



L A I F U N G H O L D I N G S

Lai Fung Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1125)

Interim Report

For the six months ended 31 January 2025



Corporate Information

PLACE OF INCORPORATION

Cayman Islands

BOARD OF DIRECTORS

Executive Directors

Lam Kin Ngok, Peter (*Chairman*)

Lam Kin Hong, Matthew (*Executive Deputy Chairman*)

Lam Hau Yin, Lester (*Chief Executive Officer*)
(also alternate director to U Po Chu)

Cheng Shin How

Cheung Sum, Sam (*Group Chief Financial Officer*)

Lee Tze Yan, Ernest

U Po Chu

Independent Non-executive Directors

Au Hoi Fung

Ku Moon Lun

Lam Bing Kwan

Law Kin Ho

Mak Wing Sum, Alvin

Shek Lai Him, Abraham

AUDIT COMMITTEE

Law Kin Ho (*Chairman*)

Ku Moon Lun

Lam Bing Kwan

Mak Wing Sum, Alvin

NOMINATION COMMITTEE

Lam Kin Ngok, Peter (*Chairman*)

Cheng Shin How (*alternate to Lam Kin Ngok, Peter*)

Mak Wing Sum, Alvin

Shek Lai Him, Abraham

REMUNERATION COMMITTEE

Lam Bing Kwan (*Chairman*)

Cheng Shin How

Ku Moon Lun

Law Kin Ho

AUTHORISED REPRESENTATIVES

Lam Hau Yin, Lester

Cheng Shin How

COMPANY SECRETARY

Yim Lai Wa

REGISTERED OFFICE

P.O. Box 309

Ugland House

Grand Cayman

KY1-1104

Cayman Islands

PRINCIPAL PLACE OF BUSINESS

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Kowloon, Hong Kong

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SHARE REGISTRAR AND TRANSFER

OFFICE IN CAYMAN ISLANDS

Suntera (Cayman) Limited

Suite 3204, Unit 2A

Block 3, Building D

P.O. Box 1586

Gardenia Court

Camana Bay

Grand Cayman

KY1-1100

Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Investor Services Limited

17/F, Far East Finance Centre

16 Harcourt Road

Hong Kong

INDEPENDENT AUDITOR

Ernst & Young

Certified Public Accountants

Registered Public Interest Entity Auditor

PRINCIPAL BANKERS

Agricultural Bank of China Limited

Bank of China Limited

The Bank of East Asia, Limited

China CITIC Bank Corporation Limited

China Zheshang Bank Co., Ltd.

Chong Hing Bank Limited

Dah Sing Bank, Limited

DBS Bank Ltd.

Hang Seng Bank Limited

The Hongkong and Shanghai Banking Corporation Limited

Industrial and Commercial Bank of China Limited

Oversea-Chinese Banking Corporation Limited

Shanghai Pudong Development Bank Co., Ltd.

Standard Chartered Bank (Hong Kong) Limited

United Overseas Bank Limited

SHARES INFORMATION

Place of Listing

The Main Board of The Stock Exchange of Hong Kong Limited

Stock Code/Board Lot

1125/400 shares

WEBSITE

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INVESTOR RELATIONS

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Results Highlights

- Net loss attributable to owners of the Company was HK\$164.0 million, decreased from loss of HK\$174.5 million in the previous financial period, mainly attributed to the reduction in fair value losses on investment properties.
- Adjusted earnings before interests, taxes, depreciation and amortisation ("**adjusted EBITDA**") (excluding impact of fair value changes of investment properties) amounted to HK\$247.0 million, down by 53.5% compared to the same period last year, due to the lower property sales.
- Resilient rental portfolio generated rental income of HK\$513.1 million with relatively steady occupancy rate under a subdued market environment, up by 2.3% compared to the same period last year.
- Recognised sales of properties and other operations amounted to HK\$134.7 million, down by 85.2% compared to the same period last year, mainly contributed to the reduction in sales of residential units at Zhongshan Palm Spring and Hengqin Novotown during the period.
- Proactive cost control resulted in administrative expenses decreased by 7.8% compared to the same period last year. Other operating expenses, net, also decreased by 35.4% compared to the same period last year.
- Finance costs amounted to HK\$259.1 million, down by 17.7% compared to the same period last year, due to the Group's successful refinancing of certain borrowings at lower interest rates. Finance costs before capitalisation amounted to HK\$312.3 million, down by 19.7%.
- The Group's total capital resources amounted to approximately HK\$4,395.4 million, comprising cash and bank balances of approximately HK\$1,783.3 million and undrawn bank facilities of approximately HK\$2,612.1 million as at 31 January 2025, versus the Group's borrowings due within one year of approximately HK\$1,541.4 million as at 31 January 2025. The Group has commenced discussions with banks on the forthcoming refinancing of bank borrowings.
- Total borrowings remained stable at HK\$10,065.8 million as at 31 January 2025, compared to HK\$9,853.2 million as at 31 July 2024.
- The Group intends to dispose assets amounting to approximately HK\$2,000 million over the next two years.

Results

The board of directors (the “**Board**”) of Lai Fung Holdings Limited (the “**Company**”) presents the unaudited consolidated results of the Company and its subsidiaries (the “**Group**”) for the six months ended 31 January 2025 together with the comparative figures of the last corresponding period as follows:

Condensed Consolidated Income Statement

For the six months ended 31 January 2025

		For the six months ended 31 January	
		2025	2024
	Notes	(Unaudited) HK\$'000	(Unaudited) HK\$'000
TURNOVER	3	647,773	1,409,290
Cost of sales		(317,174)	(729,543)
Gross profit		330,599	679,747
Other income and gains		46,897	49,237
Selling and marketing expenses		(33,826)	(76,098)
Administrative expenses		(112,456)	(121,954)
Other operating expenses, net		(39,982)	(61,863)
Fair value losses on investment properties		(5,769)	(106,006)
PROFIT FROM OPERATING ACTIVITIES	4	185,463	363,063
Finance costs	5	(259,063)	(314,681)
Share of profits/(losses) of joint ventures		869	(185)
Share of loss of an associate		(4)	(8)
PROFIT/(LOSS) BEFORE TAX		(72,735)	48,189
Tax	6	(109,254)	(250,226)
LOSS FOR THE PERIOD		(181,989)	(202,037)
ATTRIBUTABLE TO:			
Owners of the Company		(163,989)	(174,530)
Non-controlling interests		(18,000)	(27,507)
		(181,989)	(202,037)
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY:	7		
Basic and diluted		(HK\$0.495)	(HK\$0.527)

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 31 January 2025

	For the six months ended 31 January	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
LOSS FOR THE PERIOD	(181,989)	(202,037)
OTHER COMPREHENSIVE EXPENSES THAT MAY BE RECLASSIFIED TO THE INCOME STATEMENT IN SUBSEQUENT PERIODS, NET OF TAX		
Exchange differences arising on translation to the presentation currency	(113,482)	(71,102)
Share of other comprehensive expenses of an associate	(1)	–
	(113,483)	(71,102)
TOTAL COMPREHENSIVE EXPENSES FOR THE PERIOD	(295,472)	(273,139)
ATTRIBUTABLE TO:		
Owners of the Company	(275,149)	(226,667)
Non-controlling interests	(20,323)	(46,472)
	(295,472)	(273,139)

Condensed Consolidated Statement of Financial Position

As at 31 January 2025

	Notes	31 January 2025 (Unaudited) HK\$'000	31 July 2024 (Audited) HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment		2,070,739	2,120,130
Right-of-use assets		456,004	467,147
Investment properties		19,604,400	19,687,200
Investments in joint ventures		1,140	15,441
Investment in an associate		80	85
Debtors, deposits and prepayments	8	491,966	489,237
Total non-current assets		22,624,329	22,779,240
CURRENT ASSETS			
Properties under development		1,308,057	1,169,737
Completed properties for sale		2,017,813	2,106,634
Inventories		2,397	2,507
Debtors, deposits and prepayments	8	495,879	484,909
Prepaid tax		69,238	66,726
Pledged and restricted time deposits and bank balances		922,985	842,880
Cash and cash equivalents		860,300	1,014,250
Total current assets		5,676,669	5,687,643
CURRENT LIABILITIES			
Creditors, accruals and other payables	9	956,013	972,952
Contract liabilities and deposits received		147,309	195,058
Interest-bearing bank loans		1,221,384	581,032
Loans from a fellow subsidiary	10	270,000	–
Advances from a former substantial shareholder		50,015	–
Lease liabilities		1,191	1,634
Tax payable		638,161	654,170
Other borrowings		–	34,485
Total current liabilities		3,284,073	2,439,331
NET CURRENT ASSETS		2,392,596	3,248,312
TOTAL ASSETS LESS CURRENT LIABILITIES		25,016,925	26,027,552

Condensed Consolidated Statement of Financial Position

(Continued)

As at 31 January 2025

	Notes	31 January 2025 (Unaudited) HK\$'000	31 July 2024 (Audited) HK\$'000
TOTAL ASSETS LESS CURRENT LIABILITIES		25,016,925	26,027,552
NON-CURRENT LIABILITIES			
Lease liabilities		90	646
Other payables	9	884,135	890,237
Long-term deposits received		151,981	156,165
Interest-bearing bank loans		8,484,166	9,169,112
Advances from a former substantial shareholder		–	50,360
Loans from a fellow subsidiary	10	40,200	18,200
Deferred tax liabilities		3,048,601	3,039,608
Total non-current liabilities		12,609,173	13,324,328
		12,407,752	12,703,224
EQUITY			
Equity attributable to owners of the Company			
Issued capital		1,655,167	1,655,167
Reserves		10,388,840	10,663,989
		12,044,007	12,319,156
Non-controlling interests		363,745	384,068
		12,407,752	12,703,224

Condensed Consolidated Statement of Changes in Equity

For the six months ended 31 January 2025

	Attributable to owners of the Company								Non-controlling interests	Total
	Issued capital	Share premium account	Share option reserve	Exchange fluctuation reserve	Capital reserve	Statutory reserve	Retained earnings	Sub-total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
As at 31 July 2024 and 1 August 2024 (Audited)	1,655,167	4,105,466	2,665	(743,635)	137,165	414,408	6,747,920	12,319,156	384,068	12,703,224
Loss for the period	-	-	-	-	-	-	(163,989)	(163,989)	(18,000)	(181,989)
Other comprehensive expenses for the period, net of tax:										
Exchange differences arising on translation to the presentation currency	-	-	-	(111,159)	-	-	-	(111,159)	(2,323)	(113,482)
Share of other comprehensive expenses of an associate	-	-	-	(1)	-	-	-	(1)	-	(1)
Total comprehensive expenses for the period, net of tax	-	-	-	(111,160)	-	-	(163,989)	(275,149)	(20,323)	(295,472)
Transfer to statutory reserve	-	-	-	-	-	12,860	(12,860)	-	-	-
Release of reserve upon lapse of share options	-	-	(585)	-	-	-	585	-	-	-
As at 31 January 2025 (Unaudited)	1,655,167	4,105,466 [#]	2,080 [#]	(854,795) [#]	137,165 [#]	427,268 [#]	6,571,656 [#]	12,044,007	363,745	12,407,752

[#] These reserve accounts comprise the consolidated reserves of HK\$10,388,840,000 (31 July 2024: HK\$10,663,989,000) in the condensed consolidated statement of financial position.

Condensed Consolidated Statement of Changes in Equity

(Continued)

For the six months ended 31 January 2025

	Attributable to owners of the Company							Non-controlling interests	Total
	Issued capital	Share premium account	Share option reserve	Exchange fluctuation reserve	Capital reserve	Statutory reserve	Retained earnings		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
As at 31 July 2023 and 1 August 2023 (Audited)	1,655,167	4,105,466	2,909	(552,556)	137,165	373,148	7,056,599	12,777,898	(268,708) 12,509,190
Loss for the period	-	-	-	-	-	-	(174,530)	(174,530)	(27,507) (202,037)
Other comprehensive expenses for the period, net of tax:									
Exchange differences arising on translation to the presentation currency	-	-	-	(52,137)	-	-	-	(52,137)	(18,965) (71,102)
Total comprehensive expenses for the period, net of tax	-	-	-	(52,137)	-	-	(174,530)	(226,667)	(46,472) (273,139)
Capital injection to a subsidiary from a non-controlling shareholder	-	-	-	-	-	-	-	-	756,000 756,000
Transfer to statutory reserve	-	-	-	-	-	37,788	(37,788)	-	-
Release of reserve upon lapse of share options	-	-	(244)	-	-	-	244	-	-
As at 31 January 2024 (Unaudited)	1,655,167	4,105,466 [#]	2,665 [#]	(604,693) [#]	137,165 [#]	410,936 [#]	6,844,525 [#]	12,551,231	440,820 12,992,051

[#] These reserve accounts comprise the consolidated reserves of HK\$10,896,064,000 (31 July 2023: HK\$11,122,731,000) in the condensed consolidated statement of financial position.

Condensed Consolidated Statement of Cash Flows

For the six months ended 31 January 2025

	For the six months ended 31 January	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
NET CASH FLOW FROM OPERATING ACTIVITIES	46,021	167,392
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	12,415	20,542
Additions to investment properties	(65,675)	(179,089)
Additions to property, plant and equipment	(22,570)	(42,361)
Return of capital from a joint venture	14,800	–
Increase in pledged and restricted time deposits and bank balances	(83,385)	(136,645)
NET CASH FLOW USED IN INVESTING ACTIVITIES	(144,415)	(337,553)
CASH FLOWS FROM FINANCING ACTIVITIES		
New bank loans, net of direct costs	298,797	1,134,052
Repayment of bank loans	(307,911)	(1,157,401)
Loans from fellow subsidiaries	302,740	147,265
Repayment of loans from a fellow subsidiary	(10,740)	(1,510)
Decrease in other borrowings	(34,304)	–
Decrease in other payables	–	(33,315)
Payment of lease liabilities	(954)	(2,205)
Interest and bank financing charges paid	(296,415)	(367,406)
NET CASH FLOW USED IN FINANCING ACTIVITIES	(48,787)	(280,520)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(147,181)	(450,681)
Cash and cash equivalents at beginning of period	1,014,250	1,648,823
Effect of foreign exchange rate changes, net	(6,769)	(4,408)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	860,300	1,193,734
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Non-pledged and non-restricted cash and bank balances	639,907	820,269
Non-pledged and non-restricted time deposits	220,393	373,465
Cash and cash equivalents as stated in the condensed consolidated statement of financial position and the condensed consolidated statement of cash flows	860,300	1,193,734

Notes to Condensed Consolidated Financial Statements

1. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements of the Group for the six months ended 31 January 2025 have been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants.

The condensed consolidated interim financial statements have not been audited by the Company’s independent auditors but have been reviewed by the Company’s audit committee.

2. MATERIAL ACCOUNTING POLICIES

The material accounting policies and basis of preparation adopted in the preparation of the unaudited condensed consolidated interim financial statements for the period under review are consistent with those used in the Group’s audited consolidated financial statements for the year ended 31 July 2024. These unaudited condensed consolidated results should be read in conjunction with the Company’s annual report for the year ended 31 July 2024.

In addition, the Group has adopted a number of revised Hong Kong Financial Reporting Standards (“HKFRSs”, which also include HKASs and Interpretations) which are applicable to the Group for the first time for the current period’s unaudited condensed consolidated interim financial statements. The adoption of these revised HKFRSs has had no material impact on the reported results or financial position of the Group.

3. TURNOVER AND OPERATING SEGMENT INFORMATION

The Group’s turnover represents revenue from the sale of properties, investment properties, hotel and serviced apartment operation, building management operation and theme park operation.

An analysis of the Group’s turnover is as follows:

	For the six months ended 31 January	
	2025 (Unaudited) HK\$’000	2024 (Unaudited) HK\$’000
Turnover from contracts with customers		
Sale of properties	131,197	897,917
Hotel and serviced apartment operation	146,813	149,748
Building management operation	80,995	71,688
Theme park operation	3,452	9,878
	362,457	1,129,231
Turnover from other sources		
Rental income from investment properties	285,316	280,059
Total turnover	647,773	1,409,290
Timing of recognition of turnover from contracts with customers		
At a point in time	131,197	897,917
Over time	231,260	231,314
Total	362,457	1,129,231

Notes to Condensed Consolidated Financial Statements

(Continued)

3. TURNOVER AND OPERATING SEGMENT INFORMATION (CONTINUED)

	For the six months ended 31 January (Unaudited)									
	Property development		Property investment		Hotel and serviced apartment operation		Theme park operation		Consolidated	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
Segment revenue/results:										
Segment revenue										
Sales to external customers	131,197	897,917	366,311	351,747	146,813	149,748	3,452	9,878	647,773	1,409,290
Other revenue	19,987	11,815	9,226	6,957	86	13	97	1,486	29,396	20,271
Total	151,184	909,732	375,537	358,704	146,899	149,761	3,549	11,364	677,169	1,429,561
Segment results	52,781	358,772	169,059	38,052	15,487	14,533	(15,906)	(24,310)	221,421	387,047
Interest income from bank deposits									12,415	20,542
Unallocated gains									5,086	8,424
Unallocated expenses, net									(53,459)	(52,950)
Profit from operating activities									185,463	363,063
Finance costs									(259,063)	(314,681)
Share of profits/(losses) of joint ventures	869	18	—	(203)	—	—	—	—	869	(185)
Share of loss of an associate	—	—	(4)	(8)	—	—	—	—	(4)	(8)
Profit/(loss) before tax									(72,735)	48,189
Tax									(109,254)	(250,226)
Loss for the period									(181,989)	(202,037)
Other segment information:										
Fair value losses on investment properties	—	—	5,769	106,006	—	—	—	—	5,769	106,006
Loss on disposal of items of property, plant and equipment	8	155	48	91	—	—	12	8	68	254

Notes to Condensed Consolidated Financial Statements (Continued)

3. TURNOVER AND OPERATING SEGMENT INFORMATION (CONTINUED)

	Property development		Property investment		Hotel and serviced apartment operation		Theme park operation		Consolidated	
	31 January 2025 (Unaudited) HK\$'000	31 July 2024 (Audited) HK\$'000	31 January 2025 (Unaudited) HK\$'000	31 July 2024 (Audited) HK\$'000	31 January 2025 (Unaudited) HK\$'000	31 July 2024 (Audited) HK\$'000	31 January 2025 (Unaudited) HK\$'000	31 July 2024 (Audited) HK\$'000	31 January 2025 (Unaudited) HK\$'000	31 July 2024 (Audited) HK\$'000
Segment assets/liabilities:										
Segment assets	3,910,721	3,845,355	19,876,442	19,962,722	1,669,618	1,705,249	728,999	739,799	26,185,780	26,253,125
Investments in joint ventures	953	84	187	15,357	—	—	—	—	1,140	15,441
Investment in an associate	—	—	80	85	—	—	—	—	80	85
Unallocated assets									2,113,998	2,198,232
Total assets									28,300,998	28,466,883
Segment liabilities	306,335	345,213	514,986	515,406	55,939	65,372	24,931	32,049	902,191	958,040
Unallocated liabilities									14,991,055	14,805,619
Total liabilities									15,893,246	15,763,659

4. PROFIT FROM OPERATING ACTIVITIES

The Group's profit from operating activities is arrived at after charging/(crediting):

	For the six months ended 31 January	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Depreciation of property, plant and equipment [#]	46,114	52,072
Depreciation of right-of-use assets [#]	8,776	9,910
Foreign exchange differences, net ^{##}	(6,780)	6,584
Gain on disposal of investment properties ^{##}	(4,687)	—
Loss on disposal of items of property, plant and equipment ^{##}	68	254

[#] The depreciation charge for hotels and serviced apartments and related leasehold improvements is HK\$40,786,000 (six months ended 31 January 2024: HK\$40,669,000). The depreciation charge for theme parks is HK\$8,908,000 (six months ended 31 January 2024: HK\$13,421,000). These items are included in "Other operating expenses, net" on the face of the condensed consolidated income statement.

^{##} These items of expenses/(income) are included in "Other operating expenses, net" on the face of the condensed consolidated income statement.

Notes to Condensed Consolidated Financial Statements

(Continued)

5. FINANCE COSTS

	For the six months ended 31 January	
	2025	2024
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Interest on bank loans	280,447	352,504
Interest on loans from a fellow subsidiary	5,393	—
Interest on put option liabilities	2,260	2,252
Interest on lease liabilities	41	75
Amortisation of transaction fees for bank loans	9,670	10,540
Bank financing charges and direct costs	14,525	23,684
	312,336	389,055
Less: Capitalised in properties under development	(37,099)	(41,314)
Capitalised in investment properties under construction	(13,887)	(13,781)
Capitalised in construction in progress	(2,287)	(19,279)
	(53,273)	(74,374)
Total finance costs	259,063	314,681

6. TAX

The statutory rate of Hong Kong profits tax is 16.5% (six months ended 31 January 2024: 16.5%). No provision for Hong Kong profits tax had been made as the Group had no estimated assessable profits arising in Hong Kong during the period (six months ended 31 January 2024: Nil). Taxes on profits assessable elsewhere had been calculated at the tax rates prevailing in the jurisdictions in which the Group operates.

	For the six months ended 31 January	
	2025	2024
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Current — Chinese Mainland		
Corporate income tax	22,249	75,892
Land appreciation tax	56,177	170,679
Deferred	30,828	3,655
Total tax charge for the period	109,254	250,226

Notes to Condensed Consolidated Financial Statements

(Continued)

7. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic loss per share amount was based on the loss for the period attributable to owners of the Company of HK\$163,989,000 (six months ended 31 January 2024: HK\$174,530,000), and the weighted average number of ordinary shares of 331,033,443 (six months ended 31 January 2024: 331,033,443) in issue during the period.

As the exercise prices of the share options are higher than the average market price of the shares during the period, the Group had no potentially dilutive ordinary shares in issue during the periods ended 31 January 2025 and 31 January 2024.

8. DEBTORS, DEPOSITS AND PREPAYMENTS

The Group maintains various credit policies for different business operations in accordance with business practices and market conditions in which the respective subsidiaries operate. Sales proceeds receivable from the sale of properties are settled in accordance with the terms of the respective contracts. Rent and related charges in respect of the leasing of properties are receivable from tenants, and are normally payable in advance with rental deposits received in accordance with the terms of the tenancy agreements. Hotel and serviced apartment charges are mainly settled by customers on a cash basis except for those corporate clients who maintain credit accounts with the Group, the settlement of which is in accordance with the respective agreements. The Group's trade receivables relate to a large number of diversified customers and there is no significant concentration of credit risk. Trade receivables of the Group were interest-free. The Group's finance lease receivables related to a creditworthy third party.

An ageing analysis of the trade receivables as at the end of the reporting period, based on payment due date, is as follows:

	31 January 2025 (Unaudited) HK\$'000	31 July 2024 (Audited) HK\$'000
Trade receivables, net		
Within one month	129,711	119,282
One to three months	10,982	7,470
Over three months	19,802	16,746
	160,495	143,498
Finance lease receivables, not yet due	495,456	492,752
Other receivables, deposits and prepayments	331,894	337,896
	987,845	974,146
Amounts classified as current assets	(495,879)	(484,909)
Non-current portion	491,966	489,237

Notes to Condensed Consolidated Financial Statements

(Continued)

9. CREDITORS, ACCRUALS AND OTHER PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on payment due date, is as follows:

	31 January 2025 (Unaudited) HK\$'000	31 July 2024 (Audited) HK\$'000
Trade payables		
Within one month	120,448	132,091
One to three months	616	8,999
Over three months	49,784	28,789
	170,848	169,879
Accruals and other payables	785,165	589,267
Put option liabilities	884,135	1,104,043
	1,840,148	1,863,189
Amounts classified as current liabilities	(956,013)	(972,952)
Non-current portion	884,135	890,237

10. LOANS FROM A FELLOW SUBSIDIARY

Loans from a fellow subsidiary represent:

- (i) Interest-free loans of HK\$40,200,000 (31 July 2024: HK\$18,200,000) from a fellow subsidiary (as a non-controlling shareholder of a subsidiary (the "**Subsidiary**") of the Company) according to its percentage of interest in the Subsidiary.
- (ii) Interest-bearing loans of HK\$270,000,000 (31 July 2024: Nil) from a fellow subsidiary, which is a wholly-owned subsidiary of Lai Sun Development Company Limited ("**LSD**", a subsidiary of Lai Sun Garment (International) Limited ("**LSG**", the ultimate holding company of the Company)).

11. COMMITMENTS

The Group had the following capital commitments as at the end of the reporting period:

	31 January 2025 (Unaudited) HK\$'000	31 July 2024 (Audited) HK\$'000
Contracted, but not provided for:		
Construction and development costs	187,489	242,863

Notes to Condensed Consolidated Financial Statements

(Continued)

12. RELATED PARTY TRANSACTIONS

(a) Transactions with related parties

		For the six months ended 31 January	
		2025	2024
		(Unaudited)	(Unaudited)
	Notes	HK\$'000	HK\$'000
LSG and its subsidiaries excluding the Group:			
Rental and management fee expenses paid or payable	(i)	241	238
Rental and management fee income received or receivable	(ii)	408	1,290
Advance of loans received	(iii)	32,740	147,265
Repayment of loans	(iii)	10,740	1,510
Interest-bearing loans received	(iv)	270,000	—
Interest paid or payable	(iv)	5,393	—
Sharing of corporate salaries on a cost basis allocated from		8,694	9,496
Sharing of administrative expenses on a cost basis allocated from		3,188	2,822
Sharing of corporate salaries on a cost basis allocated to		4,208	3,604
Sharing of administrative expenses on a cost basis allocated to		154	86

Notes to Condensed Consolidated Financial Statements

(Continued)

12. RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with related parties (Continued)

Notes:

- (i) *The related company is LSD. The terms of the rental and management fee were determined based on the agreements entered into between the Group and the related company.*

The Group leased properties from the related company for office use. The monthly lease payables were charged with reference to market rates. As at 31 January 2025, right-of-use assets and lease liabilities relating to such leases recognised in condensed consolidated statement of financial position amounting to HK\$1,253,000 and HK\$1,281,000 (31 July 2024: HK\$2,236,000 and HK\$2,273,000), respectively. During the period ended 31 January 2025, depreciation of right-of-use assets of HK\$789,000 (six months ended 31 January 2024: HK\$914,000) and finance costs on lease liabilities of HK\$41,000 (six months ended 31 January 2024: HK\$35,000) were recognised in condensed consolidated income statement.

- (ii) *The related companies are subsidiaries of LSD where the Company does not hold, directly or indirectly, any equity interest in the related companies. The terms of the rental and management fee were determined based on the agreements entered into between the Group and the related companies.*

- (iii) *The related company (referred to as a fellow subsidiary of the Company in note 10 (i) to the condensed consolidated interim financial statements) is a subsidiary of LSD where the Company does not hold, directly or indirectly, any equity interest in the related company. The related company is a non-controlling shareholder of the Subsidiary which advanced loans to the Subsidiary according to its percentage of interest in the Subsidiary. During the period, the related company advanced loans amounting to HK\$32,740,000 and received repayment of loans amounting to HK\$10,740,000 (six months ended 31 January 2024: advanced loans amounting to HK\$147,265,000 and received repayment of loans amounting to HK\$1,510,000).*

- (iv) *The related company (referred to as a fellow subsidiary of the Company in note 10 (ii) to the condensed consolidated interim financial statements) is a subsidiary of LSD where the Company does not hold, directly or indirectly, any equity interest in the related company. The terms of the interest-bearing loans were determined based on the agreement entered into between the Group and the related company. During the period, the related company advanced loans amounting to HK\$270,000,000 (six months ended 31 January 2024: Nil) and charged interest amounting to HK\$5,393,000 (six months ended 31 January 2024: Nil) to the Group.*

Notes to Condensed Consolidated Financial Statements

(Continued)

12. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Guarantees provided by a related party

LSD, which is the Company's intermediate holding company, provided guarantees for 20% (being LSD's equity interest in the relevant borrowers excluding the portion indirectly held through the Company) of certain bank loan facilities of up to HK\$1,369,077,000 (31 July 2024: HK\$1,476,109,000) in aggregate granted to certain subsidiaries of the Company as at 31 January 2025.

(c) Compensation of key management personnel of the Group

	For the six months ended 31 January	
	2025	2024
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Short-term employee benefits	9,618	11,248
Pension scheme contributions	45	66
Total	9,663	11,314

13. APPROVAL OF THE FINANCIAL STATEMENTS

These condensed consolidated interim financial statements were approved and authorised for issue by the Board on 18 March 2025.

Interim Dividend

The Board has resolved not to pay an interim dividend for the six months ended 31 January 2025 (six months ended 31 January 2024: Nil).

Management Discussion and Analysis

BUSINESS REVIEW AND OUTLOOK

Global economic growth is expected to remain on delicate path of recovery notwithstanding the conclusion of key global events such as elections in key economies. Lingered uncertainties, such as trade tensions, high debt burdens, and other geopolitical risks, continue to overshadow the global economic outlook. The new U.S. administration's policies introduce new uncertainties, affecting interest rates and imposing tariffs on Chinese Mainland, posing challenges for Chinese Mainland and Hong Kong. Given the volatility of the global economic landscape, the Group is adopting a cautious approach to mitigate these challenges through prioritising cost control and cash recoupment.

Chinese Mainland announced that the GDP growth target for this year will be maintained at around 5.0% at the National People's Congress held in March 2025, indicating the persistent challenges posed by the economic stagnation. In the final quarter of 2024, Chinese Mainland experienced a moderate economic rebound, primarily attributed to the implementation of pro-economic growth policies introduced by the Central Government since September 2024 and an increase in exports preceding potential U.S. tariffs since the return of Donald Trump presidency. However, the progress seen at the end of 2024 may be transitory. Despite initiatives such as reduced mortgage rates, lowered down payment ratios, and eased purchasing restrictions introduced since September 2024, which have somewhat bolstered homebuyer sentiment, they have yet to stimulate a robust recovery generally. Amid challenges highlighted, the Central Government is expected to maintain its commitment to stabilising the property sector and fostering sustainable long-term economic growth. While the Group remains cautious about the long-term business outlook in Chinese Mainland, the Group holds confidence in the future prospects of cities where our operations are based, especially in the dynamic Greater Bay Area ("**GBA**") in southern Chinese Mainland.

The Group has adopted a regional focus and rental-led strategy. The rental portfolio, comprising approximately 5.9 million square feet in Shanghai, Guangzhou, Zhongshan and Hengqin, all of which are Tier 1 cities in Chinese Mainland and cities within the GBA, remained stable in terms of rental income amid weakened economy in Chinese Mainland for the period under review. In particular, Shanghai's office market has encountered challenges due to abundant supply of office spaces and intense competition. This is compounded by weak demand stemming from a sluggish economy as a whole. As a result, it is anticipated that rental declines and vacancy levels may be heightened. The Group has been securing renewals from existing tenants proactively while developing new rental demand with a view to retain the high occupancy rates of the properties. Furthermore, the two more recently completed grade A office towers, Shanghai Skyline Tower and Guangzhou Lai Fung International Center, have been ramping up steadily and delivered additional income compared to the same period last year. In addition, the existing rental portfolio has managed amicably in the face of challenging economic conditions, particularly Guangzhou and Hengqin.

The Group's Hengqin Novotown project has successfully transformed itself into a cross-border e-commerce industrial hub along with its related ecosystem. It encompasses a cross-border e-commerce headquarters base, cross-border e-commerce influencer studios, a multifunctional exhibition and conference center, a professional broadcasting and recording center, e-commerce live-streaming training facilities for Macao youth, an X-Space entrepreneurial exchange center, a roadshow center, a hotel and conference center, a fitness center, talent service apartments, an international school, a shopping mall, and other diversified facilities. It also integrates a one-stop entertainment experience.

Management Discussion and Analysis *(Continued)*

BUSINESS REVIEW AND OUTLOOK *(CONTINUED)*

As an emerging “Cross-Border E-Commerce Industry Cluster”, Phase I of the Novotown project (“**Novotown Phase I**”) in Hengqin is now fully operational. It focuses on creating a unique incubator for “internet enterprises” and the “Hengqin-Macao cross-border e-commerce industry”. Novotown Phase I targets enterprises in cross-border e-commerce, high-technology, and health sectors. It has successfully attracted several leading domestic e-commerce platforms, technology companies, and supply chain service providers, including YTO Express, inkeverse, Baidu Netdisk, 360, TOPTOY, MO&Co., Amicro, UNITED LIFE SCIENCE, and Li Auto. One of the key tenants being a leading domestic enterprise which has leased six floors of office space in Novotown Phase I to establish its global cross-border e-commerce headquarters. The enterprise currently employs 1,200 staff. It is expected to expand to over 3,000 employees when fully occupied, thereby creating critical mass for the related ecosystem. As at the date of this Interim Report, approximately 81% of the office units have been leased. The Group also leased the remaining unsold cultural studio units in Novotown Phase I for employees of the office tenants. This innovative operational model not only effectively boosts foot traffic in the commercial area, but also optimises and upgrades the business structure through attracting targeted enterprises.

As at the date of this Interim Report, leasing of the commercial area of Novotown Phase I is underway with approximately 84% being leased and key tenants include two themed indoor experience centers, namely “Lionsgate Entertainment World®” and “National Geographic Ultimate Explorer Hengqin”, Heytea, McDonald’s, Pokiddo Trampoline Park, Kun Peng Go-Kart Sports Centre, Kun Peng Bing Xue, Snow Alarm, Oyster King, Vanguard Life Superstore, 7-Eleven and UNITED LIFE SCIENCE. Industrial and Commercial Bank of China Limited also demonstrated their confidence in the project through their purchase of two retail units in Novotown Phase I from the Group, which was completed in August 2024. Two additional retail units in Novotown Phase I were sold to independent third parties in December 2024 and February 2025, respectively.

Phase II of the Novotown project (“**Novotown Phase II**”) in Hengqin is making major progress particularly on rental accommodation towers. In addition to the three towers under construction, of which two are for accommodation purpose, the Group received approval from the local government to develop the remaining eight towers of accommodation for rental purpose, becoming the first project certified as rental accommodation towers in Hengqin, so as to satisfy the growing rental accommodation need from the commercial ecosystem of Hengqin, and as supporting facilities for them.

The sale of remaining phases of Zhongshan Palm Spring, the cultural studios and cultural workshop units of Hengqin Novotown Phase I are in progress. The residential units in Zhongshan Palm Spring, the cultural studios and cultural workshops of Hengqin Novotown Phase I, as well as elements of Hengqin Novotown Phase II are expected to contribute to the revenue of the Group in coming financial years. The Group intends to dispose assets amounting to approximately HK\$2,000 million over the next two years, primarily from the Zhongshan project and Hengqin Novotown Phase I.

Management Discussion and Analysis (Continued)

BUSINESS REVIEW AND OUTLOOK (CONTINUED)

Other Business Updates

Trading in the shares of the Company ("**Shares**") on The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") was resumed on 11 November 2022. The Board has been discussing with core connected persons of the Company to consider disposing of some of their respective holdings in the Shares (the "**Potential Sell-down**") to restore the public float of the Company. As at the date of this Interim Report, discussions on the Potential Sell-down are still ongoing and no legally binding agreements have been entered into. Public float of the Company remains below the minimum requirement under the Rules Governing the Listing of Securities on the Stock Exchange ("**Listing Rules**"). Announcement(s) will be made by the Company on a quarterly basis until the public float of the Company is restored in accordance with the Listing Rules, so as to keep shareholders of the Company ("**Shareholders**") and the market informed on the progress made in carrying out the proposed public float restoration plans.

On 20 June 2024, Zhuhai Hengqin Laisun Creative Culture City Co., Ltd. ("**Laisun Creative Culture**", an indirect non-wholly-owned subsidiary of the Company) had entered into sale and purchase agreements with Industrial and Commercial Bank of China Limited, in relation to the disposal of the non-residential properties situated at Shop Nos. 90 and 92 in Zhishui Road, Hengqin New Area (the "**Business Premises Disposal**"), for the consideration of RMB32,963,320 (equivalent to approximately HK\$35,400,000). The Business Premises Disposal enables Lai Sun Garment (International) Limited and its subsidiaries ("**LSG Group**") and the Group to reallocate more financial resources on capital structure enhancement and/or for general corporate purpose of the LSG Group and the Group. The transaction was completed on 16 August 2024.

Lionsgate Entertainment World® is located within Novotown Phase I, which was rented by Laisun Creative Culture to Zhuhai Hengqin Novotown Entertainment Co., Ltd. ("**Novotown Entertainment**") for a period of 10 years pursuant to a tenancy agreement dated 14 January 2019 entered into between them and as supplemented from time to time. On 29 July 2022, Zhuhai Hengqin Novotown Business Management Co., Ltd. ("**Novotown Business Management**", as service provider) and Novotown Entertainment (as service user) entered into an agreement (the "**Novotown Entertainment Property Management Services Agreement**") to renew the previous property management services agreement in respect of certain areas of Novotown Phase I which includes Lionsgate Entertainment World®. Pursuant to such renewed agreement, Novotown Business Management would provide property management services to Novotown Entertainment from 1 August 2022 to 31 July 2025 subject to the annual cap not exceeding HK\$18.3 million for each of the financial years ended 31 July 2023 and 2024, and ending 31 July 2025.

Novotown Business Management is an indirect wholly-owned subsidiary of the Company. Novotown Entertainment is an indirect 70%-owned subsidiary of Rosy Commerce Holdings Limited ("**Rosy Commerce**"), a company owned by Lai Fung (Hengqin) Development Company Limited (an indirect wholly-owned subsidiary of the Company) and Bravo Heart Limited (an indirect wholly-owned subsidiary of Lai Sun Development Company Limited ("**LSD**"), which is an intermediate holding company of the Company with an approximately 55.08% shareholding interest in the Company) as to 80% and 20%, respectively. Rosy Commerce's 70% equity interest in Novotown Entertainment is indirectly held through Harmonic Run Limited. The remaining 30% of the equity interest in Harmonic Run Limited is held by China Cinda (HK) Asset Management Co., Limited, an indirect wholly-owned subsidiary of China Cinda Asset Management Co., Ltd (which is an independent third party). Novotown Entertainment is a connected subsidiary of the Company pursuant to Rule 14A.16(2) of the Listing Rules by virtue of being an indirect subsidiary of Rosy Commerce, which is in turn a connected subsidiary of the Company controlled as to 20% by LSD indirectly.

Management Discussion and Analysis *(Continued)*

BUSINESS REVIEW AND OUTLOOK *(CONTINUED)*

Other Business Updates *(Continued)*

As disclosed in the announcement of the Company dated 19 November 2024, Novotown Business Management and Novotown Entertainment entered into a supplemental agreement (the “**Supplemental Agreement**”) to amend the Novotown Entertainment Property Management Services Agreement. The management fees payable by Novotown Entertainment to Novotown Business Management under the Novotown Entertainment Property Management Services Agreement were adjusted pursuant to the Supplemental Agreement.

Since the outbreak of the COVID-19 pandemic, Lionsgate Entertainment World® has been facing considerable operational challenges. In around April 2024, it had become clear that adjustment to its business operations was required for its sustainability in the long run, including that the structure of the Novotown Entertainment Property Management Services Agreement would require corresponding adjustment. Therefore, since April 2024, Novotown Entertainment had been engaging in discussions with its major suppliers and service providers, notably Lionsgate (an independent third party) which is the owner of the intellectual properties for Lionsgate Entertainment World® and could determine and approve the operation models (including the hours and extend of operation) for the site, thereby stipulating the corresponding level of property management and other operating resources and costs required for the site.

During the process, the parties to the Novotown Entertainment Property Management Services Agreement reviewed the business operations of Lionsgate Entertainment World® and explored ways to reduce its operating costs while maintaining contractual requirements. Meanwhile, in view of the reduced scale of operations of Lionsgate Entertainment World®, the parties also conducted a comprehensive assessment as to whether there was any room to adjust the operating standards prescribed under the Novotown Entertainment Property Management Services Agreement. Starting October 2024, with the endorsement of Lionsgate, Lionsgate Entertainment World® had continued its operations under a new operating model following the business review. Accordingly, the parties to the Novotown Entertainment Property Management Services Agreement also reached an agreement on the adjusted level of management fees which is commensurate to the new operating model. The parties considered that a retrospective adjustment to the fees for April to September 2024 would be commensurate to the adjusted scale of operation and the corresponding operating costs for the provision of property management services to Lionsgate Entertainment World® during the aforesaid period, and hence reasonable taken as a whole.

As at 31 January 2025, the Group has approximately HK\$1,783.3 million of cash on hand (31 July 2024: HK\$1,857.1 million) and undrawn facilities of approximately HK\$2,612.1 million (31 July 2024: HK\$2,930.4 million) with a net debt to equity ratio of approximately 69% as at 31 January 2025 (31 July 2024: 65%). The Group will continue its prudent and flexible approach in managing its operations and financial position.

Management Discussion and Analysis (Continued)

OVERVIEW OF INTERIM RESULTS

For the six months ended 31 January 2025, the Group recorded a turnover of HK\$647.8 million (2024: HK\$1,409.3 million), representing a significant decrease of approximately 54.0% over the same period last year. The average Renminbi ("RMB") exchange rate slightly appreciated by approximately 0.3% over the same period last year. Excluding the effect of currency translation, the decrease in RMB denominated turnover was approximately 54.2%. The decrease was primarily driven by the reduction in sales of residential units at Zhongshan Palm Spring as it is in the final phase of sale, as well as lowered sales in cultural studios and cultural workshop units in Hengqin Novotown Phase I. The gross profit decreased by approximately 51.4% to HK\$330.6 million from that of HK\$679.7 million last period under review.

Set out below is the turnover by segment:

	For the six months ended 31 January			For the six months ended 31 January		
	2025 ¹	2024 ¹	%	2025	2024	%
	(HK\$ million)	(HK\$ million)	change	(RMB million)	(RMB million)	change
Rental income ²						
– properties held for rental	366.3	351.7	+4.2%	337.3	325.0	+3.8%
– hotel and serviced apartments	146.8	149.8	-2.0%	135.2	138.4	-2.3%
	513.1	501.5	+2.3%	472.5	463.4	+2.0%
Sale of properties	131.2	897.9	-85.4%	120.8	829.7	-85.4%
Theme park operation	3.5	9.9	-64.6%	3.2	9.1	-64.8%
Total	647.8	1,409.3	-54.0%	596.5	1,302.2	-54.2%

1. The exchange rates adopted for the six months ended 31 January 2025 and 2024 are 0.9208 and 0.9240, respectively
2. Including rental turnover from properties held for rental, turnover from hotel and serviced apartment operation and property management income

Net loss attributable to owners of the Company was approximately HK\$164.0 million, as compared to net loss attributable to owners of the Company of HK\$174.5 million for the last corresponding period under review. The decreased loss was primarily attributed to the reduction in fair value losses on investment properties. The reduction in fair value losses on investment properties was due to the decrease in property valuations across the investment properties, substantially offset by the savings in expected construction costs from the Group's investment properties under development. The Group expects no further savings from the construction costs of the investment properties under development in the future.

Net loss per share was HK\$0.495 (2024: HK\$0.527 per share).

Management Discussion and Analysis (Continued)

OVERVIEW OF INTERIM RESULTS (CONTINUED)

Non-HKFRS Financial Measures

To supplement the Group's consolidated financial statements which are presented under HKFRS, the Group also use (i) adjusted EBITDA of the Group and (ii) adjusted net loss attributable to owners of the Company (non-HKFRS measures) as the additional financial measures, which are not required by, or presented in accordance with, HKFRS. The Group believes that these non-HKFRS measures facilitate comparisons of operating performance from year to year and company to company by excluding certain non-cash, one-off and volatile items which are often a function of exogenous factors such as the movement of the property market. The Group believes that these measures provide useful information to investors and others in understanding and evaluating the consolidated results of operations in the same manner as it helps the Group's management.

(i) Reconciliation of adjusted EBITDA of the Group (non-HKFRS measure):

(HK\$ million)	For the six months ended 31 January	
	2025	2024
Profit from operating activities of the Group (HKFRS measure)	185.5	363.1
Adjustments for:		
Share of profits/(losses) of joint ventures	0.9	(0.2)
Fair value losses of investment properties ^(Note 1)	5.8	106.0
Depreciation of property, plant and equipment and right-of-use assets ^(Note 2)	54.8	62.0
Adjusted EBITDA of the Group (non-HKFRS measure)	247.0	530.9

Notes:

1. Given the sizeable investment properties portfolio held by the Group, the adjustment relates to fair value losses of investment properties, which are non-cash in nature.
2. The adjustment arises from depreciation of the Group's property, plant and equipment and right-of-use assets, which is non-cash in nature.

Excluding the net effect of property revaluations, EBITDA of the Group was approximately HK\$247.0 million for the period under review (2024: HK\$530.9 million).

(ii) Reconciliation of adjusted net loss attributable to owners of the Company (non-HKFRS measure):

(HK\$ million)	For the six months ended 31 January	
	2025	2024
Net loss attributable to owners of the Company (HKFRS measure)	(164.0)	(174.5)
Adjustments for:		
Fair value losses of investment properties ^(Note)	5.8	106.0
Deferred tax on fair value losses of investment properties ^(Note)	(1.5)	(26.5)
Non-controlling interests' share of fair value losses less deferred tax ^(Note)	(0.8)	(5.5)
Adjusted net loss attributable to owners of the Company excluding fair value losses of investment properties (non-HKFRS measure)	(160.5)	(100.5)

Note: Given the sizeable investment properties portfolio held by the Group, the adjustments relate to fair value losses of investment properties and related deferred tax and impact on non-controlling interest's share, which are non-cash in nature.

Excluding the net effect of property revaluations, net loss attributable to owners of the Company was approximately HK\$160.5 million for the period under review (2024: HK\$100.5 million). Net loss per share excluding the effect of property revaluations was approximately HK\$0.485 (2024: HK\$0.304).

Net assets attributable to owners of the Company as at 31 January 2025 amounted to HK\$12,044.0 million (31 July 2024: HK\$12,319.2 million). Net asset value per share attributable to owners of the Company slightly decreased to HK\$36.38 per share as at 31 January 2025 from HK\$37.21 per share as at 31 July 2024.

Management Discussion and Analysis (Continued)

PROPERTY PORTFOLIO COMPOSITION

Approximate attributable gross floor area ("GFA") (in '000 square feet) and number of car parking spaces as at 31 January 2025:

	Commercial/ Retail	Office	Hotel and Serviced Apartment	Residential	Total (excluding car parking spaces & ancillary facilities)	No. of Car Parking Spaces
Completed Properties Held for Rental ¹	2,667 ²	2,208	—	—	4,875 ²	2,984
Completed Hotel Properties and Serviced Apartments ¹	—	—	990	—	990	—
Subtotal	2,667	2,208	990	—	5,865	2,984
Properties under Development ³	544	290	1,874	—	2,708	1,352
Completed Properties Held for Sale	164 ⁴	421	188	87	860	3,396
Total GFA of major properties of the Group	3,375	2,919	3,052	87	9,433	7,732

1. Completed and rental generating properties
2. Including cultural attraction spaces in Novotown Phase I that have been occupied by Lionsgate Entertainment World® and National Geographic Ultimate Explorer Hengqin with approximately 258,616 square feet and 49,191 square feet attributable to the Group, respectively
3. All properties under construction
4. Including 33,001 square feet of commercial space in Zhongshan Palm Spring which is currently for self-use

PROPERTY INVESTMENT

Revenue from Properties Held for Rental

The Group rental income remained broadly stable amid weakened economy in Chinese Mainland for the period under review. Although Shanghai's office market has encountered challenges due to the abundant supply of office spaces and intense competition, the Group has been actively seeking new tenants while fostering enduring relationships with existing tenants to maintain the current occupancy level. The two recently completed grade A office towers, Shanghai Skyline Tower and Guangzhou Lai Fung International Center have been ramping up steadily and delivered additional rental income to the Group compared to the same period last year. Furthermore, the existing rental portfolio has managed amicably in the face of challenging economic conditions, particularly Guangzhou and Hengqin.

Management Discussion and Analysis (Continued)

PROPERTY INVESTMENT (CONTINUED)

Revenue from Properties Held for Rental (Continued)

For the six months ended 31 January 2025, the Group's properties held for rental recorded a turnover of HK\$366.3 million (2024: HK\$351.7 million), representing an increase of approximately 4.2% over the same period last year. The average RMB exchange rate for the period under review appreciated by approximately 0.3% compared to the same period last year. Excluding the effect of currency translation, the RMB denominated revenue from lease of properties increased by 3.8% to RMB337.3 million.

Breakdown of rental turnover by major rental properties of the Group is as follows:

	For the six months ended 31 January			For the six months ended 31 January			Period end occupancy (%)			
	2025 [#] (HK\$ million)	2024 [#] (HK\$ million)	% Change	2025 (RMB million)	2024 (RMB million)	% Change	2025		2024	
Shanghai										
Shanghai Hong Kong Plaza	130.6	135.1	-3.3%	120.3	124.8	-3.6%	Retail: Office:	92.5% 87.2%	Retail: Office:	96.2% 89.7%
Shanghai May Flower Plaza	20.4	20.3	+0.5%	18.8	18.8	0.0%	Retail:	98.2%	Retail:	100.0%
Shanghai Regents Park	5.2	8.8	-40.9%	4.8	8.1	-40.7%		100.0%		100.0%
Shanghai Skyline Tower	28.5	23.1	+23.4%	26.2	21.3	+23.0%	Retail: Office:	89.0% 48.1%	Retail: Office:	83.9% 32.8%
Guangzhou										
Guangzhou May Flower Plaza	47.7	49.6	-3.8%	43.9	45.8	-4.1%		95.0%		90.0%
Guangzhou West Point	10.7	11.1	-3.6%	9.9	10.3	-3.9%		96.0%		91.0%
Guangzhou Lai Fung Tower	61.3	60.7	+1.0%	56.4	56.1	+0.5%	Retail: Office:	100.0% 89.0%*	Retail: Office:	100.0% 86.5%*
Guangzhou Lai Fung International Center	30.9	17.3	+78.6%	28.5	16.0	+78.1%	Retail: Office:	99.0% 64.3%	Retail: Office:	71.0% 40.3%
Zhongshan										
Zhongshan Palm Spring Rainbow Mall	2.6	3.1	-16.1%	2.4	2.9	-17.2%	Retail:	94.5%*	Retail:	68.5%*
Hengqin										
Hengqin Novotown Phase I	9.2	3.4	+170.6%	8.5	3.1	+174.2%	Retail:	83.5%**	Retail:	83.2%**
Others	19.2	19.2	0.0%	17.6	17.8	-1.1%		N/A		N/A
Total	366.3	351.7	+4.2%	337.3	325.0	+3.8%				

[#] The exchange rates adopted for the six months ended 31 January 2025 and 2024 are 0.9208 and 0.9240, respectively

^{*} Excluding self-use area

^{**} Including the cultural attraction spaces occupied by Lionsgate Entertainment World® and National Geographic Ultimate Explorer Hengqin

Management Discussion and Analysis (Continued)

PROPERTY INVESTMENT (CONTINUED)

Revenue from Properties Held for Rental (Continued)

Breakdown of turnover by usage of our major rental properties is as follows:

	For the six months ended 31 January 2025		For the six months ended 31 January 2024			
	Group interest	Turnover (HK\$ million)	Attributable GFA (square feet)	Group interest	Turnover (HK\$ million)	Attributable GFA (square feet)
Shanghai						
Shanghai Hong Kong Plaza	100%			100%		
Retail		83.2	468,434		83.4	468,434
Office		44.4	362,096		48.6	362,096
Car Parking Spaces		3.0	N/A		3.1	N/A
		130.6	830,530		135.1	830,530
Shanghai May Flower Plaza	100%			100%		
Retail		18.2	320,314		18.1	320,314
Car Parking Spaces		2.2	N/A		2.2	N/A
		20.4	320,314		20.3	320,314
Shanghai Regents Park	95%			95%		
Retail		4.5	77,959		8.5	77,959
Car Parking Spaces		0.7	N/A		0.3	N/A
		5.2	77,959		8.8	77,959
Shanghai Skyline Tower	100%			100%		
Retail		3.8	92,226		2.7	92,226
Office		23.5	634,839		19.4	634,839
Car Parking Spaces		1.2	N/A		1.0	N/A
		28.5	727,065		23.1	727,065
Guangzhou						
Guangzhou May Flower Plaza	100%			100%		
Retail		41.2	357,424		43.0	357,424
Office		4.9	79,431		4.9	79,431
Car Parking Spaces		1.6	N/A		1.7	N/A
		47.7	436,855		49.6	436,855
Guangzhou West Point	100%			100%		
Retail		10.7	182,344		11.1	182,344
Guangzhou Lai Fung Tower	100%			100%		
Retail		8.6	112,292		8.5	112,292
Office		49.5	625,821		49.0	625,821
Car Parking Spaces		3.2	N/A		3.2	N/A
		61.3	738,113		60.7	738,113
Guangzhou Lai Fung International Center	100%			100%		
Retail		6.4	109,320		3.6	109,320
Office		22.5	505,301		12.4	505,301
Car Parking Spaces		2.0	N/A		1.3	N/A
		30.9	614,621		17.3	614,621
Zhongshan						
Zhongshan Palm Spring Rainbow Mall	100%			100%		
Retail*		2.6	148,106		3.1	148,106
Hengqin						
Novotown Phase I [#]	80% **			80% **		
Commercial***		9.2	798,984		3.4	804,873
Others		19.2	N/A		19.2	N/A
Total		366.3	4,874,891		351.7	4,880,780

* Excluding self-use area

** The remaining 20% interest owned by LSD, the intermediate holding company of the Company

*** Including the cultural attraction spaces occupied by Lionsgate Entertainment World® and National Geographic Ultimate Explorer Hengqin (self-use area), the attributable GFA of which was approximately 307,807 square feet as at 31 January 2025. Revenue from Lionsgate Entertainment World® and National Geographic Ultimate Explorer Hengqin are recognised under turnover from theme park operation of the Group

Excluding office units and cultural workshop units. Office units with total attributable GFA of 420,705 square feet and cultural workshop units with total attributable GFA of 188,187 square feet of Hengqin Novotown Phase I under "Completed properties for sale" have been leased substantially during the six months ended 31 January 2025, with occupancy rate of approximately 81% and 70%, respectively, achieving a total of approximately HK\$4.4 million and HK\$2.6 million to "Other income and gains", respectively

Management Discussion and Analysis *(Continued)*

PROPERTY INVESTMENT *(CONTINUED)*

Review of Major Rental Properties

Shanghai Hong Kong Plaza

Being the Group's wholly-owned flagship investment property project in Shanghai, Shanghai Hong Kong Plaza is strategically located in the prime district of the city, directly above the Huangpi South Road Metro Station at Huaihaizhong Road in Huangpu District, which is highly accessible by car and well connected to public transportation networks, as well as walking distance from Shanghai Xintiandi.

Connected by an indoor footbridge, the property comprises a 32-storey office building, a 32-storey serviced apartment (managed by the Ascott Group), a shopping mall and a carpark. The property's total GFA is approximately 1,188,500 square feet excluding 350 car parking spaces, comprising approximately 362,100 square feet for office, approximately 358,000 square feet for serviced apartment, and approximately 468,400 square feet for shopping mall. Anchor tenants, as of the date of this Interim Report, include The Apple Store, Tiffany, Genesis Motor, Tasaki, Swarovski etc.

The Group owns 100% of this property.

Shanghai May Flower Plaza

Shanghai May Flower Plaza is a mixed-use project located at the junction of Da Tong Road and Zhi Jiang Xi Road in Sujiaxiang in the Jing'an District in Shanghai. This project is situated near the Zhongshan Road North Metro Station.

The Group owns 100% in the retail podium which has a total GFA of approximately 320,300 square feet including the basement commercial area. The asset is positioned as a community retail facility.

Shanghai Regents Park

Shanghai Regents Park is a large-scale residential/commercial composite development located in the Zhongshan Park Commercial Area at the Changning District, Shanghai. It is situated within walking distance of the Zhongshan Park Metro Station. The Group retains a 95% interest in the commercial portion which has a total GFA of approximately 82,100 square feet (GFA attributable to the Group is approximately 78,000 square feet).

Shanghai Skyline Tower

Shanghai Skyline Tower is a mixed-use redevelopment project of Shanghai Northgate Plaza I, Northgate Plaza II and the Hui Gong Building, located at Tian Mu Road West in the Jing'an District of Shanghai near the Shanghai Railway Terminal. This 30-storey office tower, erected upon a 3-level shopping mall and car-parking basement, has a total GFA of approximately 727,100 square feet excluding 443 car parking spaces. The construction was completed in September 2022. This property has been awarded the Leadership in Energy and Environmental Design ("LEED") v4 Gold Certification in October 2023. As at the date of this Interim Report, approximately 89% of commercial and 48% of office areas have been secured, respectively.

The Group owns 100% of this property.

Guangzhou May Flower Plaza

Guangzhou May Flower Plaza is a prime property situated at Zhongshanwu Road, Yuexiu District directly above the Gongyuanqian Metro Station in Guangzhou, the interchange station of Guangzhou Subway Lines 1 and 2. This 13-storey complex has a total GFA of approximately 436,900 square feet excluding 136 car parking spaces.

The building comprises retail spaces, restaurants, office units and car parking spaces. The property is almost fully leased to tenants comprising well-known corporations, consumer brands and restaurants.

The Group owns 100% of this property.

Management Discussion and Analysis *(Continued)*

PROPERTY INVESTMENT *(CONTINUED)*

Review of Major Rental Properties *(Continued)*

Guangzhou West Point

Guangzhou West Point is located on Zhongshan Qi Road and is within walking distance from the Ximenkou Subway Station. This is a mixed-use property where the Group has sold all the residential and office units.

The Group owns 100% in the commercial podium with GFA of approximately 182,300 square feet. Tenants of the retail podium include renowned restaurants and local retail brands.

Guangzhou Lai Fung Tower

Guangzhou Lai Fung Tower is the 38-storey office block of Phase V of Guangzhou Eastern Place, which is a multi-phase project located on Dongfeng East Road, Yuexiu District, Guangzhou. This office building was completed in June 2016. This property with LEED 2009 Gold Certification has a total GFA of approximately 738,100 square feet excluding car parking spaces.

The Group owns 100% of this property.

Guangzhou Lai Fung International Center

Guangzhou Lai Fung International Center, formerly known as Guangzhou Haizhu Plaza, is located at 33 Jiefang South Road in Yuexiu District, Guangzhou along the Pearl River. Guangzhou Lai Fung International Center, comprising an 18-storey office tower, erected upon a 4-level commercial facility, has a total GFA of approximately 614,600 square feet excluding 267 car parking spaces. The construction was completed in November 2022. This property has been awarded the LEED v4 Gold Certification in February 2023. As at the date of this Interim Report, approximately 99% of commercial and 70% of office areas have been secured, respectively.

The Group owns 100% of this property.

Zhongshan Palm Spring Rainbow Mall

Zhongshan Palm Spring Rainbow Mall is the commercial portion of Zhongshan Palm Spring, a multi-phase project located in Caihong Planning Area, Western District of Zhongshan. It is positioned as a community retail facility with a total GFA of approximately 181,100 square feet.

The Group owns 100% of this property.

Hengqin Novotown

Novotown is an integrated cultural, entertainment, tourism and hospitality project located in the heart of Hengqin, officially recognised as the Guangdong-Macao In-Depth Cooperation Zone (“**Cooperation Zone**”) and strategically located within the GBA, directly opposite to Macao and 75 minutes by car from Hong Kong via the Hong Kong-Zhuhai-Macao Bridge. The “Master Plan of the Development of the Guangdong-Macao In-Depth Cooperation Zone in Hengqin” promulgated on 5 September 2021 marks the significant deployment of the Central Government in supporting the moderate economic diversification of Macao and enriching the practices of the “One Country, Two Systems” policy, which is to inject new impetus into the long-term development of Macao.

The Cooperation Zone in Hengqin officially implemented hierarchical management and closed customs operations on 1 March 2024. This new system features streamlined “first-line” and controlled “second-line” management, enabling highly convenient access for personnel and relaxed control over goods crossing the “first-line” into Hengqin, while retaining control over goods crossing the “second-line” into the other Chinese Mainland regions. Notably, the scope of tariff-free goods crossing the “first-line” is no longer limited to “production-related usage”, benefiting business entities that need to import machines and equipment for their own use. Goods manufactured by enterprises in the Cooperation Zone using imported materials, with 30% or above value added to the original value of the imported materials, can be exempt from tariffs when imported into the other Chinese Mainland regions through the “second line”, which is conducive to Macao brand industries and manufacturing entities such as technology research and development, and traditional Chinese medicine. Attractive preferential tax policy for corporates and individuals: eligible industries and enterprises in Hengqin will now be subject to a reduced corporate income tax rate of 15%, while high-end and in-demand talent will enjoy a personal income tax rate cap at 15%.

Management Discussion and Analysis *(Continued)*

PROPERTY INVESTMENT *(CONTINUED)*

Review of Major Rental Properties *(Continued)*

Hengqin Novotown (Continued)

The Cooperation Zone is poised to drive the development of new industries in support of Macao's economic diversification, in particular e-commerce, science and technology research, high-end manufacturing, traditional Chinese medicine, and other key Macao industries such as education, culture and tourism, conventions and exhibitions, and modern finance.

The Group's Hengqin Novotown project has successfully transformed itself into a cross-border e-commerce industrial hub along with its related ecosystem. It encompasses a cross-border e-commerce headquarters base, cross-border e-commerce influencer studios, a multifunctional exhibition and conference center, a professional broadcasting and recording center, e-commerce live-streaming training facilities for Macao youth, an X-Space entrepreneurial exchange center, a roadshow center, a hotel and conference center, a fitness center, talent service apartments, an international school, a shopping mall, and other diversified facilities. It also integrates a one-stop entertainment experience.

Phase I

As an emerging "Cross-Border E-Commerce Industry Cluster", Novotown Phase I in Hengqin is now fully operational. It focuses on creating a unique incubator for "internet enterprises" and the "Hengqin-Macao cross-border e-commerce industry". Novotown Phase I targets enterprises in cross-border e-commerce, high-technology, and health sectors. It has successfully attracted several leading domestic e-commerce platforms, technology companies, and supply chain service providers, including YTO Express, inkeverse, Baidu Netdisk, 360, TOPTOY, MO&Co., Amicro, UNITED LIFE SCIENCE, and Li Auto. One of the key tenants being a leading domestic enterprise which has leased six floors of office space in Novotown Phase I to establish its global cross-border e-commerce headquarters. The enterprise currently employs 1,200 staff. It is expected to expand to over 3,000 employees when fully occupied thereby, creating critical mass for the related ecosystem. As at the date of this Interim Report, approximately 81% of the office units have been leased. The Group also leased the remaining unsold cultural studio units in Novotown Phase I for employees of the office tenants. This innovative operational model not only effectively boosts foot traffic in the commercial area, but also optimises and upgrades the business structure through attracting targeted enterprises.

As at the date of this Interim Report, leasing of the commercial area of Novotown Phase I is underway with approximately 84% being leased and key tenants include two themed indoor experience centers, namely "Lionsgate Entertainment World®" and "National Geographic Ultimate Explorer Hengqin", Heytea, McDonald's, Pokiddo Trampoline Park, Kun Peng Go-Kart Sports Centre, Kun Peng Bing Xue, Snow Alarm, Oyster King, Vanguard Life Superstore, 7-Eleven and UNITED LIFE SCIENCE. Industrial and Commercial Bank of China Limited also demonstrated their confidence in the project through their purchase of two retail units in Novotown Phase I from the Group, which was completed in August 2024. Two additional retail units in Novotown Phase I were sold to independent third parties in December 2024 and February 2025, respectively.

The Group owns 80% of Novotown Phase I. The remaining 20% is owned by LSD, the intermediate holding company of the Company.

Phase II

Novotown Phase II is making major progress particularly on rental accommodation towers. In addition to the three towers under construction, of which two are for accommodation purpose, the Group received approval from the local government to develop the remaining eight towers of accommodation for rental purpose, becoming the first project certified as rental accommodation towers in Hengqin, so as to satisfy the growing rental accommodation need from the commercial ecosystem of Hengqin, and as supporting facilities for them.

The Group owns 100% of Novotown Phase II.

Management Discussion and Analysis (Continued)

HOTEL AND SERVICED APARTMENT OPERATION

For the six months ended 31 January 2025, the hotel and serviced apartment operation contributed HK\$146.8 million to the Group's turnover (2024: HK\$149.8 million), representing a slight decrease of approximately 2.0%. The slight drop in the Group's hotel revenue was mainly driven by the competitive hotel business environment in Shanghai during the period under review.

Breakdown of turnover from hotel and serviced apartment operation for the six months ended 31 January 2025 is as follows:

	Location	No. of Rooms ¹	Total GFA (square feet)	Turnover (HK\$ million)	Period end occupancy rate (%)
Hotel and serviced apartment					
Ascott Huaihai Road Shanghai	Shanghai	310	359,700	50.5	65.7
STARR Hotel Shanghai	Shanghai	239	143,846	13.4	53.9
Hyatt Regency Hengqin	Hengqin	493	610,540	82.9	88.6
Total				146.8	

Note 1: On 100% basis

Ascott Huaihai Road Shanghai

Ascott Huaihai Road Shanghai in Shanghai Hong Kong Plaza is managed by the Ascott Group and it is one of a premier collection of the Ascott Limited's serviced residences in over 70 cities in Asia Pacific, Europe and the Gulf region. The residence has a total GFA of approximately 359,700 square feet and approximately 358,000 square feet attributable to the Group. It has 310 contemporary apartments of various sizes: studios (640-750 square feet), one-bedroom apartments (915-1,180 square feet), two-bedroom apartments (1,720 square feet), three-bedroom apartments (2,370 square feet) and two luxurious penthouses on the highest two floors (4,520 square feet). An average occupancy rate of 83.3% was achieved during the period under review and the average room tariff was approximately HK\$1,046.

STARR Hotel Shanghai

STARR Hotel Shanghai is a 17-storey hotel located in the Mayflower Lifestyle complex in Jing'an District, within walking distance to Lines 1, 3 and 4 of the Shanghai Metro Station with easy access to major motorways. There are 239 fully furnished and equipped hotel units with stylish separate living room, bedroom, fully-equipped kitchenette and luxurious bathroom amenities for short or extended stays to meet the needs of the business travellers from around the world and the total GFA is approximately 143,800 square feet. An average occupancy rate of 71.9% was achieved during the period under review and the average room tariff was approximately HK\$416.

Hyatt Regency Hengqin

Hyatt Regency Hengqin is located in Novotown Phase I in Hengqin, Zhuhai, the heart of the GBA and is within easy reach of the Hong Kong-Zhuhai-Macao Bridge. Hyatt Regency Hengqin has a total GFA of approximately 610,500 square feet and approximately 488,400 square feet attributable to the Group has 493 guest rooms including 55 suites ranging in size from 430 square feet to 2,580 square feet, a wide range of dining options, as well as banqueting and conference facilities of over 40,000 square feet. An average occupancy rate of 75.9% was achieved during the period under review and the average room tariff was approximately HK\$822.

The Group owns 80% interest in Hyatt Regency Hengqin. The remaining 20% is owned by LSD, the intermediate holding company of the Company.

Management Discussion and Analysis *(Continued)*

PROPERTY DEVELOPMENT

Recognised Sales

For the six months ended 31 January 2025, the Group's property development operations recorded a turnover of HK\$131.2 million (2024: HK\$897.9 million) from sale of properties, representing a significant decrease of 85.4% compared to the same period last year. The average RMB exchange rate slightly appreciated by approximately 0.3% compared to the same period last year. Excluding the effect of currency translation, the RMB denominated property sales revenue was RMB120.8 million (2024: RMB829.7 million). The decreased recognised sales during the period under review was primarily driven by the reduction in sales of residential units at Zhongshan Palm Spring as it is in the final phase of sale, as well as lowered sales in cultural studios and cultural workshop units in Hengqin Novotown Phase I.

Breakdown of turnover for the six months ended 31 January 2025 from properties sales is as follows:

Recognised Basis	No. of Units	Approximate GFA (square feet)	Average Selling Price [#] (HK\$/square foot)	Turnover ^{##} (HK\$ million [*])	(RMB million)
Hengqin Novotown Phase I					
Cultural Studios	4	11,418	3,748	39.6	36.5
Cultural Workshop Units	6	3,909	1,996	7.2	6.6
Zhongshan Palm Spring					
Residential High-rise Units	45	56,540	1,565	81.3	74.9
Subtotal	55	71,867	1,935	128.1	118.0
Shanghai Regents Park					
Car Parking Spaces	2			1.2	1.1
Guangzhou Eastern Place					
Car Parking Spaces	3			1.5	1.3
Guangzhou King's Park					
Car Parking Space	1			0.4	0.4
Subtotal	6			3.1	2.8
Total				131.2	120.8

[#] Value-added tax inclusive

^{##} Value-added tax exclusive

^{*} The exchange rate adopted for the six months ended 31 January 2025 is 0.9208

Management Discussion and Analysis (Continued)

PROPERTY DEVELOPMENT (CONTINUED)

Contracted Sales

As at 31 January 2025, the Group's property development operations have contracted but not yet recognised sales of HK\$178.8 million, primarily driven by the sale performance of residential units in Zhongshan Palm Spring and cultural workshop units in Hengqin Novotown Phase I, as well as the sale of properties in Novotown Phase II being occupied by Harrow LiDe School Hengqin. Excluding the effect of currency translation, the RMB denominated contracted but not yet recognised sales as at 31 January 2025 amounted to RMB164.6 million (31 July 2024: RMB 174.5 million).

Breakdown of contracted but not yet recognised sales as at 31 January 2025 is as follows:

Contracted Basis	No. of Units	Approximate GFA (square feet)	Average Selling Price [#] (HK\$/square foot)	Turnover [#] (HK\$ million ^{##})	(RMB million)
Zhongshan Palm Spring Residential High-rise Units	7	9,626	1,527	14.7	13.5
Hengqin Novotown Phase I Cultural Workshop Units	2	1,302	2,074	2.7	2.5
Hengqin Novotown Phase II Harrow LiDe School Hengqin Buildings*	N/A	149,078	1,079	160.9**	148.2
Subtotal	9	160,006	1,114	178.3	164.2
Guangzhou Eastern Place Car Parking Space	1			0.5	0.4
Subtotal	1			0.5	0.4
Total				178.8	164.6

[#] Value-added tax inclusive

^{##} The exchange rate adopted for the six months ended 31 January 2025 is 0.9208

* Will be recognised as income from finance lease under turnover

** Estimated amount based on contract with Harrow LiDe School Hengqin in relation to the subsequent portions of the Harrow campus. No material construction has taken place and the exact timing and amount to be agreed with Harrow LiDe School Hengqin mutually

Management Discussion and Analysis *(Continued)*

PROPERTY DEVELOPMENT *(CONTINUED)*

Review of Major Properties Completed for Sale and under Development

Shanghai Wuli Bridge Project

Shanghai Wuli Bridge Project is a high-end luxury residential project located by Huangpu River in Huangpu District in Shanghai. This project providing 28 residential units with an attributable GFA of approximately 77,900 square feet and 43 car parking spaces was launched for sale in September 2020 and has received an enthusiastic response from the market. As at 31 January 2025, all residential units and 30 car parking spaces have been sold. The total carrying amount of remaining 13 unsold car parking spaces of this development was approximately HK\$8.4 million as at 31 January 2025.

The Group owns 100% interest in the unsold car parking spaces of this project.

Shanghai May Flower Plaza

Shanghai May Flower Plaza is a completed mixed-use project located at the junction of Da Tong Road and Zhi Jiang Xi Road in Sujiaxiang in the Jing'an District in Shanghai and situated near the Zhongshan Road North Metro Station. As at 31 January 2025, 458 car parking spaces of this development remained unsold with a carrying amount of approximately HK\$96.1 million.

The Group owns 100% interest in the unsold car parking spaces of this project.

Shanghai Regents Park

Shanghai Regents Park is a large-scale residential/commercial composite development located in the Zhongshan Park Commercial Area at the Changning District, Shanghai. It is situated within walking distance of the Zhongshan Park Metro Station. During the period under review, the sales of two car parking spaces contributed HK\$1.2 million to the turnover. As at 31 January 2025, a total of 185 car parking spaces of this development remained unsold with a carrying amount of approximately HK\$40.8 million.

The Group owns 95% interest in the unsold car parking spaces of this project.

Guangzhou King's Park

This is a high-end residential development located on Donghua Dong Road in Yuexiu District. The attributable GFA is approximately 98,300 square feet excluding 57 car parking spaces and ancillary facilities. During the period under review, the sales of one car parking space contributed HK\$0.4 million to the turnover. As at 31 January 2025, one unsold car parking space had a total carrying amount of approximately HK\$0.2 million.

The Group owns 100% interest in the unsold car parking spaces of this project.

Guangzhou West Point

Guangzhou West Point is located on Zhongshan Qi Road and is within walking distance from the Ximenkou Subway Station. This is a mixed-use property where the Group has sold all the residential and office units. As at 31 January 2025, 80 unsold car parking spaces had a total carrying amount of approximately HK\$7.7 million.

The Group owns 100% interest in the unsold car parking spaces of this project.

Management Discussion and Analysis *(Continued)*

PROPERTY DEVELOPMENT *(CONTINUED)*

Review of Major Properties Completed for Sale and under Development *(Continued)*

Zhongshan Palm Spring

Zhongshan Palm Spring is located in Caihong Planning Area, Western District of Zhongshan. The overall development has a total planned GFA of approximately 6.1 million square feet. The project comprises high-rise residential towers, townhouses and commercial blocks totalling 4.5 million square feet. All construction of this project has been completed and the sale of remaining phases is in progress with satisfactory result.

During the period under review, 56,540 square feet of high-rise residential units were recognised at an average selling price of HK\$1,565 per square foot, which contributed a total of approximately HK\$81.3 million to the sales turnover. As at 31 January 2025, contracted but not yet recognised sales for high-rise residential units amounted to approximately HK\$14.7 million, at an average selling price of HK\$1,527 per square foot.

As at 31 January 2025, completed units held for sale in this development, including residential units and commercial units, amounted to approximately 204,300 square feet with a total carrying amount of approximately HK\$138.6 million. The carrying amount of the 2,663 unsold car parking spaces of this development as at 31 January 2025 was approximately HK\$212.5 million.

The Group owns 100% interest in this project.

Hengqin Novotown

Phase I

Sales of the cultural studios and cultural workshop units of Hengqin Novotown Phase I are in progress. During the period under review, sales of 11,418 square feet of cultural studios and 3,909 square feet of cultural workshop units were recognised at an average selling price of HK\$3,748 per square foot and HK\$1,996 per square foot, respectively, which contributed a total of HK\$46.8 million to the Group's turnover. As at 31 January 2025, contracted but not yet recognised sales for cultural workshop units amounted to HK\$2.7 million, at an average selling price of HK\$2,074 per square foot. As at 31 January 2025, completed properties held for sale in Novotown Phase I, including cultural studios, cultural workshop units and office units, amounted to approximately 778,600 square feet with a total carrying amount of approximately HK\$1,483.6 million.

In light of the recent sale of certain retail units which was originally classified as properties held for rental, the Group is considering other elements of Hengqin Novotown Phase I which may be available for sale should the opportunities arise.

The Group owns 80% of Novotown Phase I. The remaining 20% is owned by LSD, the intermediate holding company of the Company.

Phase II

Novotown Phase II is situated adjacent to Novotown Phase I with a total site area of approximately 143,800 square meters and a maximum plot ratio of two times. The Group succeeded in bidding for the land use rights of the land offered for sale by The Land and Resources Bureau of Zhuhai through the listing-for-sale process in December 2018.

On 19 September 2024, the Urban Planning and Construction Bureau of Guangdong-Macao In-Depth Cooperation Zone in Hengqin issued a confirmation for the development of eight accommodation for rental purpose towers in Novotown Phase II. It stated that towers four to eleven can be developed into rental accommodation. Tower two is an office and is expected to accommodate more cross-border e-commerce tenants.

Novotown Phase II also included Harrow LiDe School Hengqin, managed and operated by Asia International School Limited ("AISL"). Harrow LiDe School Hengqin began operation in February 2021. In accordance to the agreement with AISL, the school has been sold, in turn, this will enable the Group to crystallise the value of its investment in Novotown Phase II and gradually recoup funding to improve the project's working capital position.

The Group owns 100% of Novotown Phase II, except for the properties occupied by Harrow LiDe School Hengqin which have been sold to the school operator.

Management Discussion and Analysis *(Continued)*

CAPITAL STRUCTURE, LIQUIDITY AND DEBT MATURITY PROFILE

As at 31 January 2025, cash and bank balances held by the Group amounted to HK\$1,783.3 million and undrawn facilities of the Group was HK\$2,612.1 million.

As at 31 January 2025, the Group had total borrowings amounting to HK\$10,065.8 million (as at 31 July 2024: HK\$9,853.2 million), representing an increase of HK\$212.6 million from 31 July 2024. The consolidated net assets attributable to the owners of the Company amounted to HK\$12,044.0 million (as at 31 July 2024: HK\$12,319.2 million). The gearing ratio, being net debt (total borrowings less cash and bank balances) to net assets attributable to the owners of the Company was approximately 69% (as at 31 July 2024: 65%). The maturity profile of the Group's borrowings of HK\$10,065.8 million is well spread with HK\$1,541.4 million repayable within one year, HK\$3,617.1 million repayable in the second year, HK\$2,131.3 million repayable in the third to fifth years and HK\$2,776.0 million repayable beyond the fifth year. The Group has commenced discussions with banks on the forthcoming refinancing of bank borrowings.

Approximately 99% and 1% of the Group's borrowings were interest bearing on a floating rate basis and interest-free, respectively. The Group's borrowings of HK\$10,065.8 million were 65% denominated in Renminbi ("**RMB**"), 32% in Hong Kong dollars ("**HKD**") and 3% in United States dollars ("**USD**").

The Group's cash and bank balances of HK\$1,783.3 million were 76% denominated in RMB, 22% in HKD and 2% in USD. The Group's monetary assets, liabilities and transactions are principally denominated in RMB, USD and HKD. The Group, with HKD as its presentation currency, is exposed to foreign currency risk arising from the exposure of HKD against USD and RMB, respectively. The Group has a net exchange exposure to RMB as the Group's assets are principally located in China and the revenues are predominantly in RMB. The Group does not have any derivative financial instruments or hedging instruments outstanding.

Certain assets of the Group have been pledged to secure borrowings and bank facilities of the Group, including investment properties with a total carrying amount of approximately HK\$18,013.3 million, properties under development with a total carrying amount of approximately HK\$938.3 million, property, plant and equipment and the related right-of-use assets with a total carrying amount of approximately HK\$2,415.1 million, completed properties for sale with a total carrying amount of approximately HK\$313.6 million and time deposits and bank balances of approximately HK\$364.1 million.

Taking into account the amount of cash being held as at the end of the reporting period, the available banking facilities and the recurring cash flows from the Group's operating activities, the Group believes that it would have sufficient liquidity to finance its existing property development and investment projects.

Proceeds achieved from any disposals will improve the Group's financial position further.

CONTINGENT LIABILITIES

There has been no material change in contingent liabilities of the Group since 31 July 2024.

Particulars of Major Properties

COMPLETED PROPERTIES HELD FOR RENTAL

As at 31 January 2025

Property Name	Location	Group Interest	Tenure	Approximate Attributable GFA (square feet)			No. of Car Parking Spaces Attributable to the Group
				Commercial/ Retail	Office	Total (excluding car parking spaces & ancillary facilities)	
Shanghai							
Hong Kong Plaza	282 & 283 Huaihaizhong Road, Huangpu District	100%	The property is held for a term of 50 years commencing on 16 September 1992	468,434	362,096	830,530	350
May Flower Plaza	The junction of Da Tong Road and Zhi Jiang Xi Road, Sujiaxiang, Jing'an District	100%	The property is held for a term of 40 years for commercial use commencing on 5 February 2007	320,314	—	320,314	—
Skyline Tower	Tian Mu Road West, and Da Tong Road, Jing'an District	100%	The property is held for a term of 40 years for commercial use and 50 years for office use commencing on 30 September 2016	92,226	634,839	727,065	443
Regents Park	88 Huichuan Road, Changning District	95%	The property is held for a term of 70 years commencing on 4 May 1996	77,959	—	77,959	—
Subtotal of major completed properties held for rental in Shanghai:				958,933	996,935	1,955,868	793
Guangzhou							
May Flower Plaza	68 Zhongshanwu Road, Yuexiu District	100%	The property is held for a term of 40 years for commercial use and 50 years for other uses commencing on 14 October 1997	357,424	79,431	436,855	136
West Point	The junction of Zhongshan Qi Road and Guangfu Road, Liwan District	100%	The property is held for a term of 40 years for commercial use and 50 years for other uses commencing on 11 January 2006	182,344	—	182,344	—
Lai Fung Tower	761 Dongfeng East Road, Yuexiu District	100%	The property is held for a term of 40 years for commercial use and 50 years for other uses commencing on 21 October 1997	112,292	625,821	738,113	313
Lai Fung International Center	33 Jiefang South Road, Yuexiu District	100%	The property is held for a term of 40 years for commercial, tourism and entertainment uses and 50 years for other uses commencing on 2 June 2006	109,320	505,301	614,621	267
Subtotal of major completed properties held for rental in Guangzhou:				761,380	1,210,553	1,971,933	716

Particulars of Major Properties (Continued)

COMPLETED PROPERTIES HELD FOR RENTAL (CONTINUED)

As at 31 January 2025

Property Name	Location	Group Interest	Tenure	Approximate Attributable GFA (square feet)			No. of Car Parking Spaces Attributable to the Group
				Commercial/ Retail	Office	Total (excluding car parking spaces & ancillary facilities)	
Zhongshan							
Palm Spring Rainbow Mall	Caihong Planning Area, Western District	100%	The property is held for a term expiring on 30 March 2075 for commercial/ residential uses	148,106	—	148,106	—
Subtotal of major completed properties held for rental in Zhongshan:				148,106	—	148,106	—
Hengqin							
Novotown Phase I	East side of Yiwener Road, south side of Caihong Road, west side of Tianyu Road and north side of Hengqin Road, Hengqin New Area, Zhuhai City	80%	The property is held for a term of 40 years for office, commercial and serviced apartment and hotel uses and 50 years for other uses commencing on 31 December 2013	798,984 *	—	798,984 *	1,475
Subtotal of major completed properties held for rental in Hengqin:				798,984	—	798,984	1,475
Total of major completed properties held for rental:				2,667,403	2,207,488	4,874,891	2,984

* Including cultural attraction spaces occupied by Lionsgate Entertainment World® and National Geographic Ultimate Explorer with attributable GFA of approximately 258,616 square feet and 49,191 square feet, respectively

Particulars of Major Properties *(Continued)*

COMPLETED HOTEL PROPERTIES AND SERVICED APARTMENTS

As at 31 January 2025

Property Name	Location	Group Interest	Tenure	No. of Rooms	Approximate Attributable GFA (square feet)	No. of Car Parking Spaces Attributable to the Group
Shanghai						
Ascott Huaihai Road Shanghai	282 Huaihaizhong Road, Huangpu District	100%	The property is held for a term of 50 years commencing on 16 September 1992	302	358,009	—
STARR Hotel Shanghai	The junction of Da Tong Road and Zhi Jiang Xi Road, Sujiaxiang, Jing'an District	100%	The property is held for a term of 50 years for commercial use commencing on 5 February 2007	239	143,846	—
Subtotal of major completed hotel properties and serviced apartments in Shanghai:				541	501,855	—
Hengqin						
Hyatt Regency Hengqin	1295 Qisecaihong Road, Hengqin New Area, Zhuhai City	80%	The property is held for a term of 40 years commencing on 31 December 2013	493	488,432	—
Subtotal of major completed hotel properties and serviced apartments in Hengqin:				493	488,432	—
Total of major completed hotel properties and serviced apartments:				1,034	990,287	—

Particulars of Major Properties *(Continued)*

PROPERTIES UNDER DEVELOPMENT

As at 31 January 2025

Property Name	Location	Group Interest	Stage of Construction	Approximate Site Area (square feet)	Approximate Attributable GFA (square feet)					Total (excluding car parking spaces & ancillary facilities)	No. of Car Parking Spaces Attributable to the Group
					Commercial/ Retail	Office	Serviced Apartments	Residential			
Hengqin											
Novotown Phase II	East side of Yiwener Road, south side of Xiangjiang Road, west side of Yiwenyi Road and north side of Zhishui Road, Hengqin New Area, Zhuhai City	100%	Construction works in progress	1,547,523	544,169 *	289,595	1,874,120	—	2,707,884	1,352	
Total of major properties under development:					544,169	289,595	1,874,120	—	2,707,884	1,352	

* Including 166,988 square feet spaces to be occupied by Harrow LiDe School Hengqin upon completion

Particulars of Major Properties *(Continued)*

COMPLETED PROPERTIES HELD FOR SALE

As at 31 January 2025

Property Name	Location	Group Interest	Approximate Attributable GFA (square feet)					Total (excluding car parking spaces & ancillary facilities)	No. of Car Parking Spaces Attributable to the Group	
			Commercial/ Retail	Residential	Office	Serviced Apartment				
Shanghai										
Wuli Bridge Project	Wuliqiao Road, 104 Jie Fang, Huangpu District	100%	—	—	—	—	—	—	13	
May Flower Plaza	The junction of Da Tong Road and Zhi Jiang Xi Road, Sujiaxiang, Jing'an District	100%	—	—	—	—	—	—	458	
Regents Park	88 Huichuan Road, Changning District	95%	—	—	—	—	—	—	176	
Subtotal of major completed properties held for sale in Shanghai:			—	—	—	—	—	—	647	
Guangzhou										
Eastern Place Phase V	787 Dongfeng East Road, Yuexiu District	100%	—	—	—	—	—	—	5	
King's Park	Donghua Dong Road, Yuexiu District	100%	—	—	—	—	—	—	1	
West Point	The junction of Zhongshan Qi Road and Guangfu Road, Liwan District	100%	—	—	—	—	—	—	80	
Subtotal of major completed properties held for sale in Guangzhou:			—	—	—	—	—	—	86	
Zhongshan										
Palm Spring	Caihong Planning Area, Western District	100%	164,359	72,910	—	—	237,269	2,663		
Subtotal of major completed properties held for sale in Zhongshan:			164,359	72,910	—	—	237,269	2,663		
Hengqin										
Novotown Phase I	East side of Yiwener Road, south side of Caihong Road, west side of Tianyu Road and north side of Hengqin Road, Hengqin New Area, Zhuhai City	80%	—	14,001	420,705	188,187	622,893	—		
Subtotal of major completed properties held for sale in Hengqin:			—	14,001	420,705	188,187	622,893	—		
Total of major completed properties held for sale:			164,359	86,911	420,705	188,187	860,162	3,396		

Corporate Governance and Other Information

CORPORATE GOVERNANCE

The Company has complied with all the code provisions set out in the Corporate Governance Code contained in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**" and "**Stock Exchange**", respectively) throughout the six months ended 31 January 2025 save for the deviation from code provision F.2.2.

Under code provision F.2.2, the chairman of the board should attend the annual general meeting.

Due to other pre-arranged business commitments which must be attended to by Dr. Lam Kin Ngok, Peter, the Chairman, he was not present at the annual general meeting of the Company ("**AGM**") held on 13 December 2024. Mr. Cheung Sum, Sam, an executive director of the Company ("**Executive Director**") and the Group Chief Financial Officer, who was present at the AGM was elected chairman of that AGM pursuant to Article 78 of the second amended and restated articles of association of the Company to ensure an effective communication with the shareholders of the Company thereat.

Board

The board of directors of the Company ("**Board**" and "**Directors**", respectively) oversees the overall management of the Company's business and affairs. The Board's primary duty is to ensure the viability of the Company and to ascertain that it is managed in the best interests of its shareholders as a whole while taking into account the interests of other stakeholders.

The Board has delegated the day-to-day management of the Company's business to the management and the Executive Committee, and focuses its attention on matters affecting the Company's long-term objectives and plans for achieving these objectives, the Group's overall business and commercial strategy as well as overall policies and guidelines.

The Board currently comprises 13 members, of whom seven are Executive Directors and the remaining six are independent non-executive Directors ("**INEDs**"). The current composition of the Board is characterised by diversity, whether considered in terms of gender, nationality, professional background and skills. The current Board comprises individuals who are professionals with real estate, investment, capital markets, banking, accounting, financial, general management and legal backgrounds.

The Board meets at least four times a year with meeting dates scheduled prior to the beginning of the year. Additional board meetings will be held when warranted. Directors also participate in the consideration and approval of matters of the Company by way of written resolutions circulated to Directors together with supporting explanatory materials as and when required.

All Directors have been provided, on a monthly basis, with the Group's management information updates, giving a balanced and understandable assessment of the Group's performance, position, recent developments and prospects in sufficient detail to keep them abreast of the Group's affairs and facilitate them to discharge their duties under the relevant requirements of the Listing Rules.

Chairman and Chief Executive

During the six months ended 31 January 2025 and up to the date of this Interim Report, Dr. Lam Kin Ngok, Peter was the Chairman of the Board while Mr. Lam Hau Yin, Lester acted as the Chief Executive Officer of the Company. This segregation ensures a clear distinction between the Chairman's responsibilities to manage the Board and the Chief Executive Officer's responsibilities to manage the Company's business. The division of responsibilities between the Chairman and the Chief Executive Officer is clearly defined and set out in writing.

Corporate Governance and Other Information *(Continued)*

SECURITIES TRANSACTIONS BY DIRECTORS AND DESIGNATED EMPLOYEES

The Company has adopted a Code of Practice for Securities Transactions by Directors and Designated Employees ("**Securities Code**") on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules. The Company has made specific enquiry of all Directors and they have confirmed in writing their compliance with the required standard set out in the Securities Code during the six months ended 31 January 2025.

SHARE OPTION SCHEMES

The share option scheme adopted by the Company on 18 December 2012 ("**2012 Share Option Scheme**") had expired on 17 December 2022 ("**Expiration Date**"). Following the Expiration Date, no further share options shall be granted under the 2012 Share Option Scheme but the outstanding share options granted thereunder shall continue to be valid and exercisable in accordance with the terms of the 2012 Share Option Scheme. As at 31 January 2025, share options comprising a total of 530,000 underlying shares granted under the 2012 Share Option Scheme were outstanding.

At the annual general meeting of the Company held on 16 December 2022, a new share option scheme ("**2022 Share Option Scheme**") was adopted for the purpose of recognising the contribution or future contribution of the Eligible Participants (as defined in the 2022 Share Option Scheme) to the Group by granting options to them as incentives or rewards and to attract, retain and motivate high-calibre Eligible Participants in line with performance goals of the Group and the related entities. Eligible Participants include but are not limited to the directors, chief executive and employees of the Group and related entities, and service providers of the Group. The 2022 Share Option Scheme has also been approved by the shareholders of Lai Sun Garment (International) Limited and Lai Sun Development Company Limited at their respective annual general meetings and became effective on 19 December 2022 ("**Effective Date**"). Unless otherwise cancelled or amended, the 2022 Share Option Scheme will remain in force for 10 years from the Effective Date. The principal terms of the 2022 Share Option Scheme are set out in the circular of the Company dated 17 November 2022. The number of shares available for grant under the 2022 Share Option Scheme at the beginning and the end of the financial period for the six months ended 31 January 2025 was 33,103,344 shares (representing 10% of the Company's issued shares as at 31 January 2025). The service provider sublimit at the beginning and the end of the financial period for the six months ended 31 January 2025 was 3,310,334 shares (representing 1% of the Company's issued shares as at 31 January 2025).

During the six months ended 31 January 2025, no share options had been granted under the 2022 Share Option Scheme. Accordingly, there were no shares of the Company that might be issued in respect of share options granted under the 2022 Share Option Scheme during the period under review.

Corporate Governance and Other Information *(Continued)*

SHARE OPTION SCHEMES *(CONTINUED)*

The following table sets out the movement of the share options granted under the 2012 Share Option Scheme during the six months ended 31 January 2025:

Category of grantees	Date of grant <i>(Note 1)</i>	Number of underlying shares comprised in share options					Exercise period	Exercise price per share (HK\$) <i>(Note 2)</i>
		As at 1 August 2024	Granted during the period	Exercised during the period	Lapsed during the period	As at 31 January 2025		
Employee participants								
	16/01/2015	60,000	—	—	(60,000)	—	16/01/2015 - 15/01/2025	8.00
	19/01/2018	150,000	—	—	—	150,000	19/01/2018 - 18/01/2028	13.52
	22/01/2019	260,000	—	—	—	260,000	22/01/2019 - 21/01/2029	10.18
	22/01/2021	60,000	—	—	—	60,000	22/01/2021 - 21/01/2031	7.364
	21/01/2022	60,000	—	—	—	60,000	21/01/2022 - 20/01/2032	5.75
Subtotal		590,000	—	—	(60,000)	530,000		
Related entity participants								
	19/01/2018	40,000	—	—	(40,000)	—	19/01/2018 - 18/01/2028	13.52
	21/01/2022	100,000	—	—	(100,000)	—	21/01/2022 - 20/01/2032	5.75
Subtotal		140,000	—	—	(140,000)	—		
Total		730,000	—	—	(200,000)	530,000		

Notes:

1. The share options vested on the date of grant.
2. The exercise price of the share options is subject to adjustment in the case of rights or bonus issues or other similar changes in the Company's share capital.

Save as disclosed above, no share options were granted, vested, exercised, cancelled, or lapsed in accordance with the terms of the 2012 Share Option Scheme and the 2022 Share Option Scheme during the period under review.

Corporate Governance and Other Information (Continued)

DIRECTORS' INTERESTS

The following Directors and chief executive of the Company who held office on 31 January 2025 and their respective close associates (as defined in the Listing Rules) were interested or were deemed to be interested in the following interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong ("SFO")) on that date (a) as required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions, if any, which they were taken or deemed to have under such provisions of the SFO); or (b) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO ("**Register of Directors and Chief Executive**"); or (c) as otherwise notified to the Company and the Stock Exchange pursuant to the Securities Code adopted by the Company; or (d) as known to the Directors:

(1) The Company

Long positions in the ordinary shares of HK\$5.00 each of the Company ("**Shares**") and underlying Shares

Name of Director	Capacity	Number of Shares		Number of underlying Shares	Total	Approximate percentage of total issued Shares (Note 1)
		Personal interests	Corporate interests	Personal interests		
Lam Kin Ngok, Peter	Owner of controlled corporations	Nil	182,318,266 (Note 2)	Nil	182,318,266	55.08%

(2) Associated corporations of the Company

(i) Lai Sun Garment (International) Limited ("**LSG**")

Long positions in the ordinary shares of LSG ("**LSG Shares**") and underlying LSG Shares

Name of Director	Capacity	Number of LSG Shares		Number of underlying LSG Shares	Total	Approximate percentage of total issued LSG Shares (Note 4)
		Personal interests	Corporate interests	Personal interests (Note 3)		
Lam Kin Ngok, Peter	Beneficial owner/ Owner of controlled corporation	112,211,038	258,168,186 (Note 5)	1,832,017	372,211,241	42.14%
Lam Hau Yin, Lester	Beneficial owner	28,033,218	Nil	6,519,095	34,552,313	3.91%
U Po Chu	Beneficial owner	1,857,430	Nil	Nil	1,857,430	0.21%

Corporate Governance and Other Information *(Continued)*

DIRECTORS' INTERESTS *(CONTINUED)*

(2) Associated corporations of the Company *(Continued)*

(ii) Lai Sun Development Company Limited (“LSD”)

Long positions in the ordinary shares of LSD (“LSD Shares”) and underlying LSD Shares

Name of Director	Capacity	Number of LSD Shares		Number of underlying LSD Shares	Total	Approximate percentage of total issued LSD Shares <i>(Note 6)</i>
		Personal interests	Corporate interests	Personal interests		
Lam Kin Ngok, Peter	Beneficial owner/ Owner of controlled corporations	975,907	808,084,296 <i>(Note 7)</i>	Nil	809,060,203	55.67%
U Po Chu	Beneficial owner	60,567	Nil	Nil	60,567	≈0%

(iii) eSun Holdings Limited (“eSun”)

Long positions in the ordinary shares of HK\$0.50 each of eSun (“eSun Shares”) and underlying eSun Shares

Name of Director	Capacity	Number of eSun Shares		Number of underlying eSun Shares	Total	Approximate percentage of total issued eSun Shares <i>(Note 8)</i>
		Personal interests	Corporate interests	Personal interests		
Lam Kin Ngok, Peter	Beneficial owner/ Owner of controlled corporations	2,794,443	1,113,260,072 <i>(Note 9)</i>	Nil	1,116,054,515	63.56%
Lam Hau Yin, Lester	Beneficial owner	2,794,443	Nil	Nil	2,794,443	0.16%

(iv) Lai Sun MTN Limited

Long position in the 5% guaranteed medium term notes due 2026

Name of Director	Capacity	Nature of interests	Principal amount
Lam Kin Ngok, Peter	Beneficial owner	Personal	US\$13,500,000

Corporate Governance and Other Information (Continued)

DIRECTORS' INTERESTS (CONTINUED)

Notes:

1. The percentage has been compiled based on the total number of issued Shares as at 31 January 2025 (i.e., 331,033,443 Shares).
2. These interests in the Company represented all the Shares beneficially owned by Holy Unicorn Limited (180,600,756 Shares or approximately 54.56% of the total issued Shares) and Transtrend Holdings Limited (1,717,510 Shares or approximately 0.52% of the total issued Shares), both being wholly-owned subsidiaries of LSD. LSD was approximately 55.60% directly and indirectly owned by LSG. LSG was approximately 12.70% (excluding share options) owned by Dr. Lam Kin Ngok, Peter and approximately 29.23% owned by Wisdoman Limited ("**Wisdoman**") which was in turn 100% beneficially owned by Dr. Lam Kin Ngok, Peter. Therefore, Dr. Lam Kin Ngok, Peter was deemed to be interested in the Shares owned indirectly by LSD as shown in the section headed "Substantial Shareholders' and Other Person's Interests" below pursuant to Part XV of the SFO.
3. These interests in underlying LSG Shares represented interests in share options granted to the Directors under the share option schemes of LSG, particulars of which are as follows:

Name of Director	Date of grant	Number of underlying LSG Shares comprised in share options	Exercise period	Exercise price per LSG Share (HK\$)
Lam Kin Ngok, Peter	19/06/2017	448,197	19/06/2017 – 18/06/2027	11.155
Lam Kin Ngok, Peter	25/01/2022	1,383,820	25/01/2022 – 24/01/2032	3.673
Lam Hau Yin, Lester	19/06/2017	5,135,275	19/06/2017 – 18/06/2027	11.155
Lam Hau Yin, Lester	25/01/2022	1,383,820	25/01/2022 – 24/01/2032	3.673

4. The percentage has been compiled based on the total number of issued LSG Shares as at 31 January 2025 (i.e., 883,373,901 LSG Shares).
5. By virtue of his interests in Wisdoman as described in Note 2 above, Dr. Lam Kin Ngok, Peter was deemed to be interested in such LSG Shares owned directly by Wisdoman.
6. The percentage has been compiled based on the total number of issued LSD Shares as at 31 January 2025 (i.e., 1,453,328,830 LSD Shares).
7. By virtue of his deemed controlling shareholding interests in LSG as described in Note 2 above, Dr. Lam Kin Ngok, Peter was deemed to be interested in such LSD Shares owned directly and indirectly by LSG.
8. The percentage has been compiled based on the total number of issued eSun Shares as at 31 January 2025 (i.e., 1,755,876,866 eSun Shares).
9. By virtue of his deemed controlling shareholding interests in LSD as described in Note 2 above, Dr. Lam Kin Ngok, Peter was deemed to be interested in such eSun Shares held by Transtrend Holdings Limited, a wholly-owned subsidiary of LSD.

Save as disclosed above, as at 31 January 2025, none of the Directors and chief executive of the Company and their respective close associates was interested or was deemed to be interested in the long and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations, which were required to be notified to the Company and the Stock Exchange, recorded in the Register of Directors and Chief Executive, notified under the Securities Code, or otherwise known to the Directors.

Corporate Governance and Other Information *(Continued)*

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSON'S INTERESTS

As at 31 January 2025, so far as is known or otherwise notified to any Director or the chief executive of the Company, the particulars of the corporations or individuals who had 5% or more interests in the following long positions in the Shares and underlying Shares as recorded, other than a Director or the chief executive of the Company, in the register required to be kept under section 336 of the SFO ("**Register of Shareholders**") or were entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of the Company ("**Voting Entitlements**") (i.e., within the meaning of substantial shareholders of the Listing Rules) were as follows:

Long Positions in the Shares of the Company

Name	Capacity and nature of interests	Number of Shares	Approximate percentage of total issued Shares (Note 1)
Substantial Shareholders			
Lai Sun Development Company Limited (" LSD ")	Owner of controlled corporations	182,318,266 (Note 2)	55.08%
Lai Sun Garment (International) Limited (" LSG ")	Owner of controlled corporations	182,318,266 (Note 3)	55.08%
Lam Kin Ngok, Peter	Owner of controlled corporations	182,318,266 (Note 4)	55.08%
Holy Unicorn Limited (" Holy Unicorn ")	Beneficial owner	180,600,756 (Note 2)	54.56%
Transtrend Holdings Limited (" Transtrend ")	Beneficial owner	1,717,510 (Note 2)	0.52%
CapitaLand China Holdings Pte Ltd (" CapitaLand China ")	Owner of controlled corporation	64,400,000 (Note 5)	19.45%
CapitaLand China Investments Limited (" CapitaLand China Investments ")	Owner of controlled corporations	64,400,000 (Note 5)	19.45%
CapitaLand LF (Cayman) Holdings Co., Ltd. (" CapitaLand Cayman ")	Beneficial owner	64,400,000	19.45%
CapitaLand Group Pte. Ltd. (" CapitaLand ")	Owner of controlled corporations	64,400,000 (Note 5)	19.45%
Temasek Holdings (Private) Limited (" Temasek ")	Owner of controlled corporations	64,400,000 (Note 5)	19.45%
Yu Cheuk Yi	Beneficial owner	33,161,037 (Note 6)	10.02%
Yu Siu Yuk	Beneficial owner	33,161,037 (Note 6)	10.02%
Other Person			
Moerus Capital Management LLC	Investment manager	24,969,825	7.54%

Corporate Governance and Other Information (Continued)

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSON'S INTERESTS (CONTINUED)

Long Positions in the Shares of the Company (Continued)

Notes:

1. The percentage has been compiled based on the total number of issued Shares as at 31 January 2025 (i.e., 331,033,443 Shares).
2. These interests in the Company represented all the Shares beneficially owned by Holy Unicorn (180,600,756 Shares or approximately 54.56% of the total issued Shares) and Transtrend (1,717,510 Shares or approximately 0.52% of the total issued Shares), both being wholly-owned subsidiaries of LSD.
3. LSG owned approximately 55.60% shareholding interests in LSD. As such, LSG was deemed to be interested in the same 182,318,266 Shares in which LSD had interests.
4. Dr. Lam Kin Ngok, Peter was deemed to be interested in 182,318,266 Shares by virtue of his personal and deemed shareholding interests in approximately 41.93% (excluding share options) in LSG which in turn owned approximately 55.60% shareholding interests in LSD.
5. These interests in the Company represented the Shares beneficially owned by CapitaLand Cayman which is wholly owned by CapitaLand China which in turn is wholly owned by CapitaLand China Investments while CapitaLand China Investments is wholly owned by CapitaLand. CapitaLand is in turn a wholly-owned subsidiary of CLA Real Estate Holdings Pte. Ltd. Temasek is deemed to be interested in the same 64,400,000 Shares held by CapitaLand Cayman as CLA Real Estate Holdings Pte. Ltd. is an indirect wholly-owned subsidiary of Temasek.
6. Mr. Yu Cheuk Yi and Ms. Yu Siu Yuk were both taken to be interested in the same 33,161,037 Shares which were held jointly by them.

Save as disclosed above, the Directors are not aware of any other corporation or individual who, as at 31 January 2025, had the Voting Entitlements or 5% or more interests or short positions in the Shares or underlying Shares as recorded in the Register of Shareholders.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended 31 January 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

Corporate Governance and Other Information *(Continued)*

UPDATE ON DIRECTORS' INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, changes in the Directors' information since the disclosure made in the Company's annual report for the year ended 31 July 2024 and up to the date of this Interim Report are set out as follows:

- (a) Mr. Lam Kin Hong, Matthew ceased to be a member of the Consumer Council.
- (b) Mr. Shek Lai Him, Abraham ceased to be a court member and council member of the University of Hong Kong.
- (c) Directors' remuneration for the six months ended 31 January 2025 and 2024 are as follows:

	Fees HK\$'000	Salaries, allowances, and benefits in kind HK\$'000	Pension scheme contributions HK\$'000	Total remuneration HK\$'000
For the six months ended 31 January 2025				
<i>Executive directors:</i>				
Lam Kin Ngok, Peter	—	1,362	—	1,362
Lam Kin Hong, Matthew	—	175	9	184
Lam Hau Yin, Lester	—	804	9	813
Cheng Shin How	—	2,946	9	2,955
Cheung Sum, Sam	—	1,620	9	1,629
Lee Tze Yan, Ernest	—	603	9	612
U Po Chu	—	1,058	—	1,058
	—	8,568	45	8,613
<i>Independent non-executive directors:</i>				
Au Hoi Fung	175	—	—	175
Ku Moon Lun	175	—	—	175
Lam Bing Kwan	175	—	—	175
Law Kin Ho	175	—	—	175
Mak Wing Sum, Alvin	175	—	—	175
Shek Lai Him, Abraham	175	—	—	175
	1,050	—	—	1,050
Total	1,050	8,568	45	9,663

Corporate Governance and Other Information *(Continued)*

UPDATE ON DIRECTORS' INFORMATION *(CONTINUED)*

(c) *(Continued)*

	Fees HK\$'000	Salaries, allowances, and benefits in kind HK\$'000	Pension scheme contributions HK\$'000	Total remuneration HK\$'000
For the six months ended 31 January 2024				
<i>Executive directors:</i>				
Lam Kin Ngok, Peter	—	1,434	—	1,434
Lam Kin Hong, Matthew	—	570	29	599
Lam Hau Yin, Lester	—	804	9	813
Cheng Shin How	—	3,466	9	3,475
Cheung Sum, Sam	—	900	10	910
Lee Tze Yan, Ernest	—	709	9	718
U Po Chu	—	2,115	—	2,115
	—	9,998	66	10,064
<i>Non-executive director:</i>				
Chew Fook Aun (resigned on 1 October 2023)	200	—	—	200
<i>Independent non-executive directors:</i>				
Au Hoi Fung	175	—	—	175
Ku Moon Lun	175	—	—	175
Lam Bing Kwan	175	—	—	175
Law Kin Ho	175	—	—	175
Mak Wing Sum, Alvin	175	—	—	175
Shek Lai Him, Abraham	175	—	—	175
	1,050	—	—	1,050
Total	1,250	9,998	66	11,314

Corporate Governance and Other Information *(Continued)*

EMPLOYEES AND REMUNERATION POLICIES

As at 31 January 2025, the Group employed a total of around 1,500 employees. The Group recognises the importance of maintaining a stable staff force in its continued success. Under the Group's existing policies, employee pay rates are maintained at competitive levels whilst promotion and salary increments are assessed on a performance-related basis. Discretionary bonuses are granted to employees based on their merit and in accordance with industry practice. Other benefits including share option scheme, mandatory provident fund scheme, free hospitalisation insurance plan, subsidised medical care and sponsorship for external education and training programmes are offered to eligible employees.

INVESTOR RELATIONS

To ensure our investors have a better understanding of the Company, our management engages in a proactive investor relations programme. Our Executive Directors and Investor Relations Department communicate with research analysts and institutional investors regularly.

The Group maintains proactive interactions with the investment community and provides them with updates on the Group's operations, financial performance and outlook. During the period under review, the Company has been communicating with a range of stakeholders via physical/online meetings and conference calls.

The Company is keen on promoting investor relations and enhancing communication with its shareholders and potential investors. It welcomes suggestions from investors, stakeholders and the public who may contact the Investor Relations Department by phone on (852) 2853 6106, by fax at (852) 2853 6651 or by e-mail at ir@laifung.com.

REVIEW OF INTERIM REPORT

The audit committee of the Company ("**Audit Committee**") currently comprises four INEDs, namely Messrs. Law Kin Ho, Lam Bing Kwan, Ku Moon Lun and Mak Wing Sum, Alvin. The Audit Committee has reviewed the interim report (containing the unaudited condensed consolidated financial statements) of the Company for the six months ended 31 January 2025.

By Order of the Board
Lam Kin Ngok, Peter
Chairman

Hong Kong, 18 March 2025

