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大生地產發展有限公司
TAI SANG LAND DEVELOPMENT LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock code : 89)

ANNOUNCEMENT OF 2025 INTERIM RESULTS

FINANCIAL HIGHLIGHTS

For the six months ended 30th June 2025

- Revenues decreased by 2.3% to HK\$235.0 million (30th June 2024: HK\$240.6 million).
- Excluding the fair value losses on investment properties, the earnings before interest, tax, depreciation and amortisation was HK\$78.4 million (30th June 2024: HK\$85.0 million).
- Loss for the period of HK\$204.5 million (30th June 2024: HK\$162.6 million) included the fair value losses on investment properties (net of deferred income tax in the United States) of HK\$195.6 million (30th June 2024: HK\$144.2 million).
- Excluding the fair value losses on investment properties and all related effects, the Group recorded an underlying loss of HK\$8.9 million (30th June 2024: HK\$18.4 million).
- Interim dividend declared of HK3 cents (30th June 2024: HK4 cents) per ordinary share.

The board of directors (the “Board”) of Tai Sang Land Development Limited (the “Company”) announced the unaudited condensed consolidated interim financial information of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30th June 2025 as follows:

**1. CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE SIX MONTHS ENDED 30TH JUNE 2025 – UNAUDITED**

		For the six months ended 30th June	
	<i>Notes</i>	2025	2024
		HK\$'000	HK\$'000
Revenues	(2)(a)	234,971	240,589
Cost of sales	(3)	<u>(84,229)</u>	<u>(101,499)</u>
Gross profit		150,742	139,090
Fair value losses on investment properties		(198,561)	(129,824)
Other (losses)/gains, net	(4)	(3,357)	1,047
Administrative expenses	(3)	<u>(92,083)</u>	<u>(79,560)</u>
Operating loss		<u>(143,259)</u>	<u>(69,247)</u>
Finance income	(5)	1,118	1,395
Finance costs	(5)	<u>(61,143)</u>	<u>(77,114)</u>
Finance costs, net		<u>(60,025)</u>	<u>(75,719)</u>
Loss before income tax		(203,284)	(144,966)
Income tax expense	(6)	<u>(1,247)</u>	<u>(17,601)</u>
Loss for the period		<u>(204,531)</u>	<u>(162,567)</u>
Loss attributable to:			
Owners of the Company		(202,062)	(158,181)
Non-controlling interests		<u>(2,469)</u>	<u>(4,386)</u>
		<u>(204,531)</u>	<u>(162,567)</u>
Loss per share (basic and diluted)	(7)	<u>HK\$(0.70)</u>	<u>HK\$(0.55)</u>

**2. CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30TH JUNE 2025 – UNAUDITED**

	For the six months ended 30th June	
	2025	2024
	HK\$'000	HK\$'000
Loss for the period	<u>(204,531)</u>	<u>(162,567)</u>
Other comprehensive income		
<u>Items that will not be reclassified to profit or loss</u>		
Changes in fair value of financial assets at fair value through other comprehensive income	(646)	(1,276)
Exchange translation difference	<u>-</u>	<u>(9)</u>
Other comprehensive income for the period	<u>(646)</u>	<u>(1,285)</u>
Total comprehensive income for the period	<u>(205,177)</u>	<u>(163,852)</u>
Total comprehensive income attributable to:		
Owners of the Company	(202,394)	(158,896)
Non-controlling interests	<u>(2,783)</u>	<u>(4,956)</u>
	<u>(205,177)</u>	<u>(163,852)</u>

**3. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2025 - UNAUDITED**

	<i>Notes</i>	As at 30th June 2025 HK\$'000	As at 31st December 2024 HK\$'000
Non-current assets			
Property, plant and equipment		1,931,908	1,952,774
Investment properties		9,095,152	9,294,986
Financial assets at fair value through other comprehensive income		16,662	17,308
Prepayments for non-current assets		-	10
		<u>11,043,722</u>	<u>11,265,078</u>
Current assets			
Properties for sale		110,473	110,473
Other inventories		198	261
Debtors and prepayments	(9)	33,679	33,035
Current income tax recoverable		464	816
Cash and cash equivalents		146,512	123,438
		<u>291,326</u>	<u>268,023</u>
Total assets		<u>11,335,048</u>	<u>11,533,101</u>
Equity and liabilities			
Equity attributable to the owners of the Company			
Share capital		417,321	417,321
Reserves		7,627,792	7,844,569
		8,045,113	8,261,890
Non-controlling interests		274,909	279,356
Total equity		<u>8,320,022</u>	<u>8,541,246</u>

		As at 30th June 2025 HK\$'000	As at 31st December 2024 HK\$'000
Non-current liabilities			
Long term bank loans – secured		2,516,563	2,119,204
Deferred income tax liabilities		227,524	229,189
Derivative financial instruments		3,705	-
Lease liabilities		264	375
		<u>2,748,056</u>	<u>2,348,768</u>
Current liabilities			
Rental and other deposits		96,859	98,292
Creditors and accruals	(10)	24,725	32,606
Current income tax liabilities		3,366	1,384
Short term bank loans		54,700	150,000
Current portion of long term bank loans – secured		87,077	360,540
Lease liabilities		243	265
		<u>266,970</u>	<u>643,087</u>
Total liabilities		<u>3,015,026</u>	<u>2,991,855</u>
Total equity and liabilities		<u>11,335,048</u>	<u>11,533,101</u>

Notes:

(1) Basis of preparation and accounting policies

This unaudited condensed consolidated interim financial information of the Group for the six months ended 30th June 2025 (the “Condensed Consolidated Interim Financial Information”) has been prepared under the historical cost convention, except for investment properties, financial assets at fair value through other comprehensive income and derivative financial instruments which are measured at fair value, and in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” as issued by the Hong Kong Institute of Certified Public Accountants.

The financial information relating to the year ended 31st December 2024 that is included in the Condensed Consolidated Interim Financial Information 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 these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

- The Company has delivered the financial statements for the year ended 31st December 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 (Cap. 622).
- The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance (Cap. 622).

Except as described below, the accounting policies and methods of computation used in the preparation of the Condensed Consolidated Interim Financial Information are consistent with those used in the annual report for the year ended 31st December 2024 (the “2024 Annual Report”). The Condensed Consolidated Interim Financial Information should be read in conjunction with the 2024 Annual Report, and any public announcement made by the Group during the interim reporting period, which has been prepared in accordance with HKFRS Accounting Standards.

The following amended standard is relevant and mandatory to the Group for the accounting period beginning on 1st January 2025:

HKAS 21 (Amendments)	Lack of Exchangeability
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The adoption of this amended standard did not result in a substantial impact to the results and financial position of the Group.

(2) Revenues and segment information

(a) Revenues recognised during the period are as follows:

	For the six months ended 30th June	
	2025	2024
	HK\$'000	HK\$'000
Revenues from external customers		
Property rental		
– investment properties	158,229	164,119
– properties for sale	13,257	13,791
Property related services (note (i))	14,653	14,710
Hotel operations (note (i))	39,799	39,587
Catering operations (note (ii))	9,033	8,382
	<u>234,971</u>	<u>240,589</u>

Notes:

- (i) The Group's revenues from property related services and hotel operations are recognised over-time as the services are performed.
 - (ii) The Group's revenue from catering operations is recognised at a point in time.
- (b) The chief operating decision-maker ("CODM") has been identified as the executive directors of the Company. The CODM reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports. The CODM considers the business from a geographic perspective and has identified the operating segments of the Group as Hong Kong and the United States ("US").

The CODM assesses the performance of the operating segments based on their underlying profit/(loss), which is measured by profit/(loss) after income tax excluding fair value changes on investment properties (net of deferred income tax in the US), and their segment assets and segment liabilities which are measured in a manner consistent with that in the Condensed Consolidated Interim Financial Information.

There are no sales between the operating segments.

(c) Operating segments

	Hong Kong HK\$'000	US HK\$'000	Total HK\$'000
For the six months ended 30th June 2025			
Segment revenues			
Property rental	146,541	24,945	171,486
Property related services	14,653	-	14,653
Hotel operations	39,799	-	39,799
Catering operations	9,033	-	9,033
Total segment revenues	<u>210,026</u>	<u>24,945</u>	<u>234,971</u>
Segment results – underlying loss			
– Property rental and related services	(2,648)	(1,687)	(4,335)
– Hotel and catering operations	(4,548)	-	(4,548)
Fair value losses on investment properties	(184,693)	(13,868)	(198,561)
Deferred income tax, net	-	2,913	2,913
Loss for the period	<u>(191,889)</u>	<u>(12,642)</u>	<u>(204,531)</u>
Included in segment results:			
Finance income	1,011	107	1,118
Finance costs	(58,349)	(2,794)	(61,143)
Income tax expense (note)	(4,142)	(18)	(4,160)
Depreciation	<u>(21,589)</u>	<u>(409)</u>	<u>(21,998)</u>
Capital expenditure	<u>1,330</u>	<u>-</u>	<u>1,330</u>
At 30th June 2025			
Property, plant and equipment	1,927,149	4,759	1,931,908
Investment properties	<u>8,652,360</u>	<u>442,792</u>	<u>9,095,152</u>
Non-current assets (excluding financial assets at fair value through other comprehensive income)	10,579,509	447,551	11,027,060
Non-current financial assets at fair value through other comprehensive income	16,662	-	16,662
Current assets	<u>264,743</u>	<u>26,583</u>	<u>291,326</u>
Segment assets	<u>10,860,914</u>	<u>474,134</u>	<u>11,335,048</u>
Current liabilities	255,550	11,420	266,970
Non-current liabilities	<u>2,595,464</u>	<u>152,592</u>	<u>2,748,056</u>
Segment liabilities	<u>2,851,014</u>	<u>164,012</u>	<u>3,015,026</u>

	Hong Kong HK\$'000	US HK\$'000	Total HK\$'000
For the six months ended 30th June 2024			
Segment revenues			
Property rental	147,067	30,843	177,910
Property related services	14,710	-	14,710
Hotel operations	39,587	-	39,587
Catering operations	8,382	-	8,382
Total segment revenues	<u>209,746</u>	<u>30,843</u>	<u>240,589</u>
Segment results – underlying (loss)/profit			
– Property rental and related services	(16,341)	3,910	(12,431)
– Hotel and catering operations	(5,963)	-	(5,963)
Fair value (losses)/gains on investment properties	(179,375)	49,551	(129,824)
Deferred income tax, net	-	(14,349)	(14,349)
(Loss)/profit for the period	<u>(201,679)</u>	<u>39,112</u>	<u>(162,567)</u>
Included in segment results:			
Finance income	1,135	260	1,395
Finance costs	(73,798)	(3,316)	(77,114)
Income tax expense (note)	(3,239)	(13)	(3,252)
Depreciation	<u>(22,588)</u>	<u>(409)</u>	<u>(22,997)</u>
Capital expenditure	<u>8,223</u>	<u>2,349</u>	<u>10,572</u>
At 31st December 2024			
Property, plant and equipment	1,947,606	5,168	1,952,774
Investment properties	8,838,000	456,986	9,294,986
Prepayments for non-current assets	10	-	10
Non-current assets (excluding financial assets at fair value through other comprehensive income)	<u>10,785,616</u>	<u>462,154</u>	<u>11,247,770</u>
Non-current financial assets at fair value through other comprehensive income	17,308	-	17,308
Current assets	<u>238,638</u>	<u>29,385</u>	<u>268,023</u>
Segment assets	<u>11,041,562</u>	<u>491,539</u>	<u>11,533,101</u>
Current liabilities	628,856	14,231	643,087
Non-current liabilities	<u>2,192,485</u>	<u>156,283</u>	<u>2,348,768</u>
Segment liabilities	<u>2,821,341</u>	<u>170,514</u>	<u>2,991,855</u>

Note: The amount excludes net deferred income tax of US segment.

(3) Cost and expenses

For the six months ended 30th June

	2025	2024
	HK\$'000	HK\$'000
Depreciation	21,998	22,997
Amortisation of capitalised letting fees	1,890	2,320
Provision for impairment of trade debtors	-	102
Donations	2,661	2,826
Outgoings, in respect of (note (a))		
– investment properties	29,936	34,045
– properties for sale	3,374	2,973
– property related services	12,716	13,159
– property, plant and equipment	2,058	1,494
Outgoings, in respect of (note (b))		
– hotel and catering operations	36,145	35,098
Other employee benefit expenses	41,235	40,344
Others	24,299	25,701
Total cost of sales and administrative expenses	176,312	181,059

Notes:

- (a) Outgoings mainly included building management fee, government rent and rates, repairs and maintenance and employee benefits.
- (b) Outgoings mainly included food cost, commission expenses, electricity charge, cleaning fee and employee benefits.

(4) Other (losses)/gains, net

For the six months ended 30th June

	2025	2024
	HK\$'000	HK\$'000
Dividend income from financial assets at fair value through other comprehensive income	652	670
Realised and unrealised losses on derivative financial instruments, net	(3,973)	-
(Loss)/gain on disposal of property, plant and equipment, net	(36)	377
	(3,357)	1,047

(5) Finance income and costs

For the six months ended 30th June

	2025	2024
	HK\$'000	HK\$'000
Finance income		
Interest income from banks deposits	1,118	1,395
Finance costs		
Interest expenses on bank loans	(61,143)	(77,114)
Finance costs, net	(60,025)	(75,719)

(6) Income tax expense

Hong Kong Profits Tax has been provided at the rate of 16.5% (30th June 2024: 16.5%) on the estimated assessable profits for the period. Except for the minimum US state tax which has been paid during the period, no overseas taxation (30th June 2024: Nil) has been provided as there is no estimated taxable profit for the overseas subsidiaries for the period.

The amount of income tax (charged)/credited to the condensed consolidated statement of profit or loss represents:

For the six months ended 30th June

	2025	2024
	HK\$'000	HK\$'000
Current income tax		
– Hong Kong Profits Tax	(2,894)	(1,541)
– US taxation	(18)	(13)
	(2,912)	(1,554)
Deferred income tax		
– Hong Kong	(1,248)	(1,698)
– US	2,913	(14,349)
	1,665	(16,047)
	(1,247)	(17,601)

(7) Loss per share

The calculation of basic loss per share is based on loss attributable to owners of the Company of HK\$202,062,000 (30th June 2024: HK\$158,181,000) and on 287,670,000 (30th June 2024: 287,670,000) ordinary shares in issue during the period.

As there are no dilutive potential ordinary shares for the six months ended 30th June 2025 and 2024, the diluted loss per share is equal to the basic loss per share.

(8) Dividend

For the six months ended 30th June

	2025	2024
	HK\$'000	HK\$'000
Interim, declared, of HK3 cents		
(2024: HK4 cents) per ordinary share	<u>8,630</u>	<u>11,507</u>

At a meeting held on 27th August 2025, the directors declared an interim dividend of HK3 cents per ordinary share for the year ending 31st December 2025. This declared dividend is not reflected as a dividend payable in this Condensed Consolidated Interim Financial Information, but will be reflected as an appropriation of retained profits for the year ending 31st December 2025.

(9) Debtors and prepayments

Included in debtors and prepayments are trade debtors, net, of HK\$2,716,000 (31st December 2024: HK\$1,817,000) and the ageing analysis of the trade debtors, net, based on invoice date was as follows:

	As at 30th June 2025 HK\$'000	As at 31st December 2024 HK\$'000
0-30 days	2,071	1,450
31-60 days	215	367
61-90 days	257	-
Over 90 days	<u>173</u>	<u>-</u>
	<u>2,716</u>	<u>1,817</u>

The trade debtors represent rental and management fee receivables. The Group normally does not grant credit to tenants for lease receivables, and grants 30 days credit for management fee receivables.

(10) Creditors and accruals

Included in creditors and accruals are trade creditors of HK\$7,079,000 (31st December 2024: HK\$8,572,000) and the ageing analysis of the trade creditors based on invoice date was as follows:

	As at 30th June 2025 <i>HK\$'000</i>	As at 31st December 2024 <i>HK\$'000</i>
0-30 days	6,327	8,362
31-60 days	403	179
61-90 days	349	15
Over 90 days	-	16
	<u>7,079</u>	<u>8,572</u>

CHAIRMAN'S STATEMENT

Result

I would like to report the results of the Company and its subsidiaries (the "Group") for the period ended 30th June 2025 that the total revenue of the Group for the period decreased by HK\$5.6 million or 2.3% to HK\$235.0 million (30th June 2024: HK\$240.6 million). The Group's core property leasing business remained stable, with the total rental income down by 3.6% as compared to the same period of last year as a result of the drop of rental income from the operation in the United States ("US"). Whereas, the revenue from the hotel and catering business was slightly increased by 1.8% as compared to the same period of last year.

The Group recorded a consolidated loss for the period ended 30th June 2025 of HK\$204.5 million (30th June 2024: HK\$162.6 million). Loss per share for the period was HK\$0.70 (30th June 2024: HK\$0.55). The consolidated loss for the period included the fair value losses on investment properties (net of US deferred income tax) of HK\$195.6 million (30th June 2024: HK\$144.2 million).

Excluding these effects of fair value losses on investment properties, the Group's earnings before interest, tax, depreciation and amortisation ("EBITDA") for the period ended 30th June 2025 was HK\$78.4 million (30th June 2024: HK\$85.0 million) and the Group's underlying loss for the period ended 30th June 2025 was HK\$8.9 million (30th June 2024: HK\$18.4 million). The underlying loss decreased by HK\$9.5 million mainly due to the decrease in interest expenses of HK\$16.0 million as a result of drop in interest rate during the period, however, set off by the decrease in profit contribution from US operation.

As at 30th June 2025, the valuation of the investment properties of the Group was HK\$9,095.2 million (31st December 2024: HK\$9,295.0 million), drop by HK\$199.8 million or 2.1% for the period. Total equity amounted to HK\$8,320.0 million (31st December 2024: HK\$8,541.2 million).

Dividend

The board of directors (the "Board") has declared an interim dividend of HK3 cents (30th June 2024: HK4 cents) per ordinary share.

Prospects

From the start of Year 2025, the global economic and political environments have been exceptionally unpredictable and full of uncertainties. Upon President Trump's administration, the global economy has become unstable. Hopefully, after the US tariff policy meetings have taken place in the second half of Year 2025, there will be a much clearer picture on the global economy.

Hong Kong has carried the benefits of significant interest rate cuts recently and the interest rates may stay at current low level for a while. Moreover, the HKSAR Government has launched various schemes over the past few years to attract companies, capital investors and talents from all over the world to come to Hong Kong. The effect of these schemes will become more obvious starting this year onwards. The inflow of talents already caused the surge of demand for residential leasing, together with the recent lowered interest rate, have positive impacts towards the Hong Kong property market absorption and stability.

Hong Kong is now in the transitional period of its structural change in the business model, with growth in some business sectors but diminution in others. There are growing interests from companies abroad for having their shares listed on the Stock Exchange of Hong Kong, and to move their registers to Hong Kong. By end of this year, there are likely more companies will seek listing in Hong Kong. With more newcomers fueling the economy, Hong Kong is set to welcome a lifted economy and a bright outlook for its future.

The GDP growth of Hong Kong is likely to remain stable while that of Mainland China is promising as compared to the rest of the world. Other than unforeseeable political uncertainties, we see a much more positive picture for the remainder of the year. The low and stable interest rates will also benefit our performance.

We are confident that our operations will remain stable and we will continue to be cautious and will make appropriate adjustments if the circumstance merit. Barring any unforeseen circumstances, the Group will continue to pursue a prudent policy.

William Ma Ching Wai

Chairman

Hong Kong, 27th August 2025

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

In Hong Kong, the gross rental income for the period was HK\$146.5 million, slightly decreased by HK\$0.5 million or 0.4% as compared to the same period of last year. There have been slight pick-up of rental income from residential properties due to increase in rental and occupancy rates. The upside was however set off by the drop from the industrial and commercial properties, and the trend may extend to the rest of the year.

The room tariff income and catering income from our hotels for the period was HK\$48.8 million, increased by HK\$0.9 million or 1.8% as compared to the same period of last year. The average occupancy rate of the Arca Hotel and the Figo Hotel for the period was 83.1% (30th June 2024: 75.5%) and 93.5% (30th June 2024: 91.0%) respectively. The average daily room rate (ADR) of the Arca Hotel and the Figo Hotel for the period was HK\$1,067 (30th June 2024: HK\$1,144) and HK\$1,250 (30th June 2024: HK\$1,319) respectively. The EBITDA of the Arca Hotel and the Figo Hotel for the period was HK\$2.2 million (30th June 2024: HK\$1.6 million) and HK\$2.2 million (30th June 2024: HK\$2.7 million) respectively. The increase in occupancy rate of both hotels during the period was mainly attributable to the increase in Mainland visitors to Hong Kong to participate in the recent sports and concert events.

In US, the gross rental income from Montgomery Plaza was HK\$24.9 million for the period, decreased by HK\$5.9 million or 19.2%, as compared to the same period of last year. As at 30th June 2025, the office space occupancy rate of Montgomery Plaza is 45% (30th June 2024: 65%). Rental and occupancy rates at the financial district in San Francisco continued to drop, and prospective tenants continued to reevaluate their office space needs due to the evolving workplace trends. These trends might not be reversed in the near future.

Liquidity and financial resources

As at 30th June 2025, the Group's total bank borrowings increased by HK\$28.6 million to HK\$2,658.3 million (31st December 2024: HK\$2,629.7 million), including outstanding long term bank loans of HK\$2,603.6 million (31st December 2024: HK\$2,479.7 million). As at 30th June 2025, the total equity decreased by HK\$221.2 million to HK\$8,320.0 million (31st December 2024: HK\$8,541.2 million). The gearing ratio (total debt to equity ratio) as at 30th June 2025 was 32.0% (31st December 2024: 30.8%).

The cash flow position and funding needs are closely reviewed and monitored to ensure that the Group has a good degree of financial flexibility and liquidity while optimising net financial costs. There are sufficient committed banking facilities available for the Group's current funding needs and future business requirements. The Group's financial position remains healthy.

Capital expenditure

Capital expenditure for the period amounted to HK\$1.3 million (30th June 2024: HK\$10.6 million) and capital commitments as at 30th June 2025 amounted to HK\$15.0 million (31st December 2024: HK\$13.6 million). Both capital expenditure and capital commitments were mainly related to the addition of property, plant and equipment, property improvement and construction work. The Group anticipates that such commitments will be funded by future operating income, bank borrowings and other sources of finance as appropriate.

Capital structure of the group

The capital structure of the Group had not changed materially from the last annual report.

Treasury policies and objectives

The Group adopts a treasury policy that aims to better control its treasury operations and lower its borrowing cost. As such, the Group endeavours to maintain an adequate level of cash and cash equivalents to address short term funding needs. The Group also considers various funding sources depending on the Group's needs to ensure that the financial resources have been used in the most cost-effective and efficient way to meet the Group's financial obligations. The deposits of the Group at various licensed banks have been and will continue to be conducted in accordance with the Group's treasury policy. The Group reviews and evaluates the Group's treasury policy from time to time to ensure its adequacy and effectiveness.

Foreign currency exchange risk

The Group's borrowings and cash and cash equivalents are primarily denominated in Hong Kong and US dollars and the repayment of principal and interest will be made in the respective lending currency. The Group therefore has no significant exposure to foreign exchange fluctuation.

As at 30th June 2025, the Group did not have any foreign currency hedging activity.

Secured bank borrowings and pledge of assets

Secured bank borrowings of the Group amounting to HK\$2,658.3 million (31st December 2024: HK\$2,629.7 million) were secured by certain investment properties and land and buildings with an aggregate carrying amount of HK\$7,686.2 million (31st December 2024: HK\$7,841.5 million) and the rental income therefrom. Interests on the Group's bank borrowings were based on the floating interest rates, i.e. spread plus Hong Kong Inter-bank Offered Rate or US Secured Overnight Financing Rate.

The Group entered into a fixed interest rate swap contract for a notional principal value of HK\$200 million at a fixed rate of 3.06% in April 2025, effectively stabilising funding costs and preventing it from becoming an excessive drag on operating results.

The maturity of the Group's long term bank loans as at 30th June 2025 is summarised as follows:

	As at 30th June 2025 HK\$'000	As at 31st December 2024 HK\$'000
within one year	87,077	360,540
in the second year	1,853,478	1,834,951
in the third to fifth year	663,085	284,253
	<u>2,603,640</u>	<u>2,479,744</u>

Contingent liabilities

As at 30th June 2025, the Group has no significant contingent liabilities or guarantees (31st December 2024: Nil).

Segment information

Details of segment information of the Group are set out in note (2)(c) to the condensed consolidated interim financial information in this announcement.

Employees and emolument policy

As at 30th June 2025, the Group employed a total of 265 (30th June 2024: 257) full-time employees which included the directors of the Company. In addition to salary payment, other benefits included discretionary bonus, insurance, medical schemes and mandatory provident fund schemes.

Employees of the Group are remunerated at a competitive level and are rewarded according to their performance and experience. The promotion and remuneration of the Group's employees are subject to annual review.

The emoluments of the directors of the Company are recommended by the remuneration committee to the Board's decision, having regard to the Group's operating results, individual responsibilities and performance, and comparable market statistics.

The Company has not adopted any share option scheme as an incentive to directors and eligible employees.

Significant investments held, material acquisitions and disposals of subsidiaries, associates and joint ventures

There were no significant investments held, nor were there any material acquisitions or disposals of subsidiaries, associates and joint ventures during the six months ended 30th June 2025.

Future plans for material investments and capital assets

The Group continues its efforts to upgrade and modernise our property portfolio. The Group will pay attention to the economic development and review our business plans for material investments and capital assets regularly.

INTERIM DIVIDEND AND RECORD DATE

The Board has resolved to declare an interim dividend of HK3 cents (2024: HK4 cents) per ordinary share, payable on 29th September 2025 to shareholders whose names standing on the register of members of the Company at the close of business on 12th September 2025 (the "Record Date"). In order to qualify for the interim dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's Registrar and Transfer Office, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Friday, 12th September 2025.

PURCHASE, SALE OR REDEMPTION OF SHARES OF THE COMPANY

The Company has not redeemed any of its shares during the period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the period.

CORPORATE GOVERNANCE

The Company complied with the code provisions of Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") during the period, except the following:

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual to maintain an effective segregation of duties. Mr. William Ma Ching Wai, the Chairman of the Board (the "Chairman") was appointed as the chief executive of the Company (the "Chief Executive") on 15th June 2017, since then Mr. Ma holds both positions as the Chairman and Chief Executive. The Board believes that vesting the roles of both Chairman and Chief Executive on the same individual will enable the Company to have a stable and consistent leadership and also facilitate the planning and execution of the Company's strategy and is hence in the interest of the Company and its shareholders. The Board is of the view that the balance of power and authority is adequately ensured as all major decisions have been made in consultation with the Board and appropriate Board committees, as well as top management, and there are one non-executive director and four independent non-executive directors on the Board offering their experience, expertise, independent advice and views from different perspectives.

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as the Company's code of conduct regarding directors' securities transactions. On specific enquires made, all directors have confirmed that they have complied with the Model Code during the period.

INDEPENDENT REVIEW

The audit committee of the Company (the "Audit Committee") has reviewed, in the presence of the external auditor, PricewaterhouseCoopers ("PwC"), the Group's principal accounting policies and the condensed consolidated interim financial information for the six months ended 30th June 2025, with no disagreement by the Audit Committee. The condensed consolidated interim financial information of the Group for the six months ended 30th June 2025 are unaudited, but have been reviewed by PwC, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A Report on Review of Interim Financial Information is included in the interim report to be sent to shareholders.

INTERIM REPORT

The 2025 interim report containing all the information required by the Listing Rules will be despatched to the shareholders of the Company and published on the Stock Exchange's website and the Company's website at www.tsld.com in due course.

By Order of the Board
William Ma Ching Wai
Chairman

Hong Kong, 27th August 2025

Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited

Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong

As at the date of this announcement, the Board comprised of ten directors, of which Mr. William Ma Ching Wai, Mr. Patrick Ma Ching Hang, Mr. Philip Ma Ching Yeung, Mr. Alfred Ma Ching Kuen and Ms. Amy Ma Ching Sau are executive directors, Mr. Edward Cheung Wing Yui is non-executive director, and Mr. Kevin Chau Kwok Fun, Mr. Yiu Kei Chung, Mr. Aaron Tan Leng Cheng and Mr. Ho Chi Keung are independent non-executive directors.