

To: Business/Property Editor

Date: 24 February 2022
For immediate release

**HYSAN DEVELOPMENT COMPANY LIMITED
2021 ANNUAL RESULTS**

HIGHLIGHTS

- **2021 was a milestone year for Hysan. The successful tender for Caroline Hill Road Commercial Site significantly expands our core portfolio and creates new opportunities for continued transformation of Lee Gardens. Riding on our strong fundamentals, the Group continues to build strategic pillars to complement our core portfolio over the medium to long term**
- **The future of the pandemic remains uncertain for Hong Kong and the world. On a positive note, Hong Kong increasingly will be connected to other parts of the Greater Bay Area and has the potential to play an important role in its development**
- **Turnover and Recurring Underlying Profit decreased year-on-year by 2.7% and 2.8% respectively as COVID-19 continued to pressure the office sector while retail sector started to recover**
- **Occupancies for Office and Retail portfolios were 94% and 99% respectively**
- **Despite continued pressure from COVID-19, the Group maintained stable dividend with its resilient core earnings**

RESULTS

			Year ended 31 December			
			Notes	2021	2020	Change
Turnover	HK\$ million	1		3,608	3,710	-2.7%
Recurring Underlying Profit	HK\$ million	2		2,330	2,398	-2.8%
Underlying Profit	HK\$ million	3		2,330	2,398	-2.8%
Reported Profit (Loss)	HK\$ million	4		1,383	(2,547)	n/m
Basic Earnings (Loss) per Share	HK cent			133	(244)	n/m
Full-year Dividends per Share	HK cent			144	144	±0%
			As at 31 December			
				2021	2020	
Shareholders' Funds	HK\$ million	5		73,870	73,680	+0.3%
Net Asset Value per Share	HK\$	6		71.4	70.9	+0.7%

n/m: not meaningful

Notes:

1. **Turnover** comprises gross rental income from leasing of investment properties located in Hong Kong and management fee income from the provision of property management services for the year.
2. **Recurring Underlying Profit**, a non-HKFRS measure, is a performance indicator of the Group's core property investment business and is arrived at by excluding from Underlying Profit items that are non-recurring in nature.
3. **Underlying Profit**, a non-HKFRS measure, is arrived at by adding (i) Reported Profit (Loss) excluding unrealized fair value change of investment properties and items not generated from the Group's core property investment business; and (ii) Profit attributable to holders of perpetual capital securities.
4. **Reported Profit (Loss)** is the profit (loss) attributable to owners of the Company. It is prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance.
5. **Shareholders' Funds** are the equity attributable to owners of the Company.
6. **Net Asset Value per Share** represents Shareholders' Funds divided by the number of issued shares at year-end.

HYSAN DEVELOPMENT ANNUAL RESULTS 2021

Results

Hysan Development Company Limited (Stock Code: 00014) today (24 February 2022) announced the Group's turnover for 2021 was HK\$3,608 million, representing a year-on-year decrease of 2.7% from HK\$3,710 million for 2020.

Both Recurring Underlying Profit (our key leasing business performance indicator) and Underlying Profit declined by 2.8% to HK\$2,330 million in 2021 (2020: HK\$2,398 million).

The Group recorded a Reported Profit of HK\$1,383 million in 2021 as compared to a Reported Loss of HK\$2,547 million in the same period last year, mainly due to fair value changes of investment properties of the Group and its associates between two periods.

Shareholders' Fund was HK\$73,870 million as at 31 December 2021 (31 December 2020: HK\$73,680 million).

As at 31 December 2021, the investment properties of the Group were valued at HK\$95,107 million, an increase of 26.8% from HK\$74,993 million as at 31 December 2020, mainly due to successful tender of a commercial site at Caroline Hill Road, Causeway Bay Hong Kong in May 2021 at land premium of HK\$19,778 million.

Dividends

The Board of Directors has declared a second interim dividend of HK117 cents per share (2020: HK117cents) which will be payable in cash. Together with the first interim dividend of HK27 cents per share (2020: HK27 cents per share), there is an aggregate distribution of HK144 cents per share. (2020: HK144 cents per share). Please see the table for all the relevant dates:

Closure of register of members	Friday, 11 March 2022
Ex-dividend date	Wednesday, 9 March 2022
Latest time to lodge transfer documents	Not later than 4pm on Thursday, 10 March 2022
Record date for first interim	Friday, 11 March 2022
First interim dividend payment date	On or about Friday, 25 March 2022

COMMENTS BY MS. IRENE YUN LIEN LEE, CHAIRMAN

Hysan's core portfolio

Hysan has a renowned mixed-use portfolio in one of Hong Kong's most well-known, premier destinations. This has been our core for close to a century and will continue to be our centre of excellence. Lee Gardens is a tangible brand that people identify with. Our natural advantage includes high traffic flows concentrated in a dense land mass, which gives us the critical mass as a community lab to roll out and test digital solutions that bring convenience and added value to our patrons. Our smart community business model and our street shop curation connect people and promote 'wellness'. Lee Gardens is accessible and inclusive. We engage in responsible and sustainable development, which includes environmental and social considerations. Importantly, Hysan is well known for the quality of care and high standards of service throughout our malls and properties.

We will continue to enhance and rejuvenate our core business, especially with the planned extension to the Caroline Hill Road site. This will expand our core footprint while also adding a notable lifestyle element through the inclusion of a significant green community space. We will also provide major enhancements to our existing portfolio, including the creation of an exclusive destination for luxury retail flagship stores, an update of Hysan Place to maintain its leadership as a trend-setter, and the addition of rich textures to the neighbourhood streetscape.

The world is changing quickly, and there are plenty of threats and, equally, many opportunities. In addition to our core business, we have identified several strategic pillars which will deliver a more balanced, diversified, risk-adjusted and complementary portfolio over the medium to long term.

Our investment thesis for these growth pillars is predicated on a number of factors: that they complement our core, are asset-light, rely less on us being a pure capital provider but leverage our strength to partner with established and specialized operators, and, importantly, provide geographic diversification.

Summary of key achievements in 2021

2021 was a watershed year for Hysan. We executed a series of significant investments in our medium to long-term strategic plan, delivering strategic growth pillars which drive geographic diversification, invest in asset-light operating businesses, and target business opportunities that complement and reinforce our core business. In addition, we started a trading asset pillar with our first "develop and sale" project in Tai Po, which should produce periodic earnings 'pops'.

Our investments in 2021 included winning a tender for the Caroline Hill Road project in Hong Kong; acquiring a commercial complex development in Jing'an, Shanghai; partnering with IWG to promote flexible workspaces in the Greater Bay Area, and investing in New Frontier Group to expand its premium healthcare business throughout Mainland China.

We are making preparations for the sale of our residential project in Hong Kong's Tai Po, as well as participating in an urban renewal project in the city's To Kwa Wan area. Last but not least, we have led the sector with our green finance activities, including securing the Hong Kong market's largest ever green loan.

Growing our core footprint in Causeway Bay with the Caroline Hill Road project

Hysan won the tender for the Caroline Hill Road site in 2021, securing a strategic piece of our Lee Gardens area puzzle.

Caroline Hill Road is located between the south-eastern side of our Lee Gardens cluster and the historic South China Stadium, which has been the sporting playground of generations of Hong Kong people. It provides a natural extension of our footprint, adding to the already well-loved lifestyle offerings of Lee Garden Three.

The natural attributes of this piece of land are varied, significant, and beautiful. Our design will focus on showcasing an iconic and historic banyan tree against a lush background of 60,000 square feet of greenery. This will be Hong Kong's most unique urban oasis, open for the community to enjoy.

The Caroline Hill Road site will add approximately 30% to the Lee Gardens footprint, delivering premium Grade A commercial mixed-use buildings. We will also deliver community facilities on behalf of the government. These will be built alongside the proposed district court buildings. These additions are expected to bring more foot traffic to the area.

We are proud of our skills in curating vibrant elements within densely built environment for the benefit of our communities. The Caroline Hill Road site will further showcase our understanding of the community's needs and aspirations by introducing even more unique features for all stakeholders to enjoy.

By 2026, when this project is completed, we plan to deliver much-enhanced area connectivity including a fully-integrated and weatherproof pedestrian walkway system for the entire Lee Gardens area, from the Causeway Bay MTR station all the way to Caroline Hill Road. We expect several minibus routes will be relocated to an all-weather transportation hub in our Caroline Hill Road site, and we plan to improve vehicular access to the area.

Building the "Lee Gardens of Shanghai"

Shanghai is one of the most vibrant and cosmopolitan cities in the world. Hysan already has one highly successful investment, Grand Gateway 66, in the Xuhui district of the city. We have also added to our portfolio in another part of the city. The new 24-storey commercial complex which we acquired recently, known as Lee Gardens Shanghai, is located in the heart of Jing'an district, a historic area featuring Shikumen houses, which are architecturally unique to Shanghai - not dissimilar to our Lee Gardens area, which also blends new with the old architecture.

Drawing on our experience of cultivating vibrant communities in Hong Kong, we will showcase our unique brand of smart community, connectivity, integrating the present day with history, respecting traditions, and preserving authenticity.

Joint venture with leading flex operator IWG in the Greater Bay Area

The use of workspace, and indeed the very concept of an office, had been evolving even before COVID-19. Hysan has identified flexible workspaces as a fast-growing business segment that complements our traditional office portfolio and, at the same time, provides an effective hedge against our office portfolio exposure. The need to manage supply and demand and reduce the fixed costs of having a large office are now important considerations for corporates. Today's workforce, especially post-COVID-19, is likely to continue to adopt hybrid modes of work.

We entered into a 50/50 joint venture with IWG, a long-established global brand that is one of the most successful flex operators in the world. We are confident and optimistic about our opportunities in the Greater Bay Area.

Expanding into premium healthcare in Mainland China

Our investment in New Frontier Group aims to give us strategic exposure to the fast-growing premium healthcare services sector in Mainland China. The medical, health and wellness sector is now an increasingly important part of modern commercial properties, a trend we also observed within our own portfolio.

New Frontier Group operates a portfolio of acute hospitals, online hospital services, rehabilitation and geriatric hospitals, oncology centres, ambulatory centres, outpatient clinics, home health networks, doctor groups, training centres and health insurance services across the country.

Through this venture, we are partnering with a world-class operator in a high-growth sector, providing us with further geographic diversification beyond the Greater Bay Area and Shanghai.

Sales set to start at Hysan's Tai Po residential site

We are very excited about our Tai Po project, which is targeted to be launched around Q2 2022. Apart from the design, the quality of materials, landscaping, facilities, and the almost 360-degree views facing Tolo Harbour on one side and rolling green hills and the serene Tsz Shan Monastery on the other side, the Tai Po project will also benefit from the government policy to build out and expand Hong Kong's Northern Metropolis.

2022 outlook

The world continues to be critically affected by the pandemic. Hong Kong is entering its third difficult year, showing obvious fatigue. On a macro level, we are facing rising interest rates, potential inflation and unemployment and changes in national policy. This has all been set against a backdrop of ongoing global geopolitical tensions. On a positive note, Hong Kong increasingly will be connected to other parts of the Greater Bay Area and has the potential to play an important role in its development.

Hysan is well placed to capture opportunities across its strategic growth pillars, and to enhance and transform our core portfolio to position Lee Gardens as an attractive destination for future generations to live, work and flourish.

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2021

	<u>Notes</u>	<u>2021</u> <i>HK\$ million</i>	<u>2020</u> <i>HK\$ million</i>
Turnover	3	3,608	3,710
Property expenses		(499)	(490)
Gross profit		3,109	3,220
Investment income		92	272
Other gains and losses		(8)	5
Administrative expenses		(274)	(268)
Finance costs		(393)	(546)
Change in fair value of investment properties		(720)	(4,903)
Share of results of:			
associates		458	225
joint ventures		(3)	-
Profit (loss) before taxation		2,261	(1,995)
Taxation	5	(358)	(353)
Profit (loss) for the year	6	1,903	(2,348)
Profit (loss) for the year attributable to:			
Owners of the Company		1,383	(2,547)
Perpetual capital securities holders		459	288
Other non-controlling interests		61	(89)
		1,903	(2,348)
Earnings (loss) per share (expressed in HK cents)	7		
Basic		133	(244)
Diluted		133	(244)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2021

	<u>2021</u> HK\$ million	<u>2020</u> HK\$ million
Profit (loss) for the year	1,903	(2,348)
Other comprehensive income (expenses)		
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
Loss on revaluation of properties held for own use (net of tax)	(18)	(1)
Change in fair value of equity instruments at fair value through other comprehensive income ("FVTOCI")	314	5
	296	4
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Net adjustments to hedging reserve	(20)	(122)
Share of translation reserve of an associate	167	341
	147	219
Other comprehensive income for the year (net of tax)	443	223
Total comprehensive income (expenses) for the year	2,346	(2,125)
Total comprehensive income (expenses) attributable to:		
Owners of the Company	1,826	(2,324)
Perpetual capital securities holders	459	288
Other non-controlling interests	61	(89)
	2,346	(2,125)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

	<u>Notes</u>	<u>2021</u> <i>HK\$ million</i>	<u>2020</u> <i>HK\$ million</i>
Non-current assets			
Investment properties		95,107	74,993
Property, plant and equipment		472	834
Investments in associates		5,995	5,577
Loans to associates		10	11
Investments in joint ventures		475	125
Loans to a joint venture		1,256	1,153
Other financial investments		1,780	789
Debt securities		843	454
Deferred tax assets		90	55
Other financial assets		9	1
Other receivables	9	1,835	361
		<u>107,872</u>	<u>84,353</u>
Current assets			
Accounts and other receivables	9	887	467
Debt securities		171	-
Tax recoverable		39	-
Time deposits		1,866	10,546
Cash and cash equivalents		6,538	14,389
		<u>9,501</u>	<u>25,402</u>
Current liabilities			
Accounts payable and accruals	10	820	931
Deposits from tenants		372	377
Amounts due to non-controlling interests		214	217
Borrowings		531	-
Taxation payable		-	27
		<u>1,937</u>	<u>1,552</u>
Net current assets		<u>7,564</u>	<u>23,850</u>
Total assets less current liabilities		<u>115,436</u>	<u>108,203</u>
Non-current liabilities			
Amounts due to non-controlling interests		7,639	-
Borrowings		18,126	18,970
Other financial liabilities		149	183
Deposits from tenants		546	597
Deferred tax liabilities		1,091	1,004
		<u>27,551</u>	<u>20,754</u>
Net assets		<u>87,885</u>	<u>87,449</u>
Capital and reserves			
Share capital		7,723	7,722
Reserves		66,147	65,958
Equity attributable to owners of the Company		<u>73,870</u>	<u>73,680</u>
Perpetual capital securities		10,657	10,657
Other non-controlling interests		3,358	3,112
Total equity		<u>87,885</u>	<u>87,449</u>

Notes:

1. Basis of Preparation

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

2. Principal Accounting Policies

In the current year, the Group has applied all of the new and amendments to HKFRSs issued by the HKICPA that are relevant to its operations and effective for the Group’s financial year beginning on 1 January 2021. The application of these new and amendments to HKFRSs had no material effect on the results and financial position of the Group for the current and/or prior accounting years.

3. Turnover

Turnover represents gross rental income from leasing of investment properties and management fee income from provision of property management services for the year.

The Group’s principal activities are property investment, management and development, and its turnover and results are principally derived from investment properties located in Hong Kong.

For revenue from provision of property management services recognized over time in Hong Kong, the categories for disaggregation of revenue are consistent with the segment information disclosed in note 4.

4. Segment Information

Based on the internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to segments and to assess their performance, the Group’s operating and reportable segments are as follows:

Retail segment – leasing of space and related facilities to a variety of retail and leisure operators

Office segment – leasing of high quality office space and related facilities

Residential segment – leasing of luxury residential properties and related facilities

Property development segment – development of properties for sale or leasing

Segment turnover and results

The following is an analysis of the Group's turnover and results by operating and reportable segment.

	<u>Retail</u> <i>HK\$ million</i>	<u>Office</u> <i>HK\$ million</i>	<u>Residential</u> <i>HK\$ million</i>	<u>Property</u> <u>Development</u> <i>HK\$ million</i>	<u>Consolidated</u> <i>HK\$ million</i>
For the year ended					
31 December 2021					
Turnover					
Leasing of investment properties	1,447	1,519	233	-	3,199
Provision of property management services	173	209	27	-	409
Segment revenue	1,620	1,728	260	-	3,608
Property expenses	(265)	(178)	(56)	-	(499)
Segment profit	1,355	1,550	204	-	3,109
Investment income					92
Other gains and losses					(8)
Administrative expenses					(274)
Finance costs					(393)
Change in fair value of investment properties					(720)
Share of results of: associates					458
a joint venture					(3)
Profit before taxation					2,261

	<u>Retail</u> <i>HK\$ million</i>	<u>Office</u> <i>HK\$ million</i>	<u>Residential</u> <i>HK\$ million</i>	<u>Property</u> <u>Development</u> <i>HK\$ million</i>	<u>Consolidated</u> <i>HK\$ million</i>
For the year ended					
31 December 2020					
Turnover					
Leasing of investment properties	1,431	1,598	266	-	3,295
Provision of property management services	169	216	30	-	415
Segment revenue	<u>1,600</u>	<u>1,814</u>	<u>296</u>	<u>-</u>	<u>3,710</u>
Property expenses	(247)	(187)	(56)	-	(490)
Segment profit	<u><u>1,353</u></u>	<u><u>1,627</u></u>	<u><u>240</u></u>	<u><u>-</u></u>	<u><u>3,220</u></u>
Investment income					272
Other gains and losses					5
Administrative expenses					(268)
Finance costs					(546)
Change in fair value of investment properties					(4,903)
Share of results of associates					225
Loss before taxation					<u><u>(1,995)</u></u>

All of the segment turnover reported above is from external customers.

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of investment income, other gains and losses, administrative expenses (including central administrative costs and directors' emoluments), finance costs, change in fair value of investment properties and share of results of associates and a joint venture. This is the measure reported to the chief operating decision maker of the Group for the purpose of resource allocation and performance assessment.

Segment assets

The following is an analysis of the Group's assets by operating and reportable segment.

	<u>Retail</u> <i>HK\$ million</i>	<u>Office</u> <i>HK\$ million</i>	<u>Residential</u> <i>HK\$ million</i>	<u>Property</u> <u>Development</u> <i>HK\$ million</i>	<u>Consolidated</u> <i>HK\$ million</i>
As at 31 December 2021					
Segment assets	31,921	34,715	8,715	21,199	96,550
Investments in and loans to associates					6,005
Investment in a joint venture					352
Other financial investments					1,780
Other assets					12,686
Consolidated assets					117,373
As at 31 December 2020					
Segment assets	31,727	34,602	8,731	1,278	76,338
Investments in and loans to associates					5,588
Other financial investments					789
Other assets					27,040
Consolidated assets					109,755

Segment assets represented the investment properties and accounts receivable of each segment, and investment in and loans to a joint venture under property development segment without allocation of property, plant and equipment, investments in and loans to associates, investment in a joint venture, other financial investments, debt securities, other financial assets, deferred tax asset, other receivables, time deposits and cash and cash equivalents. This is the measure reported to the chief operating decision maker of the Group for the purpose of monitoring segment performances and allocating resources between segments. The investment properties are included in segment assets at their fair values whilst the change in fair value of investment properties is not included in segment profit.

Included in the Property Development segment is an investment property under development, which will be transferred to other segment upon completion of the development.

No segment liabilities analysis is presented as the Group's liabilities are monitored on a group basis.

All the Group's non-current assets excluding financial instruments and deferred tax assets are located in Hong Kong, except for those assets with carrying amounts of HK\$7,522 million (2020: HK\$5,585 million) which operate in Mainland China.

Other segment information

	<u>Retail</u> <i>HK\$ million</i>	<u>Office</u> <i>HK\$ million</i>	<u>Residential</u> <i>HK\$ million</i>	<u>Property</u> <u>Development</u> <i>HK\$ million</i>	<u>Consolidated</u> <i>HK\$ million</i>
For the year ended					
31 December 2021					
Additions to non-current assets	320	102	8	20,020	20,450
For the year ended					
31 December 2020					
Additions to non-current assets	730	66	46	-	842

5. Taxation

	<u>2021</u> <i>HK\$ million</i>	<u>2020</u> <i>HK\$ million</i>
Current tax		
Hong Kong Profits Tax		
- current year	306	329
- under-provision in prior years	3	-
Deferred tax	49	24
	358	353

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

6. Profit (loss) for The Year

	<u>2021</u> <i>HK\$ million</i>	<u>2020</u> <i>HK\$ million</i>
Profit (loss) for the year has been arrived at after charging (crediting):		
Auditor's remuneration	<u>3</u>	<u>3</u>
Depreciation of property, plant and equipment	<u>29</u>	<u>24</u>
Gross rental income from investment properties including rentals received with reference to turnover of tenants of HK\$118 million (2020: HK\$51 million)	(3,199)	(3,295)
Less:		
- Direct operating expenses arising from leasing of investment properties	<u>167</u>	<u>166</u>
	<u>(3,032)</u>	<u>(3,129)</u>
Staff costs (including directors' emoluments)	<u>274</u>	<u>282</u>
Share of income tax of associates (included in share of results of associates)	<u>180</u>	<u>92</u>

7. Earnings (loss) Per Share

The calculation of the basic and diluted earnings (loss) per share attributable to the owners of the Company is based on the following data:

	<u>Earnings (loss)</u>	
	<u>2021</u> <i>HK\$ million</i>	<u>2020</u> <i>HK\$ million</i>
Earnings (loss) for the purposes of basic and diluted earnings (loss) per share:		
Profit (loss) for the year attributable to owners of the Company	<u>1,383</u>	<u>(2,547)</u>

	<u>Number of shares</u>	
	<u>2021</u>	<u>2020</u>
Weighted average number of ordinary shares for the purpose of basic earnings (loss) per share	1,038,238,085	1,041,797,236
Effect of dilutive potential ordinary shares:		
Share options issued by the Company	<u>95,159</u>	<u>-</u>
Weighted average number of ordinary shares for the purpose of diluted earnings (loss) per share	<u>1,038,333,244</u>	<u>1,041,797,236</u>

The computation of diluted earnings (loss) per share does not assume the exercise of certain (2020: all) of the Company's outstanding share options as the exercise prices of those options were higher than the average market price for shares.

8. Dividends

(a) Dividends recognized as distribution during the year:

	<u>2021</u> <i>HK\$ million</i>	<u>2020</u> <i>HK\$ million</i>
2021 first interim dividend paid - HK27 cents per share	281	-
2020 first interim dividend paid - HK27 cents per share	-	281
2020 second interim dividend paid - HK117 cents per share	1,216	-
2019 second interim dividend paid - HK117 cents per share	-	1,221
	<u>1,497</u>	<u>1,502</u>

(b) Dividends declared after the end of the reporting period:

	<u>2021</u> <i>HK\$ million</i>	<u>2020</u> <i>HK\$ million</i>
Second interim dividend (in lieu of a final dividend) - HK117 cents per share (2020: HK117 cents per share)	<u>1,210</u>	<u>1,216</u>

The second interim dividend is not recognized as a liability as at 31 December 2021 because it has been declared after the end of the reporting period. It will be payable in cash.

9. Accounts and Other Receivables

	<u>2021</u> <i>HK\$ million</i>	<u>2020</u> <i>HK\$ million</i>
Accounts receivable	64	67
Interest receivable	111	109
Prepayments in respect of investment properties	132	149
Deposits of acquisition of a subsidiary	1,520	-
Other receivables and prepayments	895	503
Total	<u>2,722</u>	<u>828</u>
Analysed for reporting purposes as:		
Current assets	887	467
Non-current assets	1,835	361
	<u>2,722</u>	<u>828</u>

The following is an ageing analysis of accounts receivable (net of allowance for credit losses) at the end of the reporting period. Accounts receivable mainly includes rents from leasing of investment properties, which are normally received in advance.

	<u>2021</u> <i>HK\$ million</i>	<u>2020</u> <i>HK\$ million</i>
Less than 30 days	28	34
31-90 days	30	23
Over 90 days	6	10
	<u>64</u>	<u>67</u>

10. Accounts Payable and Accruals

	<u>2021</u> <i>HK\$ million</i>	<u>2020</u> <i>HK\$ million</i>
Accounts payable	193	277
Interest payable	155	161
Other payables	472	493
	<u>820</u>	<u>931</u>

At the end of the reporting period, accounts payable of the Group with carrying amount of HK\$143 million (2020: HK\$160 million) were aged less than 90 days.

11. Subsequent Event

On 4 January 2022, Hysan (Shanghai) Limited, an indirect wholly-owned subsidiary of the Company, completed the acquisition of asset through an acquisition of Scorecity Investments Limited (the "Acquisition"), being an indirect holder of a commercial complex located at Nos. 668 and 688 Xinzha Road, Shanghai, the PRC. Upon the completion of the Acquisition, Scorecity Investments Limited became an indirect wholly-owned subsidiary of the Company.

On 25 January 2022, Patchway Holdings (HK) Limited, a 60% owned-subsiary of the Company, entered into a facility agreement with several banks for an aggregate facility amounted to HK\$12,951 million. The proceeds from such facilities are expected to be used for refinancing up to 40% of the total sum of land premium paid and 80% of construction cost and the related professional fees in connection with the Group's investment properties under development.

On 7 February 2022, Lucida Enterprises Limited, an indirect wholly-owned subsidiary of the Company, entered into the shareholder's agreement to subscribe 25% of the enlarged issued share capital of Nation Star Development Limited ("Nation Star"). Nation Star won the tender of the development of the land known as Kowloon Inland Lot No. 11279 in October 2021. Upon completion, Nation Star will be accounted for in the Group's future consolidated financial statements by applying equity accounting method.