

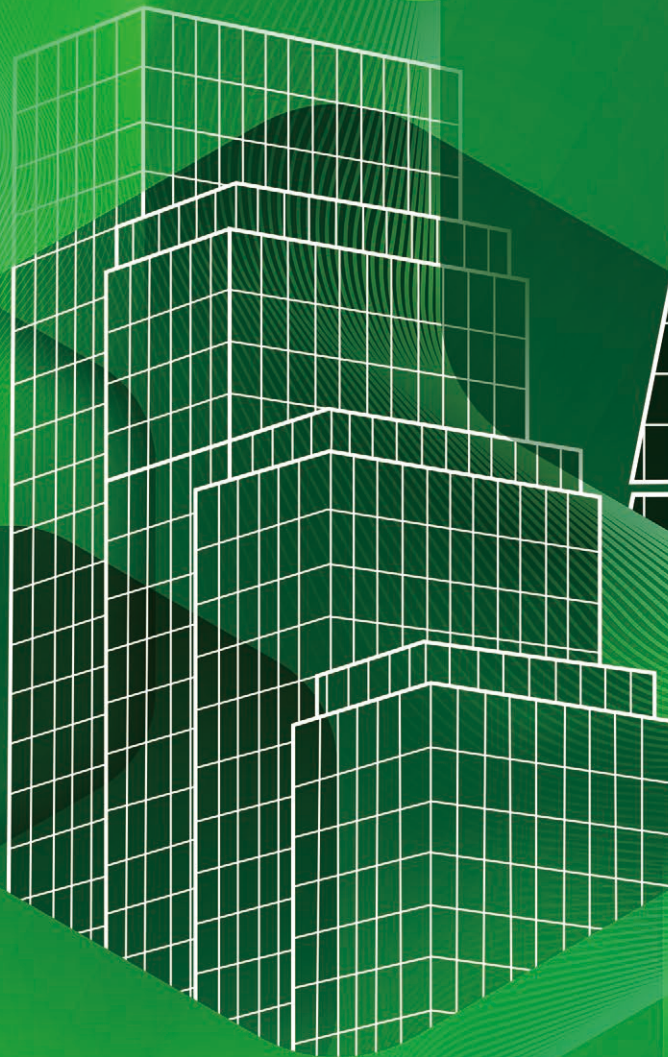


# C C LAND HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

Stock Code: 1224

## INTERIM REPORT 2024



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# Corporate Information

## DIRECTORS

### **Executive directors**

Mr. Cheung Chung Kiu (*Chairman*)  
Dr. Lam How Mun Peter  
(*Deputy Chairman & Managing Director*)  
Mr. Wong Chi Keung (*Deputy Chairman*)  
Mr. Leung Wai Fai

### **Independent non-executive directors**

Mr. Lam Kin Fung Jeffrey  
Mr. Leung Yu Ming Steven  
Mr. Luk Yu King James

## AUDIT COMMITTEE

Mr. Lam Kin Fung Jeffrey (*Chairman*)  
Mr. Leung Yu Ming Steven  
Mr. Luk Yu King James

## NOMINATION COMMITTEE

Mr. Cheung Chung Kiu (*Chairman*)  
Dr. Lam How Mun Peter  
Mr. Lam Kin Fung Jeffrey  
Mr. Leung Yu Ming Steven  
Mr. Luk Yu King James

## REMUNERATION COMMITTEE

Mr. Leung Yu Ming Steven (*Chairman*)  
Mr. Cheung Chung Kiu  
Dr. Lam How Mun Peter  
Mr. Lam Kin Fung Jeffrey  
Mr. Luk Yu King James

## AUTHORISED REPRESENTATIVES

Dr. Lam How Mun Peter  
Mr. Leung Wai Fai

## COMPANY SECRETARY

Ms. Cheung Fung Yee

## WEBSITE

[www.ccland.com.hk](http://www.ccland.com.hk)

## SECURITIES CODES

**Shares**  
1224.HK

**USD300 million 5.20% guaranteed notes due 2025**  
40850.HK

## REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

25th Floor  
China Resources Building  
26 Harbour Road  
Wanchai, Hong Kong

## INDEPENDENT AUDITORS

Ernst & Young  
*Certified Public Accountants*  
*Registered Public Interest Entity Auditor*

## LEGAL ADVISORS

**Bermuda**  
Conyers Dill & Pearman

**Hong Kong**  
Woo, Kwan, Lee & Lo  
Ronald Tong & Co

## SHARE REGISTRARS AND TRANSFER OFFICES

**Principal share registrar and transfer office**  
MUFG Fund Services (Bermuda) Limited  
4th Floor North  
Cedar House  
41 Cedar Avenue  
Hamilton HM 12  
Bermuda

**Hong Kong branch share registrar and transfer office**  
Tricor Secretaries Limited  
17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

## PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited  
Bank of China (Hong Kong) Limited  
Chong Hing Bank Limited  
Hang Seng Bank Limited  
The Bank of East Asia, Limited  
Industrial and Commercial Bank of China (Asia) Limited  
China CITIC Bank International Limited



# Management Discussion and Analysis

On behalf of the Board of Directors (the “Directors” or the “Board”) of C C Land Holdings Limited (the “Company”), I am pleased to present the unaudited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2024.

## BUSINESS REVIEW

The Group continues its property investment and development business in major cosmopolitan cities, covering London, the United Kingdom (“UK”), Hong Kong, and some key cities in Chinese Mainland. The Group believes these cities with their sound infrastructures will see continual economic growth, and prudent investments can generate attractive returns on a long-term basis.

### Revenue and Operating Profit

Performance for the period was continuously impacted by the prevailing unstable economic conditions arising from the high interest rates environment and slow recovery of the domestic economy. Although it is widely expected interest rate cut will take place in the second half of the year, the extent of interest rates cut will be limited and a relatively high interest rate level will prevail for a period of time. The debts issues of the Chinese property developers have largely remained unresolved and deeply affected transaction volumes and selling prices of properties.

The rental income from the investment property portfolio decreased by 6.9% compared to that of the corresponding period last year. It amounted to HK\$222.5 million, which was mainly due to the expiry of certain leases in One Kingdom Street in the second half of 2023.

Total revenue amounted to HK\$244.1 million (six months ended 30 June 2023: HK\$239.7 million) which represents an increase of 1.8%. The increase in revenue came mainly from the increased revenue from the treasury investment business.

The Group’s treasury investment business was still affected by the shrinking turnover of the Hong Kong stock market which arose from geopolitical tension and high interest rates. The treasury investment segment, comprising of listed equity securities and unlisted investment funds, recorded fair value losses of HK\$21.2 million (six months ended 30 June 2023: HK\$43.6 million) during the period.

The Group’s share of the results from the operation of joint venture investments (including investments in joint ventures and associates) recorded a profit of HK\$243.3 million, which represents a decrease of HK\$76.2 million compared to the corresponding period last year. This is primarily due to the decrease of property sales revenue from Thames City Phase I as most of the residential units had been delivered to the buyers in the previous year.

The value of the Group’s investment properties in the UK continued to be affected by the high interest rate but is gaining stability. During the period under review, the fair value gains on investment properties amounted to HK\$122.9 million (six months ended 30 June 2023: fair value losses of HK\$1.4 billion).

As at 30 June 2024, the Group’s investment properties in the UK were revalued by Knight Frank Petty Limited (“KF”) to be at GBP1.1 billion, representing an increase of 1.4% compared to that of the previous year end. KF continued to adopt the income capitalization approach with the following key values of inputs:

Values of input	30 June 2024	31 December 2023	Relationship to fair value
Estimated rental values (per square foot per annum)	<b>GBP60 to GBP112.5</b>	GBP60 to GBP112.5	The higher the rental values the higher the fair value
Equivalent yields	<b>5.03% to 5.97%</b>	5.03% to 5.89%	The higher the yields the lower the fair value

The income capitalization approach took into consideration the rental values of the tenancies and the investment yields which are the critical factors in determining the property’s value and is widely considered to be the most adopted and appropriate methodology for valuing properties held for long term rental purpose.

The profit attributable to shareholders was HK\$91.0 million (six months ended 30 June 2023: a loss of HK\$1,349.8 million). The basic earnings per share for the period was HK2.34 cents (six months ended 30 June 2023: basic loss per share of HK34.77 cents).

# Management Discussion and Analysis

## Investment Properties

As at 30 June 2024, the Group owns two Grade A commercial properties in Central London, the UK.

### London

The two commercial buildings, namely The Leadenhall Building, and One Kingdom Street, with an approximate total leasable area of 875,000 square feet (“sqf”), are located in the prime financial and insurance districts in Central London, UK. These two buildings represent the Group’s core rental business and continue to maintain a secure and stable revenue income stream.

During the period under review, the Group generated a rental income of HK\$222.5 million (six months ended 30 June 2023: HK\$239.0 million) from its investment properties in the UK. The Group’s rent collection has been solid with a 96% of rent collected in the period (six months ended 30 June 2023: 98%).

The Group still has confidence in the long-term prospects of London in view of the city’s status as a major global city, with a commercial property market that draws vast interest from both occupiers and investors.

#### *The Leadenhall Building*

The Leadenhall Building, a skyscraper having a height of 225 metres (738 feet) tall, is one of the iconic buildings in the Central London district. The building’s distinctive wedge-shaped architectural design has created several specific spaces to cater for the different needs of the tenants’ businesses. The combination of modern offices and food experiences in the neighborhood enables tenants’ businesses to attract and retain talented people. The property consists of 46 floors which are used mainly for office purposes and will be held by the Group as investment property for long-term capital growth. It comprises approximately 610,000 sqf of office and retail space and is fully let with a weighted average unexpired lease term of approximately 8.8 years with 7.5 years on a term-certain basis. The building’s tenant base includes several renowned international insurance companies alongside other financial institutions, technology, and professional service businesses. The current annual contract rent of The Leadenhall Building is around GBP41.8 million (31 December 2023: GBP40.6 million). The office space was fully leased as at 30 June 2024. The rental yield is approximately 3.6% (31 December 2023: 3.5%) per annum.

#### *One Kingdom Street*

The property is well connected to public transportation with nearby underground metro stations, providing easy access to Oxford Street or Heathrow Airport. One Kingdom Street is situated in Paddington Central, an area comprised of dining, office and residential blocks, hotel, retail and entertainment amenities. The building was recently refurbished with luxury-feel office spaces, together with its featured elegant, glazed exteriors and a superbly functional entrance hall. Above the hall, 265,000 sqf of superior office space is spread over nine floors. There is a huge amount of natural light in every office to create a productive and enjoyable working environment.

One Kingdom Street offers approximately 265,000 sqf of Grade A office accommodation and some parking spaces, with a current annual contract rent of approximately GBP12.4 million (31 December 2023: GBP12.4 million), equivalent to an annual yield of 4.3% (31 December 2023: 4.3%). The building is 71% leased to reputable major tenants and the refurbishment of the vacant spaces was completed during the period under review. Apart from office accommodation, after completion of the metro Elizabeth Line’s related construction works, Transport for London has returned to One Kingdom Street 15,360 sqf of vacant space underneath the office tower. The Group is currently exploring various leasing options for this vacant space which may entail creating an urban logistics hub in collaboration with adjacent landlords in Paddington Central.

The Group manages the property leases proactively in order to maintain a high occupancy rate and high tenants retention, while reducing the tenant concentration risks. It also engages with the tenants regularly to strengthen the property’s position as a choice office in Central London.

## Joint Ventures

As at 30 June 2024, the Group has seven property projects operating through joint ventures, two projects with over 0.8 million sqf of attributable development space in Central London, three projects with approximately 0.5 million sqf in Hong Kong and two projects with approximately 6.8 million sqf in the Chinese Mainland.

The Group's total investments in joint venture projects increased slightly to HK\$10.3 billion as at 30 June 2024, up from HK\$10.2 billion as at 31 December 2023. There was no acquisition or disposal of joint ventures during the period under review.

The Group's property development pipeline is a significant component of the value of its joint venture business, and the Group expects this pipeline to contribute significantly to earnings and provide attractive returns on its investments in the near to medium term. As at 30 June 2024, the Group held interests in centrally located development sites with a total attributable development potential of approximately 8.1 million sqf, primarily in the UK, Hong Kong, and Chinese Mainland.

## London

The Group's presence in London's development business through its ownership interests in Thames City and The Whiteley continues to drive value for its shareholders. As at 30 June 2024, an accumulated total of 485 residential units for over GBP943 million in value have been presold in Phase I of Thames City, and a total of 94 residential properties for an aggregate sales price of roughly GBP582 million have been presold for The Whiteley.

### *Thames City*

Just along the south bank of the section of River Thames in Central London, the 10-acre former New Covent Garden Market site is now being redeveloped as Thames City, a mixed-use development featuring 12 residential and commercial buildings, ranging in height from 4 to 53 storeys, and a park which forms part of a vibrant regeneration district that will run from the Vauxhall Bridge to the Battersea Power Station. When fully completed, Thames City comprises approximately 1,500 luxury residential units with a total saleable area of approximately 1.7 million sqf, including three primary towers which rise to 36-53 storeys above basement, providing exceptional panoramic views over the whole of London. Other facilities include a grand clubhouse with a 30-metre-long swimming pool, a state-of-the-art gymnasium, movie theatre, karaoke lounge, landscaped gardens, restaurants, retail outlets and commercial spaces.

During the period, a total of 56,000 sqf was sold and recognized in the profit and loss account of the project company, contributing GBP104 million in sales revenue. Benefiting from the sensational sales performance, the construction loans were fully repaid in March last year, more than 17 months ahead of repayment schedule. Thames City's marketing continues in progress and has met with much success. As domestic and international travel restrictions are lifted, UK's reopening to international travellers and overseas buyers is making its presence felt.

The development of Phase II and III of Thames City with respective saleable areas of 529,000 sqf and 460,000 sqf is in the pipeline and the construction of Phase II is expected to commence in the second half of 2024.

The Group has 50% interests in the Thames City project.

### *The Whiteley*

In 2019, the Group committed to invest GBP182 million in a joint venture to restore the legendary Whiteley Shopping Centre which forms an important part of the wider regeneration of Queensway which is now being transformed into a more pedestrian friendly zone for London. Located in Queensway, W2, the Whiteley redevelopment project is a mixed-use scheme which secured planning permission in 2016. When finished, the project with about 603,000 sqf will deliver 139 luxurious residential apartments, a 5-star spa hotel with 109 rooms operated by Six Senses, retail and restaurant spaces, offering an exceptional living and investment opportunity in prime Central London. The Whiteley will be restored to its legendary position at the heart of Bayswater after completion. The Group has fully paid its committed investment of GBP182 million for the development.

At The Whiteley, the practical completion of the whole project is anticipated at the second half of the year. During the period under review, sectional completion of certain parts of the residential blocks was completed and delivery to the buyers started. As at 30 June 2024, 32 residential units with sales amount of GBP158 million have been delivered to the buyers. The development will deliver approximately 326,000 sqf of residential area, and 277,000 sqf of retail, hotel, commercial and parking spaces. Pre-sales started in November 2021. As at 30 June 2024, it has presold 94 residential units for GBP582 million.

The Group has approximately 46% interests but 50% voting power in this project.

# Management Discussion and Analysis

## Hong Kong

### *Harbourside HQ*

Located next to the Kai Tak Development District, Harbourside HQ is a 28-storey Grade A office with a total marketable gross floor area of approximately 795,000 sqf, including retail spaces on the ground and first floor, and 285 parking spaces. Overlooking Kai Tak and the Kwun Tong Promenade, the property is situated close to the Ngau Tau Kok MTR station, connecting it to different districts of Hong Kong. With its unique location and iconic 136.5 metres height, Harbourside HQ commands a panoramic harbour view stretching from the Lei Yue Mun Straits to the Victoria Harbour. The nearby retail and commercial structures offer amenities in shopping, dining, and entertainment. With the new anchor tenant, Hospital Authority, moving into the building in the second half of 2023, the occupancy rate was maintained at 69% as at 30 June 2024. The cost of acquisition was HK\$7.5 billion in which the Group has a 25% interest.

### *No. 15 Shouson*

No. 15 Shouson is located at No. 15 Shouson Hill Road West. It comprises a total of 15 luxury villas with a total gross floor area of approximately 88,000 sqf. All the villas have internal lifts, gardens, usable rooftops and parking spaces. Among them, 13 villas have also private swimming pools. Two villas with total sales value of HK\$758 million have been contracted for sale in the period with two additional villas contracted for sale subsequent to the period end at a selling price of HK\$1,038 million.

The Group has 42% interests in No. 15 Shouson with an investment of about HK\$1.2 billion.

### *Kowloon Bay International Trade & Exhibition Centre (“KITEC”)*

The Group has an effective 15% interest in a joint venture development project related to KITEC with an attributable investment of about HK\$906 million. The business operations of KITEC ceased at 30 June 2024 to await for the approval of the redevelopment plan which includes commercial and residential elements.

## Chinese Mainland

### *Development Projects*

#### *Jiangsu Yancheng Project (江蘇鹽城項目)*

The Group has a 29.4% interest in a joint venture of a development project in Jiangsu with a planned total investment of RMB496 million. The project has a site area of about 687,000 sqf. When fully developed, it comprises 1.56 million sqf of residential and commercial saleable area. The project is located at the intersection of Yanzhen Road (鹽枕路) and Houde Road (厚德路) in close proximity to the city government office building, the airport, and railway station. Construction work commenced in June 2021.

The project is being developed in two phases, comprising thirteen residential and commercial buildings. Phase I with approximately 712,000 sqf was completed and started delivery in last year.

#### *Guangdong Jiangmen Project (廣東江門市項目)*

The Group has a 34% interest in a joint venture of a development project in Jiangmen city, Guangdong Province, with a total investment cost of RMB703 million. The project, with a site area of about 15.5 million sqf, is positioned for commercial and residential development, providing a total gross floor area of about 19.2 million sqf. The project is located on the west bank of the Guangdong-Hong Kong-Macau Greater Bay Area, at the core of the Taishan (台山) coastal resort area.

Site survey of the project has been completed. Infrastructure works related to access roads and utility facilities are required for the residential site before the commencement of construction works.

## Treasury Investment Business

The treasury investment segment recorded a loss of HK\$21.2 million (six months ended 30 June 2023: a loss of HK\$62.7 million). The dividends from investments amounted to HK\$21.6 million (six months ended 30 June 2023: HK\$0.7 million). The fair value losses from its investment portfolio amounted to HK\$21.2 million (six months ended 30 June 2023: HK\$43.6 million).

## CORPORATE STRATEGY AND OUTLOOK

Following the abolition of the demand-side management measures for residential properties (commonly known as “the harsh measures”) by the Hong Kong Government early this year, there was a gradual recovery of the transaction volume in the local property market. The Group remains optimistic regarding the Hong Kong property market. It is expected that stabilization would return as the long-awaited interest rate cut initiated in the UK as anticipated in August this year.

The Group will continue to adopt a wait and see approach in tackling the unstable economic conditions which were driven by the geopolitical tension and high interest rate environment. The Group will adopt a conservative attitude but keep a watchful eye on the market and cherry pick for acquisition high-quality assets and businesses which may appear.

Following the staged completion of the two joint-venture development projects in Central London, revenues will be continually booked as delivery takes place, providing attractive returns to the Group. Concurrently the two investment properties in Central London will continue to provide a steady and recurring rental income for the Group.

Looking forward, the Management anticipates the unstable business environments will persist in the foreseeable future. The Group will focus on ensuring the stability and sustainability of its existing property portfolio and adjust its strategies in response to the ever-changing market as well as maintain a healthy balance sheet.

## FINANCIAL REVIEW

### Treasury Investments

The Group regularly reviews and manages its capital structure to ensure that its financial position remains sound, so that it can continue to provide returns to shareholders while keeping financial leverage at a healthy level. The objectives of the Group’s investment policy are to minimize risks while retaining liquidity, maintain a healthy balance sheet, and achieve a competitive rate of return.

The Group invested surplus cash in a diversified portfolio of listed equity securities and unlisted investment funds. As at 30 June 2024, the portfolio of investments comprised of listed equity securities and unlisted investment funds with an aggregate carrying value of HK\$1,042.2 million (31 December 2023: HK\$1,063.4 million) which is listed in the table below:

	30 June 2024 HK\$' million	31 December 2023 HK\$' million
<b>Financial assets at fair value through profit or loss</b>		
Listed equity securities	67.8	71.2
Unlisted investment funds	974.4	992.2
<b>Total</b>	<b>1,042.2</b>	<b>1,063.4</b>

In terms of performance, the Group recognized from its portfolio of investments during the period an unrealized fair value loss of HK\$21.2 million (six months ended 30 June 2023: HK\$43.6 million) in the consolidated statement of profit or loss. No realized gain/loss on the portfolio of investments for the period was recorded (six months ended 30 June 2023: Nil), whereas the dividends income from above investments was HK\$21.6 million (six months ended 30 June 2023: HK\$0.7 million). In terms of future prospects of the Group’s investments, the performance of the listed equity securities and unlisted investment funds held is to a large extent subject to the performances of the relevant financial markets which are liable to change rapidly and unpredictably.

The Group will continuously adopt a prudent investment strategy and assess the performance of its investment portfolio to make timely and appropriate adjustments to fine-tune its investments holding with a view to generating favorable returns for its shareholders.

### Liquidity and Financial Resources

As at 30 June 2024, the Group had cash on hand of HK\$1.5 billion. About 10% of the Group’s bank deposits and cash were denominated in HKD, 34% in USD, 55% in GBP and 1% in other currencies.

The Group has executed a conservative strategy of securing long-term financing on individual properties. As at 30 June 2024, the Group had two investment properties valued at approximately HK\$11.0 billion which are charged with mortgages totalling HK\$6.3 billion.

Where appropriate, the Group uses interest rate swaps to lock-in lending rates on certain mortgages and bank borrowings, which provide certainty to the rate of interest on borrowings involving transactions of a longer term nature.

The Group’s net borrowings slightly increased to HK\$8.8 billion at 30 June 2024, compared with HK\$8.6 billion at 31 December 2023. The Group’s net gearing ratio, which is calculated as net borrowings as a percentage of the owners’ equity, increased slightly to 64.4% at 30 June 2024 from 63.7% at 31 December 2023. The Group’s adjusted net gearing ratio would be reduced to 56.7% (31 December 2023: 55.8%) if the portfolio of investments was taken into account.



# Management Discussion and Analysis

As at 30 June 2024, the total debt was HK\$10.3 billion (31 December 2023: HK\$11.4 billion) with the maturity profile spreading over a period of five years with HK\$0.4 billion repayable within one year and the remaining HK\$9.9 billion repayable after one year. About 61% of the Group's total debt was denominated in GBP, 22% in USD, 16% in HKD, and 1% in RMB. The debt to total assets ratio was 42% (31 December 2023: 45%) and is calculated as debt as a percentage to total assets. As at 30 June 2024, except for the notes payable of HK\$2.3 billion (31 December 2023: HK\$2.3 billion) and other loan of HK\$57.9 million (31 December 2023: HK\$59.6 million) bearing interest at fixed rates, all bank borrowings bear interest at floating interest rates. The weighted average cost of debt was 5.9% (six months ended 30 June 2023: 5.6%) per annum during the period.

The Group continues to maintain a high level of liquidity. Total assets as at 30 June 2024 were HK\$24.3 billion, of which approximately 11.3% was current in nature. Net current assets were HK\$2.0 billion.

As at 30 June 2024, the owners' equity was HK\$13.6 billion (31 December 2023: HK\$13.5 billion) and the net assets value per share was HK\$3.51 (31 December 2023: HK\$3.49).

## Contingent Liabilities/Financial Guarantees

At 30 June 2024, the Group had the following contingent liabilities/financial guarantees:

1. Guarantees given to a bank in connection with a facility granted to a joint venture up to HK\$514 million (31 December 2023: HK\$705 million).
2. Guarantees given to banks in connection with facilities granted to associates up to HK\$1,398 million (31 December 2023: HK\$1,538 million).
3. Guarantees given to certain financial institutions in connection with the cost overrun guarantee in respect of the project development costs of a joint venture up to HK\$813 million (31 December 2023: HK\$822 million).

## Pledge of Assets

As at 30 June 2024, investment properties, bank deposits, and property and equipment in the respective amounts of HK\$11.0 billion, HK\$26.2 million and HK\$67.9 million, and the equity interests of certain subsidiaries have been pledged as security for banking facilities granted to the Group and a joint venture of the Group.

## Exchange Risks and Hedging

The Group manages its treasury activities within established risk management objectives and policies. The main objectives are to manage exchange, interest rate and liquidity risks and to provide a degree of certainty in respect of costs.

The Group adopts strategic hedging policies to optimize risk-adjusted returns from operations, including the following initiatives:

1. Use of interest rate swaps to hedge the interest rate risk on borrowings.
2. Use of same currency borrowings as a natural hedge to match the currency of assets and cashflows.
3. Use of currency forward contracts to hedge currency risk as appropriate.

## EMPLOYEES

As at 30 June 2024, the Group employed a total of 109 employees in Hong Kong, Chinese Mainland and the UK for its principal business. Remuneration cost for the period (excluding directors' emoluments) amounted to approximately HK\$52 million.

The Group's policy on remuneration is to ensure that pay levels of its employees are competitive to the market and employees are rewarded according to their merits, qualifications, performance and competence. Other benefits offered to employees include contributions of mandatory provident fund, medical insurance, and training subsidies.

Employees are also eligible to be granted share options under the Company's share option scheme at the discretion of the Board. For the six months ended 30 June 2024, no equity-settled share option expense was charged to the consolidated statement of profit or loss.

## INTERIM DIVIDEND

The Board has resolved not to declare any payment of an interim dividend for the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS

As at 30 June 2024, details of the interests and short positions of each of the directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") required to be recorded in the register kept by the Company under Section 352 of the SFO, or otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

### (a) Interests in shares of the Company (long positions)

Name of directors	Capacity in which interests are held	Number of shares held	Approximate percentage <sup>4</sup>
Cheung Chung Kiu	Interest of controlled corporation	2,871,231,906 <sup>1</sup>	73.96
Lam How Mun Peter	Beneficial owner	486,753	0.01

### (b) Interests in shares and debentures of the Company's associated corporations (long positions)

#### (i) Shares

Name of director	Name of associated corporation	Capacity in which interests are held	Number of shares held	Approximate percentage <sup>4</sup>
Cheung Chung Kiu	The Cross-Harbour (Holdings) Limited (stock code: 32)	Interest of controlled corporation	272,838,585 <sup>2</sup>	73.21
Cheung Chung Kiu	Instant Glory International Limited	Interest of controlled corporation	1 <sup>3</sup>	50.00

#### (ii) Debentures

Name of director	Name of associated corporation	Capacity in which interests are held	Amount of debentures held	Amount of debentures in same class in issue
Cheung Chung Kiu	Perfect Point Ventures Limited	Beneficial owner	US\$149,560,000	US\$300,000,000
Lam How Mun Peter	Perfect Point Ventures Limited	Beneficial owner	US\$2,400,000	US\$300,000,000

Notes:

- Such shares were held directly by Fame Seeker Holdings Limited, which was wholly-owned by Windsor Dynasty Limited ("Windsor Dynasty"), which was in turn wholly-owned by Cheung Chung Kiu ("Mr. Cheung").
- Such shares were held directly by Rose Dynamics Limited, which was wholly-owned by Windsor Dynasty.
- Such share was held directly by Victory Trend Holdings Limited, which was wholly-owned by Mr. Cheung.
- Approximate percentage refers to the aggregate interests of a director in the shares of such company expressed as a percentage (rounded to two decimal places) of the issued share capital of such company as at 30 June 2024.

Save as disclosed above, as at 30 June 2024, the Company had not been notified of any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) required to be recorded in the register kept by the Company under Section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

# Disclosure of Interests

## SHARE OPTIONS

On 21 May 2015, the Company adopted a share option scheme (“2015 Scheme”), details of which were disclosed in the Company’s circular dated 16 April 2015. No share options have been granted under the 2015 Scheme since its adoption and up to 30 June 2024.

## DISCLOSEABLE INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS UNDER THE SFO

As at 30 June 2024, details of the interests and short positions of every person, other than directors or the chief executive of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Name of shareholder	Capacity in which interests are held	Number of shares held	Approximate percentage <sup>2</sup>
Windsor Dynasty	Interest of controlled corporation	2,871,231,906 <sup>1</sup>	73.96

Notes:

1. Please refer to Note 1 to the paragraph “Interests in shares of the Company (long positions)” of the section headed “Directors’ and Chief Executive’s Interests and Short Positions” above.
2. Approximate percentage refers to the aggregate interest which the shareholder held or had short positions in the shares of the Company expressed as a percentage (rounded to two decimal places) of the issued share capital of the Company as at 30 June 2024.
3. All of the interests disclosed above represent long positions.

Save as disclosed above, as at 30 June 2024, the Company had not been notified of any interests or short positions of any other person, other than directors or the chief executive of the Company, in the shares or underlying shares of the Company required to be recorded in the register kept by the Company under Section 336 of the SFO.

## CORPORATE GOVERNANCE PRACTICES

The Company has applied to its corporate governance structure and practices the principles of good corporate governance, and complied with the code provisions, under the Corporate Governance Code as set out in Appendix C1 to the Listing Rules throughout the six months ended 30 June 2024.

## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct regarding securities transactions by directors. Specific enquiries have been made on all directors who have confirmed that they have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2024.

## UPDATE ON DIRECTORS' INFORMATION

Mr. Lam Kin Fung Jeffrey was appointed on 2 April 2024 as an Independent Non-executive Director of Golden Resources Development International Limited, the shares of which are listed on the Stock Exchange.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2024.

## DISCLOSURE PURSUANT TO RULE 13.21 OF THE LISTING RULES

On 3 October 2022, the Company was granted a 42-month term loan facility for an aggregate amount of HK\$1,350,000,000 as may be increased pursuant to an accordion option to an aggregate amount not exceeding HK\$3,000,000,000 under a facility agreement, pursuant to which, it is (among other matters) an event of default if Mr. Cheung, save for certain exceptions, (i) directly or indirectly, is not or ceases to be the shareholder holding the largest shareholding of the Company; (ii) does not or ceases to hold beneficially (directly or indirectly) of 35% or more of the issued share capital of the Company (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital); or (iii) does not or ceases to have control of the Company. On and at any time after the occurrence of an event of default which is continuing, (i) each available commitment of each lender under the Facility Agreement may immediately be cancelled and the Facility shall immediately cease to be available for further utilization, or any part of any commitment of the lenders under the Facility Agreement may immediately be cancelled and the relevant commitment of the lenders under the Facility Agreement shall immediately be reduced, and/or (ii) all or part of the Loans, together with accrued interest, and all other amounts accrued or outstanding under the Facility Agreement and other ancillary finance documents may become immediately due and payable, and/or (iii) all or part of the Loans may immediately become payable on demand.

## DISCLOSURE PURSUANT TO RULE 13.22 OF THE LISTING RULES

The Group had provided financial assistance to, and guarantee for, affiliated companies in the aggregate amount of HK\$8,263,498,000, which represented approximately 34.0% of the Group's total assets as at 30 June 2024.

In accordance with the requirement under Rule 13.22 of the Listing Rules, the pro forma combined balance sheet of those affiliated companies as at 30 June 2024 is presented below:

	<b>Combined balance sheet HK\$'000</b>
Non-current assets	6,289,039
Current assets	32,684,903
Current liabilities	(13,503,908)
Non-current liabilities	(3,481,002)
Net assets	21,989,032
Share capital	8
Reserves	21,989,024
Total equity	21,989,032

As at 30 June 2024, the consolidated attributable interest of the Group in these affiliated companies amounted to HK\$10,309,098,000.



# Other Information

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## REVIEW OF INTERIM RESULTS

The Audit Committee has discussed with the management the accounting policies and practices adopted by the Group, and has reviewed the Group's unaudited interim condensed consolidated financial information for the six months ended 30 June 2024.

## APPRECIATION

On behalf of the Board, I would like to express our sincere appreciation to the Group's management and staff for their diligence, loyalty and dedication. We are also grateful to our shareholders, strategic partners and bankers for their support and trust which have contributed towards the Group's success.

By order of the Board

**Lam How Mun Peter**

*Deputy Chairman & Managing Director*

Hong Kong, 22 August 2024

# Consolidated Statement of Profit or Loss

For the six months ended 30 June 2024

	Notes	Six months ended 30 June	
		2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
<b>REVENUE</b>	4	<b>244,093</b>	239,682
Cost of services provided		<b>(15,357)</b>	(10,863)
Gross profit		<b>228,736</b>	228,819
Other income and gains, net	4	<b>166,413</b>	31,870
Administrative expenses		<b>(159,455)</b>	(144,290)
Impairment losses on financial assets	5	–	(12,807)
Other expenses	5	<b>(43,613)</b>	(1,439,648)
Finance costs		<b>(316,747)</b>	(303,899)
Share of profits and losses of:			
Joint ventures		<b>264,340</b>	325,804
Associates		<b>(21,043)</b>	(6,306)
<b>PROFIT/(LOSS) BEFORE TAX</b>	5	<b>118,631</b>	(1,320,457)
Income tax expense	6	<b>(27,625)</b>	(29,372)
<b>PROFIT/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>		<b>91,006</b>	(1,349,829)
<b>EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>	8		
Basic and diluted		<b>HK2.34 cents</b>	HK(34.77) cents

# Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2024

	Six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
<b>PROFIT/(LOSS) FOR THE PERIOD</b>	<b>91,006</b>	<b>(1,349,829)</b>
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>		
<i>Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:</i>		
Cash flow hedge:		
Effective portion of changes in fair value of hedging instruments arising during the period	<b>69,543</b>	184,775
Exchange differences on translation of foreign operations	<b>(51,660)</b>	648,474
Share of other comprehensive income/(loss) of a joint venture	<b>1,030</b>	(3,496)
Share of other comprehensive loss of an associate	<b>–</b>	(6,155)
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	<b>18,913</b>	823,598
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>18,913</b>	<b>823,598</b>
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>	<b>109,919</b>	<b>(526,231)</b>

# Consolidated Statement of Financial Position

30 June 2024

	Notes	30 June 2024 HK\$'000 (Unaudited)	31 December 2023 HK\$'000 (Audited)
<b>NON-CURRENT ASSETS</b>			
Property and equipment	9	103,651	121,075
Investment properties		11,002,086	10,963,627
Golf club membership		10,540	10,540
Investments in joint ventures		8,138,601	8,166,713
Investments in associates		2,170,460	2,037,138
Prepayments, deposits and other receivables	11	4,613	4,625
Derivative financial instruments		131,530	64,274
Total non-current assets		21,561,481	21,367,992
<b>CURRENT ASSETS</b>			
Trade receivables	10	9,586	10,735
Prepayments, deposits and other receivables	11	162,656	184,336
Financial assets at fair value through profit or loss		1,042,157	1,063,367
Prepaid income tax		2,262	2,285
Pledged deposits		26,152	75,737
Restricted bank balances		83,780	70,748
Cash and cash equivalents		1,412,628	2,586,638
Total current assets		2,739,221	3,993,846
<b>CURRENT LIABILITIES</b>			
Other payables and accruals		308,306	418,257
Interest-bearing bank and other borrowings	12	415,827	2,128,428
Tax payable		31,075	29,210
Total current liabilities		755,208	2,575,895
<b>NET CURRENT ASSETS</b>		<b>1,984,013</b>	<b>1,417,951</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>23,545,494</b>	<b>22,785,943</b>
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing bank and other borrowings	12	7,565,896	6,907,288
Notes payable	13	2,319,610	2,317,415
Other payables		9,972	16,171
Derivative financial instruments		8,175	13,147
Total non-current liabilities		9,903,653	9,254,021
Net assets		13,641,841	13,531,922
<b>EQUITY</b>			
Issued capital	14	388,233	388,233
Reserves		13,253,608	13,143,689
Total equity		13,641,841	13,531,922



# Consolidated Statement of Changes in Equity

For the six months ended 30 June 2024

	Attributable to equity owners of the Company					
	Issued capital HK\$'000 (Unaudited)	Share premium account HK\$'000 (Unaudited)	Exchange fluctuation reserve** HK\$'000 (Unaudited)	Cash flow hedge reserve HK\$'000 (Unaudited)	Retained profits HK\$'000 (Unaudited)	Total equity HK\$'000 (Unaudited)
At 1 January 2024	388,233	11,977,078*	(387,225)*	39,079*	1,514,757*	13,531,922
Profit for the period	-	-	-	-	91,006	91,006
Other comprehensive income/(loss) for the period:						
Cash flow hedge:						
Changes in fair value of hedging instruments arising during the period	-	-	-	69,543	-	69,543
Share of other comprehensive income of a joint venture	-	-	1,030	-	-	1,030
Exchange differences:						
Translation of foreign operations	-	-	(51,660)	-	-	(51,660)
Total comprehensive income/(loss) for the period	-	-	(50,630)	69,543	91,006	109,919
At 30 June 2024	388,233	11,977,078*	(437,855)*	108,622*	1,605,763*	13,641,841

\* These reserve accounts comprise the consolidated reserves of HK\$13,253,608,000 (31 December 2023: HK\$13,143,689,000) in the consolidated statement of financial position.

\*\* The exchange fluctuation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations as well as the effective portion of any foreign exchange differences arising from hedges of the net investment in these foreign operations.

	Attributable to equity owners of the Company					
	Issued capital HK\$'000 (Unaudited)	Share premium account HK\$'000 (Unaudited)	Exchange fluctuation reserve** HK\$'000 (Unaudited)	Cash flow hedge reserve HK\$'000 (Unaudited)	Retained profits HK\$'000 (Unaudited)	Total equity HK\$'000 (Unaudited)
At 1 January 2023	388,233	11,977,078	(1,125,755)	122,324	3,529,644	14,891,524
Loss for the period	-	-	-	-	(1,349,829)	(1,349,829)
Other comprehensive income/(loss) for the period:						
Cash flow hedge:						
Changes in fair value of hedging instruments arising during the period	-	-	-	184,775	-	184,775
Share of other comprehensive loss of a joint venture	-	-	(3,496)	-	-	(3,496)
Share of other comprehensive loss of an associate	-	-	-	(6,155)	-	(6,155)
Exchange differences:						
Translation of foreign operations	-	-	648,474	-	-	648,474
Total comprehensive income/(loss) for the period	-	-	644,978	178,620	(1,349,829)	(526,231)
Final 2022 dividend approved	-	-	-	-	(77,647)	(77,647)
At 30 June 2023	388,233	11,977,078	(480,777)	300,944	2,102,168	14,287,646

# Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2024

		<b>Six months ended 30 June</b>	
		<b>2024</b>	<b>2023</b>
	Note	<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations		13,429	85,233
Dividend received		21,629	669
Tax paid, net		(25,023)	(38,483)
Interest paid		(306,359)	(268,825)
Net cash flows used in operating activities		<b>(296,324)</b>	(221,406)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Decrease/(increase) in pledged deposits		49,317	(233)
Investments in joint ventures		(119,335)	(2,524)
Return of capital from a joint venture		390,712	526,694
Repayment of an amount due to a joint venture		(30,940)	–
Investments in associates		(155,100)	(26,010)
Return of capital from associates		733	4,263
Interest received from bank deposits		41,751	28,861
Additions to investment properties		(34,213)	–
Purchase of items of property and equipment		(34)	(152)
Proceeds from the termination of derivative financial instrument		1,420	–
Net cash flows from investing activities		<b>144,311</b>	530,899
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Principal portion of lease payments		(6,124)	(5,931)
Dividends paid	7	–	(77,647)
New bank borrowings		593,722	736,725
Repayment of bank and other borrowings		(1,594,638)	(720,266)
Net cash flows used in financing activities		<b>(1,007,040)</b>	(67,119)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
		<b>(1,159,053)</b>	242,374
Cash and cash equivalents at beginning of period		<b>2,586,638</b>	1,745,403
Effect of foreign exchange rate changes, net		<b>(14,957)</b>	20,185
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>		<b>1,412,628</b>	2,007,962
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances		<b>301,894</b>	775,903
Non-pledged time deposits with original maturity of less than three months when acquired		<b>1,110,734</b>	1,232,059
Cash and cash equivalents as stated in the condensed consolidated statement of cash flows		<b>1,412,628</b>	2,007,962

# Notes to Condensed Consolidated Financial Information

30 June 2024

## 1. BASIS OF PREPARATION

C C Land Holdings Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and whose shares are publicly traded on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are described in note 3 to the condensed consolidated financial information.

The unaudited interim condensed consolidated financial information of the Group for the six months ended 30 June 2024 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosure requirements of Appendix D2 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

The unaudited interim condensed consolidated financial information does not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2023.

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial information are consistent with those adopted in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2023, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by the HKICPA, except for the adoption of the revised HKFRSs as disclosed in note 2 to the condensed consolidated financial information.

## 2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRSs for the first time for the current period’s unaudited interim condensed consolidated financial information:

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current</i> (the “2020 Amendments”)
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants</i> (the “2022 Amendments”)
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

The nature and impact of the revised HKFRSs are described below:

- (a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.
- (b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

## 2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES *(continued)*

- (c) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure of relevant information for supplier finance arrangements is not required for any interim reporting period during the first annual reporting period in which an entity applies the amendments. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the interim condensed consolidated financial information.

## 3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments as follows:

Property development and investment segment	–	Development and investment of properties
Treasury investment segment	–	Investments in securities and notes receivable, and provision of financial services

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before tax. The adjusted profit or loss before tax is measured consistently with the Group's profit or loss before tax except that finance costs as well as head office and corporate expenses are excluded from such measurement.

Information regarding these reportable segments is presented below.

### Reportable segment information

	For the six months ended 30 June (Unaudited)					
	Property development and investment		Treasury investment		Total	
	2024	2023	2024	2023	2024	2023
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Segment revenue</b>						
Revenue from external customers	222,464	239,013	21,629	669	244,093	239,682
<b>Segment results</b>	493,990	(920,009)	(21,193)	(62,745)	472,797	(982,754)
Corporate and unallocated expenses					(37,419)	(33,804)
Finance costs					(316,747)	(303,899)
Profit/(loss) before tax					118,631	(1,320,457)



# Notes to Condensed Consolidated Financial Information

30 June 2024

## 4. REVENUE, OTHER INCOME AND GAINS, NET

An analysis of the Group's revenue, other income and gains, net, is as follows:

	Six months ended 30 June	
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
<b>Revenue</b>		
Gross rental income from investment property operating leases:		
Variable lease payments that do not depend on an index or a rate	3,865	860
Other lease payments, including fixed payments	218,599	238,153
	222,464	239,013
Dividend income from listed equity investments	746	669
Dividend income from an unlisted fund investment	20,883	–
Total revenue	244,093	239,682
<b>Other income and gains, net</b>		
Bank interest income	39,283	29,263
Fair value gains on investment properties	122,881	–
Fair value gains on derivative financial instruments, net		
– transactions not qualifying as hedges	4,106	–
Others	143	2,607
Total other income and gains, net	166,413	31,870

# Notes to Condensed Consolidated Financial Information

30 June 2024

## 5. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging/(crediting) the following:

	Six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Depreciation of owned assets	10,398	17,955
Depreciation of right-of-use assets	7,034	7,023
<b>Total</b>	<b>17,432</b>	24,978
Fair value losses/(gains) on investment properties	(122,881)	1,381,483*
Fair value losses on financial assets at fair value through profit or loss, net	21,210*	43,637*
Fair value losses/(gains) on derivative financial instruments, net – transactions not qualifying as hedges	(4,106)	5,402*
Loss on disposal of items of property and equipment	–	11*
Foreign exchange differences, net	22,403*	9,115*
Impairment losses on prepayments, deposits and other receivables	–	12,807
Employee benefit expense (including directors' remuneration):		
Wages and salaries	69,504	71,244
Pension scheme contributions**	3,762	3,769
<b>Total</b>	<b>73,266</b>	75,013

\* These expenses are included in "Other expenses" in the consolidated statement of profit or loss.

\*\* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

## 6. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong during the periods ended 30 June 2024 and 30 June 2023, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2023: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2023: 8.25%) and the remaining assessable profits are taxed at 16.5% (2023: 16.5%). Corporation tax in the United Kingdom ("UK") has been provided at a rate of 25% (2023: an effective rate of 23.5%) according to the requirements set forth in the relevant UK tax laws and regulations.

Tax on profits assessable in Chinese Mainland has been calculated at the applicable People's Republic of China corporate income tax rate of 25% (2023: 25%) during the periods, except for one subsidiary of the Group, which is operating in Tibet and is entitled to preferential income tax rate of 15% (2023: 15%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	Six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Current charge for the period		
UK	27,625	29,902
Overprovision in prior periods	–	(530)
<b>Total tax charge for the period</b>	<b>27,625</b>	29,372

# Notes to Condensed Consolidated Financial Information

30 June 2024

## 7. DIVIDENDS

No final dividend was declared in respect of the year ended 31 December 2023.

The board of directors (the “Board”) has resolved not to declare the payment of an interim dividend for the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

During the six months ended 30 June 2023, the Company declared a final dividend of HK\$0.02 per ordinary share amounting to HK\$77,647,000 for the year ended 31 December 2022 which was paid on 7 June 2023.

## 8. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic earnings/(loss) per share is based on the profit/(loss) for the period attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the period.

No adjustment has been made to the basic earnings/(loss) per share presented for the six months ended 30 June 2024 and 2023 as the Group had no potentially dilutive ordinary shares in issue during the periods.

The calculations of basic and diluted earnings/(loss) per share are based on:

	Six months ended 30 June	
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
<b>Earnings/(loss)</b>		
Profit/(loss) attributable to ordinary equity holders of the parent, used in the basic and diluted earnings/(loss) per share calculation	91,006	(1,349,829)
	Number of shares	
	Six months ended 30 June	
	2024	2023
<b>Shares</b>		
Weighted average number of ordinary shares in issue during the period used in the basic and diluted earnings/(loss) per share calculation	3,882,334,668	3,882,334,668

## 9. PROPERTY AND EQUIPMENT

During the six months ended 30 June 2024, the Group incurred HK\$34,000 (six months ended 30 June 2023: HK\$152,000) on the additions of items of property and equipment.

## 10. TRADE RECEIVABLES

	30 June	31 December
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
Trade receivables	9,586	10,735

The trade receivables primarily include rental receivables which are normally billed in advance and due on the first day of the billing period. Certain tenants are required to pay security deposits which are held by the property manager on trust for both the Group and the Group's tenants. The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by senior management.

# Notes to Condensed Consolidated Financial Information

30 June 2024

## 10. TRADE RECEIVABLES *(continued)*

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

	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
Within 1 month	<b>2,110</b>	–
1 to 3 months	<b>5,594</b>	8,040
3 to 6 months	<b>1,218</b>	2,695
6 to 12 months	<b>664</b>	–
Total	<b>9,586</b>	10,735

The Group's tenants normally settle their bills in a timely manner and the Group's trade receivables as at the end of the reporting period are less than twelve months past due. As such, the Group's exposure to credit risk is insignificant and the directors of the Company were of the opinion that the expected credit losses ("ECLs") for these rental receivables are minimal.

## 11. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
Prepayments	<b>6,415</b>	10,662
Deposits and other receivables	<b>14,359</b>	27,619
Due from associates (note)	<b>1,197,834</b>	1,232,057
Total prepayments, deposits and other receivables	<b>1,218,608</b>	1,270,338
Less: Impairment allowance	<b>(1,051,339)</b>	(1,081,377)
	<b>167,269</b>	188,961
Less: Portion classified as non-current assets	<b>(4,613)</b>	(4,625)
Portion classified as current assets	<b>162,656</b>	184,336

Note: As at 30 June 2024, the amounts due from associates were stated at amortised cost with aggregate principal amount of Renminbi ("RMB")1,116,860,000 (equivalent to HK\$1,197,834,000) (31 December 2023: RMB1,116,860,000 (equivalent to HK\$1,232,057,000)). The amounts due from associates bear interest at rates ranging from 9% to 18.25% (31 December 2023: 9% to 18.25%) per annum and were overdue at the reporting date (31 December 2023: were overdue at the reporting date).

# Notes to Condensed Consolidated Financial Information

30 June 2024

## 11. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES *(continued)*

Deposits and other receivables mainly represent consideration receivables, rental deposits, deposits with vendors and receivables from counterparties which have no history of default. As at 30 June 2024, except for amounts due from associates with a gross amount of HK\$1,197,834,000 (31 December 2023: HK\$1,232,057,000) which were overdue, the financial assets included in the above balances were not overdue.

An impairment analysis is performed at each reporting date by considering the ECLs, which are estimated by applying the probability-weighted loss default model with reference to the risks of default of the counterparties. As at 30 June 2024, except for the amounts due from associates with a gross amount of HK\$1,197,834,000 which were categorised within Stage 3 (31 December 2023: HK\$1,232,057,000) due to credit impairment of the controlling shareholder of the associates, being their guarantor, all of them were categorised within Stage 1 for the measurement of ECLs. The probability of default applied was 100% (31 December 2023: 100%) and the loss given default was estimated to be approximately 88% (31 December 2023: 88%).

The movements in the loss allowance for the impairment of financial assets included in prepayments, deposits and other receivables are as follows:

	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
At the beginning of the period/year	<b>1,081,377</b>	1,031,761
Impairment losses	–	66,205
Exchange realignment	<b>(30,038)</b>	(16,589)
At the end of the period/year	<b>1,051,339</b>	1,081,377

# Notes to Condensed Consolidated Financial Information

30 June 2024

## 12. INTEREST-BEARING BANK AND OTHER BORROWINGS

	30 June 2024 (Unaudited)			31 December 2023 (Audited)		
	Contractual interest rate	Maturity	HK\$'000	Contractual interest rate	Maturity	HK\$'000
<b>Current</b>						
Bank loans						
– secured	N/A	N/A	–	HIBOR+0.5%	On demand	50,000
– unsecured	N/A	N/A	–	SONIA+1.5%	On demand	597,690
– secured	N/A	N/A	–	SONIA+1.5%	2024	1,326,364
Current portion of long-term bank loans						
– secured	Sterling Overnight Index Average (“SONIA”)+1.66%	2024 to 2025	37,756	N/A	N/A	–
– unsecured	Hong Kong Interbank Offered Rate (“HIBOR”)+1.85%	2024 to 2025	320,156	HIBOR+1.85%	2024	154,374
Other loan – unsecured	3.85%	2025	57,915	N/A	N/A	–
Total – current			<u>415,827</u>			<u>2,128,428</u>
<b>Non-current</b>						
Bank loans						
– secured	SONIA+1.5% to +1.66%	2025 to 2028	6,252,003	SONIA+1.5%	2027	5,373,444
– unsecured	HIBOR+1.85%	2025 to 2026	1,313,893	HIBOR+1.85%	2025 to 2026	1,474,277
Other loan – unsecured	N/A	N/A	–	3.85%	2025	59,567
Total – non-current			<u>7,565,896</u>			<u>6,907,288</u>
Total			<u>7,981,723</u>			<u>9,035,716</u>
Analysed into:						
Bank loans repayable:						
On demand			–			647,690
Within one year			357,912			1,480,738
In the second year			1,351,716			321,229
In the third to fifth years, inclusive			6,214,180			6,526,492
Subtotal			<u>7,923,808</u>			<u>8,976,149</u>
Other loan repayable:						
Within one year			57,915			–
In the second year			–			59,567
Subtotal			<u>57,915</u>			<u>59,567</u>
Total			<u>7,981,723</u>			<u>9,035,716</u>

# Notes to Condensed Consolidated Financial Information

30 June 2024

## 12. INTEREST-BEARING BANK AND OTHER BORROWINGS *(continued)*

Notes:

- (a) Certain of the Group's bank borrowings are secured by certain of the Group's assets with aggregate carrying amounts as listed below:

	30 June 2024 HK\$'000 (Unaudited)	31 December 2023 HK\$'000 (Audited)
Investment properties	11,002,086	10,963,627
Bank balances	91,196	123,317

- (b) As at 30 June 2024, except for the other loan of HK\$57,915,000 (31 December 2023: HK\$59,567,000) which bears interest at fixed rate, all bank borrowings bear interest at floating interest rates.

- (c) The carrying amounts of the Group's bank and other borrowings which are denominated in the following currencies are as follows:

	30 June 2024 HK\$'000 (Unaudited)	31 December 2023 HK\$'000 (Audited)
HK\$	1,634,049	1,678,651
GBP	6,289,759	7,297,498
RMB	57,915	59,567
Total	7,981,723	9,035,716

- (d) The Group's bank borrowings of HK\$6,289,759,000 (31 December 2023: HK\$6,699,808,000) are secured by pledges over the equity interests of certain subsidiaries of the Group.

## 13. NOTES PAYABLE

	Principal at original currency	Contractual interest rate (%) per annum	Maturity	30 June 2024 HK\$'000 (Unaudited)	31 December 2023 HK\$'000 (Audited)
2021 Notes	US\$300,000,000	5.20	2025	2,319,610	2,317,415

In September 2021, the Group issued guaranteed notes with an aggregate principal amount of US\$300,000,000 (equivalent to HK\$2,325,000,000) at a coupon rate of 5.2% per annum, which are listed on the Stock Exchange (the "2021 Notes"). The net proceeds, after deducting the issuance expenses, amounted to HK\$2,307,371,000. The 2021 Notes are guaranteed by the Company and will mature in 2025.

The Group, at its option, can redeem the 2021 Notes in whole, but not in part, at any time prior to the maturity date at the redemption prices (principal amount) plus accrued interest up to the redemption date, as set forth in the written agreement between the Group and the trustees of the 2021 Notes.

At 30 June 2024, the fair value for the 2021 Notes amounted to HK\$2,199,055,000 (31 December 2023: HK\$1,996,152,000), which is based on market price from a financial institution at the end of the reporting period.

## 14. SHARE CAPITAL

	30 June 2024 HK\$'000 (Unaudited)	31 December 2023 HK\$'000 (Audited)
Authorised: 20,000,000,000 ordinary shares of HK\$0.10 each	2,000,000	2,000,000
Issued and fully paid: 3,882,334,668 ordinary shares of HK\$0.10 each	388,233	388,233



# Notes to Condensed Consolidated Financial Information

30 June 2024

## 15. COMMITMENTS

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

	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
Renovation work of investment properties	–	18,053

The Group had the following commitments provided to an associate and joint ventures (including the Group's share of commitments made jointly with other joint venturers) at the end of the reporting period:

	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
Contracted, but not provided for:		
Capital contribution payable to a joint venture	<b>112,896</b>	112,951
Capital contributions payable to an associate	<b>3,647</b>	3,751
Properties under development	<b>86,659</b>	262,338
Total	<b>203,202</b>	379,040

## 16. FINANCIAL GUARANTEES

- (a) As at 30 June 2024, the Group has given guarantees to a bank in connection with a facility granted to a joint venture up to HK\$513,640,000 (31 December 2023: HK\$704,500,000), and the related banking facility was utilised to the extent of HK\$513,640,000 (31 December 2023: HK\$704,500,000).
- (b) As at 30 June 2024, the Group has given guarantees to banks in connection with facilities granted to associates up to HK\$1,398,400,000 (31 December 2023: HK\$1,538,050,000), and the related facilities were utilised to the extent of HK\$1,398,400,000 (31 December 2023: HK\$1,516,050,000).
- (c) As at 30 June 2024, the Group has given guarantees to certain financial institutions in connection with the cost overrun guarantee in respect of the project development costs of a joint venture up to HK\$813,326,000 (31 December 2023: HK\$821,824,000).

The Group did not recognise any liabilities in respect of such financial guarantees as the directors of the Company consider that the fair values of these financial guarantee contracts at their initial recognition and at the end of the reporting period are insignificant.

## 17. PLEDGE OF ASSETS

As at 30 June 2024, certain of the Group's property and equipment with a carrying amount of HK\$67,867,000 (31 December 2023: HK\$68,909,000) was pledged to secure general banking facilities granted to the Group, of which the banking facilities were not utilised as at 30 June 2024 and 31 December 2023.

Details of the Group's owned investment properties, the equity interests of certain subsidiaries of the Group and pledged deposits pledged for the Group's bank loans, and for banking facilities granted to a joint venture of the Group are included in notes 12 and 18, respectively, to the condensed consolidated financial information.

# Notes to Condensed Consolidated Financial Information

30 June 2024

## 18. RELATED PARTY TRANSACTIONS

- (a) Outstanding balances with related parties before impairment allowances:

	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
Due from associates	<b>1,197,834</b>	1,232,057
Due to a joint venture	<b>76,939</b>	108,812

During the period ended 30 June 2024, the Group has paid rental expenses to a joint venture of HK\$168,000 (30 June 2023: Nil). The transactions were determined on a mutually agreed basis between the Group and the joint venture.

- (b) As at 30 June 2024, the Group has given guarantees to (i) banks in connection with banking facilities granted to a joint venture and associates; (ii) certain financial institutions in connection with the Group's cost overrun guarantee in respect of the project development costs of a joint venture, and the Group has placed a pledged deposit of HK\$26,152,000 (31 December 2023: HK\$25,737,000) in a bank in connection with a banking facility granted to a joint venture. Further details of these guarantees are given in note 16 to the condensed consolidated financial information.
- (c) Compensation of key management personnel of the Group:

	<b>Six months ended 30 June 2024 HK\$'000 (Unaudited)</b>	2023 HK\$'000 (Unaudited)
Total compensation paid to key management personnel	<b>19,240</b>	20,098

- (d) Guaranteed notes held by the directors of the Company:

As at 30 June 2024, the directors of the Company held 2021 Notes of principal US\$151,960,000 (31 December 2023: US\$137,400,000) with interest expenses of HK\$31,416,000 (six months ended 30 June 2023: HK\$25,912,000) incurred for the period. The contractual interest rates of 2021 Notes were 5.20% per annum.

## 19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, pledged deposits, restricted bank balances, trade receivables, financial assets included in prepayments, deposits and other receivables, financial liabilities included in current portion of other payables and accruals and the current portion of interest-bearing bank and other borrowings approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The Group's finance department headed by the directors of the Company is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The financial controller reports directly to the directors of the Company and the audit committee. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the directors of the Company. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

## 19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

*(continued)*

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 following methods and assumptions were used to estimate the fair values:

The fair value of the non-current portion of interest-bearing bank and other borrowings, notes payable and financial liabilities included in non-current portion of other payables have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for interest-bearing bank and other borrowings, notes payable and financial liabilities included in other payables as at 30 June 2024 and 31 December 2023 was assessed to be insignificant. Management has assessed that the fair values of the non-current portion of interest-bearing bank and other borrowings, notes payable and financial liabilities included in non-current portion of other payables approximate to their carrying amounts.

The fair values of listed equity investments are based on quoted market prices. The fair values of unlisted fund investments are derived from the net assets value per share of the investments or latest transaction prices. The directors of the Company believe that the estimated fair values which are recorded in the consolidated statement of financial position with net changes in fair value recognised in the statement of profit or loss are reasonable, and that they were the most appropriate values at the end of the reporting period.

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with credit ratings ranging from A+ to AA- (31 December 2023: A+ to AA-). Derivative financial instruments, including the forward currency contracts and interest rate swaps, are measured using valuation techniques similar to forward pricing and swap models, using present value calculations. The models incorporate various market observable inputs including the credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves. The carrying amounts of forward currency contracts and interest rate swaps are the same as their fair values.

As at 30 June 2024 and 31 December 2023, the mark-to-market value of the derivative asset and derivative liability position is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationship and other financial instruments recognised at fair value.

# Notes to Condensed Consolidated Financial Information

30 June 2024

## 19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

(continued)

### Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

	Fair value measurement using			Total HK\$'000
	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	
<b>Assets measured at fair value:</b>				
As at 30 June 2024 (Unaudited)				
Financial assets at fair value through profit or loss:				
Listed equity investments	67,827	–	–	67,827
Unlisted fund investments	–	974,330	–	974,330
Derivative financial instruments	–	131,530	–	131,530
<b>Total</b>	<b>67,827</b>	<b>1,105,860</b>	<b>–</b>	<b>1,173,687</b>
As at 31 December 2023 (Audited)				
Financial assets at fair value through profit or loss:				
Listed equity investments	71,164	–	–	71,164
Unlisted fund investments	–	992,203	–	992,203
Derivative financial instruments	–	64,274	–	64,274
<b>Total</b>	<b>71,164</b>	<b>1,056,477</b>	<b>–</b>	<b>1,127,641</b>
				<b>Fair value measurement using significant observable inputs (Level 2) HK\$'000</b>
<b>Liabilities measured at fair value:</b>				
As at 30 June 2024 (Unaudited)				
Derivative financial instruments				<b>8,175</b>
As at 31 December 2023 (Audited)				
Derivative financial instruments				13,147

During the period, there were no transfers of fair value measurement between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (six months ended 30 June 2023: Nil).

## 20. APPROVAL OF THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

This unaudited interim condensed consolidated financial information was approved and authorised for issue by the Board on 22 August 2024.