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TSIM SHA TSUI PROPERTIES LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 247)

CHAIRMAN'S STATEMENT

I am pleased to present the interim results of Tsim Sha Tsui Properties Limited (the “Company”, together with its subsidiaries, the “Group”) for the six months ended 31st December, 2024 (the “Interim Period”) 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 Interim Period was HK\$1,283 million (2023: HK\$1,653 million). Underlying earnings per share was HK\$0.60 (2023: HK\$0.80).

After taking into account the revaluation loss (net of deferred taxation) on investment properties of HK\$232 million (2023: revaluation loss of HK\$79 million), which is a non-cash item, the Group reported a net profit attributable to shareholders of HK\$1,043 million for the Interim Period (2023: HK\$1,468 million). Earnings per share for the Interim Period was HK\$0.49 (2023: HK\$0.71).

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 (2023: HK15 cents per share) payable on 23rd April, 2025 to those shareholders whose names appear on the Register of Members of the Company on 17th March, 2025.

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 21st March, 2025. It is expected that the interim dividend warrants and share certificates for the scrip dividend will be dispatched to shareholders on or about 23rd April, 2025.

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, 2024, the Company had 57.43% 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\$2,448 million (2023: HK\$6,635 million).

Total revenue from property sales comprises mainly the sales of remaining stocks of residential units and carparking spaces in projects completed in previous financial years, including Grand Victoria in South West Kowloon, St. George’s Mansions in Ho Man Tin, La Marina in Wong Chuk Hang, Silversands in Ma On Shan, and ONE SOHO in Mong Kok.

During the Interim Period, 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 (61.7% sold), Grand Victoria in South West Kowloon (91.4% sold), Silversands in Ma On Shan (89.4% sold), and La Marina in Wong Chuk Hang (96.0% sold).

Looking ahead, Sino Land has a pipeline of new projects to be launched. These include ONE CENTRAL PLACE in Central, Yau Tong Ventilation Building Property Development, Grand Mayfair III in Yuen Long and LOHAS Park Package Thirteen Property Development in Tseung Kwan O which have obtained pre-sale consents. In addition, Sino Land expects to obtain pre-sale consent for Wing Kwong Street/Sung On Street Development Project in To Kwa Wan in calendar year 2025. The timing for launching these projects for sale will depend on when the pre-sale consent is received and the prevailing market conditions. Subsequent to the Interim Period, certain units of La Montagne in Wong Chuk Hang were launched for sale in January 2025.

(2) Land Bank

As at 31st December, 2024, Sino Land had a land bank of approximately 19.4 million square feet of attributable floor area in Mainland China, Hong Kong, Singapore and Sydney which comprises a balanced portfolio of properties of which 47.5% is commercial; 28.0% residential; 10.3% industrial; 8.1% car parks and 6.1% hotels. In terms of breakdown of the land bank by status, 5.1 million square feet were properties under development, 13.2 million square feet of properties for investment and hotels, together with 1.1 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.

(3) Property Development

During the Interim Period, Sino Land obtained Occupation Permit for the following projects in Hong Kong. Details of the projects are as follows:

<u>Location</u>	<u>Usage</u>	<u>Group's Interest</u>	<u>Attributable Floor Area</u> (Square feet)
Lot No. 765 in Demarcation District No. 332, 39 South Lantau Road, Cheung Sha, Lantau Island, New Territories, Hong Kong	Residential	100%	11,582
Grand Mayfair Phase 1A and Phase 1B, 29 Kam Ho Road, Yuen Long, New Territories, Hong Kong	Residential	Joint venture	291,710
Villa Garda 1 Lohas Park Road, Tseung Kwan O, New Territories, Hong Kong	Residential	Joint venture	382,587
La Montagne 11 Heung Yip Road, Wong Chuk Hang, Hong Kong	Residential	Joint venture	159,576
			<hr/> <hr/> 845,455

Subsequent to the Interim Period, Sino Land obtained Certificate of Compliance for the following project in Hong Kong. Details of the project are as follows:

<u>Location</u>	<u>Usage</u>	<u>Group's Interest</u>	<u>Attributable Floor Area</u> (<i>Square feet</i>)
Lot No. 765 in Demarcation District No. 332, 39 South Lantau Road, Cheung Sha, Lantau Island, New Territories, Hong Kong	Residential	100%	11,582

(4) Rental Activities

For the Interim Period, Sino Land's attributable gross rental revenue, including share from associates and joint ventures, was HK\$1,748 million (2023: HK\$1,777 million), representing a decrease of 1.6% year-on-year. This decline was primarily due to emerging challenges in the retail sector. Net rental revenue for the Interim Period was HK\$1,377 million (2023: HK\$1,470 million), representing a decrease of 6.3% year-on-year. The larger decline in net rental revenue compared to gross rental revenue was mainly due to the discontinuation of the concession on the waiver fee previously granted by the HKSAR Government, as well as the payment of the first demand notes on rent and rates for new properties.

Overall occupancy of Sino Land's investment property portfolio was 89.5% for the Interim Period (2023: 90.8%), a decrease of 1.3 percentage point when compared with last interim period. Among the different sectors, residential showed the biggest improvement, with occupancy rate rising by 1.1 percentage points to 89.0% (2023: 87.9%). The industrial sector also saw an increase of 0.2 percentage points to 89.7% (2023: 89.5%). However, the retail sector experienced a decline, with occupancy rates dropping to 92.2% (2023: 93.4%), and office saw a decrease to 84.0% (2023: 86.6%).

The market situation remained dynamic throughout the Interim Period. While total visitor arrivals to Hong Kong have yet to fully recover to pre-pandemic levels, outbound travel by local citizens remained relatively high. A notable shift in behaviour was observed among Chinese tourists, who increasingly focused on experiences rather than shopping, a trend negatively impacted by the depreciation of Renminbi. Given the dynamic nature of the current operating environment, it is essential for Sino Land to stay vigilant and promptly adapt to shifts in consumer behaviour. We are continuously refining and optimising our tenant mix, while also organising ongoing marketing and promotional activities in our shopping malls to boost foot traffic. Additionally, we have launched a series of marketing campaigns through our digital loyalty program, "S+ REWARDS", aimed at enhancing customer loyalty and driving consumption in our retail properties.

The office sector continues to face challenges due to oversupply and slow demand, putting pressure on both occupancy and rental rates. Despite these difficult conditions, Hong

Kong remains well-positioned to capitalise on its status as an international hub and financial centre. The ongoing integration into national development initiatives such as the Guangdong-Hong Kong-Macao Greater Bay Area (GBA), and the Northern Metropolis proposed by the HKSAR Government, will further bolster Hong Kong's role as a key hub connecting the country with the world. Additionally, various talent schemes launched by the HKSAR Government have attracted over 430,000 applications from professionals from Mainland China and overseas. The pickup in financial market activities is also expected to support demand for office spaces over time. Sino Land's portfolio of office buildings, featuring top-of-the-line specifications and recognised green credentials, is well-positioned to attract tenants seeking sustainable and high-quality office space.

As at 31st December, 2024, Sino Land has approximately 13.2 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 63.1%, industrial 11.9%, car parks 11.9%, hotels 8.9%, 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\$794 million compared to HK\$811 million last interim period, and the corresponding operating profit was HK\$261 million (2023: HK\$254 million).

In 2024, Hong Kong saw a steady improvement in tourism. Visitors from Mainland China made up 76% of total visitor arrivals, posting a year-on-year increase of 27% to 34.0 million. Meanwhile, long-haul markets experienced more than a 50% growth, and among short-haul arrivals, Southeast Asian markets showed impressive performance. Our overseas operations in Singapore and Sydney continued to deliver encouraging results, with continuous improvement in gross operating profit during the Interim Period, driven by sustained occupancy rates and stringent cost containment measures.

Despite the positive momentum in inbound visitors, changes in consumer behavior are reshaping the industry landscape. The growing preference for short-haul travel and last-minute hotel bookings is putting pressure on room rates. Room rates in Singapore have also plateaued due to the increase of hotel rooms from new openings and re-opening of hotels that have undergone major refurbishments. As an international city and tourism hub, Hong Kong must adapt to these changes by optimising its tourism offerings and services. The industry should focus on identifying, responding to, and steering these changes effectively.

The HKSAR Government is making significant strides to transform Hong Kong into a premier tourism destination. The concept of "tourism is everywhere in Hong Kong" is being promoted to enhance the city's appeal. The publication of the Development Blueprint for Hong Kong's Tourism Industry 2.0 (Blueprint 2.0) in 2024 further solidifies the collective efforts of the trade and society to boost Hong Kong's tourism attraction. Looking ahead, the opening of the Kai Tak Sports Park in the first quarter of 2025, the development of panda tourism, and the resumption of multiple-entry permits for Shenzhen residents are expected to support the growth of the tourism industry in Hong Kong.

Management continued to prioritise cost control while actively seeking new strategies to enhance the quality of our hotel services and improve efficiency. Conrad Hong Kong experienced an increase in occupancy rates, driven by the gradual rise in business and leisure travelers. The Fullerton Ocean Park Hotel Hong Kong, positioned as a resort hotel, saw higher demand during the summer, festive seasons, and long holidays in Mainland China. The Olympian Hong Kong, which reopened in September 2023, continued to benefit from its new commercial and operational strategies, achieving respectable occupancy and room rates.

As at 31st December, 2024, 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

As at 31st December, 2024, 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, 2024.

FINANCE

The Group's financial position remains strong. As at 31st December, 2024, the Group had cash and bank deposits of HK\$48,676 million. After netting off total borrowings of HK\$2,693 million, the Group had net cash of HK\$45,983 million as at 31st December, 2024. 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. All of the Group's borrowings are denominated in Hong Kong dollars and subject to floating interest rates. Of the total borrowings, 35.91% is repayable within one year and the remaining between one and two years. Total assets and shareholders' funds of the Group were HK\$182,889 million and HK\$96,468 million, respectively. Net book value of the Group attributable to the Company's shareholders was HK\$44.46 per share as at 31st December, 2024 (HK\$44.72 per share as at 30th June, 2024).

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

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 strives to integrate sustainability into every aspect of operations through three interconnected areas under our vision of "Creating Better Lifescapes": 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.

Local and international ESG ratings and recognitions

Sino Land has participated in multiple ESG rating exercises and is humbled that our corporate sustainability efforts have been recognised. In the Interim Period, Sino Land was included in the Dow Jones Sustainability World Index (DJSI World) while maintaining its position in the DJSI Asia Pacific Index for the third consecutive year. In addition, Sino Land has recently been selected as a constituent of the FTSE4Good Index Series. Sino Land has also been recognised as a Global Sector Leader in the Residential category of the 2024 Global Real Estate Sustainability Benchmark (GRESB) Real Estate Assessment as well as attaining the highest five-star rating, and achieved an AA+ rating in the Hang Seng Corporate Sustainability Index Series for the second consecutive year.

ESG accolades

In recognition of our ongoing commitment to promoting ESG and sustainability, Sino Land received the Award of Excellence in Corporate Governance and Award of Excellence in ESG at The Hong Kong Corporate Governance and ESG Excellence Awards 2024. Furthermore, Sino Land was awarded the ESG Leading Enterprises, ESG Leading Environmental Initiative and ESG Leading Social Initiative awards at Bloomberg Businessweek/Chinese Edition ESG Leading Enterprises 2024. Sino Land also received the Business Leadership in Sustainability – Highly Commended Award at the World Green Building Council's Asia Pacific Leadership in

Green Building Awards 2024. Sino Land has also been awarded the Transparency & Reporting Awards by UN Women at the 2024 Asia-Pacific Women’s Empowerment Principles Awards.

Green living

During the Interim Period, Sino Land has received validation from the Science Based Targets initiative (SBTi) for its long-term emissions reduction targets. This validation highlights our dedication to addressing long-term energy and climate challenges as we work towards our net-zero carbon goals by 2050.

To continue enhancing biodiversity, Sino Land has collaborated with WWF-Hong Kong and local startup Clearbot in the launching of the Discover Shui Hau project. The project aims to raise public awareness and foster a deeper understanding of Shui Hau’s high ecological value and cultural landscape through active engagement with Shui Hau residents and Lantau Island students. As part of the project, innovative technology is being applied to clean up marine debris, making a positive contribution to the protection of Shui Hau’s coastal ecosystem.

Our marine conservation project, CORAL REEFStorage, underscores our commitment to enhancing local biodiversity and engaging the public in protecting marine ecosystems. As at 31st December, 2024, the CORAL REEFStorage Centre, a rehabilitation facility for rescued coral fragments under this project, had received over 3,100 local and international visitors.

Fully aware of the importance of diversity and inclusion, Sino Land collaborated with local non-government organisations (NGOs) and social enterprises for the annual Diversity and Inclusion Month. Over 200 colleagues from different backgrounds, along with their families and friends, participated in a series of educational activities and workshops. The activities enabled our colleagues to understand more about the issues of mental wellness, inclusion of people living with disabilities, and generational and cultural diversity, and to embrace these principles in their daily lives.

Innovative design

Sino Land seeks to incorporate sustainable features into our buildings. 33 of Sino Land’s buildings have obtained international WiredScore certifications, reinforcing Sino Land’s position as the owner of the most extensive WiredScore-certified real estate portfolio in Hong Kong.

Continuing the commitment to nurturing the next generation of creative talents, The Hong Kong University of Science and Technology (HKUST) and Sino Land organised the 2024 edition of the HKUST-SINO One Million Dollar Entrepreneurship Competition – a platform for aspiring young entrepreneurs to develop innovative solutions. In 2024, 340 teams from Hong Kong and around the world participated in the competition, with a new “International Student Track” introduced for overseas university students. This initiative fosters collaboration between local and overseas universities, stimulating creative exchanges among global talents.

Community spirit

Sino Land and the Ng Teng Fong Charitable Foundation have joined hands in providing the venue for and fitting out of a second Community Living Room in Hung Hom, initiated by the HKSAR Government and further extending our commitment to improving community living conditions. In August 2024, the “Community Care Chinese Medicine Service” programme was also launched in collaboration with the School of Chinese Medicine of the Hong Kong Baptist

University for both the Community Living Rooms in Sham Shui Po and Hung Hom. The programme provides free Chinese medicine consultations and essential medications to members of the Community Living Rooms, aligning with their goal of enhancing members' health and quality of life.

Sino Caring Friends, our corporate volunteer team, has been lending a helping hand to uplift less-resourced families across Hong Kong since 2008. The initiative engages our colleagues, their families and friends in volunteer activities in collaboration with community partners. Some festive activities were organised over the Christmas period including a Barbecue Fun Day, Christmas gift distributions, and visits to the Sham Shui Po Community Living Room, Hung Hom Community Living Room and the Transitional Housing Wellness Lodge, with the intention to reach out with the festive spirit to around 800 underprivileged families and individuals with varying abilities.

PROSPECTS

The year 2024 has been a pivotal one for Hong Kong's property sector. The removal of all demand-side management measures in February 2024 led to a notable uptick in activity. Additionally, the Federal Reserve's three interest rate cuts since September 2024, reducing the target federal funds rate by 100 basis points to 4.25%-4.5%, have further bolstered buyers' sentiment. The HKSAR Government's well-received talent admission schemes, implemented in late 2022, have attracted over 430,000 applications to date, with around 180,000 talents arriving in Hong Kong with their families. Moreover, Hong Kong is home to five of the world's top 100 universities, and continues to draw international students for tertiary education. These factors have bolstered Hong Kong's population, buoyed housing demand, and supported residential rental yields.

Inbound arrivals have been steadily increasing with gradual improvements in flight capacity. Hong Kong welcomed more than 44.5 million visitors in 2024, a leap of 31% from 2023. Improving inbound arrivals and the recent uptick in financial market activities have contributed to a gradually improving economic backdrop. Amid the positive developments, the overall economy remained dynamic, with factors such as elevated inflation and geopolitical tensions influencing consumption and capital investments. These elements have moderated the pace of recovery. To stay competitive, companies must quickly adapt to the changing market conditions and the new operational landscape.

The Central Government is supportive of Hong Kong's economic development, which enjoys the unique advantages of the "One Country, Two Systems" principle. On 1st December, 2024, the Central Government resumed the multiple-entry Individual Visit Scheme (IVS) for Shenzhen permanent residents and expanded it to include Shenzhen residence permit holders. This makes visiting Hong Kong more conveniently and freely, injecting new momentum into Hong Kong's hospitality industry. Another prime example of the Central Government's staunch support is the gifting and smooth arrival of two precious giant pandas to Hong Kong. Hong Kong will seize this opportunity to actively promote Panda tourism.

Opening in the first quarter of 2025, the Kai Tak Sports Park, featuring a 50,000-seat Main Stadium, will be the largest sports infrastructure project ever commissioned in Hong Kong. This development will significantly boost sports development and invigorate related industries. In 2025, major events such as the National Games, Hong Kong Sevens and a good number of

concerts will draw tourists from around the globe, fostering the synergistic growth of sports events, innovative entertainment, dining, MICE, and tourism activities, enhancing Hong Kong's economic outlook.

The HKSAR Government has been proactive in recent years, enhancing talent admission schemes to attract professionals from Mainland China and abroad. Starting from the 2024 academic year, the non-local student quota at publicly funded post-secondary institutions has doubled to 40% of admissions. These efforts have led to a significant influx of skilled professionals and tertiary students, which will fuel economic growth and enhance competitiveness.

Supportive measures for the Hong Kong property market have also been implemented. In December 2024, the Hong Kong Monetary Authority issued guidelines to banks on a one-off special scheme that relaxes the supervisory requirements on the maximum loan-to-value (LTV) ratio and debt servicing ratio (DSR) cap for property mortgage loans. This special scheme provides flexibility for banks to assist homebuyers who purchased uncompleted residential properties during 2021-2023 using stage payment plans to complete their transactions. Under this scheme, banks may offer mortgage loans with a maximum LTV ratio of 80% to eligible homebuyers, and the DSR limit is adjusted to 60%. These initiatives are poised to support Hong Kong's property sector in the mid-to-long term, and the Group remains cautiously optimistic about the outlook.

The Group is making steady strides on its sustainability journey, upholding our mission of "Creating Better Lifescapes". We are committed to contributing to a more sustainable future through green architecture planning, decarbonisation, responding to climate change, innovation, green management and supporting worthy causes. We are deeply honoured by the global and local recognitions for our efforts, as detailed in the Sustainability section.

Amid a rapidly evolving macroeconomic environment, we remain vigilant and adaptable. Our leadership emphasises the importance of solid fundamentals, deep customer insights, sustainability and the commitment to excellence. We shall continue to enhance productivity and efficiency, along with careful financial management. With our robust financials and sustainable business strategies, we are well equipped to navigate challenges and seize opportunities that 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, 26th February, 2025

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INTERIM RESULTS

The unaudited results of the Group for the six months ended 31st December, 2024 are as follows:

Consolidated Statement of Profit or Loss

	Notes	Six months ended	
		31st December, 2024 HK\$ Million (Unaudited)	31st December, 2023 HK\$ Million (Unaudited)
Revenue	2	3,879	4,949
Cost of sales		(936)	(1,840)
Direct expenses		(1,290)	(1,188)
Gross profit		1,653	1,921
Change in fair value of investment properties		(260)	18
Other income and other gains or losses		20	88
Change in fair value of financial assets at fair value through profit or loss (“FVTPL”)		(7)	1
Administrative expenses		(465)	(487)
Other operating expenses		(109)	(106)
Finance income		1,199	1,189
Finance costs		(54)	(55)
Less: interest capitalised		21	29
Finance income, net		1,166	1,163
Share of results of associates	3	174	292
Share of results of joint ventures	4	(130)	73
Profit before taxation	5	2,042	2,963
Income tax expense	6	(215)	(330)
Profit for the period		1,827	2,633
Profit for the period attributable to:			
The Company’s shareholders		1,043	1,468
Non-controlling interests		784	1,165
		1,827	2,633
Interim dividend at HK15 cents (2023: HK15 cents) per share		325	316
Earnings per share (reported earnings per share) – basic	7(a)	HK\$0.49	HK\$0.71
Earnings per share (underlying earnings per share) – basic	7(b)	HK\$0.60	HK\$0.80

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Six months ended	
	31st December, 2024	31st December, 2023
	HK\$ Million (Unaudited)	HK\$ Million (Unaudited)
Profit for the period	<u>1,827</u>	<u>2,633</u>
Other comprehensive income		
<i>Item that will not be reclassified to profit or loss:</i>		
Change in fair value of equity instruments at fair value through other comprehensive income (“FVTOCI”)	<u>77</u>	<u>1</u>
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	(247)	204
Change in fair value of debt instruments at FVTOCI	<u>2</u>	<u>-</u>
	<u>(245)</u>	<u>204</u>
Other comprehensive income for the period	<u>(168)</u>	<u>205</u>
Total comprehensive income for the period	<u>1,659</u>	<u>2,838</u>
Total comprehensive income attributable to:		
The Company’s shareholders	950	1,584
Non-controlling interests	<u>709</u>	<u>1,254</u>
	<u>1,659</u>	<u>2,838</u>

Consolidated Statement of Financial Position
At 31st December, 2024

		31st December, 2024	30th June, 2024
	<i>Notes</i>	HK\$ Million (Unaudited)	HK\$ Million (Audited)
Non-current assets			
Investment properties		66,055	66,289
Hotel properties		1,613	1,641
Property, plant and equipment		147	150
Right-of-use assets		1,138	1,114
Goodwill		739	739
Interests in associates		16,805	16,737
Interests in joint ventures		6,924	6,638
Equity and debt instruments		1,375	1,243
Advances to associates		4,123	4,020
Advances to joint ventures		8,901	9,027
Long-term loans receivable		2,757	3,076
Deferred taxation		21	20
Other assets		1	1
		110,599	110,695
Current assets			
Properties under development		9,844	9,403
Stocks of completed properties		5,555	6,494
Hotel inventories		4	6
Equity and debt instruments		160	16
Amounts due from associates		1,638	2,378
Amounts due from joint ventures		4,073	3,567
Amounts due from non-controlling interests		16	14
Trade and other receivables	8	1,997	2,023
Current portion of long-term loans receivable		317	223
Taxation recoverable		10	3
Time deposits and restricted bank deposits	9	46,553	45,477
Bank balances and cash	9	2,123	1,874
		72,290	71,478
Current liabilities			
Trade and other payables	10	4,408	4,420
Lease liabilities		37	20
Contract liabilities		341	113
Amounts due to associates		886	797
Amounts due to non-controlling interests		1,970	1,660
Taxation payable		531	883
Bank borrowings – due within one year		967	-
		9,140	7,893
Net current assets		63,150	63,585
Total assets less current liabilities		173,749	174,280

Consolidated Statement of Financial Position – continued
At 31st December, 2024

	31st December, 2024	30th June, 2024
	HK\$ Million	HK\$ Million
	(Unaudited)	(Audited)
Capital and reserves		
Share capital	20,211	19,305
Reserves	76,257	75,563
Equity attributable to the Company’s shareholders	96,468	94,868
Non-controlling interests	71,525	72,319
Total equity	167,993	167,187
Non-current liabilities		
Bank borrowings – due after one year	832	832
Lease liabilities	27	2
Other loan – due after one year	894	859
Deferred taxation	2,773	2,781
Advances from associates	1,088	1,618
Advances from non-controlling interests	142	1,001
	5,756	7,093
	173,749	174,280

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, 2024 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, 2024 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 amendments to 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, 2024 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 30th June, 2024.

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

Application of amendments to HKFRSs

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, which are effective for the annual period beginning on or after 1st July, 2024 for the preparation of the Group’s unaudited interim financial report:

Amendments to HKAS 1	<i>Presentation of financial statements: Classification of liabilities as current or non-current (2020 amendments)</i>
Amendments to HKAS 1	<i>Presentation of financial statements: Non-current liabilities with covenants (2022 amendments)</i>
Amendments to HKFRS 16	<i>Leases: Lease liability in a sale and leaseback</i>
Amendments to HKAS 7 and HKFRS 7	<i>Statement of cash flows and Financial instruments: Disclosures - Supplier finance arrangements</i>

The application of amendments to 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.

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, 2024

	The Company and its subsidiaries		Associates and joint ventures		Total	
	External revenue	Results	Share of revenue	Share of results	Segment revenue	Segment results
	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million
Property sales	1,212	110	1,332	41	2,544	151
Property rental	1,403	1,069	381	317	1,784	1,386
	2,615	1,179	1,713	358	4,328	1,537
Property management and other services	699	137	61	6	760	143
Hotel operations	495	198	299	63	794	261
Investments in securities	18	18	-	-	18	18
Financing	52	52	5	5	57	57
	3,879	1,584	2,078	432	5,957	2,016

Six months ended 31st December, 2023

	The Company and its subsidiaries		Associates and joint ventures		Total	
	External revenue	Results	Share of revenue	Share of results	Segment revenue	Segment results
	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million
Property sales	2,360	339	4,833	518	7,193	857
Property rental	1,415	1,143	399	336	1,814	1,479
	3,775	1,482	5,232	854	9,007	2,336
Property management and other services	619	120	57	5	676	125
Hotel operations	502	189	309	65	811	254
Investments in securities	17	17	-	-	17	17
Financing	36	36	3	3	39	39
	4,949	1,844	5,601	927	10,550	2,771

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 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 (costs)/income, net and income tax expense. 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, 2024	31st December, 2023
	HK\$ Million	HK\$ Million
Segment profit	2,016	2,771
Change in fair value of investment properties	(260)	18
Other income and other gains or losses	18	86
Change in fair value of financial assets at FVTPL	(7)	1
Administrative expenses and other operating expenses	(500)	(511)
Finance income, net	1,163	1,160
Results shared from associates and joint ventures		
- Other income and other gains or losses	132	(106)
- Change in fair value of investment properties	(180)	(161)
- Administrative expenses and other operating expenses	(125)	(142)
- Finance (costs)/income, net	(134)	135
- Income tax expense	(81)	(288)
	(388)	(562)
Profit before taxation	<u>2,042</u>	<u>2,963</u>

During the six months ended 31st December, 2024, inter-segment sales of HK\$67 million (*six months ended 31st December, 2023: HK\$36 million*) 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\$90 million (*six months ended 31st December, 2023: HK\$25 million*) 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\$90 million (*six months ended 31st December, 2023: HK\$136 million*) recognised in the statement of profit or loss of the joint ventures.

5. Profit before taxation

	Six months ended	
	31st December, 2024	31st December, 2023
	HK\$ Million	HK\$ Million
Profit before taxation has been arrived at after charging:		
Cost of properties sold	936	1,840
Cost of hotel inventories recognised as direct expenses	53	55
Depreciation of hotel properties	17	17
Depreciation of property, plant and equipment	28	31
Depreciation of right-of-use assets	33	33
Impairment loss on trade receivables, net of reversal	19	5

6. Income tax expense

	Six months ended	
	31st December, 2024	31st December, 2023
	HK\$ Million	HK\$ Million
Tax charge comprises:		
Current taxation		
Hong Kong Profits Tax	140	196
Other jurisdictions	45	70
Land Appreciation Tax (“LAT”) in Mainland China	2	11
	187	277
Deferred taxation	28	53
	215	330

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, 2023: 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, 2023: 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, 2024	31st December, 2023
	HK\$ Million	HK\$ Million
Earnings for the purpose of basic earnings per share	1,043	1,468
	Number of shares	Number of shares
Weighted average number of ordinary shares for the purpose of basic earnings per share	2,128,870,074	2,064,828,625

No diluted earnings per share has been presented for the periods ended 31st December, 2024 and 2023 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\$1,283 million (*six months ended 31st December, 2023: HK\$1,653 million*) is also presented which excludes the net effect of changes in fair value of investment properties of the Group and its associates and joint ventures and includes 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, 2024	31st December, 2023
	HK\$ Million	HK\$ Million
Earnings for the purpose of basic earnings per share	<u>1,043</u>	<u>1,468</u>
Change in fair value of investment properties	260	(18)
Effect of corresponding deferred tax	(21)	(1)
Share of results of associates		
- Change in fair value of investment properties	90	25
- Effect of corresponding deferred tax	5	(1)
Share of results of joint ventures		
- Change in fair value of investment properties	90	136
- Effect of corresponding deferred tax	(11)	-
	<u>413</u>	<u>141</u>
Amount attributable to non-controlling interests	<u>(181)</u>	<u>(62)</u>
Unrealised change in fair value of investment properties attributable to the Company's shareholders	232	79
Realised fair value gain on investment properties disposed of during the period, net of taxation	10	1
Realised fair value gain on interest in an associate upon sales of its properties during the period	4	186
Amount attributable to non-controlling interests	<u>(6)</u>	<u>(81)</u>
	<u>240</u>	<u>185</u>
Underlying profit attributable to the Company's shareholders	<u>1,283</u>	<u>1,653</u>

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, 2024 HK\$ Million	30th June, 2024 HK\$ Million
Current or up to 30 days	158	172
31 - 60 days	47	23
61 - 90 days	28	15
Over 90 days	128	74
	361	284

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

At 31st December, 2024, time deposits of HK\$1,477 million (*30th June, 2024: HK\$1,632 million*) 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\$863 million (*30th June, 2024: HK\$843 million*), 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 million (*30th June, 2024: HK\$24 million*) represented deposits placed with banks, which were used as a guarantee for a construction contract.

10. Trade and other payables

At 31st December, 2024, included in trade and other payables of the Group are trade payables of HK\$123 million (*30th June, 2024: HK\$124 million*).

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

	31st December, 2024 HK\$ Million	30th June, 2024 HK\$ Million
1 - 30 days	106	71
31 - 60 days	5	13
61 - 90 days	1	9
Over 90 days	11	31
	123	124

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, 2024	30th June, 2024
	HK\$ Million	HK\$ Million
Guarantees given to banks in respect of:		
Banking facilities of associates and joint ventures attributable to the Group		
- Utilised	7,669	7,777
- Unutilised	1,097	1,521
	8,766	9,298

At 31st December, 2024 and 30th June, 2024, 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, 2024 not provided for in the interim financial report were as follows:

	31st December, 2024	30th June, 2024
	HK\$ Million	HK\$ Million
Contracted for	72	82
Authorised but not contracted for	-	-
	72	82

The Group's share of capital commitments of joint ventures and associates outstanding at 31st December, 2024 not provided for in the interim financial report were as follows:

	31st December, 2024	30th June, 2024
	HK\$ Million	HK\$ Million
Contracted for	298	301
Authorised but not contracted for	470	5
	768	306

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 13th March, 2025 to Monday, 17th March, 2025, 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 Monday, 17th March, 2025.

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 Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 12th March, 2025.

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 Interim Period, except that (i) there was no separation of the roles of the chairman and the chief executive; (ii) all the Independent Non-Executive Directors of the Company had served more than nine years on the Board; and (iii) the Chairman of the Board was unable to attend the Company's annual general meeting held on 23rd October, 2024 (the "2024 AGM").

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, all the 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 on the Board pursuant to code provision B.2.4(b) 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.

Pursuant to code provision F.2.2 under Part 2 of the CG Code to the Listing Rules, the chairman of the board should attend the annual general meeting. Mr. Robert Ng Chee Siong, the Chairman of the Board, was unable to attend the 2024 AGM as he was abroad at that time to accompany his spouse for medical treatment. Mr. Daryl Ng Win Kong, the Deputy Chairman of the Board, took the chair of the 2024 AGM and answered questions at the 2024 AGM.

REVIEW OF INTERIM RESULTS

The unaudited interim results of the Group for the Interim Period have been reviewed by the Audit Committee and the auditor of the Company, KPMG.

2024-2025 INTERIM REPORT

The 2024-2025 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 Monday, 17th March, 2025.

By Order of the Board
Fanny CHENG Siu King
Company Secretary

Hong Kong, 26th February, 2025

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.