TSIM SHA TSUI PROPERTIES LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 247)

CHAIRMAN'S STATEMENT

I am pleased to present my Interim Report to the shareholders.

INTERIM RESULTS

The Group's unaudited underlying profit attributable to shareholders, excluding the effect of fair-value changes on investment properties for the six months ended 31st December, 2023 ("Interim Period") was HK$1,652.5 million (2022: HK$1,559.2 million). Underlying earnings per share was HK$0.80 (2022: HK$0.77).

After taking into account the revaluation loss (net of deferred taxation) on investment properties of HK$79.4 million (2022: revaluation loss of HK$189.2 million), which is a non-cash item, the Group reported a net profit attributable to shareholders of HK$1,468.4 million for the Interim Period (2022: HK$1,368.8 million). Earnings per share for the Interim Period was HK$0.71 (2022: HK$0.68).

The unaudited results for the Interim Period have been reviewed by the Company's auditor, KPMG, and they reflect the adoption of all Hong Kong Financial Reporting Standards applicable to the Group that are effective for the accounting period.

DIVIDENDS

The Board of Directors has declared an interim dividend of HK15 cents per share (2022: HK15 cents per share) payable on 18th April, 2024 to those shareholders whose names appear on the Register of Members of the Company on 12th March, 2024.

The interim dividend will be payable in cash, but shareholders will be given the option of electing to receive the interim dividend in the form of new shares in lieu of cash in respect of part or all of such dividend. The new shares to be issued pursuant to the scrip dividend scheme are subject to their listing being granted by the Listing Committee of The Stock Exchange of Hong Kong Limited.

A circular containing detail of the scrip dividend scheme will be dispatched to shareholders together with the form of election for scrip dividend on or about 18th March, 2024. It is expected that the interim dividend warrants and share certificates for the scrip dividend will be dispatched to shareholders on or about 18th April, 2024.

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 31st December, 2023, Tsim Sha Tsui Properties Limited had 56.49% 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 Interim Period, including property sales of associates and joint ventures, attributable to Sino Land was HK$6,634.9 million (2022: HK$3,899.4 million).

Total revenue from property sales comprises mainly the sales of residential units and carparking spaces in the projects completed during the Interim Period, namely Grand Victoria Phase 2 and Phase 3 in South West Kowloon and ONE SOHO in Mong Kok, as well as the sales of remaining stocks of residential units and carparking spaces in projects completed in previous financial years, including The Palazzo in Chengdu, St. George's Mansions in Ho Man Tin, La Marina in Wong Chuk Hang, Grand Central in Kwun Tong, and Silversands in Ma On Shan.

During the Interim Period, Sino Land launched two new residential projects in Hong Kong for sale, namely La Montagne in Wong Chuk Hang (6.5% sold) and Villa Garda III in Tseung Kwan O (26.7% sold). In addition, certain units of the remaining stocks of projects launched in previous periods have been rolled out for sale. These projects are St. George's Mansions in Ho Man Tin (24.0% sold), Grand Victoria in South West Kowloon (75.4% sold), Grand Central in Kwun Tong (100.0% sold), Grand Mayfair I and II in Yuen Long (90.3%), and ONE SOHO in Mong Kok (79.2% sold).

Looking ahead, Sino Land has a pipeline of new projects to be launched. These include ONE CENTRAL PLACE in Central, and Grand Mayfair III in Yuen Long which have obtained pre-sale consents. In addition, Sino Land expects to obtain pre-sale consent for two additional residential projects in calendar year 2024, namely Yau Tong Ventilation Building Property Development and LOHAS Park Package Thirteen Property Development. The timing for launching these projects for sale will depend on when the pre-sale consent is received and the prevailing market conditions.

(2) Land Bank

As at 31st December, 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 47.3% is commercial; 28.6% residential; 10.1% industrial; 8.0% car parks and 6.0% hotels. In terms of breakdown of the land bank by status, 5.1 million square feet were properties under development, 13.1 million square feet of properties for investment and hotels, together with 1.3 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 Interim Period, Sino Land acquired in Hong Kong two sites from the HKSAR Government and was awarded the development rights of a site from the Urban Renewal Authority with total attributable floor area of 806,145 square feet. Details of the projects are as follows:

Location	**Usage**	**Group's Interest**	**Attributable Floor Area** *(Square feet)*
New Kowloon Inland Lot No. 6590 Kai Tak Area 2A Site 2 and Site 3, Kai Tak, Kowloon, Hong Kong	Residential/ Commercial	50%	496,134
Shing Tak Street / Ma Tau Chung Road Development Project Kowloon City, Kowloon, Hong Kong	Residential/ Commercial	Joint Venture	228,205
Lot No. 722 in Demarcation District No. 332 Tung Chung Road, Cheung Sha, Lantau Island, New Territories, Hong Kong	Residential	100%	81,806
			806,145

(3) Property Development

During the Interim Period, 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, Mong Kok, 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

In Mainland China, Sino Land completed The Koko in Qianhai during the Interim Period. Details of the project are as follows:

Location	Usage	Group's Interest	Attributable Floor Area *(Square feet)*
The Koko Land Parcel No. T102-0262, Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone, Shenzhen, People's Republic of China	Residential/ Commercial	50%	252,412

(4) Rental Activities

For the Interim Period, Sino Land's attributable gross rental revenue, including share from associates and joint ventures, was HK$1,776.7 million (2022: HK$1,728.3 million), representing an increase of 2.8% year-on-year. This increase was primarily driven by improved business sentiment following the reopening of borders and the return of tourists and business travelers, higher turnover rent and higher contribution from new properties. The net rental income for the Interim Period was HK$1,469.9 million (2022: HK$1,480.6 million), representing a decrease of 0.7% year-on-year, mainly due to additional rental-related expenses incurred for new projects as well as an increase in repair and maintenance expenses to maintain the quality of our properties.

Overall occupancy of Sino Land's investment property portfolio was 90.8% for the Interim Period (2022: 91.1%), a decrease of 0.3 percentage point when compared with last interim period. Among the different sectors, residential recorded the biggest improvement with its occupancy rate increased by 7.8 percentage points to 87.9% (2022: 80.1%), followed by industrial's 2.6 percentage points increase to 89.5% (2022: 86.9%), while occupancy rate for office was 86.6% (2022: 87.3%). Reported occupancy rate for retail was 93.4%, a decline of 1.5 percentage points from 94.9% last year, mainly affected by the discontinuation of a show flat in Olympian City 2 since July 2023. Excluding this impact, the retail occupancy rate would have remained largely stable year-on-year.

The market situation remained dynamic throughout the Interim Period. Despite a gradual increase in tourist arrivals to Hong Kong following the reopening of borders in January 2023, total visitor arrivals only reached 34.0 million for the year, recovering to just 52.2% of the 65.1 million recorded in 2018. A shift in behaviour was observed among Chinese tourists, with planning of their trips focusing on experiences rather than shopping. To revitalise economic activities and tourism, the HKSAR Government launched several effective campaigns and measures, and a new round of Consumption Vouchers for local citizens in July 2023. These initiatives have successfully attracted tourists to the city and encouraged domestic consumption. In response to this ever-changing operating environment, it is crucial for Sino Land to closely monitor changes in consumer behaviour and respond in a timely manner. Continuous efforts are being made to refine and optimise tenant mix, with ongoing marketing and promotion activities organised in our shopping malls to stimulate traffic. A series of marketing campaigns were launched on Sino Land's digital loyalty programme 'S$^+$ REWARDS' to increase customer loyalty and to drive consumption in our retail properties. Overall, footfall and tenant sales at our flagship malls have experienced a marked improvement from the low of the pandemic.

The office sector continued to face challenges, with demand for office space remaining slow despite the gradual phase out of the hybrid working model by certain corporates and the return of Chinese tourists and business travelers after the reopening of borders. The impact was magnified by an increase in available office space in the market, resulting in both occupancy and rental remaining under pressure. Notwithstanding these challenging operating conditions, Hong Kong is well-positioned to benefit from the 'One Country, Two Systems' principle and tremendous support from the motherland. Continuous integration into the country's development through initiatives such as the Guangdong-Hong Kong-Macao Greater Bay Area ("GBA"), the Belt and Road Initiative, and the Northern Metropolis proposed by the HKSAR Government will help to reinforce Hong Kong's position as a powerful hub connecting the country with the rest of the world. In addition, various talent schemes launched by the HKSAR Government have attracted over 220,000 applications from talents from Mainland China and overseas, resulting in a rise in accommodation demand. Sino Land will continue to support the HKSAR Government's initiative to engage talents, fostering a diverse and dynamic community that drives innovation and growth. Sino Land's portfolio of office buildings, which features top-of-the-line building specifications and recognised green credentials, is well-positioned to appeal to tenants seeking sustainable and high-quality office space.

As at 31st December, 2023, Sino Land has approximately 13.1 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 63.0%, industrial 11.9%, car parks 11.9%, hotels 9.0%, and residential 4.2%.

(5) Hotels

For the Interim Period, Sino Land's hotel revenue, including attributable share from associates and joint ventures, was HK$810.9 million compared to HK$692.8 million last interim period, and the corresponding operating profit was HK$253.5 million (2022: HK$229.2 million).

During the Interim Period, the HKSAR Government launched several successful campaigns and measures, including 'Hello Hong Kong', 'Happy Hong Kong' and 'Night Vibes Hong Kong' as well as popular mega-events such as the Hong Kong Sevens and financial summits. These initiatives attracted tourists to the city and boosted consumption since the borders reopened in January 2023. According to the latest figures from the Hong Kong Tourism Board, nearly 34 million tourists visited Hong Kong in 2023, gradually recovering to pre-pandemic levels. Management is particularly encouraged by the continuous recovery observed in our Singapore and Sydney operations since travel restrictions were eased and international travel resumed in early 2022, where Revenue Per Available Room exceeded pre-pandemic levels in 2019 as normalisation continued to emerge.

Although the operating conditions improved post-pandemic, our Group remained mindful of the ever-changing environment, including shifts in consumer behaviour and higher inflation. Management continued to focus on cost control while actively seeking new strategies to enhance the quality of our hotel services and improve efficiency. Conrad Hong Kong saw a significant increase in occupancy and room rates, thanks to the gradual rise in business and leisure travelers driven by the resumption of physical exhibitions, events, and local banquets. The Fullerton Ocean Park Hotel Hong Kong, positioned as a resort hotel, experienced higher demand during the summer and festive seasons, and its food and beverage performance improved as more events and weddings were hosted. The Olympian Hong Kong reopened in September 2023 with new commercial and operational strategies, successfully attracting new business and achieving respectable occupancy and room rates.

As at 31st December, 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 Politburo meeting in December 2023, top leadership committed to boosting domestic demand and solidifying the economic recovery in 2024. To achieve this, fiscal policy will be moderately strengthened, while a prudent monetary policy will be executed with flexibility, moderation, precision, and effectiveness. With the goal of establishing a virtuous cycle between consumption and investment, profound reforms will be implemented in key areas, providing a strong driving force for high-quality development.

To support post-pandemic economic recovery, the Central Government has implemented a series of policy measures in recent months. In the property sector, several initiatives have been introduced to stimulate the market. These include the reduction of payment ratios, the lowering of interest rates for second homes, the adoption of a non-loan-based mortgage system, and the removal of upper limit pricing restrictions on land sales in additional cities. Since November 2023, the Central Government and Central Bank have consistently offered support for the reasonable financing needs of real estate companies. These measures aim to reduce financial pressure and encourage a healthy cycle between finance and real estate. Sino Land remains positive about the future of the mainland property market in the medium-to-long term.

As at 31st December, 2023, Sino Land had approximately 3.5 million attributable square feet of land bank in Mainland China. Of the total, approximately 2.0 million square feet are projects under development and the remaining are mainly investment properties. There are three key projects under development, including 30% interest in a commercial development site in Qianhai in the Greater Bay Area, 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, 2023.

FINANCE

The Group's financial position remains strong. As at 31st December, 2023, the Group had cash and bank deposits of HK$45,040.4 million. After netting off total borrowings of HK$1,673.6 million, the Group had net cash of HK$43,366.8 million as at 31st December, 2023. The Group is in net cash position, therefore gearing ratio, calculated on the basis of total borrowings less cash and bank deposits to equity attributable to the Company's shareholders, is not applicable. Of the total borrowings, 50.29% is repayable between one and two years and the remaining between two and three years. All of the Group's borrowings are denominated in Hong Kong dollars and subject to floating interest rates. Total assets and shareholders' funds of the Group were HK$180,900.3 million and HK$93,711.5 million, respectively. Net book value of the Group attributable to the Company's shareholders was HK$44.52 per share as at 31st December, 2023 (HK$44.51 per share as at 30th June, 2023).

The majority of the Group's cash are denominated in Hong Kong dollars with a portion in US dollars, Renminbi, and Singaporean 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

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

SUSTAINABILITY

Sino Land is committed to 'Creating Better Lifescapes' and strives to integrate sustainability into every aspect of its operations through three interconnected areas, namely Green Living, Innovative Design and Community Spirit. We seek to create long-term value for stakeholders and the communities in which we operate, and to ensure that we grow more resilient together.

Sino Land has been selected as a constituent of the Dow Jones Sustainability Asia/Pacific Index (DJSI Asia Pacific) for the second consecutive year, recognising our sustainability efforts as among the top 20% of the region. In 2023, Sino Land received an 'AA' rating in the MSCI ESG Indexes and achieved a five-star rating in the 2023 Real Estate Assessment of the Global Real Estate Sustainability Benchmark ("GRESB"). Sino Land has also been recognised as one of the top ten companies in the Greater Bay Area Business Sustainability Index for the fourth consecutive year. Sino Land continues to improve its position in various local and international sustainability indices. Sino Land remained a constituent member of the Hang Seng Corporate Sustainability Benchmark Index with an upgrade from AA to AA+. These recognitions are a testament to Sino Land's ongoing commitment to upholding corporate governance and promoting ESG and sustainability.

Various awards and accolades have recognised Sino Land's collective efforts in promoting sustainability during the Interim Period. We were awarded the Pioneer Award of Green Building Leadership (Developers), two Grand Awards, and a Merit Award at the Green Building Award 2023, jointly organised by The Hong Kong Green Building Council and the Professional Green Building Council. Sino Land was also awarded three accolades at the UNSDG Achievement Awards Hong Kong 2023, including the Grand Award, the Organisation Award – Gold, and the Individual SDG Award for its Coral REEFStoration project, as well as six accolades at the 2022/2023 ESG Achievement Awards. Sino Land received four awards at the BDO ESG Awards 2023, while winning four awards at the Hong Kong ESG Reporting Awards 2023, including Best ESG Report (Large-cap) – Grand Award, Best GRI Report – Grand Award, the Carbon Neutral Award – Grand Award, and the GRESB X HERA Excellence in Real Estate (Development Benchmark) – Grand Award. In addition, Sino Land received the ESG Leading Enterprise Award and Leading Environmental Initiative Award at the ESG Leading Enterprise Awards 2023 for our efforts in upholding corporate governance and promoting sustainability. Also, The Fullerton Hotel Singapore and The Fullerton Bay Hotel Singapore have been certified by the Global Sustainable Tourism Council (GSTC) Industry Criteria for Hotels.

During the Interim Period, we published our standalone sustainability report, which was independently verified by the Hong Kong Quality Assurance Agency and prepared with the adoption of eight principal local and global sustainability reporting standards and frameworks. Sino Land is also one of the first developers in Hong Kong to publish its Report with reference to the International Sustainability Standards Board (ISSB)'s new IFRS S1 and S2, along with the Taskforce on Nature-related Financial Disclosures (TNFD) beta v0.4 framework.

As we strive to mitigate climate change through decarbonisation, Sino Land received validation from the Science Based Targets initiative for its near-term science-based emissions reduction targets. Sino Land has also become the first real estate conglomerate in Hong Kong to join the Science Based Targets Network Corporate Engagement Programme.

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. The project's new rehabilitation facility, the CORAL REEFStoration Centre, was opened in July last year for rescued coral fragments. The public is invited for guided tours, interactive STEAM experiments, and other educational and experiential activities.

Sino Land is also committed to enriching communities through supporting arts and culture and promoting sports events. Sino Land welcomed the new Hong Kong Arts Development Council headquarters located at Landmark South that brings together various facilities, including a multipurpose exhibition hall, 'SHOWCASE', an Arts Information Centre, and 28 art studios to promote the development of arts and culture as well as creative industries. Sino Land has also initiated various festive events at Lee Tung Avenue to engage the public, including Moon Fest Lumiere and LED Fire Dragon Fiesta. Sino Land's tmtplaza, Olympian City, Citywalk, and One North broadcasted the 19th Asian Games from Hangzhou for shoppers to enjoy.

Sino Land and creative studio 'Mosi Mosi' jointly invited an artist with different abilities to participate in designing housewarming gifts for residents of ONE SOHO. We also collaborated with local NGOs and social enterprises for Diversity and Inclusion Month to organise interactive, experiential workshops showcasing the talent and lives of people with varying abilities, enabling our colleagues to gain new perspectives on social inclusion, diversity and equality.

In a spirit of sharing, Sino Caring Friends, Sino Land's corporate volunteer team, has collaborated with seven community partners to spread festive joy by delivering over 2,000 gift packs and mooncakes to underprivileged families in Tai Kok Tsui, Sham Shui Po, Sau Mau Ping, Kwai Chung and Tuen Mun. For the 19th year in a row, Sino Land has supported Operation Santa Claus to help the less resourced in the community. This year, we invited children with their families from the Zubin Foundation to join us for a sustainability-themed Christmas celebration at The Fullerton Ocean Park Hotel Hong Kong. Sino Land's volunteer team has also organised a series of festive programmes to give a meaningful and fun-filled Christmas celebration to over 1,000 people in need.

PROSPECTS

The global economy is recovering from the pandemic; meanwhile, a number of macro factors are at play, such as geopolitics, international trade frictions, uncertainty over interest rate hike cycle and supply chain rebalancing, which may all affect the pace of recovery.

In Mainland China, the Central Government continues to fine-tune and optimise policies to stimulate economic activities. At the Politburo meeting held on 24th July, 2023, coordinated efforts were introduced to support the real estate sector on both the supply and demand sides. On the demand side, various policies have been implemented to bolster the market, including reducing payment ratios, lowering interest rates for second homes, adopting a non-loan-based mortgage system, and lifting upper limit pricing restrictions on land sales in more cities. On the supply side, the Central Government and Central Bank consistently rendered support for the reasonable financing needs of real estate companies since November 2023. These measures are conducive to alleviating financial pressure and fostering a virtuous cycle between finance and real estate. At the World Economic Forum in January 2024, Premier Li reaffirmed China's commitment to further opening its economy, reiterating the country's vision for open, collaborative, pro-business policies for both domestic and multinational enterprises. With timely review of policies and support provided to various sectors, Mainland China's long-term fundamentals remain intact, demonstrating enormous development resilience and potential.

Buoyed by the 'One Country, Two Systems' principle and tremendous support from the motherland, Hong Kong continues to integrate into the country's development through visionary initiatives such as the GBA, the Belt and Road Initiative, and the Northern Metropolis proposed by the HKSAR Government. These will help to reinforce Hong Kong's global positioning as a powerful hub connecting the country with the rest of the world. The city offers distinctive advantages, and its unique positioning has been bolstered by the recent signing of memorandums of understanding with markets such as Egypt and Saudi Arabia, in addition to signing the First Protocol to Amend the Free Trade Agreement (FTA) between the ASEAN and Hong Kong to drive growth in economic and trade relations. These agreements promote greater commercial ties and cooperation on investment promotion exchange and collaboration. The growing ties with different markets solidify Hong Kong's positioning and further enhance its global appeal.

To revitalise economic activities and tourism following Hong Kong's full re-opening, a series of effective campaigns and measures have been launched by the HKSAR Government, including 'Hello Hong Kong', 'Happy Hong Kong' and 'Night Vibes Hong Kong' as well as popular mega events such as the Hong Kong Sevens and well-attended financial and investment summits. These initiatives managed to attract business and leisure travellers to the city and encouraged consumption. The latest figure from the Hong Kong Tourism Board indicates that close to 34 million tourists visited Hong Kong in 2023, gradually recovering to pre-pandemic level. The latest unemployment rate in Hong Kong tightened to 2.9%, while the city's population rebounded from 7.2 million in mid-2022 to 7.5 million at end-2023, both implying optimism towards the outlook of the economy.

The HKSAR Government has made significant efforts in recent years to attract talents from Mainland China and beyond to Hong Kong. Various talent admission schemes have been implemented, and these schemes have received positive responses, with over 220,000 applications received and more than 135,000 applications approved as of end-2023. In addition, the HKSAR Government has made timely adjustments to the demand-side management measures for residential properties in 2023. These include shortening the applicable period of the Special Stamp Duty from three years to two years, reducing the respective rates of the Buyers' Stamp Duty and the New Residential Stamp Duty from 15% to 7.5%, and introducing a stamp duty suspension arrangement for incoming talents' acquisition of residential properties.

The Group is cautiously optimistic about the Hong Kong property market. During the Interim Period, Sino Land acquired three plots of lands with an attributable GFA of over 806,000 square feet, showcasing our commitment and full confidence in Hong Kong. These plots occupy strategic locations and bring Sino Land's attributable landbank to 19.5 million square feet, sufficient to support our property development in the medium term.

With increasing visitor arrivals and improvement in consumer sentiment thanks to the HKSAR Government's good efforts, we continue to make strides on the sustainability journey and stay committed to our mission of Creating Better Lifescapes. We are humbled by the honour of Green Building Leadership Pioneer Award at the Green Building Award 2023. Jointly organised by the Hong Kong Green Building Council and Professional Green Building Council, this prestigious, biennial award recognises our commitment to taking the initiative in setting ESG goals and sustainability targets for existing and new building projects, embracing innovation, and engaging the community. Internationally, we have been honoured with listings in Corporate Knights' '100 Most Sustainable Corporations in the World', the DJSI Asia Pacific and S&P Global's Sustainability Yearbook. Sino Land has received more than 130 ESG accolades during the financial year 2022/23, putting us at the forefront of the industry. We remain committed to upholding ESG and governance, and actively contributing to the development of a harmonious community.

The Group will stay vigilant and agile amid the ever-changing macro environment in 2024. Management emphasises the importance of getting the basics right, understanding the needs of customers, upholding sustainability, delivering excellence, enhancing productivity and efficiency while managing costs. The Group leverages our strong financial position and sustainable business strategy to rise to the challenges and capture opportunities that may arise.

STAFF AND MANAGEMENT

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, 22nd February, 2024

TSIM SHA TSUI PROPERTIES LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 247)

INTERIM RESULTS

The unaudited results of the Group for the six months ended 31st December, 2023 are as follows:

Consolidated Statement of Profit or Loss

		Six months ended	
	Notes	**31st December, 2023 HK$ (Unaudited)**	31st December, 2022 HK$ (Unaudited)
Revenue	2	**4,948,752,323**	6,406,167,141
Cost of sales		**(1,840,248,122)**	(2,461,092,528)
Direct expenses		**(1,187,617,816)**	(1,161,753,209)
Gross profit		**1,920,886,385**	2,783,321,404
Change in fair value of investment properties		**17,984,978**	(14,323,017)
Other income and other gains or losses		**88,004,647**	7,677,349
Change in fair value of financial assets at fair value through profit or loss ("FVTPL")		**550,404**	3,632,432
Gain on disposal of investment properties		**281,337**	161,000
Administrative expenses		**(486,227,953)**	(495,353,952)
Other operating expenses		**(106,147,343)**	(92,192,229)
Finance income		**1,189,234,129**	616,748,827
Finance costs		**(54,819,405)**	(54,377,833)
Less: interest capitalised		**28,999,681**	26,939,042
Finance income, net		**1,163,414,405**	589,310,036
Share of results of associates	3	**292,301,592**	20,986,874
Share of results of joint ventures	4	**72,669,591**	114,718,291
Profit before taxation	5	**2,963,718,043**	2,917,938,188
Income tax expense	6	**(330,058,349)**	(454,235,299)
Profit for the period		**2,633,659,694**	2,463,702,889
Profit for the period attributable to:			
The Company's shareholders		**1,468,463,904**	1,368,882,318
Non-controlling interests		**1,165,195,790**	1,094,820,571
		2,633,659,694	2,463,702,889
Interim dividend at HK15 cents *(2022: HK15 cents)* per share		**315,734,590**	306,639,659
Earnings per share (reported earnings per share) – basic	7(a)	**0.71**	0.68
Earnings per share (underlying earnings per share) – basic	7(b)	**0.80**	0.77

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Six months ended	
	31st December, 2023 HK$ (Unaudited)	31st December, 2022 HK$ (Unaudited)
Profit for the period	**2,633,659,694**	2,463,702,889
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")	**1,230,267**	(63,153,181)
Items that may be reclassified subsequently to profit or loss:		
Reclassification of fair value adjustment to profit or loss on an interest rate swap	**-**	(6,386,091)
Exchange differences arising on translation of foreign operations	**203,235,486**	(146,831,837)
Change in fair value of debt instruments at FVTOCI	**172,045**	(1,525,650)
	203,407,531	(154,743,578)
Other comprehensive income for the period	**204,637,798**	(217,896,759)
Total comprehensive income for the period	**2,838,297,492**	2,245,806,130
Total comprehensive income attributable to:		
The Company's shareholders	**1,584,438,631**	1,244,495,222
Non-controlling interests	**1,253,858,861**	1,001,310,908
	2,838,297,492	2,245,806,130

Consolidated Statement of Financial Position
At 31st December, 2023

	Notes	**31st December, 2023 HK$ (Unaudited)**	30th June, 2023 HK$ (Audited)
Non-current assets			
Investment properties		**66,172,960,779**	66,006,682,723
Hotel properties		**1,699,792,123**	1,680,928,340
Property, plant and equipment		**142,280,589**	141,912,015
Right-of-use assets		**1,173,479,279**	1,176,512,988
Goodwill		**739,233,918**	739,233,918
Interests in associates		**17,297,660,201**	17,109,658,528
Interests in joint ventures		**6,534,518,522**	6,478,483,281
Equity and debt instruments		**1,214,226,208**	1,195,629,094
Advances to associates		**4,164,311,534**	3,995,171,299
Advances to joint ventures		**10,773,173,852**	10,433,170,434
Long-term loans receivable		**3,261,413,106**	3,438,924,798
Deferred taxation		**9,546,810**	7,651,350
Other assets		**615,000**	615,000
		113,183,211,921	112,404,573,768
Current assets			
Properties under development		**7,678,246,953**	9,433,372,808
Stocks of completed properties		**7,383,926,629**	7,040,877,663
Hotel inventories		**7,878,547**	8,995,232
Equity and debt instruments		**16,761,600**	12,698,479
Amounts due from associates		**2,210,214,657**	2,256,442,713
Amounts due from joint ventures		**3,307,513,344**	3,096,175,528
Amounts due from non-controlling interests		**14,059,341**	31,752,493
Trade and other receivables	8	**1,949,229,900**	1,769,761,852
Current portion of long-term loans receivable		**105,691,354**	109,511,988
Taxation recoverable		**3,140,893**	61,031,514
Time deposits and restricted bank deposits	9	**42,408,040,599**	41,978,259,144
Bank balances and cash	9	**2,632,408,704**	2,846,295,588
		67,717,112,521	68,645,175,002
Current liabilities			
Trade and other payables	10	**4,959,198,886**	5,086,806,587
Lease liabilities		**36,811,307**	41,018,314
Contract liabilities		**93,800,271**	826,871,315
Amounts due to associates		**888,543,496**	827,476,708
Amounts due to non-controlling interests		**1,700,656,010**	1,671,551,006
Taxation payable		**893,395,871**	1,390,260,113
Bank borrowings – due within one year		**-**	1,132,532,000
		8,572,405,841	10,976,516,043
Net current assets		**59,144,706,680**	57,668,658,959
Total assets less current liabilities		**172,327,918,601**	170,073,232,727

Consolidated Statement of Financial Position – continued
At 31st December, 2023

	31st December, 2023 HK$ (Unaudited)	30th June, 2023 HK$ (Audited)
Capital and reserves		
Share capital	**18,990,706,111**	18,110,498,630
Reserves	**74,720,861,484**	73,479,700,831
Equity attributable to the Company's shareholders	**93,711,567,595**	91,590,199,461
Non-controlling interests	**72,398,836,206**	72,397,812,762
Total equity	**166,110,403,801**	163,988,012,223
Non-current liabilities		
Bank borrowings – due after one year	**831,996,000**	831,996,000
Lease liabilities	**3,658,772**	15,377,800
Other loan – due after one year	**841,596,954**	806,575,480
Deferred taxation	**2,768,970,358**	2,698,816,380
Advances from associates	**1,640,357,169**	1,599,837,513
Advances from non-controlling interests	**130,935,547**	132,617,331
	6,217,514,800	6,085,220,504
	172,327,918,601	170,073,232,727

Notes:

1. Basis of preparation and disclosure required by section 436 of the Hong Kong Companies Ordinance

The preliminary announcement of the Company's interim results and interim financial report have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim Financial Reporting*, issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the HKICPA. KPMG's independent review report to the Board of Directors is included in the interim report to be sent to the shareholders.

The financial information relating to the financial year ended 30th June, 2023 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

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

The Company's auditor has reported on those financial statements. The auditor's report was 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.

The unaudited interim financial report has been prepared on the historical cost basis, except for investment properties and certain financial instruments, which are measured at fair values, as appropriate.

Other than changes in accounting policies resulting from application of new and amended Hong Kong Financial Reporting Standards ("HKFRSs"), the accounting policies and methods of computation used in the unaudited interim financial report for the six months ended 31st December, 2023 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 30th June, 2023.

1. Basis of preparation and disclosure required by section 436 of the Hong Kong Companies Ordinance – continued

Application of new and amended HKFRSs

In the current interim period, the Group has applied the following new and amended HKFRSs issued by the HKICPA, which are effective for the annual period beginning on or after 1st July, 2023 for the preparation of the Group's unaudited interim financial report:

HKFRS 17	*Insurance contracts*
Amendments to HKAS 8	*Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates*
Amendments to HKAS 1 and HKFRS Practice Statement 2	*Presentation of financial statements and Making materiality judgements: Disclosure of accounting policies*
Amendments to HKAS 12	*Income taxes: Deferred tax related to assets and liabilities arising from a single transaction*
Amendments to HKAS 12	*Income taxes: International tax reform - Pillar Two model rules*

The application of new and amended HKFRSs in the current period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in the unaudited interim financial report.

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 accounting guidance relating to the offsetting mechanism and the abolition of the mechanism.

To better reflect the substance of the abolition of the offsetting mechanism, the Group has changed its accounting policy in connection with its LSP liability and has applied the above HKICPA guidance retrospectively. The cessation of applying the practical expedient in paragraph 93(b) of HKAS 19, *Employee Benefits*, in conjunction with the enactment of the Amendment Ordinance resulted in a catch-up profit or loss adjustment in June 2022 for the service cost up to that date and consequential impacts on current service cost, interest expense and remeasurement effects from changes in actuarial assumptions for the period ended 31st December, 2023, with the corresponding adjustment to the comparative carrying amount of the LSP liability. However, since the amount of the catch-up profit or loss adjustment was immaterial, the Group did not restate the comparative figure for the unaudited interim financial report.

2. Segment information

The following is an analysis of the Group's revenue and results by reportable and operating segments for the period under review:

Six months ended 31st December, 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	**2,359,711,780**	**338,920,289**	**4,832,856,025**	**517,735,666**	**7,192,567,805**	**856,655,955**
Property rental	**1,415,160,707**	**1,143,100,697**	**398,815,779**	**335,662,642**	**1,813,976,486**	**1,478,763,339**
	3,774,872,487	**1,482,020,986**	**5,231,671,804**	**853,398,308**	**9,006,544,291**	**2,335,419,294**
Property management and other services	**619,474,420**	**119,637,723**	**56,740,519**	**6,517,788**	**676,214,939**	**126,155,511**
Hotel operations	**501,891,033**	**189,251,526**	**309,095,973**	**64,307,578**	**810,987,006**	**253,559,104**
Investments in securities	**16,606,367**	**16,606,367**	**1,950**	**1,950**	**16,608,317**	**16,608,317**
Financing	**35,908,016**	**35,908,016**	**3,542,176**	**3,542,176**	**39,450,192**	**39,450,192**
	4,948,752,323	**1,843,424,618**	**5,601,052,422**	**927,767,800**	**10,549,804,745**	**2,771,192,418**

Six months ended 31st December, 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	3,947,351,849	1,196,721,397	382,918	(64,068,215)	3,947,734,767	1,132,653,182
Property rental	1,379,799,153	1,168,011,000	384,906,039	326,680,443	1,764,705,192	1,494,691,443
	5,327,151,002	2,364,732,397	385,288,957	262,612,228	5,712,439,959	2,627,344,625
Property management and other services	591,321,795	122,959,709	57,281,597	7,753,121	648,603,392	130,712,830
Hotel operations	455,151,150	206,009,341	237,692,262	23,271,441	692,843,412	229,280,782
Investments in securities	9,296,451	9,296,451	1,950	1,950	9,298,401	9,298,401
Financing	23,246,743	23,246,743	3,556,918	3,556,918	26,803,661	26,803,661
	6,406,167,141	2,726,244,641	683,821,684	297,195,658	7,089,988,825	3,023,440,299

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. 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 income/costs, net and income tax expense/credit. This is the measure reported to the chief operating decision makers, being the Directors of the Company, for the purposes of resource allocation and performance assessment.

2. Segment information – continued

Reconciliation of profit before taxation

	Six months ended 31st December, 2023 HK$	Six months ended 31st December, 2022 HK$
Segment profit	**2,771,192,418**	3,023,440,299
Change in fair value of investment properties	**17,984,978**	(14,323,017)
Other income and other gains or losses	**86,266,802**	6,850,484
Change in fair value of financial assets at FVTPL	**550,404**	3,632,432
Gain on disposal of investment properties	**281,337**	161,000
Administrative expenses and other operating expenses	**(509,844,121)**	(528,304,051)
Finance income, net	**1,160,082,842**	587,971,534
Results shared from associates and joint ventures		
- Other income and other gains or losses	**(106,018,801)**	345,628,156
- Change in fair value of investment properties	**(160,861,953)**	(341,544,808)
- Administrative expenses and other operating expenses	**(142,592,781)**	(151,475,857)
- Finance income/(costs), net	**134,916,964**	(28,556,237)
- Income tax (expense)/credit	**(288,240,046)**	14,458,253
	(562,796,617)	(161,490,493)
Profit before taxation	**2,963,718,043**	2,917,938,188

During the six months ended 31st December, 2023, inter-segment sales of HK$35,939,093 *(six months ended 31st December, 2022: HK$43,647,762)* 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.

3. Share of results of associates

Share of results of associates included the Group's share of decrease in fair value of investment properties of the associates of HK$25,235,684 *(six months ended 31st December, 2022: HK$177,485,429)* recognised in the statement of profit or loss of the associates.

4. Share of results of joint ventures

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$135,626,269 *(six months ended 31st December, 2022: HK$164,059,379)* recognised in the statement of profit or loss of the joint ventures.

5. Profit before taxation

	Six months ended 31st December, 2023 HK$	31st December, 2022 HK$
Profit before taxation has been arrived at after charging:		
Cost of properties sold	**1,840,248,122**	2,461,092,528
Cost of hotel inventories recognised as direct expenses	**54,947,984**	49,406,528
Depreciation of hotel properties	**16,835,692**	16,515,001
Depreciation of property, plant and equipment	**31,058,981**	29,687,375
Depreciation of right-of-use assets	**33,345,537**	39,180,833
Loss on disposal of property, plant and equipment	**19,199**	85,901
Impairment loss on trade receivables, net of reversal	**5,438,243**	11,787,257

6. Income tax expense

	Six months ended 31st December, 2023 HK$	31st December, 2022 HK$
Tax charge comprises:		
Current taxation		
Hong Kong Profits Tax	**196,341,918**	282,982,082
Other jurisdictions	**69,755,307**	121,905,752
Land Appreciation Tax ("LAT") in Mainland China	**11,405,495**	32,603,644
	277,502,720	437,491,478
Deferred taxation	**52,555,629**	16,743,821
	330,058,349	454,235,299

Hong Kong Profits Tax is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated weighted average annual tax rate used is 16.5% *(six months ended 31st December, 2022: 16.5%)*.

Taxes on profits assessable in Singapore and Mainland China are recognised based on management's best estimate of the weighted average annual income tax rates prevailing in the countries and the regions in which the Group operates. The estimated weighted average annual tax rates used are 17% in Singapore and 25% in Mainland China *(six months ended 31st December, 2022: 17% in Singapore and 25% in Mainland China)*.

The provision of LAT is calculated according to the requirements set forth in the relevant tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

Deferred taxation has been provided in relation to the change in fair value of certain investment properties and other temporary differences.

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:

	Six months ended	
	31st December, 2023 HK$	31st December, 2022 HK$
Earnings for the purpose of basic earnings per share	**1,468,463,904**	1,368,882,318
	Number of shares	Number of shares
Weighted average number of ordinary shares for the purpose of basic earnings per share	**2,064,828,625**	2,011,279,087

No diluted earnings per share has been presented for the periods ended 31st December, 2023 and 2022 as there were no potential ordinary shares outstanding during the current and prior periods.

(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$1,652,522,618 *(six months ended 31st December, 2022: HK$1,559,224,277)* 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 period, 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.

7. Earnings per share – continued

(b) Underlying earnings per share – continued

A reconciliation of profit is as follows:

	Six months ended 31st December, 2023 HK$	Six months ended 31st December, 2022 HK$
Earnings for the purpose of basic earnings per share	**1,468,463,904**	1,368,882,318
Change in fair value of investment properties	**(17,984,978)**	14,323,017
Effect of corresponding deferred tax	**(679,105)**	536,786
Share of results of associates		
- Change in fair value of investment properties	**25,235,684**	177,485,429
- Effect of corresponding deferred tax	**(660,000)**	(2,970,000)
Share of results of joint ventures		
- Change in fair value of investment properties	**135,626,269**	164,059,379
- Effect of corresponding deferred tax	**(136,780)**	117,318
	141,401,090	353,551,929
Amount attributable to non-controlling interests	**(61,936,684)**	(164,260,179)
Unrealised change in fair value of investment properties attributable to the Company's shareholders	**79,464,406**	189,291,750
Realised fair value gain on investment properties disposed of during the period, net of taxation	**440,864**	1,890,000
Realised fair value gain on interest in an associate upon sales of its properties during the period	**186,370,379**	-
Amount attributable to non-controlling interests	**(82,216,935)**	(839,791)
	184,058,714	190,341,959
Underlying profit attributable to the Company's shareholders	**1,652,522,618**	1,559,224,277

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:

	31st December, 2023 HK$	30th June, 2023 HK$
Current or up to 30 days	**132,965,934**	186,279,125
31 - 60 days	**33,819,752**	16,253,592
61 - 90 days	**14,536,237**	9,217,076
Over 90 days	**81,549,851**	68,428,385
	262,871,774	280,178,178

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

At 31st December, 2023, time deposits of HK$1,985,220,934 *(30th June, 2023: HK$2,144,203,601)* 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$1,192,003,223 *(30th June, 2023: HK$1,466,709,383)*, 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$24,296,528 *(30th June, 2023: HK$23,881,212)* represented deposits placed with banks, which were used as a guarantee for a construction contract.

10. Trade and other payables

At 31st December, 2023, included in trade and other payables of the Group are trade payables of HK$105,641,130 *(30th June, 2023: HK$148,183,555).*

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

	31st December, 2023 HK$	30th June, 2023 HK$
1 - 30 days	**65,235,435**	89,088,058
31 - 60 days	**12,194,873**	28,009,477
61 - 90 days	**2,417,177**	2,554,753
Over 90 days	**25,793,645**	28,531,267
	105,641,130	148,183,555

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:

	31st December, 2023 HK$	30th June, 2023 HK$
Guarantees given to banks in respect of:		
Banking facilities of associates and joint ventures attributable to the Group		
- Utilised	**6,630,653,059**	7,073,251,812
- Unutilised	**2,455,462,508**	3,019,040,843
	9,086,115,567	10,092,292,655

At 31st December, 2023 and 30th June, 2023, 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 Hong Kong Financial Reporting Standard 9, *Financial Instruments* at the end of the reporting periods are insignificant.

12. Commitments

Capital commitments outstanding at 31st December, 2023 not provided for in the interim financial report were as follows:

	31st December, 2023 HK$	30th June, 2023 HK$
Contracted for	**60,214,810**	41,797,197
Authorised but not contracted for	**14,416,182**	186,564
	74,630,992	41,983,761

The Group's share of capital commitments of joint ventures and associates outstanding at 31st December, 2023 not provided for in the interim financial report were as follows:

	31st December, 2023 HK$	30th June, 2023 HK$
Contracted for	**91,394,611**	85,258,006
Authorised but not contracted for	**29,737,260**	24,666,478
	121,131,871	109,924,484

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 8th March, 2024 to Tuesday, 12th March, 2024, both dates inclusive, during which period no transfer of shares will be effected. The record date for the interim dividend is at the close of business on Tuesday, 12th March, 2024.

In order to qualify for the interim dividend, shareholders should ensure that all transfers accompanied by the relevant share certificates are lodged with the Company's Share 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 Thursday, 7th March, 2024.

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 interim period.

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 C1 (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 to the Listing Rules applicable to the Company for the six months ended 31st December, 2023, 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 had 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 and the Company is accordingly required to appoint a new Independent Non-Executive Director pursuant to code provision B.2.4 under Part 2 of the CG Code to the Listing Rules. 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 INTERIM RESULTS

The unaudited interim results of the Group for the six months ended 31st December, 2023 have been reviewed by the Audit Committee and the auditor of the Company, KPMG.

2023-2024 INTERIM REPORT

The 2023-2024 interim 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 Tuesday, 12th March, 2024.

By Order of the Board
Fanny CHENG Siu King
Company Secretary

Hong Kong, 22nd February, 2024

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.