration of their direct or indirect interests, if any, in any proposals or transactions to be considered by the Board. If a director has a potential conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter will be dealt with in accordance with applicable rules and regulations and, if appropriate, an independent board committee will be set up to deal with the matter.

All directors have full access to and are provided with adequate, reliable and timely information about the operations and latest development of the Group to enable them to discharge their responsibilities and make timely decision. Updates have also been provided to all members of the Board on a regular basis to enable them to discharge their duties. Operational and financial information and analysis of the Group can be accessed directly through briefing and reporting by the executive directors and management during Board meetings. Through the company secretary, independent professional advice, on the account of the Company, could be sought should such advice be considered necessary by any director for carrying out his/her duties properly.

(5) Appointment and Re-election of Directors

After recommendation from the nomination committee, appointment of new director(s), if any, is vested with the Board. Under the Company's articles of association, the Board may from time to time appoint a director either to fill a casual vacancy or as an addition to the Board. Any such new director shall hold office until the first general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board) after his/ her appointment and shall then be eligible for re-election at the same general meeting.

All non-executive directors (including independent non-executive directors) are appointed for a specific term of one year or three years and all directors (including non-executive directors) are subject to retirement by rotation at least once every three years and are subject to re-election in accordance with the Company's articles of association.

董事會在考慮任何方案或交易時，董事須申報其直接或間接利益(如有)。若有董事在董事會將予考慮的事項中存有潛在董事會認為重大的利益衝突，有關事項將根據適用的規則及規例處理，並成立獨立董事委員會處理(如適用)。

全體董事均可全面取得及獲提供有關本集團之營運及最新發展之足夠、可靠及適時的資料，使彼等履行其責任及作出適時決策。本公司亦定期向董事會全體成員提供更新資料，以便彼等可履行彼等職責。本集團之營運及財務資料與分析可直接透過執行董事及管理層於董事會會議匯報及報告時取得。若任何董事於妥為履行職務時認為有必要尋求獨立專業意見，公司秘書可代為安排，費用由本公司支付。

(5) 董事之委任及重選

經提名委員會推薦後，新董事的委任權(如有)歸董事會。根據本公司組織章程細則，董事會可不時委任董事以填補臨時空缺或增添董事會成員。任何新任董事之任期至其委任後本公司首個股東大會止(如屬填補臨時空缺)或至本公司下屆股東週年大會(如屬增添董事會成員)為止，並有資格於同一股東大會上重選連任。

所有非執行董事(包括獨立非執行董事)以一年或三年之指定任期獲委任及根據本公司組織章程細則，所有董事(包括非執行董事)須至少每三年輪值退任，並須經重選連任。

(6) Meetings

The Board held five meetings during the year to review and approve, among other matters, the Group's interim and final results announcements and financial statements, notifiable and connected transactions, and to review quarterly operating performance of the Group.

Board members attended the Company's Board meetings either in person or through video/telephone conferencing means in accordance with the provisions of the Company's articles of association. The attendance record of each director at the Board meetings and annual general meeting held during the year is set out below:

Directors	董事	Number of meetings attended/held 出席／舉行會議次數	
		Board Meetings 董事會會議	Annual General Meeting 股東週年大會
Executive Directors			
Mr. Lau Kam Sen	執行董事 劉今晨先生	4/5	0/1
Ms. Lau Kam Shim	劉今蟾小姐	5/5	1/1
Non-executive Directors			
Mr. Lau Luen Hung, Thomas	非執行董事 劉鑾鴻先生	5/5	1/1
Mr. Doo Wai Hoi, William	杜惠愷先生	5/5	0/1
Ms. Lau Yuk Wai, Amy	劉玉慧女士	5/5	1/1
Independent Non-executive Directors			
Mr. Lam Siu Lun, Simon	獨立非執行董事 林兆麟先生	5/5	1/1
Mr. Shek Lai Him, Abraham	石禮謙先生	5/5	1/1
Mr. Hui Chiu Chung	許照中先生	5/5	1/1
Mr. Ip Yuk Keung	葉毓強先生	5/5	1/1

(7) Practices and Conduct of Board and Board Committee Meetings

The company secretary is responsible for ensuring the proper convening and conducting of the Board and Board committee meetings, with the relevant notices, agenda and Board and Board committee papers being provided to the directors and relevant Board committee members in a timely manner before the meetings.

The company secretary is responsible for keeping minutes of all Board and Board committee meetings. Board and Board committee minutes are available for inspection by the directors and Board committee members.

(6) 會議

董事會於年內曾召開五次會議，以審閱及批准(其中包括)本集團的中期及末期業績公告及財務報表、須予公佈的交易及關連交易，以及審閱本集團的季度經營表現。

根據本公司組織章程細則條文規定，董事會成員可親身或以視頻／電話會議方式參與本公司董事會會議。各董事於年內出席董事會會議及股東週年大會之記錄載列如下：

(7) 董事會及其轄下委員會會議之常規及準則

公司秘書負責確保合規地召開及舉行董事會及其轄下委員會會議，並於舉行會議前適時向董事及其轄下有關委員會成員提供相關通知、會議議程及董事會及其轄下委員會會議文件。

公司秘書負責保存所有董事會及其轄下委員會會議記錄。董事會及其轄下委員會會議記錄可供董事及其轄下委員會成員查閱。

(8) Directors' Induction and Continuous Professional Development

Induction package covering the Group's businesses and the statutory and regulatory obligations of a director of a listed company will be provided to each newly appointed director, if any. The Company continuously updates the directors on the Group's businesses and the latest developments regarding the Listing Rules and other applicable regulatory requirements.

During the year, the directors participated the following training:

Directors	董事	Types of Training 培訓類型
Executive Directors	執行董事	
Mr. Lau Kam Sen	劉今晨先生	A, B, C
Ms. Lau Kam Shim	劉今蟾小姐	A, B, C
Non-executive Directors	非執行董事	
Mr. Lau Luen Hung, Thomas	劉鑾鴻先生	A, B, C
Mr. Doo Wai Hoi, William	杜惠愷先生	A, C
Ms. Lau Yuk Wai, Amy	劉玉慧女士	A, B, C
Independent Non-executive Directors	獨立非執行董事	
Mr. Lam Siu Lun, Simon	林兆麟先生	A, B, C
Mr. Shek Lai Him, Abraham	石禮謙先生	A, B, C
Mr. Hui Chiu Chung	許照中先生	A, B, C
Mr. Ip Yuk Keung	葉毓強先生	A, B, C

A — reading materials provided by the Company relating to the Company's businesses and regular updates on the Listing Rules and other applicable regulatory requirements relevant to director's duties and responsibilities

B — attending briefings/seminars/conferences/forums relevant to director's duties and responsibilities

C — reading newspapers and journals relating to corporate governance matters, environment and social issues or director's duties and responsibilities

(8) 董事啟導及持續專業發展

每名新委任之董事(如有)皆獲得整套包括本集團業務及上市公司董事在法律及監管規定上責任的啟導資料。本公司持續地向董事提供有關本集團業務近況、上市規則及其他適用監管規定的最新發展。

年內，董事已參與以下培訓：

A — 閱讀由本公司提供有關本公司業務以及有關董事職務及責任的上市規則及其他適用監管規定的定期更新資料

B — 出席有關董事職務及責任的簡報會／研討會／會議／論壇

C — 閱讀有關企業管治事宜、環境及社會課題或董事職務及責任的報章及期刊

Directors' Securities Transactions

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard set out in Appendix 10 to the Listing Rules ("Model Code"). After specific enquiries by the Company, all directors confirmed that they have complied with the required standard set out in the Model Code and the Company's own code during the year ended 31 December 2021.

Directors' Responsibility for Financial Statements

The directors acknowledged their responsibility for overseeing the preparation of the financial statements of the Group for the year ended 31 December 2021. The directors have ensured that the financial statements of the Group are prepared so as to give a true and fair view of the Group's state of affairs, the results and cash flow for the year, and on a going concern basis in accordance with the statutory requirements and applicable accounting and financial reporting standards.

The directors also ensure timely publication of the Group's financial statements and aim to present a clear, balanced and understandable assessment of the Group's performance and position through all its publications and communications to the public. They are also aware of the requirements under the applicable rules and regulations about timely disclosure of inside information.

The report from the auditor of the Company regarding their responsibilities and opinion on the financial statements of the Group for the year ended 31 December 2021 is set out in the "Independent Auditor's Report" in this annual report. The Board has taken steps to ensure the continued objectivity and independence of the external auditor. For the year ended 31 December 2021, the remunerations paid/ payable to the external auditor of the Company were approximately HK\$1.8 million and approximately HK\$1.4 million in respect of audit and non-audit services provided to the Group respectively. Details of non-audit services and the fees incurred are as follows:

Review of interim financial information for the six months ended 30 June 2021	HK\$0.9 million
Services provided relating to issuance of bond	HK\$0.5 million

董事進行之證券交易

本公司已就董事進行證券交易採納一套操守準則，其條款不低於上市規則附錄十所載之標準守則所規定之標準（「標準守則」）。經本公司作出特定查詢後，截至二零二一年十二月三十一日止年度內，所有董事確認彼等均遵守標準守則及本公司自訂守則所規定之標準。

董事對財務報表之責任

董事確認彼等有責任監督編製本集團截至二零二一年十二月三十一日止年度之財務報表。董事已確保按照法定規定及適用會計及財務報告準則，及按持續經營基準編製財務報表，以真實公平地呈報本集團年內之事務狀況、業績及現金流量。

董事並須確保本集團財務報表適時予以刊發，並旨在透過其向公眾刊發的訊息及溝通就本集團之表現及狀況提供清晰、均衡及易於理解的評估。彼等亦知悉根據適用的規則和法規而適時披露內幕消息之規定。

本公司核數師對本集團截至二零二一年十二月三十一日止年度財務報表之責任及意見之報告載於本年報「獨立核數師報告」。董事會已採取措施確保外聘核數師的持續客觀及獨立性。截至二零二一年十二月三十一日止年度，本公司外聘核數師就向本集團提供核數及非核數服務之已付／應付費用分別約1.8百萬港元及約1.4百萬港元。非核數服務及所產生費用之詳情如下：

審閱截至二零二一年六月三十日 止六個月之中期財務資料	0.9百萬港元
就發行債券提供的服務	0.5百萬港元

Board Committees

As at the date of this report, the audit committee, the remuneration committee and nomination committee are in operation and they have been established with specific terms of references to assist the Board in discharging its responsibilities.

(1) Audit Committee

The audit committee comprises four members, namely, Mr. Lam Siu Lun, Simon, Mr. Shek Lai Him, Abraham, Mr. Hui Chiu Chung and Mr. Ip Yuk Keung, all are independent non-executive directors. The audit committee is chaired by Mr. Lam Siu Lun, Simon, who is a certified public accountant. The audit committee is provided with sufficient resources to discharge its responsibilities.

The terms of reference of the audit committee setting out the committee's authorities and duties, which follow closely the guidelines of the code provisions of the CG Code, are available on the Company's website.

The principal duties of the audit committee are as follows:

- (i) to review the services and appointment of the Company's external auditor, the nature and scope of auditing, and the related audit fees;
- (ii) to review the Company's financial statements and reports, the changes in accounting policies and practices, and the compliance with applicable accounting standards, the Listing Rules and legal requirements;
- (iii) to oversee the Group's financial reporting system, risk management and internal control systems; and
- (iv) to review and monitor the corporate governance functions as set out in the CG Code.

The audit committee held two meetings during the year. The attendance record of each committee member is set out below:

Audit committee members	審核委員會成員	Number of meetings attended/held 出席／舉行會議次數
Mr. Lam Siu Lun, Simon (Chairman)	林兆麟先生 (主席)	2/2
Mr. Shek Lai Him, Abraham	石禮謙先生	2/2
Mr. Hui Chiu Chung	許照中先生	2/2
Mr. Ip Yuk Keung	葉毓強先生	2/2

In the meetings, the audit committee (i) reviewed with external auditor the Group's interim and annual financial statements and reports before they were submitted to the Board for consideration and approval; (ii) reviewed with the external auditor the accounting principles and practices adopted by the Group; (iii) reviewed the effectiveness of the risk management and internal control systems; and (iv) reviewed the corporate governance functions of the Group.

董事會轄下的委員會

截至本報告日期，審核委員會、薪酬委員會及提名委員會正運作，且彼等均以各自的職權範圍成立，以協助董事會履行應有職責。

(1) 審核委員會

審核委員會由四名成員組成，即林兆麟先生、石禮謙先生、許照中先生及葉毓強先生，全體成員均為獨立非執行董事。審核委員會由林兆麟先生出任主席，彼為執業會計師。審核委員會獲提供充裕資源以履行其職責。

按企管守則的守則條文訂定之審核委員會職權範圍詳列委員會之權力及職責已登載於本公司網站。

審核委員會之主要職責如下：

- (i) 審閱本公司外聘核數師之服務及其委任以及核數性質與範疇及相關核數費用；
- (ii) 審閱本公司之財務報表及報告、會計政策與慣例之變動，及是否遵守適用會計準則、上市規則及法例規定；
- (iii) 監察本集團之財務申報制度、風險管理及內部監控制度是否恰當；及
- (iv) 檢討及監控企管守則載列之企業管治的職能。

年內，審核委員會曾舉行兩次會議。各委員會成員出席會議之記錄載列如下：

Audit committee members	審核委員會成員	Number of meetings attended/held 出席／舉行會議次數
Mr. Lam Siu Lun, Simon (Chairman)	林兆麟先生 (主席)	2/2
Mr. Shek Lai Him, Abraham	石禮謙先生	2/2
Mr. Hui Chiu Chung	許照中先生	2/2
Mr. Ip Yuk Keung	葉毓強先生	2/2

審核委員會於會上(i)與外聘核數師審閱本集團中期及年度財務報表及報告後始呈交董事會以供考慮及批准；(ii)與外聘核數師審閱本集團所採納之會計原則及慣例；(iii)審閱風險管理及內部監控制度之有效性；及(iv)審閱本集團之企業管治職能。

(2) Remuneration Committee

Members of the remuneration committee comprise three independent non-executive directors, namely, Mr. Lam Siu Lun, Simon who is the chairman of the remuneration committee, Mr. Shek Lai Him, Abraham and Mr. Hui Chiu Chung and one non-executive director, namely, Mr. Lau Luen Hung, Thomas. The remuneration committee is provided with sufficient resources to discharge its responsibilities.

The terms of reference of the remuneration committee setting out the committee's authorities and duties, which follow closely the guidelines of the code provisions of the CG Code, are available on the Company's website.

The principal duties of the remuneration committee are to provide advices and recommendations to the Board on (i) the remuneration packages of the directors and senior management; (ii) any specific remuneration packages with reference to market conditions, performance of the Group and the individuals with reference to the goals and targets as set by the Board from time to time; and (iii) if necessary, any compensation arrangement for termination of office of directors or senior management.

The remuneration committee held one meeting during the year. The attendance record of each committee member is set out below:

Remuneration committee members	薪酬委員會成員	Number of meetings attended/held 出席／舉行會議次數
Mr. Lau Luen Hung, Thomas	劉鑾鴻先生	1/1
Mr. Lam Siu Lun, Simon (Chairman)	林兆麟先生(主席)	1/1
Mr. Shek Lai Him, Abraham	石禮謙先生	1/1
Mr. Hui Chiu Chung	許照中先生	1/1

In the meeting, the remuneration committee reviewed and recommended for the Board's approval (i) the discretionary bonus for the executive directors for the year 2020; and (ii) the remuneration packages of the directors for the year 2021.

(3) Nomination Committee

Members of the nomination committee comprise three independent non-executive directors, namely, Mr. Lam Siu Lun, Simon who is the chairman of the nomination committee, Mr. Shek Lai Him, Abraham and Mr. Hui Chiu Chung and one non-executive director, namely, Mr. Lau Luen Hung, Thomas. The nomination committee is provided with sufficient resources to discharge its responsibilities.

The terms of reference of the nomination committee setting out the committee's authorities and duties, which follow closely the guidelines of the code provisions of the CG Code, are available on the Company's website.

(2) 薪酬委員會

薪酬委員會成員由三名獨立非執行董事林兆麟先生(彼為薪酬委員會之主席)、石禮謙先生及許照中先生以及一名非執行董事劉鑾鴻先生組成。薪酬委員會獲提供充裕資源以履行其職責。

按企管守則的守則條文訂定之薪酬委員會職權範圍詳列委員會之權力及職責已登載於本公司網站。

薪酬委員會之主要職責為就下列各項向董事會提供建議及推薦：(i)董事及高級管理層之薪酬待遇；(ii)任何具體薪酬待遇(經參考市場情況、本集團及個人表現及參考董事會不時制定之目標及目的)；及(iii)於必要時就董事或高級管理層終止任期之任何賠償安排。

年內，薪酬委員會曾舉行一次會議。各委員會成員出席會議之記錄載列如下：

Number of meetings attended/held 出席／舉行會議次數
1/1
1/1
1/1
1/1

薪酬委員會於會上審閱及推薦董事會批准(i)執行董事於二零二零年度之酌情花紅；及(ii)二零二一年度之董事薪酬待遇。

(3) 提名委員會

提名委員會成員由三名獨立非執行董事林兆麟先生(彼為提名委員會之主席)、石禮謙先生及許照中先生以及一名非執行董事劉鑾鴻先生組成。提名委員會獲提供充裕資源以履行其職責。

按企管守則的守則條文訂定之提名委員會職權範圍詳列委員會之權力及職責已登載於本公司網站。

The principal duties of the nomination committee are as follows:

- (i) to review the structure, size and composition (including skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (ii) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships; and
- (iii) to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman and the chief executive.

The above principal duties are regarded as the key nomination criteria and principles for the nomination of directors of the Company, which also form part of the nomination policy of the Company. In selecting and recommending candidates for directorship to the Board, the nomination committee would consider various aspects such as candidate's qualification, time commitment to Company and contributions that will bring to the Board as well as factors concerning board diversity as set out in the Company's Board diversity policy, before making recommendation to the Board on the appointment of directors.

The nomination committee is also responsible for assessing the independence of the independent non-executive directors.

The nomination committee held one meeting during the year. The attendance record of each committee member is set out below:

Nomination committee members	提名委員會成員	Number of meetings attended/held 出席／舉行會議次數
Mr. Lau Luen Hung, Thomas	劉鑾鴻先生	1/1
Mr. Lam Siu Lun, Simon (Chairman)	林兆麟先生 (主席)	1/1
Mr. Shek Lai Him, Abraham	石禮謙先生	1/1
Mr. Hui Chiu Chung	許照中先生	1/1

In the meeting, the nomination committee (i) reviewed the existing structure, size and composition of the Board; (ii) reviewed the independence of independent non-executive directors; and (iii) made recommendations to the Board on the proposed re-election of the retiring directors at the forthcoming annual general meeting.

提名委員會之主要職責如下：

- (i) 至少每年檢討董事會的架構、成員人數及組合 (包括技能、知識及經驗方面)，並就任何為配合本公司的公司策略而擬對董事會作出的建議變動提出建議；
- (ii) 物色具備合適資格可擔任董事會成員的人士，並挑選或推薦出任董事的人選向董事會提名有關人選；及
- (iii) 就董事委任或重新委任以及董事 (尤其是主席及行政總裁) 繼任計劃的有關事宜向董事會提出建議。

上述主要職責視為提名本公司董事的主要提名準則及原則，亦同時構成本公司提名政策的一部分。於選擇及向董事會建議董事候選人時，提名委員會會多方面作出考慮，例如候選人資歷、投入予本公司的時間及將為董事會帶來的貢獻，以及載於本公司董事會成員多元化政策中，有關董事會成員多元化之因素，其後方會就任命董事事宜向董事會作出建議。

提名委員會亦負責評估獨立非執行董事的獨立性。

年內，提名委員會曾舉行一次會議。各委員會成員出席會議之記錄載列如下：

提名委員會於會上(i)檢討現時董事會架構、成員人數及組合；(ii)審閱獨立非執行董事之獨立性；及(iii)向董事會建議於即將舉行之股東週年大會上重選退任董事之建議。

Risk Management and Internal Controls

The Board has overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and maintaining sound and effective risk management and internal control systems. As such, the Board not only sets and communicates the Group's strategies and objectives but also oversees the Group's risk management and internal controls systems on an ongoing basis, and to ensure that a review of the effectiveness of the Group's risk management and internal controls systems has been conducted at least annually.

The audit committee plays a vital role in overseeing the risk management and internal controls systems on behalf of the Board. The audit committee reviews, on at least an annual basis, the Group's risk management and internal controls systems to ensure that management has fulfilled its duties in establishing and maintaining an effective risk management and internal controls systems. It also assesses the extent and frequency of the communication of the monitoring results to the Board, as well as considering the results of any investigation into the Group's risk management practices and internal controls and management's responses to the findings of such investigations. The audit committee performs annual review for the adequacy of budget and resources, staff qualification and experience, and the quality of training program of the Group's internal audit, accounting and financial reporting functions.

The Group's system of internal controls which includes a defined management structure with limit of authority is designed to help the achievement of business objectives, safeguard assets against unauthorised use or disposition, ensure the maintenance of proper accounting records for the provision of reliable financial information for internal use or for external publication, and ensure compliance with relevant legislation and regulations. The system is designed to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage rather than eliminate risks of failure in the operational systems for the achievement of the Group's objectives.

The Group also regulates the handling and dissemination of inside information and procedures are in place for the handling of confidential commercial information to ensure that inside information remains confidential until the disclosure of such information is approved, and its dissemination effectively made.

風險管理及內部監控

董事會負上整體責任，評估及確定為達致本集團策略目標而願意承擔風險的性質及程度，以及維持風險管理及內部監控的穩健系統。因此，董事會不僅制訂及傳達本集團的策略及目標，亦持續監管本集團的風險管理及內部監控系統，並確保最少每年一次審閱本集團風險管理及內部監控系統的有效性。

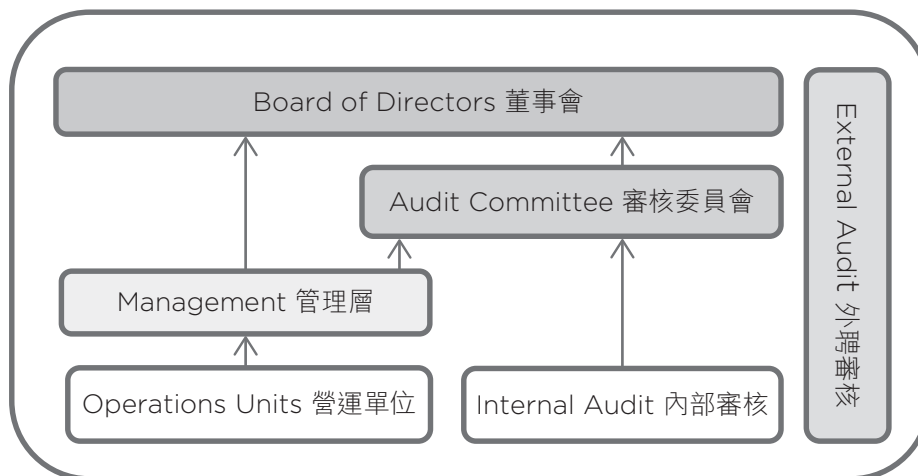
審核委員會於代表董事會監管風險管理及內部監控系統上扮演重要角色。審核委員會最少每年一次審閱本集團的風險管理及內部監控系統，以確保管理層已履行其建立及維持有效風險管理及內部監控系統的職責。其亦評估向董事會傳達監察結果的程度及頻次次數，以及於本集團的風險管理實踐及內部監控上考慮任何調查結果以及管理層對有關調查結果的回應。審核委員會就預算及資源充足程度、員工資格及經驗以及本集團內部審核、會計及財務申報職能的培訓計劃質量進行年度審閱。

本集團的內部監控制度包括界定管理架構及相關的權限，以協助集團達致業務目標、保管資產以防未經授權使用或處理、確保適當的會計記錄得以保存並可提供可靠的財務資料供內部使用或對外發放，並確保符合相關法例及規例。制度旨在合理（但並非絕對）保證並無重大失實陳述或損失，並管理（但並非完全消除）營運系統失誤及達致本集團之目標。

本集團亦規範內幕消息的處理及發佈，並設有處理機密商業資料的程序，以確保內幕消息在有關資料獲批准披露及有效發佈前保持機密。

The main features of the Group's risk management and internal controls systems are illustrated below:

本集團風險管理及內部監控系統的主要特點說明如下：



The Group has established an organisational structure with defined levels of responsibility and reporting procedures. Monthly management accounts are available for review of the senior management and the Board (in a concise format of a Monthly Report) for monitoring the Group's financial and operating results. The management, supported by the operation units and the internal audit team, are responsible for formulating, implementing and monitoring sound risk management and internal control systems, and reporting to the Board and the audit committee on the result of risk assessment, as well as the assessment on the effectiveness of risk management and internal control systems.

本集團已建立責任及申報程序明確的組織架構。每月管理賬目可供高級管理層及董事會查閱(以月報報告的簡潔格式)，以監察本集團的財務及營運業績。由營運單位及內部審核團隊支援的管理層負責制訂、實施及監察穩健的風險管理及內部監控系統，並向董事會及審核委員會報告風險評估以及風險管理及內部監控系統有效性的結果。

The internal audit provides an independent appraisal on the adequacy and effectiveness of the Group's risk management and internal control systems. The yearly internal audit plan is derived based on the assessed risk of the Group's major operations and business and, taking into account also result of internal audit activities conducted in the preceding period, are reported to the audit committee for approval. In addition to its scheduled internal audit works, the internal audit team may be requested to conduct other review or investigative work. The results of internal audit reviews and agreed management action plans in response to recommendations of the internal audit are reported to the executive directors and audit committee periodically. The internal audit also follows up with management regarding the implementation of the agreed action plans to ensure that operation procedures and internal controls are continuously enhanced.

內部審核提供對本集團風險管理及內部監控系統的充足程度及有效性之獨立評估。年度內部審核計劃乃基於本集團主要營運及業務的經評估風險，並計及於上一期間進行的內部審核結果，向審核委員會報告以供批准。除其計劃內部審核工作外，內部審核團隊可能被要求進行其他審閱或調查工作。內部審核審閱結果及因應內部審核建議的協定管理行動計劃定期向執行董事及審核委員會報告。內部審核亦就實施協定行動計劃與管理層跟進，以確保營運程序及內部監控得以持續提升。

In addition to the assessment and review of risk management and internal controls undertaken internally, the half-yearly review and annual audit conducted by our external auditors, aim to provide assurance that the Group's financial statements are prepared in accordance with generally accepted accounting principles, the Group's accounting policies and applicable laws, rules and regulations, will also provide to certain extent independent checks on the Group's internal controls system.

For the year ended 31 December 2021, management has conducted regular reviews during the year on the effectiveness of the risk management and internal control systems covering all material aspects related to financial, operational and compliance controls, various functions for risk management and security of physical assets and information systems. The audit committee had been reported during the audit committee meetings of key findings identified by internal auditors and external auditors and discussed findings and actions or measures taken in addressing those findings relating to the Group's risk management and internal controls. No material issues on the risk management and internal controls system have been identified during the year ended 31 December 2021 and no significant areas of concern which might require rectification works or affect our stakeholders, including our shareholders. The Board and its audit committee considered the risk management and internal control system to be effective and adequate, including the adequacy of resources, staff qualifications and experience, training and budget of its accounting, internal audit and financial reporting functions.

Commitment to Transparency

The Board emphasizes in creating and maintaining a high level of transparency through timely disclosure of relevant information on the Group's business and activities to the shareholders, investors, media and investing public, through regular press releases, analysts' briefings, press conferences, as well as timely updating of the Company's website. Our executive directors and management, who look after the business operation, are committed to respond to enquiries from regulators, shareholders and business partners.

除內部進行風險管理及內部監控評估及審閱外，半年度審閱及年度審核由外聘核數師負責進行，旨在保證本集團的財務報表根據公認會計原則編製，本集團的會計政策及適用法律、規則及規例亦將會提供以對本集團的內部監控系統進行若干程度獨立檢查。

截至二零二一年十二月三十一日止年度，管理層於年內定期檢討風險管理及內部監控制度之成效，該制度涵蓋一切有關財務、營運及合規監控、各種風險管理工作以及實物資產及資訊系統保安等重要層面。內部核數師及外聘核數師於審核委員會會議向審核委員會匯報有關本集團風險管理及內部監控之主要發現，並已就有關發現所採取之行動或措施進行討論。截至二零二一年十二月三十一日止年度內，並無發現重大的風險管理及內部監控系統問題及重大關注事宜須予糾正或影響我們的持份者，包括股東。董事會及其審核委員會認為風險管理及內部監控系統有效及充足，包括資源充足程度、員工資格及經驗、其會計、內部審核及財務申報職能的培訓及預算。

提高企業透明度

董事會著重透過定期新聞發佈、分析員簡介、記者招待會，以及適時更新本公司網站，向股東、投資者、媒體及公眾投資人士適時披露本集團的業務及活動的相關資料，以締造及維持高透明度。執行董事及負責業務運作的管理層樂意對監管機構、股東及業務夥伴提出之查詢作積極回應。

Investors' Relations and Communication with Shareholders

The Company regards high quality reporting as an essential element in building successful relationships with its shareholders. The Company always seeks to provide relevant information to existing and potential investors, not only to comply with the different regulatory requirements in force but also to enhance transparency and communications with the shareholders and the investing public. This is part of a continuous communication program that encompasses meetings and relevant announcements to the market in addition to periodic written reports in the form of preliminary results announcement and the publication of interim and annual reports. The annual general meeting of the Company also provides an opportunity for communication between the Board and the shareholders.

In addition, the Company also maintains a corporate website on which comprehensive information about the Group is made available on a timely basis. Regular meetings are also held with institutional investors and research analysts to provide them with timely updates on the Group's latest business developments which are not inside information (as defined under the Listing Rules) in nature. These activities will keep the public informed of the Group's activities and foster effective communications.

The Group also participated in investment conferences and forums during the year in order to enhance the awareness of the investing public of the Group's business operations and development strategies.

The Company is committed to ensuring that it is fully complied with disclosure obligations stipulated in the Listing Rules and other applicable laws and regulations, and that all shareholders and potential investors have an equal opportunity to receive and obtain externally available information released by the Group.

Dividend Policy

With a view to providing stable financial return to shareholders, it is the Company's intention to maintain a pay-out ratio of not less than 35% as its dividend policy through the distribution of interim and final dividend each year.

The exact payout ratio and amount of dividend each year however will be subject to the discretion of the Board and will depend on a number of factors including the Group's operating results and financial performance each year and its expected future earnings and cash flows; availability of the Company's cash and distributable reserves; investment and working capital requirement; and general and financial market conditions.

投資者關係及與股東之溝通

本公司認為高質素的匯報為與股東成功建立關係之重要元素。本公司一直致力向現有及潛在投資者提供有關資料，所提供資料不單符合不同的監管規定，亦同時提高透明度及加強與股東及公眾投資者之溝通。持續的溝通除以初步業績公告以及按中期報告及年報形式定期刊發書面報告外，還包括舉行會議及向市場作出相關公告。本公司之股東週年大會亦為董事會及股東提供一個溝通渠道。

再者，本公司亦設有公司網站，適時提供有關本集團之全面資料。本公司亦定期與機構投資者及證券分析員會面，以及時提供本集團非內幕消息（定義見上市規則）之最新業務發展。該等活動可讓公眾得知本集團業務狀況，並促進有效溝通。

本集團於年內亦出席投資會議及論壇，以提高公眾投資者對本集團業務運作及發展策略之認識。

本公司致力確保全面遵守上市規則及其他適用法例與法規訂明之披露責任，而全體股東及潛在投資者均同樣可獲得及取得本集團公佈之公開資料。

股息政策

為了向股東提供穩定的財務回報，本公司擬通過每年派付中期及末期股息，以維持派息比率不低於35%的股息政策。

然而，每年的確實派息比率及股息金額將由董事會酌情釐定，並將取決於多項因素，當中包括本集團每年的經營業績及財務表現以及其預期的未來盈利及現金流量；本公司可用的現金及可供分派儲備；投資及營運資金需求；以及一般及金融市場狀況。

Shareholders' Rights

Pursuant to Article 58 of the articles of association of the Company, any one or more shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the shareholder(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the shareholder(s) as a result of the failure of the Board shall be reimbursed to the shareholder(s) by the Company.

The above written requisition shall be addressed to the Company's head office at 20th Floor, East Point Centre, 555 Hennessy Road, Causeway Bay, Hong Kong.

The procedures regarding proposing a person for election as a director are set out under the "Corporate Governance" on the homepage of the Company's website.

Shareholders may at any time send their enquiries to the Board in writing through the company secretary whose contact details are as follows:

Company Secretary
Lifestyle International Holdings Limited
20th Floor, East Point Centre
555 Hennessy Road, Causeway Bay
Hong Kong
Fax: (852) 2838 2030
Email: info@lifestylehk.com.hk

Constitutional Documents

During the year, the Company has not made any changes to its memorandum and articles of association.

股東權益

根據本公司組織章程細則第58條，任何一名或多名股東於存放請求書之日持有在本公司股東大會上具有表決權利之本公司繳足資本不少於十分之一，於任何時間均有權向董事會或本公司之公司秘書發出書面請求，要求董事會召開股東特別大會，以處理請求書指明之任何事項；而大會須在存放請求書後兩(2)個月內舉行。如在存放後二十一(21)日內，董事會未能著手召開大會，股東可親自以同樣方式召開大會，本公司須向股東付還股東因董事會未能召開大會而招致之所有合理費用。

以上之書面請求須送交本公司之總辦事處，地址為香港銅鑼灣軒尼詩道555號東角中心20樓。

提名一位人士推選為董事之程序，載列於本公司網頁內「企業管治」之部分。

股東可於任何時間以書面形式透過公司秘書向董事會提出查詢，聯絡詳情如下：

公司秘書
利福國際集團有限公司
香港
銅鑼灣軒尼詩道555號
東角中心20樓
傳真：(852) 2838 2030
電郵：info@lifestylehk.com.hk

組織章程文件

年內，本公司沒有對其組織章程大綱及細則作出任何更改。

Profile of Directors

董事簡介

Executive Directors

Mr. Lau Kam Sen

Mr. Lau, aged 33, was appointed as an executive director in June 2017. He also acts as a director of certain subsidiaries of the Company. Mr. Lau is responsible for project management of the Group. Mr. Lau holds a Bachelor of Arts degree from Columbia University in the City of New York and a Master of Arts degree from New York University. He has previously worked in investment banking with a global financial institution in Hong Kong. Mr. Lau is the son of Mr. Lau Luen Hung, Thomas, the brother of Ms. Lau Kam Shim and the nephew of Ms. Lau Yuk Wai, Amy.

Ms. Lau Kam Shim

Ms. Lau, aged 34, was appointed as an executive director in March 2016. She also acts as a director for various subsidiaries of the Company. Her responsibilities include overseeing sales operations, marketing, advertising and the sourcing of new business opportunities. Ms. Lau is also the current chairwoman of the Company's Environmental, Social and Governance Committee and plays an active role in promoting and integrating the Group's sustainability goals within the business. Ms. Lau first joined the Group in October 2012 and was responsible for the international luxury and marketing division of the Group. She currently serves as a vice-president of the International Association of Department Stores, a member of the Executive Committee of the Hong Kong Retail Management Association and a member of the Retail & Tourism Committee within the Hong Kong General Chamber of Commerce. Ms. Lau holds a Bachelor of Arts degree from King's College London, University of London and a Master of Arts degree from Columbia University in the City of New York. She is the daughter of Mr. Lau Luen Hung, Thomas, the sister of Mr. Lau Kam Sen and the niece of Ms. Lau Yuk Wai, Amy.

Non-executive Directors

Mr. Lau Luen Hung, Thomas Chairman

Mr. Lau, aged 67, joined the Company in January 2004. He has been the Chairman of the Company since 2015. Mr. Lau is also the chairman, chief executive officer and an executive director of Lifestyle China Group Limited, a company listed on the Stock Exchange. He is a member of the Chinese People's Political Consultative Conference Shanghai Committee and a member of the board of directors of the Shanghai Jiao Tong University, the PRC. Mr. Lau is the father of Mr. Lau Kam Sen and Ms. Lau Kam Shim, and the brother of Ms. Lau Yuk Wai, Amy.

執行董事

劉今晨先生

劉先生現年33歲，於二零一七年六月獲委任為執行董事。彼亦擔任本公司若干附屬公司之董事。劉先生負責本集團項目管理。劉先生持有紐約市哥倫比亞大學文學學士學位及紐約大學文學碩士學位。彼曾於香港一間國際金融機構從事投資銀行工作。劉先生為劉鑾鴻先生之兒子、劉今蟾小姐之胞弟及劉玉慧女士之侄兒。

劉今蟾小姐

劉小姐現年34歲，於二零一六年三月獲委任為執行董事。彼亦擔任本公司各附屬公司之董事。其職責包括監督銷售營運、市場營銷、廣告及新商機之拓展。劉小姐目前亦為本公司環境、社會及管治委員會主席，並致力推動和整合本集團在業務中的可持續發展目標。劉小姐起初於二零一二年十月加盟本集團，負責本集團國際奢侈品及市場營銷部。彼現為International Association of Department Stores之副主席、香港零售管理協會之執委會委員及香港總商會零售及旅遊委員會委員。劉小姐持有倫敦大學倫敦國王學院文學學士學位及紐約市哥倫比亞大學文學碩士學位。彼為劉鑾鴻先生之女兒、劉今晨先生之胞姊及劉玉慧女士之侄女。

非執行董事

劉鑾鴻先生 主席

劉先生現年67歲，於二零零四年一月加盟本公司。彼自二零一五年起為本公司之主席。劉先生亦為利福中國集團有限公司（為聯交所上市公司）之主席兼首席執行官及執行董事。彼為中國人民政治協商會議上海市委員會委員及中國上海交通大學董事會成員。劉先生為劉今晨先生及劉今蟾小姐之父親以及劉玉慧女士之胞弟。

Non-executive Directors (continued)

Mr. Doo Wai Hoi, William (BBS, JP)

Mr. Doo, aged 77, joined the Company in March 2005. He is also the vice-chairman and non-executive director of New World Development Company Limited, an independent non-executive director of Shanghai Industrial Urban Development Group Limited and an alternate director of FSE Lifestyle Services Limited, all being companies listed on the Stock Exchange. Mr. Doo is also the chairman and director of Fungsheng Prosperity Holdings Limited. He is a Justice of the Peace appointed by the Government of the Hong Kong Special Administrative Region and was awarded the Bronze Bauhinia Star in 2021. He is also the Honorary Consul General of the Kingdom of Morocco in Hong Kong and Macau, and a Governor of the Canadian Chamber of Commerce in Hong Kong. Mr. Doo was promoted to the Officier de l'Ordre National de la Légion d'Honneur by the Republic of France in 2019.

Ms. Lau Yuk Wai, Amy

Ms. Lau, aged 68, joined the Company in March 2004. She is also a non-executive director of Chinese Estates Holdings Limited, a company listed on the Stock Exchange. Ms. Lau holds a Bachelor of Science degree and a Doctor of Dental Surgery degree from University of Toronto, Canada. She is a retired dentist registered with the Royal College of Dental Surgeons of Ontario, Canada. Ms. Lau is the sister of Mr. Lau Luen Hung, Thomas, and the aunt of Mr. Lau Kam Sen and Ms. Lau Kam Shim.

Independent Non-executive Directors

Mr. Lam Siu Lun, Simon (ACA, FTIHK)

Mr. Lam, aged 72, joined the Company in March 2004. Mr. Lam graduated from The University of Hong Kong with a Bachelor of Arts degree. After graduation, he worked at KPMG Peat Marwick and obtained his qualification as a chartered accountant from The Institute of Chartered Accountants in England and Wales in 1979 and certified public accountant from the Hong Kong Society of Accountants (now known as the Hong Kong Institute of Certified Public Accountants) in 1980. He is also a fellow member of the Taxation Institute of Hong Kong. Mr. Lam has been a practicing accountant for over 25 years and is the proprietor of Messrs. S.L. Lam & Company, a firm of certified public accountants. He has served as a member of the Insider Dealing Tribunal on a number of occasions. He is an independent non-executive director of Le Saunda Holdings Limited, a company listed on the Stock Exchange.

非執行董事 (續)

杜惠愷先生 (BBS, 太平紳士)

杜先生現年77歲，於二零零五年三月加盟本公司。彼亦為新世界發展有限公司之副主席兼非執行董事、上海實業城市開發集團有限公司之獨立非執行董事及豐盛生活服務有限公司之替任董事（均為聯交所上市公司）。杜先生亦為豐盛企業集團有限公司之主席兼董事。彼獲香港特別行政區政府頒授太平紳士榮譽，並於二零二一年獲頒授銅紫荊星章。彼亦為摩洛哥王國駐香港和澳門名譽總領事，以及加拿大商會駐港總監。杜先生於二零一九年獲法國政府榮升頒授「榮譽軍團軍官勳章」。

劉玉慧女士

劉女士現年68歲，於二零零四年三月加盟本公司。彼亦為Chinese Estates Holdings Limited (華人置業集團) (為聯交所上市公司) 之非執行董事。劉女士持有加拿大多倫多大學理學士學位及牙科博士學位。彼為加拿大安大略省皇家牙科醫學院註冊之退休牙科醫生。劉女士為劉鑾鴻先生之胞姊以及劉今晨先生及劉今蟾小姐之姑母。

獨立非執行董事

林兆麟先生 (ACA, FTIHK)

林先生現年72歲，於二零零四年三月加盟本公司。林先生畢業於香港大學，並獲得文學士學位。畢業後，彼曾於畢馬威會計師事務所工作，並於一九七九年獲得英格蘭及威爾士特許會計師公會確認之特許會計師資格，後於一九八零年獲得Hong Kong Society of Accountants (現稱香港會計師公會) 確認之執業會計師資格。彼亦為香港稅務學會資深會員。林先生從事執業會計師超過25年，現為執業會計師事務所林兆麟會計師事務所東主。彼曾多次擔任內幕交易審裁處成員。彼為萊爾斯丹控股有限公司 (為聯交所上市公司) 之獨立非執行董事。

Independent Non-executive Directors (continued)

Mr. Shek Lai Him, Abraham (Abraham Razack) (GBS, SBS, JP)

Mr. Shek, aged 76, joined the Company in March 2004. He was a member of the Legislative Council for the Hong Kong Special Administrative Region representing real estate and construction functional constituency from 2000 to 2021. Mr. Shek is an honorary member of the Court of The Hong Kong University of Science and Technology and Court and Council Member of The University of Hong Kong. Mr. Shek is a member of the Advisory Committee on Corruption of the Independent Commission Against Corruption, and was a non-executive director of the Mandatory Provident Fund Schemes Authority and his term ended on 16 March 2021. He is currently an executive director of Goldin Financial Holdings Limited (re-designated from independent non-executive director on 1 March 2021), an independent non-executive director of Paliburg Holdings Limited, NWS Holdings Limited, Chuang's Consortium International Limited, Chuang's China Investments Limited, ITC Properties Group Limited, Country Garden Holdings Company Limited, China Resources Cement Holdings Limited, Lai Fung Holdings Limited, Cosmopolitan International Holdings Limited, Everbright Grand China Assets Limited, CSI Properties Limited, Far East Consortium International Limited, Landing International Development Limited, Hao Tian International Construction Investment Group Limited and International Alliance Financial Leasing Co., Ltd. (appointed on 28 July 2021), an advisor of SJM Holdings Limited (appointed at the same time as he retired from the role as an independent non-executive director with effect from 28 May 2021), all being companies listed on the Stock Exchange. He is also an independent non-executive director of Eagle Asset Management (CP) Limited (the manager of Champion Real Estate Investment Trust which is listed on the Stock Exchange) and Regal Portfolio Management Limited (the manager of Regal Real Estate Investment Trust which is listed on the Stock Exchange). Mr. Shek holds a Bachelor of Arts degree and has extensive experience in the property development field. Mr. Shek was awarded the Silver Bauhinia Star and Gold Bauhinia Star by the Government of the Hong Kong Special Administrative Region in 2007 and 2013 respectively.

獨立非執行董事(續)

石禮謙先生(GBS, SBS, 太平紳士)

石先生現年76歲，於二零零四年三月加盟本公司。彼於二零零零年至二零二一年為香港特別行政區立法會代表地產及建造界功能界別的議員。石先生為香港科技大學顧問委員會榮譽成員以及香港大學校董會成員及校務委員會成員。石先生為香港廉政公署貪污問題諮詢委員會委員，並曾為強制性公積金計劃管理局之非執行董事，其任期於二零二一年三月十六日結束。彼現為高銀金融(集團)有限公司之執行董事(自二零二一年三月一日起由獨立非執行董事調任)、百利保控股有限公司、新創建集團有限公司、莊士機構國際有限公司、莊士中國投資有限公司、德祥地產集團有限公司、碧桂園控股有限公司、華潤水泥控股有限公司、麗豐控股有限公司、四海國際集團有限公司、光大永年有限公司、CSI Properties Limited(資本策略地產有限公司)、遠東發展有限公司、藍鼎國際發展有限公司、昊天國際建設投資集團有限公司及國際友聯融資租賃有限公司(於二零二一年七月二十八日獲委任)的獨立非執行董事，及澳門博彩控股有限公司的顧問(於彼退任獨立非執行董事一職的同時獲委任，自二零二一年五月二十八日起生效)，全部公司均為聯交所上市公司。彼亦為鷹君資產管理(冠君)有限公司(冠君產業信託的管理人，該信託於聯交所上市)及富豪資產管理有限公司(富豪產業信託的管理人，該信託於聯交所上市)的獨立非執行董事。石先生持有文學士學位，於物業發展方面擁有豐富經驗。石先生分別於二零零七年及二零一三年榮獲香港特別行政區政府頒授銀紫荊星章及金紫荊星章。

Independent Non-executive Directors (continued)

Mr. Hui Chiu Chung (JP)

Mr. Hui, aged 74, joined the Company in July 2005. Mr. Hui is the chairman and chief executive officer of Luk Fook Financial Services Limited and has over 50 years of experience in the securities and investment industry. He had for years been serving as a council member and vice chairman of the Stock Exchange, a member of the advisory committee of the Hong Kong Securities and Futures Commission, a director of the Hong Kong Securities Clearing Company Limited, a member of the listing committee and a government appointed independent non-executive director of the Hong Kong Exchanges and Clearing Limited, an appointed member of the Securities and Futures Appeal Tribunal, a member of Standing Committee on Company Law Reform, and an appointed member of the Hong Kong Institute of Certified Public Accountants Investigation Panel A. He was also a member of the Committee on Real Estate Investment Trusts of the Hong Kong Securities and Futures Commission and a member of Government "Appointees" (independent member) of Appeal Panel of the Travel Industry Council of Hong Kong. Mr. Hui was appointed by the Government of the Hong Kong Special Administrative Region a Justice of the Peace in 2004 and has served as a member of the Zhuhai Municipal Committee of the Chinese People's Political Consultative Conference from 2006 to 2017. He is a fellow member of the Hong Kong Institute of Directors and senior fellow member of the Hong Kong Securities and Investment Institute. Mr. Hui also serves as an independent non-executive director of Gemdale Properties and Investment Corporation Limited, China South City Holdings Limited, SINOPEC Engineering (Group) Co., Ltd., Agile Group Holdings Limited and FSE Lifestyle Services Limited (previously known as FSE Services Group Limited) and a non-executive director of Luk Fook Holdings (International) Limited, all being companies listed on the Stock Exchange. He was an independent non-executive director of Zhuhai Holdings Investment Group Limited (a company whose shares were withdrawn from listing on the Stock Exchange on 18 June 2021) until his resignation on 6 September 2021.

獨立非執行董事(續)

許照中先生(太平紳士)

許先生現年74歲，於二零零五年七月加盟本公司。許先生現為六福金融服務有限公司之主席兼行政總裁，並具備逾50年之證券及投資經驗。彼多年來曾出任聯交所理事會理事兼副主席、香港證券及期貨事務監察委員會諮詢委員會委員、香港中央結算有限公司董事、香港交易及結算所有限公司上市委員會委員及政府委任獨立非執行董事、證券及期貨事務上訴審裁處委員、公司法改革常務委員會委員及香港會計師公會調查小組A組委員。彼曾為香港證券及期貨事務監察委員會房地產投資信託基金委員會委員及香港旅遊業議會上訴委員會獨立委員。許先生於二零零四年獲香港特別行政區政府頒授太平紳士榮銜，並自二零零六年至二零一七年擔任中國珠海市人民政治協商會議政協委員。彼為香港董事學會資深會員及香港證券及投資學會傑出資深會員。許先生亦為金地商置集團有限公司、華南城控股有限公司、中石化煉化工程(集團)股份有限公司、雅居樂集團控股有限公司及豐盛生活服務有限公司(前稱為豐盛服務集團有限公司)之獨立非執行董事以及六福集團(國際)有限公司之非執行董事(全部公司均為聯交所上市公司)。彼曾為珠海控股投資集團有限公司(該公司股份於二零二一年六月十八日自聯交所撤回上市)之獨立非執行董事，直至彼於二零二一年九月六日辭任。

Independent Non-executive Directors (continued)

Mr. Ip Yuk Keung

Mr. Ip, aged 69, joined the Company in April 2014. He is an international banking and real estate professional with over 30 years of experience in the United States, Asia and Hong Kong. His expertise are in real estate finance, corporate banking, risk management, wealth management and transaction banking. Previously managing director and corporate bank head of Citigroup and managing director of investments at Merrill Lynch (Asia Pacific), Mr. Ip was also an executive director and the chief executive officer of Langham Hospitality Investments (“LHI”) and Langham Hospitality Investments Limited (listed on the Stock Exchange) and LHIL Manager Limited (the trustee-manager of LHI). Mr. Ip also serves as an independent non-executive director of Power Assets Holdings Limited, New World Development Company Limited, Hutchison Telecommunications Hong Kong Holdings Limited and Eagle Asset Management (CP) Limited (the manager of Champion Real Estate Investment Trust) (re-designated from non-executive director on 21 May 2021), all being companies listed on the Stock Exchange.

Mr. Ip is an Adjunct Professor of City University of Hong Kong, The Hong Kong University of Science and Technology, The Hang Seng University of Hong Kong, The Chinese University of Hong Kong and The University of Hong Kong. He is also an Honorary Fellow, a Member of the Court and a Member of the International Advisory Board of College of Business at City University of Hong Kong, a Council Member, a Member of the Business School Advisory Council and an Honorary Advisor of School of Humanities and Social Science at The Hong Kong University of Science and Technology, an Adjunct Distinguished Professor in Practice at University of Macau and an honorary fellow of Vocational Training Council. He is a chairman of the World Green Organisation.

Mr. Ip holds a Bachelor of Science degree in Applied Mathematics and Computer Science at Washington University in St. Louis (summa cum laude), a Master of Science degree in Applied Mathematics at Cornell University and a Master of Science degree in Accounting and Finance at Carnegie-Mellon University.

獨立非執行董事(續)

葉毓強先生

葉先生現年69歲，於二零一四年四月加盟本公司。彼為國際銀行及房地產方面的專才，在美國、亞洲及香港擁有逾30年經驗。彼之專業領域涵蓋房地產融資、企業銀行、風險管理、財富管理及交易銀行。葉先生曾任花旗集團董事總經理及企業銀行主管以及美林(亞太)投資部資深執行總裁。葉先生亦曾任朗廷酒店投資(「朗廷酒店投資」)與朗廷酒店投資有限公司(於聯交所上市)以及朗廷酒店管理人有限公司(朗廷酒店投資的託管人—經理)之執行董事兼行政總裁。葉先生為電能實業有限公司、新世界發展有限公司、和記電訊香港控股有限公司及鷹君資產管理(冠君)有限公司(冠君產業信託之管理人)(於二零二一年五月二十一日由非執行董事調任)之獨立非執行董事(全部公司均為聯交所上市公司)。

葉先生為香港城市大學、香港科技大學、香港恒生大學、香港中文大學及香港大學之兼任教授。彼亦為香港城市大學榮譽院士、顧問委員會成員及商學院之學院國際諮詢委員會成員、香港科技大學校董會成員、商學院顧問委員會成員及人文社會科學學院榮譽顧問、澳門大學特邀實務特聘教授以及職業訓練局榮譽院士。彼為世界綠色組織主席。

葉先生持有聖路易斯華盛頓大學應用數學及計算機科學理學士學位(最優等)、康乃爾大學應用數學理碩士學位及卡內基梅隆大學會計/金融理碩士學位。

Directors' Report

董事會報告

The board of directors ("Board") of the Company present their annual report and the audited consolidated financial statements for the year ended 31 December 2021.

Principal Activities

The Company acts as an investment holding company and the principal activities of its subsidiaries are the operation of department stores in Hong Kong and other retailing format and property development and property investment.

Particulars of the Company's principal subsidiaries are set out in note 34 to the consolidated financial statements.

Results and Appropriations

The results of the Group for the year ended 31 December 2021 are set out in the consolidated statement of profit or loss and other comprehensive income on page 90.

The Board does not recommend the payment of a final dividend for the year ended 31 December 2021.

Business Review

A review of the business of the Group for the year ended 31 December 2021, comprising the discussion of the future business development and the principal risks and uncertainties facing the Group, are set out in the "Chairman's Statement" and "Management Discussion and Analysis" on pages 6 to 7 and pages 8 to 21 of this annual report.

An analysis of the Group's performance during the year using financial key performance indicators is provided in the "Five-Year Group Financial Summary" on page 171. Save for the financing initiatives which are expected to enhance liquidity position of the Group as mentioned from page 96 to page 98 under basis of preparation, no important event affecting the Group has occurred since the end of the financial year under review.

Discussions on the Group's environmental policies and performance, relationships with key stakeholders, and compliance with the relevant laws and regulations are contained in the "Environmental, Social and Governance Report" on pages 22 to 51 of this annual report.

Shares

Details of movements during the year in the shares of the Company are set out in note 26 to the consolidated financial statements.

Debentures

Details of the bonds issued by the Group are set out in note 24 to the consolidated financial statements. Save for the above, the Group has not issued any debentures during the year.

本公司董事會（「董事會」）謹此提呈其年報及截至二零二一年十二月三十一日止年度之經審核綜合財務報表。

主要業務

本公司為一間投資控股公司，及其附屬公司之主要業務為於香港經營百貨店及其他零售業務以及物業發展及物業投資。

本公司主要附屬公司詳情載於綜合財務報表附註34。

業績及分配

本集團截至二零二一年十二月三十一日止年度之業績載於第90頁綜合損益及其他全面收益表。

董事會不建議派付截至二零二一年十二月三十一日止年度之末期股息。

業務回顧

本集團截至二零二一年十二月三十一日止年度之業務回顧包括對未來業務發展以及本集團所面臨主要風險及不明朗因素的討論，載於本年報第6至7頁及第8至21頁之「主席報告」及「管理層討論及分析」。

採用財務表現關鍵指標對本集團於年內表現的分析載於第171頁之「五年集團財務摘要」。除第96至98頁綜合基準一段所述的預期可提升本集團流動資金狀況的融資舉措外，自回顧財政年度結束以來並無發生影響本集團的重要事件。

有關本集團環境政策及表現、與主要持份者的關係及相關法律及法規合規事宜的討論載於本年報第22至51頁之「環境、社會及管治報告」。

股份

本公司股份於年內之變動詳情載於綜合財務報表附註26。

債權證

本集團已發行債券之詳情載於綜合財務報表附註24。除上文所述者外，本集團於年內並無發行任何債權證。

Distributable Reserves

Details of distributable reserves of the Company are set out in note 35 to the consolidated financial statements.

Pre-emptive Rights

There are no provisions for pre-emptive rights under the Company's articles of association although there are no restrictions against such rights under the laws in the Cayman Islands.

Major Suppliers and Customers

The Group is principally involved in retail business which consists of direct sales, and income from After Purchase Order and concessionaire sales. In the year, the five largest suppliers of the Group in respect of our direct and consignment sales accounted for approximately 60% of the Group's total purchase and the largest supplier of the Group accounted for approximately 29% of the Group's total purchase. The five largest customers of the Group accounted for less than 30% of the Group's turnover during the year.

None of the directors, their respective close associates or any shareholder so far as is known to the directors having more than 5% of the number of issued shares of the Company, within the knowledge of the directors, has any interest in any of the Group's five largest suppliers during the year.

Donations

During the year, the Group made charitable and other donations amounting to HK\$1.7 million (2020: HK\$1.3 million).

Management Contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

Directors

The directors of the Company during the year and up to the date of this report were:

Executive Directors

Mr. Lau Kam Sen
Ms. Lau Kam Shim

Non-executive Directors

Mr. Lau Luen Hung, Thomas (Chairman)
Mr. Doo Wai Hoi, William
Ms. Lau Yuk Wai, Amy

Independent Non-executive Directors

Mr. Lam Siu Lun, Simon
Mr. Shek Lai Him, Abraham
Mr. Hui Chiu Chung
Mr. Ip Yuk Keung

可供分派儲備

本公司之可供分派儲備之詳情載於綜合財務報表附註35。

優先購買權

儘管開曼群島法例並無有關優先購買權之限制，惟本公司之組織章程細則並無限制有關權利之條文。

主要供應商及顧客

本集團主要從事包括自營銷售及銷售後訂單以及特許專櫃銷售之收入的零售業務。於本年度，本集團五大供應商佔本集團直銷與寄售總採購額約60%，而本集團最大供應商佔本集團總採購額約29%。年內，本集團五大顧客佔本集團營業額不足30%。

董事、彼等各自的緊密聯繫人或就董事所知任何擁有本公司5%以上已發行股份數目的股東，據董事所知悉，年內概無於本集團任何五大供應商中擁有任何權益。

捐款

年內，本集團作出之慈善及其他捐款為1.7百萬港元(二零二零年：1.3百萬港元)。

管理合約

年內，本公司並無就整體業務或任何重要部分業務之管理及行政工作簽訂或存有任何合約。

董事

於本年度及截至本報告日期期間，本公司董事如下：

執行董事

劉今晨先生
劉今蟾小姐

非執行董事

劉鑾鴻先生(主席)
杜惠愷先生
劉玉慧女士

獨立非執行董事

林兆麟先生
石禮謙先生
許照中先生
葉毓強先生

In accordance with Article 84 of the articles of association of the Company, Ms. Lau Kam Shim, Mr. Lam Siu Lun, Simon and Mr. Hui Chiu Chung will retire from office by rotation at the forthcoming annual general meeting and, all being eligible, offer themselves for re-election.

None of the directors proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

Changes in Information of Directors

Below are the changes in director's information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Mr. Doo Wai Hoi, William

- appointed as an alternate director of FSE Lifestyle Services Limited (a company listed on the Stock Exchange), with effect from 6 December 2021

Mr. Shek Lai Him, Abraham (Abraham Razack)

- his term of office as a Member of Legislative Council for the Hong Kong Special Administrative Region ended on 31 December 2021

Mr. Hui Chiu Chung

- resigned as an independent non-executive director of Zhuhai Holdings Investment Group Limited (a company whose shares were withdrawn from listing on the Stock Exchange on 18 June 2021) with effect from 6 September 2021

Mr. Ip Yuk Keung

- appointed as an Adjunct Professor of the Faculty of Business and Economics of The University of Hong Kong with effect from 1 September 2021
- appointed as an Honorary Fellow of City University of Hong Kong with effect from 24 September 2021
- ceased to be a trustee of the Board of Trustees at Washington University in St. Louis upon completion of his term of office on 5 December 2021
- appointed as a Member of the Court at City University of Hong Kong with effect from 1 January 2022

根據本公司之組織章程細則第84條規定，劉今蟾小姐、林兆麟先生及許照中先生將於應屆股東週年大會上輪值退任，而以上董事均合資格並願意重選連任。

概無擬於應屆股東週年大會重選連任之董事訂有本集團不作賠償(法定賠償除外)則不可於一年內終止之服務合約。

董事資料變更

以下是根據上市規則第13.51B(1)條之規定，須予披露之董事資料變更。

杜惠愷先生

- 自二零二一年十二月六日起獲委任為豐盛生活服務有限公司(為聯交所上市公司)之替任董事

石禮謙先生

- 於二零二一年十二月三十一日任期結束時卸任為香港特別行政區立法會議員

許照中先生

- 辭任珠海控股投資集團有限公司(該公司股份於二零二一年六月十八日自聯交所撤回上市)獨立非執行董事，自二零二一年九月六日起生效

葉毓強先生

- 自二零二一年九月一日起獲委任為香港大學經濟及工商管理學院之兼任教授
- 自二零二一年九月二十四日起獲委任為香港城市大學榮譽院士
- 於二零二一年十二月五日任期結束時卸任為聖路易斯華盛頓大學之校董會校董
- 自二零二二年一月一日起獲委任為香港城市大學顧問委員會成員

Directors' and Chief Executive's Interests in Shares, Underlying Shares and Debentures

As at 31 December 2021, the directors' and the chief executive's interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") were as follows:

(i) Long position in shares of the Company

Name of director 董事姓名	Capacity/Nature of interest 身份/權益性質	Number of shares held 持有股份數目	Percentage of issued shares 佔已發行股份之百分比
Mr. Lau Luen Hung, Thomas 劉鑾鴻先生	Beneficial owner 實益擁有人	113,403,292	7.55%
	Interest of controlled corporations (Note 1) 受控制法團權益(附註1)	1,011,694,500	67.36%
	Trustee (Note 2) 受託人(附註2)	951,000	0.06%
Mr. Lau Kam Sen 劉今晨先生	Beneficiary of a trust (Note 2) 信託受益人(附註2)	951,000	0.06%
Ms. Lau Kam Shim 劉今蟾小姐	Beneficiary of a trust (Note 2) 信託受益人(附註2)	951,000	0.06%
Ms. Lau Yuk Wai, Amy 劉玉慧女士	Beneficiary of a trust and Trustee (Note 2) 信託受益人及受託人(附註2)	951,000	0.06%

Notes:

1. The 1,011,694,500 shares comprise:

- (i) 540,000,000 shares held by United Goal Resources Limited ("United Goal"). United Goal is ultimately owned as to 80% by Mr. Lau Luen Hung, Thomas through his controlled corporations and as to 20% by certain family members of Mr. Lau Luen Hung, Joseph, the elder brother of Mr. Lau Luen Hung, Thomas. By virtue of the SFO, Mr. Lau Luen Hung, Thomas is deemed to be interested in the same parcel of shares in which United Goal is interested.

董事及最高行政人員於股份、相關股份及債權證之權益

於二零二一年十二月三十一日，各董事及最高行政人員於本公司或其任何相聯法團(按《證券及期貨條例》(「證券及期貨條例」)第XV部所界定者)之股份、相關股份及債權證中持有根據證券及期貨條例第352條規定記錄於須置存之登記冊內或根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十所載之《上市發行人董事進行證券交易的標準守則》(「標準守則」)須另行知會本公司及聯交所之權益及淡倉載列如下：

(i) 於本公司股份之好倉

附註：

1. 該1,011,694,500股股份包括：

- (i) 540,000,000股股份由United Goal Resources Limited (「United Goal」)持有。United Goal由劉鑾鴻先生通過其受控制法團最終擁有80%股份權益及由劉鑾雄先生(為劉鑾鴻先生之胞兄)若干家族成員最終擁有20%股份權益。根據證券及期貨條例，劉鑾鴻先生被視為擁有United Goal所持有的相同股份權益。

Notes: (continued)

1. (continued)
 - (ii) 471,694,500 shares held by Dynamic Castle Limited ("Dynamic Castle"), which is wholly owned by Mr. Lau Luen Hung, Thomas. By virtue of the SFO, Mr. Lau Luen Hung, Thomas is deemed to be interested in the same parcel of shares held by Dynamic Castle.
2. These shares are held by a trust for an estate in which certain family members of Mr. Lau Luen Hung, Thomas have interest. Mr. Lau Luen Hung, Thomas and Ms. Lau Yuk Wai, Amy are the trustees of the trust and each of Mr. Lau Kam Sen, Ms. Lau Kam Shim and Ms. Lau Yuk Wai, Amy is a beneficiary under the trust, and therefore each of them is deemed to be interested in such shares by virtue of the SFO.

附註：(續)

1. (續)
 - (ii) 471,694,500股股份由劉鑾鴻先生全資擁有之Dynamic Castle Limited (「Dynamic Castle」)持有。根據證券及期貨條例，劉鑾鴻先生被視為擁有Dynamic Castle所持有的相同股份權益。
2. 該等股份由劉鑾鴻先生若干家族成員於當中擁有權益之遺產信託持有。劉鑾鴻先生及劉玉慧女士為該信託的受託人，以及劉今晨先生、劉今蟾小姐及劉玉慧女士各自為信託下之受益人，因此，根據證券及期貨條例，其各自被視為擁有該等股份權益。

(ii) Interest in debentures of associated corporations of the Company

(ii) 於本公司相聯法團債權證的權益

**(a) LS Finance (2017) Limited
4.80% guaranteed bonds due 2026**

**(a) LS Finance (2017) Limited
4.80%於2026年到期有擔保債券**

Name of director 董事姓名	Capacity/Nature of interest 身份／權益性質	Amount of debentures held (US\$) 所持債權證金額 (美元)
Mr. Doo Wai Hoi, William 杜惠愷先生	Interest of controlled corporation (Note) 受控制法團權益 (附註)	1,500,000
	Interest of spouse 配偶權益	10,000,000

Note: These debentures are held by a company which is wholly owned by Mr. Doo Wai Hoi, William. By virtue of the SFO, Mr. Doo Wai Hoi, William is deemed to be interested in the same parcel of debentures in which such company is interested.

附註：該等債權證由杜惠愷先生全資擁有的公司持有。根據證券及期貨條例，杜惠愷先生被視為擁有該公司持有的相同債權證權益。

**(b) LS Finance (2025) Limited
4.50% guaranteed bonds due 2025**

**(b) LS Finance (2025) Limited
4.50%於2025年到期有擔保債券**

Name of director 董事姓名	Capacity/Nature of interest 身份／權益性質	Amount of debentures held (US\$) 所持債權證金額 (美元)
Mr. Lau Luen Hung, Thomas 劉鑾鴻先生	Beneficial owner 實益擁有人	4,000,000
Mr. Ip Yuk Keung 葉毓強先生	Interest held jointly with spouse 與配偶共同持有權益	500,000

(c) **LS Finance (2022) Limited**
4.25% guaranteed bonds due 2022

Name of director 董事姓名	Capacity/Nature of interest 身份／權益性質
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Mr. Doo Wai Hoi, William 杜惠愷先生	Interest of controlled corporation (Note) 受控制法團權益(附註)
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Note: These debentures are held by a company which is wholly owned by Mr. Doo Wai Hoi, William. By virtue of the SFO, Mr. Doo Wai Hoi, William is deemed to be interested in the same parcel of debentures in which such company is interested.

(c) **LS Finance (2022) Limited**
4.25%於2022年到期有擔保債券

Amount of debentures held (US\$) 所持債權證金額(美元)

8,500,000

附註：該等債權證由杜惠愷先生全資擁有的公司持有。根據證券及期貨條例，杜惠愷先生被視為擁有該公司持有的相同債權證權益。

Save as disclosed above, as at 31 December 2021, none of the directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code. Nor any of the directors and chief executive had any interest in, or had been granted any right to subscribe for the securities of the Company and its associated corporations (within the meaning of Part XV of the SFO) or had exercised any such right during the year under review.

除上文所披露者外，於二零二一年十二月三十一日，本公司董事及最高行政人員概無持有根據證券及期貨條例第352條規定記錄於須置存之登記冊內或根據標準守則須知會本公司及聯交所之本公司或其任何相聯法團(按證券及期貨條例第XV部所界定者)之股份、相關股份或債權證的權益或淡倉。於回顧年內，各董事及最高行政人員概無擁有或獲授任何可認購本公司及其相聯法團(按證券及期貨條例第XV部所界定者)證券之權利，亦無行使任何該等權利。

Interests of Shareholders Discloseable under the SFO

As at 31 December 2021, the following persons (other than a director or the chief executive of the Company) had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO or notified to the Company:

Long position in shares of the Company

Name	Capacity/Nature of interest	Number of shares held	Percentage of issued shares
名稱	身份/權益性質	持有股份數目	佔已發行股份之百分比
United Goal	Beneficial owner (Note 3) 實益擁有人(附註3)	540,000,000	35.95%
Asia Prime Assets Limited ("Asia Prime")	Interest of controlled corporation (Notes 1 and 3) 受控制法團權益(附註1及3)	540,000,000	35.95%
Sand Cove Holdings Limited ("Sand Cove")	Interest of controlled corporation (Notes 2 and 3) 受控制法團權益(附註2及3)	540,000,000	35.95%
Dynamic Castle	Beneficial owner (Note 3) 實益擁有人(附註3)	471,694,500	31.41%

Notes:

- Asia Prime, a company indirectly controlled by Mr. Lau Luen Hung, Thomas, holds 80% of the entire issued share capital of United Goal. By virtue of the SFO, Asia Prime is deemed to be interested in the same parcel of shares comprising 540,000,000 shares in which United Goal is interested as beneficial owner.
- Sand Cove, which is wholly owned and directly controlled by Mr. Lau Luen Hung, Thomas, is entitled to exercise or control the exercise of 100% voting power at general meetings of Asia Prime. By virtue of the SFO, Sand Cove is deemed to be interested in the same parcel of shares in which Asia Prime is deemed to be interested as set out in Note 1 above.
- Mr. Lau Luen Hung, Thomas, Mr. Lau Kam Sen and Ms. Lau Kam Shim are directors of United Goal and Sand Cove. Mr. Lau Luen Hung, Thomas is also the sole director of Asia Prime and Dynamic Castle.

Save as disclosed above, the Company has not been notified by any person (other than a director or the chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company as at 31 December 2021 which were recorded in the register required to be kept under Section 336 of the SFO or notified to the Company.

根據證券及期貨條例須予披露之股東權益

於二零二一年十二月三十一日，下列人士(不包括本公司董事或最高行政人員)於本公司之股份及相關股份中持有根據證券及期貨條例第336條規定記錄於須置存之登記冊內或知會本公司之權益或淡倉載列如下：

於本公司股份之好倉

Name	Capacity/Nature of interest	Number of shares held	Percentage of issued shares
名稱	身份/權益性質	持有股份數目	佔已發行股份之百分比
United Goal	Beneficial owner (Note 3) 實益擁有人(附註3)	540,000,000	35.95%
Asia Prime Assets Limited ("Asia Prime")	Interest of controlled corporation (Notes 1 and 3) 受控制法團權益(附註1及3)	540,000,000	35.95%
Sand Cove Holdings Limited ("Sand Cove")	Interest of controlled corporation (Notes 2 and 3) 受控制法團權益(附註2及3)	540,000,000	35.95%
Dynamic Castle	Beneficial owner (Note 3) 實益擁有人(附註3)	471,694,500	31.41%

附註：

- Asia Prime為劉鑾鴻先生間接控制之公司，其持有80% United Goal全部已發行股本。根據證券及期貨條例，Asia Prime被視為於United Goal實益擁有的540,000,000股股份中擁有相同權益。
- Sand Cove由劉鑾鴻先生全資擁有及直接控制，其有權在Asia Prime股東大會上行使或控制行使100%的投票權。根據證券及期貨條例，Sand Cove被視為擁有上述附註1所述Asia Prime所視為擁有的相同股份權益。
- 劉鑾鴻先生、劉今晨先生及劉今蟾小姐為United Goal及Sand Cove之董事。劉鑾鴻先生亦為Asia Prime及Dynamic Castle之唯一董事。

除上文所披露者外，概無任何人士(本公司董事或最高行政人員除外)向本公司通知其於二零二一年十二月三十一日持有根據證券及期貨條例第336條規定記錄於須置存之登記冊內或知會本公司之本公司股份或相關股份的權益或淡倉。

Arrangements to Purchase Shares or Debentures

At no time during the year was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Equity-linked Agreements

The Group has not entered into any equity-linked agreements during the year.

Directors' Interests in Competing Businesses

The following directors have interests in the following businesses which are considered to compete or are likely to compete, either directly or indirectly, with the businesses of the Group as disclosed pursuant to Rule 8.10 of the Listing Rules:

購買股份或債權證之安排

於年內任何時間，本公司、其控股公司或其任何附屬公司或同系附屬公司概無訂立任何安排，致使本公司董事藉收購本公司或任何其他法人團體股份或債權證而獲益。

股票掛鈎協議

本集團於年內並無訂立任何股票掛鈎協議。

董事於競爭業務之權益

下列董事被視為擁有根據上市規則第8.10條所披露與本集團業務直接或間接構成競爭或可能構成競爭之業務權益：

Name of director	Name of entity	Description of businesses	Nature of interest of the director in the entity 董事於該實體之權益性質
董事姓名	實體名稱	業務簡介	
Mr. Doo Wai Hoi, William 杜惠愷先生	New World Development Company Limited group of companies 新世界發展有限公司旗下集團	Property development and investment and department store operations 物業發展及投資及百貨營運	Director 董事
	Ace Action Ltd. group of companies Ace Action Ltd. 旗下集團	Property investment 物業投資	Director (Note) 董事(附註)
	Fortune Success Limited group of companies 勝運有限公司旗下集團	Property investment 物業投資	Director (Note) 董事(附註)
	Fungseng Prosperity Holdings Limited group of companies 豐盛企業集團有限公司旗下集團	Property investment and management 物業投資及管理	Director 董事
	Oriental Triumph Inc. group of companies 東凱有限公司旗下集團	Property and hotel investment 物業及酒店投資	Director (Note) 董事(附註)
	Supreme Harvest Development Limited group of companies Supreme Harvest Development Limited 旗下集團	Property investment and development 物業投資及發展	Director (Note) 董事(附註)
Ms. Lau Yuk Wai, Amy 劉玉慧女士	Chinese Estates Holdings Limited Chinese Estates Holdings Limited (華人置業集團)	Property investment and development 物業投資及發展	Director 董事

Note: Mr. Doo Wai Hoi, William is the ultimate beneficiary owner of these companies.

附註：杜惠愷先生為該等公司的最終實益擁有人。

As the Board of the Company is independent of the boards of the above-mentioned companies and none of the above directors are in control of the Board of the Company, the Group is therefore capable of carrying on its businesses independently and at arm's length with the businesses of these companies.

Directors' Interests in Transactions, Arrangements and Contracts

Save as disclosed under the section "Connected Transaction" below, no transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company or any entities connected with the director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Permitted Indemnity Provision

Pursuant to the Company's articles of association, every director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto. There is appropriate directors' and officers' liability insurance coverage for the directors and officers of the Group.

Connected Transaction

The Group, as the tenant, entered into a tenancy agreement ("Existing Tenancy Agreement") with Bonnion Investments Limited ("Bonnion") as the landlord, for the lease of certain premises at Gemstar Tower, No.23 Man Lok Street, Kowloon ("Gemstar Tower") for a term of 18 months commencing from 1 November 2020 up to and including 30 April 2022 with monthly rental at HK\$440,220 (excluding management fees, government rates and government rent).

In order to cope with the Group's business expansion and the need for extra storage space, in particular, for the facilitation and preparation of the future opening and operation of the Group's Kai Tai Project, the Group entered into an additional Tenancy Agreement ("Tenancy Agreement") with Bonnion on 13 August 2021 for the lease of additional premises in Gemstar Tower for a term of 2 years commencing from 16 August 2021 and ending on 15 August 2023 with monthly rental at HK\$537,064 (excluding management fees and other outgoings).

Since Bonnion is ultimately wholly-owned by Mr. Lau Luen Hung, Thomas, who is a non-executive director and the controlling shareholder of the Company, Bonnion is a connected person of the Company under the Listing Rules. Accordingly, the transaction contemplated under the Tenancy Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

本公司董事會乃獨立於上述公司的董事會，且概無上述董事可控制本公司董事會，故本集團有能力獨立於該等公司的業務及按公平磋商進行其業務。

董事於交易、安排及合約之權益

除下文「關連交易」一節所披露者外，本公司董事或與董事有關連的任何實體概無於本公司或其任何附屬公司所訂立且於年終或年內任何時間仍然生效之重大交易、安排或合約中，直接或間接擁有重大權益。

獲准許之彌償條文

根據本公司之組織章程細則，每位董事有權就其任期內，或因執行其職務而可能遭致或發生與此相關之一切損失或責任從本公司資產中獲得彌償。本公司已為本集團董事及高級職員購買適當的董事及高級職員責任保險作為保障。

關連交易

本集團(作為承租人)與Bonnion Investments Limited(「Bonnion」，作為業主)就承租位於九龍民樂街23號駿昇中心(「駿昇中心」)之若干物業訂立租賃協議(「現有租賃協議」)，自二零二零年十一月一日起至二零二二年四月三十日止(包括該日)為期18個月，月租為440,220港元(不包括管理費、政府差餉和地租)。

為應付本集團業務擴張及對額外倉儲空間的需求，特別是為促進及籌備本集團啟德項目日後的開業及營運，本集團與Bonnion於二零二一年八月十三日就承租駿昇中心之額外物業訂立額外租賃協議(「租賃協議」)，自二零二一年八月十六日起至二零二三年八月十五日止為期2年，月租為537,064港元(不包括管理費和其他支出)。

由於Bonnion由本公司非執行董事兼控股股東劉鑾鴻先生最終全資擁有，根據上市規則，Bonnion為本公司之關連人士。因此，租賃協議項下擬進行之交易構成上市規則第14A章項下本公司之關連交易。

Under Hong Kong Financial Reporting Standard 16, the Group has recognised the rental payment payable by the Group under the Tenancy Agreement as an acquisition of right-of-use assets of the Group, which constitutes an one-off connected transaction for the Group under Chapter 14A of the Listing Rule. The payment of other charges including the management fees under the Tenancy Agreement are recognised as expense of the Group and such payment are regarded as a continuing connected transaction of the Company under Chapter 14A of the Listing Rule.

Given that the Tenancy Agreement and the Existing Tenancy Agreement were entered into within a 12-month period with the same landlord, the transaction contemplated thereunder shall be aggregated with the Existing Tenancy Agreement for the purpose of Chapter 14A of the Listing Rules. As one of the applicable percentage ratios (as defined in the Listing Rules) in respect of the estimated value of the right-of-use asset to be recognized by the Group in connection with the Tenancy Agreement on a standalone basis, or when aggregating with the Existing Tenancy Agreement, exceeds 0.1% but is less than 5%, the transactions contemplated therein are subject to the reporting and announcement requirements but exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules. Details of the transactions were set out in the Company's announcement dated 13 August 2021.

Related Party Transactions

None of the related party transactions in note 32 to the consolidated financial statements constituted connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

Specific Performance Covenant on Controlling Shareholders

- (i) On 4 February 2022, the Company as guarantor and through its wholly owned subsidiary as borrower entered into a GBP125 million 5-year facility agreement with a syndicate of banks.

Pursuant to the facility agreement, unless with the banks' written consent, Mr. Lau Luen Hung, Thomas and a family trust shall hold at least 50.1% (whether directly or indirectly) of the issued share capital of the Company and to maintain control over the management of the Group and/or the composition of the Board.

- (ii) On 18 June 2021, the Company as guarantor and through its wholly owned subsidiary as borrower entered into a HK\$8 billion 5-year secured loan facility agreement with a syndicate of banks ("2021 Facility Agreement").

根據香港財務報告準則第16號，本集團已確認本集團根據租賃協議應付之租金為本集團收購使用權資產，其構成上市規則第14A章項下本集團之一次性關連交易。根據租賃協議支付其他支出(包括管理費)確認為本集團之開支，而有關付款根據上市規則第14A章被視為本公司之持續關連交易。

鑒於租賃協議及現有租賃協議於12個月內與同一業主訂立，根據上市規則第14A章，擬進行的交易與現有租賃協議須合併計算。由於本集團就租賃協議確認之使用權資產估計價值之一項適用百分比率(定義見上市規則)(在單獨或與現有租賃協議合併計算時)超過0.1%但低於5%，其項下擬進行之交易須遵守上市規則第14A章項下之申報及公告規定，惟獲豁免遵守獨立股東批准之規定。交易詳情載於本公司日期為二零二一年八月十三日之公告。

關連人士交易

於綜合財務報表附註32的關連人士交易並無構成上市規則第14A章所界定之關連交易或持續關連交易。

控股股東須履行之特定責任

- (i) 於二零二二年二月四日，本公司(作為擔保人)及透過其全資附屬公司(作為借款人)與一銀團訂立1億2,500萬英鎊5年期融資協議。

根據融資協議，除非銀行書面同意，劉鑾鴻先生及家族信託需合共持有(不論直接或間接)不低於50.1%的本公司已發行股本及保持對本集團管理及/或董事會組成之控制權。

- (ii) 於二零二一年六月十八日，本公司(作為擔保人)及透過其全資附屬公司(作為借款人)與一銀團訂立80億港元5年期有抵押貸款融資協議(「2021融資協議」)。

Under the 2021 Facility Agreement, unless with the banks' written consent, Mr. Lau Luen Hung, Thomas and a family trust shall remain the major shareholders of the Company holding an aggregate shareholding interest (whether direct or indirect) of not less than 50.1% and retain management control (in the sense of having the right to appoint and/or remove all or majority of the members of the board of directors and control the majority representatives on the board of directors) over the Group at any time.

- (iii) In April 2017, a wholly-owned subsidiary of the Company, as borrower, and the Company, as guarantor, entered into a facility agreement with a syndicate of banks for a term loan of up to HK\$9 billion for the development of the New Kowloon Inland Lot No. 6557, Kai Tak Area 1E Site 2, Kowloon, Hong Kong. The final maturity date of the facility shall be the earlier of the date falling (i) 60 months from the utilisation date of the facility; and (ii) 6 months after issuance of a certificate of compliance by the Director of Lands.

In July 2016, the Company as guarantor and through its wholly-owned subsidiary as borrower entered into a HK\$8 billion 5-year secured loan facility agreement with a syndicate of banks ("2016 Facility Agreement"). On 15 July 2021, the outstanding loan amount under the 2016 Facility Agreement was fully repaid with funds drawn under the 2021 Facility Agreement.

Under the aforesaid facility agreements, unless with the banks' written consent, Mr. Lau Luen Hung, Thomas, his family members and/or his family trust arrangements and Mr. Lau Luen Hung, Joseph's family members and/or his family trust arrangements shall remain the major shareholders of the Company with shareholding interest, directly or indirectly, of not less than 50.1% and retain management control of the Group.

Purchase, Sale or Redemption of Listed Securities

On 18 June 2021, the Company completed a tender offer to purchase for cash an aggregate principal amount of US\$81,547,000 of the 4.25% guaranteed bonds due 2022 ("2022 Guaranteed Bonds") (bond code: 4571), representing approximately 28.42% of the outstanding principal amount of the 2022 Guaranteed Bonds, for a total purchase consideration of approximately US\$83,100,000.

After cancellation of the repurchased 2022 Guaranteed Bonds, the remaining outstanding aggregate principal amount of the 2022 Guaranteed Bonds amounted to US\$205,402,000 as at 31 December 2021.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company during the year ended 31 December 2021.

根據2021融資協議，除非銀行書面同意，劉鑾鴻先生及家族信託需繼續為本公司的主要股東，於任何時候合共持有的股權(不論直接或間接)不低於50.1%，並繼續對本集團擁有管理控制權(即有權任命及/或罷免董事會全部或多數成員並控制董事會多數代表的權利)。

- (iii) 於二零一七年四月，本公司之全資附屬公司(作為借款人)及本公司(作為擔保人)與一銀團訂立總金額不超過90億港元的有期貨款融資協議以發展香港九龍啟德第1E區2號地盤的新九龍內地地段6557號的用地。該融資額度的最終到期日將為(i)自該融資額度提款之日起計60個月當日；及(ii)地政總署署長簽發有關開發之合規證明後6個月屆滿之日(以較早者為準)。

於二零一六年七月，本公司(作為擔保人)及透過其全資附屬公司(作為借款人)與一銀團訂立80億港元5年期有抵押貸款融資協議("2016融資協議")。於二零二一年七月十五日，2016融資協議項下之未償還貸款金額已通過2021融資協議提取之資金全數償還。

根據上述融資協議，除非銀行書面同意，劉鑾鴻先生、其家族成員及/或家族信託安排以及劉鑾雄先生的家族成員及/或家族信託安排需繼續為本公司的主要股東，合共持有的股權(不論直接或間接)不低於50.1%，並繼續對本集團擁有管理控制權。

購買、出售或贖回上市證券

於二零二一年六月十八日，本公司完成收購要約，以現金購買本金總額為81,547,000美元之2022年到期，利率為4.25厘的有擔保債券("2022年有擔保債券") (債券代號：4571)，佔2022年有擔保債券尚未償還本金總額約28.42%，總購買代價約為83,100,000美元。

在註銷已回購之2022年有擔保債券後，2022年有擔保債券於二零二一年十二月三十一日尚未償還本金總額為205,402,000美元。

除上文所披露者外，截至二零二一年十二月三十一日止年度，本公司或其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

Remuneration Policy

The remuneration policy of the Group is set on the basis of the employees' merit, qualifications and competence. The emoluments of the directors of the Company are reviewed by the remuneration committee, taking into consideration of the Company's operating results, individual performance and comparable market statistics.

Employees

As at 31 December 2021, the Group employed a total of 675 employees in Hong Kong. Staff costs (excluding directors' emoluments) amounted to HK\$223.1 million (2020: HK\$212.1 million) for the year. The Group ensures that the pay levels of its employees are competitive and in line with the market trend and its employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus system.

Sufficiency of Public Float

Based on information publicly available to the Company and within the knowledge of the directors, at least 25% of the Company's shares has been held by the public as at the date of this report.

Auditor

In November 2019, PricewaterhouseCoopers ("PwC") was appointed as the auditor of the Company to fill the vacancy following the resignation of Deloitte Touche Tohmatsu. Save as disclosed above, there were no changes in auditor of the Company in any of the preceding three years.

The consolidated financial statements for the year have been audited by PwC. A resolution will be submitted to the forthcoming annual general meeting of the Company to reappoint PwC as auditor of the Company.

On behalf of the Board

Lau Kam Shim

Executive Director

4 March 2022

薪酬政策

本集團之薪酬政策按僱員之表現、資歷及能力而制定。本公司董事之酬金乃由薪酬委員會經考慮本公司經營業績、個別表現及比較市場數據而作出檢討。

僱員

於二零二一年十二月三十一日，本集團於香港共僱用675名僱員。本年度之員工成本(不包括董事酬金)為223.1百萬港元(二零二零年：212.1百萬港元)。本集團確保僱員薪酬水平符合市場趨勢並具競爭力，僱員之薪酬乃根據本集團之一般薪金框架及花紅制度因應僱員表現釐定。

足夠公眾持股量

根據本公司所獲之公開資料及據董事所知悉，於本報告日期，公眾人士最少持有本公司股份之25%。

核數師

於二零一九年十一月，羅兵咸永道會計師事務所(「羅兵咸永道」)已獲委任為本公司核數師，以填補德勤·關黃陳方會計師行辭任之空缺。除上文所述者外，本公司於過去三年並沒有更換核數師。

本年度綜合財務報表已經由羅兵咸永道審核。本公司將於即將舉行之股東週年大會提呈續聘羅兵咸永道為本公司核數師之決議案。

代表董事會

劉今蟾

執行董事

二零二二年三月四日

Independent Auditor's Report

獨立核數師報告



**TO THE SHAREHOLDERS OF
LIFESTYLE INTERNATIONAL HOLDINGS LIMITED**
(incorporated in the Cayman Islands with limited liability)

Opinion

What we have audited

The consolidated financial statements of Lifestyle International Holdings Limited (the "Company") and its subsidiaries (the "Group"), which are set out on pages 90 to 170, comprise:

- the consolidated statement of financial position as at 31 December 2021;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

羅兵咸永道

致利福國際集團有限公司股東

(於開曼群島註冊成立的有限公司)

意見

我們已審計的內容

利福國際集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第90至170頁的綜合財務報表，包括：

- 於二零二一年十二月三十一日的綜合財務狀況表；
- 截至該日止年度的綜合損益及其他全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策及其他解釋資料。

我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於二零二一年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter identified in our audit is related to valuation of investment properties.

意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

我們在審計中識別的關鍵審計事項與投資物業的估值有關。

Key Audit Matter

關鍵審計事項

Valuation of investment properties

投資物業的估值

Refer to notes 3 and 14 to the consolidated financial statements.

請參閱綜合財務報表附註3及14。

The Group's investment properties, represented its Kai Tak development project and UK Property, amounted to HK\$5,820 million and HK\$2,727 million respectively as at 31 December 2021 and a fair value loss of HK\$32 million was recognised under "fair value changes on investment properties" in the consolidated financial statements. Management engaged independent professional valuers ("valuers") to evaluate the fair value of the investment properties.

於二零二一年十二月三十一日，本集團的投資物業（即啟德發展項目及英國物業）分別達5,820百萬港元及2,727百萬港元，並於綜合財務報表「投資物業公平值變動」確認公平值虧損32百萬港元。管理層委聘獨立專業估值師（「估值師」）評估投資物業的公平值。

We focused on the valuation of investment properties because the estimation of fair value is subject to estimation uncertainty. It is inherently subjective due to, among other factors, the individual nature of each property, its location, capitalisation rates, prevailing market rents and the estimated costs to completion, where appropriate.

我們專注於投資物業的估值，因為公平值的估計存在估計不確定性，其本身涉及主觀性，此乃由於（其中包括）各項物業的個別性質、位置、資本化比率、現行市場租金及估計竣工成本（如適用）所致。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

Our procedures in relation to the assessment of the key assumptions used in management's valuation of the investment properties included:

就管理層對投資物業所進行之估值中採用的關鍵假設，我們的程序包括：

- Understanding management's controls and processes for determining the valuation of investment properties and assessing the inherent risk of material misstatement by considering the degree of estimation uncertainty and the judgement involved in determining assumptions to be applied;
瞭解了管理層與釐定投資物業估值相關的控制和流程，並通過考慮估計不確定性的程度和為釐定將應用的假設涉及的判斷，評估了重大錯報的固有風險；
- Evaluating the competence, capability and objectivity of the valuers;
評估估值師的資歷、能力和客觀性；
- Discussing with the valuers key assumptions applied and assessing the methodologies used by the valuers with the involvement of our in-house valuation experts; 與估值師討論估值師所應用的關鍵假設，並讓我們內部估值專家參與評估估值師所採用的方法；
- Assessing key assumptions used by the valuers by comparing them with our own expectation using evidence from comparable market transactions, historical records and approved budgets with the involvement of our in-house valuation experts, including:
透過本所內部估值專家的參與，基於可比市場交易、歷史記錄及已批核預算成本等憑證得出的預期值，與估值師所使用的關鍵假設進行比較，當中包括：
 - Comparing capitalisation rates to published market yields;
將資本化比率與公佈的市場收益率進行比較；
 - Comparing market rents to leasing transactions of comparable properties; and
將市場租金與可比物業的租賃交易進行比較；及
 - Comparing estimated costs to completion to approved budgets.
將估計竣工成本與已批核預算進行比較。

Key Audit Matter

關鍵審計事項

Valuation of investment properties

投資物業的估值

The fair value of the completed investment property was derived using income approach, and the fair value of the investment property under development was derived using the residual method. In determining a property's valuation, valuers took into account property-specific information such as current tenancy agreements and rental income, where appropriate. They applied assumptions for capitalisation rates, prevailing market rents and the estimated costs to completion, which were influenced by prevailing market yields, comparable market transactions and approved development budgets, to arrive at the final valuation.

已竣工投資物業的公平值以收入法得出，而在建投資物業的公平值以餘值法進行估值。在釐定物業估值時，估值師考慮特定物業信息，例如當前的租賃協議及租金收入(如適用)。他們就資本化比率、現行市場租金及估計竣工成本的應用假設，該等假設受現行市場收益率、可比市場交易及已批核預算之影響，以得出最終估值。

The existence of significant judgments in the assumptions used in the properties valuation warrants specific audit focus and attention on this area.

物業估值所使用的假設存在重大判斷，故審計過程中需著重關注相關領域。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

- Reviewing the valuation reports prepared by the valuers;
審閱估值師編製的估值報告；
- Checking, on a sample basis, over the property information, such as rental income schedule covering the rental information and lease period, used by the valuers in the valuation, to the underlying lease arrangements in order to satisfy ourselves of the accuracy and reasonableness of the property information used by the valuers; and
抽樣檢查物業信息，例如估值師在估值中使用的涵蓋租金信息和租賃期限的租金收入明細表，以評估相關租賃安排，以使我們確信估值師所使用的物業資料租賃信息的準確性和合理性；及
- Assessing the adequacy of the disclosures related to the valuation of investment properties in the context of HKFRS disclosure requirements.
評估了在香港財務報告準則披露要求下，投資物業估值相關的披露的充分性。
- Based on the procedures performed, we considered that the risk assessment of valuation of investment properties remained appropriate and the methods, significant assumptions and data used in management's valuation of investment properties were supported by the available evidence.
基於已實施的程序，我們認為投資物業估值的風險評估仍然適當，管理層對投資物業進行估值時所採用的方法、重要假設和數據是有據可依。

Other Information

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Group's financial reporting process.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際的替代方案。

董事負責監督 貴集團的財務報告過程。

治理層須負責監督 貴集團的財務報告過程。

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下(作為整體)報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

除其他事項外，我們與董事溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

我們還向董事提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，用以消除對獨立性產生威脅的行動或採取的防範措施。

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

從與董事溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

The engagement partner on the audit resulting in this independent auditor's report is Cheng Woon Yin, Michael.

出具本獨立核數師報告的審計項目合夥人是鄭煥然。

PricewaterhouseCoopers
Certified Public Accountants

羅兵咸永道會計師事務所
執業會計師

Hong Kong, 4 March 2022

香港，二零二二年三月四日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

for the year ended 31st December 2021 截至二零二一年十二月三十一日止年度

		Note 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Revenue	收入	4	2,289,573	1,993,024
Cost of sales	銷售成本		(615,445)	(519,387)
Gross profit	毛利		1,674,128	1,473,637
Other income, gains and losses	其他收入、收益及虧損	6	128,507	218,878
Selling and distribution costs	銷售及分銷成本		(558,336)	(578,107)
Administrative expenses	行政開支		(126,705)	(114,634)
Interest income and investment (losses)/gains	利息收入及投資(虧損)/收益	7	(1,900,119)	34,559
Fair value changes on investment properties	投資物業公平值變動	14	(32,025)	(418,056)
Finance costs	融資成本	8	(358,594)	(369,314)
(Loss)/profit before taxation	除稅前(虧損)/溢利	10	(1,173,144)	246,963
Taxation	稅項	9	(131,856)	(108,453)
(Loss)/profit for the year	本年度(虧損)/溢利		(1,305,000)	138,510
(Loss)/profit for the year attributable to owners of the Company	本公司擁有人應佔 本年度(虧損)/溢利		(1,305,000)	138,510
Other comprehensive income/(loss) Item may be reclassified to profit or loss:	其他全面收益/(虧損) 隨後可能重新分類至損益之項目：			
Exchange differences arising from translation of foreign operation	換算海外業務時產生之匯兌差額		987	(1,911)
Items that will not be reclassified to profit or loss:	隨後不會重新分類至損益之項目：			
Fair value change on financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之金融 資產的公平值變動		113,198	(132,779)
Other comprehensive income/(loss) for the year (net of tax)	本年度其他全面收益/(虧損) (扣除稅項)		114,185	(134,690)
Total comprehensive (loss)/income for the year	本年度全面(虧損)/收益總額		(1,190,815)	3,820
Total comprehensive (loss)/income attributable to:	應佔全面(虧損)/收益總額：			
Owners of the Company	本公司擁有人		(1,190,815)	3,820
			(1,190,815)	3,820
(Losses)/earnings per share — Basic and diluted	每股(虧損)/盈利 — 基本及攤薄	13	(HK\$0.87)	HK\$0.09

Consolidated Statement of Financial Position

綜合財務狀況表

at 31st December 2021 於二零二一年十二月三十一日

		Note	31 December 2021 二零二一年 十二月三十一日 HK\$'000 千港元	31 December 2020 二零二零年 十二月三十一日 HK\$'000 千港元
		附註		
Non-current assets	非流動資產			
Investment properties	投資物業	14	8,547,270	8,068,559
Property, plant and equipment	物業、廠房及設備	15	7,218,764	6,541,161
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產	18	1,448,979	1,320,281
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	19	28,950	16,538
Deposits	按金		142,478	82,839
Deferred tax assets	遞延稅項資產	25	89,260	87,451
			17,475,701	16,116,829
Current assets	流動資產			
Inventories	存貨	16	26,771	25,795
Trade and other receivables	應收賬款及其他應收款項	17	76,907	644,878
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	19	1,586,662	4,814,485
Cash and cash equivalents	現金及現金等價物	20	3,817,144	4,175,789
			5,507,484	9,660,947
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款項	21	1,073,299	662,249
Contract liabilities	合約負債	22	116,805	121,824
Lease liabilities	租賃負債	15	83,191	86,574
Tax payable	應繳稅項		53,770	105,162
Bank borrowings — due within one year	銀行借貸 — 一年內到期	23	6,058,201	9,628,937
Bonds — due within one year	債券 — 一年內到期	24	1,599,864	—
Financial liabilities at fair value through profit or loss	按公平值計入損益之金融負債	19	25,030	220,836
			9,010,160	10,825,582
Non-current liabilities	非流動負債			
Bank borrowings — due after one year	銀行借貸 — 一年後到期	23	3,670,800	3,874,125
Bonds — due after one year	債券 — 一年後到期	24	7,371,436	6,836,181
Lease liabilities	租賃負債	15	57,136	136,697
Deferred tax liabilities	遞延稅項負債	25	219,344	260,067
			11,318,716	11,107,070
			2,654,309	3,845,124

Consolidated Statement of Financial Position (continued) 綜合財務狀況表(續)
at 31st December 2021 於二零二一年十二月三十一日

		Note 附註	31 December 2021 二零二一年 十二月三十一日 HK\$'000 千港元	31 December 2020 二零二零年 十二月三十一日 HK\$'000 千港元
Capital and reserves	資本及儲備			
Share capital	股本	26	7,510	7,510
Reserves	儲備		2,646,799	3,837,614
Equity attributable to owners of the Company	本公司擁有人應佔權益		2,654,309	3,845,124

The consolidated financial statements on pages 90 to 170 were approved and authorised for issue by the Board of Directors on 4 March 2022 and are signed on its behalf by:

第90至170頁綜合財務報表獲董事會於二零二二年三月四日批准及授權刊發，並由下列董事代表簽署：

Ms. Lau Kam Shim
劉今蟾小姐
Executive Director
執行董事

Mr. Lau Kam Sen
劉今晨先生
Executive Director
執行董事

Consolidated Statement of Changes in Equity

綜合權益變動表

for the year ended 31st December 2021 截至二零二一年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔部分						
		Share capital 股本	Capital redemption reserve 資本贖回儲備	Asset revaluation reserve 資產重估儲備	Translation reserve 換算儲備	Investment revaluation reserve 投資重估儲備	Retained profits 保留溢利	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2020	於二零二零年一月一日	7,510	1,190	3,680	—	25,528	3,803,396	3,841,304
Profit for the year	本年度溢利	—	—	—	—	—	138,510	138,510
Other comprehensive loss for the year	本年度其他全面虧損	—	—	—	(1,911)	(132,779)	—	(134,690)
At 31 December 2020	於二零二零年 十二月三十一日	7,510	1,190	3,680	(1,911)	(107,251)	3,941,906	3,845,124
Loss for the year	本年度虧損	—	—	—	—	—	(1,305,000)	(1,305,000)
Other comprehensive income for the year	本年度其他全面收益	—	—	—	987	113,198	—	114,185
At 31 December 2021	於二零二一年 十二月三十一日	7,510	1,190	3,680	(924)	5,947	2,636,906	2,654,309

Consolidated Statement of Cash Flows

綜合現金流量表

for the year ended 31st December 2021 截至二零二一年十二月三十一日止年度

	Note 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
OPERATING ACTIVITIES			
(Loss)/profit before taxation		(1,173,144)	246,963
Adjustments for:			
Interest income on bank deposits		(8,573)	(105,605)
Finance costs		358,594	369,314
Depreciation of property, plant and equipment		222,361	252,336
Dividend income from financial assets at fair value through profit or loss	7	(19,467)	(24,796)
Dividend income from financial assets at fair value through other comprehensive income	7	(31,942)	(2,323)
Interest income from financial assets at fair value through profit or loss	7	(204,881)	(190,073)
Gain on disposal of property, plant and equipment		(55)	(447)
Loss on redemption of bonds		9,723	—
Fair value changes in respect of financial assets at fair value through profit or loss		2,164,982	288,238
Changes in fair value of investment properties		32,025	418,056
Unrealised exchange loss/(gain)		1,846	(27,708)
Provision of obsolete inventories		221	93
Provision for trade and other receivables, net		20	23
Operating cash flows before movements in working capital		1,351,710	1,224,071
(Increase)/decrease in inventories		(1,197)	12,727
Decrease/(increase) in trade and other receivables		35,630	(42,181)
Increase/(decrease) in trade and other payables		42,707	(147,184)
Decrease in contract liabilities		(5,019)	(16,470)
Cash generated from operations		1,423,831	1,030,963
Interest received		8,974	135,408
Hong Kong Profits Tax paid		(225,780)	(564,898)
NET CASH FROM OPERATING ACTIVITIES		1,207,025	601,473

Consolidated Statement of Cash Flows (continued) 綜合現金流量表(續)
for the year ended 31st December 2021 截至二零二一年十二月三十一日止年度

	Note 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
INVESTING ACTIVITIES			
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公平值計入損益之金融資產所得款項	4,915,188	5,437,511
Interest received from financial assets at fair value through profit or loss	按公平值計入損益之金融資產之已收利息	154,431	208,905
Dividend received from financial assets at fair value through profit or loss	從按公平值計入損益之金融資產之已收股息	19,467	24,796
Dividend received from financial assets at fair value through other comprehensive income	從按公平值計入其他全面收益之金融資產之已收股息	31,942	2,323
Purchase of financial assets at fair value through profit or loss	購買按公平值計入損益之金融資產	(4,028,469)	(6,573,886)
Purchase of financial assets at fair value through other comprehensive income	購買按公平值計入其他全面收益之金融資產	(15,501)	(1,268,108)
Purchase of property, plant and equipment	購買物業、廠房及設備	(522,182)	(300,965)
Deposit paid for acquisition of property, plant and equipment	收購物業、廠房及設備之已付按金	(76,228)	(19,073)
Additions to investment properties	購買投資物業	(339,630)	(3,041,247)
Refund/(payment) of value-added-tax in relation to the acquisition of the investment property	退回/(支付)與收購投資物業有關的增值稅	529,713	(529,713)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	80	464
Decrease of bank deposits, net	銀行定期存款減少，淨額	—	1,508,698
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES	投資活動所得/(所用)現金淨額	668,811	(4,550,295)
FINANCING ACTIVITIES	30		
New bank borrowings raised	新借銀行貸款	3,662,000	3,423,578
Proceeds from new bonds issued	新發行債券之所得款項	2,717,191	—
Repayment of bank borrowings	償還銀行貸款	(7,414,814)	(1,679,647)
Redemption of bonds	贖回債券	(640,847)	(100,957)
Repayment of lease liabilities	償還租賃負債	(78,167)	(71,515)
Finance costs paid	已付融資成本	(500,562)	(559,991)
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES	融資活動(所用)/所得現金淨額	(2,255,199)	1,011,468
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額	(379,363)	(2,937,354)
EFFECT OF FOREIGN EXCHANGE RATE DIFFERENCE	匯率差異之影響	20,718	582
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初現金及現金等價物	4,175,789	7,112,561
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, REPRESENTING BANK BALANCES AND CASH	年終現金及現金等價物，即銀行結存及現金	3,817,144	4,175,789

Notes to the Consolidated Financial Statements

綜合財務報表附註

1 General

Lifestyle International Holdings Limited (the “Company”) is incorporated as an exempted company with limited liability under the Companies Law in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section of the annual report. The Company is an investment holding company. Its subsidiaries are principally engaged in the operation of department stores, property development and investment in Hong Kong and United Kingdom.

The Company’s ultimate controlling party is Mr. Lau Luen Hung, Thomas (“Mr. Lau”), who is the Chairman and a non-executive director of the Company.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of those consolidated financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

(a) Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants and disclosure requirements of the Hong Kong Companies Ordinance (“HKCO”) (Cap. 622).

The consolidated financial statements have been prepared on a historical cost basis, except for the financial assets and liabilities (including derivative financial instruments) and investment properties, which are measured at fair value. The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

For the year ended 31 December 2021, the Group reported a consolidated loss of approximately HK\$1,305 million which was mainly caused by the net investment loss of approximately HK\$1,900 million recognised on the financial assets at fair value through profit or loss (“FAFVPL”).

1 一般事項

利福國際集團有限公司(「本公司」)為一間於開曼群島根據開曼群島公司法註冊成立為受豁免有限公司，其股份於香港聯合交易所有限公司(「聯交所」)上市。本公司的註冊辦事處及主要營業地點之地址於年報企業資料一節內披露。本公司為投資控股公司。其附屬公司主要於香港及英國從事百貨店經營、物業發展及投資。

本公司的最終控制方為本公司的主席兼非執行董事劉鑾鴻先生(「劉先生」)。

綜合財務報表以港元(「港元」)列值，該貨幣亦為本公司功能貨幣。

2 主要會計政策概要

編製該等綜合財務報表所應用的主要會計政策載列如下。除另有指明外，此等政策於呈列的所有年度貫徹應用。

(a) 綜合基準

本集團的綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則(「香港財務報告準則」)及香港法例第622章《公司條例》(「香港公司條例」)的披露規定編製。

綜合財務報表乃根據歷史成本基準編製，惟金融資產及負債(包括衍生金融工具)以及投資物業按公平值計量則除外。遵照香港財務報告準則編製財務報表時，需使用若干重大會計估計。管理層亦須於應用本集團的會計政策時行使其判斷。涉及高度判斷或複雜性的範疇，或涉及對於綜合財務報表作出重大假設及估計的範疇於附註3披露。

截至二零二一年十二月三十一日止年度，本集團呈報綜合虧損約1,305百萬港元，乃主要由於就按公平值計入損益之金融資產(「按公平值計入損益之金融資產」)已確認投資虧損淨額約1,900百萬港元所致。

2 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

As at 31 December 2021, the Group's consolidated current liabilities exceeded its current assets by approximately HK\$3,503 million. The Group's consolidated current liabilities as at 31 December 2021 included (i) borrowings due within the next twelve months of approximately HK\$6,058 million, comprising approximately HK\$3,891 million drawn under the HK\$9,000 million secured project loan facility ("Kai Tak Loan") due for repayment in July 2022 and approximately HK\$2,167 million drawn under a short term uncommitted working capital loan facility of US\$725 million; and (ii) approximately HK\$1,600 million of unsecured guaranteed bonds repayable in October 2022.

The Group generally finances its expansion with cash from its operations and debts. In June 2021, the Group successfully raised US\$350 million (equivalent to approximately HK\$2,730 million) through the issue of a 5-year unsecured guaranteed bond and in July 2021, refinanced the 5-year HK\$8,000 million loan facility for another 5 years to July 2026. As at 31 December 2021, the Group had cash balances of approximately HK\$3,817 million and unutilized loan facility amounted to approximately HK\$12,843 million of which HK\$3,484 million is uncommitted and HK\$5,109 million is from Kai Tak Loan. The Group closely monitors its liquidity position and subsequent to the date of statement of financial position, management has embarked on the following financing initiatives to further enhance its liquidity position.

- In January 2022, an extension request has been served to lenders of the HK\$9,000 million Kai Tak Loan for an extension of the final maturity date from July 2022 to January 2024 to align with the expected completion of the Group's Kai Tak commercial complex development in 2023. Management is confident that the entire facility amount of HK\$9,000 million would be able to be extended to January 2024 and the Group has to date already obtained agreement in principle from some of the existing lenders.

2 主要會計政策概要(續)

(a) 綜合基準(續)

於二零二一年十二月三十一日，本集團的綜合流動負債超出其流動資產約3,503百萬港元。本集團於二零二一年十二月三十一日之綜合流動負債包括(i)於未來十二個月內到期之借貸約6,058百萬港元，其中包括根據須於二零二二年七月償還的9,000百萬港元有抵押項目貸款融資(「啟德貸款」)提取的約3,891百萬港元及根據725百萬美元短期非承諾營運資金貸款提取的約2,167百萬港元；及(ii)須於二零二二年十月償還的無抵押應付擔保債券約1,600百萬港元。

本集團一般使用經營業務所得現金及債務撥支其擴張所需資金。於二零二一年六月，本集團成功通過發行五年期無抵押擔保債券集資350百萬美元(相等於約2,730百萬港元)，及於二零二一年七月，將到期之五年期8,000百萬港元貸款通過再融資展期五年至二零二六年七月。於二零二一年十二月三十一日，本集團的現金結餘約為3,817百萬港元，及未動用貸款融資額約12,843百萬港元，其中3,484百萬港元為非承諾融資額及5,109百萬港元來自啟德貸款額度。本集團密切監察其流動資金狀況，管理層並於財務狀況表日期後已開展以下融資舉措，以進一步提升其流動資金狀況。

- 於二零二二年一月，已向9,000百萬港元啟德貸款的貸款人送達延長請求，提出將最終到期日由二零二二年七月延長至二零二四年一月，以配合本集團啟德商業綜合體預計於二零二三年完成的發展計劃。管理層有信心全數9,000百萬港元的融資額可延期至二零二四年一月，且本集團至今已取得部分現有貸款人的原則上同意。

2 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

- In February 2022, the Group entered into a facility agreement with a syndicate of banks for a loan facility amounting to £ 125 million with its London-based property as collateral. The funds would be applied to early repay part of the short-term working capital loan drawn under the US\$725 million facility.

The directors of the Company are of the opinion, having taken into account the financing initiatives mentioned above; cash flows projection for the year 2022 prepared by management which have taken into account the potential impact of the COVID-19 pandemic on the Group's operations; and the cash and the unutilized banking facilities available as at the year end, that the Group will have adequate liquidity and financial resources to meet in full its financial obligations and working capital requirements in the next twelve months from the balance sheet date. Accordingly, the Group's consolidated financial statements have been prepared on a going concern basis.

(i) Amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following amendments to HKFRSs issued by the HKICPA for the first time in the current year:

HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 (Amendments)	Interest Rate Benchmark Reform — Phase 2
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The Group has assessed the impact of the adoption of these amended standards and considered that there was no significant impact on the Group's results and financial position.

2 主要會計政策概要(續)

(a) 綜合基準(續)

- 於二零二二年二月，本集團與一個銀團就125百萬英鎊的貸款融資訂立融資協議，並以其倫敦物業為抵押品。資金將應用於提早償還部分根據725百萬美元融資提取的短期營運資金貸款。

本公司董事經考慮上述融資舉措，管理層編製的二零二二年現金流量預測(已考慮COVID-19疫情對本集團營運的潛在影響)以及於年末可動用的現金和未動用銀行融資額度後認為本集團於結算日後十二個月內將有充足流動資金及財務資源悉數滿足其財務責任及營運資金的需求。因此，本集團之綜合財務報表已按持續經營基準編製。

(i) 於本年度強制生效之經修訂香港財務報告準則

本集團於本年度首次應用以下香港會計師公會頒佈之經修訂香港財務報告準則：

香港財務報告 準則第9號、 香港會計準則 第39號、香港 財務報告準則 第7號、香港 財務報告準則 第4號及香港 財務報告準則 第16號 (修訂本)	利率基準 改革 — 第二 階段
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本集團已評估了採用這些修訂準則的影響，並認為對本集團的業績和財務狀況沒有重大影響。

2 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

(ii) New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs and an interpretation that have been issued but are not yet effective:

New standards, amendments and interpretation

新訂、經修訂準則及詮釋

新訂、經修訂準則及詮釋		Effective for accounting periods beginning on or after 於以下日期或之後開始的會計期間生效
HKFRS 16 (Amendments)	Covid-19-Related Rent Concession Beyond 30 June 2021	1 April 2021
香港財務報告準則第16號(修訂本)	二零二一年六月三十日後 Covid-19相關租金優惠	二零二一年四月一日
HKFRS 3 (Amendments)	Reference to Conceptual Framework	1 January 2022
香港財務報告準則第3號(修訂本)	引用概念框架	二零二二年一月一日
HKAS 16 (Amendments)	Property, plant and equipment — Proceeds before intended use	1 January 2022
香港會計準則第16號(修訂本)	物業、廠房及設備 — 達到預定用途前所得款項	二零二二年一月一日
HKAS 37 (Amendments)	Provisions, Contingent Liabilities and Contingent Assets	1 January 2022
香港會計準則第37號(修訂本)	撥備、或然負債及或然資產	二零二二年一月一日
HKFRS 17	Insurance contracts	1 January 2023
香港財務報告準則第17號	保險合約	二零二三年一月一日
HKAS 1 (Amendments)	Classification of liabilities as current or non-current	1 January 2023
香港會計準則第1號(修訂本)	將負債分類為流動或非流動	二零二三年一月一日
HKAS 1 and HKFRS Practice Statement 2 (Amendments)	Disclosure of accounting policies	1 January 2023
香港會計準則第1號及香港財務報告準則作業準則第2號(修訂本)	會計政策披露	二零二三年一月一日
HKAS 8 (Amendments)	Definition of accounting estimates	To be announced
香港會計準則第8號(修訂本)	會計估計定義	有待公佈
HKAS 12 (Amendments)	Deferred tax related to assets and liabilities arising from a single transaction	1 January 2023
香港會計準則第12號(修訂本)	自單一交易產生之資產及負債有關之遞延稅項	二零二三年一月一日
Revised Hong Kong Interpretation 5 (2020)	Presentation of Financial Statements — Classification by the Borrower of a Term Loan	1 January 2023
經修訂香港詮釋第5號(二零二零年)	財務報表呈報 — 借款人對定期貸款的分類	二零二三年一月一日
HKFRS 10 and HKAS 28 (Amendments)	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合資企業之間的出售或注入資產	有待公佈
Annual Improvements Project	Annual Improvements to HKFRSs 2018–2020	1 January 2022
年度改進項目	香港財務報告準則二零一八年至二零二零年之年度改進	二零二二年一月一日

Management is in the process of making an assessment of the impact of these new standards and amendments in the period of initial application. These new standards and amendments are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2 主要會計政策概要(續)

(a) 綜合基準(續)

(ii) 已頒佈但未生效之新訂及經修訂香港財務報告準則

本集團並無提早採用以下已頒佈但未生效之新訂及經修訂香港財務報告準則及詮釋：

Effective for accounting periods beginning on or after 於以下日期或之後開始的會計期間生效

管理層正評估該等新訂及經修訂準則對首次應用期間的影響。預期該等新訂及經修訂準則不會於目前或未來報告期間及對實體及可見未來交易有重大影響。

2 Summary of significant accounting policies (continued)

(b) Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

2 主要會計政策概要(續)

(b) 綜合入賬

綜合財務報表包括本公司與本公司所控制實體及其附屬公司的財務報表。控制得到實現是當本公司：

- 對被投資方有控制權；
- 因參與被投資方而承受或有權獲取的可變回報；及
- 有能力運用其權力影響其回報。

倘事實及情況反映上文所列三項控制因素其中一項或多項改變，則本集團會重估是否仍然控制被投資方。

本集團取得附屬公司控制權時便開始將附屬公司綜合入賬，於本集團喪失控制權時則終止入賬。具體而言，年內所收購或出售附屬公司之收入及開支於本集團取得控制權日期起計入綜合損益及其他全面收益表，直至本集團不再控制該附屬公司為止。

必要時會調整附屬公司財務報表以使其會計政策與本集團會計政策一致。

所有有關本集團成員之間的集團內資產及負債、權益、收入、開支及現金流量會於綜合時全數對銷。

於附屬公司之非控股權益與本集團於當中的權益分開呈列，指現時擁有之權益且賦予持有人權利於清盤時按比例分佔相關附屬公司淨資產。

2 Summary of significant accounting policies (continued)

(b) Consolidation (continued)

Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The Group has also entered into arrangements that do not meet the criteria for offsetting but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

(c) Revenue from contracts with customers

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. The revenues are presented as revenue in the consolidated statement of profit or loss and other comprehensive income.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

2 主要會計政策概要(續)

(b) 綜合入賬(續)

獨立財務報表

於附屬公司的投資按成本扣除減值入賬。成本包括投資的直接歸屬成本。本公司將附屬公司的業績按已收及應收股息基準入賬。

倘自附屬公司收取的股息超出該附屬公司於宣派股息期間的全面收益總額，或該項投資於獨立財務報表的賬面價值超出綜合財務報表所示被投資方的淨資產(包括商譽)的賬面價值，則須於收取該股息時對於附屬公司的該等投資進行減值測試。

抵銷金融工具

當本集團現時有法定可執行權力可抵銷已確認金額，並有意圖按淨額基準結算或同時變現資產和結算負債時，金融資產與負債可互相抵銷，並在財務狀況表報告其淨額。本集團亦訂立不符合抵銷標準的安排，但在部份情況下仍允許相關金額抵銷，例如破產或終止合約。

(c) 來自顧客合約之收入

根據香港財務報告準則第15號，本集團於完成履約責任時(或就此)確認收入，即於特定履約責任相關的商品或服務的「控制權」轉讓予顧客時。收入於綜合損益及其他全面收益表中以收入呈列。

履約責任代表可分別的或一系列可分別基本上相同的貨品或服務(或一捆子貨品或服務)。

2 Summary of significant accounting policies (continued)

(c) Revenue from contracts with customers (continued)

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

For direct sales of goods, revenue is recognised when control of the goods has transferred, being at the point the customer purchases the goods at the department stores.

For income from concessionaire and "After Purchase Order" ("APO") sales, the Group recognises commission income over time which it is entitled to and is based on certain percentage of sales made by the concessionaires and the APO clients in accordance with the terms of contracts. When they fail to meet the minimum guarantee income in accordance with the terms of certain contracts, the minimum guarantee amount is recognised as income as it is the amount that the Group has the right to receive.

For service income, it represents advertisement and promotional income from customers and the revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation when the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

2 主要會計政策概要(續)

(c) 來自顧客合約之收入(續)

控制權隨時間轉讓，而倘達成以下其中一個條件，則收入參照相關履約責任完成程度，隨時間確認：

- 本集團履約時，顧客同時收取及消耗本集團履約所提供的利益；
- 本集團履約以創造及提升顧客控制的資產；或
- 本集團履約並無創造對本集團另有用途的資產，及本集團對截至該日已履約的付款擁有強制執行的權利。

否則，當顧客對特定貨品或服務取得控制權時，即確認收入。

就自營銷售貨品而言，收入於貨品的控制權轉移時確認，即顧客於百貨公司購買貨品之時。

就來自特許專櫃及「銷售後訂單」(「銷售後訂單」)銷售收入而言，本集團於有權收取佣金收入，並按特許專櫃及銷售後訂單顧客根據合約條款作出的若干銷售百分比予以確認。倘彼等無法根據若干合約條款達成最低保證收入，因本集團有權收取該最低保證金額，該金額將會確認為收入。

就服務收入而言，其指來自顧客的廣告及宣傳收入，收入隨時間參考顧客同時收取及消耗本集團履約所提供的利益時完全履行有關履約責任的進度確認。

合約負債指本集團向顧客收取代價(或應收代價金額已到期)而向顧客轉移貨品或服務的責任。

2 Summary of significant accounting policies (continued)

(c) Revenue from contracts with customers (continued)

Contracts with multiple performance obligations (including allocation of transaction price)

For contracts that contain more than one performance obligations including obligation to provide goods or services to customers on complementary basis and customer's options to acquire additional goods or services for free or at a discount in future granted under loyalty reward program, the Group allocates the transaction price to each performance obligation on a relative standalone selling price basis.

The stand-alone selling price of the distinct good or service underlying each performance obligation is determined at contract inception. It represents the price at which the Group would sell a promised good or service separately to a customer.

Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the goods or services transferred to the customer to date relative to the remaining goods or services promised under the contract, that best depict the Group's performance in transferring control of goods or services.

Accounting for unredeemed gift certificates and reward points under customer loyalty program

The unredeemed gift certificates and reward points under customer loyalty program is recorded as contract liabilities, and reflect the value that is expected to be redeemed, i.e. anticipated breakage.

Breakage will need to be estimated considering the guidance on constraining estimates of variable consideration as well as the Group's historical experience with gift certificates and loyalty points under loyalty reward program. Revenue is recognised in regard to breakage in the proportion of gift certificates and loyalty points redeemed in that period and likely to result in the acceleration of revenue when the possibility of redemption becomes remote.

2 主要會計政策概要(續)

(c) 來自顧客合約之收入(續)

擁有多重履約責任的合約(包括分配交易價格)

就包含多於一項履約責任(包括以補充形式向顧客提供貨品或服務)的合約,而顧客可選擇免費獲取額外貨品或服務,或根據忠誠獎勵計劃所授出的日後折扣,本集團以相關獨立售價基準,將交易價格分配至各項履約責任。

各項履約責任相關的特定貨品或服務獨立售價,乃於合約開始時釐定。有關獨立售價指本集團將承諾的貨品或服務獨立出售予顧客時的價格。

按時間確認收入:計量完成履約責任之進度

完成履約責任之進度乃根據產量法計量,即根據直接計量迄今已轉讓予顧客之貨品或服務價值與合約項下承諾提供之餘下貨品或服務價值相比較確認收入,此方法最能反映本集團於轉讓貨品或服務控制權方面之履約情況。

未兌換禮券及忠誠獎勵計劃下之獎賞積分的會計處理

尚未兌換之禮券及忠誠獎勵計劃下之獎賞積分記錄為合約負債,並反映預期兌換的價值,即預期撇賬。

考慮到可變代價估計之限制上的指引,以及本集團於禮券及忠誠獎勵計劃下之積分的過往經驗,因此將需要就撇賬作出估計。有關撇賬按與該期間已兌換的禮券及忠誠獎勵計劃下之積分的比例確認收入,當兌換的可能性變低時,可能導致收入增加。

2 Summary of significant accounting policies (continued)

(c) Revenue from contracts with customers (continued)

Variable consideration

For contracts that contain variable consideration, the Group recognises the amount of consideration to which it is entitled using the most likely amount, which better predicts the amount of consideration to which the Group is entitled.

The amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

The Group updates the estimated transaction price based on issued statements to consignors and concessionaires (including assessment of whether the variable consideration is constrained) to represent fairly the circumstances present at the end of the reporting period.

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

The Group acts as an agent for concessionaire and APO sales as the Group does not control the specific goods provided by the concessionaires and consignors before goods transferred to a customer.

2 主要會計政策概要(續)

(c) 來自顧客合約之收入(續)

可變代價

就包含可變代價的合約而言，本集團採用最可能的金額，就其有權收取的代價金額作出確認，更適合預測本集團有權收取的代價金額。

交易價格包括可變代價金額，惟僅以當與可變代價相關的不確定性於日後得到解決，而將可變代價金額納入交易價格中將極可能不會導致日後出現重大收入撥回下，方可作出有關納入。

本集團根據已向寄售商及特許專櫃發出的月結單更新預計之交易價格(包括評估可變代價是否受到限制)，以公平地呈列於報告期末存在之情況。

委託人對代理人

當另一方亦有參與提供貨品或服務予顧客時，本集團釐定其應允之性質是否一項提供特定貨品或服務本身的履約責任(即本集團為委託人)，或有關應允之性質為由其他方提供該等貨品或服務的安排(即本集團為代理人)。

倘於特定貨品或服務轉讓予顧客前，本集團對有關貨品或服務擁有控制權，本集團即為委託人。

倘履約責任為安排另一方提供特定貨品或服務，本集團即為代理人。在此情況下，於該貨品或服務轉讓予顧客前，本集團並無對由另一方提供的特定貨品或服務擁有控制權。當本集團為代理人時，本集團因為另一方提供的特定貨品或服務作出安排，而預期有權收取的任何費用或佣金金額確認收入。

由於本集團於貨品轉讓予顧客前，並無由特許專櫃及寄售商提供的特定貨品擁有控制權，因此本集團就特許專櫃及銷售後訂單銷售充當代理人。

2 Summary of significant accounting policies (continued)

(d) Property, plant and equipment

Property, plant and equipment including leasehold land (classified as finance leases) and buildings held for use in the production or supply of goods or services, or for administrative purposes (other than construction in progress) are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Amortisation of prepaid lease payments provided during the construction period is included as part of costs of properties under construction.

Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than construction in progress) less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

2 主要會計政策概要(續)

(d) 物業、廠房及設備

物業、廠房及設備包括租賃土地(分類為融資租賃)及建築物持作用於生產或提供商品或服務,或用作行政用途(在建工程除外)於綜合財務狀況表中乃按成本減其後累計折舊及其後累計減值虧損(如有)列賬。

在建工程以供生產、供應或管理之物業乃按成本減任何已確認減值虧損列賬。成本包括專業費用及按本集團會計政策於合資格資產被資本化的借貸成本。施工期間撥備的預付租賃付款攤銷已計入在建物業成本的一部分。

該等物業於落成及備妥作擬定用途時,將適當分類為物業、廠房及設備。當資產備妥作擬定用途時,該等資產的折舊按其他物業資產的相同基準開始計提折舊。

折舊乃按資產成本(除在建工程外)估計可使用年期,減其剩餘價值後,以平均等額法撇銷其成本計算。估計可使用年期、剩餘價值及折舊方法於每個報告期末審閱,而任何估計變動之影響以前瞻性基準列賬。

2 Summary of significant accounting policies (continued)

(d) Property, plant and equipment (continued)

Items of property, plant and equipment, other than construction in progress, are depreciated after taking into account their estimated residual value, using straight-line method over the following useful lives:

Leasehold land and buildings	Over the lease terms or 40 years
Leasehold improvements	Over the shorter of lease terms or 10 years
Plant and machinery	5 to 10 years
Furniture, fixtures and equipment	5 to 25 years
Motor vehicles	5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

(e) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including properties under construction for such purposes).

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

Construction costs incurred for investment property under construction is capitalised as part of the carrying amount of the investment property under construction.

Investment properties are derecognised upon disposal or when the investment properties are permanently withdrawn from use and no future economic benefits are expected from their disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the item is derecognised.

2 主要會計政策概要(續)

(d) 物業、廠房及設備(續)

除在建工程外，物業、廠房及設備項目乃計及其估計剩餘價值後，以平均等額法按下列使用年期計算折舊：

租賃土地及樓宇	按租約年期或四十年
租賃裝修	按租約年期或十年 (以較短者為準)
廠房及機器	五年至十年
傢俬、固定裝置及設備	五年至二十五年
汽車	五年

物業、廠房及設備項目於出售時或預期日後將不會自持續使用資產獲得經濟利益時剔除確認。出售或報廢物業、廠房及設備項目產生之任何收益或虧損(按出售所得款項與資產賬面值之差額計算)於損益確認。

(e) 投資物業

投資物業為持有以賺取租金及/或資本增值之物業(包括作該等用途之在建物業)。

投資物業初始按成本計算，包括任何直接應佔開支。於初步確認後，投資物業採用公平值計算。投資物業公平值變動產生之收益或虧損計入產生期間之損益。

在建投資物業產生的工程成本已資本化，作為在建投資物業賬面值的一部分。

投資物業於出售時或當投資物業永久不再使用及預期出售投資物業不會帶來未來經濟利益時剔除確認。剔除確認物業產生之任何收益或虧損(按該資產之出售所得款項淨額與賬面值間之差額計算)於該項目被剔除確認之期間計入損益。

2 Summary of significant accounting policies (continued)

(f) Leases

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Such determination is made on an evaluation of the substance of the arrangement, regardless of whether the arrangements take the legal form of a lease.

Assets and liabilities arising from a lease are initially measured on a present value basis.

(i) Lease liabilities

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate; and
- payments of penalties for terminating the lease, if the lease term reflects the Group, as a lessee, exercising an option to terminate the lease.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Group's incremental borrowing rate, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar term and condition.

2 主要會計政策概要(續)

(f) 租賃

倘本集團釐定一項安排(包括一項交易或一系列交易)為轉讓一項已識別資產在一段時間內的使用控制權,以換取代價,則該項安排即為或包含租賃成分。有關決定乃根據評估該項安排的實質作出,不論該項安排是否採用租賃的法律形式。

租賃產生的資產及負債按現值基礎進行初始計量。

(i) 租賃負債

租賃負債包括以下租賃付款額的淨現值:

- 固定付款(包括實質固定付款)減任何應收租賃優惠;
- 取決於指數或比率的可變租賃付款;及
- 終止租賃的罰款金額,前提是租賃期反映出本集團(作為承租人)將行使終止該租賃的選擇權。

在合理的若干延期選擇權下將予支付的租賃付款亦包括於負債的計量中。

租賃付款額按照租賃內含利率(如果可以確定該利率)或本集團的遞增借款利率(即本集團為在類似經濟環境下獲得價值相近的資產,以類似條款及條件借入資金而必須支付的利率)貼現。

2 Summary of significant accounting policies (continued)

(f) Leases (continued)

(i) Lease liabilities (continued)

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the Group as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing; and
- makes adjustments specific to the lease.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until effective. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between the principal and finance cost. The finance cost is charged to the consolidated income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(ii) Right-of-use assets

Right-of-use assets are measured at cost comprising the followings:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date, less any lease incentive received;
- any initial direct costs; and
- restoration costs.

2 主要會計政策概要(續)

(f) 租賃(續)

(i) 租賃負債(續)

為釐定遞增借款利率，本集團：

- 在可能情況下，以本集團最近獲得的第三方融資為出發點，並進行調整以反映融資條件自獲得第三方融資後的變化；
- 對於近期未獲得第三方融資下本集團所持有的租賃，採用以無風險利率為出發點的累加法，並按照租賃的信貸風險作出調整；及
- 針對租賃作出特定調整。

本集團未來可能會根據指數或比率而增加可變租賃付款額，所增加之可變租賃付款額在實際發生前不會計入租賃負債。當根據指數或比率對租賃付款作出的調整生效時，租賃負債會根據使用權資產進行重新評估及調整。

租賃付款額在本金及財務費用之間分攤。財務費用在租賃期限內計入綜合收益表，以令各期負債餘額產生的利率保持一致。

(ii) 使用權資產

使用權資產按成本計量，其中成本包括以下項目：

- 租賃負債初始計量金額；
- 在租賃期開始日或之前支付的租賃付款額，扣除收到的租賃優惠；
- 任何初始直接費用；及
- 復原成本。

2 Summary of significant accounting policies (continued)

(f) Leases (continued)

(ii) Right-of-use assets (continued)

The right-of-use assets are amortised over the shorter of the assets' useful lives and the lease terms on a straight-line basis.

The Group measures the right-of-use assets that meet the definition of investment property using the fair value model applied to its investment properties. Right-of-use assets linked to owner occupied buildings are measured applying the cost model relevant to that specific class of property, plant and equipment.

All leases that meet the definition of investment property are classified as investment property and measured at fair value.

(iii) Low value and short-term leases

Payments associated with all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

(iv) The Group as lessor

Rental income which are derived from the Group's ordinary course of business are presented as revenue in the consolidated statement of profit or loss and other comprehensive income.

(g) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2 主要會計政策概要(續)

(f) 租賃(續)

(iii) 使用權資產(續)

使用權資產按照平均等額法以資產可使用年期與租賃期(以較短者為準)計提攤銷。

本集團將應用於投資物業的公平值模式用於計量符合投資物業定義的使用權資產。與業主自用樓宇相連的使用權資產應用物業、廠房及設備特定類別相關的成本模式計量。

所有符合投資物業定義的租賃均分類為投資物業，並按公平值計量。

(iii) 低價值及短期租賃

與所有低價值資產租賃有關的付款按平均等額法於損益確認為開支。

(iv) 本集團作為出租人

來自本集團一般業務過程之租金收入於綜合損益及其他全面收益表呈列為收入。

(g) 撥備

倘本公司因過往事件須即時負上法定或推定責任，資源或須流出以履行有關責任，而相關金額能可靠估計時，則會確認撥備。

倘出現多項類似責任，經由考慮整體責任類別釐定清償責任會否導致資源流出。即使同類責任內任何一個項目導致資源流出的可能性不大，仍會確認撥備。

撥備以稅前利率按照預期需清償有關責任的開支的現值計量，該利率反映當前市場對金錢時間值和有關責任特定風險的評估。隨著時間過去而增加的撥備確認為利息開支。

2 Summary of significant accounting policies (continued)

(h) Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated using closing rate. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using exchange rate at the date of the transactions.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

(i) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before taxation because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

2 主要會計政策概要(續)

(h) 外幣

於編製各個別集團實體之財務報表時，以該實體之功能貨幣以外貨幣(外幣)進行之交易按交易日期適用之匯率確認。於報告期末，以外幣結算之貨幣項目按結算日之匯率重新換算。按過往成本以外幣計算之非貨幣項目以交易日之匯率換算。

結算貨幣性項目，及重新換算貨幣項目引起匯兌差異，於其發生期間確認損益。

(i) 稅項

所得稅支出指現行應繳稅項與遞延稅項之總和。現行應繳稅項乃按本年度應課稅溢利計算。應課稅溢利不計入其他年度的應課稅或可扣稅收支項目，亦不計入毋須課稅或不獲扣稅項目，故有別於稅前溢利。本集團有關現行稅項之負債按於報告期末已實施或大致上已實施之稅率計算。

遞延稅項按綜合財務報表中資產及負債賬面值與計算應課稅溢利所用相應稅基間的暫時差額確認。所有暫時應課稅差額一般都會確認為遞延稅項負債。遞延稅項資產則於應課稅溢利有可能抵銷可扣稅暫時差額予以確認。但倘若有關暫時差額是由初步確認(非業務合併)既不影響應課稅溢利亦不影響會計溢利的交易的資產和負債所引起，則不會確認該等遞延資產和負債。

2 Summary of significant accounting policies (continued)

(i) Taxation (continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Where investment properties are carried at their fair value in accordance with the accounting policy set out in note 2(e), the amount of deferred tax recognised is measured using the tax rates that would apply on the sale of those assets at their carrying value at the end of the reporting period, unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets or liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

2 主要會計政策概要(續)

(i) 稅項(續)

遞延稅項負債乃就於附屬公司之投資所產生之暫時應課稅差額確認，惟倘本集團能控制暫時差額之撥回以及暫時差額有機會不會於可見將來撥回除外。可扣減暫時差額產生之遞延稅項資產(與該等投資有關)僅於可能將有足夠應課稅溢利可動用暫時差額之利益，且彼等預期於可預見將來撥回之情況下方予以確認。

遞延稅項資產賬面值於各報告期末檢討，並於不可能有足夠應課稅溢利以收回全部或部分資產時作出扣減。

遞延稅項資產及負債乃按照於報告期末已實施或大致實施之稅率及稅法，於清償有關負債或變現有有關資產時，按預計有關期間適用稅率計算。

遞延稅項負債及資產之計量反映出於報告期末將依循本集團所預計以收回或清償其資產及負債賬面金額之方式之稅務後果。

當投資物業根據附註2(e)所載會計政策按公平值列賬，除非該物業是可予折舊及以商業模式持有，而其目的是透過時間使用而並非出售獲取隱合於該物業之絕大部分經濟利益，確認遞延稅項的金額按該等資產於報告期末的賬面值，以假設出售的稅率計算。在所有其他情況下，所確認的遞延稅項金額基於資產或負債賬面值的預期變現或結算方式，以報告期末已實施或大致上已實施的稅率計算。遞延稅項資產及負債不會貼現計算。

2 Summary of significant accounting policies (continued)

(i) Taxation (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis. Current and deferred tax are recognised in profit or loss.

For the purpose of measuring deferred tax arising from investment properties that are measured using the fair value model, the directors of the Company have reviewed the Group's investment property portfolio and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time.

Therefore, in determining the Group's deferred taxation on investment properties, the directors of the Company have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is rebutted. Accordingly, deferred tax relating to investment properties is determined on the basis of recovery through use.

The Group considers the lease as a single transaction in which the asset and liability are integrally linked, so there is no net temporary difference at inception. Subsequently, as differences arise on settlement of the liability and the amortisation of the leased asset, there will be a net temporary difference on which deferred tax is recognised.

(j) Impairment losses on tangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

2 主要會計政策概要(續)

(i) 稅項(續)

倘有法定可行使權利將即期稅項資產及即期稅項負債抵銷，且兩者與同一稅務機構徵收之所得稅有關，而本集團擬按淨額基準結算即期稅項資產及負債，則可抵銷遞延稅項資產及負債。即期及遞延稅項於損益確認。

就計量採用公平值模式計量的投資物業所產生遞延稅項而言，本公司董事已檢視本集團的投資物業組合，總結本集團的投資物業乃根據旨在將投資物業所包含絕大部分之經濟利益隨著時間消耗之商業模式持有。

因此，於釐定本集團投資物業的遞延稅項時，本公司董事認為按公平值模式計量的投資物業賬面金額將透過出售方式全數收回的假設將被推翻。因此，有關投資物業的遞延稅項以透過使用收回基準釐定。

本集團將租賃視為資產及負債緊密相連的單一交易，因此開始時並無暫時差異淨額。隨後，由於結付負債及租賃資產攤銷產生差異，則就產生暫時差異淨額確認遞延稅項。

(j) 有形資產減值虧損

於各報告期末，本集團審閱其有限期有形資產之賬面值，以確定有否任何跡象顯示該等資產蒙受減值虧損。倘存在任何有關跡象，則會估計相關資產之可收回金額，以確定減值虧損(如有)的程度。

2 Summary of significant accounting policies (continued)

(j) Impairment losses on tangible assets (continued)

The recoverable amount of tangible assets are estimated individually, or when it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated to reduce the carrying amount of the assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2 主要會計政策概要(續)

(j) 有形資產減值虧損(續)

有形資產可收回金額會單獨評估，或於倘無法估計個別資產的可收回金額，則本集團將估計資產所屬現金產生單位之可收回金額。倘可識別合理一致的分配基準，公司資產亦會被分配至個別現金產生單位，否則會被分配至可識別合理一致的分配基準之最小現金產生單位組別中。

可收回金額為公平值減出售成本與使用價值之較高者。評估使用價值時，估計未來現金流量按稅前貼現率貼現至其現值。該貼現率反映現時市場對貨幣時間值及未調整未來現金流量估計之資產(或現金產生單位)特定風險的評估。

倘估計資產(或現金產生單位)的可收回金額低於其賬面值，則資產(或現金產生單位)賬面值扣減至其可收回金額。在分配減值損失時，減值虧損乃根據該單位各項資產的賬面值按比例分配以減少資產的賬面值。資產的賬面值不會被減值至低於其公平值減去處置費用(如可計量)、其使用價值(如可確定)和零價值之最高價值。原本已分配予該資產的減值損失金額按比例分配給該單位的其他資產。減值虧損即時於損益確認。

倘減值虧損其後撥回，則資產(或現金產生單位)賬面值須增至其重新估計之可回收金額，惟增加後之賬面值不得超過假設該項資產(或現金產生單位)於過往年度未有確認減值虧損而會釐定的賬面值。減值虧損撥回即時於損益中確認。

2 Summary of significant accounting policies (continued)

(k) Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss ("FVPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets

Classification and subsequent measurement of financial assets
Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2 主要會計政策概要(續)

(k) 金融工具

當集團實體成為金融工具合約條文之訂約方時確認金融資產及金融負債。所有以正常方式購買或出售之金融資產按交易日基準確認及剔除確認。正常購買或出售方式指須於規例或市場慣例設定之時限內以交付資產方式購買或出售金融資產。

金融資產及金融負債初步按公平值計量，除顧客合約產生的應收賬款初步根據香港財務報告準則第15號計量除外。收購或發行金融資產及金融負債(按公平值計入損益(「按公平值計入損益」)之金融資產或金融負債除外)產生之直接應佔交易成本，於初步確認金融資產或金融負債之公平值加入或扣除(視適用情況而定)。

收購按公平值計入損益之金融資產或金融負債時產生之直接應佔交易成本即時於損益確認。

實際利率法

實際利率法是一種計算有關期間內金融資產或金融負債之攤銷成本及分配利息收入及利息開支的方法。實際利率指將金融資產或金融負債在預計年期或較短期間(倘適用)之估計未來現金收入及付款(包括構成實際利率的所有已付或已收費用和點數、交易成本及其他溢價或折讓)準確貼現至初步確認時賬面淨值之利率。

金融資產

金融資產的分類及其後計量
符合以下條件而其後按攤銷成本計量的金融資產：

- 於一個經營模式下持有之金融資產，而其持有的目的是為了收取合約現金流量；及
- 合約條款於指定日期產生之現金流量純粹為支付本金及未償還本金之利息。

2 Summary of significant accounting policies (continued)

(k) Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

All other financial assets are subsequently measured at fair value.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or fair value through other comprehensive income ("FVOCI") as measured at FVPL if doing so eliminates or significantly reduces an accounting mismatch.

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

Financial assets at FVPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVOCI or designated as FVOCI are measured at FVPL.

Financial assets at FVPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset which is included in the "interest income and investment (losses)/gains" line item.

2 主要會計政策概要(續)

(k) 金融工具(續)

金融資產(續)

金融資產的分類及其後計量(續)

所有其他金融資產其後按公平值計量。

倘符合下列條件，則金融資產乃分類為持作買賣：

- 購入的主要目的為於短期內出售；或
- 於初始確認時，其為本集團共同管理之可識別金融工具組合的一部分，並具有短期套利的近期實際模式；或
- 其屬並非指定及作為對沖工具生效的衍生工具。

此外，倘若可消除或大幅減少會計錯配，則本集團可不可撤銷地指定符合按攤銷成本或按公平值計入其他全面收益(「按公平值計入其他全面收益」)之金融資產按公平值計入損益。

攤銷成本及利息收入

其後按攤銷成本計量的金融資產之利息收入乃使用實際利率法予以確認。利息收入乃對一項金融資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的金融資產除外。就其後出現信貸減值的金融資產而言，自下一報告期間起，利息收入乃對金融資產攤銷成本應用實際利率予以確認。倘信貸減值金融工具的信貸風險好轉，使金融資產不再出現信貸減值，於釐定資產不再出現信貸減值後，自報告期間初始起利息收入乃對金融資產賬面總值應用實際利率予以確認。

按公平值計入損益之金融資產

不符合按攤銷成本或按公平值計入其他全面收益或指定為按公平值計入其他全面收益標準的金融資產會以按公平值計入損益計量。

於每個報告期末按公平值計入損益之金融資產按公平值計量，任何公平值收益或虧損確認入損益。確認入損益中之淨收益或虧損不包括計入「利息收入及投資(虧損)/收益」項目的自金融資產賺取的任何股息或利息。

2 Summary of significant accounting policies (continued)

(k) Financial instruments (continued)

Financial assets (continued)

Financial assets at FVOCI

Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as "interest income and investment (losses)/gains" when the Group's right to receive payments is established.

Impairment of financial assets

The Group recognises a loss allowance for expected credit loss ("ECL") on financial assets which are subject to impairment requirements under HKFRS 9 (including trade and other receivables and bank balances). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

The Group assesses on a forward-looking basis the ECL associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see note 29 for further details.

2 主要會計政策概要(續)

(k) 金融工具(續)

金融資產(續)

按公平值計入其他全面收益之金融資產

倘本集團管理層選擇於其他全面收益內呈列股本投資之公平值收益及虧損，則於終止確認投資後不會將公平值收益及虧損其後重新分類至損益。來自有關投資之股息將於本集團收取付款權利確立時繼續於損益中確認為「利息收入及投資(虧損)/收益」。

金融資產減值

本集團就金融資產的預期信貸損失(「預期信貸損失」)確認虧損撥備，有關撥備受香港財務報告準則第9號之減值要求(包括應收賬款及其他應收款項及銀行結存)所限。預期信貸損失金額於各報告日更新，以反映自初始確認以來信貸風險的變動。

本集團對其按攤銷成本列賬及按公平值計入其他全面收益列賬的債務工具的相關預期信貸損失將會作出前瞻性基準評估。所用的減值方法取決於信貸風險有否顯著增加。

就應收賬款而言，本集團應用香港財務報告準則第9號允許的簡化法，規定自初始確認應收款項起確認預期全期虧損，進一步詳情請參閱附註29。

2 Summary of significant accounting policies (continued)

(k) Financial instruments (continued)

Impairment of financial assets (continued)

Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

2 主要會計政策概要(續)

(k) 金融工具(續)

金融資產減值(續)

信貸風險大幅增加

於評估信貸風險是否自初始確認以來已大幅增加時，本集團將於報告日金融工具發生違約的風險，與於初始確認日期金融工具發生違約的風險進行比較。於進行此評估時，本集團考慮合理而具理據的定量及定質資料，包括過往經驗及可在毋須付出不必要成本或資源即可取得的前瞻性資料。

尤其是，當評估信貸風險是否已大幅增加時，將會考慮以下資料：

- 金融工具的外部(如有)或內部信貸評級實際或預期發生重大惡化；
- 外在市場信貸風險指標顯著惡化，例如信貸利差大幅增加、債務人的信貸違約掉期價格；
- 目前或預測業務、財務或經濟狀況出現不利變動，預期會大幅削弱債務人履行其債務責任的能力；
- 債務人營運業績實際或預期出現大幅惡化；
- 法規、經濟或債務人的技術環境實際或預期出現重大不利變動，導致大幅削弱債務人履行其債務責任的能力。

除非本集團有合理及具理據的資料另有所指，不論上述評估的結果為何，當合約款項逾期超過30日，本集團即假設信貸風險自初始確認以來已大幅增加。

2 Summary of significant accounting policies (continued)

(k) Financial instruments (continued)

Impairment of financial assets (continued)

Significant increase in credit risk (continued)

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definitions.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when the instrument is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

2 主要會計政策概要(續)

(k) 金融工具(續)

金融資產減值(續)

信貸風險大幅增加(續)

儘管如上文所述，倘債務工具於報告日釐定為具低信貸風險，本集團假設債務工具信貸風險自初始確認以來並無大幅增加。倘出現以下情況，債務工具即釐定為具低信貸風險：i) 其違約風險低；ii) 借款人於近期擁有強健能力，以滿足其合約現金流的責任；及iii) 於較長遠的時期內，經濟及業務狀況的不利變動可能但不一定降低借款人滿足其合約現金流責任的能力。當債務工具的內部或外部信貸評級獲得符合全球公認的「投資級別」定義時，本集團即認為債務工具的信貸風險為低。

本集團定期監控用以識別信貸風險有否顯著增加的標準之效益，且修訂標準(如適當)來確保標準能在金額逾期前識別信貸風險顯著增加。

違約定義

就內部信貸風險管理而言，本集團認為，違約事件在內部制訂或得自外界來源的資料顯示債務人不大可能悉數向債權人(包括本集團)還款(未計及本集團所持任何抵押品)時發生。

不論以上所述，本集團認為除非本集團有合理及具理據資料來顯示更加滯後的違約標準更為恰當，工具逾期超過90日後即產生違約。

2 Summary of significant accounting policies (continued)

(k) Financial instruments (continued)

Impairment of financial assets (continued)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over one year past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

2 主要會計政策概要(續)

(k) 金融工具(續)

金融資產減值(續)

信貸減值金融資產

金融資產在一項或以上對該金融資產估計未來現金流量構成不利影響之違約事件發生時已屬信貸減值。金融資產已信貸減值的證據包括有關下列事件的可觀察數據：

- (a) 發行人或借款人的重大財困；
- (b) 違反合約(如違約或逾期事件)；
- (c) 借款人的貸款人因有關借款人財困，以經濟或合約理由而向借款人批出在其他情況不會考慮之寬免；
- (d) 借款人將可能陷入破產或其他財務重組；或
- (e) 金融資產的活躍市場因財政困難而消失。

撇銷政策

當資料顯示對手方處於嚴重財困及無實際復原希望時(例如對手方被清盤或已進入破產程序時，或倘為應收賬款，則當金額已逾期超過一年(以較早發生者為準))，本集團則撇銷金融資產。經考慮法律意見後(倘合適)，遭撇銷的金融資產可能仍須按本集團收回程序進行強制執行行動。撇銷構成剔除確認事項。任何其後收回於損益中確認。

2 Summary of significant accounting policies (continued)

(k) Financial instruments (continued)

Impairment of financial assets (continued)

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2 主要會計政策概要(續)

(k) 金融工具(續)

金融資產減值(續)

預期信貸損失的計量及確認

預期信貸損失的計量為違約概率、違約損失率(即出現違約時的損失程度)以及違約之風險的函數。違約概率及違約損失率的評估乃根據經前瞻性資料調整的歷史數據而作出。預期信貸損失的估算乃無偏概率加權平均金額，以各自發生違約的風險為權重確定。

一般而言，預期信貸損失為本集團根據合約應收的所有合約現金流，與本集團預期收取的現金流之間的差異，並經於初始確認時釐定的實際利率進行貼現。

利息收入乃根據金融資產的賬面總值計算，除非金融資產已作信貸減值，在此情況下，利息收入根據金融資產的攤銷成本計算。

剔除確認金融資產

當只有資產現金流量的合約權利屆滿，或轉移金融資產及幾乎所有該資產的風險和回報所有權給另一個實體時，本集團才剔除確認金融資產。

於全面剔除確認一項金融資產時，資產賬面值與已收及應收代價之總和間之差額於損益確認。

金融負債及股本工具

分類為債務或權益

集團實體發行之債務及股本工具按所訂立訂約安排內容以及金融負債及股本工具之定義分類。

2 Summary of significant accounting policies (continued)

(k) Financial instruments (continued)

Financial liabilities and equity instruments (continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVPL.

Financial liabilities at amortised cost

Financial liabilities including bank borrowings, bonds and trade and other payables are subsequently measured at amortised cost, using the effective interest method.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(l) Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Trade and other payables are classified as current liabilities unless payment is not due within 12 months after the reporting period.

2 主要會計政策概要(續)

(k) 金融工具(續)

金融負債及股本工具(續)

股本工具

股本工具為體現實體資產經扣除所有負債後餘下權益之任何合約。由本公司發行的股本工具在已收所得款項扣除直接發行成本後確認。

購回本公司的股本工具直接在權益中確認及扣除。購買、出售、發行或註銷本公司的股本工具並不會於損益中確認任何收益或虧損。

金融負債

所有金融負債隨後使用實際利率法按攤銷成本或按公平值計入損益計量。

按攤銷成本計量之金融負債

金融負債包括銀行借貸、債券、應付賬款及其他應付款項，其後採用實際利率法按攤銷成本計量。

衍生金融工具

衍生工具初始於衍生合約訂立之日按公平值確認，其後在報告期末重新計量其公平值。所產生的收益或虧損立即於損益中確認。

剔除確認金融負債

本集團之金融負債會於及只會於本集團之責任遭免除、註銷或屆滿時剔除確認。剔除確認之金融負債賬面值與已付及應付代價間之差額於損益確認。

(l) 應付賬款及其他應付款項

應付賬款及其他應付款項初始按公平值確認及其後使用實際利率法按攤銷成本計量。除非付款並非報告期間後12個月內到期，否則應付賬款及其他應付款項會分類為流動負債。

2 Summary of significant accounting policies (continued)

(m) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are calculated using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(n) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(o) Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset. A liability is recognised for benefits accruing to employees (such as wages and salaries and annual leave) after deducting any amount already paid.

(p) Retirement benefit costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

(q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Directors of the Company that makes strategic decisions.

2 主要會計政策概要(續)

(m) 存貨

存貨以成本及可變現淨值較低者入賬。存貨成本以加權平均法計算。可變現淨值指存貨估計售價減所有估計完成成本及銷貨所需成本。

(n) 借貸成本

因收購、建設或生產合資格資產(即需相當長時間準備方可作擬定用途或出售的資產)而直接產生的借貸成本計入該等資產的成本，直至該等資產實質大致可作擬定用途或出售為止。

所有其他借貸成本均於產生期間於損益確認。

(o) 短期僱員福利

短期僱員福利在僱員提供服務時以預計須支付的未貼現福利金額確認。除非另一項香港財務報告準則要求或允許將該利益納入資產成本，所有短期僱員福利確認為費用。在扣除已經支付的任何金額後，對僱員應得的福利(如工資、薪金和年假)確認為負債。

(p) 退休福利成本

定額供款退休福利計劃供款，在僱員提供服務而有權獲得供款時列作支出。

(q) 分部報告

經營分部與呈報予主要營運決策者(「主要營運決策者」)的內部報告方式一致。資源分配及對營運分部表現評估之主要營運決策者，已確定為作出主要營運決策之本公司執行董事。

2 Summary of significant accounting policies (continued)

(r) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for ECL. Trade and other receivables are generally due for settlement within 30 days and therefore are all classified as current.

(s) Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand and short-term bank deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(t) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(u) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs.

To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

2 主要會計政策概要(續)

(r) 應收賬款及其他應收款項

應收賬款及其他應收款項初始按公平值確認及其後使用實際利率法按攤銷成本，扣除預期信貸損失撥備而計量。應收賬款及其他應收款項一般於30天內到期，因此全部分類為流動。

(s) 現金及現金等價物

就於綜合現金流量表呈列而言，現金及現金等價物包括持有現金及隨時可轉換已知金額現金及承受不重大價值變動風險，且原到期日為三個月或以下的短期銀行定期存款。

(t) 股本

普通股分類為權益。直接歸屬於發行新股份或購股權的新增成本在權益中列為所得款項的扣減項目(扣除稅項)。

(u) 借貸

借貸最初乃按公平值(扣除已產生的交易成本)確認。借貸其後按攤銷成本計量。如扣除交易成本之後的所得款項與贖回價值之間出現差額，則於借貸期內以實際利率法確認。在貸款將很有可能部份或全部將獲提取的情況下，就設立貸款融資支付的費用乃確認為貸款交易成本。在此情況下，該費用將遞延至提取貸款發生時。

在並無跡象顯示該融資將很有可能部份或全部將獲提取的情況下，該費用撥充資本作為流動資金服務的預付款項，並於其相關融資期間內予以攤銷。

2 Summary of significant accounting policies (continued)

(u) Borrowings (continued)

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(v) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

(w) Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(x) Government grant

Government grant is recognised at its fair value where there is reasonable assurance that the Group will comply with all conditions attaching it and that the grant will be received. Government grants relating to costs are deferred and recognised in the consolidated statement of comprehensive income over the period necessary to match them with the costs they are intended to compensate.

3 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant estimates and assumptions concerning the future may be required in selecting and applying accounting methods and policies in these financial statements. The Group bases its estimates and assumptions on historical experience and various other assumptions that it believes are reasonable under the circumstances. Actual results may differ from these estimates or assumptions.

2 主要會計政策概要(續)

(u) 借貸(續)

當合約列明的債務被解除、取消或到期時，借貸自財務狀況表中刪除。已消除或轉撥至另一方的金融負債的賬面值與已付代價(包括任何已轉撥的非現金資產或已承擔負債)的差額，在損益中確認為融資成本。

除非本集團擁有無條件權利將負債之結算遞延至報告期間後最少12個月，否則借貸分類為流動負債。

(v) 利息收入

利息收入採用實際利率法按時間比例確認。

(w) 股息分派

就於報告期末或之前已宣派但於報告期末並未分派之任何股息金額(已經適當授權及再不由實體酌情決定)作出撥備。

(x) 政府補貼

政府補貼在合理確定本集團滿足其所附的全部條件以及收到補貼時，以公平值確認。與成本相關的政府補貼於期內在綜合全面收益表遞延確認，以對應其計劃補償的成本。

3 關鍵會計估計及判斷

根據過往經驗及其他因素，包括在有關情況下相信為合理之對未來事件之預測，估計和判斷會被持續評估。

在選擇會計方法及政策以及將其應用於財務報表時，可能需要作出有關未來的重大估計及假設。本集團乃根據過往經驗及其認為在當時情況下屬於合理之多項其他假設作出其估計及假設。實際結果可能會與該等估計及假設不同。

3 Critical accounting estimates and judgements (continued)

The following is a review of the more significant estimates and assumptions used in the preparation of these financial statements.

(a) Fair value of financial assets at FVPL and financial assets at FVOCI

The fair value of financial assets at FVPL and financial assets at FVOCI that are not traded in an active market is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and determine the fair values primarily based on the purchase price paid by the Group, net asset value and taking into account of the analysis of the investees' financial trends and results, risk profile, prospects, industry trends and other factors. The key assumptions adopted on projected cash flow are based on management's best estimates.

(b) Valuation of investment properties

As described in note 14, the completed investment property and investment property under development are stated at fair value based on valuation performed by independent firm of professional surveyors. For the Group's investment property under development, the fair value reflects the expectations of market participants of the value of the property when it is completed, less deductions for the costs required to complete the project and appropriate adjustments for profit and risk. The valuation and all key assumptions used in the valuation should reflect market conditions at the end of each reporting period. The key assumptions include relevant market rents, capitalisation rates, estimated total construction costs for the proposed development and the cost that have been expended on the development works in arriving at the market value of the property.

For the Group's completed investment property, the fair value relied on the capitalisation of income approach as its primary method, supported by the direct comparison method. Management also determines fair value based on active market prices and adjusted if necessary for any difference in nature, location or conditions of the specific asset, and uses alternative valuation methods such as recent prices on less active markets. These methodologies are based upon estimates of future results and a set of assumptions specific to the property to reflect its tenancy and cash flow profile. The fair value of the completed investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property.

3 關鍵會計估計及判斷(續)

以下概述於編製財務報表時較重要的估計及假設。

(a) 按公平值計入損益的金融資產及按公平值計入其他全面收益的金融資產的公平值

非於活躍市場交易的按公平值計入損益的金融資產及按公平值計入其他全面收益的金融資產之公平值乃使用估值技術釐定。本集團按其判斷選擇多項方法，主要按本集團支付的收購價、資產淨值，經考慮對投資對象的財務趨勢及業績、風險狀況、前景、行業趨勢的分析及其他因素後釐定公平值。預期現金流量所採納的主要假設乃根據管理層的最佳估算。

(b) 投資物業估值

如附註14所述，已竣工的投資物業及在建投資物業根據獨立專業測量師行的估值以公平值列賬。就本集團的在建投資物業而言，公平值反映市場參與者對該物業於竣工時價值的預期，扣減完成該項目所需的成本及就溢利及風險作出適當調整。估值及進行估值時採用之所有主要假設應反映於每個報告期末之市場狀況。主要假設包括相關市場租金、資本化比率、估計建議發展的總建設成本及開發工作已支付的成本而釐定物業市值。

就本集團已竣工之投資物業，公平值依賴收入資本化方式為主要估值方法，並以直接比較法作輔助評估。管理層亦會以活躍市場價格為基準以評估公平值，並在有需要之情況下根據特定資產的性質、地點或狀況調整公平值，及採用備選估值方法，例如在較不活躍市場下採用近期價格。此等方法採用乃根據日後業績估算及一系列特定假設以反映物業租賃及現金流量概況。已竣工之投資物業的公平值反映(其中包括)來自現有租約及按現有市況假設未來租約之租金收入。公平值亦按相似基準反映任何預期有關物業之現金流出。

4 Revenue

Revenue represents the amount received and receivable for goods sold by the Group to the customers (net of discounts), income from concessionaire sales, income from APO sales, service income and rental income during the year, and is analysed as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Recognised at a point in time:	在某個時間點確認：		
Sales of goods — direct sales	貨品銷售 — 自營銷售	809,066	687,039
Recognised over time:	隨著時間確認：		
Income from concessionaire sales	來自特許專櫃銷售之收入	999,334	919,561
Income from APO sales	來自銷售後訂單銷售之收入	239,957	267,826
Service income	服務收入	90,329	70,519
Revenue from contracts with customers	來自顧客合約之收入	2,138,686	1,944,945
Rental income	租金收入	150,887	48,079
Total Revenue	總收入	2,289,573	1,993,024

The Group recognises revenue from the following major sources which arise from contracts with customers:

For direct sales of goods, revenue is recognised when control of the goods is transferred, being at the point the customer purchases the goods at the department stores. Payment of the transaction price is due immediately at the point the customer purchases the goods.

For income from concessionaire and APO sales, the concessionaires and consignors will pay the Group at the higher of minimum guarantee commission and certain percentage of their sales in accordance with the terms of contracts. The Group receives the entire sales proceeds from ultimate customers on behalf of the concessionaires and consignors and reimburse the sales proceeds back to concessionaires and consignors after deducting the commission income.

4 收入

收入指本集團年內向顧客出售貨品的已收及應收款項減折扣、特許專櫃銷售之收入及來自銷售後訂單銷售之收入、服務收入以及租金收入，茲分析如下：

本集團確認來自與顧客合約的以下主要收入來源：

就自營銷售貨品而言，收入於貨品的控制權轉移時確認，即顧客於百貨公司購買貨品之時。交易價格付款於顧客購買貨品之時立刻到期。

就來自特許專櫃及銷售後訂單銷售收入而言，特許專櫃及寄售商將根據合約條款按最低保證佣金及若干銷售百分比（以較高者為準）支付佣金。本集團代表特許專櫃及寄售商向最終顧客全數收取銷售所得款項，並於扣除佣金收入後將銷售所得款項退還予特許專櫃及寄售商。

5 Segment information

The Group's operating activities are attributable to a single operating segment under HKFRS 8 "Operating Segments" which focuses on the operation of department stores, property development and investment in Hong Kong and the United Kingdom. This operating segment has been identified on the basis of internal management reports prepared in accordance with accounting policies that conform to HKFRSs as disclosed in note 2, that are regularly reviewed by the chief operating decision makers ("CODM") (i.e. the executive directors of the Company). The CODM regularly reviews revenue analysis and profit for the year of the Group as a whole to make decisions about resource allocation. Accordingly, no separate segment information other than entity level information is prepared.

All the Group's non-current assets are based in Hong Kong, except the completed investment property amounted to approximately HK\$2,727,270,000 as at 31 December 2021 (31 December 2020: HK\$2,648,559,000) which is based in the United Kingdom. The Group has no customers that contributed over 10% of the total revenue of the Group for the current year (2020: Same).

6 Other income, gains and losses

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Management fee income	管理費收入	77,180	78,887
Credit card recharge	信用卡費用回扣	8,919	9,501
Net exchange (loss)/gain	淨匯兌(虧損)/收益	(34,946)	45,918
Government subsidies related to Coronavirus disease ("COVID-19")	新冠狀病毒(「COVID-19」)相關 政府資助	900	37,367
COVID-19 related rent concessions	COVID-19相關租金優惠	3,874	3,224
Loss on redemption of bonds	贖回債券虧損	(9,723)	—
Others	其他	82,303	43,981
		128,507	218,878

5 分部資料

根據香港財務報告準則第8號「經營分部」，本集團的經營活動歸屬於單一經營分部，在香港和英國專注於百貨店的經營、物業發展及投資。該經營分部乃根據符合香港財務報告準則(如附註2所披露)的會計政策編製的內部管理報告確定，並由主要營運決策者(「主要營運決策者」)(即本公司執行董事)定期審閱。主要營運決策者定期審閱本集團整體收益分析及年內溢利，以作出資源分配決策。因此，並無編製實體資料以外的個別分部資料。

於二零二一年十二月三十一日，除位於英國之2,727,270,000港元(二零二零年十二月三十一日：2,648,559,000港元)已竣工投資物業外，本集團所有的非流動資產以香港為基地。於本年度，本集團並無客戶貢獻超過本集團總收益10%(二零二零年：相同)。

6 其他收入、收益及虧損

7 Interest income and investment (losses)/gains**7 利息收入及投資(虧損)/收益**

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Interest income on bank deposits	銀行定期存款之利息收入	8,573	105,605
Dividend income from financial assets at FVPL	按公平值計入損益之金融資產之股息收入	19,467	24,796
Dividend income from financial assets at FVOCI	按公平值計入其他全面收益之金融資產之股息收入	31,942	2,323
Interest income from financial assets/liabilities at FVPL	按公平值計入損益之金融資產/負債之利息收入	204,881	190,073
Fair value change of financial assets/liabilities at FVPL (Note)	按公平值計入損益之金融資產/負債之公平值變動(附註)	(2,164,982)	(288,238)
		(1,900,119)	34,559

Note: The fair value change was mainly attributable to the fair value loss recorded from holdings of certain equity and debt securities issued by certain property development groups based in mainland China.

附註：公平變動主要由於持有若干中國內地房地產開發集團發行之若干股本及債務證券而錄得之公平值虧損所致。

8 Finance costs**8 融資成本**

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Interest expenses on:	以下項目之利息支出：		
Bank borrowings	銀行借貸	153,308	252,538
Bonds	債券	380,387	324,037
Lease liabilities	租賃負債	5,486	10,069
		539,181	586,644
Less: Amounts capitalised in construction in progress and investment property under development	減：在建工程及在建投資物業之資本化金額	(180,587)	(217,330)
		358,594	369,314

Borrowing costs capitalised are interest expenses incurred for financing the development of qualifying assets. The capitalisation rate used to determine the amounts of borrowing costs eligible for the capitalisation is 2.4% (2020: 2.7%) per annum.

已資本化之借貸成本為就發展中的合資格資產之融資所產生的利息支出。用於釐定合資格資本化的借貸成本之金額之資本化年利率為2.4%(二零二零年：2.7%)。

9 Taxation

9 稅項

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Current tax:	本期稅項：		
Hong Kong Profits Tax	香港利得稅	161,951	192,184
United Kingdom Corporate Income Tax	英國企業所得稅	13,665	1,526
		175,616	193,710
Overprovision in prior years:	過往年度過多撥備：		
Hong Kong Profits Tax	香港利得稅	(1,228)	(14,576)
Deferred tax credit (note 25)	遞延稅項抵扣(附註25)	(42,532)	(70,681)
		131,856	108,453

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

香港利得稅乃根據兩個年度之估計應課稅溢利按16.5%計算。

Pursuant to the rules and regulations of the United Kingdom, the Group is subject to corporate income tax at 19% (2020: 19%) on the estimated assessable profit of the subsidiary which carried on business in the United Kingdom.

根據英國法律及規例，本集團須就在英國經營業務的附屬公司的估計應課稅溢利，按19%(二零二零年：19%)的稅率繳納企業所得稅。

The taxation for the year can be reconciled to the (loss)/profit before taxation in the consolidated statement of profit or loss and other comprehensive income as follows:

本年度稅項與綜合損益及其他全面收益表所示除稅前(虧損)/溢利之對賬如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
(Loss)/profit before taxation	除稅前(虧損)/溢利	(1,173,144)	246,963
Tax at Hong Kong Profits Tax rate	按香港利得稅率計算之稅項	(193,569)	40,749
Tax effect of different tax rates of subsidiaries operating in other jurisdiction	在其他司法管轄區營運的附屬公司的不同稅率之稅項影響	1,747	201
Tax effect of income not taxable for tax purposes	毋須課稅收入之稅項影響	(43,713)	(35,891)
Tax effect of expense not deductible for tax purposes	不可扣稅開支之稅項影響	123,403	79,084
Tax effect on utilisation of tax losses previously not recognised	動用早前未確認稅項虧損之稅項影響	(34)	(1,376)
Tax effect of tax losses not recognised	不確認稅項虧損之稅項影響	7,959	5,744
Tax effect of temporary differences not recognised	不確認暫時差額之稅項影響	247,568	39,132
Overprovision in prior years	過往年度過多撥備	(1,228)	(14,576)
Tax effect of recognition of previously unrecognised temporary differences	確認早前未確認的暫時差額之稅項影響	—	1,369
Tax effect of recognition of previously unrecognised tax loss	確認早前未確認的稅項虧損之稅項影響	(7,438)	(5,818)
Others	其他	(2,839)	(165)
Taxation for the year	本年度稅項	131,856	108,453

10 (Loss)/profit before taxation

10 除稅前(虧損)/溢利

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
(Loss)/profit before taxation has been arrived at after charging/(crediting):	除稅前(虧損)/溢利已扣除/(計入)下列項目:		
Directors' remuneration (note 11)	董事酬金(附註11)	10,426	8,956
Staff costs, excluding directors' remuneration	除董事酬金外之員工成本		
Salaries and wages	薪金及工資	214,372	203,774
Retirement benefits scheme contributions, net of forfeited contributions for staff	退休福利計劃供款減沒收員工供款	8,725	8,322
Total staff costs	總員工成本	233,523	221,052
Auditor's remuneration	核數師酬金	2,650	2,287
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	222,361	252,336
Reversal of rental expenses relating to variable lease payments	可變租賃付款相關之租金支出撥回	—	(9,461)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	(55)	(447)
Cost of inventories recognised as expenses	確認為支出之存貨成本	615,445	519,387
Provision for trade and other receivables, net	應收賬款及其他應收款項撥備，淨額	20	23
Provision for write-down of obsolete inventories	撇減滯銷存貨撥備	221	93

11 Directors' and employees' remuneration

Directors' remuneration for the year, disclosed pursuant to the applicable Listing Rules and CO, are as follows:

11 董事及僱員酬金

年內董事的酬金已根據適用的上市規則及公司條例披露，酬金如下：

		Directors' fees	Salaries and allowances	Bonus*	Contributions to retirement benefits scheme	Total
		董事袍金	薪金及津貼	花紅*	退休福利計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
For the year ended	截至二零二一年十二月					
31 December 2021	三十一日止年度					
Executive directors	執行董事					
Ms. Lau Kam Shim	劉今蟾小姐	200	3,895	—	18	4,113
Mr. Lau Kam Sen	劉今晨先生	200	3,895	—	18	4,113
Non-executive directors	非執行董事					
Mr. Lau Luen Hung, Thomas	劉鑾鴻先生	1,000	—	—	—	1,000
Mr. Doo Wai Hoi, William	杜惠愷先生	200	—	—	—	200
Ms. Lau Yuk Wai, Amy	劉玉慧女士	200	—	—	—	200
Independent non-executive directors	獨立非執行董事					
Mr. Lam Siu Lun, Simon	林兆麟先生	200	—	—	—	200
Mr. Shek Lai Him, Abraham	石禮謙先生	200	—	—	—	200
Mr. Hui Chiu Chung	許照中先生	200	—	—	—	200
Mr. Ip Yuk Keung	葉毓強先生	200	—	—	—	200
		2,600	7,790	—	36	10,426
For the year ended	截至二零二零年十二月					
31 December 2020	三十一日止年度					
Executive directors	執行董事					
Ms. Lau Kam Shim	劉今蟾小姐	200	3,160	—	18	3,378
Mr. Lau Kam Sen	劉今晨先生	200	3,160	—	18	3,378
Non-executive directors	非執行董事					
Mr. Lau Luen Hung, Thomas	劉鑾鴻先生	1,000	—	—	—	1,000
Mr. Doo Wai Hoi, William	杜惠愷先生	200	—	—	—	200
Ms. Lau Yuk Wai, Amy	劉玉慧女士	200	—	—	—	200
Independent non-executive directors	獨立非執行董事					
Mr. Lam Siu Lun, Simon	林兆麟先生	200	—	—	—	200
Mr. Shek Lai Him, Abraham	石禮謙先生	200	—	—	—	200
Mr. Hui Chiu Chung	許照中先生	200	—	—	—	200
Mr. Ip Yuk Keung	葉毓強先生	200	—	—	—	200
		2,600	6,320	—	36	8,956

11 Directors' and employees' remuneration (continued)

The executive directors' emoluments shown above were for their services in connection with management of the affairs of the Company and the Group.

The non-executive directors' emoluments shown above were for their services as directors of the Company.

The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

* The bonus was determined with reference to performance and market trends.

There was no arrangement under which a director waived or agreed to waive any remuneration during the years.

Of the five highest paid individuals of the Group for the year ended 31 December 2021, two of them (2020: two) were directors of the Company whose remuneration are disclosed above. The remaining three (2020: three) are employees of the Group, details of whose remuneration are as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Employees:	僱員：		
Salaries, allowances and other benefits	薪金、津貼及其他福利	5,526	5,071
Retirement benefits scheme contributions	退休福利計劃供款	54	54
Performance related incentive payments	與表現掛鈎獎金	174	275
		5,754	5,400

The emoluments of the remaining three (2020: three) were within the following bands:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至 1,500,000 港元	—	1
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	2	1
HK\$2,000,001 to HK\$2,500,000	2,000,001 港元至 2,500,000 港元	—	1
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元	1	—

During the year ended 31 December 2021, no remuneration was paid by the Group to the directors of the Company or the three (2020: three) highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office.

11 董事及僱員酬金(續)

上述執行董事酬金乃彼等向本公司及本集團管理事務上提供服務之酬金。

上述非執行董事酬金乃彼等作為本公司之董事所提供服務之酬金。

上述獨立非執行董事酬金乃彼等作為本公司董事所提供服務之酬金。

* 花紅取決於集團業績及市場趨勢。

於年內，沒有董事放棄或同意放棄任何酬金之安排。

截至二零二一年十二月三十一日止年度，本集團五名最高薪人士中，兩名(二零二零年：兩名)為本公司董事，彼之酬金於上文披露。另外三名(二零二零年：三名)則為本集團僱員，彼等之酬金詳情載列如下：

其餘三名(二零二零年：三名)最高薪人士之酬金介乎以下範圍：

截至二零二一年十二月三十一日止年度，本集團並無向本公司董事或三名(二零二零年：三名)最高薪僱員支付酬金，以吸引彼等加入本集團或作為加入本集團之獎金或離職補償。

12 Dividends

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Dividends paid in cash and recognised as distributions during the year:	年內以現金派付及確認為分派的股息：		
No final dividend for the prior year: (2020: Nil)	過往年度並無末期股息： (二零二零年：零)	—	—
No interim dividend for the current year: (2020: Nil)	本年度並無中期股息： (二零二零年：零)	—	—
Total	總計	—	—

Note: Subsequent to the end of the reporting period, the directors of the Company resolved not to recommend payment of a final dividend (2020: Same).

附註：於報告期末後，本公司董事決定不建議派發末期股息(二零二零年：相同)。

12 股息

13 (Losses)/earnings per share

Calculation of the basic and diluted (losses)/earnings per share attributable to the owners of the Company is based on the following data:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
(Losses)/earnings:	(虧損)/盈利：		
(Losses)/earnings for the purpose of basic and diluted (losses)/earnings per share	用以計算每股基本及攤薄(虧損)/盈利之(虧損)/盈利	(1,305,000)	138,510

		2021 二零二一年 '000 千股	2020 二零二零年 '000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic and diluted (losses)/earnings per share	用以計算每股基本及攤薄(虧損)/盈利之普通股加權平均數	1,501,916	1,501,916

		2021 二零二一年	2020 二零二零年
Basic and diluted (losses)/earnings per share	每股基本及攤薄(虧損)/盈利	(HK\$0.87)	HK\$0.09

The diluted (losses)/earnings per share for the year ended 31 December 2021 equals to the basic (losses)/earnings per share as there are no potential dilutive ordinary shares to issue during the year (2020: Same).

截至二零二一年十二月三十一日止年度的攤薄後每股(虧損)/盈利等於每股基本(虧損)/盈利，乃由於年內沒有任何潛在可攤薄普通股(二零二零年：相同)。

13 每股(虧損)/盈利

本公司擁有人應佔每股基本及攤薄(虧損)/盈利乃根據以下數據計算：

14 Investment properties

14 投資物業

		Completed Investment property 已竣工投資物業 HK\$'000 千港元	Investment property under development 在建投資物業 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2020	於二零二零年一月一日	—	5,420,000	5,420,000
Additions	添置	—	342,560	342,560
Acquisition of property	購置一項物業	2,814,712	—	2,814,712
Adjustments	調整	—	(88,617)	(88,617)
Translation differences	換算差異	(2,040)	—	(2,040)
Fair value change	公平值變動	(164,113)	(253,943)	(418,056)
At 31 December 2020	於二零二零年十二月三十一日	2,648,559	5,420,000	8,068,559
Additions	添置	—	569,089	569,089
Adjustments	調整	—	(43,881)	(43,881)
Translation differences	換算差異	(14,472)	—	(14,472)
Fair value change	公平值變動	93,183	(125,208)	(32,025)
At 31 December 2021	於二零二一年十二月三十一日	2,727,270	5,820,000	8,547,270

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

The additions to the completed investment property for the year ended 31 December 2020 represented the acquisition of property located in London, the United Kingdom.

The Group measures its investment properties at fair value. The investment properties were revalued by Cushman & Wakefield Limited and Cushman and Wakefield Debenham Tie Leung Limited, independent qualified valuers, who hold recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued, at 31 December 2020 and 31 December 2021 on an open market value basis. For all investment properties, their current use equates to the highest and best use.

Fair value of the completed investment property as at 31 December 2020 and 31 December 2021 is derived using the income approach based on recent comparable rental transactions in the relevant market.

Fair value of the investment property under development as at 31 December 2020 and 31 December 2021 is derived using the residual method. The valuation is based on the assumption that the property had already been completed at the valuation date, which takes into account the estimated total construction costs for the proposed development and the cost that have been expended on the development works plus the developer's estimated profit and margin for risk.

本集團以賺取租金收入或以資本增值為目的之經營租賃下持有的所有物業權益採用公平值模式計量，並分類及入賬為投資物業。

截至二零二零年十二月三十一日止年度的已竣工投資物業添置乃購置位於英國倫敦的一項物業。

本集團以公平值計量其投資物業。獨立合資格估值師高緯環球有限公司及高緯環球戴德梁行有限公司，其具有公認的相關專業資格及獲估值的投資物業地點及分類方面之近期經驗，對該等投資物業於二零二零年十二月三十一日及二零二一年十二月三十一日以公開市場基礎進行重估。就所有投資物業而言，最高和最佳使用為該等物業當前使用用途。

於二零二零年十二月三十一日及二零二一年十二月三十一日的已竣工投資物業之公平值乃根據近期相關市場的可比租賃交易使用收入法進行估值而釐定。

於二零二零年十二月三十一日及二零二一年十二月三十一日的在建投資物業之公平值採用餘值法確定。估值乃基於假設該物業於評估日已竣工，其已考慮到估計建議發展的總建設成本及就發展工程已產生的成本，再加上開發商的估算利潤和邊際風險。

14 Investment properties (continued)

The following table gives information about how the fair values of investment properties are determined (in particular, the valuation techniques and inputs used), as well as the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

Fair value hierarchy 公平值等級 架構	Valuation technique(s) and key input(s) 估值方法和主要輸入參數	Significant unobservable input(s) 重大無法觀察的輸入參數	Relationship of unobservable inputs to fair value 無法觀察的輸入參數與公平值的關係
Investment property under development: HK\$5,820 million (2020: HK\$5,420 million) 在建投資物業：5,820百萬港元(二零二零年：5,420百萬港元)			
Level 3 第三級	Income approach 收入法 The key inputs are: 主要輸入參數：		
	(1) Capitalisation rate; and 資本化比率；及	Capitalisation rates: 資本化比率： Office: 3.000% (2020: 3.125%) 辦公室：3.000% (二零二零年：3.125%) Retail: 4.000% (2020: 4.000%) 零售：4.000% (二零二零年：4.000%)	The higher the capitalisation rate, the lower the fair value. 資本化比率越高，公平值越低。
	(2) Market rent 市場租金	Monthly market rent: 每月市場租金： Office: HK\$36 p.s.f. (2020: HK\$38 p.s.f.) 辦公室：每平方呎36港元(二零二零年：每平方呎38港元) Retail: HK\$55 p.s.f. (2020: HK\$47 p.s.f.) 零售：每平方呎55港元(二零二零年：每平方呎47港元)	The higher the rent per square foot, the higher the fair value. 每平方呎租金越高，公平值越高。
		Estimated project development cost of the property is HK\$5,829 million (2020: HK\$5,829 million) 估算項目發展的物業成本為5,829百萬港元(二零二零年：5,829百萬港元)	The higher the estimated project development cost, the lower the fair value. 估算項目發展成本越高，公平值越低。
		Developer's estimated profit and margin for risk: 10% (2020: 10%) 開發商的估算利潤和邊際風險：10% (二零二零年：10%)	The higher the developer's estimated profit and margin for risk, the lower the fair value. 開發商的估算利潤和邊際風險越高，公平值越低。
Completed investment property: HK\$2,727 million (2020: HK\$2,649 million) 已竣工投資物業：2,727百萬港元(二零二零年：2,649百萬港元)			
Level 3 第三級	Income approach 收入法 The key inputs are: 主要輸入參數：		
	(1) Capitalisation rate; and 資本化比率；及	Capitalisation rates: 資本化比率： Office: 4.050% (2020: 4.200%) 辦公室：4.050% (二零二零年：4.200%)	The higher the capitalisation rate, the lower the fair value. 資本化比率越高，公平值越低。
	(2) Market rent 市場租金	Monthly market rent: 每月市場租金： £ 9.0 p.s.f. (2020: £ 9.0 p.s.f.) 每平方呎9.0英鎊(二零二零年：每平方呎9.0英鎊)	The higher the rent per square foot, the higher the fair value. 每平方呎租金越高，公平值越高。

Details of the pledge of assets are set out in note 31.

14 投資物業(續)

下表載列如何釐定投資物業公平值(尤其是估值方法及所使用輸入參數)的資料以及公平值等級架構，根據公平值等級，公平值計量基於公平值計量參數的可觀察程度分為一至三級。

有關資產抵押詳情，載於附註31。

15 Property, plant and equipment

15 物業、廠房及設備

		Leasehold land and buildings 租賃土地及 樓宇 (note) (附註) HK\$'000 千港元	Store and leasehold improvements 店舖及 租賃物業裝修 (note) (附註) HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、固定 裝置及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Construction in progress 在建工程 (note) (附註) HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本							
At 1 January 2020	於二零二零年一月一日	2,538,642	910,758	246,825	472,953	14,483	4,342,239	8,525,900
Additions	添置	—	15,621	3,320	48,419	3,443	342,562	413,365
Adjustments	調整	—	—	—	—	—	88,617	88,617
Disposals	出售	—	—	—	(934)	(2,540)	—	(3,474)
At 31 December 2020	於二零二零年十二月三十一日	2,538,642	926,379	250,145	520,438	15,386	4,773,418	9,024,408
Additions	添置	—	9,069	7,453	94,191	2,571	742,824	856,108
Adjustments	調整	—	—	—	—	—	43,881	43,881
Disposals	出售	—	—	—	(344)	(1,688)	—	(2,032)
At 31 December 2021	於二零二一年十二月三十一日	2,538,642	935,448	257,598	614,285	16,269	5,560,123	9,922,365
Depreciation	折舊							
At 1 January 2020	於二零二零年一月一日	1,254,514	506,458	180,725	279,456	13,215	—	2,234,368
Provided for the year	年內撥備	47,976	137,376	14,299	51,645	1,040	—	252,336
Disposals	出售	—	—	—	(917)	(2,540)	—	(3,457)
At 31 December 2020	於二零二零年十二月三十一日	1,302,490	643,834	195,024	330,184	11,715	—	2,483,247
Provided for the year	年內撥備	47,975	111,425	13,636	48,031	1,294	—	222,361
Disposals	出售	—	—	—	(319)	(1,688)	—	(2,007)
At 31 December 2021	於二零二一年十二月三十一日	1,350,465	755,259	208,660	377,896	11,321	—	2,703,601
Net book values	賬面淨值							
At 31 December 2021	於二零二一年十二月三十一日	1,188,177	180,189	48,938	236,389	4,948	5,560,123	7,218,764
At 31 December 2020	於二零二零年十二月三十一日	1,236,152	282,545	55,121	190,254	3,671	4,773,418	6,541,161

Note:

Included in construction in progress are borrowing costs capitalised during the year amounting to approximately HK\$90,338,000 (2020: HK\$114,935,000).

附註：

在建工程包括年內已資本化之借貸成本約90,338,000港元(二零二零年：114,935,000港元)。

15 Property, plant and equipment (continued)**(i) Amounts recognised in the consolidated statement of financial position**

The consolidated statement of financial position shows the following amounts relating to leases:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Right-of-use assets	使用權資產		
Leasehold land — completed property	租賃土地 — 已竣工的物業	928,312	953,286
Leasehold land — construction in progress	租賃土地 — 在建工程	3,322,614	3,396,494
Store and leasehold improvements	店舖及租賃物業裝修	119,803	196,750
		4,370,729	4,546,530
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Lease liabilities	租賃負債		
Current	流動	83,191	86,574
Non-current	非流動	57,136	136,697
		140,327	223,271

15 物業、廠房及設備(續)**(i) 於綜合財務狀況表內確認之金額**

綜合財務狀況表呈列以下與租賃有關的金額：

15 Property, plant and equipment (continued)**(ii) Amounts recognised in the consolidated statement of profit or loss and other comprehensive income**

The consolidated statement of profit or loss and other comprehensive income shows the following amounts relating to leases:

	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Depreciation charge of right-of-use assets 使用權資產折舊支出		
Leasehold land — completed property 租賃土地 — 已竣工的物業	24,974	24,974
Leasehold land — construction in progress 租賃土地 — 在建工程	73,880	73,880
Store and leasehold improvements 店舖及租賃物業裝修	72,169	85,176
	171,023	184,030

Addition of right-of-use assets amounted to HK\$42,807,000 during the year (2020:HK\$7,766,000). There was an adjustment of HK\$47,585,000 to reduce the balance of right-of-use assets during the year following the reassessment of lease liabilities (2020:Nil).

In 2021, the cash outflow related to principal elements of lease liabilities and finance cost were HK\$78,167,000 (2020: HK\$71,515,000) and HK\$5,486,000 (2020: HK\$10,069,000) respectively.

Details of the pledge of assets are set out in note 31.

16 Inventories

	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Finished goods 製成品	27,114	25,917
Less: provision for obsolete inventories 減：滯銷存貨撥備	(343)	(122)
	26,771	25,795

15 物業、廠房及設備(續)**(ii) 於綜合損益及其他全面收益表內確認之金額**

綜合損益及其他全面收益表呈列以下與租賃有關之金額：

年內添置使用權資產為42,807,000港元(二零二零年：7,766,000港元)。在重新評估租賃負債後，於年內作出了47,585,000港元調整以減低使用權資產結餘。(二零二零年：無)。

於二零二一年，租賃負債本金部分及融資成本相關之現金流出分別為78,167,000港元(二零二零年：71,515,000港元)及5,486,000港元(二零二零年：10,069,000港元)。

有關資產抵押詳情，載於附註31。

16 存貨

17 Trade and other receivables

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Trade receivables, gross	應收賬款·總額	39,577	27,560
Less: Provision for expected credit loss	減：預期信貸損失撥備	(2,226)	(2,224)
		37,351	25,336
Prepayments	預付賬款	26,876	25,907
Deposits paid	已付按金	1,554	1,325
Interest receivable	應收利息	866	1,267
Value-added-tax ("VAT") recoverable (note)	可收回增值稅(「增值稅」) (附註)	—	527,506
Others	其他	10,260	63,537
		76,907	644,878

Note: The VAT recoverable arose from the acquisition of a property in London in November 2020, and the property disclosed in note 14 as completed investment property.

As at 31 December 2021, trade receivables from contracts with customers amounted to HK\$39,577,000 (2020: HK\$27,560,000).

The Group's retail sales to customers are mainly made in cash, through debit card or credit card payments. Its major trade receivables arising from credit card sales which are normally settled in one to two business days in arrears and the rental income receivables are normally settled 30 days in arrears. The following is an aged analysis of trade receivables net of provision for expected credit loss presented based on the invoice date:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
0-30 days	0日至30日	30,860	20,736
31-60 days	31日至60日	3,214	3,394
61-90 days	61日至90日	1,464	498
Over 90 days	超過90日	1,813	708
		37,351	25,336

17 應收賬款及其他應收款項

附註：可收回增值稅乃因於二零二零年十一月收購位於倫敦的一項物業而產生，而該物業於附註14中披露為已竣工投資物業。

於二零二一年十二月三十一日，來自顧客合約的應收賬款為39,577,000港元(二零二零年：27,560,000港元)。

本集團向顧客作出的零售銷售主要以現金、透過記賬卡或信用卡付款進行。本集團主要應收賬款來自一般於一至兩個工作日結算的信用卡銷售及通常於三十日內收回應收租金收入。以下為應收賬款(扣除預期信貸虧損)根據發票日期呈列之賬齡分析：

17 Trade and other receivables (continued)
Movement in the provision for expected credit loss on trade receivables

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Balance at beginning of the reporting period	報告期初結餘	2,224	2,201
Provision for expected credit loss recognised	已確認預期信貸損失撥備	2	23
Balance at the end of the reporting period	報告期末結餘	2,226	2,224

The fair value of the trade and other receivables approximates to their carrying value.

應收賬款及其他應收款項之公平值與其賬面值相若。

18 Financial assets at fair value through other comprehensive income

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Non-current assets	非流動資產		
Financial assets at FVOCI:	按公平值計入其他全面收益之金融資產：		
— Equity securities listed overseas	— 於海外上市股票	1,043,379	932,781
— Unlisted equity securities (note)	— 非上市股票(附註)	405,600	387,500
		1,448,979	1,320,281

Note:

Financial assets at FVOCI comprise equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.

At 31 December 2021, certain financial assets at FVOCI were pledged as security for short-term loan facilities granted to the Group. Details of the pledge of assets are set out in note 31.

18 按公平值計入其他全面收益之金融資產

附註：

按公平值計入其他全面收益之金融資產包括並非持作買賣之股票，而本集團已於初始確認時不可撤銷地選擇於此類別確認有關股票。此乃策略性投資，本集團認為此分類較具關聯。

於二零二一年十二月三十一日，若干按公平值計入其他全面收益之金融資產乃抵押作為獲取授予本集團短期貸款融資。有關資產抵押詳情，載於附註31。

19 Financial assets/liabilities at fair value through profit or loss

19 按公平值計入損益之金融資產／負債

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Non-current assets	非流動資產		
Financial assets at FVPL:	按公平值計入損益之金融資產：		
— Club debentures	— 會所債券	28,950	16,538
Current assets	流動資產		
Financial assets at FVPL:	按公平值計入損益之金融資產：		
— Equity securities listed in Hong Kong	— 於香港上市股票	678,492	891,939
— Equity securities listed overseas	— 於海外上市股票	—	54,701
— Listed debt securities (note a)	— 上市債券(附註 a)	563,084	1,815,394
— Money market fund	— 貨幣市場基金	—	1,542,853
— Unlisted debt securities	— 非上市債券	177,840	—
— Unlisted investment funds	— 非上市投資基金	156,994	430,008
— Unlisted equity-linked notes (note b)	— 非上市股權掛鉤債券(附註 b)	7,718	76,304
— Warrant	— 認股證	—	54
— Target redemption forward contracts (note d)	— 目標贖回遠期合約(附註 d)	2,534	3,232
		1,586,662	4,814,485
Current liabilities	流動負債		
Financial liabilities at FVPL:	按公平值計入損益之金融負債：		
— Interest rate swaps (note c)	— 利率掉期(附註 c)	24,324	220,807
— Target redemption forward contract (note d)	— 目標贖回遠期合約(附註 d)	706	29
		25,030	220,836

Notes:

- (a) The listed debt securities mainly represent investment in corporate bonds which are mainly listed in Hong Kong and Singapore.
- (b) As at 31 December 2021, the unlisted equity-linked notes were denominated in United States Dollars ("US\$") with a principal amount of US\$1,000,000 (2020: US\$7,000,000). They had a tenor of 3 to 4 months (2020: 3 to 4 months). The unlisted equity-linked notes were linked with shares (the "Underlying Shares") listed in the United Kingdom (2020: the United Kingdom and Hong Kong). The final redemption amount at the maturity date was with reference to the performance of the share price of the Underlying Shares. The maturity dates of the unlisted equity-linked notes outstanding as at 31 December 2021 were within one year of the date of consolidated statement of financial position, and they are therefore classified as current assets (2020: Same).

附註：

- (a) 上市債券主要指在香港及新加坡上市之企業債券投資。
- (b) 於二零二一年十二月三十一日，非上市股權掛鉤債券以美元(「美元」)計值，本金額為1,000,000美元(二零二零年：7,000,000美元)。該等債券年期為3至4個月(二零二零年：3至4個月)。非上市股權掛鉤債券與英國(二零二零年：英國及香港)的上市股份(「相關股份」)掛鉤。於到期日的最終贖回金額乃參考相關股份的股價表現。於二零二一年十二月三十一日的非上市股權掛鉤債券之到期日均在綜合財務狀況表之日一年內，因此分類為流動資產(二零二零年：相同)。

19 Financial assets/liabilities at fair value through profit or loss (continued)

(c) Major terms of the interest rate swaps are as follows:

Notional amount 名義金額	Period 期間	Pay fixed interest rate 支付固定利息之利率	Receive floating interest rate 收取浮動利息之利率
At 31 December 2021			
於二零二一年十二月三十一日			
HK\$500,000,000 each contract	05 September 2019 to 01 April 2025	1.08% p.a.-1.55% p.a.	1-month HIBOR
每張合約500,000,000港元	二零一九年九月五日至二零二五年四月一日	年息1.08厘至年息1.55厘	一個月之香港銀行同業拆息
HK\$300,000,000	4 Mar 2020 to 4 Mar 2025	1.15% p.a.	1-month HIBOR
300,000,000港元	二零二零年三月四日至二零二五年三月四日	年息1.15厘	一個月之香港銀行同業拆息
At 31 December 2020			
於二零二零年十二月三十一日			
HK\$500,000,000 each contract	23 July 2019 to 23 April 2025	1.05% p.a.-1.64% p.a.	1-month HIBOR
每張合約500,000,000港元	二零一九年七月二十三日至二零二五年四月二十三日	年息1.05厘至年息1.64厘	一個月之香港銀行同業拆息
HK\$300,000,000	4 Mar 2020 to 4 Mar 2025	1.15% p.a.	1-month HIBOR
300,000,000港元	二零二零年三月四日至二零二五年三月四日	年息1.15厘	一個月之香港銀行同業拆息

The Group will pay fixed interest on the notional amount monthly and receive floating interest on the notional amount monthly based on the interest rate swaps contracts (2020: Same).

These interest rate swap contracts can be terminated by the Group at any time before the maturity date (2020: Same).

19 按公平值計入損益之金融資產／負債(續)

(c) 利率掉期之主要條款如下：

按利率掉期合約，本集團將於每月按名義金額支付固定利息和按名義金額收取每月浮動利息(二零二零年：相同)。

本集團可以於到期日前任何時間終止該等利率掉期合約(二零二零年：相同)。

19 Financial assets/liabilities at fair value through profit or loss (continued)

(d) Major terms of the target redemption forward contracts are as follows:

Notional amount 名義金額	Maturity date 到期日	Strike price 行使價	Knock-out price 剔除價	Leverage 槓桿
At 31 December 2021				
於二零二一年十二月三十一日				
Buy GBP Call USD Put GBP 140,480,000/ Sell USD Call GBP Put USD 181,706,000	12 October 2022 to 23 November 2022	GBP/USD 1.27 to 1.31	GBP/USD 1.37	2.0
買入英鎊認購/美元認沽期權 140,480,000 英鎊/賣出美元認購/英鎊認沽期權 181,706,000美元	二零二二年十月十二日至 二零二二年十一月 二十三日	英鎊/美元 1.27 至 1.31	英鎊/美元 1.37	2.0
At 31 December 2020				
於二零二零年十二月三十一日				
Buy GBP Call USD Put GBP 226,366,000/ Sell USD Call GBP Put USD 287,185,000	7 December 2021 to 29 December 2021	GBP/USD 1.25 to 1.29	GBP/USD 1.35 to 1.37	2.0
買入英鎊認購/美元認沽期權 226,366,000 英鎊/賣出美元認購/英鎊認沽期權 287,185,000美元	二零二一年十二月七日至 二零二一年十二月 二十九日	英鎊/美元 1.25 至 1.29	英鎊/美元 1.35 至 1.37	2.0

At 31 December 2021, certain financial assets at FVPL were pledged as security for short-term loan facilities granted to the Group. Details of the pledge of assets are set out in note 31.

19 按公平值計入損益之金融資產/負債(續)

(d) 目標贖回遠期合約之主要條款如下:

於二零二一年十二月三十一日，若干按公平值計入損益之金融資產已作抵押以獲取授予本集團短期貸款融資。有關資產抵押詳情，載於附註31。

20 Cash and cash equivalents

Cash and cash equivalents carried interest at prevailing market rates ranging from 0.01% to 2.9% per annum (2020: 0.01% to 3.2% per annum).

Included in cash and cash equivalents are the following amounts denominated in currencies other than the functional currencies of the respective group entities:

20 現金及現金等價物

現金及現金等價物按現行市場利率計息，年利率介乎0.01厘至2.9厘(二零二零年：年利率介乎0.01厘至3.2厘)。

現金及現金等價物包括下列以相關集團實體功能貨幣以外貨幣計算的款項：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
US\$	美元	2,560,910	470,295
GBP	英鎊	124,453	11,670
RMB	人民幣	31,919	30,276

21 Trade and other payables

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Trade payables	應付賬款	45,088	40,799
Concessionaire sales payables	應付特許專櫃銷售款項	300,348	245,067
APO sales payables	應付銷售後訂單銷售款項	70,587	61,338
Rental deposits received	已收租賃按金	11,612	14,785
Accrued expenses	應計支出	375,796	161,590
Interest payables	應付利息	76,643	79,286
Deferred rental income	遞延租金收入	32,847	32,934
Construction payables	應付工程款項	145,023	12,224
Others	其他	15,355	14,226
		1,073,299	662,249

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

以下為於報告期末根據發票日期對應付賬款的賬齡分析：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
0-30 days	0日至30日	20,179	32,762
31-60 days	31日至60日	19,003	4,993
61-90 days	61日至90日	297	178
Over 90 days	超過90日	5,609	2,866
		45,088	40,799

The average credit period of trade payables, concessionaire sales payables and APO sales payables is within 45 days from the invoice date. The Group has financial risk management policies in place to ensure that payables are settled within the credit time frame.

應付賬款、應付特許專櫃銷售款項及應付銷售後訂單銷售款項之平均信貸期為由發票日期起計45日以內。本集團設有財務風險管理政策，確保應付款項於信貸期限內支付。

22 Contract liabilities

22 合約負債

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Gift certificates	禮券	105,837	114,881
Deferred advertising income	遞延廣告收入	4,923	2,064
Reward points under customer loyalty program	忠誠獎勵計劃下之積分獎賞	6,045	4,879
		116,805	121,824

		Gift certificates 禮券		Deferred advertising income 遞延廣告收入		Reward points under customer loyalty program 忠誠獎勵計劃下之積分獎賞	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	年初已計入合約負債結餘之已確認收入	78,900	81,272	2,064	2,524	4,879	1,589

Typical payment terms which have impact on the amount of contract liabilities recognised are as follows:

— **Gift certificates**

Gift certificates can be bought or redeemed using reward points under customer loyalty program by the customers who redeem the gift certificates for goods and services offered at the department stores. The gift certificates are non-refundable and valid for three years from the date of issue.

— **Deferred advertising income**

The Group receives consideration in advance from customers for using the Group's product displaying and advertising services at a future date. The future obligation to deliver the services result in contract liabilities being recognised until the customers receive the service.

— **Reward points under customer loyalty program**

Under the Group's customer loyalty program, customers who participate in the loyalty program can earn one reward point for every dollar of their spending. For 10,000 points earned, customers can redeem gift certificate with the face value of HK\$50, which can be redeemed for goods or services offered at the department stores. Rewards points earned from preceding twelve months to 30 June expire on 30 September every year.

對經確認合約負債金額構成影響的一般支付條款如下：

— **禮券**

顧客可購買或使用忠誠獎勵計劃下之積分獎賞兌換禮券，而該禮券可兌換百貨公司提供之貨品及服務。禮券是不可退回及自發出日期起三年內有效。

— **遞延廣告收入**

當顧客就未來日期使用本集團產品展示和廣告服務時，本集團會向顧客預先收取代價。於未來提供服務的責任，導致合約負債被確認，直至顧客取得該等服務。

— **忠誠獎勵計劃下之積分獎賞**

在本集團之忠誠獎勵計劃下，參與忠誠獎勵計劃之顧客每消費1港元可賺取1分。賺取每滿10,000分後，顧客可兌換面值50港元之禮券，該禮券可兌換百貨公司提供之貨品或服務。每年由六月三十日前十二個月賺取之積分獎賞於其後九月三十日到期。

22 Contract liabilities (continued)

The following table shows the amount of unsatisfied performance obligations resulting from reward points under customer loyalty program with an original expected duration of one year or more:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Expected to be recognised within one year	預期於一年內確認	6,045	4,879

The following table shows the amount of unsatisfied performance obligations resulting from unredeemed gift certificates with an original expected duration of one year or more:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Expected to be recognised within one year	預期於一年內確認	59,294	64,161
Expected to be recognised after one year	預期於一年後確認	46,543	50,720

22 合約負債(續)

下表所示為產生自忠誠獎勵計劃(原定預期期限為一年或以上)下之積分獎賞之未履行履約責任金額:

下表所示為產生自未兌換禮券(原定預期期限為一年或以上)之未履行履約責任金額:

23 Bank borrowings**23 銀行借貸**

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Bank borrowings: Secured (note a)	銀行借貸: 已抵押(附註a)	9,729,001	13,503,062
Carrying amount repayable based on contractual repayment dates:	按合約中償還日期分類之應償還賬面值:		
Within one year (note b)	一年內(附註b)	6,058,201	9,628,937
More than one year, but not exceeding two years	一年後但不超過兩年	—	3,874,125
More than two years, but not exceeding three years	兩年後但不超過三年	489,440	—
More than three years, but not exceeding four years	三年後但不超過四年	489,440	—
More than four years, but not exceeding five years	四年後但不超過五年	2,691,920	—
		9,729,001	13,503,062
Less: Amount due within one year shown under current liabilities	減: 列入流動負債於一年內到期之款項	(6,058,201)	(9,628,937)
Amount due after one year	一年後到期之款項	3,670,800	3,874,125

23 Bank borrowings (continued)

Note:

- (a): All bank borrowings outstanding as at 31 December 2021 carried interest at variable rates and were secured by certain leasehold land and buildings and shares of the Company's certain subsidiaries and certain financial assets at FVOCI/FVPL (2020: Same) (Details of the pledged of assets are set out in note 31).
- (b): An amount of approximately HK\$2,170.6 million (2020: HK\$3,636.2 million) was subject to repayable on demand clauses. The remaining amount of HK\$3,887.6 million (2020: HK\$5,992.7 million) represents the current portion of the bank borrowings.

Variable rate borrowings comprise:

23 銀行借貸(續)

附註:

- (a): 於二零二一年十二月三十一日，所有未償還的銀行借貸均按浮動利率計息，並以若干租賃土地及樓宇以及本公司若干附屬公司股份及若干按公平值計入其他全面收益/按公平值計入損益之金融資產作抵押(二零二零年：相同)(資產抵押詳情載於附註31)。
- (b): 約2,170.6百萬港元(二零二零年：3,636.2百萬港元)之款項須受限於按要求償還條款。餘下金額3,887.6百萬港元(二零二零年：5,992.7百萬港元)為銀行借貸的即期部分。

浮動利率借貸包括:

		Carrying amount 賬面值	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
HK\$ bank loan at Hong Kong Interbank Offered Rate ("HIBOR") + 1.02% per annum (2020: HIBOR + 0.81% per annum) ⁽¹⁾	港元銀行貸款，按香港銀行同業拆息(「香港銀行同業拆息」)加年息1.02厘計息(二零二零年：香港銀行同業拆息加年息0.81厘計息) ⁽¹⁾	3,670,800	5,992,720
HK\$ bank loan at HIBOR + 0.85% per annum ⁽²⁾	港元銀行貸款，按香港銀行同業拆息加年息0.85厘計息 ⁽²⁾	3,887,625	3,874,125
Japanese Yen ("JPY") bank loan at London Interbank Offered Rate ("LIBOR") + 0.65% per annum ⁽³⁾	日圓(「日圓」)銀行貸款，按倫敦銀行同業拆息(「倫敦銀行同業拆息」)加年息0.65厘計息 ⁽³⁾	20,508	324,365
British Pound ("GBP") bank loan at LIBOR + 0.65% per annum ⁽³⁾	英鎊(「英鎊」)銀行貸款，按倫敦銀行同業拆息加年息0.65厘計息 ⁽³⁾	2,150,068	3,311,852
		9,729,001	13,503,062

- (1) The amount represents bank loan of HK\$3,750.0 million (2020: approximately HK\$6,000.0 million) being net off by approximately HK\$79.2 million (2020: approximately HK\$7.3 million) amortised upfront arrangement fee paid to financial institutions. The amount is repayable within five year (2020: one year) and interest rates will be repriced every one to three months.
- (2) The amount represents bank loan of HK\$3,891.0 million (2020: approximately HK\$3,891.0 million) being net off by approximately HK\$3.4 million (2020: approximately HK\$16.9 million) amortised upfront arrangement fees paid to financial institutions. The amount is repayable within one year (2020: two years) and interest rates will be repriced every one to three months.
- (3) Repayable in one year and interest rate will be repriced every one to three months.

- (1) 此金額乃銀行貸款3,750.0百萬港元(二零二零年：約6,000.0百萬港元)扣減已向金融機構支付的攤銷前期安排費用約79.2百萬港元(二零二零年：約7.3百萬港元)。此金額需於五年(二零二零年：一年)內償還，而利率每隔一至三個月重新定價。
- (2) 此金額乃銀行貸款3,891.0百萬港元(二零二零年：約3,891.0百萬港元)扣減已向金融機構支付的攤銷前期安排費用約3.4百萬港元(二零二零年：約16.9百萬港元)。此金額需於一年(二零二零年：兩年)內償還，而利率每隔一至三個月重新定價。
- (3) 需於一年內償還，而利率將每隔一至三個月重新定價。

The range of effective interest rate of the borrowings is 0.99% to 1.11% (2020: 0.88% to 2.46%) per annum.

借貸實際利率幅度介乎年息0.99厘至1.11厘(二零二零年：0.88厘至2.46厘)。

23 Bank borrowings (continued)

At the end of the reporting period, the Group had undrawn banking facilities as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Floating rate	浮息		
— expiring within one year	— 一年內到期	5,109,000	1,000,000
— expiring beyond one year	— 一年後到期	7,734,424	7,091,533

23 銀行借貸(續)

於報告期末，本集團之未提取銀行融資額度如下：

24 Bonds**24 債券**

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Carrying amount repayable:	應償還賬面值：		
Within one year	一年內	1,599,864	—
More than one year, but not more than two years	超過一年但不超過兩年	—	2,216,861
More than two years, but not more than three years	超過兩年但不超過三年	2,331,331	—
More than three years, but not more than four years	超過三年但不超過四年	2,324,831	2,313,286
More than four years, but not more than five years	超過四年但不超過五年	2,715,274	2,306,034
		8,971,300	6,836,181
US\$205.4 million bond with a fixed coupon rate of 4.25% per annum, payable semi-annually, maturing in October 2022 ⁽¹⁾	205.4百萬美元債券，固定票面年利率為4.25厘，每半年支付一次，直至二零二二年十月到期為止 ⁽¹⁾	1,599,864	2,216,861
US\$300.0 million bond with a fixed coupon rate of 4.875% per annum, payable semi-annually, maturing in July 2024 ⁽²⁾	300.0百萬美元債券，固定票面年利率為4.875厘，每半年支付一次，直至二零二四年七月到期為止 ⁽²⁾	2,331,331	2,313,286
US\$300.0 million bond with a fixed coupon rate of 4.50% per annum, payable semi-annually, maturing in June 2025 ⁽³⁾	300.0百萬美元債券，固定票面年利率為4.50厘，每半年支付一次，直至二零二五年六月到期為止 ⁽³⁾	2,324,831	2,306,034
US\$350.0 million bond with a fixed coupon rate of 4.80% per annum, payable semi-annually, maturing in June 2026 ⁽⁴⁾	350.0百萬美元債券，固定票面年利率為4.80厘，每半年支付一次，直至二零二六年六月到期為止 ⁽⁴⁾	2,715,274	—
		8,971,300	6,836,181

24 Bonds (continued)

Issuer 發行人	Issue date 發行日期	Principal amount 本金金額		Fixed coupon rate per annum 固定票面年利率	Issue price 發行價	Effective interest rate 實際利率	Tenor 年期	Maturity date 到期日
		US\$ 美元	HK\$ equivalent 港元等值					
(1) LS Finance (2022) Limited	16 October 2012 二零一二年 十月十六日	US\$300 million 300百萬美元	HK\$2,325 million 2,325百萬港元	4.25%	At Discount 以折讓價	4.43%	10 year 10年	16 October 2022 二零二二年 十月十六日
(2) LS Finance (2017) Limited	15 July 2019 二零一九年 七月十五日	US\$300 million 300百萬美元	HK\$2,326 million 2,326百萬港元	4.875%	At Par 以平價	5.03%	5 year 5年	15 July 2024 二零二四年 七月十五日
(3) LS Finance (2025) Limited	26 June 2015 二零一五年 六月二十六日	US\$300 million 300百萬美元	HK\$2,325 million 2,325百萬港元	4.50%	At Discount 以折讓價	4.70%	10 year 10年	26 June 2025 二零二五年 六月二十六日
(4) LS Finance (2017) Limited	18 June 2021 二零二一年 六月十八日	US\$350 million 350百萬美元	HK\$2,716 million 2,716百萬港元	4.80%	At Par 以平價	4.94%	5 year 5年	18 June 2026 二零二六年 六月十八日

(a) The issuers are all wholly-owned subsidiaries of the Company.

(b) The above bonds are unconditionally and irrevocably guaranteed by the Company, and their interests are payable semi-annually in arrears.

The purpose of the bonds is to satisfy funding requirements for capital expenditure relating to store renovation and new department store projects. The bonds are subject to redemption, in whole but not in part, at their principal amounts, together with interest accrued to the date of redemption, at the option of LS Finance (2022) Limited, LS Finance (2025) Limited and LS Finance (2017) Limited at any time in the event of certain changes affecting taxes of the British Virgin Islands and the Cayman Islands. The Bonds also contain a provision for redemption at the option of the bondholders under certain conditions at 101% of the principal amount of each bond, together with interest accrued to the date for redemption, upon a change of controlling shareholder with respect to LS Finance (2022) Limited, LS Finance (2025) Limited or LS Finance (2017) Limited.

25 Deferred tax assets/liabilities

The following are the major deferred tax assets/liabilities recognised and movements thereon during the current and prior years:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	89,260	87,451
Deferred tax liabilities	遞延稅項負債	(219,344)	(260,067)
		(130,084)	(172,616)

24 債券(續)

(a) 發行人均為本公司之全資附屬公司。

(b) 上述債券由本公司無條件及不可撤回地作擔保，並每半年期末支付利息一次。

發行債券的目的是滿足有關店舖裝修及新百貨店項目資本開支的資金需求。當任何時間出現若干改變而影響英屬維爾京群島和開曼群島的稅項時，LS Finance (2022) Limited、LS Finance (2025) Limited及LS Finance (2017) Limited有權選擇贖回全部而非部分的債券之本金連同直至贖回日的應付利息。另外，債券包含一條款，當LS Finance (2022) Limited、LS Finance (2025) Limited或LS Finance (2017) Limited的控股股東有變化的時候，債券持有人於若干條件下可選擇以各債券之101%本金連同直至贖回日的應計利息要求債券被贖回。

25 遞延稅項資產／負債

以下為已確認之主要遞延稅項資產／負債以及於本年度及上年度的變動：

25 Deferred tax assets/liabilities (continued)

25 遞延稅項資產／負債(續)

		Accelerated tax depreciation	Revaluation of investment properties	Revaluation of financial assets at FVPL 按公平值計入 損益之 金融資產重估	Total 總計
		加快稅項折舊 HK\$'000 千港元	投資物業 重新估值 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2020 (Charged)/credited to profit or loss (note 9)	於二零二零年一月一日 於損益(扣除)／抵扣 (附註9)	(93,100) (4,958)	(150,197) 43,511	— 32,128	(243,297) 70,681
At 31 December 2020 (Charged)/credited to profit or loss (note 9)	於二零二零年十二月 三十一日 於損益(扣除)／抵扣 (附註9)	(98,058) (12,847)	(106,686) 20,660	32,128 34,719	(172,616) 42,532
At 31 December 2021	於二零二一年十二月 三十一日	(110,905)	(86,026)	66,847	(130,084)

At the end of the reporting period, the Group did not recognise deferred tax assets of approximately HK\$301.6 million (2020: HK\$92.7 million) in respect of unused tax losses of approximately HK\$327.6 million (2020: HK\$324.5 million) and temporary differences arising from revaluation of financial assets at FVPL and revaluation of investment properties of approximately HK\$1,500 million (2020: HK\$237.2 million) due to unpredictability of future profit streams. Tax losses in Hong Kong may be carried forward indefinitely.

於報告期末，由於未來利潤流的不可預測性，本集團並無就未使用稅項虧損約327.6百萬港元(二零二零年：324.5百萬港元)，及按公平值計入損益之金融資產重估和投資物業重估產生之約1,500百萬港元(二零二零年：237.2百萬港元)暫時差額，確認遞延稅項資產約301.6百萬港元(二零二零年：92.7百萬港元)。香港稅項虧損可無限期結轉。

26 Share capital

Details of the changes in the Company's share capital during both years are as follows:

26 股本

於兩個年度，本公司之股本變動詳情如下：

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Authorised:	法定：		
Ordinary shares of HK\$0.005 each as at 1 January 2020, 31 December 2020, and 31 December 2021	於二零二零年一月一日、二零 二零年十二月三十一日及二 零二一年十二月三十一日每 股面值0.005港元之普通股	4,000,000,000	20,000
Issued and fully paid:	已發行及繳足：		
At 1 January 2020, 31 December 2020, and 31 December 2021	於二零二零年一月一日、二零 二零年十二月三十一日及二 零二一年十二月三十一日	1,501,916,000	7,510

None of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

本公司附屬公司於本年度概無購買、出售或贖回本公司任何上市證券。

27 Commitments**(a) Non-cancellable operating leases commitments
The Group as lessor**

All of the properties held for rental purposes have committed lessees for the next one to three years.

Minimum lease payments receivable on leases are as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Within one year	一年內	118,975	121,270
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	163,367	106,037
		282,342	227,307

Leases are generally negotiated for terms ranging from one year to three years.

(b) Capital commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities are as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
For property, plant and equipment and investment properties	物業、廠房及設備以及投資物業	3,785,419	4,310,340

28 Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from the prior year.

The capital structure of the Group consists of bank borrowings and bonds and equity attributable to owners of the Company, comprising issued share capital and reserves including retained profits.

27 承擔**(a) 不可撤銷之經營租賃承擔
本集團作為出租人**

所有用於出租目的之物業於未來一至三年內已有承諾承租人。

租賃應收最低租賃付款如下：

	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Within one year	118,975	121,270
In the second to fifth year inclusive	163,367	106,037
	282,342	227,307

租賃一般按介乎一至三年之年期協商達成。

(b) 資本承擔

於報告期末已訂約惟未確認為負債之重大資本支出如下：

	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
For property, plant and equipment and investment properties	3,785,419	4,310,340

28 資本風險管理

本集團管理其資本，以確保本集團之實體能繼續持續經營，同時透過優化債務及股本結餘，為持份者提供最佳回報。本集團之整體策略與去年相同。

本集團之資本架構包括銀行借貸、債券及本公司擁有人應佔權益(包括已發行股本及儲備(包括保留溢利))。

28 Capital risk management (continued)

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through the payment of dividends, new shares issue and share buybacks as well as the issue of new debt or the redemption of existing debt.

29 Financial instruments**Categories of financial instruments**

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Financial assets	金融資產		
Financial assets measured at amortised cost (including cash and cash equivalents)	按攤銷成本計量之金融資產 (包括現金及現金等價物)	3,909,574	4,308,453
Financial assets of FVOCI (note 18)	按公平值計入其他全面收益之金融資產(附註18)	1,448,979	1,320,281
Financial assets at FVPL (note 19)	按公平值計入損益之金融資產 (附註19)	1,615,612	4,831,023
		6,974,165	10,459,757
Financial liabilities	金融負債		
Financial liabilities measured at amortised cost	按攤銷成本計量之金融負債	19,876,393	21,189,525
Financial liabilities at FVPL (note 19)	按公平值計入損益之金融負債 (附註19)	25,030	220,836
		19,901,423	21,410,361

Financial risk management objectives and policies

The Group's major financial instruments include bank balances and cash, financial assets at FVPL and FVOCI, trade and other receivables, trade and other payables, bank borrowings and bonds. Details of these financial instruments are disclosed in the respective notes of the financial statements. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

28 資本風險管理(續)

本公司董事定期檢討資本架構。作為該檢討之一部分，本公司董事會考慮資本成本及各類資本相關之風險。根據本公司董事之建議，本集團將透過派付股息、發行新股及股份購回以及發行新債項或贖回現有債項以平衡其整體資本架構。

29 金融工具**金融工具類別****財務風險管理目的及政策**

本集團之主要金融工具包括銀行結存及現金、按公平值計入損益及按公平值計入其他全面收益之金融資產、應收賬款及其他應收款項、應付賬款及其他應付款項、銀行借貸及債券。該等金融工具之詳情披露於財務報表相關附註。該等金融工具相關風險及如何減低有關風險之政策載於下文。管理層會管理及監控該等風險，以確保及時與有效地採取適當措施。

29 Financial instruments (continued)

Categories of financial instruments (continued)

Currency risk

The functional currency of the Company and its majority subsidiaries is HK\$, in which most of the transactions are denominated.

The Group has certain bank balances which are denominated in US\$, GBP and RMB (being currencies other than the functional currency of the respective group entities) amounting to HK\$2,561,000 (2020: HK\$470,295,000), HK\$124,453,000 (2020: HK\$11,670,000) and HK\$31,919,000 (2020: HK\$30,276,000), respectively. Furthermore, the Group has certain bank borrowings which are denominated in JPY and GBP (being currencies other than the functional currency of the respective group entities) amounting to HK\$20,508,000 (2020: HK\$324,365,000), and HK\$2,150,068,000 (2020: HK\$3,311,852,000) respectively. Moreover, the Group has bonds which are denominated in US\$ (being currency other than the functional currency of the respective group entities) amounting to HK\$8,971,300,000 (2020: HK\$6,836,181,000).

In addition, certain financial assets at FVPL are denominated in US\$, GBP and JPY (being currencies other than the functional currency of the respective group entities) amounting to approximately HK\$905,636,000 (2020: HK\$3,649,650,000), HK\$nil (2020: HK\$450,000) and HK\$ nil (2020: HK\$247,524,000), respectively, and certain financial liabilities at FVPL are denominated in GBP (being currencies other than the functional currency of the respective group entities) amounting to approximately HK\$459,000 (2020: HK\$nil). Financial assets at FVOCI are denominated in US\$ and GBP (being currencies other than the functional currency of the respective group entities) amounting to approximately HK\$405,600,000 (2020: HK\$387,500,000) and HK\$1,043,379,000 (2020: HK\$932,781,000).

The Group currently does not have a foreign currency hedging policy. However, management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Notwithstanding HK\$ is effectively pegged to US\$ under the pegged exchange rate system in Hong Kong, given the Group's large amount of net liabilities denominated in US\$, the Group is still exposed to the exchange risk of US\$ against HK\$ within the band of US\$1 to HK\$7.75 and HK\$7.85. The Group is also exposed to foreign currency risk of US\$/JPY/GBP against the HK\$ and, in the opinion of the directors of the Company, other foreign currency risks are not significant to the consolidated financial statements and hence no sensitivity analysis is presented.

29 金融工具(續)

金融工具類別(續)

外幣風險

本公司及其大部分附屬公司之功能貨幣為港元，當中大部分交易以港元計值。

本集團有若干以美元、英鎊及人民幣(相關集團實體的功能貨幣以外之貨幣)計值的銀行結存，分別為2,561,000港元(二零二零年：470,295,000港元)、124,453,000港元(二零二零年：11,670,000港元)及31,919,000港元(二零二零年：30,276,000港元)。此外，本集團有若干以日圓及英鎊(相關集團實體的功能貨幣以外之貨幣)計值的銀行借貸，分別為20,508,000港元(二零二零年：324,365,000港元)及2,150,068,000港元(二零二零年：3,311,852,000港元)。此外，本集團以美元(相關集團實體的功能貨幣以外之貨幣)計值的債券，金額為8,971,300,000港元(二零二零年：6,836,181,000港元)。

此外，以美元、英鎊及日圓(相關集團實體的功能貨幣以外之貨幣)計值的若干按公平值計入損益的金融資產，分別約為905,636,000港元(二零二零年：3,649,650,000港元)、零港元(二零二零年：450,000港元)及零港元(二零二零年：247,524,000港元)，而以英鎊(相關集團實體的功能貨幣以外之貨幣)計值的若干按公平值計入損益的金融負債約為459,000港元(二零二零年：零港元)。以美元及英鎊(相關集團實體的功能貨幣以外之貨幣)計值的按公平值計入其他全面收益的金融資產分別約為405,600,000港元(二零二零年：387,500,000港元)及1,043,379,000港元(二零二零年：932,781,000港元)。

本集團現時並無外幣對沖政策。然而，管理層會監控外匯風險，並於需要時考慮對沖重大外幣風險。

儘管港元在香港聯繫匯率制下與美元掛鈎，鑑於本集團有大量以美元計價的淨負債，本集團仍面對美元兌港元匯率在1美元兌7.75港元至7.85港元區間之風險。本集團也面對美元/日圓/英鎊兌港元的外幣風險，而本公司董事認為，其他外幣風險對綜合財務報表並沒有重大影響，故並無呈報敏感度分析。

29 Financial instruments (continued)**Categories of financial instruments (continued)****Currency risk (continued)**

The following table details the Group's sensitivity to a reasonably possible change of 0.5% (2020: 0.5%) for exchange rate of US\$ against HK\$, and 3% (2020: 3%) in the exchange rate of JPY/GBP against the HK\$, while all other variables are held constant. Those sensitivity rate used when reporting foreign currency risk internally to the key management personnel and represents the management's assessment of the reasonably possible change in foreign currency rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 0.5% (2020: 0.5%) change in US\$ against HK\$ and a 3% (2020: 3%) change in JPY/GBP against HK\$. A positive number below indicates an increase in profit for the year where the HK\$ weakens against the relevant foreign currency. Where the HK\$ strengthens against the relevant foreign currency, there would be an equal and opposite impact on the post-tax profit for the year and the balances below would be negative.

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
US\$ against HK\$	美元兌港元	(23,153)	(9,772)
JPY against HK\$	日圓兌港元	(512)	(1,923)
GBP against HK\$	英鎊兌港元	(50,753)	(59,291)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate bank deposits and fixed coupon rate bonds (2020: same). The Group is also exposed to cash flow interest rate risk relating to the Group's variable-rate bank deposits and bank borrowings. The Group currently does not have an interest rate hedging policy. However, management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

29 金融工具(續)**金融工具類別(續)****外幣風險(續)**

下表詳列本集團於美元兌港元之匯率可能出現0.5% (二零二零年: 0.5%)，以及日圓/英鎊兌港元之匯率可能出現3% (二零二零年: 3%) 合理變動時之敏感度，而所有其他變數維持不變。該等匯率之敏感度在向主要管理人員內部匯報外幣匯率風險時使用，並代表管理層對外幣匯率可能合理變動的評估。敏感度分析僅包括於報告期末以外幣計值的貨幣性項目，並以0.5% (二零二零年: 0.5%) 作美元兌港元及3% (二零二零年: 3%) 作日圓/英鎊兌港元變動進行換算。下列正數表示港元兌相關外幣匯率減弱，使年度溢利增加。當港元兌相關外幣匯率增強時，對年度的除稅後溢利會有相等及相反的影響，使下列結餘成負數。

管理層認為，由於年結日之風險並無反映年內風險，故敏感度分析並不代表固有外匯風險。

利率風險

本集團對有關的固定利率銀行定期存款及固定票面利率債券面對公平值利率風險。(二零二零年: 相同)。本集團亦對有關其浮息銀行定期存款及銀行借貸面對現金流量利率風險。本集團現時並無任何利率對沖政策。然而，管理層會監控利率風險，並於需要時考慮對沖重大利率風險。

29 Financial instruments (continued)

Categories of financial instruments (continued)

Interest rate risk (continued)

The Group's sensitivity to cash flow interest rate risk has been determined based on the exposure to interest rates for bank borrowings (excluding the specific bank borrowings for construction purposes) at the end of the reporting period and the reasonably possible change taking place at the beginning of each year and held constant throughout the year. No sensitivity analysis is presented in relation to bank balances as management considers the impact is insignificant. 50 basis points (2020: 50 basis points) increase or decrease is used for variable-rate balances when reporting interest rate risk internally to key management personnel and represents management's assessment of reasonably possible change in interest rates. The Group's sensitivity to interest rate risk at the end of the reporting period while all other variables were held constant after taking into account the impact of the tax and excluding finance costs capitalised in construction in progress and investment property under development is as follows:

		Year ended 31 December 截至十二月三十一日止年度	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
(Decrease) increase in post-tax profit for the year	年內除稅後溢利(減少)增加		
— as a result of increase in interest rate	— 由於利率上升	(17,793)	(32,262)
— as a result of decrease in interest rate	— 由於利率下降	17,793	32,262

In management's opinion, the sensitivity is unrepresentative of the inherent interest rate risk as the year end exposure does not reflect the exposure during the year.

Credit risk and impairment assessment

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations as at 31 December 2021 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position.

29 金融工具(續)

金融工具類別(續)

利率風險(續)

本集團對現金流利率風險之敏感度，乃根據於報告期末銀行借貸(不包括特定作建築用途之銀行借貸)的利率風險以及於每年年初合理地可能出現之變動而於全年維持不變釐定。銀行結存之敏感度分析並無呈報乃由於管理層認為並無重大影響。當向主要管理人員內部匯報利率風險時，50個基點(二零二零年：50個基點)增加或減少用於浮息結餘，並代表管理層對利率可能合理變動的評估。當所有其他變數維持不變，經考慮稅項及扣除資本化於在建工程及在建投資物業之融資成本後，本集團於報告期末對利率風險敏感度如下：

管理層認為，由於年結日之風險並不反映年內風險，故敏感度分析並不代表固有利率風險。

信貸風險及減值評估

於二零二一年十二月三十一日，本集團就對手方未能履行其責任而按各類別已確認金融資產面對之最高信貸風險，乃指綜合財務狀況表所述該等資產之賬面值。

29 Financial instruments (continued)**Categories of financial instruments (continued)****Credit risk and impairment assessment (continued)***Trade receivables*

Retail sales are mainly on a cash basis, either in cash, debit card or credit card payments. In order to minimise the credit risk, management of the Group has formulated a defined fixed credit policy and delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group performs impairment assessment under ECL model upon application of HKFRS 9 on trade balances individually or based on provision matrix. In this regard, the directors of the Group consider that the Group's credit risk is significantly reduced.

The Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. Except for bank credit card receivables at gross carrying amount of HK\$32,132,000 and those credit-impaired trade receivables at gross carrying amount of HK\$2,226,000, the Group determines the expected credit loss on the remaining balances at carrying amount of HK\$7,445,000 by using a provision matrix, grouped by internal credit rating.

The credit risk on bank credit card receivables is limited because the counterparties are banks/financial institutions with high external credit ratings assigned by international credit-rating agencies ranging from Aa1 to Baa2. In addition, the directors of the Group consider those not credit-impaired trade receivables were collectible based on historical observed default rates over the expected life of the debtors and adjusted for forward-looking information that is available without undue cost or effort. Therefore, allowance for impairment was insignificant and thus negligible to be made.

For the credit-impaired trade receivables, a provision of impairment allowance of HK\$2,000 was made during the year ended 31 December 2021. The following table shows the movement in loss allowance that has been recognised for trade receivables under the simplified approach.

		Life-time ECL (credit impaired) 存續期預期信貸 損失(信貸減值) HK\$'000 千港元
As at 1 January 2020 under HKFRS 9	根據香港財務報告準則第9號 於二零二零年一月一日	2,201
— expected credit losses recognised	— 已確認預期信貸損失	23
As at 31 December 2020	於二零二零年十二月三十一日	2,224
— expected credit losses recognised	— 已確認預期信貸損失	2
As at 31 December 2021	於二零二一年十二月三十一日	2,226

The Group did not write off any trade receivables during the year.

29 金融工具(續)**金融工具類別(續)****信貸風險及減值評估(續)***應收賬款*

零售銷售主要以現金進行，可以現金、記賬卡或信用卡付款。為盡量減低信貸風險，本集團管理層已制定明確的既定信貸政策，並委任一組人員，專責釐定信貸限額、批核信貸額及進行其他監管程序，以確保能跟進有關逾期債務之追討事宜。此外，於應用香港財務報告準則第9號後，本集團進行預期信貸損失模式下的減值評估，個別評估或按撥備矩陣評估貿易結餘。就此，本集團董事認為，本集團之信貸風險已大幅減少。

本集團已就香港財務報告準則第9號應用簡化法，計量存續期預期信貸損失的虧損撥備。除賬面總值為32,132,000港元的銀行信用卡應收賬款及賬面總值為2,226,000港元的該等信貸減值應收賬款外，本集團透過撥備矩陣釐定賬面值為7,445,000港元的餘下結餘的預期信貸損失，並由內部信貸評級歸類。

由於對手方為國際信貸評級機構評為Aa1至Baa2的高外部信貸評級的銀行/金融機構，因此銀行信用卡應收賬款的信貸風險有限。此外，本集團董事認為，根據債務人於預期年期的過往觀察所得的違約率及按無需不必要成本及努力即可獲得的前瞻性資料作出調整，該等非信貸減值應收賬款可予收回。因此，減值撥備並不重大，且無提供撥備。

就信貸減值應收賬款而言，截至二零二一年十二月三十一日止年度已計提2,000港元的減值撥備。下表列示根據簡化法已就應收賬款確認的虧損撥備變動。

年內，本集團並無撇銷任何應收賬款。

29 Financial instruments (continued)**Categories of financial instruments (continued)****Credit risk and impairment assessment (continued)***Other receivables, deposits, and bank balances*

Other receivables mainly comprise a VAT recoverable, a receivable from a property management company in the United Kingdom, and interest receivables due from banks. The credit risk on other receivables, deposits and bank balances is limited because the counterparties are the United Kingdom government's authority, an established UK property management company, which is a certified member of Royal Institution of Chartered Surveyor, banks/financial institutions with high external credit ratings assigned by international credit-rating agencies ranging from Aa1 to Baa2 and established Hong Kong companies. Allowance for impairment was insignificant and thus negligible to be made since the management considers the probability of default is negligible.

The Group has no significant concentration of credit risk in relation to trade and other receivables, with exposure spread over a number of counterparties and customers.

Price risk

The Group's financial assets at FVPL are measured at fair value at the end of the reporting period. Therefore, the Group is exposed to price risk. The management manages this exposure by maintaining a portfolio of investments with different risk profiles. Details of the financial assets at FVPL are set out in note 19.

The Group's sensitivity to price risk on the financial assets at FVPL at the end of the reporting period while all other variables were held constant is as follows:

		HK\$'000 千港元
2021	二零二一年	
Reasonably possible change in price	價格之可能合理變動	5%
Increase/(decrease) in post-tax profit for the year	年內除稅後溢利增加/(減少)	
— as a result of increase in price	— 由於價格增加	66,646
— as a result of decrease in price	— 由於價格減少	(66,646)
2020	二零二零年	
Reasonably possible change in price	價格之可能合理變動	5%
Increase/(decrease) in post-tax profit for the year	年內除稅後溢利增加/(減少)	
— as a result of increase in price	— 由於價格增加	207,834
— as a result of decrease in price	— 由於價格減少	(207,834)

29 金融工具 (續)**金融工具類別 (續)****信貸風險及減值評估 (續)***其他應收款項、按金及銀行結存*

其他應收款項主要包括可收回增值稅、應收一間位於英國物業管理公司的款項及應收銀行利息。由於對手方為英國政府機構、一間英國具規模及為皇家特許測量師學會會員的物業管理公司、國際信貸評級機構評為Aa1至Baa2的高外部信貸評級的銀行/金融機構及具規模的香港公司，因此其他應收款項、按金及銀行結存的信貸風險有限。由於管理層認為拖欠的機會極微，減值撥備並不重大，因此無提供撥備。

本集團並無應收賬款及其他應收款項的重大且集中的信貸風險，而風險分佈於多個對手方及顧客。

價格風險

本集團按公平值計入損益之金融資產乃按報告期末之公平值計量。因此，本集團面對價格風險。管理層透過維持具不同風險之投資組合以管理是項風險。按公平值計入損益之金融資產之詳情載於附註19。

在所有其他變數維持不變下，本集團於報告期末對按公平值計入損益之金融資產之價格風險敏感度如下：

29 Financial instruments (continued)

Categories of financial instruments (continued)

Liquidity risk

In management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings and bonds as a significant source of liquidity. As at 31 December 2021, the Group had available unutilised borrowing facilities of approximately HK\$12,843.4 million (2020: HK\$8,901.5 million) of which HK\$3,484.4 million (2020: HK\$1,982.5 million) is uncommitted. Details of bank borrowings are set out in note 23.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

The table includes both interest and principal cash flows. To the extent that interest rates are floating rate, the undiscounted amount is derived from an interest rate curve at the end of the reporting period.

In addition, the following table details the Group's liquidity analysis for its derivative financial instruments. The tables have been drawn up based on the undiscounted gross/(inflows) and outflows on those derivatives that require gross settlement. When the amount payable is not fixed, the amount disclosed has been determined by reference to the projected interest rates/exchange rates as illustrated by the interest rate/exchange rate existing at the end of the reporting period. The liquidity analysis for the Group's derivative financial instruments are prepared based on the contractual maturities as the management considers that the contractual maturities are essential for an understanding of the timing of the cash flows of derivatives.

29 金融工具(續)

金融工具類別(續)

流動資金風險

於管理流動資金風險時，本集團監察及維持管理層視為足以應付本集團業務所需資金水平之現金及現金等價物，並減低現金流量波動影響。管理層監察銀行借貸之運用，確保遵守貸款契諾。

本集團依靠銀行借貸及債券作為重要的流動資金來源。於二零二一年十二月三十一日，本集團之未動用借貸融資額度約為12,843.4百萬港元(二零二零年：8,901.5百萬港元)，其中3,484.4百萬港元(二零二零年：1,982.5百萬港元)為非承諾融資額。有關銀行借貸之詳情載於附註23。

下表詳列本集團非衍生金融負債餘下合約到期日。該表乃按照本集團可能被要求還款之最早日期，以金融負債之非貼現現金流量顯示。

具體而言，不論銀行選擇行使其權利之可能性，載有按要求償還條款之銀行貸款計入最早時段。其他非衍生金融負債之到期日根據協定還款日期釐定。

下表已載列利息及本金現金流。若利率為浮動利率，未貼現金額根據在報告期末利率曲線計算所得。

此外，下表詳列本集團的衍生金融工具的流動性分析。該表根據需總額結算之衍生工具未貼現總/(流入)及流出量制定。當應付金額不固定，披露金額參考預計利率/滙率(如在報告期末現有利率/滙率所示)釐定。本集團的衍生金融工具的流動性分析基於合約到期日編製，因為管理層認為，合約到期日對了解衍生工具的現金流量時間非常重要。

29 Financial instruments (continued)
Categories of financial instruments (continued)
Liquidity risk (continued)
 Liquidity and interest risk tables

29 金融工具(續)
金融工具類別(續)
流動資金風險(續)
 流動資金及利息風險表

		Weighted average interest rate	On demand/ less than 1 month	1-3 months	3 months to 1 year	1-5 years	Total undiscounted cash flows	Carrying amount
		加權平均實際利率	按要求/一個月內	一至三個月	三個月至一年	一至五年	總非貼現現金流量	賬面值
		%	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
31 December 2021 二零二一年十二月三十一日								
Non-derivative financial liabilities 非衍生金融負債								
Trade and other payables 應付賬款及其他應付款項			973,351	41,683	20,731	—	1,035,765	1,035,765
Lease liabilities 租賃負債			—	21,605	61,315	57,407	140,327	140,327
Bank borrowings 銀行借貸								
— variable rate (note a) 一浮動利率(附註a)		1.04	2,178,015	13,494	3,934,426	3,884,435	10,010,370	9,729,001
Bonds 債券		4.64	57,038	—	1,963,604	8,294,520	10,315,162	8,971,300
			3,208,404	76,782	5,980,076	12,236,362	21,501,624	19,876,393
Derivative — gross settlement 衍生工具 — 總額結算								
Target redemption forward contract 目標可贖回遠期合約								
— Inflow 一流入			32,012	64,022	58,126	—	154,160	
— Outflow 一流出			(31,944)	(63,886)	(58,015)	—	(153,845)	
			68	136	111	—	315	706
Derivative — gross settlement 衍生工具 — 總額結算								
Interest rate swaps 利率掉期								
— Inflow 一流入			—	—	—	—	—	
— Outflow 一流出			(1,191)	(2,382)	(10,918)	(29,498)	(43,989)	
			(1,191)	(2,382)	(10,918)	(29,498)	(43,989)	24,324
31 December 2020 二零二零年十二月三十一日								
Non-derivative financial liabilities 非衍生金融負債								
Trade and other payables 應付賬款及其他應付款項			560,665	64,622	1,724	—	627,011	627,011
Lease liabilities 租賃負債			—	24,324	71,223	132,472	228,019	223,271
Bank borrowings 銀行借貸								
— variable rate (note a) 一浮動利率(附註a)		0.91	5,896,059	13,221	3,790,107	3,910,583	13,609,970	13,503,062
Bonds 債券		4.54	56,672	—	260,109	7,780,031	8,096,812	6,836,181
			6,513,396	102,167	4,123,163	11,823,086	22,561,812	21,189,525
Derivative — gross settlement 衍生工具 — 總額結算								
Target redemption forward contract 目標可贖回遠期合約								
— Inflow 一流入			8,146	32,583	59,057	—	99,786	
— Outflow 一流出			(7,657)	(30,629)	(55,515)	—	(93,801)	
			489	1,954	3,542	—	5,985	29
Derivative — gross settlement 衍生工具 — 總額結算								
Interest rate swaps 利率掉期								
— Inflow 一流入			—	—	—	—	—	
— Outflow 一流出			(3,146)	(6,291)	(28,834)	(108,072)	(146,343)	
			(3,146)	(6,291)	(28,834)	(108,072)	(146,343)	220,807

29 Financial instruments (continued)

Categories of financial instruments (continued)

Liquidity risk (continued)

Liquidity and interest risk tables (continued)

Note:

- (a) Bank borrowings with a repayment on demand clause are included in the “on demand or less than 1 month” time band in the above maturity analysis. As at 31 December 2021, the aggregate undiscounted principal amounts of these bank loans amounted to HK\$2,170.6 million (2020: HK\$3,636.2 million). Taking into account the Group’s financial position, the directors of the Group do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The directors of the Group believe that such bank loans will be repaid within one year from the end of the reporting period in accordance with the scheduled repayment dates set out in the loan agreements. At that time, the aggregate principal and interest cash outflows will amount to HK\$2,170.9 million (2020: HK\$3,637.4 million).

The amounts included above for variable interest rate instruments for non-derivative financial liabilities is subject to change if changes in variable interest rates differ from the estimates of interest rates determined at the end of the reporting period.

29 金融工具(續)

金融工具類別(續)

流動資金風險(續)

流動資金及利息風險表(續)

附註：

- (a) 附帶按要求還款條款的銀行借貸在上述到期分析被歸類為「按要求或一個月內」到期。於二零二一年十二月三十一日，該等非貼現的銀行貸款本金合共2,170.6百萬港元(二零二零年：3,636.2百萬港元)。考慮到本集團的財務狀況，本集團董事相信銀行可能不會行使酌情權要求即時償還上述的借貸。本集團董事亦認為該等銀行貸款會於由報告期末起計一年內按照貸款協議所載的預定還款日期償還。屆時合計的本金與利息現金流出將為2,170.9百萬港元(二零二零年：3,637.4百萬港元)。

上文就非衍生金融負債之浮動利率工具包括之金額，會因浮動利率變動有別於報告期末所釐定的估計利率而有變。

29 Financial instruments (continued)

Categories of financial instruments (continued)

Liquidity risk (continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

29 金融工具(續)

金融工具類別(續)

流動資金風險(續)

本集團經常性按公平值計量的金融資產及金融負債之公平值

本集團部分金融資產及金融負債在每個報告期末按公平值計量。下表提供有關如何確定該等金融資產及金融負債的公平值之資料(尤其是估值方法和使用的輸入參數)。

Financial assets/liabilities 金融資產/負債	Fair value as at 公平值於		Fair value hierarchy 公平值等級架構	Valuation technique(s) and key input(s) 估值方法和主要輸入參數
	31 December 2021 二零二一年 十二月三十一日 HK\$'000 千港元	31 December 2020 二零二零年 十二月三十一日 HK\$'000 千港元		
Financial assets at FVPL/FVOCI 按公平值計入損益/按公平值計入其他 全面收益之金融資產				
1. Listed equity securities 上市股票	1,721,871	1,879,421	Level 1 等級一	Quoted bid prices in active markets. 於活躍市場中的買入價。
2. Listed debt securities 上市債券	563,084	1,815,394	Level 2 等級二	Quoted prices in over-the-counter markets. 場外交易市場報價。
3. Money market fund 貨幣市場基金	—	1,542,853	Level 2 等級二	Quoted market prices provided by brokers which are financial institutions. 作為經紀的金融機構提供的市場報價。
4. Unlisted equity security 非上市股票	405,600	387,500	Level 3 等級三	Note 附註
5. Unlisted investment funds 非上市投資基金	156,994	430,008	Level 3 等級三	Note 附註
6. Unlisted debt security 非上市債券	177,840	—	Level 3 等級三	Note 附註
7. Unlisted equity-linked notes 非上市股權掛鈎債券	7,718	76,304	Level 3 等級三	Note 附註
8. Warrant 認股證	—	54	Level 2 等級二	Quoted prices in over-the-counter markets. 場外交易市場報價。
9. Club debentures 會所債券	28,950	16,538	Level 2 等級二	Quoted prices in over-the-counter markets. 場外交易市場報價。
10. Target redemption forward contracts 目標贖回遠期合約	2,534	3,232	Level 2 等級二	Discounted cash flow: Future cash flows are estimated based on difference between predetermined strike and knock out price and foreign exchange forward market rate at the end of the reporting period. 貼現現金流量: 未來現金流量乃基於約定行使價及剔除價以及在報告期末的市場遠期匯率之間的差額作出估計。
Financial liabilities at FVPL 按公平值計入損益之金融負債				
11. Interest rate swaps 利率掉期	24,324	220,807	Level 2 等級二	Discounted cash flow: Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates. 貼現現金流量: 未來現金流量乃基於以遠期利率(從報告期末可觀察收益率曲線)和合約利率計算。
12. Target redemption forward contracts 目標贖回遠期合約	706	29	Level 2 等級二	Discounted cash flow: Future cash flows are estimated based on difference between predetermined strike and knock out price and foreign exchange forward market rate at the end of the reporting period. 貼現現金流量: 未來現金流量乃基於約定行使價及剔除價以及在報告期末的市場遠期匯率之間的差額作出估計。

29 Financial instruments (continued)

Categories of financial instruments (continued)

Liquidity risk (continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

Note: Given majority of the Level 3 instruments comprised unlisted investment funds, unlisted debt security, unlisted equity security and unlisted equity-linked notes, the fair value is determined primarily based on the purchase price paid by the Group and/or taking into account of the analysis of the investees' financial position and results, risk profile, prospects, industry trend and other factors, it is not practical to quote a range of key unobservable inputs.

There were no transfers between Level 1, 2 and 3 during both years.

Fair value measurements and valuation processes

Except as detailed in the following table, the directors of the Group consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate to their fair values:

		2021 二零二一年		2020 二零二零年	
		Carrying amount 賬面值 HK\$'000 千港元	Fair value 公平值 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元	Fair value 公平值 HK\$'000 千港元
Financial liabilities	金融負債				
Bonds	債券	8,971,300	8,657,884	6,836,181	6,872,513

Fair value hierarchy

公平值等級架構

		2021 二零二一年			Total 總計 HK\$'000 千港元
		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	
Financial assets at FVPL/FVOCI:	按公平值計入損益／按公平值計入其他全面收益之金融資產：				
— Listed equity securities	— 上市股票	1,721,871	—	—	1,721,871
— Listed debt securities	— 上市債券	—	563,084	—	563,084
— Unlisted equity security	— 非上市股票	—	—	405,600	405,600
— Unlisted investment funds	— 非上市投資基金	—	—	156,994	156,994
— Unlisted debt securities	— 非上市債券	—	—	177,840	177,840
— Unlisted equity-linked notes	— 非上市股權掛鈎債券	—	—	7,718	7,718
— Club debentures	— 會所債券	—	28,950	—	28,950
— Target redemption forward contracts	— 目標贖回遠期合約	—	2,534	—	2,534
Total	總計	1,721,871	594,568	748,152	3,064,591
Financial liabilities at FVPL:	按公平值計入損益之金融負債：				
— Interest rate swaps	— 利率掉期	—	24,324	—	24,324
— Target redemption forward contracts	— 目標贖回遠期合約	—	706	—	706
Total	總計	—	25,030	—	25,030

29 金融工具(續)

金融工具類別(續)

流動資金風險(續)

本集團經常性按公平值計量的金融資產及金融負債之公平值(續)

附註：鑑於大部分第三級之工具包括非上市投資基金、非上市債券、非上市股票及非上市股權掛鈎債券，公平值乃主要按本集團所付之購買價及／或經計及被投資方之財務狀況及業績、風險概況、前景、行業趨勢及其他因素後釐定，列報一系列主要不可觀察輸入參數並不實際。

第一級、第二級和第三級之間在兩個年度並無任何轉移。

公平值計量及估值流程

除詳述於下表，本集團董事認為，在綜合財務報表按攤銷成本列賬的金融資產和金融負債的賬面值與其公平值相若：

29 Financial instruments (continued)
Categories of financial instruments (continued)
Liquidity risk (continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

29 金融工具(續)
金融工具類別(續)
流動資金風險(續)

本集團經常性按公平值計量的金融資產及金融負債之公平值(續)

		2020 二零二零年			
		Level 1 第一級	Level 2 第二級	Level 3 第三級	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Financial assets at FVPL/FVOCI:	按公平值計入損益/按公平值計入其他全面收益之金融資產:				
— Listed equity securities	— 上市股票	1,879,421	—	—	1,879,421
— Listed debt securities	— 上市債券	—	1,815,394	—	1,815,394
— Money market fund	— 貨幣市場基金	1,542,853	—	—	1,542,853
— Unlisted equity security	— 非上市股票	—	—	387,500	387,500
— Unlisted investment funds	— 非上市投資基金	—	—	430,008	430,008
— Unlisted equity-linked notes	— 非上市股權掛鈎債券	—	—	76,304	76,304
— Warrant	— 認股證	—	54	—	54
— Club debentures	— 會所債券	—	16,538	—	16,538
— Target redemption forward contracts	— 目標贖回遠期合約	—	3,232	—	3,232
Total	總計	3,422,274	1,835,218	893,812	6,151,304
Financial liabilities at FVPL	按公平值計入損益之金融負債:				
— Interest Rate Swap	— 利率掉期	—	220,807	—	220,807
— Target redemption forward contracts	— 目標贖回遠期合約	—	29	—	29
Total	總計	—	220,836	—	220,836

30 Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

		Bank borrowings	Bonds	Interest payable	Accruals of commitment fee for bank borrowings 應計銀行借貸承諾費用	Dividend payable	Lease payable	Total
		銀行借貸	債券	應付利息	承諾費用	應付股息	應付租賃	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2020	於二零二零年一月一日	11,712,178	6,962,233	90,974	3,500	—	287,020	19,055,905
Financing cash flows	融資現金流	1,743,931	(100,957)	(536,273)	(13,649)	—	(81,584)	1,011,468
Exchange difference	匯兌差額	18,893	(25,095)	(10,025)	—	—	—	(16,227)
Interest expenses	利息支出	28,060	—	317,280	13,905	—	10,069	369,314
Capitalisation of interest expenses	已資本化利息支出	—	—	217,330	—	—	—	217,330
Addition to lease payable	增添應付租賃	—	—	—	—	—	7,766	7,766
At 31 December 2020	於二零二零年十二月三十一日	13,503,062	6,836,181	79,286	3,756	—	223,271	20,645,556
Financing cash flows	融資現金流	(3,752,814)	2,088,026	(486,318)	(20,440)	—	(83,653)	(2,255,199)
Operating cash flows	經營現金流	—	9,723	—	—	—	—	9,723
Exchange difference	匯兌差額	(50,827)	37,370	(333)	—	—	—	(13,790)
Interest expenses	利息支出	29,580	—	303,421	20,107	—	5,486	358,594
Capitalisation of interest expenses	已資本化利息支出	—	—	180,587	—	—	—	180,587
Addition to lease payable	增添應付租賃	—	—	—	—	—	42,807	42,807
Adjustment to lease payable	調整應付租賃	—	—	—	—	—	(47,584)	(47,584)
At 31 December 2021	於二零二一年十二月三十一日	9,729,001	8,971,300	76,643	3,423	—	140,327	18,920,694

31 Pledge of assets

At 31 December 2021, certain leasehold land and buildings in Hong Kong with carrying values of approximately HK\$1,081.2 million (2020: HK\$1,126.6 million), together with shares of the Company's certain subsidiaries, were pledged to secure banking facilities of HK\$8,000.0 million (2020: HK\$8,000.0 million) granted to the Group. In addition, financial assets at FVOCI/FVPL with a carrying value of approximately HK\$2,996.3 million (2020: HK\$5,091.3 million) have been pledged to secure loan facilities in the amount of approximately US\$725 million (equivalent to approximately HK\$5,655.0 million) (2020: US\$725 million (equivalent to approximately HK\$5,618.8 million)).

Moreover, the entire Kai Tak Project, comprising the construction in progress and investment property under development, with an aggregate carrying value of HK\$11,380.1 million (2020: HK\$10,193.4 million) was pledged to secure the HK\$9,000.0 million (2020: HK\$9,000.0 million) loan facility granted to the Group for financing the development of the Kai Tak Project.

30 融資活動產生的負債對賬

下表詳述本集團來自融資活動的負債變動，包括現金及非現金變動。融資活動產生的負債是指在本集團綜合現金流量表中分類為融資活動之現金流的以往或未來的現金流以作撥付之負債。

31 資產抵押

於二零二一年十二月三十一日，賬面值約為1,081.2百萬港元(二零二零年：1,126.6百萬港元)位於香港之若干租賃土地及樓宇，連同本公司若干附屬公司股份抵押，以取得授予本集團的銀行融資額8,000.0百萬港元(二零二零年：8,000.0百萬港元)。此外，賬面值約為2,996.3百萬港元(二零二零年：5,091.3百萬港元)之按公平值計入其他全面收益/按公平值計入損益之金融資產已作抵押以取得約725百萬美元(相當於約5,655.0百萬港元)(二零二零年：725百萬美元(相當於約5,618.8百萬港元))貸款融資額。

此外，賬面總值11,380.1百萬港元(二零二零年：10,193.4百萬港元)的整個啟德項目(包括在建工程及在建投資物業)已作抵押，以取得授予本集團的貸款融資額9,000.0百萬港元(二零二零年：9,000.0百萬港元)，用作撥付啟德項目發展的資金。

32 Related party disclosures

(a) Transactions

During the year, there were no significant related party transactions.

(b) Compensation of key management personnel

The remuneration of executive directors, being key management personnel, were determined by the remuneration committee of the Group having regard to the performance of the individuals and market, details of which, together with the other three (2020: three) highest paid employees, are disclosed in note 11.

33 Retirement benefits schemes

The total cost charged to profit or loss in respect of the schemes mentioned below amounted to HK\$8,761,000 (2020: HK\$8,358,000).

Hong Kong

The Group participates in a defined contribution scheme under Occupational Retirement Schemes Ordinance ("ORSO Scheme") and Mandatory Provident Fund Scheme ("MPF Scheme").

For members of the MPF Scheme, both the Group and the employee contribute 5% of the employee's relevant income, subject to a cap of monthly relevant income of HK\$30,000. Contribution to the scheme vest fully upon completion of the services in relevant service period.

The ORSO Scheme is funded by monthly contributions from both employees and the Group at 5% of the employee's remuneration. Where there are employees who leave the ORSO Scheme prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

No forfeited contributions were utilized to reduce contributions during the year ended 31 December 2021 (2020: nil). At 31 December 2021, there were forfeited contributions in the amount of HK\$2,750,534 (2020: HK\$2,750,534) can be used to reduce the future contribution payable.

32 有關連人士披露

(a) 交易

年內，概無與有關連人士進行重大交易。

(b) 主要管理人員薪酬

執行董事為主要管理人員，其酬金乃由本集團薪酬委員會按個別表現及市場狀況釐定，彼等之酬金連同其餘三名(二零二零年：三名)最高收入員工之酬金詳情於附註11披露。

33 退休福利計劃

有關下述的計劃中計入損益的總成本為8,761,000港元(二零二零年：8,358,000港元)。

香港

本集團參與職業退休計劃條例下定額供款計劃(「職業退休計劃」)及強制性公積金計劃(「強積金計劃」)。

作為強積金計劃成員，本集團及員工均以員工5%有關入息向計劃供款，有關每月入息上限為30,000港元。計劃的供款在相關服務期內完成服務後全數獲得。

職業退休計劃由員工及本集團每月按員工薪酬之5%出資供款。倘僱員於可全數獲得供款前退出職業退休計劃，則所沒收供款將用作扣減本集團之應付供款。

截至二零二一年十二月三十一日止年度，沒有使用沒收的供款來減少供款(二零二零年：無)。於二零二一年十二月三十一日，可用於減少未來的應付供款之已沒收供款金額為2,750,534港元(二零二零年：2,750,534港元)。

34 Particulars of principal subsidiaries

At 31 December 2021 and 2020, the details of the Company's principal subsidiaries are as follows:

34 主要附屬公司詳情

於二零二一年及二零二零年十二月三十一日，本公司之主要附屬公司詳情如下：

Name of company 公司名稱	Place/Date of incorporation/ establishment and operation 註冊成立/營業地點 及註冊成立日期	Issued and fully paid share capital/registered capital 已發行及實繳/註冊股本		Attributable equity interest of the Group (note) 本集團應佔權益(附註)		Principal activities 主要業務
		2021 二零二一年	2020 二零二零年	2021 二零二一年	2020 二零二零年	
Ambitious Global Limited	British Virgin Islands/Hong Kong 9 July 2019 英屬維爾京群島/香港 二零一九年七月九日	US\$1 1美元	US\$1 1美元	100%	100%	Financial investment 金融投資
Blossom Atlas Limited	British Virgin Islands/Hong Kong 6 March 2018 英屬維爾京群島/香港 二零一八年三月六日	US\$1 1美元	US\$1 1美元	100%	100%	Financial investment 金融投資
Broad Shine Investments Limited	British Virgin Islands/Hong Kong 2 January 2013 英屬維爾京群島/香港 二零一三年一月二日	US\$1 1美元	US\$1 1美元	100%	100%	Financial investment 金融投資
Eastlord Development Limited 加諾發展有限公司	Hong Kong 21 August 1987 香港 一九八七年八月二十一日	HK\$500,000 500,000港元	HK\$500,000 500,000港元	100%	100%	Property holding and leasing 物業持有及租賃
Everwin Worldwide Limited 永盛環球有限公司	Hong Kong 17 November 2000 香港 二零零零年十一月十七日	HK\$2 2港元	HK\$2 2港元	100%	100%	Property holding and leasing 物業持有及租賃
Forceworld Investments Limited 可偉投資有限公司	Hong Kong 15 July 1988 香港 一九八八年七月十五日	HK\$500,000 500,000港元	HK\$500,000 500,000港元	100%	100%	Property holding and leasing 物業持有及租賃
Future Develop Limited	British Virgin Islands/Hong Kong 12 December 2003 英屬維爾京群島/香港 二零零三年十二月十二日	US\$3 3美元	US\$3 3美元	100%	100%	Investment holding 投資控股
Global Top Limited 世高有限公司	Hong Kong 12 January 2006 香港 二零零六年一月十二日	HK\$1 1港元	HK\$1 1港元	100%	100%	Restaurant operator 餐廳經營
Grand Kinetic Limited 堅享有限公司	Hong Kong 7 February 2001 香港 二零零一年二月七日	HK\$2 2港元	HK\$2 2港元	100%	100%	Property holding and leasing 物業持有及租賃
Knight Prosper Limited	British Virgin Islands/Hong Kong 6 March 2018 英屬維爾京群島/香港 二零一八年三月六日	US\$1 1美元	US\$1 1美元	100%	100%	Financial investment 金融投資

34 Particulars of principal subsidiaries (continued)

34 主要附屬公司詳情(續)

Name of company 公司名稱	Place/Date of incorporation/ establishment and operation 註冊成立/營業地點 及註冊成立日期	Issued and fully paid share capital/registered capital 已發行及實繳/註冊股本		Attributable equity interest of the Group (note) 本集團應佔權益(附註)		Principal activities 主要業務
		2021 二零二一年	2020 二零二零年	2021 二零二一年	2020 二零二零年	
Leader Bright Limited 領耀有限公司	Hong Kong 18 December 2015 香港 二零一五年十二月十八日	HK\$1 1港元	HK\$1 1港元	100%	100%	Properties development 物業發展
Leading Rainbow Limited 領彩有限公司	Hong Kong 2 September 2016 香港 二零一六年九月二日	HK\$1 1港元	HK\$1 1港元	100%	100%	Advertising 廣告
LS Finance (2017) Limited	British Virgin Islands/Hong Kong 1 November 2011 英屬維爾京群島/香港 二零一一年十一月一日	US\$1 1美元	US\$1 1美元	100%	100%	Financing 融資
LS Finance (2022) Limited	British Virgin Islands/Hong Kong 27 September 2012 英屬維爾京群島/香港 二零一二年九月二十七日	US\$1 1美元	US\$1 1美元	100%	100%	Financing 融資
LS Finance (2025) Limited	British Virgin Islands/Hong Kong 2 June 2015 英屬維爾京群島/香港 二零一五年六月二日	US\$1 1美元	US\$1 1美元	100%	100%	Financing 融資
Pacific Trump Development Limited 沛駿發展有限公司	Hong Kong 6 July 1995 香港 一九九五年七月六日	HK\$2 2港元	HK\$2 2港元	100%	100%	Property holding and leasing 物業持有及租賃
Public Might Limited 群量有限公司	Hong Kong 30 August 1984 香港 一九八四年八月三十日	HK\$1,000 1,000港元	HK\$1,000 1,000港元	100%	100%	Property holding and leasing 物業持有及租賃
Ronson Kwok Asia Pacific Limited	Hong Kong 5 October 1993 香港 一九九三年十月五日	HK\$1,000,000 1,000,000港元	HK\$1,000,000 1,000,000港元	100%	100%	Club operator 會所營運
Sogo Hong Kong Company Limited 崇光(香港)百貨有限公司	Hong Kong 23 September 1983 香港 一九八三年九月二十三日	HK\$4,000,000 4,000,000港元	HK\$4,000,000 4,000,000港元	100%	100%	Retailing business 零售業務
Super Expert Investments Limited	British Virgin Islands/ United Kingdom 3 March 2020 英屬維爾京群島/英國 二零二零年三月三日	US\$1 1美元	US\$1 1美元	100%	100%	Investment Property Holding 投資物業控股

34 Particulars of principal subsidiaries (continued)

34 主要附屬公司詳情(續)

Name of company 公司名稱	Place/Date of incorporation/ establishment and operation 註冊成立/營業地點 及註冊成立日期	Issued and fully paid share capital/registered capital 已發行及實繳/註冊股本		Attributable equity interest of the Group (note) 本集團應佔權益(附註)		Principal activities 主要業務
		2021 二零二一年	2020 二零二零年	2021 二零二一年	2020 二零二零年	
Superlite Limited	British Virgin Islands/Hong Kong 3 April 2001 英屬維爾京群島/香港 二零零一年四月三日	US\$1 1美元	US\$1 1美元	100%	100%	Property holding and leasing 物業持有及租賃
Tycoon Achieve Limited	British Virgin Islands/Hong Kong 23 October 2014 英屬維爾京群島/香港 二零一四年十月二十三日	US\$1 1美元	US\$1 1美元	100%	100%	Financial investment 金融投資

Note: LS Finance (2017) Limited, LS Finance (2022) Limited and LS Finance (2025) Limited are directly held by the Company. Other subsidiaries are indirectly held by the Company.

附註：LS Finance (2017) Limited、LS Finance (2022) Limited及LS Finance (2025) Limited乃由本公司直接持有。其他附屬公司乃由本公司間接持有。

The above table lists the subsidiaries of the Group which, in the opinion of the directors of the Company, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

上述列表列出本公司董事認為主要影響本集團業績或資產之本集團附屬公司。本公司董事認為，提供其他附屬公司資料會導致詳情過長。

35 Statement of financial position and reserves of the Company

Information about the statement of financial position of the Company at the end of the reporting period includes:

35 本公司財務狀況表及儲備

於報告期末，本公司財務狀況表資料包括：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司投資	4,194	4,194
Amounts due from subsidiaries (note a)	應收附屬公司款項(附註a)	10,030,296	10,706,837
		10,034,490	10,711,031
Current assets	流動資產		
Other receivables	其他應收款項	280	557
Amounts due from subsidiaries (note b)	應收附屬公司款項(附註b)	19,914	2,179
Cash and cash equivalents	現金及現金等價物	139,835	146,028
		160,029	148,764
Current liabilities	流動負債		
Other payables	其他應付款項	3,289	4,116
Amounts due to subsidiaries (note c)	應付附屬公司款項(附註c)	7,041,804	8,184,216
Tax payable	應繳稅項	238	—
		7,045,331	8,188,332
Net current liabilities	流動負債淨值	(6,885,302)	(8,039,568)
Net assets	資產淨值	3,149,188	2,671,463
Capital and reserves	資本及儲備		
Share capital	股本	7,510	7,510
Reserves (note d)	儲備(附註d)	3,141,678	2,663,953
		3,149,188	2,671,463

Movement of the reserves of the Company is as follows:

本公司的儲備變動如下：

		Capital redemption reserve 資本贖回儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2020	於二零二零年一月一日	1,190	1,162,759	1,163,949
Profit and total comprehensive income for the year	本年度溢利及全面收益總額	—	1,500,004	1,500,004
At 31 December 2020	於二零二零年十二月三十一日	1,190	2,662,763	2,663,953
Profit and total comprehensive income for the year	本年度溢利及全面收益總額	—	477,725	477,725
Dividend Paid	已派付股息	—	—	—
At 31 December 2021	於二零二一年十二月三十一日	1,190	3,140,488	3,141,678

35 Statement of financial position and reserves of the Company (continued)

Notes:

- a. As at 31 December 2021, the amounts due from subsidiaries are unsecured and have no fixed repayment terms. An amount of HK\$3,698,000,000 (2020: HK\$5,698,000,000) bears prevailing interest rate and the remaining amount of HK\$6,332,296,000 (2020: HK\$5,008,837,000) is interest-free. In the opinion of the directors, based on their assessment as at the end of the reporting period of the estimated future cash flows from the subsidiaries, the amount due from subsidiaries will not be repayable within one year from the end of the reporting period, accordingly the amount is classified as non-current.
- b. The amounts due from subsidiaries are unsecured, interest-free, and repayable on demand.
- c. As at 31 December 2021, the amounts due to subsidiaries are unsecured and repayable on demand. An amount of HK\$1,658,880,000 (2020: HK\$3,716,886,000) is interest bearing and the remaining amount of HK\$5,382,924,000 (2020: HK\$4,467,330,000) is interest-free.
- d. The Company's reserves available for distribution as at 31 December 2021 consisted of retained profits of HK\$3,140,488,000 (2020: HK\$2,662,763,000).

35 本公司財務狀況表及儲備(續)

附註：

- a. 於二零二一年十二月三十一日，應收附屬公司之款項乃無抵押，沒有固定還款條款。金額3,698,000,000港元(二零二零年：5,698,000,000港元)以現行利率計息，剩餘金額6,332,296,000港元(二零二零年：5,008,837,000港元)免息。董事認為，根據彼等在報告期末評估附屬公司的估算未來現金流，應收附屬公司款項將不會在報告期末一年以內償還，故此被分類為非流動。
- b. 應收附屬公司款項乃無抵押、免息及按要求償還。
- c. 於二零二一年十二月三十一日，應付附屬公司之款項乃無抵押及按要求償還。1,658,880,000港元(二零二零年：3,716,886,000港元)為計息，而剩餘金額5,382,924,000港元(二零二零年：4,467,330,000港元)為免息。
- d. 於二零二一年十二月三十一日，本公司可供分派儲備包括保留溢利3,140,488,000港元(二零二零年：2,662,763,000港元)。

Five-Year Group Financial Summary

五年集團財務摘要

Results

For the year ended 31 December

業績

截至十二月三十一日止年度

		2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Revenue	收入	3,755,092	4,358,010	3,542,032	1,993,024	2,289,573
Profit/(loss) attributable to owners of the Company	本公司擁有人應佔溢利/(虧損)	2,875,674	1,690,070	1,890,676	138,510	(1,305,000)
Earnings (losses) per share (HK\$)	每股盈利(虧損)(港元)					
— Basic	— 基本	1.79	1.08	1.26	0.09	(0.87)
— Diluted	— 攤薄	N/A	N/A	N/A	N/A	N/A
Total dividends per share (HK cents)	每股股息總額(港仙)	63.2	66.5	30.0	N/A	N/A

Assets and liabilities

At 31 December

資產及負債

於十二月三十一日

		2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元
Total assets	資產總值	21,363,554	20,567,503	24,501,539	25,777,776	22,983,185
Total liabilities	負債總額	(17,484,888)	(17,636,119)	(20,660,235)	(21,932,652)	(20,328,876)
Net assets	資產淨值	3,878,666	2,931,384	3,841,304	3,845,124	2,654,309
Net assets attributable to owners of the Company	本公司擁有人應佔資產淨值	3,878,666	2,931,384	3,841,304	3,845,124	2,654,309
Net assets per share (HK\$)	每股資產淨值(港元)	2.42	1.95	2.56	2.56	1.77
Net assets per share attributable to owners of the Company (HK\$)	本公司擁有人應佔每股資產淨值(港元)	2.42	1.95	2.56	2.56	1.77
Number of shares issued	已發行股份數目	1,602,586,500	1,501,916,000	1,501,916,000	1,501,916,000	1,501,916,000

Particulars of Major Properties

主要物業詳情

	Gross floor area	Site area	Nature of property	Attributable interest to the Group	Category of lease	Stage of completion	Expected completion	Lot number
	總樓面面積	佔地面積	物業性質	本集團應佔權益	租賃類別	完成階段	預計竣工	宗地編號
	sq.m. 平方米	sq.m. 平方米						
Property under development								
在建物業								
1. Property under development located at New Kowloon Inland Kai Tak, Area 1E Site 2, Kowloon, Hong Kong 位於香港九龍啟德第1E區2號地盤的新九龍內地盤之在建物業	101,900*	14,159	Commercial 商業	100%	Medium 中期	Under development 發展中	2023 二零二三年	6557
Property for investment								
持作投資物業								
2. Investment property at St. James's Square, London, United Kingdom 位於英國倫敦聖詹姆士廣場之投資物業	9,630	N/A 不適用	Commercial 商業	100%	Freehold 永久業權	Completed 已竣工	N/A 不適用	N/A 不適用

* Approximately 50% of the development is expected to be for own use.

* 項目約50%預計作自用。



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