



L A I S U N D E V E L O P M E N T

Lai Sun Development Company Limited  
(Stock Code: 488)

## Interim Report

For the six months ended 31 January 2025



# Corporate Information

## PLACE OF INCORPORATION

Hong Kong

## BOARD OF DIRECTORS

### *Executive Directors*

Lam Kin Ngok, Peter, *GBM, GBS (Chairman)*  
Lau Shu Yan, Julius (*Chief Executive Officer*)\*  
Cheung Sum, Sam (*Group Chief Financial Officer*)  
Lam Hau Yin, Lester (*also alternate director to U Po Chu*)  
Lee Tze Yan, Ernest

### *Non-executive Director*

U Po Chu

### *Independent Non-executive Directors*

Lam Bing Kwan  
Leung Shu Yin, William  
Ip Shu Kwan, Stephen, *GBS, JP*  
Luk Hon Man

## AUDIT COMMITTEE

Leung Shu Yin, William (*Chairman*)  
Lam Bing Kwan  
Ip Shu Kwan, Stephen, *GBS, JP*

## NOMINATION COMMITTEE

Lam Kin Ngok, Peter, *GBM, GBS (Chairman)*  
Cheung Sum, Sam (*alternate to Lam Kin Ngok, Peter*)\*\*  
Lau Shu Yan, Julius (*alternate to Lam Kin Ngok, Peter*)\*  
Leung Shu Yin, William  
Lam Bing Kwan

## REMUNERATION COMMITTEE

Leung Shu Yin, William (*Chairman*)  
Cheung Sum, Sam\*\*  
Lau Shu Yan, Julius\*  
Lam Bing Kwan

## AUTHORISED REPRESENTATIVES

Cheung Sum, Sam  
Lam Hau Yin, Lester\*\*\*  
Lau Shu Yan, Julius\*

## COMPANY SECRETARY

Cheung Sum, Sam

## REGISTERED OFFICE/PRINCIPAL OFFICE

11th Floor  
Lai Sun Commercial Centre  
680 Cheung Sha Wan Road  
Kowloon, Hong Kong

Tel: (852) 2741 0391

Fax: (852) 2785 2775

## SHARE REGISTRAR AND TRANSFER OFFICE

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  
Bank of Communications Co., Ltd.  
The Bank of East Asia, Limited  
China Construction Bank (Asia) Corporation Limited  
China Everbright Bank Co., Ltd., Hong Kong Branch  
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  
Shanghai Commercial Bank Ltd.  
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*

488/300 Shares

## WEBSITE

[www.laisun.com](http://www.laisun.com)

## INVESTOR RELATIONS

Tel: (852) 2853 6106

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\* *Mr. Lau Shu Yan, Julius retired on 1 March 2025*

\*\* *Mr. Cheung Sum, Sam appointed on 1 March 2025*

\*\*\* *Mr. Lam Hau Yin, Lester appointed on 1 March 2025*

# Results Highlights

- Net loss attributable to owners of the Company was HK\$117.8 million, decreased from loss of HK\$1,853.0 million in the previous financial period, mainly attributed to (i) the fair value changes of the investment properties improved; (ii) the contribution from joint ventures improved; (iii) the gain on disposal of a subsidiary; and (iv) the reduction of finance costs of the Group.
- Adjusted earnings before interests, taxes, depreciation and amortisation ("**adjusted EBITDA**") (excluding impact of fair value changes of investment properties and other non-cash and non-recurring item) amounted to HK\$494.4 million, down by 4.9% compared to the same period last year.
- Resilient investment properties portfolio generated rental income of HK\$621.0 million with high occupancy rate in Hong Kong and Chinese Mainland against a challenging operating environment, down by merely 0.5% compared to the same period last year.
- Recognised sales of properties amounted to HK\$617.2 million, down by 33.2% compared to the same period last year. The reduction of property sales was due to Lai Fung Group's Zhongshan Palm Spring project being in the final phase of sale, while partially offset by the increase in property sales in Hong Kong properties, namely The Parkland in Yuen Long and Bal Residence in Kwun Tong.
- Sold 108 out of 156 units of Bal Residence and 107 out of 112 units of The Parkland as at 14 March 2025. Total proceeds for the respective projects are estimated to be HK\$557.9 million and HK\$322.7 million, of which HK\$174.1 million and HK\$309.3 million are recognised in this financial period.
- Hotel operation generated income of HK\$647.3 million, up by 3.9% compared to the same period last year, underpinned by Caravelle Hotel primarily.
- Segment losses in non-property businesses narrowed due to (i) closures and consolidation of non-performing outlets, and (ii) reduction in depreciation of right-of-use assets and property, plant and equipment as a result of the impairment losses provided for these assets in previous financial year.
- Proactive cost control measures resulted in administrative expenses decreased by 8.1% compared to the same period last year. Other operating expenses also decreased by 19.8% compared to the same period last year.
- Finance costs amounted to HK\$584.5 million, down by 14.0% compared to the same period last year, mainly due to the decrease in interest rate and average borrowings balances, as well as Lai Fung Group's successful refinancing of certain borrowings at lower interest rates. Finance costs before capitalisation amounted to HK\$772.4 million, down by 17.8%.
- The Group's total capital resources (excluding eSun Group and Lai Fung Group) amounted to approximately HK\$3,873.4 million, comprising cash and bank balances of approximately HK\$1,846.8 million and undrawn bank facilities of approximately HK\$2,026.6 million as at 31 January 2025, versus the Group's bank borrowings (excluding eSun Group and Lai Fung Group) due within one year of approximately HK\$3,972.3 million as at 31 January 2025. The Group has commenced discussions with banks to refinance these borrowings due within one year and has received written commitment from certain banks.
- The Group's total borrowings remained stable at HK\$24,845.3 million as at 31 January 2025, compared to HK\$25,294.3 million as at 31 July 2024.
- The Group intends to dispose assets amounting to approximately HK\$8,000 million over the next two years (including HK\$2,000 million at Lai Fung Group).

The board of directors (the “**Board**”) of Lai Sun Development Company 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

		Six months ended 31 January 2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
	Notes		
TURNOVER	4	2,547,596	3,038,925
Cost of sales		(1,604,927)	(1,967,346)
Gross profit		942,669	1,071,579
Other revenue and gains		365,182	211,130
Selling and marketing expenses		(105,938)	(133,947)
Administrative expenses		(393,062)	(427,558)
Other operating expenses		(467,760)	(583,050)
Fair value gains/(losses) on investment properties, net		121,899	(1,038,597)
PROFIT/(LOSS) FROM OPERATING ACTIVITIES	5	462,990	(900,443)
Finance costs	6	(584,523)	(679,337)
Share of profits and losses of associates		2,463	7,531
Share of profits and losses of joint ventures		22,040	(341,390)
LOSS BEFORE TAX		(97,030)	(1,913,639)
Tax	7	(115,153)	(109,011)
LOSS FOR THE PERIOD		(212,183)	(2,022,650)
Attributable to:			
Owners of the Company		(117,811)	(1,853,019)
Non-controlling interests		(94,372)	(169,631)
		(212,183)	(2,022,650)
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	8		
Basic and diluted		(HK\$0.081)	(HK\$1.275)

# Condensed Consolidated Statement of Comprehensive Income

For the six months ended 31 January 2025

	Six months ended 31 January	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
LOSS FOR THE PERIOD	(212,183)	(2,022,650)
OTHER COMPREHENSIVE (EXPENSE)/INCOME		
<i>Other comprehensive (expense)/income that may be reclassified to profit or loss in subsequent periods:</i>		
Exchange realignments	(203,568)	(110,426)
Share of other comprehensive income/(expense) of associates	2,729	(1,509)
Share of other comprehensive expense of joint ventures	(1,580)	(944)
Release of exchange reserve upon deregistration of subsidiaries	2,348	—
	(200,071)	(112,879)
<i>Other comprehensive expense that will not be reclassified to profit or loss in subsequent periods:</i>		
Changes in fair values of financial assets at fair value through other comprehensive income	(1,831)	(40,478)
OTHER COMPREHENSIVE EXPENSE FOR THE PERIOD	(201,902)	(153,357)
TOTAL COMPREHENSIVE EXPENSE FOR THE PERIOD	(414,085)	(2,176,007)
Attributable to:		
Owners of the Company	(267,367)	(1,982,544)
Non-controlling interests	(146,718)	(193,463)
	(414,085)	(2,176,007)

# Condensed Consolidated Statement of Financial Position

As at 31 January 2025

	Notes	31 January 2025 (Unaudited) HK\$'000	31 July 2024 (Audited) HK\$'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		5,362,242	5,489,953
Right-of-use assets		3,673,737	3,807,084
Investment properties		34,632,383	34,677,018
Film rights		20,761	22,092
Film and TV program products		61,239	61,431
Music catalogs		—	—
Goodwill		211,205	219,792
Other intangible assets		103,660	108,146
Investments in associates		383,363	365,467
Investments in joint ventures		5,959,694	6,131,952
Financial assets at fair value through other comprehensive income		114,590	105,248
Financial assets at fair value through profit or loss		846,381	861,169
Derivative financial instruments		8,449	6,537
Debtors	9	491,966	489,237
Deposits, prepayments, other receivables and other assets		208,621	216,428
Deferred tax assets		1,298	1,945
Pledged and restricted bank balances and time deposits		78,779	88,326
<b>Total non-current assets</b>		<b>52,158,368</b>	<b>52,651,825</b>
<b>CURRENT ASSETS</b>			
Properties under development		4,850,954	4,793,714
Completed properties for sale		3,431,498	3,705,601
Films and TV programs under production and film investments		313,369	277,468
Inventories		47,558	47,131
Financial assets at fair value through profit or loss		48,810	70,948
Debtors	9	380,773	415,983
Deposits, prepayments, other receivables and other assets		957,526	1,291,331
Prepaid tax		69,238	66,726
Pledged and restricted bank balances and time deposits		1,362,271	1,246,541
Cash and cash equivalents		2,549,534	2,809,574
<b>Assets classified as held for sale</b>		<b>14,011,531</b>	<b>14,725,017</b>
<b>Total current assets</b>		<b>14,011,531</b>	<b>14,769,745</b>

# 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
CURRENT LIABILITIES			
Creditors, other payables and accruals	10	2,297,086	2,473,203
Deposits received, deferred income and contract liabilities		476,945	554,132
Lease liabilities		287,989	265,479
Tax payable		693,777	702,418
Bank borrowings		5,193,722	2,509,016
Other borrowings		292,864	34,485
		9,242,383	6,538,733
Liabilities directly associated with the assets classified as held for sale		—	116
Total current liabilities		9,242,383	6,538,849
NET CURRENT ASSETS		4,769,148	8,230,896
TOTAL ASSETS LESS CURRENT LIABILITIES		56,927,516	60,882,721
NON-CURRENT LIABILITIES			
Lease liabilities		565,879	643,278
Bank borrowings		15,131,205	18,228,586
Other borrowings		—	290,055
Guaranteed notes		4,227,472	4,232,145
Deferred tax liabilities		4,026,987	4,059,607
Other payables and accruals	10	893,012	899,114
Long-term deposits received		212,551	222,356
Total non-current liabilities		25,057,106	28,575,141
		31,870,410	32,307,580
EQUITY			
Equity attributable to owners of the Company			
Share capital		6,240,082	6,240,082
Reserves		19,303,030	19,570,045
		25,543,112	25,810,127
Non-controlling interests		6,327,298	6,497,453
		31,870,410	32,307,580

# Condensed Consolidated Statement of Changes in Equity

For the six months ended 31 January 2025

	Attributable to owners of the Company												
	Share capital HK\$'000	Fair value reserve — financial assets HK\$'000	Share option reserve HK\$'000	Capital reduction reserve HK\$'000	Property Revaluation reserve HK\$'000	General reserve HK\$'000	Other reserve HK\$'000	Statutory reserve HK\$'000	Exchange fluctuation reserve HK\$'000	Retained profits HK\$'000	Sub-total HK\$'000	Non-controlling interests HK\$'000	Total HK\$'000
At 31 July 2024 (Audited) and 1 August 2024 (Unaudited)	6,240,082	(136,080)*	1,491*	4,692*	3,976*	646,700*	2,274,688*	93,966*	(952,492)*	17,633,104*	25,810,127	6,497,453	32,307,580
Loss for the period	—	—	—	—	—	—	—	—	—	(117,811)	(117,811)	(94,372)	(212,183)
Other comprehensive (expense)/income that may be reclassified to profit or loss in subsequent periods:													
Exchange realignments	—	—	—	—	—	—	—	—	(150,711)	—	(150,711)	(52,857)	(203,568)
Share of other comprehensive income/(expense) of associates	—	—	—	—	—	—	—	—	3,070	—	3,070	(341)	2,729
Share of other comprehensive expense of joint ventures	—	—	—	—	—	—	—	—	(1,573)	—	(1,573)	(7)	(1,580)
Release of exchange reserve upon deregistration of subsidiaries	—	—	—	—	—	—	—	—	1,489	—	1,489	859	2,348
Other comprehensive expense that will not be reclassified to profit or loss in subsequent periods:													
Changes in fair values of financial assets at fair value through other comprehensive income	—	(1,831)	—	—	—	—	—	—	—	—	(1,831)	—	(1,831)
Total comprehensive expense for the period	—	(1,831)	—	—	—	—	—	—	(147,725)	(117,811)	(267,367)	(146,718)	(414,085)
Release of reserve upon lapse of share options	—	—	(614)	—	—	—	—	—	—	614	—	—	—
Release of reserve upon lapse of share options of subsidiaries	—	—	—	—	—	—	—	—	—	352	352	(352)	—
Transfer to statutory reserve	—	—	—	—	—	—	—	7,083	—	(7,083)	—	—	—
Dividends paid to non-controlling interest of subsidiaries	—	—	—	—	—	—	—	—	—	—	—	(23,085)	(23,085)
Release of fair value reserve upon disposal of a financial asset at fair value through other comprehensive income	—	(2,562)	—	—	—	—	—	—	—	2,562	—	—	—
At 31 January 2025 (Unaudited)	6,240,082	(140,473)*	877*	4,692*	3,976*	646,700*	2,274,688*	101,049*	(1,100,217)*	17,511,738*	25,543,112	6,327,298	31,870,410

\* These reserve accounts comprise the consolidated reserves of HK\$19,303,030,000 (31 July 2024: HK\$19,570,045,000) 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											
	Share Capital HK\$'000	Fair value reserve — financial assets HK\$'000	Share option reserve HK\$'000	Capital reduction reserve HK\$'000	General reserve HK\$'000	Other reserve HK\$'000	Statutory reserve HK\$'000	Exchange fluctuation reserve HK\$'000	Retained profits HK\$'000	Sub-total HK\$'000	Non-controlling interests HK\$'000	Total HK\$'000
At 31 July 2023 (Audited) and 1 August 2023 (Unaudited)	6,240,082	1,449,332	1,810	4,692	646,700	2,274,688	71,240	(813,018)	19,908,068	29,783,594	7,078,232	36,861,826
Loss for the period	—	—	—	—	—	—	—	—	(1,853,019)	(1,853,019)	(169,631)	(2,022,650)
Other comprehensive (expense)/income that may be reclassified to profit or loss in subsequent periods:												
Exchange realignments	—	—	—	—	—	—	—	(86,449)	—	(86,449)	(23,977)	(110,426)
Share of other comprehensive (expense)/income of associates	—	—	—	—	—	—	—	(1,657)	—	(1,657)	148	(1,509)
Share of other comprehensive expense of joint ventures	—	—	—	—	—	—	—	(941)	—	(941)	(3)	(944)
Other comprehensive expense that will not be reclassified to profit or loss in subsequent periods:												
Changes in fair values of financial assets at fair value through other comprehensive income	—	(40,478)	—	—	—	—	—	—	—	(40,478)	—	(40,478)
Total comprehensive expense for the period	—	(40,478)	—	—	—	—	—	(89,047)	(1,853,019)	(1,982,544)	(193,463)	(2,176,007)
Release of reserve upon lapse of share options	—	—	(319)	—	—	—	—	—	319	—	—	—
Release of reserve upon lapse of share options of subsidiaries	—	—	—	—	—	—	—	—	216	216	(216)	—
Transfer to statutory reserve	—	—	—	—	—	—	20,814	—	(20,814)	—	—	—
Dividends paid to non-controlling interests of subsidiaries	—	—	—	—	—	—	—	—	—	—	(23,085)	(23,085)
Advance from a non-controlling interest of a subsidiary	—	—	—	—	—	—	—	—	—	—	26,811	26,811
At 31 January 2024 (Unaudited)	6,240,082	1,408,854	1,491	4,692	646,700	2,274,688	92,054	(902,065)	18,034,770	27,801,266	6,888,279	34,689,545

# Condensed Consolidated Statement of Cash Flows

For the six months ended 31 January 2025

	Six months ended 31 January	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES	<b>77,503</b>	(606,234)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of items of property, plant and equipment	<b>(51,011)</b>	(109,475)
Additions to investment properties	<b>(68,823)</b>	(353,136)
Investment in joint ventures	<b>(16,412)</b>	(30,000)
Advances to associates	<b>(11,494)</b>	(13,580)
Advances to joint ventures	<b>(91,625)</b>	(77,271)
Repayment from associates	<b>2,953</b>	80
Return of capital from a joint venture	<b>14,800</b>	—
Repayment from joint ventures	<b>284,015</b>	48,782
Proceeds from disposal of a subsidiary	<b>213,259</b>	—
Dividends received from financial assets at fair value through other comprehensive income	<b>200</b>	17,200
Increase in pledged and restricted bank balances and time deposits	<b>(109,463)</b>	(98,840)
Others	<b>25,337</b>	10,922
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES	<b>191,736</b>	(605,318)
CASH FLOWS FROM FINANCING ACTIVITIES		
New bank borrowings raised	<b>1,133,438</b>	6,370,642
Repayment of bank borrowings	<b>(1,506,114)</b>	(5,672,364)
Bank financing charges	<b>(5,197)</b>	(30,343)
Decrease in other payables	<b>—</b>	(33,315)
Decrease in other borrowings	<b>(34,304)</b>	—
Lease payments	<b>(86,479)</b>	(125,050)
Dividends paid to non-controlling interests of subsidiaries	<b>(23,085)</b>	(23,085)
Advance from a non-controlling interest of a subsidiary	<b>—</b>	26,811
NET CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES	<b>(521,741)</b>	513,296

# Condensed Consolidated Statement of Cash Flows

(Continued)

For the six months ended 31 January 2025

	Six months ended 31 January	
	2025	2024
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
NET DECREASE IN CASH AND CASH EQUIVALENTS	(252,502)	(698,256)
Cash and cash equivalents at beginning of period	2,809,623	3,678,957
Effect of foreign exchange rate changes, net	(7,587)	(7,300)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	2,549,534	2,973,401
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Non-pledged and non-restricted cash and bank balances	2,209,900	2,541,735
Non-pledged and non-restricted time deposits	339,634	431,666
Cash and cash equivalents as stated in the condensed consolidated statement of financial position and the condensed consolidated statement of cash flows	2,549,534	2,973,401

# Notes to Condensed Consolidated Interim Financial Statements

31 January 2025

## 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 (the “**Listing Rules**”) and with Hong Kong Accounting Standard (“**HKAS**”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants.

The financial information relating to the year ended 31 July 2024 that is included in the unaudited condensed consolidated interim financial statements of the Group for the six months ended 31 January 2025 as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to those statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 July 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to the Hong Kong Companies Ordinance.

The Company’s independent auditor has reported on those financial statements. The independent auditor’s report was unqualified; did not include a reference to any matters to which the independent auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

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

## 2. MATERIAL ACCOUNTING POLICIES

The material accounting policies and basis of presentation used in the preparation of these interim financial statements are the same as those used in the Group’s audited consolidated financial statements for the year ended 31 July 2024.

The Group has adopted a number of new and 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 new and revised HKFRSs has had no material impact on the financial performance or financial position of the Group.

31 January 2025

31 January 2025

### 3. SEGMENT INFORMATION

## Segment revenue and results

The following table presents revenue and results for the Group's reportable segments:

Six months ended 31 January (Unaudited)																							
Property development and sales				Property investment		Hotel operation		Restaurant and F&B product sales operations		Media and entertainment		Film and TV program		Cinema operation		Theme park operation		Others		Consolidated			
	2025	2024	HK\$'000	2025	2024	HK\$'000	2025	2024	HK\$'000	2025	2024	HK\$'000	2025	2024	HK\$'000	2025	2024	HK\$'000	2025	2024	HK\$'000	2024	HK\$'000
Segment revenue:																							
Sales to external customers	617,205	924,597	620,966	623,938	647,299	622,996	217,849	285,840	103,390	179,298	317,765	125,164	220,204	188,896	3,452	9,878	85,466	78,318	2,547,596	3,038,925			
Intersegment sales	—	—	21,863	20,465	358	446	1,944	1,546	—	—	5,301	8,456	3,684	2,683	—	—	12,327	12,960	45,467	46,556			
Other revenue and gains	24,137	14,606	14,144	9,800	411	57	2,297	1,262	841	3,880	756	933	8,214	9,120	97	1,486	64,683	59,745	115,580	100,889			
Total	641,342	939,203	656,963	654,203	648,068	623,499	222,090	288,648	104,231	183,178	37,822	134,553	232,102	200,699	3,549	11,364	162,476	151,023	2,708,643	3,186,370			
Elimination of intersegment sales																			(45,467)	(46,556)			
Total																			2,663,176	3,139,814			
Segment results	(337)	84,974	367,764	341,758	(37,963)	(40,701)	(15,264)	(54,547)	18,504	25,004	15,320	(1,254)	(16,566)	(55,853)	(15,906)	(24,328)	9,994	11,633	325,546	286,686			
Unallocated other revenue and gains																							
Fair value gains/(losses) on investment properties, net	—	—	121,899	(1,038,597)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	121,899	(1,038,597)			
Unallocated expenses																			(234,057)	(258,773)			
Profit/(loss) from operating activities																							
Finance costs																			462,990	(900,443)			
Share of profits and losses of associates	202	46	(4)	(8)	(381)	(313)	2,165	6,595	—	—	—	—	—	—	—	—	1,075	1,595	(584,523)	(679,337)			
Share of profits and losses of associates — unallocated																			3,057	7,915			
Share of profits and losses of joint ventures	10,596	(129,191)	21,870	(187,220)	(6,944)	(12,271)	—	—	1,967	(11)	—	(68)	(4,604)	(11,566)	—	—	(845)	(1,063)	22,040	(341,390)			
Loss before tax																			(97,030)	(1,913,639)			
Tax																			(115,153)	(109,011)			
Loss for the period																			(212,183)	(2,022,650)			

# Notes to Condensed Consolidated Interim Financial Statements

(Continued)

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## 3. SEGMENT INFORMATION (CONTINUED)

### Segment assets and liabilities

The following table presents the total assets and liabilities for the Group's reportable segments:

	Property development and sales				Property investment				Hotel operation				Restaurant and F&B product sales operations				Media and entertainment				Film and TV program				Cinema operation				Theme park operation				Others				Consolidated			
	31 January 2025	31 July 2024	31 January 2025	31 July 2024	31 January 2025	31 July 2024	31 January 2025	31 July 2024	31 January 2025	31 July 2024	31 January 2025	31 July 2024	31 January 2025	31 July 2024	31 January 2025	31 July 2024	31 January 2025	31 July 2024	31 January 2025	31 July 2024	31 January 2025	31 July 2024	31 January 2025	31 July 2024	31 January 2025	31 July 2024	31 January 2025	31 July 2024	31 January 2025	31 July 2024	31 January 2025	31 July 2024	31 January 2025	31 July 2024						
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)						
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000							
Segment assets	9,200,843	9,590,696	35,145,745	35,311,750	7,788,874	7,963,244	421,078	511,269	122,098	213,613	729,306	755,494	477,624	606,155	728,999	739,312	933,634	990,089	55,548,201	56,681,622																				
	1,543	2,534	80	85	173,465	162,617	16,193	14,012	—	—	—	—	—	—	—	—	6,619	8,791	197,900	188,039																				
	1,328,111	1,523,511	4,283,373	4,276,672	48,404	56,910	31,419	16,652	31,296	22,458	—	37	17,104	26,862	—	—	219,987	208,850	5,959,694	6,131,952																				
Assets classified as held for sale																																								
Total assets																																								
Segment liabilities	444,331	462,168	653,115	751,385	272,767	298,160	232,985	204,619	79,596	117,555	425,052	442,975	808,516	886,195	24,931	32,049	441,381	474,542	3,382,674	3,669,648																				
Bank borrowings																																								
Guaranteed notes																																								
Other borrowings																																								
Unallocated liabilities																																								
Liabilities directly associated with the assets classified as held for sale																																								
Total liabilities																																								

# Notes to Condensed Consolidated Interim Financial Statements

(Continued)

31 January 2025

## 4. TURNOVER

An analysis of turnover is as follows:

	Six months ended 31 January 2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
<b>Turnover from contracts with customers:</b>		
Sale of properties	617,205	924,597
Building management fee income	121,333	112,809
Income from hotel operation	647,299	622,996
Income from restaurant and F&B product sales operations	217,849	285,840
Distribution commission income, licence income from and sale of film and TV program products and film rights	28,682	121,615
Box-office takings, concessionary income and related income from cinemas	220,204	188,896
Entertainment event income	42,011	101,830
Sale of game products	27,093	36,905
Album sales, licence income and distribution commission income from music publishing and licensing	29,510	27,433
Artiste management fee income	4,776	13,130
Advertising income	3,083	3,549
Income from theme park operation	3,452	9,878
Others	85,466	78,318
	<b>2,047,963</b>	<b>2,527,796</b>
<b>Turnover from other source:</b>		
Rental income	499,633	511,129
Total turnover	<b>2,547,596</b>	<b>3,038,925</b>
<b>Timing of recognition of turnover from contracts with customers:</b>		
At a point in time	1,610,920	2,084,664
Over time	437,043	443,132
	<b>2,047,963</b>	<b>2,527,796</b>

# Notes to Condensed Consolidated Interim Financial Statements

## (Continued)

31 January 2025

### 5. PROFIT/(LOSS) FROM OPERATING ACTIVITIES

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

	Six months ended 31 January	
	2025	2024
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Depreciation of property, plant and equipment <sup>^</sup>	147,619	178,230
Depreciation of right-of-use assets <sup>^</sup>	143,311	186,169
Foreign exchange differences, net	(8,682) <sup>@</sup>	26,026 <sup>*</sup>
Amortisation of film rights <sup>#</sup>	1,330	1,049
Amortisation of film and TV program products <sup>#</sup>	5,099	9,153
Amortisation of other intangible assets <sup>*</sup>	187	188
Fair value losses on financial assets at fair value through profit or loss, net <sup>*</sup>	8,085	8,878
Fair value gains on cross currency swaps <sup>@</sup>	(1,912)	—
Gain on modification of leases <sup>@</sup>	—	(28,959)
Gain on disposal of a subsidiary <sup>@</sup>	(168,696)	—

<sup>^</sup> Depreciation charge of approximately HK\$263,044,000 (Six months ended 31 January 2024: HK\$330,782,000) is included in "other operating expenses" on the face of the unaudited condensed consolidated income statement.

<sup>@</sup> These items are included in "other revenue and gains" on the face of the unaudited condensed consolidated income statement.

<sup>#</sup> These items are included in "cost of sales" on the face of the unaudited condensed consolidated income statement.

<sup>\*</sup> These items are included in "other operating expenses" on the face of the unaudited condensed consolidated income statement.

### 6. FINANCE COSTS

	Six months ended 31 January	
	2025	2024
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Interest on bank borrowings	599,228	744,082
Interest on guaranteed notes	101,747	111,184
Interest on other borrowings	3,154	3,343
Interest on lease liabilities	19,304	21,454
Interest on put option liabilities	2,260	2,252
Bank financing charges	46,688	57,814
	772,381	940,129
Less: Amount capitalised in construction in progress	(2,287)	(19,279)
Amount capitalised in properties under development	(171,684)	(227,732)
Amount capitalised in investment properties under construction	(13,887)	(13,781)
	584,523	679,337



# Notes to Condensed Consolidated Interim Financial Statements

## (Continued)

31 January 2025

### 7. TAX

Hong Kong profits tax has been provided at the rate of 16.5% (Six months ended 31 January 2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the period.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the places in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	Six months ended 31 January 2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Current tax		
— Hong Kong		
Charge for the period	13,958	9,968
Underprovision in prior periods	716	42
	14,674	10,010
— Chinese Mainland		
Corporate income tax		
Charge for the period	22,979	76,719
Land appreciation tax		
Charge for the period	56,177	170,679
	79,156	247,398
— Elsewhere		
Charge for the period	13,480	14,862
Overprovision in prior periods	—	(700)
	13,480	14,162
	107,310	271,570
Deferred tax	7,843	(162,559)
Tax charge for the period	115,153	109,011

### 8. 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\$117,811,000 (Six months ended 31 January 2024: HK\$1,853,019,000), and the weighted average number of ordinary shares of 1,453,328,830 (Six months ended 31 January 2024: 1,453,328,830) in issue during the period.

No adjustment has been made to the basic loss per share amounts presented for the periods ended 31 January 2025 and 2024 in respect of a dilution as the impact of the share options of the Company, eSun Holdings Limited ("eSun") and Lai Fung Holdings Limited had an anti-dilutive effect on the basic loss per share amounts presented.

# Notes to Condensed Consolidated Interim Financial Statements

(Continued)

31 January 2025

## 9. DEBTORS

The Group (other than eSun and its subsidiaries (the “eSun 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 restaurant charges are mainly settled by customers on a cash basis except for those corporate clients who maintain credit accounts with the respective subsidiaries, the settlement of which is in accordance with the respective agreements. The Group’s trade receivables related to a large number of diversified customers and there is no significant concentration of credit risk. Trade receivables of the Group are non-interest-bearing. The Group’s finance lease receivables related to a creditworthy third party.

The trading terms of the eSun Group with its customers are mainly on credit. Invoices are normally payable within 30 to 90 days of issuance, except for certain well-established customers, where the terms are extended to 120 days. Each customer has a maximum credit limit. The eSun Group seeks to maintain strict control over its outstanding receivables and has a credit control policy to minimise its credit risk. Overdue balances are regularly reviewed by senior management. Since the eSun Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed by customer/counterparty, by geographical region and by industry sector. There are no significant concentrations of credit risk within the eSun Group as the customer bases of the eSun Group’s trade receivables are widely dispersed in different sectors and industries. The eSun Group’s trade receivables are non-interest-bearing.

Other than rental deposits received, the Group does not hold any collateral or other credit enhancements over these balances.

An ageing analysis of the debtors, net of loss allowance, based on the payment due date, as at the end of the reporting period, is as follows:

	31 January 2025 (Unaudited) HK\$’000	31 July 2024 (Audited) HK\$’000
Trade receivables:		
Not yet due or less than 30 days past due	284,516	321,445
31 — 60 days past due	24,659	20,650
61 — 90 days past due	12,586	8,540
Over 90 days past due	55,522	61,833
Finance lease receivables, not yet due	377,283 495,456	412,468 492,752
Less: Portion classified as current	872,739 (380,773)	905,220 (415,983)
Non-current portion	491,966	489,237

# Notes to Condensed Consolidated Interim Financial Statements

(Continued)

31 January 2025

## 10. CREDITORS, OTHER PAYABLES AND ACCRUALS

An ageing analysis of the creditors, based on the date of receipt of the goods and services purchased/payment due date, as at the end of the reporting period, is as follows:

	31 January 2025 (Unaudited) HK\$'000	31 July 2024 (Audited) HK\$'000
Creditors:		
Not yet due or less than 30 days past due	179,664	215,595
31 — 60 days past due	11,076	20,010
61 — 90 days past due	9,014	8,031
Over 90 days past due	54,528	35,831
	254,282	279,467
Other payables and accruals	2,051,681	1,988,807
Put option liabilities	884,135	1,104,043
	3,190,098	3,372,317
Less: Portion classified as current	(2,297,086)	(2,473,203)
Non-current portion	893,012	899,114

## 11. COMMITMENTS

The Group had the following commitments not provided for in the condensed consolidated interim financial statements at the end of the reporting period:

	31 January 2025 (Unaudited) HK\$'000	31 July 2024 (Audited) HK\$'000
Contracted, but not provided for		
Purchase of items of property, plant and equipment	11,711	12,795
Additions to investment properties	3,081	3,727
Construction and development costs	187,489	242,863
	202,281	259,385

# Notes to Condensed Consolidated Interim Financial Statements

(Continued)

31 January 2025

## 12. RELATED PARTY TRANSACTIONS

In addition to the related party transactions and balances detailed elsewhere in the condensed consolidated interim financial statements, the Group entered into the following material transactions with related parties during the period:

### (a) Transactions with related parties

	Notes	Six months ended 31 January 2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Lease payments and building management fees paid or payable to:			
— Lai Sun Garment (International) Limited ("LSG")	(i), (ii)	226	222
— an associate of LSG	(i), (ii)	195	237
Rental income and management fee income received or receivable from LSG	(i)	290	302
Interest income received or receivable from advances to joint ventures	(i)	51,941	53,143
Sale of products and management fee income received or receivable from a joint venture	(i)	1,112	1,296
Film releasing income received or receivable from joint ventures	(i)	1,633	1,336
Production fee paid or payable to a joint venture	(i)	550	1,620
Share of net gain from entertainment events organised by the Group to joint ventures	(i)	—	1,649
Sharing of corporate salaries on a cost basis allocated to LSG		4,299	4,550
Sharing of administrative expenses on a cost basis allocated to LSG		277	783
Sharing of corporate salaries on a cost basis allocated from LSG		—	1,876

Notes:

- (i) These transactions were entered into based on terms stated in the respective agreements or contracts and were charged on bases mutually agreed by the respective parties.
- (ii) In addition to the variable lease payments and building management fee payments to the related parties, right-of-use assets of approximately HK\$2,287,000 and lease liabilities of approximately HK\$2,874,000 related to the leases with related parties were recognised in the condensed consolidated statement of financial position as at 31 January 2025. During the six months ended 31 January 2025, depreciation of these right-of-use assets of approximately HK\$1,671,000 (Six months ended 31 January 2024: HK\$1,452,000) and finance costs on these lease liabilities of approximately HK\$120,000 (Six months ended 31 January 2024: HK\$78,000) were recognised in the condensed consolidated income statement.

Certain related party transactions for the six months ended 31 January 2025 and for the year ended 31 July 2024 also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules. Details of the connected transactions for the year ended 31 July 2024 were disclosed in the report of the directors of the Company's annual report.

### (b) Compensation of key management personnel of the Group

	Six months ended 31 January 2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Short term employee benefits	27,492	27,889
Pension scheme contributions	62	65
Total compensation paid to key management personnel	27,554	27,954

# Notes to Condensed Consolidated Interim Financial Statements

(Continued)

31 January 2025

## 13. FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

### Financial instruments for which fair value is disclosed

Except for certain guaranteed notes with a fair value in aggregate of approximately HK\$2,128,387,000 (31 July 2024: HK\$2,723,415,000), of which the fair value was determined by reference to the closing prices of the guaranteed notes published by a leading global financial market data provider as at the end of the reporting period, the directors consider the carrying amounts of all other financial assets and financial liabilities measured at amortised cost approximate to their fair values as at the end of the reporting period.

### Financial instruments measured at fair value

	Level 1 (Unaudited) HK\$'000	Level 2 (Unaudited) HK\$'000	Level 3 (Unaudited) HK\$'000	Total (Unaudited) HK\$'000
<b>As at 31 January 2025</b>				
<b>Financial assets</b>				
Financial assets at fair value through other comprehensive income	9,660	—	104,930	114,590
Financial assets at fair value through profit or loss	48,811	711,686	134,694	895,191
Derivative financial instruments	—	—	8,449	8,449
Financial assets included in deposits, prepayments, other receivables and other assets	—	—	319	319
Film investments	—	—	145,396	145,396
	<b>58,471</b>	<b>711,686</b>	<b>393,788</b>	<b>1,163,945</b>
	Level 1 (Audited) HK\$'000	Level 2 (Audited) HK\$'000	Level 3 (Audited) HK\$'000	Total (Audited) HK\$'000
<b>As at 31 July 2024</b>				
<b>Financial assets</b>				
Financial assets at fair value through other comprehensive income	13,860	—	91,388	105,248
Financial assets at fair value through profit or loss	70,948	730,261	130,908	932,117
Derivative financial instruments	—	—	6,537	6,537
Financial assets included in deposits, prepayments, other receivables and other assets	—	—	14,180	14,180
Film investments	—	—	104,560	104,560
	<b>84,808</b>	<b>730,261</b>	<b>347,573</b>	<b>1,162,642</b>

During the six months ended 31 January 2025, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers of fair value measurements into or out of Level 3 for financial assets and financial liabilities (Six months ended 31 January 2024: Nil).

# Notes to Condensed Consolidated Interim Financial Statements

## (Continued)

31 January 2025

### 13. FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Financial instruments measured at fair value (Continued)

The movements in fair value measurements in Level 3 of the financial assets during the period are as follows:

	Six months ended 31 January	
	2025	2024
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
At beginning of period	347,573	1,847,423
Total gains/(losses) recognised in other comprehensive income	2,369	(27,817)
Total gains recognised in the income statement	22,829	3,726
Additions	53,171	97,517
Settlements	(35,049)	(32,879)
Exchange realignment	2,895	(3,342)
At end of period	393,788	1,884,628

#### Valuation Techniques

Fair value measurement using significant observable inputs (Level 2)

The fair values of certain financial assets at fair value through profit or loss are based on the fair values of the underlying investment portfolio provided by the fund managers.

For the derivative financial instruments in Level 2, the Group relies on bank valuations to determine the fair value of the instruments. The fair value of the instruments was estimated at the end of the reporting period using observable market data. Key observable inputs in the valuations are foreign exchange spot rates, strike rates, volatility, time to expiration and risk free rate.

# Notes to Condensed Consolidated Interim Financial Statements

## (Continued)

31 January 2025

### 13. FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

#### Valuation Techniques (Continued)

Fair value measurement using significant unobservable inputs (Level 3)

Each year, the Group's management appoints external valuers to be responsible for the external valuations of the Group's financial instruments (the "**Financial Instrument Valuers**"). Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group's management has discussions with the Financial Instrument Valuers on the valuation assumptions and valuation results twice a year when the valuation is performed for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The method and assumptions used to estimate the fair value of the principal financial instrument are stated as follows:

The Group has estimated the fair value of the unlisted investment in level 3 by using the net asset value or the discounted cash flow method or the latest available transaction prices or enterprise value to sales multiple.

Derivative financial instruments — Cross currency swap agreements (the "**CCSs**") were measured using valuation techniques similar to forward pricing and swap models, using present value calculations. The models incorporated various market observable inputs including the credit quality of counterparties, foreign exchange spot rates and interest rate curves as well as other unobservable inputs. The carrying amounts of the derivative financial instruments were the same as their fair values.

Information about fair value measurement using significant unobservable inputs (Level 3)

	Valuation technique	Significant unobservable inputs	Value of unobservable inputs	Notes
<b>31 January 2025</b>				
Derivative financial instruments — CCSs	Discounted cash flow with swaption approach	Expected exposure at default — counterparty	<b>HK\$1.54 million to HK\$3.73 million</b>	1
		Expected exposure at default — the Group	<b>HK\$0.93 million to HK\$6.12 million</b>	2
		Credit spread — counterparty	<b>17.19 basis point to 52.05 basis point</b>	3
		Credit spread — the Group	<b>858.19 basis point to 1,124.54 basis point</b>	4
		Loss given default ratio — counterparty non-performance risk	<b>60%</b>	5
		Loss given default ratio — own credit risk	<b>60%</b>	6

# Notes to Condensed Consolidated Interim Financial Statements

(Continued)

31 January 2025

## 13. FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

### Valuation Techniques (Continued)

Information about fair value measurement using significant unobservable inputs (Level 3) (Continued)

	Valuation technique	Significant unobservable inputs	Value of unobservable inputs	Notes
31 July 2024				
Derivative financial instruments — CCSs	Discounted cash flow with swaption approach	Expected exposure at default — counterparty	HK\$2.76 million to HK\$3.24 million	1
		Expected exposure at default — the Group	HK\$1.13 million to HK\$3.61 million	2
		Credit spread — counterparty	12.06 basis point to 44.56 basis point	3
		Credit spread — the Group	899.10 basis point to 1,194.35 basis point	4
		Loss given default ratio — counterparty non-performance risk	60%	5
		Loss given default ratio — own credit risk	60%	6

#### Notes:

1. The higher the expected exposure at default — counterparty, the lower the fair value of CCSs
2. The higher the expected exposure at default — the Group, the higher the fair value of CCSs
3. The higher the credit spread — counterparty, the lower the fair value of CCSs
4. The higher the credit spread — the Group, the higher the fair value of CCSs
5. The higher the loss given default ratio — counterparty non-performance risk, the lower the fair value of CCSs
6. The higher the loss given default ratio — own credit risk, the higher the fair value of CCSs



# Interim Dividend

The Board has resolved not to declare the payment of an interim dividend for the financial year ending 31 July 2025. No interim dividend was declared in respect of the last corresponding period.

## 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. Lingering 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.

### Hong Kong and Overseas Property Market

During the period under review, the business environment in Hong Kong remained sluggish and competitive. The Hong Kong retail market remained soft despite improved tourism numbers which was offset against the changing consumption patterns among residents and visitors, as well as an increase in outbound travel by local residents. Weak local consumption is expected to continue, particularly with a growing trend among residents to travel abroad and travel north for shopping and leisure. To ensure the long-term success of the Group, it is imperative that we adapt to changes in consumer behavior and lifestyle.

Despite the challenges faced, the introduction of various Central Government initiatives aimed at stimulating the Chinese Mainland economy, with direct benefits to Hong Kong, including the resumption and expansion of the multiple-entry Individual Visit Scheme for Shenzhen since December 2024, coupled with the Hong Kong Government's various initiatives to boost market confidence, is expected to stimulate spending by both visitors and residents within the local market. Hong Kong government's determination of making Hong Kong a destination is backed by the announcement of at least 93 major events scheduled to take place in Hong Kong during the first half of 2025. These collective efforts are poised to provide valuable dynamism for local economy.

Hong Kong's property market remained subdued due to the "higher for longer" interest rates outlook and a cautious economic environment. The Hong Kong government relaxed the mortgage loan-to-value ratio in October 2024 amid a property slowdown, which is a move welcomed by the real estate sector. The Central Government's vocal support of the Hong Kong economy rallied the property and stock market for a while during the last quarter of 2024. Whilst the conclusion of the U.S. election at the end of 2024 removed some uncertainty, the unpredictability of the new U.S. government has introduced a new set of variables to the delicate global political and economic relations. It is unclear as to the future trends of the U.S. interest rates and the Group will retain a conservative stance on its existing businesses and investments.

Nevertheless, the Hong Kong office and retail leasing sector persists in grappling with challenges stemming from softened demand and oversupply of new office spaces. The persisting economic uncertainty, alongside hybrid work model, has considerably dampened the demand for office rentals. Consequently, businesses are exhibiting heightened caution and are hesitant to expand their business operations and investment. This cautious approach has led to a decline in rental income and property values across all real estate segments. Whilst it is expected that the office and retail leasing markets likely to remain competitive in the near term; however, the medium to longer term outlook looks stabilising. 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. Additionally, renovation and space optimisation initiatives undertaken during the period under review have enhanced the competitiveness of the Group's major rental properties. As a result, the Group has successfully maintained occupancy levels averaged 90% or above in both its office and retail leasing businesses in Hong Kong.

# Management Discussion and Analysis *(Continued)*

## BUSINESS REVIEW AND OUTLOOK *(CONTINUED)*

### Hong Kong and Overseas Property Market *(Continued)*

The residential market has seen some transaction volume but buyers remain cautious and price sensitive. The Group has managed to capture sales window and achieved some good results for our Bal Residence project and The Parkland project. The Group will continue to monitor the market closely and assess the opportune time and pricing for launches of future projects.

Construction work of Bal Residence in Kwun Tong was completed in October 2023, while fitting-out work was completed in late March 2024. Presale of Bal Residence was launched in February 2023, followed by the official sale launch in late November 2023. Bal Residence has a total saleable area of approximately 62,148 square feet, including 7,506 square feet of commercial facilities and 54,642 square feet of residential spaces, offering 156 residential units. Up to 14 March 2025, the Group has sold 108 residential units in Bal Residence with saleable area of approximately 36,773 square feet at an average selling price of approximately HK\$15,171 per square foot.

Construction work of The Parkland in Yuen Long was completed in late March 2024, while fitting-out work was completed in late December 2024. The Parkland pre-sale commenced in October 2024. The Parkland has a total saleable area of approximately 36,720 square feet, offering 112 residential units. Up to 14 March 2025, the Group has sold 107 units in The Parkland with saleable area of approximately 34,313 square feet at an average selling price of approximately HK\$9,405 per square foot.

Construction works of the residential project at the Wong Chuk Hang Station Package Five Property Development is in progress and is expected to be completed in the first quarter of 2026. Superstructure works of the 79 Broadcast Drive project in Kowloon Tong is in progress and the construction is expected to be completed in the first half of 2026. It will be developed into a high-quality luxury residential property with the maximum permissible gross floor area ("**GFA**") of approximately 71,600 square feet, offering around 46 medium-large sized units, including 2 houses. The Group also acquired the 1&1A Kotewall Road project in Mid-Levels, Hong Kong Island and the transaction was completed with vacant possession in March 2022. The Group plans to redevelop the site into a luxury residential project with a total GFA of approximately 55,200 square feet, offering around 27 medium-large sized residential units. Excavation and lateral support and foundation works are in progress and the construction is expected to be completed in the fourth quarter of 2027. The project design work of the residential project, namely 116 Waterloo Road project, is in progress and is expected to be completed in the third quarter of 2028. The Group intends to redevelop the 116 Waterloo Road project, which was acquired in September 2021 with vacant possession in March 2022, into a residential project offering around 85 residential units with total GFA of approximately 46,600 square feet.

With the planning consent approved by the City of London's Planning and Transportation Committee, the Group keeps monitoring the market conditions in London closely for the potential redevelopment of the three properties on Leadenhall Street in London, comprising 100, 106 and 107 Leadenhall Street ("**Leadenhall Properties**"). A revised proposal was submitted to the City of London's Planning and Transportation Committee in August 2022 for improving on the original design and repositioning the building to provide higher sustainability standards and enhanced amenities within the building. The revised proposal has been approved by the City of London Authority in May 2023. The Group is currently assessing options including redevelopment, refurbishment and investment structures to optimise value for the Group.

# Management Discussion and Analysis *(Continued)*

## BUSINESS REVIEW AND OUTLOOK *(CONTINUED)*

### Chinese Mainland Property Market

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.

Lai Fung Holdings Limited ("**Lai Fung**") and its subsidiaries (together, "**Lai Fung Group**"), the PRC property arm of 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. Lai Fung 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.

Lai Fung 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.

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. Lai Fung 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.

# Management Discussion and Analysis (Continued)

## BUSINESS REVIEW AND OUTLOOK (CONTINUED)

### Chinese Mainland Property Market (Continued)

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 Lai Fung 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, Lai Fung 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 Lai Fung Group in coming financial years. Lai Fung 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.

### Cinema Operation/Media and Entertainment/Film Production and Distribution

The Hong Kong box office has experienced a general decline due to several factors, including lack of blockbusters titles, citizens traveling abroad, northbound visits, weak economic situation and a shift in consumers’ behaviour towards streaming platforms. Notwithstanding the acclaimed title “*The Last Dance*” which provided the much-needed stimulus in boosting Hong Kong box office, these challenging conditions have continued to drag the performance of our cinema operation. Additionally, given the market condition and economic uncertainty, the MCL Cinemas Plus+ Plaza Hollywood was closed during the period under review. The blockbuster title “*The Last Dance*” provided a bright spot, and contributed to the growth in cinema operation income during the period under review. eSun Holdings Limited (“**eSun**”) and its subsidiaries (together, “**eSun Group**”) is closely monitoring the market conditions and will continue to improve its overall operating efficiency. eSun Group will actively engage in cost optimisation and take a prudent approach in evaluating opportunities for cinema operation.

Media Asia Group Holdings Limited (an indirect wholly-owned subsidiary of eSun), being the media and entertainment arm of eSun Group, will continue to produce high quality and commercially viable products.

Our recent release crime thriller “*Octopus with Broken Arms*” and mystery-comedy “*Detective Chinatown 1900*”, both produced by Chen Sicheng, one of Chinese Mainland’s most consistently successful writers-directors-producers, have achieved commendable box office performance and critical acclaim. eSun Group will continue to invest in original productions of quality films with Chinese themes.

eSun Group continues to produce quality TV drama series in response to the ongoing strong demand for quality programs from TV stations and online video websites in Chinese Mainland. eSun Group is in discussion with various Chinese partners for new project development in TV drama production.

The distribution licence of music products with Tencent Music Entertainment (Shenzhen) Co., Ltd. and Warner Music continue to provide stable income to eSun Group.

# Management Discussion and Analysis (Continued)

## BUSINESS REVIEW AND OUTLOOK (CONTINUED)

### Cinema Operation/Media and Entertainment/Film Production and Distribution (Continued)

The recent “*the SOUNDTRACK of my LIFE Jay Fung Concert 2024*” earned good reputation and public praises. eSun Group will continue to work with prominent local and Asian artistes for concert promotion and the upcoming events include concerts of Stephy Tang and Sammi Cheng.

Looking ahead, we believe that eSun Group’s integrated media platform comprising movies, TV programs, music, artiste management and live entertainment put it in a strong position to capture the opportunities of entertainment market by a balanced and synergetic approach and eSun Group will continue to explore cooperation and investment opportunities to enrich its portfolio, broaden its income stream and maximise value for its shareholders.

### Other Business Updates

On 3 May 2024 (after trading hours), Boom Goal Limited (a wholly-owned subsidiary of the Company) (“**Boom Goal**”) as vendor and Star Gallery Limited (“**Star Gallery**”) (an independent third party) as purchaser had entered into an offer letter (“**Offer Letter**”), pursuant to which Star Gallery has conditionally agreed to acquire the entire issued share capital of Hong Kong Hill Limited (“**Hong Kong Hill**”), the sole legal and beneficial owner of the residential property situated at Eighteenth Floor and Nineteenth Floor of May Tower II, May Road, Hong Kong and car parking spaces nos. 60 and 67 of May Tower I and May Tower II, from Boom Goal and take up the assignment of all such sum of money due and owing by Hong Kong Hill to the Company at completion of the Offer Letter (“**May Tower Disposal**”), with a purchase price of HK\$215,800,000 (subject to proforma net tangible asset value adjustments and completion net tangible asset value adjustments). Upon completion, Hong Kong Hill ceased to be a subsidiary of Lai Sun Garment (International) Limited (“**LSG**”) and its subsidiaries (together “**LSG Group**”) and the Company. The May Tower Disposal enables the Group to reallocate more financial resources on capital structure enhancement and/or for general corporate purpose of the Group, as well as, to enhance the cashflow and financial position of the LSG Group and the Group as a whole. The transaction was completed in December 2024. The Group has recognised a gain on disposal of a subsidiary of HK\$168.7 million and recorded in “Other revenue and gains” on the face of the unaudited condensed consolidated income statement in this financial period.

On 2 July 2024 (after trading hours), Strongly Limited (“**Seller**”), owned by a joint venture to which 50% interest is attributable to the Group and 50% interest is attributable to an independent third party of the Group, had entered into an agreement for sale and purchase with an independent third party of the Group, whereby the Seller agreed to dispose of its legal and beneficial interest in the Commercial Accommodation of “Alto Residences (藍塘傲)” (“**Development**”) and the Public Vehicle Park of the Development (“**Alto Disposal**”). The consideration of the Alto Disposal is HK\$540,000,000. The consideration from the Alto Disposal to which the Group is entitled is HK\$270,000,000. Upon completion, performance of the Development and the Public Vehicle Park of the Development was no longer recognised as “Share of profits and losses of joint ventures” in the respective consolidated income statements of the LSG Group and the Group. The transaction was completed on 5 August 2024.

The Group intends to dispose assets amounting to approximately HK\$8,000 million over the next two years (including HK\$2,000 million at Lai Fung Group). The proceeds from disposals will improve the financial position of the Group.

As at 31 January 2025, the Group’s consolidated cash and bank deposits amounted to HK\$3,990.6 million (HK\$1,846.8 million excluding eSun Group and Lai Fung Group) with undrawn facilities of HK\$4,638.7 million (HK\$2,026.6 million excluding eSun Group and Lai Fung Group). The net debt to equity ratio as at 31 January 2025 was approximately 82% (31 July 2024: 82%). The Group’s gearing excluding the net debt of eSun Group and Lai Fung Group was approximately 51%.

The Group monitors the performance of the non-property related business portfolio closely and has taken actions to improve their operating results proactively. In light of the changing operating environment, the Group has closed or consolidated certain non-performing outlets in the restaurant and cinema businesses, together with the reduction in depreciation of right-of-use assets and property, plant and equipment as a result of the impairment losses provided for these assets in previous financial year, the respective segment losses reduced during the period under review. The Group will continue to review the performance of its portfolio of businesses and consider appropriate options for them in the interest of all stakeholders as a whole. The Group will continue its prudent and flexible approach, together with stringent cost controls, 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 turnover of HK\$2,547.6 million (2024: HK\$3,038.9 million) and a gross profit of HK\$942.7 million (2024: HK\$1,071.6 million). The decrease was primarily due to Lai Fung Group's Zhongshan Palm Spring project being in the final phase of sale, while partially offset by the increase in property sales in Hong Kong properties, namely The Parkland in Yuen Long and Bal Residence in Kwun Tong, as compared to the same period last year.

Set out below is the turnover by segment:

	Six months ended 31 January			
	2025	2024	Difference	% change
	(HK\$ million)	(HK\$ million)	(HK\$ million)	
Property investment	621.0	623.9	-2.9	-0.5
Property development and sales	617.2	924.6	-307.4	-33.2
Hotel operation	647.3	623.0	+24.3	+3.9
Restaurant and F&B product sales operations	217.8	285.8	-68.0	-23.8
Cinema operation	220.2	188.9	+31.3	+16.6
Media and entertainment	103.4	179.3	-75.9	-42.3
Film and TV program	31.8	125.2	-93.4	-74.6
Theme park operation	3.5	9.9	-6.4	-64.6
Others	85.4	78.3	+7.1	+9.1
<b>Total</b>	<b>2,547.6</b>	<b>3,038.9</b>	<b>-491.3</b>	<b>-16.2</b>

For the six months ended 31 January 2025, net loss attributable to owners of the Company was approximately HK\$117.8 million (2024: HK\$1,853.0 million). The significant decreased loss was primarily due to (i) the fair value changes of the investment properties improved; (ii) the contribution from joint ventures improved; (iii) the gain on disposal of a subsidiary; and (iv) the reduction of finance costs of the Group, during the period under review as compared to the same period last year. The improvement in fair value changes of the investment properties was due to the gradually stabilising outlook in the longer term. The improvement in contribution from joint ventures was primarily due to no movement was recorded in the fair value of CCB Tower during the period under review. Also, the Alto Disposal removed any future fair value movement.

Net loss per share was HK\$0.081 (2024: HK\$1.275).



# 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 uses (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
<b>Profit/(loss) from operating activities of the Group (HKFRS measure)</b>	<b>463.0</b>	(900.4)
Adjustments for:		
Share of profits/(losses) of joint ventures	<b>22.0</b>	(341.4)
Share of profits of associates	<b>2.5</b>	7.5
Fair value (gains)/losses of investment properties held by the Group <i>(Note 1)</i>	<b>(121.9)</b>	1,038.6
Fair value losses of investment properties held by the joint ventures <i>(Note 1)</i>	<b>—</b>	341.0
Depreciation of property, plant and equipment <i>(Note 2)</i>	<b>147.6</b>	178.2
Depreciation of right-of-use assets <i>(Note 2)</i>	<b>143.3</b>	186.2
Amortisation of film rights, film and TV program products and other intangible assets <i>(Note 3)</i>	<b>6.6</b>	10.4
Gain on disposal of a subsidiary <i>(Note 4)</i>	<b>(168.7)</b>	—
<b>Adjusted EBITDA of the Group (non-HKFRS measure)</b>	<b>494.4</b>	520.1

Notes:

1. Given the sizeable investment properties portfolio held by the Group and the joint ventures, the adjustments relate to fair value changes of investment properties, which are non-cash in nature.
2. The adjustments arise from depreciation of the Group's property, plant and equipment and right-of-use assets, which are non-cash in nature.
3. The adjustment arises from amortisation of film rights, film and TV program products and other intangible assets, which is non-cash in nature.
4. The adjustment arises from the gain on disposal of a subsidiary, which is non-cash and non-recurring in nature.

Excluding the net effect of property revaluations, other non-cash and non-recurring item, EBITDA of the Group was approximately HK\$494.4 million for the period under review (2024: HK\$520.1 million).

# Management Discussion and Analysis *(Continued)*

## OVERVIEW OF INTERIM RESULTS *(CONTINUED)*

### Non-HKFRS Financial Measures *(Continued)*

(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
<b>Net loss attributable to owners of the Company (HKFRS measure)</b>	<b>(117.8)</b>	(1,853.0)
Adjustments for:		
Fair value (gains)/losses of investment properties held by the Group <i>(Note 1)</i>	<b>(121.9)</b>	1,038.6
Deferred tax on fair value changes of investment properties held by the Group <i>(Note 1)</i>	<b>(1.4)</b>	(26.5)
Non-controlling interests' share of fair value changes of investment properties held by the Group less deferred tax <i>(Note 1)</i>	<b>(2.0)</b>	(33.3)
Fair value losses of investment properties held by the joint ventures <i>(Note 1)</i>	—	341.0
Gain on disposal of a subsidiary <i>(Note 2)</i>	<b>(168.7)</b>	—
<b>Adjusted net loss attributable to owners of the Company excluding fair value changes of investment properties and other non-cash and non-recurring item (non-HKFRS measure)</b>	<b>(411.8)</b>	(533.2)

Notes:

1. Given the sizeable investment properties portfolio held by the Group and the joint ventures, the adjustments relate to fair value changes of investment properties and related deferred tax and impact on non-controlling interest's share, which are non-cash in nature.
2. The adjustment arises from the gain on disposal of a subsidiary, which is non-cash and non-recurring in nature.

Excluding the net effect of property revaluations and other non-cash and non-recurring item, net loss attributable to owners of the Company was approximately HK\$411.8 million for the period under review (2024: HK\$533.2 million). Net loss per share excluding the effect of property revaluations and other non-cash and non-recurring item was approximately HK\$0.283 (2024: HK\$0.367).

Equity attributable to owners of the Company as at 31 January 2025 amounted to HK\$25,543.1 million, as compared to HK\$25,810.1 million as at 31 July 2024. Net asset value per share attributable to owners of the Company slightly dropped to HK\$17.576 per share as at 31 January 2025 from HK\$17.759 per share as at 31 July 2024.



# Management Discussion and Analysis *(Continued)*

## PROPERTY PORTFOLIO COMPOSITION

The Group maintained a property portfolio with attributable GFA of approximately 8.1 million square feet as at 31 January 2025. All major properties of the Group in Chinese Mainland are held through Lai Fung Group, except Novotown Phase I which is 80% owned by Lai Fung Group and 20% owned by the Group, and all major properties in Hong Kong and overseas are held by the Group excluding eSun Group and Lai Fung Group.

Approximate attributable GFA (in '000 square feet) of the Group's major properties and number of car parking spaces as at 31 January 2025 are set out as follows:

	Commercial/ Retail	Office	Hotel/ Serviced Apartments	Residential	Industrial	Total (excluding car parking spaces & ancillary facilities)	No. of car parking spaces
<b>GFA of major properties and number of car parking spaces of Lai Fung Group (on attributable basis<sup>1</sup>)</b>							
Completed Properties Held for Rental <sup>2</sup>	1,469	1,216	—	—	—	2,685	1,643
Completed Hotel Properties and Serviced Apartments <sup>2</sup>	—	—	545	—	—	545	—
Properties under Development <sup>3</sup>	300	160	1,032	—	—	1,492	745
Completed Properties Held for Sale	91	232	104	48	—	475	1,871
<b>Subtotal</b>	<b>1,860</b>	<b>1,608</b>	<b>1,681</b>	<b>48</b>	<b>—</b>	<b>5,197</b>	<b>4,259</b>
<b>GFA of major properties and number of car parking spaces of the Group excluding Lai Fung Group (on attributable basis)</b>							
Completed Properties Held for Rental <sup>2</sup>	690	987	—	—	16	1,693	1,357
Completed Hotel Properties and Serviced Apartments <sup>2</sup>	—	—	725	—	—	725	92
Properties under Development <sup>3</sup>	—	—	—	269	—	269	137
Completed Properties Held for Sale	30	105	47	37	—	219	49
<b>Subtotal</b>	<b>720</b>	<b>1,092</b>	<b>772</b>	<b>306</b>	<b>16</b>	<b>2,906</b>	<b>1,635</b>
<b>Total GFA attributable to the Group</b>	<b>2,580</b>	<b>2,700</b>	<b>2,453</b>	<b>354</b>	<b>16</b>	<b>8,103</b>	<b>5,894</b>

Notes:

1. As at 31 January 2025, Lai Fung is a 55.08%-owned subsidiary of the Company.
2. Completed and rental generating properties.
3. All properties under construction.

# Management Discussion and Analysis (Continued)

## PROPERTY INVESTMENT

### Rental Income

During the period under review, the Group's rental operations recorded a turnover of HK\$621.0 million (2024: HK\$623.9 million) comprising turnover of HK\$222.3 million, HK\$32.8 million and HK\$365.9 million from rental properties in Hong Kong, London and Chinese Mainland, respectively.

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

	Six months ended 31 January			Period end occupancy	
	2025 HK\$ million	2024 HK\$ million	% Change	2025 %	2024 %
<b>Hong Kong</b>					
Cheung Sha Wan Plaza	131.4	143.2	-8.2	92.1	97.3
Causeway Bay Plaza 2	62.3	67.9	-8.2	89.0	94.9
Lai Sun Commercial Centre	25.3	25.7	-1.6	96.3	97.9
Others	3.3	2.8	+17.9		
<b>Subtotal:</b>	<b>222.3</b>	<b>239.6</b>	<b>-7.2</b>		
<b>London, United Kingdom</b>					
107 Leadenhall Street	6.2	6.7	-7.5	47.8	45.9
100 Leadenhall Street	26.6	26.7	-0.4	0.0	100.0
106 Leadenhall Street	—	0.7	-100.0	0.0	0.0
<b>Subtotal:</b>	<b>32.8</b>	<b>34.1</b>	<b>-3.8</b>		
<b>Chinese Mainland</b>					
<b>Shanghai</b>					
Shanghai Hong Kong Plaza	130.2	134.7	-3.3	Retail: 92.5 Office: 87.2	Retail: 96.2 Office: 89.7
Shanghai May Flower Plaza	20.4	20.3	+0.5	Retail: 98.2	Retail: 100.0
Shanghai Regents Park	5.2	8.8	-40.9	100.0	100.0
Shanghai Skyline Tower	28.5	23.1	+23.4	Retail: 89.0 Office: 48.1	Retail: 83.9 Office: 32.8
<b>Guangzhou</b>					
Guangzhou May Flower Plaza	47.7	49.6	-3.8	95.0	90.0
Guangzhou West Point	10.7	11.1	-3.6	96.0	91.0
Guangzhou Lai Fung Tower	61.3	60.7	+1.0	Retail: 100.0 Office: 89.0 <sup>1</sup>	Retail: 100.0 Office: 86.5 <sup>1</sup>
Guangzhou Lai Fung International Center	30.9	17.3	+78.6	Retail: 99.0 Office: 64.3	Retail: 71.0 Office: 40.3
<b>Zhongshan</b>					
Zhongshan Palm Spring Rainbow Mall	2.6	2.6	0.0	Retail: 94.5 <sup>1</sup>	Retail: 68.5 <sup>1</sup>
<b>Hengqin</b>					
Hengqin Novotown Phase I	9.2	3.4	+170.6	Retail: 83.5 <sup>2</sup>	Retail: 83.2 <sup>2</sup>
Others	19.2	18.6	+3.2		
<b>Subtotal:</b>	<b>365.9</b>	<b>350.2</b>	<b>+4.5</b>		
<b>Total:</b>	<b>621.0</b>	<b>623.9</b>	<b>-0.5</b>		

# Management Discussion and Analysis (Continued)

## PROPERTY INVESTMENT (CONTINUED)

### Rental Income (Continued)

Breakdown of rental turnover by major investment properties of the Group is as follows: (Continued)

	Six months ended 31 January			Period end occupancy	
	2025 HK\$ million	2024 HK\$ million	% Change	2025 %	2024 %
<b>Rental income from joint venture projects</b>					
<b>Hong Kong</b>					
CCB Tower <sup>3</sup> (50% basis)	57.2	57.3	-0.2	97.7	97.7
Alto Residences <sup>4</sup> (50% basis)	0.8	11.7	-93.2	N/A	86.8
<b>Total:</b>	<b>58.0</b>	<b>69.0</b>	<b>-15.9</b>		

Notes:

1. Excluding self-use area.
2. Including the cultural attraction spaces occupied by Lionsgate Entertainment World® and National Geographic Ultimate Explorer Hengqin.
3. CCB Tower is a joint venture project with China Construction Bank Corporation ("CCB") in which each of the Group and CCB has an effective 50% interest. For the six months ended 31 January 2025, the joint venture recorded rental income of approximately HK\$114.4 million (2024: HK\$114.6 million).
4. Alto Residences is a joint venture project with Empire Group Holdings Limited ("Empire Group") in which each of the Group and Empire Group has an effective 50% interest. The Alto Disposal was completed on 5 August 2024. Only share of recurring income from a small number of residential units, car parking spaces and property management remain. For the six months ended 31 January 2025, the joint venture recorded rental income of approximately HK\$1.7 million (2024: HK\$23.4 million).

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

	Six months ended 31 January 2025			Six months ended 31 January 2024		
	Attributable interest to the Group	Turnover (HK\$ million)	Total GFA (square feet)	Attributable interest to the Group	Turnover (HK\$ million)	Total GFA (square feet)
<b>Hong Kong</b>						
Cheung Sha Wan Plaza	100%			100%		
Commercial		59.2	233,807		67.1	233,807
Office		62.5	409,896		66.4	409,896
Car Parking Spaces		9.7	N/A		9.7	N/A
<b>Subtotal:</b>		<b>131.4</b>	<b>643,703</b>		<b>143.2</b>	<b>643,703</b>
Causeway Bay Plaza 2	100%			100%		
Commercial		38.4	109,770		42.6	109,770
Office		21.0	96,268		22.7	96,268
Car Parking Spaces		2.9	N/A		2.6	N/A
<b>Subtotal:</b>		<b>62.3</b>	<b>206,038</b>		<b>67.9</b>	<b>206,038</b>
Lai Sun Commercial Centre	100%			100%		
Commercial		12.0	95,063		11.7	95,063
Office		2.9	74,181		2.8	74,181
Car Parking Spaces		10.4	N/A		11.2	N/A
<b>Subtotal:</b>		<b>25.3</b>	<b>169,244</b>		<b>25.7</b>	<b>169,244</b>
Others		3.3	15,951		2.8	15,951 <sup>1</sup>
<b>Subtotal:</b>		<b>222.3</b>	<b>1,034,936</b>		<b>239.6</b>	<b>1,034,936<sup>1</sup></b>

# Management Discussion and Analysis (Continued)

## PROPERTY INVESTMENT (CONTINUED)

### Rental Income (Continued)

Breakdown of turnover by usage of major rental properties of the Group is as follows: (Continued)

	Six months ended 31 January 2025			Six months ended 31 January 2024		
	Attributable interest to the Group	Turnover (HK\$ million)	Total GFA (square feet)	Attributable interest to the Group	Turnover (HK\$ million)	Total GFA (square feet)
<b>London, United Kingdom</b>						
107 Leadenhall Street	100%			100%		
Commercial		2.2	48,182		2.0	48,182
Office		4.0	98,424		4.7	98,424
<b>Subtotal:</b>		<b>6.2</b>	<b>146,606</b>		<b>6.7</b>	<b>146,606</b>
100 Leadenhall Street	100%			100%		
Office		26.6	177,700		26.7	177,700
106 Leadenhall Street	100%			100%		
Commercial		—	3,540		0.1	3,540
Office		—	16,384		0.6	16,384
<b>Subtotal:</b>		<b>—</b>	<b>19,924</b>		<b>0.7</b>	<b>19,924</b>
<b>Subtotal:</b>		<b>32.8</b>	<b>344,230</b>		<b>34.1</b>	<b>344,230</b>
<b>Chinese Mainland</b>						
<b>Shanghai</b>						
Shanghai Hong Kong Plaza	55.08%			55.08%		
Retail		83.2	468,434		83.4	468,434
Office		44.0	362,096		48.2	362,096
Car Parking Spaces		3.0	N/A		3.1	N/A
<b>Subtotal:</b>		<b>130.2</b>	<b>830,530</b>		<b>134.7</b>	<b>830,530</b>
Shanghai May Flower Plaza	55.08%			55.08%		
Retail		18.2	320,314		18.1	320,314
Car Parking Spaces		2.2	N/A		2.2	N/A
<b>Subtotal:</b>		<b>20.4</b>	<b>320,314</b>		<b>20.3</b>	<b>320,314</b>
Shanghai Regents Park	52.33%			52.33%		
Retail		4.5	82,062		8.5	82,062
Car Parking Spaces		0.7	N/A		0.3	N/A
<b>Subtotal:</b>		<b>5.2</b>	<b>82,062</b>		<b>8.8</b>	<b>82,062</b>
Shanghai Skyline Tower	55.08%			55.08%		
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
<b>Subtotal:</b>		<b>28.5</b>	<b>727,065</b>		<b>23.1</b>	<b>727,065</b>
<b>Guangzhou</b>						
Guangzhou May Flower Plaza	55.08%			55.08%		
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
<b>Subtotal:</b>		<b>47.7</b>	<b>436,855</b>		<b>49.6</b>	<b>436,855</b>

# Management Discussion and Analysis *(Continued)*

## PROPERTY INVESTMENT *(CONTINUED)*

### Rental Income *(Continued)*

Breakdown of turnover by usage of major rental properties of the Group is as follows: *(Continued)*

	Six months ended 31 January 2025			Six months ended 31 January 2024		
	Attributable interest to the Group	Turnover (HK\$ million)	Total GFA (square feet)	Attributable interest to the Group	Turnover (HK\$ million)	Total GFA (square feet)
Guangzhou West Point Retail	55.08%	10.7	182,344	55.08%	11.1	182,344
Guangzhou Lai Fung Tower	55.08%			55.08%		
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
<b>Subtotal:</b>		<b>61.3</b>	<b>738,113</b>		<b>60.7</b>	<b>738,113</b>
Guangzhou Lai Fung International Center	55.08%			55.08%		
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
<b>Subtotal:</b>		<b>30.9</b>	<b>614,621</b>		<b>17.3</b>	<b>614,621</b>
<b>Zhongshan</b>						
Zhongshan Palm Spring Rainbow Mall Retail <sup>2</sup>	55.08%	2.6	148,106	55.08%	2.6	148,106
<b>Hengqin</b>						
Novotown Phase I <sup>#</sup> Commercial <sup>4</sup>	64.06% <sup>3</sup>	9.2	998,730 <sup>4</sup>	64.06% <sup>3</sup>	3.4	1,006,091 <sup>4</sup>
<b>Others</b>		<b>19.2</b>	<b>N/A</b>		<b>18.6</b>	<b>N/A</b>
<b>Subtotal:</b>		<b>365.9</b>	<b>5,078,740</b>		<b>350.2</b>	<b>5,086,101</b>
<b>Total:</b>		<b>621.0</b>	<b>6,457,906</b>		<b>623.9</b>	<b>6,465,267</b>
<b>Rental income from joint venture projects</b>						
<b>Hong Kong</b>						
CCB Tower <sup>5</sup> (50% basis)	50%			50%		
Office		56.9	114,603 <sup>6</sup>		57.0	114,603 <sup>6</sup>
Car Parking Spaces		0.3	N/A		0.3	N/A
<b>Subtotal:</b>		<b>57.2</b>	<b>114,603<sup>6</sup></b>		<b>57.3</b>	<b>114,603<sup>6</sup></b>
Alto Residences <sup>7</sup> (50% basis)	50%			50%		
Commercial		0.2	—		7.5	47,067 <sup>8</sup>
Residential units <sup>9</sup>		0.2	1,216 <sup>10</sup>		2.5	11,038 <sup>10</sup>
Car Parking Spaces		0.4	N/A		1.7	N/A
<b>Subtotal:</b>		<b>0.8</b>	<b>1,216</b>		<b>11.7</b>	<b>58,105</b>
<b>Total:</b>		<b>58.0</b>	<b>115,819</b>		<b>69.0</b>	<b>172,708</b>

# Management Discussion and Analysis (Continued)

## PROPERTY INVESTMENT (CONTINUED)

### Rental Income (Continued)

**Notes:**

# Excluding office units and cultural workshop units. Office units with total GFA of 525,881 square feet and cultural workshop units with total GFA of 235,234 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 revenue and gains”, respectively.

1. Excluding 10% interest in AIA Central.
2. Excluding self-use area.
3. Including the Company’s 20% direct interest in Novotown Phase I and 44.06% attributable interest through Lai Fung. As at 31 January 2025, Novotown Phase I is 80% owned by Lai Fung and Lai Fung is a 55.08%-owned subsidiary of the Company.
4. Including the cultural attraction spaces occupied by Lionsgate Entertainment World® and National Geographic Ultimate Explorer Hengqin (self-use area), the total GFA of which was approximately 384,759 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.
5. CCB Tower is a joint venture project with CCB in which each of the Group and CCB has an effective 50% interest. For the six months ended 31 January 2025, the joint venture recorded rental income of approximately HK\$114.4 million (2024: HK\$114.6 million).
6. GFA attributable to the Group. The total GFA is 229,206 square feet.
7. Alto Residences is a joint venture project with Empire Group in which each of the Group and Empire Group has an effective 50% interest. The Alto Disposal was completed on 5 August 2024. Only share of recurring income from a small number of residential units, car parking spaces and property management remain. For the six months ended 31 January 2025, the joint venture recorded rental income of approximately HK\$1.7 million (2024: HK\$23.4 million).
8. GFA attributable to the Group. The total GFA is 94,133 square feet.
9. Referring to those sold residential units offering early occupation benefit which allows the purchasers to move in earlier before completion of the sale.
10. Saleable area attributable to the Group. The total saleable area is 2,431 (2024: 22,076) square feet.

The average Sterling exchange rate for the period under review appreciated by approximately 2.4% compared with same period last year. Excluding the effect of currency translation, the Sterling denominated turnover from London properties decreased by approximately 6.1% during the period under review. Breakdown of rental turnover of London portfolio for the six months ended 31 January 2025 is as follows:

	2025 HK\$'000	2024 HK\$'000	% Change	2025 GBP'000	2024 GBP'000	% Change
107 Leadenhall Street	6,213	6,674	-6.9	616	678	-9.1
100 Leadenhall Street	26,548	26,733	-0.7	2,634	2,717	-3.1
106 Leadenhall Street	—	648	-100.0	—	66	-100.0
<b>Total:</b>	<b>32,761</b>	<b>34,055</b>	<b>-3.8</b>	<b>3,250</b>	<b>3,461</b>	<b>-6.1</b>

# Management Discussion and Analysis *(Continued)*

## PROPERTY INVESTMENT *(CONTINUED)*

### Review of major investment properties

#### *Hong Kong Properties*

##### *Cheung Sha Wan Plaza*

The asset comprises an 8-storey and a 7-storey office towers erected on top of a retail podium which was completed in 1989. It is located on top of the Lai Chi Kok MTR station with a total GFA of 643,703 square feet (excluding car parking spaces). The arcade is positioned to serve the local communities nearby with major banks and recognised restaurants chains as the key tenants.

The Group owns 100% of this property.

##### *Causeway Bay Plaza 2*

The asset comprises a 28-storey commercial/office building with car parking facilities at basement levels which was completed in 1992. It is located at the heart of Causeway Bay with a total GFA of 206,038 square feet (excluding car parking spaces). Key tenants include a HSBC branch and commercial offices and major restaurants.

The Group owns 100% of this property.

##### *Lai Sun Commercial Centre*

The asset comprises a 13-storey commercial/carpark complex completed in 1987. It is located near the Lai Chi Kok MTR station with a total GFA of 169,244 square feet (excluding car parking spaces).

The Group owns 100% of this property.

##### *CCB Tower*

This is a 50:50 joint venture between the Group and CCB involving the redevelopment of the former Ritz-Carlton Hotel in Central. This 27-storey office tower is a landmark property in Central featuring underground access to the Central MTR station. The property has a total GFA of 229,206 square feet (excluding car parking spaces). 18 floors of the office floors and 1 banking hall floor of CCB Tower are leased to CCB for its Hong Kong operations.

#### *Overseas Properties*

##### *107 Leadenhall Street, London EC3, United Kingdom*

In April 2014, the Group acquired a property located at the core of the insurance district in the City of London, surrounded by 30 St Mary Axe (commonly known as the Gherkin), Lloyd's of London and the Willis Building at 51 Lime Street. It is a freehold commercial property housing commercial, offices and retail space. The building comprises 146,606 square feet gross internal area of office accommodation extending over basement, ground, mezzanine and seven upper floors. The occupancy rate at the end of January 2025 was approximately 47.8%.

The Group owns 100% of this property.

##### *100 Leadenhall Street, London EC3, United Kingdom*

Following the acquisition of 107 Leadenhall Street in April 2014, the Group completed the acquisition of 100 Leadenhall Street in January 2015. This property comprises a basement, a lower ground floor, ground floor and nine upper floors and provides 177,700 square feet gross internal area of offices and ancillary accommodation. The property is currently vacant.

The Group owns 100% of this property.

# Management Discussion and Analysis *(Continued)*

## PROPERTY INVESTMENT *(CONTINUED)*

### Review of major investment properties *(Continued)*

#### *Overseas Properties (Continued)*

##### *106 Leadenhall Street, London EC3, United Kingdom*

In December 2015, the Group acquired the property located adjacent to 100 and 107 Leadenhall Street, namely 106 Leadenhall Street, which is a multi-tenanted asset with approximately 19,924 square feet gross internal area of commercial and offices including ancillary space. The property is currently vacant.

The Group owns 100% of this property.

The City of London's Planning and Transportation Committee has approved a resolution to grant Planning Consent to the Group to redevelop the Leadenhall Properties. The Leadenhall Properties currently have a combined GFA of approximately 344,230 square feet. The Group will continue to monitor the market conditions in London closely. The Planning Consent would allow the Group to redevelop the Leadenhall Properties into a 57 storey tower with i) approximately 1,059,525 square feet gross internal area of office space as well as new retail space of approximately 57,827 square feet including two restaurant floors at levels 53 and 54; ii) a free, public viewing gallery of approximately 25,190 square feet at levels 56 and 57 of the building which offers 360 degree views across London; and iii) new pedestrian routes between Leadenhall Street, Bury Street and St Mary Axe, and new public spaces around the base of the building. Including ancillary facilities of approximately 153,487 square feet, the total gross internal area of the proposed tower is expected to be approximately 1,296,029 square feet upon completion. This mixed-use development is targeting a carbon net zero strategy. Knight Frank and CBRE have been appointed as Office Leasing and Development advisers. A revised scheme was submitted to the City of London's Planning and Transportation Committee in August 2022 for improving on the original design and repositioning the building to provide higher sustainability standards and enhanced amenities within the building. The revised proposal has been approved by the City of London Authority in May 2023. The Group is currently assessing options including redevelopment, refurbishment and investment structures to optimise value for the Group.

#### *Chinese Mainland Properties*

Except for the Group's 20% interest in Novotown Phase I in Hengqin, all major rental properties of the Group in Chinese Mainland are held through Lai Fung Group.

##### *Shanghai Hong Kong Plaza*

Being Lai Fung 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.

Lai Fung Group owns 100% of this property.



# Management Discussion and Analysis *(Continued)*

## PROPERTY INVESTMENT *(CONTINUED)*

### Review of major investment properties *(Continued)*

#### *Chinese Mainland Properties (Continued)*

##### *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.

Lai Fung 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. Lai Fung Group retains a 95% interest in the commercial portion which has a total GFA of approximately 82,100 square feet (GFA attributable to Lai Fung 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.

Lai Fung 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.

Lai Fung Group owns 100% of this property.

##### *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 Lai Fung Group has sold all the residential and office units.

Lai Fung 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.

Lai Fung Group owns 100% of this property.

# Management Discussion and Analysis *(Continued)*

## PROPERTY INVESTMENT *(CONTINUED)*

### Review of major investment properties *(Continued)*

#### *Chinese Mainland Properties (Continued)*

##### *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.

Lai Fung 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.

Lai Fung 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%.

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.

Lai Fung 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)*

## PROPERTY INVESTMENT *(CONTINUED)*

### Review of major investment properties *(Continued)*

#### *Chinese Mainland Properties (Continued)*

##### *Hengqin Novotown (Continued)*

###### 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. Lai Fung 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. Except for the two themed indoor experience centers, namely “Lionsgate Entertainment World®” and “National Geographic Ultimate Explorer Hengqin”, key tenants include 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 Lai Fung 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.

Lai Fung Group owns 80% of Novotown Phase I. The remaining 20% is owned by the Group.

###### 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, Lai Fung 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.

Lai Fung Group owns 100% of Novotown Phase II.

# Management Discussion and Analysis *(Continued)*

## PROPERTY DEVELOPMENT

### Recognised Sales

For the six months ended 31 January 2025, recognised turnover from sales of properties was HK\$617.2 million (2024: HK\$924.6 million). Breakdown of turnover for the six months ended 31 January 2025 from sales of properties is as follows:

#### Hong Kong

Recognised basis	No. of Units	Approximate Saleable Area (Square feet)	Average Selling Price <sup>1</sup> (HK\$/square foot)	Turnover (HK\$ million)
The Parkland Residential Units	103	32,992	9,374	309.3
Bal Residence Residential Units	34	11,566	15,053	174.1
Monti Car Parking Spaces	2			1.9
Others				0.7
<b>Subtotal</b>				<b>486.0</b>

#### Chinese Mainland

Recognised basis	No. of Units	Approximate GFA (Square feet)	Average Selling Price <sup>2</sup> (HK\$/square foot)	Turnover <sup>3</sup> (HK\$ million)
Hengqin Novotown Phase I Cultural Studios	4	11,418	3,748	39.6
Cultural Workshop Units	6	3,909	1,996	7.2
Zhongshan Palm Spring Residential High-rise Units	45	56,540	1,565	81.3
Shanghai Regents Park Car Parking Spaces	2			1.2
Guangzhou Eastern Place Car Parking Spaces	3			1.5
Guangzhou King's Park Car Parking Space	1			0.4
<b>Subtotal</b>				<b>131.2</b>
<b>Total</b>				<b>617.2</b>

# Management Discussion and Analysis *(Continued)*

## PROPERTY DEVELOPMENT *(CONTINUED)*

### Recognised Sales *(Continued)*

#### Recognised sales from joint venture project

##### Hong Kong

Recognised basis	No. of Units	Approximate Saleable Area (Square feet)	Average Selling Price <sup>1</sup> (HK\$/square foot)	Turnover (HK\$ million)
Alto Residences (50% basis)				
House <sup>4</sup>	1	1,827	22,174	40.5 <sup>5</sup>
Residential Unit <sup>6</sup>	1	693	24,531	17.0 <sup>7</sup>
<b>Total</b>				<b>57.5</b>

#### Notes:

1. Excluding the financing component for sale of completed properties in accordance with Hong Kong Financial Reporting Standard 15 "Revenue from Contracts with Customers".
2. Value-added tax inclusive.
3. Value-added tax exclusive.
4. No. of house(s) and saleable area attributable to the Group. The total no. of house(s) recognised and total saleable area are 1 and 3,653 square feet, respectively.
5. Representing property sales proceeds of HK\$72.9 million and rental income of HK\$8.1 million in relation to certain houses offering early occupation benefit which allows the purchasers to move in earlier before completion of the sale.
6. No. of residential unit(s) and saleable area attributable to the Group. The total no. of residential unit(s) recognised and total saleable area are 1 and 1,386 square feet, respectively.
7. Representing property sales proceeds of HK\$32.3 million and rental income of HK\$1.7 million in relation to certain residential unit offering early occupation benefit which allows the purchasers to move in earlier before completion of the sale.

# Management Discussion and Analysis (Continued)

## PROPERTY DEVELOPMENT (CONTINUED)

### Contracted Sales

As at 31 January 2025, the Group's property development operation has contracted but not yet recognised sales of HK\$223.5 million. Including the joint venture project of the Group, the total contracted but not yet recognised sales of the Group as at 31 January 2025 amounted to HK\$278.5 million. Breakdown of contracted but not yet recognised sales as at 31 January 2025 is as follows:

#### Hong Kong

Contracted basis	No. of Units	Approximate Saleable Area (Square feet)	Average Selling Price (HK\$/square foot)	Turnover (HK\$ million)
Bal Residence Residential Units	7	2,399	14,501	34.8
The Parkland Residential Units	3	1,056	9,372	9.9
<b>Subtotal</b>				<b>44.7</b>

#### Chinese Mainland

Contracted basis	No. of Units	Approximate GFA (Square feet)	Average Selling Price <sup>1</sup> (HK\$/square foot)	Turnover <sup>1</sup> (HK\$ million)
Zhongshan Palm Spring Residential High-rise Units	7	9,626	1,527	14.7
Hengqin Novotown Phase I Cultural Workshop Units	2	1,302	2,074	2.7
Hengqin Novotown Phase II Harrow LiDe School Hengqin Buildings <sup>2</sup>	N/A	149,078	1,079	160.9 <sup>3</sup>
Guangzhou Eastern Place Car Parking Space	1			0.5
<b>Subtotal</b>				<b>178.8</b>
<b>Total</b>				<b>223.5</b>

# Management Discussion and Analysis *(Continued)*

## PROPERTY DEVELOPMENT *(CONTINUED)*

### Contracted Sales *(Continued)*

#### Contracted sales from joint venture project Hong Kong

Contracted basis	No. of Units	Approximate Saleable Area (Square feet)	Average Selling Price (HK\$/square foot)	Turnover (HK\$ million)
Alto Residences (50% basis)				
House <sup>4</sup>	1	1,135	24,374	27.7 <sup>5</sup>
Residential Unit <sup>6</sup>	1	1,055	25,931	27.3 <sup>7</sup>
<b>Total</b>				<b>55.0</b>

#### Notes:

1. Value-added tax inclusive.
2. Will be recognised as income from finance lease under turnover.
3. 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.
4. No. of house(s) and saleable area attributable to the Group. The total no. of house(s) contracted and total saleable area are 1 and 2,270 square feet, respectively.
5. Representing property sales proceeds of HK\$55.3 million.
6. No. of residential unit(s) and saleable area attributable to the Group. The total no. of residential units contracted and total saleable area are 2 and 2,109 square feet, respectively.
7. Representing property sales proceeds of HK\$52.0 million and rental income of HK\$2.7 million in relation to certain residential units offering early occupation benefit which allows the purchasers to move in earlier before completion of the sale.

# Management Discussion and Analysis *(Continued)*

## PROPERTY DEVELOPMENT *(CONTINUED)*

### Review of major projects for sale and under development

#### *Hong Kong Properties*

##### *Bal Residence*

In April 2019, the Group successfully secured the Urban Renewal Authority project at No. 18 Hang On Street, Kwun Tong, Hong Kong. Construction work was completed in October 2023, while fitting-out work was completed in late March 2024.

The project was named as “Bal Residence”. Pre-sale of residential units was launched in February 2023, followed by the official sale launch in late November 2023. Bal Residence has a total saleable area of approximately 62,148 square feet, including 7,506 square feet of commercial facilities and 54,642 square feet of residential spaces, offering 156 residential units. Up to 14 March 2025, the Group has sold 108 residential units in Bal Residence with saleable area of approximately 36,773 square feet at an average selling price of approximately HK\$15,171 per square foot.

The Group owns 100% of this project.

##### *The Parkland*

In March 2019, the Group successfully tendered for and secured a site located at No. 266 Tai Kei Leng, Lot No. 5382 in Demarcation District No. 116, Tai Kei Leng, Yuen Long, Hong Kong. This site is designated for private residential purposes. Construction work was completed in late March 2024, while fitting-out work was completed in late December 2024.

The project was named as “The Parkland”. Pre-sale of residential units commenced in October 2024. The Parkland has a total saleable area of approximately 36,720 square feet, offering 112 residential units. Up to 14 March 2025, the Group has sold 107 units in The Parkland with saleable area of approximately 34,313 square feet at an average selling price of approximately HK\$9,405 per square foot.

The Group owns 100% of this project.

##### *Wong Chuk Hang project*

In January 2021, the consortium formed by the Group together with New World Development Company Limited, Empire Development Hong Kong (BVI) Limited and CSI Properties Limited successfully won the tender for the Wong Chuk Hang Station Package Five Property Development. This luxury residential development project sitting on top of the Wong Chuk Hang MTR station and “THE SOUTHSIDE”, the largest shopping mall in the prominent Southern district of Hong Kong, covers a site area of approximately 95,600 square feet, with a total GFA of approximately 636,200 square feet and is expected to deliver two residential towers, offering around 825 residential units, with a total investment of approximately HK\$18.0 billion. Construction work is in progress and is expected to be completed in the first quarter of 2026.

The Group owns 15% interest in this project.

##### *79 Broadcast Drive project*

In October 2021, the Group successfully tendered for and secured a site at No. 79 Broadcast Drive, Kowloon Tong, Hong Kong. The site with a site area of approximately 23,900 square feet used to be the Educational Television Centre of Radio Television Hong Kong and maximum permissible GFA is around 71,600 square feet. The Group plans to develop a high-quality luxury residential project offering around 46 medium-large sized units including 2 houses, with a total investment of approximately HK\$2.3 billion. Superstructure work is in progress and the construction is expected to be completed in the first half of 2026.

The Group owns 100% of this project.



# Management Discussion and Analysis *(Continued)*

## PROPERTY DEVELOPMENT *(CONTINUED)*

### Review of major projects for sale and under development *(Continued)*

#### *Hong Kong Properties (Continued)*

##### *1&1A Kotewall Road project*

In January 2022, the Group acquired two adjacent buildings at Nos. 1&1A Kotewall Road in Mid-Levels, Hong Kong Island for redevelopment purpose and the transaction was completed with vacant possession in March 2022. The Group intends to redevelop the site into a luxury residential project with a total GFA of approximately 55,200 square feet, offering around 27 medium-large sized residential units upon completion. The total investment of the project will be approximately HK\$1.9 billion. Excavation and lateral support and foundation works are in progress and the construction is expected to be completed in the fourth quarter of 2027.

The Group owns 100% of this project.

##### *116 Waterloo Road project*

In September 2021, the Group acquired the 3-storey building at No. 116 Waterloo Road in Ho Man Tin, Kowloon, Hong Kong for redevelopment purpose and the transaction was completed with vacant possession in March 2022. The Group intends to redevelop the site into residential units with a total GFA of approximately 46,600 square feet, offering around 85 residential units, with a total investment of approximately HK\$1.1 billion. Project design work is in progress and the construction is expected to be completed in the third quarter of 2028.

The Group owns 100% of this project.

#### *Chinese Mainland Properties*

All major properties for sale and under development in Chinese Mainland of the Group are held through Lai Fung Group except Hengqin Novotown Phase I which is 80% owned by Lai Fung Group and 20% owned by the Group.

##### *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. 13 car parking spaces of this development remained unsold.

Lai Fung 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.

Lai Fung 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.

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

# Management Discussion and Analysis *(Continued)*

## PROPERTY DEVELOPMENT *(CONTINUED)*

### Review of major projects for sale and under development *(Continued)*

#### *Chinese Mainland Properties (Continued)*

##### *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 car parking space remained unsold.

Lai Fung 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 Lai Fung Group has sold all the residential and office units. As at 31 January 2025, 80 car parking spaces remained unsold.

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

##### *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 and 2,663 car parking spaces remained unsold.

Lai Fung 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 Lai Fung 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.

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

Lai Fung Group owns 80% of Novotown Phase I. The remaining 20% is owned by the Group.

# Management Discussion and Analysis *(Continued)*

## PROPERTY DEVELOPMENT *(CONTINUED)*

### Review of major projects for sale and under development *(Continued)*

#### *Chinese Mainland Properties (Continued)*

##### *Hengqin Novotown (Continued)*

###### *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. Lai Fung 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 Lai Fung Group to crystallise the value of its investment in Novotown Phase II and gradually recoup funding to improve the project's working capital position.

Lai Fung 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)

## HOTEL AND SERVICED APARTMENT OPERATIONS

The hotel and serviced apartment operation segment of the Group includes the Group's operation of the Ocean Park Marriott Hotel in Hong Kong and the Caravelle Hotel in Ho Chi Minh City, Vietnam, as well as Lai Fung Group's hotel and serviced apartment operation in Shanghai and Hengqin, Chinese Mainland. Since December 2019, the Group further expanded its hotel portfolio with the acquisition of a 50% interest in Fairmont St. Andrews resort in Fife, Scotland, United Kingdom. Performance of the 50:50 joint venture of Fairmont St. Andrews resort is recognised as "Share of profits and losses of joint ventures" in the consolidated income statement of the Group. The hotel project in Phuket, Thailand that the Group invested in June 2017 is still at the planning stage. The Group is closely monitoring the tourism market in Thailand and will provide updates on this project as and when there is material progress.

For the six months ended 31 January 2025, the hotel and serviced apartment operations contributed HK\$647.3 million to the Group's turnover (2024: HK\$623.0 million), representing an increase of approximately 3.9%. The increase in revenue from hotel and serviced apartment operations was mainly driven by the growth in Caravelle Hotel in Ho Chi Minh City, attributed to the better room rate and sales strategies, consequently leading to a higher average daily rate and revenue, together with stronger non-room revenue during the period under review, as compared to the same period last year.

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

	Location	Attributable interest to the Group	No. of Rooms <sup>1</sup>	Total GFA (square feet)	Turnover (HK\$ million)	Period end occupancy rate (%)	
Hotel and serviced apartment							
	Ocean Park Marriott Hotel	Hong Kong	100%	471	365,974	228.6	69.5
	Ascott Huaihai Road Shanghai	Shanghai	55.08%	310	359,700	50.5	65.7
	STARR Hotel Shanghai	Shanghai	55.08%	239	143,846	13.4	53.9
	Hyatt Regency Hengqin	Hengqin	64.06%	493	610,540	82.9	88.6
	Caravelle Hotel	Ho Chi Minh City	26.01%	335	378,225	271.6	73.8
Subtotal:			1,848	1,858,285	647.0		
Hotel management fee					0.3		
Total:					647.3		
Joint Venture Project							
	Fairmont St. Andrews resort (50% basis)	Scotland	50%	106 <sup>2</sup>	138,241 <sup>2</sup>	48.1	28.7

Notes:

1. On 100% basis.
2. No. of rooms and GFA attributable to the Group. The total number of rooms and total GFA are 211 and 276,482 square feet, respectively.

# Management Discussion and Analysis *(Continued)*

## HOTEL AND SERVICED APARTMENT OPERATIONS *(CONTINUED)*

Ocean Park Marriott Hotel officially commenced its operations on 19 February 2019, adding a total of 471 rooms and approximately 365,974 square feet of attributable rental space to the rental portfolio of the Group. Ocean Park Marriott Hotel has achieved “Gold” rating in BEAM Plus Final Assessment. The Group remains optimistic about the prospects of the Ocean Park Marriott Hotel given the popularity of Ocean Park, as well as Asia’s first all-season water park, Water World, grand opened in September 2021. The Group owns 100% interest in Ocean Park Marriott Hotel.

Caravelle Hotel is a leading international 5-star hotel in the centre of the business, shopping and entertainment district in Ho Chi Minh City, Vietnam. It is an elegant 24-storey tower with a mixture of French colonial and traditional Vietnamese style and has 335 superbly appointed rooms, suites, exclusive Signature Floors, Signature Lounge and a specially equipped room for the disabled. Total GFA of Caravelle Hotel is approximately 378,225 square feet. The Group owns a 26.01% interest in Caravelle Hotel.

The hotel operation team of the Group has extensive experience in providing consultancy and management services to hotels in Chinese Mainland, Hong Kong and other Asian countries. The division’s key strategy going forward will continue to focus on providing management services, particularly to capture opportunities arising from the developments of Lai Fung Group in Shanghai, Guangzhou, Zhongshan and Hengqin. The hotel division of the Group manages Lai Fung’s serviced apartments in Shanghai under the “STARR” brand.

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 Lai Fung 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).

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 attributable to Lai Fung Group.

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 Lai Fung 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. Lai Fung Group owns 80% interest in Hyatt Regency Hengqin and the remaining 20% is owned by the Group.

# Management Discussion and Analysis *(Continued)*

## RESTAURANT AND F&B PRODUCT SALES OPERATIONS

For the six months ended 31 January 2025, restaurant and F&B product sales operations contributed HK\$217.8 million to the Group's turnover, representing a significant decrease of approximately 23.8% from that of HK\$285.8 million for the same period last year. The decrease was mainly attributed to the weak local consumption trend and the changing habits of local residents towards outbound travel spending. However, the Group has closed or consolidated certain non-performing restaurants during the period under review, together with the reduction in depreciation of right-of-use assets and property, plant and equipment as a result of the impairment losses provided for these assets in previous financial year, the segment losses reduced during the period under review. The Group has 3 new restaurants in operation under the period under review, namely Chiu Bistro, OH! MY BREAD (includes OH! MY NOODLE) and Akatsuki.

Up to the date of this interim report, restaurant operations include the Group's interests in 25 restaurants in Hong Kong and Chinese Mainland and 1 restaurant in Macau under management. Details of each existing restaurant of the Group are as follows:

Cuisine	Restaurant	Location	Attributable interest to the Group	Award
<b><i>Owned restaurants</i></b>				
Western/International Cuisine	8 <sup>½</sup> Otto e Mezzo BOMBANA Hong Kong	Hong Kong	38%	Three Michelin stars (2012-2025)
	8 <sup>½</sup> Otto e Mezzo BOMBANA Shanghai	Shanghai	13%	Two Michelin stars (2017-2025)
	Beefbar	Hong Kong	63%	One Michelin star (2017-2025)
	Prohibition <i>(Note)</i>	Hong Kong	100%	
	Cipriani	Hong Kong	44%	
	Plaisance by Mauro Colagreco	Hong Kong	48%	One Michelin star (2025)
Asian Cuisine	China Tang Landmark	Hong Kong	51%	The Plate Michelin (2019-2021)
	Howard's Gourmet	Hong Kong	51%	
	Chiu Tang Central	Hong Kong	68%	
	Chiu Bistro	Hong Kong	68%	
	Canton Bistro <i>(Note)</i>	Hong Kong	100%	
	KiKi Noodle Bar IFC	Hong Kong	83%	
	KiKi Noodle Bar K11 MUSEA	Hong Kong	83%	
	KiKi Noodle Bar OP Mall	Hong Kong	83%	
	KiKi Noodle Bar Hysan Place	Hong Kong	83%	
	Academia	Hong Kong	83%	
	OH! MY BREAD (includes OH! MY NOODLE)	Hong Kong	83%	
	MOSU Hong Kong	Hong Kong	68%	
	SÉP	Hong Kong	68%	
	HANU	Hong Kong	65%	
	bibigo bapsang	Hong Kong	68%	
	China Club	Hong Kong	17%	
Japanese Cuisine	Kanesaka Hong Kong	Hong Kong	68%	
	Yamato	Hong Kong	60%	
	Akatsuki	Hong Kong	48%	
<b><i>Managed restaurant</i></b>				
Western Cuisine	8 <sup>½</sup> Otto e Mezzo BOMBANA, Macau	Macau	N/A	One Michelin star (2016-2025)

*Note: Performance of these two restaurants in Ocean Park Marriott Hotel has been included in the hotel operation segment for segment reporting purposes.*

# Management Discussion and Analysis *(Continued)*

## CINEMA OPERATION

The cinema operation is managed by eSun Group. For the six months ended 31 January 2025, this segment recorded a turnover of HK\$220.2 million (2024: HK\$188.9 million) and segment results of a loss of HK\$16.6 million (2024: a loss of HK\$55.9 million). However, eSun Group has closed certain non-performing cinema and renegotiated the leases with the respective landlords during the period under review, together with the reduction in depreciation of right-of-use assets and property, plant and equipment as a result of the impairment losses provided for these assets in previous financial year, the segment losses reduced during the period under review. As at the date of this interim report, eSun Group operates fifteen cinemas in Hong Kong and one cinema in Chinese Mainland. Details on the number of screens and seats of each existing cinema are disclosed in below table. Besides, eSun Group has extended its cinema network through two 50% joint ventures with Emperor Cinemas Group, namely Emperor Cinemas Plus+ (The Wai) (opened in July 2023) and Emperor Cinemas Plus+ (The Southside) (opened in June 2024), which are managed by Emperor Cinemas Group.

Cinema (managed by eSun Group)	Attributable interest to eSun Group (%)	No. of screens (Note)	No. of seats (Note)
<b>Chinese Mainland</b>			
Suzhou Grand Cinema City	100	10	1,440
<b>Subtotal</b>		<b>10</b>	<b>1,440</b>
<b>Hong Kong</b>			
K11 Art House	100	12	1,708
Movie Town (including MX4D theatre)	100	7	1,702
MCL AIRSIDE Cinema	100	7	944
MCL The ONE Cinema	100	6	831
MCL Cyberport Cinema	100	4	818
MCL Citygate Cinema	100	4	673
MCL Amoy Cinema	100	3	603
Festival Grand Cinema	95	8	1,196
MCL Telford Cinema (including MX4D theatre)	95	6	789
MCL Metro City Cinema	95	6	690
STAR Cinema	95	6	622
Grand Kornhill Cinema (including MX4D theatre)	95	5	706
MCL Cheung Sha Wan Cinema	95	4	418
MCL Green Code Cinema	95	3	285
Grand Windsor Cinema	95	3	246
<b>Subtotal</b>		<b>84</b>	<b>12,231</b>
<b>Total</b>		<b>94</b>	<b>13,671</b>

Note: On 100% basis.

# Management Discussion and Analysis *(Continued)*

## MEDIA AND ENTERTAINMENT

The media and entertainment businesses are operated by eSun Group. For the six months ended 31 January 2025, this segment recorded a turnover of HK\$103.4 million (2024: HK\$179.3 million) and segment results of a decreased profit to HK\$18.5 million from that of HK\$25.0 million in the same period of last year.

### Events Management

During the period under review, eSun Group organised and invested in 15 (2024: 27) shows by popular local and Asian renowned artistes, including Jay Fung, Sammi Cheng, Grasshopper, Cloud Wan, Jace Chan, Dear Jane, Ekin Cheng, Tsai Chin, ILUB and Zhao Chuan.

### Music Production, Distribution and Publishing

During the period under review, eSun Group released 6 (2024: 5) albums, including titles by Jay Fung, On Chan, Cloud Wan and Ansonbean. eSun Group expects to continue to increase its music licensing revenue from the exploitation of the music library through new media distribution.

### Artiste Management

eSun Group has a strong artiste management team and a sizeable number of talents and will continue to expand its profile and in tandem with our growing TV drama production and film production businesses. eSun Group currently has 17 artistes under its management.

## FILM AND TV PROGRAM PRODUCTION AND DISTRIBUTION

The film and TV program production and distribution businesses are operated by eSun Group. For the six months ended 31 January 2025, this segment recorded a turnover of HK\$31.8 million (2024: HK\$125.2 million) and segment results of an increased profit to HK\$15.3 million (2024: loss of HK\$1.3 million).

During the period under review, a total of 6 (2024: 1) film(s) and nil (2024: 1) TV program produced/invested by eSun Group were theatrically released, namely *"Octopus with Broken Arms"*, *"Detective Chinatown 1900"*, *"An Abandoned Team"*, *"The Grey Men 2"*, *"Decoded"* and *"The Volunteers: The Battle of Life and Death"*. eSun Group also distributed 27 (2024: 26) films with high profile titles including *"The Last Dance"*, *"Gladiator II"* and *"Transformers One"*.

## INTERESTS IN JOINT VENTURES

For the six months ended 31 January 2025, share of profits from joint ventures of the Group amounted to HK\$22.0 million, as compared to share of losses from joint ventures of the Group of HK\$341.4 million for the same period last year. The increased profits were primarily due to no revaluation losses were recorded for the properties as there was no movement in the fair value of CCB Tower during the period under review. Also, the Alto Disposal removed any future fair value movement.

	Six months ended 31 January	
	2025 (HK\$ million)	2024 (HK\$ million)
Revaluation losses	—	(341.0)
Operating profits/(losses)	22.0	(0.4)
Profits/(losses) from joint ventures	22.0	(341.4)



# Management Discussion and Analysis *(Continued)*

## LIQUIDITY AND FINANCIAL RESOURCES

As at 31 January 2025, cash and bank balances and undrawn facilities held by the Group amounted to approximately HK\$3,990.6 million and approximately HK\$4,638.7 million, respectively. Cash and bank balances held by the Group of which about 51% was denominated in Hong Kong dollars and United States dollars, and about 36% was denominated in Renminbi. Excluding eSun Group and Lai Fung Group, cash and bank balances and undrawn facilities held by the Group as at 31 January 2025 were approximately HK\$1,846.8 million and approximately HK\$2,026.6 million, respectively.

The Group's sources of funding comprise mainly internal funds generated from the Group's business operations, loan facilities provided by banks and guaranteed notes issued to investors.

As at 31 January 2025, the Group had bank borrowings of approximately HK\$20,324.9 million, guaranteed notes of approximately HK\$4,227.5 million and other borrowings of approximately HK\$292.9 million. As at 31 January 2025, the maturity profile of the bank borrowings of HK\$20,324.9 million is spread with HK\$5,193.7 million repayable within one year, HK\$5,693.2 million repayable in the second year, HK\$6,662.0 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 to refinance these borrowings due within one year and has received written commitment from certain banks.

The Group issued guaranteed notes in an aggregate principal amount of US\$493 million and HK\$385 million. The guaranteed notes have terms ranging from five years to seven years and three months, and bear fixed interest rates ranging from 4.9% to 5.25% per annum. Certain guaranteed notes are listed on The Stock Exchange of Hong Kong Limited and were issued for refinancing the previous notes and for general corporate purposes. The Group entered into cross currency swap agreements with financial institutions for the purpose of hedging the foreign currency risk of certain guaranteed notes.

Approximately 82% and 17% of the Group's total borrowings carried interest on a floating rate basis and fixed rate basis, respectively, and the remaining 1% of the Group's borrowings were interest-free.

The gearing ratio, expressed as a percentage of the total outstanding net debt (being the total borrowings less cash and bank balances) to consolidated net assets attributable to owners of the Company, was approximately 82%. Excluding the net debt of eSun Group and Lai Fung Group, the Group's gearing ratio was approximately 51%.

As at 31 January 2025, certain investment properties with carrying amounts of approximately HK\$32,999.7 million, certain property, plant and equipment and the related right-of-use assets with carrying amounts of approximately HK\$7,989.1 million, certain completed properties for sale with carrying amounts of approximately HK\$1,089.5 million, certain properties under development with carrying amounts of approximately HK\$4,065.5 million, and certain bank balances and time deposits with banks of approximately HK\$814.7 million were pledged to banks to secure banking facilities granted to the Group. In addition, shares in certain subsidiaries were pledged to banks to secure banking facilities granted to the Group. Shares in certain joint ventures were pledged to banks to secure banking facilities granted to the respective joint ventures of the Group. The Group's secured bank borrowings were also secured by floating charges over certain assets held by the Group.

The Group's major assets and liabilities and transactions were denominated in Hong Kong dollars, United States dollars, Pound Sterling and Renminbi. Considering that Hong Kong dollars are pegged against United States dollars, the Group believes that the corresponding exposure to exchange rate risk arising from United States dollars is not material. The Group has investments in United Kingdom with the assets and liabilities denominated in Pound Sterling. These investments were primarily financed by bank borrowings denominated in Pound Sterling in order to minimise the net foreign exchange exposure. Lai Fung Group has a net exchange exposure to Renminbi as their assets are principally located in Chinese Mainland and the revenues are predominantly in Renminbi. Other than the abovementioned, the remaining monetary assets and liabilities of the Group were denominated in Euro, Malaysian Ringgit and Vietnamese Dong which were insignificant as compared with the Group's total assets and liabilities. The Group manages its foreign currency risk by closely reviewing the movement of the foreign currency rate and considers hedging significant foreign currency exposure should the additional need arise.

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.

# Particular of Major Properties

## COMPLETED PROPERTIES HELD FOR RENTAL

As at 31 January 2025

				Approximate Attributable GFA (square feet)				No. of car parking spaces attributable to the Group
Property Name	Location	Attributable Interest to the Group	Tenure	Commercial / Retail	Office	Industrial	Total (excluding car parking spaces & ancillary facilities)	
Hong Kong								
Cheung Sha Wan Plaza	833 Cheung Sha Wan Road, Cheung Sha Wan, Kowloon, Hong Kong (New Kowloon Inland Lot No. 5955)	100%	The property is held for a term expiring on 30 June 2047	233,807	409,896	—	643,703	355
Causeway Bay Plaza 2	463-483 Lockhart Road, Causeway Bay, Hong Kong (Section J and the Remaining Portions of Sections D,E,G,H,K,L,M and O, Subsection 4 of Section H and the Remaining Portion of Inland Lot No. 2833)	100%	The property is held for a term of 99 years commencing on 15 April 1929 and renewable for a further term of 99 years	109,770	96,268	—	206,038	57
Lai Sun Commercial Centre	680 Cheung Sha Wan Road, Cheung Sha Wan, Kowloon, Hong Kong (New Kowloon Inland Lot No. 5984)	100%	The property is held for a term of which expired on 27 June 1997 and has been extended upon expiry until 30 June 2047	95,063	74,181	—	169,244	538
CCB Tower	3 Connaught Road Central, Hong Kong (Inland Lot No. 8736)	50%	The property is held for a term commencing from 28 June 1989 and expiring on 30 June 2047	—	114,603	—	114,603	19
Metropolitan Factory and Warehouse Building (Units A and B on 10/F and car parking spaces nos. 1, 2, 13 and 14 on G/F)	30-32 Chai Wan Kok Street, Tsuen Wan, New Territories, Hong Kong	100%	The property is held for a term of which expired on 27 June 1997 and has been extended upon expiry until 30 June 2047	—	—	11,370	11,370	4
Luen Fat Loong Factory Building (4/F)	19 Cheung Lee Street, Chai Wan, Hong Kong	100%	The property is held for a term of 75 years commencing on 4 November 1963 renewable for a further term of 75 years	—	—	4,290	4,290	—
Subtotal of major completed properties held for rental in Hong Kong:				438,640	694,948	15,660	1,149,248	973

# Particular of Major Properties *(Continued)*

## COMPLETED PROPERTIES HELD FOR RENTAL *(CONTINUED)*

As at 31 January 2025

				Approximate Attributable GFA (square feet)					
Property Name	Location	Attributable Interest to the Group	Tenure	Commercial / Retail	Office	Industrial	Total (excluding car parking spaces & ancillary facilities)	No. of car parking spaces attributable to the Group	
United Kingdom									
107 Leadenhall Street London <sup>1</sup>	107 Leadenhall Street, London EC3, United Kingdom	100%	The property is held freehold	48,182	98,424	—	146,606	—	
100 Leadenhall Street London <sup>1</sup>	100 Leadenhall Street, London EC3, United Kingdom	100%	The property is held freehold	—	177,700	—	177,700	15	
106 Leadenhall Street London <sup>1</sup>	106 Leadenhall Street, London EC3, United Kingdom	100%	The property is held freehold	3,540	16,384	—	19,924	—	
Subtotal of major completed properties held for rental in United Kingdom:				51,722	292,508	—	344,230	15	
Chinese Mainland									
Shanghai									
Hong Kong Plaza	282 & 283 Huaihaizhong Road, Huangpu District	55.08%	The property is held for a term of 50 years commencing on 16 September 1992	258,013	199,442	—	457,455	193	
May Flower Plaza	The junction of Da Tong Road and Zhi Jiang Xi Road, Sujiaxiang, Jing'an District	55.08%	The property is held for a term of 40 years for commercial use commencing on 5 February 2007	176,429	—	—	176,429	—	
Skyline Tower	Tian Mu Road West, and Da Tong Road, Jing'an District	55.08%	The property is held for a term of 40 years for commercial use and 50 years for office use commencing on 30 September 2016	50,798	349,669	—	400,467	244	
Regents Park	88 Huichuan Road, Changning District	52.33%	The property is held for a term of 70 years commencing on 4 May 1996	42,940	—	—	42,940	—	
Subtotal of major completed properties held for rental in Shanghai:				528,180	549,111	—	1,077,291	437	

# Particular of Major Properties (Continued)

## COMPLETED PROPERTIES HELD FOR RENTAL (CONTINUED)

As at 31 January 2025

				Approximate Attributable GFA (square feet)				
Property Name	Location	Attributable Interest to the Group	Tenure	Commercial / Retail	Office	Industrial	Total (excluding car parking spaces & ancillary facilities)	No. of car parking spaces attributable to the Group
Guangzhou								
May Flower Plaza	68 Zhongshanwu Road, Yuexiu District	55.08%	The property is held for a term of 40 years for commercial use and 50 years for other uses commencing on 14 October 1997	196,869	43,751	—	240,620	75
West Point	The junction of Zhongshan Qi Road and Guangfu Road, Liwan District	55.08%	The property is held for a term of 40 years for commercial use and 50 years for other uses commencing on 11 January 2006	100,435	—	—	100,435	—
Lai Fung Tower	761 Dongfeng East Road, Yuexiu District	55.08%	The property is held for a term of 40 years for commercial use and 50 years for other uses commencing on 21 October 1997	61,850	344,702	—	406,552	172
Lai Fung International Center	33 Jiefang South Road, Yuexiu District	55.08%	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	60,213	278,320	—	338,533	147
Subtotal of major completed properties held for rental in Guangzhou:				419,367	666,773	—	1,086,140	394
Zhongshan								
Palm Spring Rainbow Mall	Caihong Planning Area, Western District	55.08%	The property is held for a term expiring on 30 March 2075 for commercial/residential uses	81,577	—	—	81,577	—
Subtotal of major completed property held for rental in Zhongshan:				81,577	—	—	81,577	—
Hengqin								
Novotown Phase I <sup>2</sup>	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	64.06%	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	639,826 <sup>3</sup>	—	—	639,826 <sup>3</sup>	1,181
Subtotal of major completed property held for rental in Hengqin:				639,826	—	—	639,826	1,181
Subtotal of major completed properties held for rental in Chinese Mainland:				1,668,950	1,215,884	—	2,884,834	2,012
Total of major completed properties held for rental:				2,159,312	2,203,340	15,660	4,378,312	3,000

Notes:

1. Gross internal area.
2. As at 31 January 2025, Novotown Phase I was 80% owned by Lai Fung Group and 20% owned by the Group.
3. Including cultural attraction spaces occupied by Lionsgate Entertainment World® and National Geographic Ultimate Explorer Hengqin.

# Particular of Major Properties *(Continued)*

## COMPLETED HOTEL PROPERTIES AND SERVICED APARTMENTS

As at 31 January 2025

Property Name	Location	Attributable Interest to the Group	Tenure	No. of rooms	Approximate Attributable GFA (square feet)	No. of car parking spaces attributable to the Group
<b>Hong Kong</b>						
Hong Kong Ocean Park Marriott Hotel	180 Wong Chuk Hang Road, Ocean Park, Hong Kong	100%	The property is held for a term of 75 years commencing from 22 December 1972	471	365,974	16
<b>Vietnam</b>						
Caravelle Hotel	19 Lam Son Square, District 1, Ho Chi Minh City, Vietnam	26.01%	The property is held under a land use right due to expire on 8 October 2040	335	98,376	—
<b>United Kingdom</b>						
Fairmont St. Andrews resort	St Andrews KY16 8PN, United Kingdom	50%	The property is held freehold	211	138,241	76
<b>Chinese Mainland</b>						
<b>Shanghai</b>						
Ascott Huaihai Road Shanghai	282 Huaihaizhong Road, Huangpu District	55.08%	The property is held for a term of 50 years commencing on 16 September 1992	302	197,191	—
STARR Hotel Shanghai	The junction of Da Tong Road and Zhi Jiang Xi Road, Sujiaxiang, Jing'an District	55.08%	The property is held for a term of 50 years for commercial use commencing on 5 February 2007	239	79,230	—
<b>Hengqin</b>						
Hyatt Regency Hengqin	1295 Qisecailong Road, Hengqin New Area, Zhuhai City	64.06%	The property is held for a term of 40 years commencing on 31 December 2013	493	391,136	—
<b>Subtotal of major completed hotel properties and serviced apartments in Chinese Mainland:</b>				<b>1,034</b>	<b>667,557</b>	<b>—</b>
<b>Total of major completed hotel properties and serviced apartments:</b>				<b>2,051</b>	<b>1,270,148</b>	<b>92</b>

# Particular of Major Properties *(Continued)*

## PROPERTIES UNDER DEVELOPMENT

As at 31 January 2025

Property Name	Location	Attributable Interest to the Group	Stage of construction	Expected completion date	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			
Hong Kong												
Wong Chuk Hang Project	Site E of Aberdeen Inland Lot No. 467	15%	Construction works in progress	Q1 2026	95,560	—	—	—	95,423	95,423	26	
79 Broadcast Drive Project	No. 79 Broadcast Drive, Kowloon Tong, Hong Kong	100%	Superstructure works in progress	H1 2026	23,864	—	—	—	71,591	71,591	60	
1&1A Kotewall Road Project	Nos. 1&1A Kotewall Road, Mid-Levels, Hong Kong	100%	Excavation and lateral support and foundation works in progress	Q4 2027	11,490	—	—	—	55,159	55,159	30	
116 Waterloo Road Project	No. 116 Waterloo Road, Ho Man Tin, Hong Kong	100%	Project design in progress	Q3 2028	9,322 <sup>1</sup>	—	—	—	46,608 <sup>1</sup>	46,608 <sup>1</sup>	21 <sup>1</sup>	
Subtotal of major properties under development in Hong Kong:						—	—	—	268,781	268,781	137	

# Particular of Major Properties *(Continued)*

## PROPERTIES UNDER DEVELOPMENT *(CONTINUED)*

As at 31 January 2025

Property Name	Location	Attributable Interest to the Group	Stage of construction	Approximate site area (square feet)	Approximate Attributable GFA (square feet)					No. of car parking spaces attributable to the Group
					Commercial/ Retail	Office	Serviced Apartments	Residential	Total (excluding car parking spaces & ancillary facilities)	
Chinese Mainland										
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	55.08%	Construction works in progress	1,547,523	299,728 <sup>2</sup>	159,509	1,032,265	—	1,491,502	745
Subtotal of major property under development in Chinese Mainland:					299,728	159,509	1,032,265	—	1,491,502	745
Total of major properties under development:					299,728	159,509	1,032,265	268,781	1,760,283	882

Notes:

1. Subject to negotiation with Lands Department.
2. Including 166,988 square feet spaces to be occupied by Harrow LiDe School Hengqin upon completion.

# Particular of Major Properties *(Continued)*

## COMPLETED PROPERTIES HELD FOR SALE

As at 31 January 2025

			Approximate Attributable GFA (square feet)					
		Attributable Interest to the Group	Commercial/ Retail	Office	Serviced Apartments	Residential	Total (excluding car parking spaces & ancillary facilities)	No. of car parking spaces attributable to the Group
Property Name	Location							
Hong Kong								
Ocean One	6 Shung Shun Street, Yau Tong, Kowloon, Hong Kong	100%	17,749	—	—	—	17,749	7
339 Tai Hang Road	339 Tai Hang Road, Hong Kong	100%	—	—	—	5,046	5,046	3
Alto Residences	29 Tong Yin Street, Tseung Kwan O, New Territories, Hong Kong	50%	—	—	—	2,259	2,259	18
93 Pau Chung Street	20-32 San Shan Road and 93 Pau Chung Street, Ma Tau Kok, Kowloon, Hong Kong	100%	—	—	—	—	—	13
Novi	50 Ki Lung Street, Kowloon, Hong Kong	100%	4,688	—	—	—	4,688	—
Bal Residence	No. 18 Hang On Street, Kwun Tong, Hong Kong	100%	7,506	—	—	22,399	29,905	8
The Parkland	No.266 Tai Kei Leng, Lot No. 5382 in Demarcation District No.116, Tai Kei Leng, Yuen Long, Hong Kong	100%	—	—	—	3,728	3,728	—
Subtotal of major completed properties held for sale in Hong Kong:			29,943	—	—	33,432	63,375	49



# Particular of Major Properties *(Continued)*

## COMPLETED PROPERTIES HELD FOR SALE *(CONTINUED)*

As at 31 January 2025

			Approximate Attributable GFA (square feet)					
Property Name	Location	Attributable Interest to the Group	Commercial/ Retail	Office	Serviced Apartments	Residential	Total (excluding car parking spaces & ancillary facilities)	No. of car parking spaces attributable to the Group
Chinese Mainland								
Shanghai								
Wuli Bridge Project	Wuliqiao Road, 104 Jie Fang, Huangpu District	55.08%	—	—	—	—	—	7
May Flower Plaza	The junction of Da Tong Road and Zhi Jiang Xi Road, Sujiaxiang, Jing'an District	55.08%	—	—	—	—	—	252
Regents Park	88 Huichuan Road, Changning District	52.33%	—	—	—	—	—	97
Subtotal of major completed properties held for sale in Shanghai:			—	—	—	—	—	356
Guangzhou								
Eastern Place Phase V	787 Dongfeng East Road, Yuexiu District	55.08%	—	—	—	—	—	3
King's Park	Donghua Dong Road, Yuexiu District	55.08%	—	—	—	—	—	1
West Point	The junction of Zhongshan Qi Road and Guangfu Road, Liwan District	55.08%	—	—	—	—	—	44
Subtotal of major completed properties held for sale in Guangzhou:			—	—	—	—	—	48
Zhongshan								
Palm Spring	Caihong Planning Area, Western District	55.08%	90,529	—	—	40,159	130,688	1,467
Subtotal of major completed property held for sale in Zhongshan:			90,529	—	—	40,159	130,688	1,467
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	64.06%	—	336,900	150,700	11,212	498,812	—
Subtotal of major completed property held for sale in Hengqin:			—	336,900	150,700	11,212	498,812	—
Subtotal of major completed properties held for sale in Chinese Mainland:			90,529	336,900	150,700	51,371	629,500	1,871
Total of major completed properties held for sale:			120,472	336,900	150,700	84,803	692,875	1,920

# 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 ("**ED**") and the Group Chief Financial Officer, who was present at that AGM was elected chairman of that AGM pursuant to Article 71 of the articles of association of the Company to ensure an effective communication with the shareholders of the Company ("**Shareholders**") thereat.

### Board

The Board 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 established specific committees with written terms of reference to assist it in the efficient implementation of its functions, namely the Executive Committee, the Audit Committee, the Nomination Committee and the Remuneration Committee. Specific responsibilities have been delegated to the above committees.

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 overall business and commercial strategy of the Company and its subsidiaries ("**Group**") as well as overall policies and guidelines. The Board has also delegated the environmental, social and governance management to the Executive Committee.

The Board currently comprises nine members, of whom four are EDs, one is Non-Executive Director and the remaining four 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, accounting, financial, general management, tourism and public services 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. All Directors are entitled to retain independent professional advisors where necessary.

### Chairman and Chief Executive Officer

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. Lau Shu Yan, Julius was the Chief Executive Officer of the Company until 28 February 2025. Following the retirement of Mr. Lau Shu Yan, Julius as the Chief Executive Officer of the Company on 1 March 2025, other duties and responsibilities of the Board and the day-to-day management of business are undertaken by other EDs. This segregation ensures a clear distinction between the Chairman's responsibilities to manage the Board and other EDs take up the responsibilities of the Chief Executive Officer 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.

## DIRECTORS' INTERESTS

The following Directors and the 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; or (d) as known by the Directors:

### (1) The Company

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

Name of Director	Capacity	Personal interests	Family interests	Corporate interests	Other interests	Total interests	Approximate % of total interests to total issued Shares (Note 1)
Lam Kin Ngok, Peter	Beneficial owner/ Owner of controlled corporations	975,907	Nil	808,084,296 (Note 2)	Nil	809,060,203	55.67%
Lau Shu Yan, Julius (Note 3)	Beneficial owner	592,875	Nil	Nil	Nil	592,875	0.04%
U Po Chu (Note 4)	Beneficial owner	60,567	Nil	Nil	Nil	60,567	0.01%
Luk Hon Man	Beneficial owner	3,300	Nil	Nil	Nil	3,300	0.01%

# Corporate Governance and Other Information (Continued)

## DIRECTORS' INTERESTS (CONTINUED)

### (1) 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. 1,453,328,830 Shares).
- (2) As at 31 January 2025, Lai Sun Garment (International) Limited ("**LSG**") and two of its wholly-owned subsidiaries, namely Zimba International Limited ("**Zimba International**") and Joy Mind Limited ("**Joy Mind**"), beneficially owned 808,084,296 Shares, representing approximately 55.60% of the issued share capital of the Company. As such, Dr. Lam Kin Ngok, Peter was deemed to be interested in the same 808,084,296 Shares by virtue of, in aggregate, his personal (excluding underlying Shares) and deemed interests of approximately 41.93% in the issued share capital of LSG. LSG is approximately 12.70% owned by Dr. Lam Kin Ngok, Peter and is approximately 29.23% owned by Wisdoman Limited which in turn is 100% beneficially owned by Dr. Lam Kin Ngok, Peter.  
  
LSG pledged approximately 208,513,987 Shares held by LSG, Zimba International and Joy Mind as security pursuant to its 7.70% secured guaranteed notes due 2018 under a Share Charge dated 24 July 2014. The amount has been repaid in full.
- (3) Subsequent to 31 January 2025, Mr. Lau Shu Yan, Julius retired as an ED and Chief Executive Officer on 1 March 2025.
- (4) Madam U Po Chu is the widow of the late Mr. Lim Por Yen whose estate includes an interest of 8,718,829 Shares, representing approximately 0.60% of the issued share capital of the Company.

### (2) Associated Corporations

- (i) Lai Sun Garment (International) Limited ("**LSG**") – the ultimate holding company of the Company

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

Name of Director	Capacity	Personal interests	Family interests	Corporate interests	Other interests	Total interests	Approximate % of total interests to total issued LSG Shares (Note 1)
Lam Kin Ngok, Peter	Beneficial owner/ Owner of controlled corporations	112,211,038 (Note 2)	Nil	258,168,186	1,832,017 (Note 3)	372,211,241	42.14%
Lam Hau Yin, Lester	Beneficial owner	28,033,218	Nil	Nil	6,519,095 (Note 3)	34,552,313	3.91%
U Po Chu	Beneficial owner	1,857,430	Nil	Nil	Nil	1,857,430	0.21%

Notes:

- (1) 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).
- (2) Subsequent to 31 January 2025 and as at the date of this Interim Report, Dr. Lam Kin Ngok, Peter purchased 16,938,695 LSG Shares on 14 February 2025, increasing his personal interests from 112,211,038 LSG Shares to 129,149,733 LSG Shares.

# Corporate Governance and Other Information *(Continued)*

## DIRECTORS' INTERESTS *(CONTINUED)*

### (2) Associated Corporations *(Continued)*

- (i) Lai Sun Garment (International) Limited (“LSG”) – the ultimate holding company of the Company *(Continued)*

Notes: *(Continued)*

- (3) Share options were granted by LSG to Dr. Lam Kin Ngok, Peter and Mr. Lam Hau Yin, Lester, the particulars of which are set out below:

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

- (ii) eSun Holdings Limited (“eSun”) – a subsidiary of the Company

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

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

Notes:

- (1) 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).
- (2) As 31 January 2025, LSG was interested in 808,084,296 Shares in the Company, representing approximately 55.60% of the issued share capital of the Company. Transtrend Holdings Limited (“**Transtrend**”), a wholly-owned subsidiary of the Company, was interested in 1,113,260,072 eSun Shares, representing approximately 63.40% of the issued share capital of eSun. As such, Dr. Lam Kin Ngok, Peter was deemed to be interested in the same 1,113,260,072 eSun Shares by virtue of, in aggregate, his personal (excluding underlying shares) and deemed interests of approximately 41.93% and 55.67% in the issued share capital of LSG and the Company, respectively.

# Corporate Governance and Other Information *(Continued)*

## DIRECTORS' INTERESTS *(CONTINUED)*

### (2) Associated Corporations *(Continued)*

#### (iii) Lai Fung Holdings Limited ("Lai Fung") – a subsidiary of the Company

##### Long positions in the ordinary shares of Lai Fung ("Lai Fung Shares") and the underlying Lai Fung Shares

Name of Director	Capacity	Personal interests	Family interests	Corporate interests	Other interests	Total interests	Approximate % of total interests to total issued Lai Fung Shares <i>(Note 1)</i>
Lam Kin Ngok, Peter	Owner of controlled corporations	Nil	Nil	182,318,266 <i>(Note 2)</i>	Nil	182,318,266	55.08%

#### Notes:

- (1) The percentage has been compiled based on the total number of issued Lai Fung Shares as at 31 January 2025 (i.e. 331,033,443 Lai Fung Shares).
- (2) As at 31 January 2025, the Company was interested or deemed to be interested in 182,318,266 Lai Fung Shares, of which 180,600,756 Lai Fung Shares were beneficially owned by Holy Unicorn Limited, a wholly-owned subsidiary of the Company and 1,717,510 Lai Fung Shares were beneficially owned by Transtrend. As such, Dr. Lam Kin Ngok, Peter was deemed to be interested in the same 182,318,266 Lai Fung Shares (representing approximately 55.08% of the issued share capital of Lai Fung) by virtue of, in aggregate, his approximate 41.93% and 55.67% personal (excluding underlying shares) and deemed interests in the issued share capital of LSG and the Company, respectively.

#### (iv) Lai Sun MTN Limited – a subsidiary of the Company

##### 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	USD13,500,000

Save as disclosed above, as at 31 January 2025, none of the Directors and the 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/or debentures of the Company or any of its associated corporations, which were required to be notified to the Company and the Stock Exchange, or recorded in the Register of Directors and Chief Executive as aforesaid, notified under the Securities Code or otherwise known by the Directors.

# Corporate Governance and Other Information *(Continued)*

## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS

As at 31 January 2025, so far as was known by or otherwise notified by 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 of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or recorded 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 and the underlying Shares of the Company

Name	Capacity	Nature of interests	Number of Shares and underlying Shares	Approximate % of Shares in issue (Note 1)
<b>Substantial Shareholders</b>				
Lai Sun Garment (International) Limited	Beneficial owner/ Owner of controlled corporations	Corporate	808,084,296 (Note 2)	55.60%
Lam Kin Ngok, Peter	Beneficial owner/ Owner of controlled corporations	Personal and corporate	809,060,203 (Note 2)	55.67%
Yu Cheuk Yi	Beneficial owner	Personal	276,926,400 (Note 3)	19.05%
Yu Siu Yuk	Beneficial owner	Personal	276,926,400 (Note 3)	19.05%
<b>Other persons</b>				
Chan Kin	Interest of controlled Corporation	Corporate	145,187,400 (Note 4)	9.99%
Argyle Street Management Holdings Limited (" <b>ASMH</b> ")	Interest of controlled Corporations	Corporate	145,187,400 (Note 4)	9.99%

Notes:

- (1) The percentage has been compiled based on the total number of issued Shares as at 31 January 2025 (i.e. 1,453,328,830 Shares).
- (2) LSG and two of its wholly-owned subsidiaries, namely Zimba International and Joy Mind beneficially owned 808,084,296 Shares, representing approximately 55.60% of the issued share capital of the Company. Dr. Lam Kin Ngok, Peter was deemed to be interested in the same 808,084,296 Shares by virtue of, in aggregate, his personal and deemed interests of approximately 41.93% (excluding underlying shares) in the issued share capital of LSG.
- (3) Mr. Yu Cheuk Yi and Ms. Yu Siu Yuk jointly held 276,926,400 Shares (19.05%), based on the total number of issued Shares (i.e. 1,453,328,830 Shares) according to shareholding shown in last individual Substantial Shareholder Notice (Form 1) filed for an event on 23 March 2023.
- (4) ASM Connaught House (Master) Fund III LP, ASM Co-Investment Term Trust I, Marzan Street Limited and Jinlong Road Limited holds 573,075 Shares, 10,800 Shares, 68,475,000 Shares and 76,128,525 Shares, respectively, which are held indirectly by ASMH through a number of controlled corporations. Mr. Chan Kin has over 50% controlling interests in ASMH. Therefore, Mr. Chan Kin and ASMH are respectively deemed to have an interest in the said shares in which ASM Connaught House (Master) Fund III LP, ASM Co-Investment Term Trust I, Marzan Street Limited and Jinlong Road Limited are interested.

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



# Corporate Governance and Other Information *(Continued)*

## SHARE OPTION SCHEMES

### (1) The Company

At the annual general meeting of the Company held on 16 December 2022, the Shareholders approved the adoption of a new share option scheme ("**2022 Share Option Scheme**"). The 2022 Share Option Scheme has also been approved by the shareholders of LSG at its annual general meeting held on 16 December 2022. The share option schemes adopted by the Company on 22 December 2006 ("**2006 Share Option Scheme**") and 11 December 2015 ("**2015 Share Option Scheme**") terminated when the 2015 Share Option Scheme was adopted on 11 December 2015 and the 2022 Share Option Scheme was adopted on 16 December 2022 and became effective on 19 December 2022 ("**Effective Date**"), respectively. Following their termination, no further share options shall be granted under the 2006 Share Option Scheme and the 2015 Share Option Scheme but the outstanding options granted thereunder shall continue to be valid and exercisable in accordance with the respective terms of the 2006 Share Option Scheme and the 2015 Share Option Scheme.

The purpose of the 2022 Share Option Scheme is to recognise the contribution or future contribution of the Eligible Participants (as defined in the 2022 Share Option Scheme) for their contribution to the Group by granting share options to them as incentives or rewards and to attract, retain and motivate high-calibre Eligible Participants in line with the performance goals of the Group and the Related Entities (as defined in the 2022 Share Option Scheme). Eligible Participants include but not limited to the directors, chief executive, employees of the Group and related entities and the service providers of the Group. 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 96,888,588 shares (representing approximately 6.67% of the Company's issued shares as at 31 January 2025). The service provider submit at the beginning and the end of the financial period for the six months ended 31 January 2025 was 9,688,858 shares (representing approximately 0.67% of the Company's issued shares as at 31 January 2025).

During the six months ended 31 January 2025, a share option comprising 129,467 underlying Shares granted to certain eligible participants under the 2015 Share Option Scheme lapsed in November 2024 and a share option comprising 193,176 underlying Shares granted to certain eligible participants under the 2006 Share Option Scheme expired on 20 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 of the Company during the period under review.

As at 31 January 2025 and the date of this Interim Report, share options comprising a total of 394,699 underlying Shares granted under the 2015 Share Option Scheme were outstanding, representing approximately 0.03% of the shares of the Company currently in issue.



# Corporate Governance and Other Information *(Continued)*

## SHARE OPTION SCHEMES *(CONTINUED)*

### (1) The Company *(Continued)*

Particulars of the outstanding options granted under the 2006 Share Option Scheme and the 2015 Share Option Scheme during the six months ended 31 January 2025 are as follows:

Category of participants	Date of grant of options <i>(Note 1)</i>	Number of underlying Shares comprised in share options					Exercise period of share options	Exercise price of share options <i>HK\$ per Share (Note 2)</i>
		As at 01/08/2024	Granted during the period	Exercised during the period	Lapsed during the period	As at 31/01/2025		
<b>Employee participants</b> <i>(Note 5)</i>	21/01/2015	193,176	-	-	(193,176) <i>(Note 4)</i>	-	21/01/2015 – 20/01/2025	7.192
	22/01/2016	69,652	-	-	-	69,652	22/01/2016 – 21/01/2026	4.048
	20/01/2017	69,652	-	-	-	69,652	20/01/2017 – 19/01/2027	7.019
	26/01/2021	255,395	-	-	-	255,395	26/01/2021 – 25/01/2031	5.476
	25/01/2022	129,467	-	-	(129,467) <i>(Note 3)</i>	-	25/01/2022 – 24/01/2032	4.397
<b>Total:</b>		<b>717,342</b>	<b>-</b>	<b>-</b>	<b>(322,643)</b>	<b>394,699</b>		

Notes:

1. The share options were 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.
3. A share option comprising a total of 129,467 underlying Shares had been lapsed in November 2024 under the 2015 Share Option Scheme.
4. A share option comprising a total of 193,176 underlying Shares was expired on 20 January 2025 under the 2006 Share Option Scheme.
5. Employee participants including the employees of the Group.

Save as disclosed above, no share options were granted, vested, exercised, cancelled, or lapsed in accordance with the terms of the 2006 Share Option Scheme, the 2015 Share Option Scheme and the 2022 Share Option Scheme during the period under review.

# Corporate Governance and Other Information *(Continued)*

## SHARE OPTION SCHEMES *(CONTINUED)*

### (2) eSun

On 11 December 2015, eSun adopted a share option scheme ("**2015 eSun Share Option Scheme**") which became effective on 23 December 2015 and should remain in force for 10 years from its adoption date. The maximum number of eSun's ordinary shares of HK\$0.50 each ("**eSun Shares**") issuable pursuant to the 2015 eSun Share Option Scheme is 124,321,216, being 10% of the total issued eSun Shares on the date of the approval of the 2015 eSun Share Option Scheme.

Upon the closing of eSun's offers on 22 August 2018, all outstanding share options granted under the 2015 eSun Share Option Scheme had been cancelled. On 21 January 2022, eSun granted share options under the 2015 eSun Share Option Scheme to the eligible participants entitling them to subscribe for a total of 1,500,000 underlying eSun Shares (equivalent to approximately 0.10% of the total issued eSun Shares as at that date (that is, 1,491,854,598)) at the exercise price of HK\$0.50 per eSun Share with the exercise period from 21 January 2022 to 20 January 2032. On 15 August 2023, a share option comprising 800,000 underlying eSun Shares granted to an eligible participant under the 2015 eSun Share Option Scheme lapsed.

The 2015 eSun Share Option Scheme was terminated and a new share option scheme ("**2022 eSun Share Option Scheme**") was adopted by eSun's shareholders at its annual general meeting held on 16 December 2022. The 2022 eSun Share Option Scheme has also been approved by shareholders of both the Company and LSG at their respective annual general meetings held on the same date and became effective on 19 December 2022 ("**eSun Effective Date**").

The number of eSun Shares available for grant under the 2015 eSun Share Option Scheme before its termination was 122,821,216. Upon termination of the 2015 eSun Share Option Scheme, no further share options will be granted thereunder but the outstanding share options granted prior to the termination will continue to be valid and exercisable in accordance with the terms of the 2015 eSun Share Option Scheme.

Unless otherwise cancelled or amended, the 2022 eSun Share Option Scheme will remain in force for 10 years from the eSun Effective Date, which will expire on 19 December 2032. The principal terms of the 2022 eSun Share Option Scheme are set out in the circular of eSun dated 17 November 2022. The maximum number of eSun Shares issuable and the service provider submit pursuant to the 2022 eSun Share Option Scheme were 149,185,459 and 14,918,545 eSun Shares (being 10% and 1% of the total issued eSun Shares) as at the eSun Effective Date and (being 8.50% and 0.85% of the total issued eSun Shares) as at the beginning and the end of the financial period ended 31 January 2025 respectively.

The purpose of the 2022 eSun Share Option Scheme is to recognise the contribution or future contribution of the Eligible Participants (including but not limited to the directors, chief executives, employees and service providers of the eSun Group as well as the related entity participants (as defined in the 2022 eSun Share Option Scheme)) to the eSun Group by granting share options to them as incentives or rewards and to attract, retain and motivate high-calibre Eligible Participants in line with the performance goals of the eSun Group and the related entities. The 2022 eSun Share Option Scheme shall strengthen the many long-term relationships that the Eligible Participants may have with the eSun Group.

During the six months ended 31 January 2025, no share options had been granted under the 2022 eSun Share Option Scheme. Accordingly, there were no eSun Shares that might be issued in respect of share options granted under all share option schemes of eSun during the said period.

As at 31 January 2025 and the date of this Interim Report, share options comprising a total of 400,000 underlying eSun Shares (representing approximately 0.02% of the total issued eSun Shares as at those dates (that is, 1,755,876,866)) granted under the 2015 eSun Share Option Scheme were outstanding, and no further share options can be granted under the 2015 eSun Share Option Scheme upon its termination on 16 December 2022. Therefore, a total number of 149,585,459 eSun Shares are available for issue under the 2015 eSun Share Option Scheme and the 2022 eSun Share Option Scheme, representing approximately 8.52% of the total issued eSun Shares as at those dates.

# Corporate Governance and Other Information *(Continued)*

## SHARE OPTION SCHEMES *(CONTINUED)*

### (2) eSun *(Continued)*

The movement of eSun share options granted under the 2015 eSun Share Option Scheme during the six months ended 31 January 2025 is as follows:

Category of grantees	Number of underlying eSun Shares comprised in eSun share options						Exercise price per eSun Share (HK\$) (Note 2)	
	Date of grant (Note 1)	As at 01/08/2024	Granted during the period	Exercised during the period	Cancelled/ lapsed during the period	As at 31/01/2025		Exercise period
Employees participants								
Employee	21/01/2022	400,000	-	-	-	400,000	21/01/2022 – 20/01/2032	0.50
Other eligible participant	21/01/2022	300,000	-	-	(300,000) (Note 3)	-	21/01/2022 – 20/01/2032	0.50
Total:		700,000	-	-	(300,000)	400,000		

Notes:

1. The eSun share options were vested on the date of grant.
2. The exercise price of the eSun share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in eSun's share capital.
3. A share option comprising 300,000 underlying eSun Shares granted to an eligible participant under the 2015 eSun Share Option Scheme on 21 January 2022 at the exercise price of HK\$0.50 per eSun Share lapsed on 30 November 2024.

Save as disclosed above, no eSun share options were granted, vested, exercised, cancelled, or lapsed in accordance with the terms of the 2015 eSun Share Option Scheme and the 2022 eSun Share Option Scheme during the period under review.

# Corporate Governance and Other Information *(Continued)*

## SHARE OPTION SCHEMES *(CONTINUED)*

### (3) Lai Fung

The share option scheme adopted by Lai Fung on 18 December 2012 ("**2012 Lai Fung 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 Lai Fung 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 Lai Fung Share Option Scheme. As at 31 January 2025, share options comprising a total of 530,000 underlying Lai Fung Shares granted under the 2012 Lai Fung Share Option Scheme were outstanding.

At the annual general meeting of Lai Fung held on 16 December 2022, a new share option scheme ("**2022 Lai Fung Share Option Scheme**") was adopted for the purpose of recognising the contribution or future contribution of the Eligible Participants (as defined in the 2022 Lai Fung Share Option Scheme) to the Lai Fung 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 Lai Fung Group and the related entities. Eligible Participants include but are not limited to the directors, chief executive and employees of the Lai Fung Group and related entities, and service providers of the Lai Fung Group. The 2022 Lai Fung Share Option Scheme has also been approved by the shareholders of LSG and the Company at their respective annual general meetings and became effective on 19 December 2022 ("**Lai Fung Effective Date**"). Unless otherwise cancelled or amended, the 2022 Lai Fung Share Option Scheme will remain in force for 10 years from the Lai Fung Effective Date. The principal terms of the 2022 Lai Fung Share Option Scheme are set out in the circular of Lai Fung dated 17 November 2022. The number of shares available for grant under the 2022 Lai Fung 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 Lai Fung Shares (representing 10% of Lai Fung'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 Lai Fung Shares (representing 1% of Lai Fung'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 Lai Fung Share Option Scheme. Accordingly, there were no shares of Lai Fung that might be issued in respect of share options granted under the 2022 Lai Fung Share Option Scheme during the period under review.

# Corporate Governance and Other Information *(Continued)*

## SHARE OPTION SCHEMES *(CONTINUED)*

### (3) Lai Fung *(Continued)*

The movement of Lai Fung share options granted under the 2012 Lai Fung Share Option Scheme during the six months ended 31 January 2025 is as follows:

Category of grantees	Date of grant <i>(Note 1)</i>	Number of underlying Lai Fung Shares comprised in Lai Fung share options					Exercise period	Exercise price per Lai Fung Share <i>(HK\$)</i> <i>(Note 2)</i>
		As at 01/08/2024	Granted during the period	Exercised during the period	Lapsed during the period	As at 31/01/2025		
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
<b>Subtotal</b>		<b>590,000</b>	<b>-</b>	<b>-</b>	<b>(60,000)</b>	<b>530,000</b>		
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
<b>Subtotal</b>		<b>140,000</b>	<b>-</b>	<b>-</b>	<b>(140,000)</b>	<b>-</b>		
<b>Total:</b>		<b>730,000</b>	<b>-</b>	<b>-</b>	<b>(200,000)</b>	<b>530,000</b>		

Notes:

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

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

# Corporate Governance and Other Information *(Continued)*

## 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.

## UPDATE OF DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, changes in Directors' and Chief Executive Officer's information since the disclosure made in the Company's annual report 2023-2024 and up to the date of this Interim Report are set out as follows:

- (1) 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
<b>For the six months ended 31 January 2025</b>				
<i>Executive directors:</i>				
Lam Kin Ngok, Peter ( <i>Chairman</i> ) ( <i>note a</i> )	—	13,704	—	13,704
Lau Shu Yan, Julius ( <i>Chief Executive Officer</i> ) ( <i>note b</i> )	—	2,858	—	2,858
Cheung Sum, Sam ( <i>Group Chief Financial Officer</i> ) ( <i>note c</i> )	—	4,230	26	4,256
Lam Hau Yin, Lester ( <i>note d</i> )	—	1,687	18	1,705
Lee Tze Yan, Ernest ( <i>note e</i> )	—	3,017	18	3,035
	—	25,496	62	25,558
<i>Non-executive director:</i>				
U Po Chu ( <i>note f</i> )	63	1,058	—	1,121
<i>Independent non-executive directors:</i>				
Lam Bing Kwan ( <i>note g</i> )	350	—	—	350
Leung Shu Yin, William	175	—	—	175
Ip Shu Kwan, Stephen	175	—	—	175
Luk Hon Man	175	—	—	175
	875	—	—	875
	938	26,554	62	27,554

# Corporate Governance and Other Information *(Continued)*

## UPDATE OF DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S INFORMATION *(CONTINUED)*

(1) *(Continued)*

	Fees HK\$'000	Salaries, allowances and benefits in kind HK\$'000	Pension scheme contributions HK\$'000	Total remuneration HK\$'000
<b>For the six months ended 31 January 2024</b>				
<i>Executive directors:</i>				
Lam Kin Ngok, Peter <i>(Chairman) (note a)</i>	75	14,335	—	14,410
Lau Shu Yan, Julius <i>(Chief Executive Officer)</i> <i>(note b)</i>	—	2,378	—	2,378
Cheung Sum, Sam <i>(Group Chief Financial Officer) (note c)</i>	—	2,350	29	2,379
Lam Hau Yin, Lester <i>(note d)</i>	—	1,687	18	1,705
Lee Tze Yan, Ernest <i>(note e)</i>	—	3,549	18	3,567
	75	24,299	65	24,439
<i>Non-executive directors:</i>				
U Po Chu <i>(note f)</i>	125	2,115	—	2,240
Chew Fook Aun <i>(note h)</i>	400	—	—	400
	525	2,115	—	2,640
<i>Independent non-executive directors:</i>				
Lam Bing Kwan <i>(note g)</i>	350	—	—	350
Leung Shu Yin, William	175	—	—	175
Ip Shu Kwan, Stephen	175	—	—	175
Luk Hon Man	175	—	—	175
	875	—	—	875
	1,475	26,414	65	27,954

*Notes:*

- The amounts included fees and salaries paid by the eSun Group of HK\$5,533,000 and Lai Fung of HK\$1,362,000 (six months ended 31 January 2024: paid by the eSun Group of HK\$5,809,000 and Lai Fung of HK\$1,434,000).
- Mr. Lau Shu Yan, Julius retired on 1 March 2025.
- The amounts included salaries and pension scheme contributions paid by the eSun Group of HK\$278,000 and Lai Fung of HK\$1,629,000 (six months ended 31 January 2024: paid by the eSun Group of HK\$158,000 and Lai Fung of HK\$910,000).
- The amounts included salaries and pension scheme contributions paid by Lai Fung of HK\$813,000 (six months ended 31 January 2024: HK\$813,000).

## Corporate Governance and Other Information *(Continued)*

### UPDATE OF DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S INFORMATION *(CONTINUED)*

(1) *(Continued)*

*Notes: (Continued)*

- e. *The amounts included salaries and pension scheme contributions paid by Lai Fung of HK\$612,000 (six months ended 31 January 2024: HK\$718,000).*
- f. *The amounts included salaries paid by Lai Fung of HK\$1,058,000 (six months ended 31 January 2024: HK\$2,115,000).*
- g. *The amounts included fees paid by Lai Fung of HK\$175,000 (six months ended 31 January 2024: HK\$175,000).*
- h. *Mr. Chew Fook Aun resigned on 1 October 2023. For the six months ended 31 January 2024, the amounts included fees paid by Lai Fung of HK\$200,000.*

(2) Mr. Lau Shu Yan, Julius

- (a) retired as an Executive Director and the Chief Executive Officer of the Company with effect from 1 March 2025;
- (b) ceased to be a member of the Remuneration Committee and an alternate to Dr. Lam Kin Ngok, Peter, Chairman of the Nomination Committee of the Company with effect from 1 March 2025; and
- (c) ceased to be an authorised representative of the Company with effect from 1 March 2025.

(3) Mr. Cheung Sum, Sam was appointed as a member of the Remuneration Committee and an alternate to Dr. Lam Kin Ngok, Peter, Chairman of the Nomination Committee of the Company with effect from 1 March 2025.

(4) Mr. Lam Hau Yin, Lester was appointed an authorised representative of the Company with effect from 1 March 2025.

### EMPLOYEES AND REMUNERATION POLICIES

As at 31 January 2025, the Group employed a total of approximately 3,700 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.



# Corporate Governance and Other Information *(Continued)*

## 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@laisun.com](mailto:ir@laisun.com).

## REVIEW OF INTERIM REPORT

The audit committee of the Company ("**Audit Committee**") currently comprises three INEDs, Mr. Leung Shu Yin, William, Mr. Lam Bing Kwan and Mr. Ip Shu Kwan, Stephen. The Audit Committee has reviewed the interim report (including 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, 21 March 2025

