



RESULTS FOR THE YEAR ENDED 31 DECEMBER 2021  
AUDITED SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	GROUP		COMPANY	
	31 Dec. 2021 K'000	31 Dec. 2020 K'000	31 Dec. 2021 K'000	31 Dec. 2020 K'000
Rental income	6,413,774	6,328,549	2,392,505	2,289,355
Increase in fair value of investment properties	5,425,400	5,049,324	1,737,000	2,970,800
Other income	1,155,745	1,537,353	1,999,034	1,135,980
Dividend income from subsidiaries	-	-	-	723,250
<b>Total income</b>	<b>13,195,139</b>	<b>12,915,626</b>	<b>6,128,534</b>	<b>7,119,365</b>
<b>Total operating expenses and finance costs</b>	<b>(5,505,991)</b>	<b>(3,754,274)</b>	<b>(2,973,063)</b>	<b>(2,262,858)</b>
<b>Profit before tax</b>	<b>7,689,148</b>	<b>9,161,352</b>	<b>3,155,469</b>	<b>4,856,507</b>
Income tax	(1,266,538)	(4,817,711)	(861,538)	(1,253,189)
<b>Profit for the year</b>	<b>6,422,590</b>	<b>4,343,641</b>	<b>2,153,931</b>	<b>3,603,318</b>
Distributable profits	1,140,863	966,140	870,033	1,489,553
Non-distributable profits	3,544,801	3,244,888	1,323,898	2,113,765
Amount attributable to members of the parent	4,705,644	4,231,028	2,193,931	3,603,318
Amount attributable to non-controlling interests	1,716,956	1,212,613	-	-
<b>Issued shares</b>	<b>2,298,047,440</b>	<b>2,298,047,440</b>	<b>2,298,047,440</b>	<b>2,298,047,440</b>
Basic earnings per share (K)	2.85	1.84	-	-
Distributable (K)	0.30	0.42	-	-
Non-distributable (K)	1.45	1.42	-	-

SUMMARY STATEMENT OF CASH FLOWS

	GROUP		COMPANY	
	31 Dec. 2021 K'000	31 Dec. 2020 K'000	31 Dec. 2021 K'000	31 Dec. 2020 K'000
<b>Cash flows from operating activities</b>	<b>3,519,871</b>	<b>500,574</b>	<b>1,314,853</b>	<b>(275,985)</b>
Net cash generated by/(used in) operations	-	-	557,750	415,500
Returns on investment and servicing of finance	-	-	-	-
Dividend received	1,036,240	1,275,949	279,786	321,847
Interest paid	(737,444)	(865,979)	(175,921)	(179,041)
Dividend paid	(919,223)	(344,709)	(919,223)	(344,709)
Dividend paid to non-controlling shareholders	(212,250)	-	-	-
<b>Net cash flow generated from/(used in) returns on investment and servicing of finance</b>	<b>2,487,194</b>	<b>561,377</b>	<b>1,057,245</b>	<b>(62,408)</b>
Taxation paid	(1,840,438)	(845,200)	(781,130)	(552,025)
<b>Net cash generated from/(used in) operating activities</b>	<b>846,728</b>	<b>(883,823)</b>	<b>274,108</b>	<b>(614,483)</b>
Addition to plant and equipment	(63,385)	(65,204)	(39,519)	(52,560)
Proceeds on disposal of equipment	68,377	372	68,371	372
Acquisitions in capital work in progress	(12,451)	-	-	-
Staff long-term loan granted	(35,952)	(57,110)	(35,248)	(57,110)
<b>Net cash used in investing activities</b>	<b>(42,911)</b>	<b>(121,942)</b>	<b>(6,394)</b>	<b>(109,298)</b>
<b>Cash flow from financing activities</b>	<b>(284,439)</b>	<b>(254,374)</b>	<b>-</b>	<b>-</b>
Repayment of borrowings	-	-	-	-
<b>Net cash used in financing activities</b>	<b>(284,439)</b>	<b>(254,374)</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>519,408</b>	<b>(740,141)</b>	<b>267,712</b>	<b>(723,781)</b>
Cash and cash equivalents at the beginning of the year	(1,184,626)	(624,535)	(1,294,841)	(873,066)
<b>Cash and cash equivalents at the end of the year</b>	<b>(665,218)</b>	<b>(1,384,676)</b>	<b>(1,027,129)</b>	<b>(1,596,847)</b>

SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	GROUP		COMPANY	
	31 Dec. 2021 K'000	31 Dec. 2020 K'000	31 Dec. 2021 K'000	31 Dec. 2020 K'000
<b>EQUITY AND LIABILITIES</b>				
<b>SHAREHOLDERS' EQUITY</b>				
Ordinary share capital	114,902	114,902	114,902	114,902
Distributable reserves	5,574,904	5,289,852	8,885,040	8,843,809
Non-distributable reserves	33,006,932	29,505,572	16,172,702	14,912,245
Share premium	8,626,938	8,626,938	8,626,938	8,626,938
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT COMPANY</b>	<b>47,323,678</b>	<b>45,537,232</b>	<b>33,772,602</b>	<b>32,497,894</b>
Non-controlling interests	21,481,571	19,978,897	-	-
<b>Total equity</b>	<b>68,805,249</b>	<b>65,516,134</b>	<b>33,772,602</b>	<b>32,497,894</b>
<b>LIABILITIES</b>				
Non-current liabilities	13,801,893	13,378,003	5,238,579	4,860,736
Current liabilities	1,823,706	1,220,912	730,393	508,858
Bank overdraft	1,092,570	1,379,031	1,092,570	1,375,623
<b>Total liabilities</b>	<b>16,718,169</b>	<b>16,277,946</b>	<b>7,061,542</b>	<b>6,745,217</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>85,523,418</b>	<b>79,792,080</b>	<b>40,834,144</b>	<b>39,243,131</b>
<b>ASSETS</b>				
<b>Non-current assets</b>				
Investment properties	71,095,847	65,470,246	31,500,207	19,763,207
Other assets	2,409,980	2,291,825	15,013,669	15,080,270
<b>Total non-current assets</b>	<b>73,705,827</b>	<b>67,762,121</b>	<b>46,513,876</b>	<b>34,793,477</b>
<b>Current assets</b>				
Trade and other receivables	8,321,307	11,581,404	3,496,577	4,316,872
Prepayment notes receivable	3,068,962	-	760,250	-
Assets held for sale	-	54,000	-	54,000
Cash and cash equivalents	497,330	194,355	65,441	78,782
<b>Total current assets</b>	<b>(11,817,591)</b>	<b>11,829,959</b>	<b>4,322,268</b>	<b>4,449,654</b>
<b>TOTAL ASSETS</b>	<b>85,523,418</b>	<b>79,792,080</b>	<b>40,834,144</b>	<b>39,243,131</b>

SUMMARY CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	GROUP		COMPANY	
	31 Dec. 2021 K'000	31 Dec. 2020 K'000	31 Dec. 2021 K'000	31 Dec. 2020 K'000
At the beginning of the year	63,514,134	59,579,499	32,497,894	29,239,281
Distributable profit for the year	1,345,355	255,053	870,033	1,489,553
Non-distributable profit for the year	5,077,233	4,088,590	3,323,898	2,113,765
Dividend declared - First 2021	(855,704)	(529,598)	(843,456)	(544,709)
Dividend declared - Interim 2021	(275,767)	(497,250)	(275,767)	-
<b>Total</b>	<b>68,805,249</b>	<b>65,516,134</b>	<b>33,772,602</b>	<b>32,497,894</b>

**Basis of preparation**

The summary consolidated and separate financial statements are prepared in order to meet the Mainboard Stock Exchange listing requirements for summarized financial statements. The directors have considered the requirements of the Mainboard Stock Exchange and believe that the summary consolidated and separate statements of financial position, comprehensive income, changes in equity and cash flows are sufficient to meet the requirements of the users of the summary consolidated and separate financial statements. The amounts in the summary consolidated and separate financial statements are prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards. The summary consolidated and separate financial statements have been derived from the Annual Consolidated and Separate Financial Statements which were approved by the Board of Directors on 15 March 2022 and is available on the company's website, [www.mpico.com](http://www.mpico.com).

**2021 FINANCIAL YEAR RESULTS PUBLICATION COMMENTARY**

**Review of the results**

The MPICO plc Board is pleased to announce the results of the Group for the year ended 31 December 2021. Rental income increased by 8% to HK\$4.4 billion in 2021 from HK\$3.8 billion in 2020. The increase is mainly due to rent reviews and improved occupancy levels. Total operating expenditure for the year increased to HK\$3.8 billion from HK\$3.8 billion in 2020 due to inflationary pressures and other one-off costs. Profit after tax has increased to HK\$0.5 billion in 2021 from HK\$0.4 billion in 2020, representing a year-on-year increase of 49% partly due to lower deferred tax in the reporting period.

**Outlook**

Economic growth prospects remain weak with significant downside risks from uncertain weather patterns and productivity inhibitors like insufficient power supply. The economy is projected to grow by 3.5% in 2022, which is a downward revision from the initial forecast of 4.0%, mainly due to downside risks from erratic weather and insufficient and unstable power supply challenges exacerbated by the impact of cyclone Ana. Further downside risks include possible future waves of the COVID-19 pandemic, and restrained business activity because of limited foreign exchange supply. Inflation outlook remains elevated based on potential increases in utility tariffs, and energy prices, as well as imported food inflation.

The Board will continue to monitor the developments surrounding the economic environment risks and take the necessary precautionary and mitigating measures to protect investments for our clients and deliver sustainable and competitive returns.

**Dividend**

The Company paid an interim dividend of HK\$2.8 million in October 2021 (2020: Nil). The Directors are recommending a final dividend amounting to HK\$4.4 million representing 19 cents per share (2020: HK\$4.3 million) making a total dividend of HK\$7.2 million (2020: HK\$4.3 million). In respect of 2021 profits representing a total of 31 cents per share (2020: 28 cents per share). The Dividend will be paid after approval by the AGM to be held in June 2022.

**By order of the Board,**

**Chairman**  
**Chairman**

**MANAGING DIRECTOR**  
**Chairman**

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

TO THE SHAREHOLDERS OF MPICO plc

**Opinion**

The summary consolidated and separate financial statements, which comprise the summary consolidated and separate statements of financial position as at 31 December 2021 and the summary consolidated and separate statements of comprehensive income, summary consolidated and separate statements of changes in equity, and summary consolidated and separate statements of cash flows for the year then ended, and the related notes, are derived from the audited consolidated and separate financial statements of MPICO plc for the year ended 31 December 2021.

In our opinion, the accompanying summary consolidated and separate financial statements are a fair summary of the audited consolidated and separate financial statements of MPICO plc, and the basis described on the basis of preparation paragraph.

**Summary consolidated and separate financial statements**

The summary consolidated and separate financial statements do not contain all the disclosures required by the International Financial Reporting Standards. Reading the summary consolidated and separate financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated and separate financial statements and the auditor's report thereon. The summary consolidated and separate financial statements and the audited consolidated and separate financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated and separate financial statements.

**The audited consolidated and separate financial statements and our report thereon**

We issued an unmodified audit opinion on the audited consolidated and separate financial statements in our report dated 31 March 2022. That report also includes the communication of key audit matters (KAM). Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements for the current year.

**Directors Responsible for the Summary Consolidated and Separate Financial Statements**

Directors are responsible for the preparation of the summary consolidated and separate financial statements in accordance with the basis of preparation paragraph.

**Auditor's Responsibility**

Our responsibility is to express an opinion on whether the summary consolidated and separate financial statements are a fair summary of the audited consolidated and separate financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (ISA) (Revised). Engagement to Report on Summary Financial Statements.

Chartered Accountants  
Wong Kuan  
Partner  
**Deloitte**