TSIM SHA TSUI PROPERTIES LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 247)

CHAIRMAN'S STATEMENT

I am pleased to present 2022/2023 Annual Report to the shareholders.

FINAL RESULTS

The Group's underlying profit attributable to shareholders, excluding the effect of fair-value changes on investment properties for the year ended 30th June, 2023 ("Financial Year") was HK$3,419.5 million (2021/2022: HK$3,599.8 million). Underlying earnings per share was HK$1.68 (2021/2022: HK$1.82).

After taking into account the revaluation loss (net of deferred taxation) on investment properties of HK$90.2 million (2021/2022: revaluation loss of HK$427.0 million), which is a non-cash item, the Group reported a net profit attributable to shareholders of HK$3,287.1 million for Financial Year (2021/2022: HK$3,159.2 million). Earnings per share for the Financial Year was HK$1.61 (2021/2022: HK$1.60).

FINAL DIVIDEND

The Directors have resolved to recommend a final dividend of HK43 cents per share in respect of the Financial Year.

The final dividend will be payable to shareholders whose names appear on the Register of Members of the Company on 1st November, 2023. Together with the interim dividend of HK15 cents per share paid on 18th April, 2023, the total dividend for the Financial Year is HK58 cents per share.

The Directors propose that shareholders be given the option to receive the final dividend in new shares in lieu of cash. The scrip dividend proposal is subject to: (1) the approval of the proposed final dividend at the Annual General Meeting to be held on 25th October, 2023; and (2) The

Stock Exchange of Hong Kong Limited granting the listing of and permission to deal in the new shares to be issued pursuant to this proposal.

A circular containing detail of the scrip dividend proposal will be dispatched to shareholders together with the form of election for scrip dividend on or about 8th November, 2023. It is expected that the final dividend warrants and share certificates for the scrip dividend will be dispatched to shareholders on or about 5th December, 2023.

REVIEW OF OPERATIONS

The operations under Sino Land Company Limited ("Sino Land") represent a substantial portion of the operations of the Group as a whole. As at 30th June, 2023, Tsim Sha Tsui Properties Limited had 55.93% interest in Sino Land. Therefore, for discussion purposes, the focus here will be on the operations of Sino Land.

(1) Sales Activities

Total revenue from property sales for the Financial Year, including property sales of associates and joint ventures, attributable to Sino Land was HK$11,937.3 million (2021/2022: HK$10,841.8 million).

Total revenue from property sales comprises mainly the sales of residential units and carparking spaces in the project completed during the Financial Year namely La Marina in Wong Chuk Hang, Grand Victoria I in South West Kowloon, St. George's Mansions in Ho Man Tin and Silversands in Ma On Shan, as well as the sales of remaining stocks of residential units and carparking spaces in projects completed in previous financial years, including Grand Central in Kwun Tong, The Mediterranean in Sai Kung, 133 Portofino in Sai Kung, and The Dynasty in Zhangzhou.

During the Financial Year, Sino Land launched one new residential project in Hong Kong for sale, namely Villa Garda II in Tseung Kwan O (23.6% sold). In addition, certain units of the remaining stocks of projects launched in previous periods have been launched for sale. These projects are Villa Garda I in Tseung Kwan O (78.5% sold), Silversands in Ma On Shan (80.6% sold), St. George's Mansions in Ho Man Tin (22.3% sold), and Grand Victoria I in South West Kowloon (88.0% sold).

Looking ahead, Sino Land has a pipeline of new projects to be launched. In addition to Villa Garda III in Tseung Kwan O, Grand Mayfair III in Yuen Long, ONE CENTRAL PLACE in Central and La Montagne in Wong Chuk Hang which have obtained pre-sale consents, Sino Land expects to obtain pre-sale consent for another residential project in financial year 2023/2024, namely Yau Tong Ventilation Building Property Development. The timing for launching these projects for sale will depend on when the pre-sale consents are received and the prevailing market conditions. Subsequent to the Financial Year, certain units of La Montagne and Villa Garda III were launched for sale in July 2023 and August 2023 respectively.

(2) Land Bank

As at 30th June, 2023, Sino Land had a land bank of approximately 19.5 million square feet of attributable floor area in Mainland China, Hong Kong, Singapore and Sydney which comprises a balanced portfolio of properties of which 46.8% is commercial; 27.9% residential; 11.3% industrial; 8.0% car parks and 6.0% hotels. In terms of breakdown of the land bank by status, 4.8 million square feet were properties under development, 12.9 million square feet of properties for investment and hotels, together with 1.8 million square feet of properties held for sale. This land bank should be sufficient to meet Sino Land's development needs over the next few years. Sino Land will continue to be selective in replenishing its land bank to optimise its earnings potential.

During the Financial Year, Sino Land was awarded the development rights of a site in Hong Kong from the Urban Renewal Authority with attributable floor area of 162,525 square feet for residential use and 22,753 square feet for commercial use, totaling 185,278 square feet. Details of the project are as follows:

Location	**Usage**	**Group's Interest**	**Attributable Floor Area** *(Square feet)*
KIL 11285 Wing Kwong Street / Sung On Street Development, To Kwa Wan, Kowloon, Hong Kong	Residential/ Commercial	Joint Venture	185,278

(3) Property Development

During the Financial Year, Sino Land obtained Certificate of Compliance or Consent to Assign for the following projects in Hong Kong. Details of the projects are as follows:

Location	**Usage**	**Group's Interest**	**Attributable Floor Area** *(Square feet)*
Silversands 8 Yiu Sha Road, Ma On Shan, New Territories, Hong Kong	Residential	100%	119,351
St. George's Mansions 24A Kadoorie Avenue, Ho Man Tin, Kowloon, Hong Kong	Residential	Joint Venture	309,707

Location	**Usage**	**Group's Interest**	**Attributable Floor Area** *(Square feet)*
La Marina 11 Heung Yip Road, Wong Chuk Hang, Hong Kong	Residential	Joint Venture	246,496
Landmark South 39 Yip Kan Street, Wong Chuk Hang, Hong Kong	Commercial	60%	141,698
Grand Victoria Phase 1 6 Lai Ying Street, South West Kowloon, Kowloon, Hong Kong	Residential	29.25%	104,321
38 Wing Kei Road 38 Wing Kei Road, Kwai Chung, New Territories, Hong Kong	Industrial	100%	176,906
			1,098,479

In Mainland China, Sino Land completed Block 10 of Dynasty Park Phase III in Zhangzhou during the Financial Year. Details of the project are as follows:

Location	**Usage**	**Group's Interest**	**Attributable Floor Area** *(Square feet)*
Dynasty Park Phase III Block 10, No. 298 Tengfei Road, Xiangcheng District, Zhangzhou, Fujian Province, People's Republic of China	Residential/ Commercial	100%	131,595

Sino Land obtained Occupation Permit for the following projects in Hong Kong during the Financial Year. Details of the projects are as follows:

Location	**Usage**	**Group's Interest**	**Attributable Floor Area** *(Square feet)*
Landmark South 39 Yip Kan Street, Wong Chuk Hang, Hong Kong	Commercial	60%	141,698
La Marina 11 Heung Yip Road, Wong Chuk Hang, Hong Kong	Residential	Joint Venture	246,496
One North 8 Hong Yip Street, Yuen Long, New Territories, Hong Kong	Commercial	100%	497,620
38 Wing Kei Road 38 Wing Kei Road, Kwai Chung, New Territories, Hong Kong	Industrial	100%	176,906
Grand Victoria Phase 1, Phase 2 and Phase 3 6 and 8 Lai Ying Street, South West Kowloon, Kowloon, Hong Kong	Residential	29.25%	288,935
ONE SOHO 32B Shantung Street, Mongkok, Kowloon, Hong Kong	Residential	Joint Venture	67,311
			1,418,966

Subsequent to the Financial Year, Sino Land obtained Certificate of Compliance for the following projects in Hong Kong. Details of the projects are as follows:

Location	**Usage**	**Group's Interest**	**Attributable Floor Area** *(Square feet)*
Grand Victoria Phase 2 and Phase 3 8 Lai Ying Street, South West Kowloon, Kowloon, Hong Kong	Residential	29.25%	184,614
ONE SOHO 32B Shantung Street, Mongkok, Kowloon, Hong Kong	Residential	Joint Venture	67,311
One North 8 Hong Yip Street, Yuen Long, New Territories, Hong Kong	Commercial	100%	497,620
			749,545

(4) Rental Activities

For the Financial Year, Sino Land's attributable gross rental revenue, including share from associates and joint ventures, was HK$3,504.8 million (2021/2022: HK$3,546.1 million), representing a decrease of 1.1% year-on-year. The decline in rental income was mainly due to the decrease in occupancy and negative rental reversion for the office sector, partially offset by the improvement for retail sector, driven by a combination of lower level of rental concession provided to tenants, increase in occupancy, and the higher contribution from turnover rent. The net rental income for the Financial Year was HK$2,985.7 million (2021/2022: HK$3,101.6 million), representing a decrease of 3.7% year-on-year. The slightly higher decline in net rental income than the reduction in gross rental income was mainly due to the Group's continuous efforts on assets enhancement works, as well as the additional leasing expenses incurred on our three new buildings namely Landmark South, One North and 38 Wing Kei Road.

Overall occupancy of Sino Land's investment property portfolio was 91.2% for the Financial Year (2021/2022: 90.8%), an increase of 0.4 percentage point when compared with the same period last year. Among the different sectors, retail recorded the biggest improvement with its occupancy rate increased by 2.1 percentage points to 95.0% (2021/2022: 92.9%), followed by industrial's 2.0 percentage points increase to 87.7%

(2021/2022: 85.7%), while occupancy rate for the office and residential portfolios were 86.6% (2021/2022: 89.7%) and 82.0% (2021/2022: 84.8%), respectively.

Macro headwinds in the economy started to recede as the HKSAR Government began to relax pandemic-related measures and restrictions, boosting local economic and social activities. Together with the full border reopening between Mainland China and Hong Kong in early 2023, as well as the effective initiatives rolled out by the HKSAR Government to revive the tourism industry and the launch of a new round of Government's Consumption Vouchers Schemes, business and consumer sentiment have gradually recovered, bringing optimism to the overall business environment. To capitalise on the return of tourists to the city and the improved consumer sentiment locally, Sino Land engaged with our customers through a series of online and offline promotional activities to help tenants' sales and hosted various events in our shopping malls, such as "Goal Together" and "CoComelon Playground Fun", to stimulate traffic. Apart from partnering with major payment gateways, business partners and tenants incentivised consumers to use their Consumption Vouchers in our shopping malls. Relentless efforts were made to optimise tenant mix as well as leveraging on our "S^+ REWARDS" and "SINO CLUB" digital programmes to enhance customers' shopping experience and increase customer loyalty. Overall, footfall and tenant sales at our flagship malls have marked a visible improvement from the low of the pandemic.

Demand for office space remained slow amid the hybrid working model adopted by certain corporates, with challenges magnified by the increase in available office space in the market. As a result, both occupancy and rental remained under pressure. Nonetheless, Hong Kong is poised to benefit from Central Government's support to deepen its economic integration with the country, and it is well-positioned to take advantage of the development of the Greater Bay Area as the economies of the relevant cities continue to expand. The successful launch of the talent acquisition programmes by the HKSAR government as well as the overwhelming response by applicants reflect the attractiveness of the city for talents and businesses to grow. It is anticipated that business activities and demand for office space will gradually normalise, bringing back leasing demand from Mainland Chinese corporates over time. Leveraging on the Invigorating Island South Initiative and the Northern Metropolis Development Strategy, Landmark South and One North are Sino Land's latest projects which recently obtained Certificate of Compliance. Riding on the infrastructure improvements made under these development schemes with our enhanced portfolio utilising best-in-class building specifications and accredited green features, Sino Land stands ready to attract occupiers seeking high quality and sustainable office spaces.

As at 30th June, 2023, Sino Land has approximately 12.9 million square feet of attributable floor area of investment properties and hotels in Mainland China, Hong Kong, Singapore and Sydney. Of this portfolio, commercial developments (retail and office) account for 62.2%, industrial 13.9%, car parks 12.2%, hotels 9.1%, and residential 2.6%.

(5) Hotels

For the Financial Year, Sino Land's hotel revenue, including attributable share from associates and joint ventures, was HK$1,375.5 million compared to HK$582.7 million last year, and the corresponding operating profit was HK$451.7 million (2021/2022: HK$92.9 million).

Since the easing of travel restrictions and resumption of international travel in early 2022 for certain countries, our Singapore and Sydney operations have experienced a meaningful and consistent recovery, with continuous improvement in operational performances. Management is particularly encouraged by the performance of our Singapore operations, where room rates have exceeded the pre-pandemic levels, as normalisation started to emerge. During the second half of the Financial Year, the reopening of borders between Mainland China and Hong Kong coupled with a series of effective initiatives and events implemented by the HKSAR Government boosted economic activities and the tourism industry. Visitor arrivals reached 3.6 million in July 2023, the highest level since the onset of COVID-19 in 2020. Alongside the gradual resumption of airlines' passenger capacity and normalisation of airfares, the hotel industry is set to benefit from the expected improvement in international arrivals, as mass tourists resume with their travels.

Sino Land has been proactively managing our hotels to capitalise on the return of visitors. Management remained vigilant on cost controls against the inflationary environment, while continuously developing new strategies to enhance the quality of hotel services and improve efficiency to ensure that our guests have enjoyable experiences during their stays in the hotels. Conrad Hong Kong discontinued the Designated Quarantine Hotel arrangement when the scheme ended on 26th September, 2022. A marked improvement in monthly room rate and occupancy was observed, particularly in the second half of the Financial Year, aided by the gradual increase in business and leisure travellers on mega events such as Art Basel and Rugby Sevens, and the resumption of physical exhibitions, events and local banquets. First opened in July 2022, The Fullerton Ocean Park Hotel Hong Kong experienced noticeable improvement in the second half of the Financial Year as we approached the traditional peak season for resort hotels in the summer, as well as the uplift in food and beverage performance as more events were hosted at the hotel following the lifting of social distancing measures. The Olympian Hong Kong was closed for enhancement works since December 2021 and Sino Land intends to reopen the hotel in the fourth quarter of 2023 with new commercial and operational strategies.

As at 30th June, 2023, Sino Land's portfolio of hotels comprises The Fullerton Hotel Singapore, The Fullerton Bay Hotel Singapore, The Fullerton Ocean Park Hotel Hong Kong, Conrad Hong Kong, The Fullerton Hotel Sydney and The Olympian Hong Kong.

(6) Mainland China Business

During the Financial Year, the Central Government fully reopened its borders and policymakers have emphasised growth to be the main priority through aligning fiscal, monetary, social, and technology policies to promote growth across different sectors. The latest politburo meeting indicated that in order to boost post-pandemic recovery, China will step up economic policy adjustments in a precise and forceful manner, focusing on expanding domestic demand by boosting residents' incomes to enable consumption to drive economic growth, boost confidence and preventing risks, while it will adjust property policies in a timely manner to optimise the supply and demand relationship in the property market. The Central Government remains committed to build a strong foundation for an all-round well-off society and to expand the middle-income class to support domestic consumption as laid out in the "dual circulation" strategy under the 14th Five-Year Plan.

The Central Government accelerated liquidity easing for property developers and local government launched further property easing policies since the third quarter of 2022. On top of the 16-Point Plan with an aim to channel liquidity to developers to ensure completion of unfinished home projects, new measures were recently announced by authorities to extend credit support for developers, alleviating the existing concerns on the property sector while driving up sentiment of home buyers. Such stimulus packages are bringing positive momentum to the property sector and indicate a gradual recovery in property sales. Sino Land remains confident on the outlook for the mainland property market over the medium-to-long term.

As at 30th June, 2023, Sino Land had approximately 4.1 million attributable square feet of land bank in Mainland China. Of the total, approximately 2.3 million square feet are projects under development and the remaining are mainly investment properties. There are four key projects under development, out of which two are in Qianhai in the Greater Bay Area, including a 50% interest in a serviced apartment project and 30% interest in a commercial development site. The other two projects are the 100% interest in Dynasty Park Phase IV in Zhangzhou, and 20% interest in The Palazzo in Chengdu.

Other than the matters mentioned above, there has been no material change from the information published in the report and accounts for the year ended 30th June, 2022.

FINANCE

The Group's financial position remains strong. As at 30th June, 2023, the Group at subsidiary level had cash and bank deposits of HK$44,824.5 million. After netting off total borrowings of HK$2,771.1 million, the Group had net cash of HK$42,053.4 million as at 30th June, 2023. The Group is in net cash position, therefore gearing ratio, calculated on the basis of net debt to equity attributable to the Company's shareholders, is not applicable. Of the total borrowings, 40.9% is repayable within one year, 29.1% is repayable between one and two years and the remaining between two and three years. All of the Group's borrowings are subject to floating interest rates. The Group is a beneficiary of the interest rate hike environment due to our net cash position. Total assets and shareholders' funds of the Group were HK$181,049.7 million and HK$91,590.2 million, respectively. Net book value of the Group attributable to the Company's shareholders was HK$44.51 per share as at 30th June, 2023 (HK$44.00 per share as at 30th June, 2022).

As at 30th June, 2023, the majority of the Group's debts are denominated in Hong Kong dollars. Other than the above-mentioned, there was no material change in foreign currency borrowings and the capital structure of the Group for the Financial Year. The majority of the Group's cash are denominated in Hong Kong dollars with a portion in Renminbi, US dollars and Australian dollars.

The Group has maintained a sound financial management policy and foreign exchange exposure has been prudently kept at a minimal level.

CORPORATE GOVERNANCE

The Group places great importance on corporate integrity, business ethics and good governance. With the objective of practising good corporate governance, the Group has formed Audit, Compliance, Remuneration and Nomination Committees. The Group is committed to maintaining corporate transparency and disseminates information about new developments through various channels, including press releases, its corporate website, results briefings, non-deal roadshows, site visits and participation in investor conferences.

CUSTOMER SERVICE

Sino Land is committed to building quality projects. In keeping with its mission to enhance customer satisfaction, Sino Land will, wherever possible, ensure that attractive design concepts and features are also environmentally-friendly for its developments. Management conducts regular reviews of Sino Land's properties and services so that improvements can be made on a continuous basis.

SUSTAINABILITY

The Group strives to integrate sustainability into every aspect of its operations through three interconnected areas under our vision of "Creating Better Lifescapes", namely Green Living, Innovative Design and Community Spirit. The Group also seeks to create long-term value for stakeholders and the communities in which we operate. Our annual sustainability report highlights our corporate sustainability footprints and initiatives, and has been prepared in accordance with Global Reporting Initiative ("GRI") Standards, the requirements outlined in the Environmental, Social and Governance Reporting Guide under Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("HKEX ESG Reporting Guide"), the World Economic Forum Stakeholder Capitalism Metrics and the Sustainability Accounting Standards Board ("SASB") Standards for the Real Estate Sector. In addition, our climate actions are disclosed in the report with reference to the Task Force on Climate-related Financial Disclosures ("TCFD") recommendations, while our nature-related performance is disclosed with reference to the Taskforce on Nature-related Financial Disclosures ("TNFD") framework recommendations. The report is also prepared with reference to the International Sustainability Standards Board's ("ISSB") new IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures published in June 2023.

We continue to make strides in our sustainability journey. During this Financial Year, Sino Land has remained a constituent company of the Hang Seng Corporate Sustainability Benchmark Index Series, with an AA Rating, and has been recognised as a Top 10 (Pace-setter) in the Greater Bay Area Business Sustainability Index. Sino Land has been recognised as a Global Listed Sector Leader, Regional Listed Sector Leader (Asia) and Regional Sector Leader (Asia) in the Global Real Estate Sustainability Benchmark ("GRESB") and achieved a five-star rating in the 2022 Real Estate Assessment. Sino Land has become the first developer in Hong Kong to be recognised among the Global 100 Most Sustainable Corporations by Corporate Knights, marking a milestone for the sustainability development of the local property industry.

Sino Land has been recognised as a Regional Top-rated ESG Performer by Sustainalytics and has had its MSCI ESG Rating upgraded to "AA". Furthermore, Sino Land has been selected as a constituent of the Dow Jones Sustainability Asia/Pacific Index and included in the S&P Global Sustainability Yearbook 2023 and the S&P Global Sustainability Yearbook (China) 2023.

In recognition of our collective efforts and ongoing commitment to promoting ESG and sustainability, Sino Land has received the Grand Award in the large-sized organisation category at the Hong Kong Sustainability Award 2022, organised by The Hong Kong Management Association. Furthermore, The Fullerton Ocean Park Hotel Hong Kong won Gold Awards in both the Best Hotel and Tourism Development and Best Green Development categories at the prestigious MIPIM Asia Awards 2022, which celebrates excellence and innovation among outstanding projects across the region. Sino Inno Lab has also been awarded the 2021-22 Hong Kong Awards for Industries: Innovation and Creativity Award by the Hong Kong General Chamber of Commerce, affirming its technological contributions to the real estate industry.

Climate change has emerged as one of the global community's most crucial issues. Sino Land has become one of the first real estate conglomerates in Asia to engage an external consultancy (PricewaterhouseCoopers Limited) to use a climate risk assessment tool for performing ESG and climate risk assessments, covering over 170 existing and new buildings. Sino Land is also one of the pioneer developers in Hong Kong to publish a standalone Climate Action Report, formulated in alignment with Task Force on Climate-related Financial Disclosures ("TCFD") recommendations with the aim of disclosing efforts to identify, assess and manage climate-related risks and opportunities that are material to the business.

Fully aware of the importance of urban biodiversity, Sino Land and the Hong Kong Innovation Foundation, in partnership with Ocean Park Corporation, Archireef Limited and The Fullerton Ocean Park Hotel Hong Kong, launched the CORAL REEFStoration project, which is the first cross-sector collaborative project in Hong Kong for local coral preservation and restoration. The project leverages Ocean Park's marine conservation expertise and uses the world's first 3D-printed reef tiles in terracotta from Archireef to rebuild 20 square metres of the reef in Hong Kong's southern waters. To engage the public in protecting marine ecosystems, the CORAL REEFStoration Ambassador programme recruited 100 students to participate in coral conservation learning activities. Ten standout students were selected as "Star Coral REEFStorators" to gain deeper knowledge of coral conservation through interactive experiences. This summer, the public is also invited to a new rehabilitation facility for rescued coral fragments, the CORAL REEFStoration Centre, for guided tours, interactive STEAM experiments, in addition to other educational and experiential activities.

Sino Land is committed to exploring innovative technologies and supporting local and overseas startups. Sino Land organised PropXTech 2022/2023, a proptech acceleration programme that brings together start-ups and established companies from around the world to advance the long term and sustainable development of the real estate industry in Asia. The programme attracted more than 3,000 applications from 70 countries and territories. Ten finalists were invited to present their solutions and business plans to over 100 industry professionals and investors on the Showcase Day.

The Hong Kong University of Science and Technology ("HKUST") and Sino Land have long been devoted to nurturing the entrepreneurial spirit of the next generation. The HKUST-Sino One Million Dollar Entrepreneurship Competition 2023 introduced the "Sustainability Impact Awards" as a new initiative to encourage sustainability-driven start-up enterprises. This year, the competition attracted a record-breaking 234 teams from the HKUST faculty, students and alumni, as well as members of other local institutions, further strengthening Hong Kong's innovation and entrepreneurship ecosystem.

To encourage the younger generation to cultivate an innovative mindset, Sino Land supported the Hong Kong Innovation Foundation as a strategic partner in the staging of the second Hong Kong Science Fair, which received more than 400 project submissions from students and teachers-in-charge of local and international schools. Young innovators from 120 shortlisted teams showcased their outstanding innovative projects at the Hong Kong Convention and Exhibition Centre with the 10 award-winning teams announced at the award presentation ceremony. The Science Fair received an overwhelming response from the public, attracting over 20,000 attendees, advancing its desire to enhance the overall Innovation and Technology (I&T) atmosphere in the community.

Sino Land is committed to youth development, especially for children from underprivileged families, and is delighted to support the HKSAR Government's Strive and Rise Programme. We partnered with various organisations to curate around 20 unique group activities related to innovative technology, cultural heritage, life planning and sustainable development, with colleagues invited to serve as voluntary mentors of the Programme. Around 500 mentees and mentors enrolled or participated in the activities designed to help students broaden their horizons, reinforce their self-confidence, and inspire them to explore more possibilities for personal development.

Sino Land and the Ng Teng Fong Charitable Foundation ("NTFCF") in collaboration with the School of Nursing, LKS Faculty of Medicine of the University of Hong Kong, and charitable organisations and non-governmental organisations launched the "Generations Connect" project to connect young people and the elderly through community intervention and behavioural coaching. Over 1,000 student healthcare professionals are expected to participate, providing services to 10,000 elderly people and assisting them in adapting to post-pandemic life while taking care of their physical, psychological, and mental health and well-being.

Sino Land and the NTFCF joined hands with the Pei Ho (Ming Gor) Charity Foundation to support the opening of a vegetarian restaurant, "Veggies Lotus", as a Community Canteen in Tuen Mun. This Community Canteen targets to provide 2,000 free vegetarian meal boxes every month to those in need and continue the spirit of Ming Gor's well-known social enterprise, "Pei Ho Counterparts".

PROSPECTS

The year of 2023 marks a year of significance with appreciable improvements in social and economic activities following relaxation of pandemic-related measures and restrictions, and the World Health Organization declared that COVID-19 no longer constituted a public health emergency. Thanks to the HKSAR government's swift and decisive actions on the reopening of borders between Mainland China and Hong Kong in early 2023, as well as a series of effective initiatives to boost social and economic activities, the increasingly favourable operating environment is giving an impetus to Hong Kong's economic growth. The emergence of positive signals has prompted us to proactively prepare our business units for normalisation. Acknowledging the uncertainties faced by the financial markets, clouded by recessionary fears, high inflation, higher-for-longer interest rates, exchange rates volatility and geopolitical concerns, the Group stays focused on our core businesses while seeking to enhance operational efficiency and quality through adopting new technologies and being alerted to the changes in trade and market conditions. The Group is well positioned to captialise on economic recovery while standing prepared to meet challenges.

Under President Xi's leadership, Mainland China fully reopened its borders in early 2023 and policymakers have re-affirmed growth as the main priority through fiscal, monetary, social, and technology policies to promote growth across different sectors. Major steps are in place with the Politburo pledging to step up policy support for the economy. The Politburo have also implemented measures to ensure fair operating environment in several sectors, including real estate, to buoy domestic demand. On top of the 16-point plan announced in November 2022, with measures ranging from addressing the liquidity issues faced by developers to loosening down-payment requirements for home buyers, new measures, such as extending developers' existing loans by 12 months and allowing commercial banks to redesignate project-based special loans to a lower-risk category, were launched in July 2023 to lend further support to the property sector. Mainland China has enormous development resilience and potential, and the long-term positive fundamentals remains intact.

The 14th Five-Year Plan has supported the development of Hong Kong in eight key areas, including the international financial centre, international innovation and technology centre, East-meets-West centre for international cultural exchange, international trade centre, international shipping centre, international aviation hub, centre for international legal and dispute resolution services in the Asia-Pacific region as well as regional intellectual property trading centre. Together with the "One Country, Two Systems" principle, as well as visionary initiatives such as the Belt and Road Initiative, the development of the Guangdong-Hong Kong-Macao Greater Bay Area ("GBA"), and the Northern Metropolis, Hong Kong will continue to serve as a powerful hub for cross-border trade and leisure travels as the economies of the GBA cities continue to expand.

Notable improvements in macro and economic backdrops were noted in the second half of the Financial Year, following the reopening of borders between Mainland China and Hong Kong. The HKSAR government has launched successful campaigns such as "Hello Hong Kong" - an aspiring drive to attract tourists and businesses to the city with enticing offers, "Happy Hong Kong" - a campaign featuring a wide range of fun and interesting activities ranging from large-scale gourmet markets in various districts to carnivals and events focusing on pop culture, sports and music for citizens aimed to boost the economy, as well as the launches of new rounds of Consumption Voucher Schemes in April and July 2023, both tourist arrivals to Hong Kong and local consumption have registered a significant uptick in recent months. The Group is highly appreciative of all new measures implemented and good actions taken by the HKSAR government that are conducive to the long-term well-being and development of Hong Kong. We have confidence in the long-term and sustainable development of Hong Kong.

To address the labour shortage issue and to enhance the city's international competitiveness, the HKSAR Government has put in place new institutional set-ups and initiated an array of schemes targeted at attracting talents and businesses to Hong Kong. The government has recently expanded the Talent List from 13 professions to 51, in order to support the high-quality economic and social development of Hong Kong. There were more than 100,000 applications during the first six months of 2023, of which, around 60 percent of applications are expected to be approved. Such overwhelming response reflect the strength of Hong Kong and showcase that the city remains an attractive place for overseas talents to grow and prosper. The incoming talents will not only further develop Hong Kong's competitiveness, when they become permanent residents, they can also apply for a refund of the extra stamp duty paid for purchasing residential properties in Hong Kong, lending further support to the local property market. Moreover, the recently relaxed loan-to-value for Hong Kong residential and commercial mortgages could help to boost sentiment of buyers. Together with the rebound in Hong Kong's population to 7.5 million at mid-2023, from 7.3 million at mid-2022, which is very encouraging news, the Group maintains a cautiously optimistic outlook for the property market in Hong Kong.

The pandemic over the past three years has altered and reshaped consumers' preferences and behaviours, with an increasing emphasis on quality and sustainability. As a responsible corporate citizen, the Group is committed to our mission of Creating Better Lifescapes by upholding quality excellence as well as delivering the best possible products and services to our customers. Technology and innovation are crucial to our future, and the Group is actively looking for new solutions to improve productivity, enhance customer experience and build a more sustainable environment. New technologies are applied to our businesses to improve efficiency and quality, with concrete steps taken to drive green innovations and digitalisation. The efforts to bring our quality projects to life have earned us recognitions from local and international communities. Sino Land has been selected as a constituent of the Dow Jones Sustainability™ Asia/Pacific Index (DJSI Asia Pacific), recognising our sustainability efforts among the top 20% of the region. Sino Land has also had its MSCI ESG (Environment, Social and Governance) Rating upgraded to "AA", being honoured in the S&P Global Sustainability Yearbook for the first time, and been rated a Regional Top-rated ESG Performer by Sustainalytics. We will continue to provide support to those in need, and deliver long-term value to our shareholders, customers, business partners and employees.

As we step into the second half of 2023, the Group is encouraged by the positive developments in various markets and sectors, while staying alert and agile to the changing market conditions. The gradually normalising business environment together with increasing clarity on interest rate outlook will add impetus to market recovery and lend support to the residential market in Hong Kong. Combined with the Group's strong financial position, sustainable business growth strategies and solid foundation, we are well-positioned to capture opportunities that may arise.

STAFF AND MANAGEMENT

I would like to welcome Ms. Nikki Ng Mien Hua who joined the Board as Non-Executive Director with effect from 10th August, 2023.

On behalf of the Board, I would like to take this opportunity to express my sincere appreciation to all staff for their commitment, dedication and continuing support. I would also like to express my gratitude to my fellow Directors for their guidance and wise counsel.

Robert NG Chee Siong
Chairman

Hong Kong, 29th August, 2023

TSIM SHA TSUI PROPERTIES LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 247)

FINAL RESULTS

The audited results of the Group for the year ended 30th June, 2023 are as follows:

Consolidated Statement of Profit or Loss

	Notes	**2023 HK$**	2022 HK$
Revenue	2	**11,928,929,454**	15,597,640,466
Cost of sales		**(4,180,678,874)**	(5,277,594,743)
Direct expenses		**(2,343,454,496)**	(2,053,368,218)
Gross profit		**5,404,796,084**	8,266,677,505
Change in fair value of investment properties		**178,550,889**	(683,168,848)
Other income and other gains or losses		**22,460,159**	120,241,662
Change in fair value of financial assets at fair value through profit or loss ("FVTPL")		**4,643,089**	29,522,185
Gain on disposal of investment properties		**494,377**	4,002,696
Administrative expenses		**(909,725,390)**	(881,586,795)
Other operating expenses		**(227,537,686)**	(174,000,999)
Finance income		**1,419,868,120**	341,696,274
Finance costs		**(102,245,234)**	(60,979,647)
Less: interest capitalised		**54,845,106**	18,021,940
Finance income, net		**1,372,467,992**	298,738,567
Share of results of associates	3	**323,370,210**	390,508,508
Share of results of joint ventures	4	**603,684,980**	(63,100,439)
Profit before taxation	5	**6,773,204,704**	7,307,834,042
Income tax expense	6	**(862,800,204)**	(1,350,947,957)
Profit for the year		**5,910,404,500**	5,956,886,085
Attributable to:			
The Company's shareholders		**3,287,132,467**	3,159,245,014
Non-controlling interests		**2,623,272,033**	2,797,641,071
		5,910,404,500	5,956,886,085
Interim dividend at HK15 cents *(2022: HK15 cents)* per share		**306,639,659**	298,908,004
Proposed final dividend at HK43 cents *(2022: HK42 cents)* per share		**884,913,271**	842,457,473
Earnings per share (reported earnings per share) – basic	7(a)	**1.61**	1.60
Earnings per share (underlying earnings per share) – basic	7(b)	**1.68**	1.82

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30th June, 2023

	2023	2022
	HK$	HK$
Profit for the year	**5,910,404,500**	5,956,886,085
Other comprehensive income		
Item that will not be reclassified to profit or loss:		
Change in fair value of equity instruments at fair value through other comprehensive income ("FVTOCI")	**15,808,217**	19,745,630
Items that may be reclassified subsequently to profit or loss:		
Change in fair value of hedging instruments designated as cash flow hedges	**-**	47,785,067
Reclassification of fair value adjustment to profit or loss on an interest rate swap	**(34,915,255)**	3,893,556
Exchange differences arising on translation of foreign operations	**(456,238,708)**	(520,936,013)
Change in fair value of debt instruments at FVTOCI	**(713,545)**	(4,225,489)
	(491,867,508)	(473,482,879)
Other comprehensive income for the year	**(476,059,291)**	(453,737,249)
Total comprehensive income for the year	**5,434,345,209**	5,503,148,836
Total comprehensive income attributable to:		
The Company's shareholders	**3,018,488,508**	2,910,411,927
Non-controlling interests	**2,415,856,701**	2,592,736,909
	5,434,345,209	5,503,148,836

Consolidated Statement of Financial Position
At 30th June, 2023

	Notes	**2023** **HK$**	2022 HK$
Non-current assets			
Investment properties		**66,006,682,723**	61,790,227,731
Hotel properties		**1,680,928,340**	1,674,104,057
Property, plant and equipment		**141,912,015**	126,977,401
Right-of-use assets		**1,176,512,988**	1,158,432,452
Goodwill		**739,233,918**	739,233,918
Interests in associates		**17,109,658,528**	17,902,494,176
Interests in joint ventures		**6,478,483,281**	5,864,756,573
Equity and debt instruments		**1,195,629,094**	1,000,661,874
Advances to associates		**3,995,171,299**	3,868,401,498
Advances to joint ventures		**10,433,170,434**	11,350,113,778
Long-term loans receivable		**3,438,924,798**	2,854,595,811
Deferred taxation		**7,651,350**	4,451,104
Other assets		**615,000**	615,000
		112,404,573,768	108,335,065,373
Current assets			
Properties under development		**9,433,372,808**	18,060,607,882
Stocks of completed properties		**7,040,877,663**	2,406,869,306
Hotel inventories		**8,995,232**	13,662,642
Equity and debt instruments		**12,698,479**	12,362,692
Amounts due from associates		**2,256,442,713**	1,890,933,034
Amounts due from joint ventures		**3,096,175,528**	2,709,936,156
Amounts due from non-controlling interests		**31,752,493**	58,788,202
Trade and other receivables	8	**1,769,761,852**	1,371,843,142
Current portion of long-term loans receivable		**109,511,988**	80,586,293
Taxation recoverable		**61,031,514**	138,024,397
Time deposits and restricted bank deposits	9	**41,978,259,144**	42,006,681,206
Bank balances and cash	9	**2,846,295,588**	3,631,586,146
		68,645,175,002	72,381,881,098
Current liabilities			
Trade and other payables	10	**5,086,806,587**	5,360,404,711
Lease liabilities		**41,018,314**	31,180,353
Contract liabilities		**826,871,315**	2,586,016,080
Amounts due to associates		**827,476,708**	885,932,545
Amounts due to non-controlling interests		**1,671,551,006**	861,793,341
Taxation payable		**1,390,260,113**	3,197,452,003
Bank borrowings – due within one year		**1,132,532,000**	2,253,528,000
		10,976,516,043	15,176,307,033
Net current assets		**57,668,658,959**	57,205,574,065
Total assets less current liabilities		**170,073,232,727**	165,540,639,438

Consolidated Statement of Financial Position – continued
At 30th June, 2023

	2023	2022
	HK$	HK$
Capital and reserves		
Share capital	**18,110,498,630**	16,968,256,132
Reserves	**73,479,700,831**	71,290,390,595
Equity attributable to the Company's shareholders	**91,590,199,461**	88,258,646,727
Non-controlling interests	**72,397,812,762**	70,874,067,504
Total equity	**163,988,012,223**	159,132,714,231
Non-current liabilities		
Bank borrowings – due after one year	**831,996,000**	996,632,901
Lease liabilities	**15,377,800**	13,550,745
Other loan – due after one year	**806,575,480**	743,541,413
Deferred taxation	**2,698,816,380**	2,707,581,711
Advances from associates	**1,599,837,513**	1,804,212,761
Advances from non-controlling interests	**132,617,331**	142,405,676
	6,085,220,504	6,407,925,207
	170,073,232,727	165,540,639,438

Notes:

1. Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and with applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values.

The financial information relating to the years ended 30th June, 2023 and 2022 included in this preliminary announcement of annual results does not constitute the Company's statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 30th June, 2022 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance and will deliver the financial statements for the year ended 30th June, 2023 in due course.

The Company's auditor has reported on the financial statements of the Company and its subsidiaries (the "Group") for both years. The auditor's reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

<u>Amendments to HKFRSs that are mandatorily effective for the current year</u>

In the current year, the Group has applied the following amendments to HKFRSs issued by the HKICPA for the first time, which are effective for the annual period beginning on or after 1st July, 2022 for the preparation of the consolidated financial statements:

Amendments to HKAS 16	*Property, plant and equipment: Proceeds before intended use*
Amendments to HKAS 37	*Provisions, contingent liabilities and contingent assets: Onerous contracts – cost of fulfilling a contract*

The application of the amendments to HKFRSs in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in the consolidated financial statements.

1. Basis of preparation – continued

Amendments to HKAS 16, *Property, plant and equipment: Proceeds before intended use*

The amendments prohibit an entity from deducting the proceeds from selling items produced before that asset is available for use from the cost of an item of property, plant and equipment. Instead, the sales proceeds and the related costs should be included in profit and loss. The amendments do not have a material impact on the financial statements as the Group does not sell items produced before an item of property, plant and equipment is available for use.

Amendments to HKAS 37, *Provisions, contingent liabilities and contingent assets: Onerous contracts – cost of fulfilling a contract*

The amendments clarify that for the purpose of assessing whether a contract is onerous, the cost of fulfilling the contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

Previously, the Group included only incremental costs when determining whether a contract was onerous. In accordance with the transitional provisions, the Group has applied the new accounting policy to contracts for which it has not yet fulfilled all its obligations at 1st July, 2022, and has concluded that none of them is onerous.

New HKICPA guidance on the accounting implications of the abolition of the MPF-LSP offsetting mechanism

In July 2023, the HKICPA published *Accounting implications of the abolition of the mandatory provident fund ("MPF")-long service payment ("LSP") offsetting mechanism in Hong Kong* that provides guidance on the accounting considerations relating to the offsetting mechanism and the abolition of the mechanism.

The Group is currently assessing the impact of the HKICPA guidance and expect to adopt this guidance with retrospective application in its annual financial statements for the year ending 30th June, 2024.

2. Operating segments

The Group's operating segments are reported by six operating divisions – property sales, property rental, property management and other services, hotel operations, investments in securities and financing. This is the measure reported to the chief operating decision makers, being the Directors of the Company, for the purposes of resources allocation and performance assessment. No operating segment identified by chief operating decision makers has been aggregated in arriving at the reportable segments of the Group.

Segment results

For the year ended 30th June, 2023

	The Company and its subsidiaries		Associates and joint ventures		Total	
	External revenue HK$	Results HK$	Share of revenue HK$	Share of results HK$	Segment revenue HK$	Segment results HK$
Property sales	**6,996,333,780**	**2,229,755,015**	**5,062,126,064**	**814,744,376**	**12,058,459,844**	**3,044,499,391**
Property rental	**2,793,887,161**	**2,356,581,691**	**783,035,535**	**666,606,711**	**3,576,922,696**	**3,023,188,402**
	9,790,220,941	**4,586,336,706**	**5,845,161,599**	**1,481,351,087**	**15,635,382,540**	**6,067,687,793**
Property management and other services	**1,175,707,903**	**239,226,827**	**115,110,342**	**13,244,933**	**1,290,818,245**	**252,471,760**
Hotel operations	**876,597,361**	**375,362,253**	**498,933,808**	**76,422,637**	**1,375,531,169**	**451,784,890**
Investments in securities	**38,015,830**	**38,015,830**	**3,900**	**3,900**	**38,019,730**	**38,019,730**
Financing	**48,387,419**	**48,387,419**	**7,219,090**	**7,219,090**	**55,606,509**	**55,606,509**
	11,928,929,454	**5,287,329,035**	**6,466,428,739**	**1,578,241,647**	**18,395,358,193**	**6,865,570,682**

For the year ended 30th June, 2022

	The Company and its subsidiaries		Associates and joint ventures		Total	
	External revenue HK$	Results HK$	Share of revenue HK$	Share of results HK$	Segment revenue HK$	Segment results HK$
Property sales	11,129,690,462	5,368,302,714	152,345,495	(21,874,468)	11,282,035,957	5,346,428,246
Property rental	2,781,816,161	2,406,325,163	832,125,937	730,571,466	3,613,942,098	3,136,896,629
	13,911,506,623	7,774,627,877	984,471,432	708,696,998	14,895,978,055	8,483,324,875
Property management and other services	1,147,617,763	197,498,123	116,962,797	23,294,474	1,264,580,560	220,792,597
Hotel operations	451,993,272	109,683,921	130,721,848	(16,704,368)	582,715,120	92,979,553
Investments in securities	26,891,831	26,891,831	3,900	3,900	26,895,731	26,895,731
Financing	59,630,977	59,630,977	8,512,751	8,512,751	68,143,728	68,143,728
	15,597,640,466	8,168,332,729	1,240,672,728	723,803,755	16,838,313,194	8,892,136,484

Measurement

Segment results represent the profit before taxation earned by each segment without allocation of certain other income and other gains or losses, certain administrative expenses and other operating expenses, change in fair value of investment properties and financial assets at FVTPL, gain on disposal of investment properties and certain finance income net of finance costs. The profit before taxation earned by each segment also includes the share of results from the Group's associates and joint ventures without allocation of the associates' and joint ventures' certain other income and other gains or losses, certain administrative expenses and other operating expenses, change in fair value of investment properties, finance costs net of finance income and income tax expense.

2. Operating segments – continued

Reconciliation of profit before taxation

	2023 HK$	2022 HK$
Segment profit	**6,865,570,682**	8,892,136,484
Change in fair value of investment properties	**178,550,889**	(683,168,848)
Other income and other gains or losses	**14,678,749**	116,974,806
Change in fair value of financial assets at FVTPL	**4,643,089**	29,522,185
Gain on disposal of investment properties	**494,377**	4,002,696
Administrative expenses and other operating expenses	**(1,008,722,308)**	(953,725,450)
Finance income, net	**1,369,175,683**	298,487,855
Results shared from associates and joint ventures		
- Other income and other gains or losses	**439,039,827**	403,763,758
- Change in fair value of investment properties	**(374,359,653)**	(109,652,544)
- Administrative expenses and other operating expenses	**(277,344,574)**	(288,321,660)
- Finance costs, net	**(129,652,798)**	(85,018,961)
- Income tax expense	**(308,869,259)**	(317,166,279)
	(651,186,457)	(396,395,686)
Profit before taxation	**6,773,204,704**	7,307,834,042

During the year ended 30th June, 2023, inter-segment sales of HK$93,010,378 *(2022: HK$142,161,786)* were not included in the segment of "property management and other services". There were no inter-segment sales in other operating segments. Inter-segment sales were charged on a cost plus margin basis as agreed between the parties involved.

Geographical information

The Group operates in four principal geographical areas – Hong Kong, Mainland China, Singapore and Australia.

The Group's revenue from external customers and share of revenue from associates and joint ventures by location of operations and information about its non-current assets by location of assets, excluding financial instruments and deferred taxation, are detailed below:

	The Company's and its subsidiaries' external revenue		Share of revenue from associates and joint ventures		The Group's non-current assets	
	2023 HK$	2022 HK$	**2023 HK$**	2022 HK$	**2023 HK$**	2022 HK$
Mainland China and Hong Kong	**10,907,167,110**	15,035,894,448	**6,279,620,901**	1,167,123,966	**88,430,409,344**	85,488,048,586
Singapore and Australia	**1,021,762,344**	561,746,018	**186,807,838**	73,548,762	**4,903,002,449**	3,768,177,722
	11,928,929,454	15,597,640,466	**6,466,428,739**	1,240,672,728	**93,333,411,793**	89,256,226,308

3. Share of results of associates

The Group's share of results of associates included the Group's share of decrease in fair value of investment properties of the associates of HK$207,897,049 *(2022: HK$105,858,831)* recognised in the statement of profit or loss of the associates.

4. Share of results of joint ventures

The Group's share of results of joint ventures included the Group's share of decrease in fair value of investment properties of the joint ventures of HK$166,462,604 *(2022: HK$3,793,713)* recognised in the statement of profit or loss of the joint ventures.

5. Profit before taxation

	2023	2022
	HK$	HK$
Profit before taxation has been arrived at after charging/(crediting):		
Cost of hotel inventories consumed (included in direct expenses)	**89,909,994**	51,824,302
Cost of properties sold	**4,180,678,874**	5,277,594,743
Depreciation of property, plant and equipment, hotel properties and right-of-use assets (included in administrative and other operating expenses)	**198,221,711**	181,079,266
Gain on disposal of property, plant and equipment	**(389,544)**	(74,074)
Property, plant and equipment written off	**90,615**	-
Hotel properties written off	**2,527,600**	-
Impairment loss on trade receivables, net of reversal	**16,228,927**	8,922,760
Government grants		
- COVID-19 related	**(6,525,357)**	(20,836,059)
- Others	**(8,200,738)**	(1,161,777)

6. Income tax expense

	2023 HK$	2022 HK$
Tax charge comprises:		
Taxation attributable to the Company and its subsidiaries		
Hong Kong Profits Tax		
Provision for the year	**598,099,335**	1,092,507,231
Over-provision in previous years	**(69,710)**	(2,982,655)
	598,029,625	1,089,524,576
Taxation in other jurisdictions		
Provision for the year	**107,156,548**	100,843,254
Under/(over)-provision in previous years	**57,695,798**	(334,172)
Land Appreciation Tax in Mainland China	**41,795,298**	91,556,866
	206,647,644	192,065,948
	804,677,269	1,281,590,524
Deferred taxation	**58,122,935**	69,357,433
	862,800,204	1,350,947,957

Under the two-tiered profits tax rates regime, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. The Group considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

Taxation for subsidiaries in Singapore and Mainland China are charged at appropriate current rates ruling in the relevant countries. The tax rates used are 17% in Singapore and 25% in Mainland China *(2022: 17% in Singapore and 25% in Mainland China)*.

7. Earnings per share

(a) Reported earnings per share

The calculation of the basic earnings per share attributable to the Company's shareholders is based on the following data:

	2023 HK$	2022 HK$
Earnings for the purpose of basic earnings per share	**3,287,132,467**	3,159,245,014
	Number of shares	Number of shares
Weighted average number of ordinary shares for the purpose of basic earnings per share	**2,030,408,335**	1,970,657,648

7. Earnings per share – continued

(a) Reported earnings per share – continued

No diluted earnings per share has been presented for the years ended 30th June, 2023 and 2022 as there were no potential ordinary shares outstanding during the current and prior years.

(b) Underlying earnings per share

For the purpose of assessing the underlying performance of the Group, underlying earnings per share calculated based on the underlying profit attributable to the Company's shareholders of HK$3,419,559,446 *(2022: HK$3,599,804,393)* is also presented, excluding the net effect of changes in fair value of investment properties of the Group and its associates and joint ventures and including realised fair value gain on interest in an associate upon sales of its properties and realised fair value gain on investment properties disposed of during the year, taking into account tax effect and the amount attributable to the Company's shareholders. The denominators used are the same as those detailed above for reported earnings per share.

A reconciliation of profit is as follows:

	2023 **HK$**	2022 HK$
Earnings for the purpose of basic earnings per share	**3,287,132,467**	3,159,245,014
Change in fair value of investment properties	**(178,550,889)**	683,168,848
Effect of corresponding deferred tax	**(3,596,658)**	(2,752,118)
Share of results of associates		
- Change in fair value of investment properties	**207,897,049**	105,858,831
- Effect of corresponding deferred tax	**(2,970,000)**	(1,320,000)
Share of results of joint ventures		
- Change in fair value of investment properties	**166,462,604**	3,793,713
- Effect of corresponding deferred tax	**(9,706,947)**	(11,549,117)
	179,535,159	777,200,157
Amount attributable to non-controlling interests	**(89,275,193)**	(350,151,211)
Unrealised change in fair value of investment properties attributable to the Company's shareholders	**90,259,966**	427,048,946
Realised fair value gain on investment properties disposed of during the year, net of taxation	**2,357,909**	12,990,290
Realised fair value gain on interest in an associate upon sales of its properties during the year	**73,167,446**	11,386,355
Amount attributable to non-controlling interests	**(33,358,342)**	(10,866,212)
	132,426,979	440,559,379
Underlying profit attributable to the Company's shareholders	**3,419,559,446**	3,599,804,393

8. Trade and other receivables

Trade receivables mainly comprise rental receivables and property management and other services. Rental receivables are billed and payable in advance by tenants.

The following is an ageing analysis of trade receivables (net of allowance for credit losses) at the end of the reporting period:

	2023	2022
	HK$	HK$
Current or up to 30 days	**186,279,125**	136,546,236
31-60 days	**16,253,592**	46,608,800
61-90 days	**9,217,076**	35,522,729
Over 90 days	**68,428,385**	104,294,139
	280,178,178	322,971,904

Trade receivables overdue more than 90 days (net of allowance for credit losses) amounting to HK$68,428,385 *(2022: HK$104,294,139)* are sufficiently covered by rental deposits received from the respective tenants and no significant expected credit losses are considered.

9. Time deposits and restricted bank deposits/Bank balances and cash

At 30th June, 2023, time deposits of HK$2,144,203,601 *(2022: HK$3,015,161,051)* were charged for finance undertakings issued by banks for certain subsidiaries, associates and joint ventures of Sino Land Company Limited. The balance includes cash held by stakeholders of HK$1,466,709,383 *(2022: HK$2,619,978,153)*, which are restricted for payments related to property development projects or will be released by stakeholders after completion of the relevant assignments.

The restricted bank deposits of HK$23,881,212 *(2022: HK$25,746,326)* represented deposits placed with banks, which were used as a guarantee for a construction contract.

10. Trade and other payables

At 30th June, 2023, included in trade and other payables of the Group are trade payables of HK$148,183,555 *(2022: HK$157,971,213).*

The following is an ageing analysis of trade payables presented based on the invoice date at the reporting date:

	2023	2022
	HK$	HK$
1-30 days	**89,088,058**	127,117,200
31-60 days	**28,009,477**	6,823,758
61-90 days	**2,554,753**	2,106,255
Over 90 days	**28,531,267**	21,924,000
	148,183,555	157,971,213

11. Financial guarantee contracts

At the end of the reporting period, the maximum amount that the Group has guaranteed under the contracts was as follows:

	2023	2022
	HK$	HK$
Guarantees given to banks in respect of:		
Banking facilities of associates and joint ventures attributable to the Group		
- Utilised	**7,073,251,812**	8,202,027,181
- Unutilised	**3,019,040,843**	3,881,171,599
	10,092,292,655	12,083,198,780

At 30th June, 2023 and 2022, the Group issued corporate financial guarantees to banks in respect of banking facilities granted to associates and joint ventures. At the end of both reporting periods, the Group did not recognise any liabilities in respect of such corporate financial guarantees as the Directors of the Company consider that the fair values of these financial guarantee contracts at their initial recognition and at the end of the reporting period are insignificant. The amounts of loss allowances determined in accordance with HKFRS 9 at the end of the reporting periods are insignificant.

12. Commitments

Capital commitments outstanding at 30th June, 2023 not provided for in the consolidated financial statements were as follows:

	2023	2022
	HK$	HK$
Contracted for	**41,797,197**	63,255,003
Authorised but not contracted for	**186,564**	102,177
	41,983,761	63,357,180

The Group's share of capital commitments of joint ventures and associates outstanding at 30th June, 2023 not provided for in the consolidated financial statements were as follows:

	2023	2022
	HK$	HK$
Contracted for	**85,258,006**	201,230,039
Authorised but not contracted for	**24,666,478**	19,519,550
	109,924,484	220,749,589

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the Annual General Meeting to be held on Wednesday, 25th October, 2023, the register of members of the Company will be closed from Thursday, 19th October, 2023 to Wednesday, 25th October, 2023, both dates inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the Annual General Meeting, shareholders should ensure that all transfers accompanied by the relevant share certificates are lodged with the Company's Registrar, Tricor Friendly Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 18th October, 2023.

The proposed final dividend is subject to the approval of the shareholders at the Annual General Meeting. The record date for the proposed final dividend is at the close of business on Wednesday, 1st November, 2023. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Tuesday, 31st October, 2023 to Wednesday, 1st November, 2023, both dates inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, shareholders should ensure that all transfers accompanied by the relevant share certificates are lodged with the Company's Registrar, Tricor Friendly Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Monday, 30th October, 2023.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the year.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has adopted its own Corporate Governance Code, which is based on the principles and the code provisions as set out in Part 2 of Appendix 14 (the "CG Code") to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The Company has complied with all code provisions as set out in the CG Code throughout the financial year, except that (i) there was no separation of the roles of the chairman and the chief executive and (ii) all the Independent Non-Executive Directors of the Company have served more than nine years on the Board.

There is no separation of the roles of the chairman and the chief executive in the Company. Both roles are currently undertaken by the Chairman of the Board. The Board is of the view that the current management structure has been effective in facilitating the Company's operation and business development and that necessary checks and balances consistent with sound corporate governance practices are in place. The implementation of strategies and policies of the Board and the operations of each business unit are overseen and monitored by designated responsible Executive Directors. The Board has found that the current arrangement has worked effectively in enabling it to discharge its responsibilities satisfactorily. In addition, the three Independent Non-Executive Directors have contributed valuable views and proposals for the Board's deliberation and decisions. The Board reviews the management structure regularly to ensure that it continues to meet these objectives and is in line with the industry practices.

All the three Independent Non-Executive Directors of the Company have served more than nine years on the Board. Pursuant to the new code provision B.2.4 under Part 2 of the CG Code, the Company is required to appoint a new independent non-executive director on the board at the forthcoming Annual General Meeting. During the financial year, the independence of the Independent Non-Executive Directors had been assessed in accordance with the applicable Listing Rules. After considering the confirmations of independence of the Independent Non-Executive Directors, their skills, knowledge, professionalism and experience and their commitment to their role as independent non-executive directors in the past years, the Board (including its Nomination Committee) is of the view that (a) the long tenure of the existing Independent Non-Executive Directors has not undermined their abilities to provide independent, balanced and objective views to the Board and, on the contrary, has been instrumental in facilitating communication among board members since they are able to provide unbiased opinion and tailored advice as they have gained a deep understanding of the Group's business and operation over time by virtue of their long tenure; (b) their commitment to the responsibilities of the independent non-executive directors, valuable business experience, knowledge and professionalism are tremendous assets of the Board, which had fostered and will continue to foster the sharing of diverse perspectives in the boardroom and the generation of new ideas and business strategies; and (c) all the existing Independent Non-Executive Directors remain independent pursuant to Rule 3.13 of the Listing Rules. Whilst the Board does not have any current arrangement to appoint a new independent non-executive director on the board, it will review on an on-going basis to propose new or additional appointment of independent non-executive director(s) as and when appropriate.

REVIEW OF AUDITED FINANCIAL STATEMENTS

The audited consolidated financial statements of the Group for the year ended 30th June, 2023 have been reviewed by the Audit Committee of the Company.

2023 ANNUAL REPORT

The 2023 annual report containing all the information required by the Listing Rules will be published on the website of Hong Kong Exchanges and Clearing Limited and the Company's website www.sino.com while printed copies will be sent to shareholders on or about Friday, 29th September, 2023.

By Order of the Board
Fanny CHENG Siu King
Company Secretary

Hong Kong, 29th August, 2023

As at the date hereof, the Executive Directors of the Company are Mr. Robert Ng Chee Siong and Mr. Daryl Ng Win Kong, the Non-Executive Directors are The Honourable Ronald Joseph Arculli and Ms. Nikki Ng Mien Hua, and the Independent Non-Executive Directors are Dr. Allan Zeman, Mr. Adrian David Li Man-kiu and Mr. Steven Ong Kay Eng.