



HARBOUR CENTRE DEVELOPMENT LIMITED

Stock Code : 51

INTERIM REPORT 2024



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## **GROUP RESULTS**

Underlying net profit amounted to HK\$74 million (2023: loss of HK\$75 million).

Inclusive of net deficit on revaluation of Investment Properties, Group loss attributable to equity shareholders was HK\$8 million (2023: HK\$12 million). Basic loss per share was HK\$0.01 (2023: HK\$0.02).

## **INTERIM DIVIDEND**

The Board of Directors of the Company has resolved not to declare any interim dividend for the half-year period ended 30 June 2024 (2023: Nil).

## **BUSINESS REVIEW**

Recovery of Hong Kong's inbound tourism remained slow, despite a notable rebound in the first quarter that was largely attributed to the low base effect from the initial reopening of borders in early 2023. Key challenges, including unfavourable currency movements, global economic headwinds, flight capacity and intensified regional competition, continue to impede the recovery pace of Hong Kong's tourism economy.

There is a noticeable gap between inbound and outbound travel recovery. Many Hong Kong residents are taking advantage of the weaker currencies in destinations like Mainland China and Japan, leading to increased outbound travel. Retail sales have seen negative growth since March, affected by the divergence in travel patterns. The hotel industry has experienced a decline in bookings and room rates. Talent shortages are also posing significant operational challenges for both hotel operators and retailers. Even the successful players are cautious about over stretching their business, as they strive to maintain service quality during the recovery phase.

In Mainland China, sluggish economic growth and subdued consumer sentiment continue to affect domestic tourism. Hotel market started to weaken in the fourth quarter last year, after three consecutive strong quarters. The recovery rate remains uneven across different regions and cities. An increasing number of countries are offering visa exemption to Mainland travellers, which also presents challenges as outbound often exceeds inbound.

## Hong Kong

Hong Kong's hospitality and retail sectors are experiencing a challenging year in 2024.

### Hotels

The Murray, Hong Kong, a Niccolo Hotel ("The Murray") and Marco Polo Hongkong Hotel ("MP Hong Kong") maintain steady occupancy rates, benefitting from their prime location and commitment to service excellence. However, overall revenue declined due to the slow recovery of tourism and growing trend of budget-conscious customers.

Moreover, the decline in inbound spending and ongoing trend of outbound travel have negatively impacted restaurants, bars, and event performances, eroding non-room revenue. In response, the Group's hotels have implemented creative initiatives and cost containment measures to mitigate these adverse impacts.

### Investment Properties ("IP")

Despite the softening retail sales in Hong Kong, the Group's premier retail portfolio maintained resilience. IP revenue and operating profit increased by 2% and 3% respectively.

## Mainland China

### Hotels

Recovery in Suzhou has lagged behind other cities, primarily due to escalated competition and subdued spending sentiment in its key feeder markets. Competitive selling strategies by regional operators have negatively impacted luxury hotel room rates, leading to a decline in revenue for Niccolo Suzhou.

### Development Properties ("DP")

Unsold units at Suzhou International Finance Square ("SZIFS") and Shanghai South Station project have as usual been marked to market in the event of value diminution. An attributable impairment provision amounting to HK\$103 million was made in the period (2023: HK\$349 million).

Attributable contracted sales in the first half of 2024 were RMB123 million. As of 30 June 2024, book value of total remaining DP assets amounted to approximately RMB1.5 billion (equivalent to HK\$1.6 billion), representing about 10% of Group assets.

## OUTLOOK

Hong Kong's tourism and retail industries continue to face challenges from economic and geopolitical headwinds, as well as shifting consumption patterns. The proposed Hotel Accommodation Tax ("HAT") to be effective 1 January 2025 is expected to place additional burden on hotel operators during this recovery phase. Despite these challenges, the Group remains committed to supporting the government initiatives aimed at strengthening Hong Kong's reputation as a global destination.

## FINANCIAL REVIEW

### (I) Review of 2024 Interim Results

The Group turned in an underlying net profit of HK\$74 million (2023: loss of HK\$75 million) mainly due to lower impairment provision made for DP. IP profits increased by 8% while DP losses narrowed to HK\$34 million (2023: HK\$234 million) after an attributable impairment provision of HK\$103 million (2023: HK\$349 million). Hotels suffered a loss of HK\$48 million (2023: profit of HK\$4 million) mainly due to continuous softer travel demand in both Hong Kong and Mainland China.

After attributable net IP revaluation deficit of HK\$82 million (2023: surplus of HK\$63 million), the Group reported a net loss of HK\$8 million (2023: HK\$12 million) attributable to equity shareholders.

#### Revenue and Operating Profit

Group revenue decreased by 7% to HK\$623 million (2023: HK\$673 million) while operating profit improved by 14% to HK\$209 million (2023: HK\$183 million).

Hotels revenue fell by 7% to HK\$422 million (2023: HK\$454 million) and turned in an operating loss of HK\$43 million (2023: profit of HK\$15 million). Hong Kong revenue decreased by 6% to HK\$370 million (2023: HK\$393 million) and operating loss amounted to HK\$36 million (2023: profit of HK\$18 million) primarily suffering from decline in room rates. Mainland revenue decreased by 15% to HK\$52 million (2023: HK\$61 million) and operating loss widened to HK\$7 million (2023: HK\$3 million).

IP revenue increased by 2% to HK\$123 million (2023: HK\$121 million) and operating profit by 3% to HK\$111 million (2023: HK\$108 million).

DP revenue decreased by 64% to HK\$8 million (2023: HK\$22 million) but operating profit improved to HK\$74 million (2023: loss of HK\$13 million), mainly due to reversal of certain costs overprovided for SZIFS in previous years.

Investments operating profit, primarily from dividend income, decreased to HK\$69 million (2023: HK\$72 million).

### IP Revaluation Change

The Group's IP were stated at fair value based on independent valuation as at 30 June 2024, resulting in a revaluation deficit of HK\$82 million (2023: surplus of HK\$63 million) which was recognised in the Consolidated Income Statement.

### Other Net Charge

Other net charge was minimal (2023: HK\$90 million, mainly including an impairment provision of HK\$88 million for Mainland DP).

### Finance Costs

Net finance costs decreased to HK\$10 million (2023: HK\$21 million) primarily due to the reduction in bank loans.

### Share of Results (after tax) of an Associate

Attributable loss of HK\$113 million (2023: HK\$146 million) mainly included impairment provision of HK\$103 million for DP.

### Income Tax

Taxation charge for the period was HK\$20 million (2023: HK\$22 million).

### Loss Attributable to Equity Shareholders

Group loss attributable to equity shareholders for the period was HK\$8 million (2023: HK\$12 million). Loss per share was HK\$0.01 (2023: HK\$0.02) based on 708.8 million ordinary shares in issue.

Underlying net profit/(loss) (a performance indicator of the Group's major business segments and arrived at after excluding the net IP revaluation (deficit)/surplus) attributable to equity shareholders are as below:

|   | Six months ended 30 June |                      |
|---|--------------------------|----------------------|
|   | 2024<br>HK\$ Million     | 2023<br>HK\$ Million |
| <b>Underlying net profit/(loss)</b>               | <b>74</b>                | (75)                 |
| Attributable net IP revaluation (deficit)/surplus | (82)                     | 63                   |
| <b>Loss attributable to equity shareholders</b>   | <b>(8)</b>               | (12)                 |

## **(II) Review of Financial Position, Liquidity, Resources and Commitments**

### **Shareholders' and Total Equity**

As at 30 June 2024, shareholders' equity decreased by 3% to HK\$13,892 million (31 December 2023: HK\$14,329 million), equivalent to HK\$19.60 per share (31 December 2023: HK\$20.22 per share). The decrease was mainly attributable to the deficit of HK\$421 million arising from investment revaluation. Including non-controlling interests, the Group's total equity amounted to HK\$13,991 million (31 December 2023: HK\$14,438 million).

Hotel properties are stated at cost less accumulated depreciation and impairment provision (if any) in accordance with prevailing Hong Kong Financial Reporting Standards ("HKFRSs"). Restating hotel properties based on independent valuation as at 30 June 2024 would give rise to a revaluation surplus of HK\$3,657 million and increase the Group's shareholders' equity as at 30 June 2024 to HK\$17,549 million, equivalent to HK\$24.76 per share.

### **Assets and Liabilities**

Total assets were reported at HK\$15,703 million (31 December 2023: HK\$16,896 million). Total business assets, excluding bank deposits and cash and deferred tax assets, amounted to HK\$15,434 million (31 December 2023: HK\$16,290 million).

Geographically, business assets in Hong Kong amounted to HK\$12,235 million or 79% of total business assets (31 December 2023: HK\$12,783 million or 78%). Mainland business assets amounted to HK\$2,469 million or 16% of total business assets (31 December 2023: HK\$2,720 million or 17%).

### **Hotels**

Hotel properties, at cost less depreciation and impairment provision, amounted to HK\$6,525 million (31 December 2023: HK\$6,681 million), which comprised The Murray, MP Hong Kong, Niccolo Suzhou and Marco Polo Changzhou.

### **Investment Properties**

IP amounted to HK\$5,017 million (31 December 2023: HK\$5,099 million), which comprised MP Hong Kong's commercial podium and Star House units.

### **Development Properties for Sale/Interests in an Associate and a Joint Venture**

Total DP amounted to HK\$1,061 million (31 December 2023: HK\$1,118 million) for SZIFS and those undertaken through an associate and a joint venture amounting to HK\$485 million (31 December 2023: HK\$601 million).

### Equity Investments

Equity investments were marked to market at HK\$2,101 million (31 December 2023: HK\$2,522 million), including mainly blue-chip equity investment held for long term capital growth and dividend return. The value of the whole portfolio represented 13% (31 December 2023: 15%) of the Group's total assets and each investment within which was individually not material to the Group's total assets. Marking these investments to market produced a net deficit of HK\$421 million (2023: HK\$349 million) as reflected in the Other Comprehensive Income Statement.

The Group's investment portfolio analysed by industry sector and by geographical location as below:

|                                    | <b>30 June<br/>2024<br/>HK\$ Million</b> | 31 December<br>2023<br>HK\$ Million |
|------------------------------------|--|-------------------------------------|
| Analysed by industry sector:       |  |                                     |
| – Properties                       | <b>1,786</b>                             | 2,118                               |
| – Others                           | <b>315</b>                               | 404                                 |
| Total                              | <b>2,101</b>                             | 2,522                               |
| Analysed by geographical location: |  |                                     |
| – Hong Kong                        | <b>1,370</b>                             | 1,735                               |
| – Overseas                         | <b>731</b>                               | 787                                 |
| Total                              | <b>2,101</b>                             | 2,522                               |

### Pre-sale Deposits and Proceeds

Pre-sale deposits and proceeds decreased to HK\$72 million (31 December 2023: HK\$78 million).

### Net Debt and Gearing

As at 30 June 2024, the Group had net debt of HK\$130 million (31 December 2023: HK\$145 million), consisting of HK\$269 million in cash (mainly held in Mainland China) and HK\$399 million in bank borrowings (mainly drawn in Mainland China). Gearing at 0.9% of total equity (31 December 2023: 1.0%).



### **Finance and Availability of Facilities and Funds**

The Group's debts were principally denominated in Hong Kong dollars ("HK\$") and Renminbi ("RMB") at floating rates.

As at 30 June 2024, the Group's available loan facilities amounted to HK\$1,420 million, of which HK\$399 million were utilised. Certain banking facilities amounting to RMB1,220 million (equivalent to HK\$1,337 million) (2023: RMB1,303 million (equivalent to HK\$1,414 million)) were secured by hotel and DP in the Mainland.

The use of derivative financial instruments is strictly controlled. Instruments entered into by the Group are mainly used for managing and hedging interest rate and currency exposures.

The Group continued to maintain a reasonable level of surplus cash denominated principally in HK\$ and RMB to facilitate business and investment activities. As at 30 June 2024, the Group also held a portfolio of liquid listed equity investments with an aggregate market value of HK\$2,101 million (31 December 2023: HK\$2,522 million), which is available for use if necessary.

### **Net Cash Flows for Operating and Investing Activities**

For the period under review, the Group generated a net operating cash inflow of HK\$25 million (2023: HK\$132 million). For investing activities, the Group recorded a net cash outflow of HK\$10 million (2023: inflow of HK\$45 million), mainly for the purchase of other properties, plant and equipment.

### **Commitments to Capital and Development Expenditure**

As at 30 June 2024, major capital and development expenditure planned for the coming years totalled HK\$0.5 billion which was mainly related to DP.

The above expenditures will be funded by internal financial resources, including cash currently on hand, as well as bank loans. Other available resources include equity investments that can be liquidated when in need.

## **(III) Human Resources**

The Group had approximately 1,200 employees as at 30 June 2024. Employees are remunerated according to their job responsibilities and the market pay trend with a discretionary annual performance bonus as variable pay for rewarding individual performance and contributions to the Group's achievement and results.

## CONSOLIDATED INCOME STATEMENT

For The Six Months Ended 30 June 2024 – Unaudited

|   |       | Six months ended 30 June |              |
|---|-------|--------------------------|--------------|
|   |       | 2024                     | 2023         |
|   |       | HK\$ Million             | HK\$ Million |
|   | Note  |                          |              |
| <b>Revenue</b>  | 2     | <b>623</b>               | 673          |
| Direct costs and operating expenses                       |       | <b>(220)</b>             | (285)        |
| Selling and marketing expenses                            |       | <b>(34)</b>              | (36)         |
| Administrative and corporate expenses                     |       | <b>(71)</b>              | (66)         |
| Operating profit before depreciation,<br>interest and tax |       | <b>298</b>               | 286          |
| Depreciation  |       | <b>(89)</b>              | (103)        |
| <b>Operating profit</b>                                   | 2 & 3 | <b>209</b>               | 183          |
| Changes in fair value of investment properties            |       | <b>(82)</b>              | 63           |
| Other net charge  |       | <b>(1)</b>               | (90)         |
| Finance costs   | 4     | <b>126</b>               | 156          |
| Share of results after tax of an associate                |       | <b>(10)</b>              | (21)         |
|   |       | <b>(113)</b>             | (146)        |
| Profit/(loss) before taxation                             |       | <b>3</b>                 | (11)         |
| Income tax  | 5(a)  | <b>(20)</b>              | (22)         |
| <b>Loss for the period</b>                                |       | <b>(17)</b>              | (33)         |
| <b>Loss attributable to:</b>                              |       |                          |              |
| Equity shareholders                                       |       | <b>(8)</b>               | (12)         |
| Non-controlling interests                                 |       | <b>(9)</b>               | (21)         |
|   |       | <b>(17)</b>              | (33)         |
| <b>Loss per share</b>                                     | 6     |                          |              |
| Basic   |       | <b>(HK\$0.01)</b>        | (HK\$0.02)   |
| Diluted   |       | <b>(HK\$0.01)</b>        | (HK\$0.02)   |

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For The Six Months Ended 30 June 2024 – Unaudited

|   | Six months ended 30 June |                      |
|---|--------------------------|----------------------|
|   | 2024<br>HK\$ Million     | 2023<br>HK\$ Million |
| <b>Loss for the period</b>  | (17)                     | (33)                 |
| <b>Other comprehensive income</b>                                     |                          |                      |
| <b>Item that will not be reclassified to profit or loss:</b>          |                          |                      |
| Fair value changes on equity investments                              | (421)                    | (349)                |
| <b>Items that may be reclassified subsequently to profit or loss:</b> |                          |                      |
| Exchange difference on translation of the operations – subsidiaries   | (5)                      | (35)                 |
| Share of reserves of an associate and joint ventures                  | (4)                      | (24)                 |
| Others  | –                        | 2                    |
| <b>Other comprehensive income for the period</b>                      | (430)                    | (406)                |
| <b>Total comprehensive income for the period</b>                      | (447)                    | (439)                |
| <b>Total comprehensive income attributable to:</b>                    |                          |                      |
| Equity shareholders   | (437)                    | (411)                |
| Non-controlling interests   | (10)                     | (28)                 |
|   | (447)                    | (439)                |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2024 – Unaudited

|                                       | Note | 30 June<br>2024<br>HK\$ Million | 31 December<br>2023<br>HK\$ Million |
|---------------------------------------|------|---------------------------------|-------------------------------------|
| <b>Non-current assets</b>             |      |                                 |                                     |
| Investment properties                 |      | 5,017                           | 5,099                               |
| Hotel properties, plant and equipment |      | 6,605                           | 6,764                               |
| Interest in an associate              |      | 475                             | 591                                 |
| Interest in a joint venture           |      | 10                              | 10                                  |
| Equity investments                    |      | 2,101                           | 2,522                               |
| Deferred tax assets                   |      | –                               | 225                                 |
| Other non-current assets              |      | 33                              | 32                                  |
|                                       |      | <b>14,241</b>                   | <b>15,243</b>                       |
| <b>Current assets</b>                 |      |                                 |                                     |
| Properties for sale                   |      | 1,061                           | 1,118                               |
| Inventories                           |      | 10                              | 9                                   |
| Trade and other receivables           | 7    | 119                             | 143                                 |
| Prepaid tax                           |      | 3                               | 2                                   |
| Bank deposits and cash                |      | 269                             | 381                                 |
|                                       |      | <b>1,462</b>                    | <b>1,653</b>                        |
| <b>Total assets</b>                   |      | <b>15,703</b>                   | <b>16,896</b>                       |
| <b>Non-current liabilities</b>        |      |                                 |                                     |
| Deferred tax liabilities              |      | (155)                           | (273)                               |
| Bank loans                            |      | (311)                           | (504)                               |
|                                       |      | <b>(466)</b>                    | <b>(777)</b>                        |
| <b>Current liabilities</b>            |      |                                 |                                     |
| Trade and other payables              | 8    | (975)                           | (1,375)                             |
| Pre-sale deposits and proceeds        |      | (72)                            | (78)                                |
| Taxation payable                      |      | (111)                           | (206)                               |
| Bank loans                            |      | (88)                            | (22)                                |
|                                       |      | <b>(1,246)</b>                  | <b>(1,681)</b>                      |
| <b>Total liabilities</b>              |      | <b>(1,712)</b>                  | <b>(2,458)</b>                      |
| <b>NET ASSETS</b>                     |      | <b>13,991</b>                   | <b>14,438</b>                       |
| <b>Capital and reserves</b>           |      |                                 |                                     |
| Share capital                         |      | 3,641                           | 3,641                               |
| Reserves                              |      | 10,251                          | 10,688                              |
| <b>Shareholders' equity</b>           |      | <b>13,892</b>                   | <b>14,329</b>                       |
| <b>Non-controlling interests</b>      |      | <b>99</b>                       | <b>109</b>                          |
| <b>TOTAL EQUITY</b>                   |      | <b>13,991</b>                   | <b>14,438</b>                       |

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Six Months Ended 30 June 2024 – Unaudited

|  | Shareholders' equity |                |              |               |               |              |               |
|--|----------------------|----------------|--------------|---------------|---------------|--------------|---------------|
|  | Investments          |                |              |               | Total         | Non-         | Total         |
|  | Share                | revaluation    | Exchange     | Revenue       | shareholders' | controlling  | Total         |
|  | capital              | reserve        | reserve      | reserve       | equity        | interests    | equity        |
| HK\$ Million                             | HK\$ Million         | HK\$ Million   | HK\$ Million | HK\$ Million  | HK\$ Million  | HK\$ Million |               |
| <b>At 1 January 2024</b>                 | 3,641                | (809)          | 209          | 11,288        | 14,329        | 109          | 14,438        |
| <b>Changes in equity for the period:</b> |                      |                |              |               |               |              |               |
| Loss                                     | -                    | -              | -            | (8)           | (8)           | (9)          | (17)          |
| Other comprehensive income               | -                    | (421)          | (9)          | 1             | (429)         | (1)          | (430)         |
| Total comprehensive income               | -                    | (421)          | (9)          | (7)           | (437)         | (10)         | (447)         |
| <b>At 30 June 2024</b>                   | <b>3,641</b>         | <b>(1,230)</b> | <b>200</b>   | <b>11,281</b> | <b>13,892</b> | <b>99</b>    | <b>13,991</b> |
| <b>At 1 January 2023</b>                 | 3,641                | (139)          | 232          | 11,394        | 15,128        | 206          | 15,334        |
| <b>Changes in equity for the period:</b> |                      |                |              |               |               |              |               |
| Loss                                     | -                    | -              | -            | (12)          | (12)          | (21)         | (33)          |
| Other comprehensive income               | -                    | (349)          | (52)         | 2             | (399)         | (7)          | (406)         |
| Total comprehensive income               | -                    | (349)          | (52)         | (10)          | (411)         | (28)         | (439)         |
| <b>At 30 June 2023</b>                   | 3,641                | (488)          | 180          | 11,384        | 14,717        | 178          | 14,895        |

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For The Six Months Ended 30 June 2024 – Unaudited

|   | Six months ended 30 June |                      |
|---|--------------------------|----------------------|
|   | 2024<br>HK\$ Million     | 2023<br>HK\$ Million |
| <b>Operating cash inflow</b>  | <b>227</b>               | 209                  |
| Changes in working capital/others   | (194)                    | (70)                 |
| Tax paid  | (8)                      | (7)                  |
| Net cash generated from operating activities  | <b>25</b>                | 132                  |
| <b>Investing activities</b>   |                          |                      |
| Payment for hotel properties, plant and equipment   | (10)                     | (15)                 |
| Other cash generated from investing activities  | –                        | 60                   |
| Net cash (used in)/generated from investing activities  | <b>(10)</b>              | 45                   |
| <b>Financing activities</b>   |                          |                      |
| Other cash used in financing activities   | (125)                    | (338)                |
| Net cash used in financing activities   | <b>(125)</b>             | (338)                |
| <b>Decrease in cash and cash equivalents</b>  | <b>(110)</b>             | (161)                |
| Cash and cash equivalents at 1 January  | <b>381</b>               | 634                  |
| Effect on exchange rate changes   | (2)                      | (18)                 |
| <b>Cash and cash equivalents at 30 June</b> (Note)  | <b>269</b>               | 455                  |
| Note:<br>Cash and cash equivalents<br>Bank deposits and cash in the consolidated<br>statement of financial position | <b>269</b>               | 455                  |

# NOTES TO THE UNAUDITED INTERIM FINANCIAL INFORMATION

## 1. PRINCIPAL ACCOUNTING POLICIES AND BASIS OF PREPARATION

This unaudited interim financial information has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The preparation of the unaudited interim financial information in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The unaudited interim financial information contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the annual financial statements for the year ended 31 December 2023. The unaudited interim financial information and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

The accounting policies and methods of computation used in the preparation of the unaudited interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2023 except for the changes mentioned below.

With effect from 1 January 2024, the Group has adopted the below amendments which are relevant to the Group’s consolidated financial statements:

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

The Group has assessed the impact of the adoption of the above amendments and considered that there was no significant impact on the Group’s results and financial position or any substantial changes in the Group’s accounting policies.

The Group has not applied any new standards or interpretation that is not yet effective for the current accounting period.

The financial information relating to the financial year ended 31 December 2023 that is included in the unaudited interim financial information as comparative information does not constitute the Company's statutory annual financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Companies Ordinance (Cap 622 of the laws of Hong Kong) (the "Companies Ordinance") is as follows:

The Company has delivered the financial statements for the year ended 31 December 2023 to the Registrar of Companies in accordance with section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance. The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or (3) of the Companies Ordinance.

## **2. SEGMENT INFORMATION**

The Group manages its diversified businesses according to the nature of services and products provided. Management has determined four reportable operating segments for measuring performance and allocating resources. The segments are hotels, investment properties, development properties and investments. No operating segment has been aggregated to form reportable segments.

Hotels segment represents the operations of The Murray, Hong Kong, a Niccolo Hotel, Marco Polo Hongkong Hotel, Niccolo Suzhou and Marco Polo Changzhou.

Investment properties segment primarily represents the property leasing of the Group's investment properties in Hong Kong.

Development properties segment encompasses activities relating to the acquisition, development and sales of trading properties primarily in Mainland China.

Investments segment represents equity investment in global capital markets. The performance of the portfolio is assessed and monitored by top management regularly.

Management evaluates performance based on operating profit as well as the equity share of results of an associate and a joint venture of each segment.

Segment business assets principally comprise all tangible assets, intangible assets and current assets directly attributable to each segment with the exception of bank deposits and cash as well as deferred tax assets.

Revenue and expenses are allocated with reference to income generated by those segments and expenses incurred by those segments or which arise from the depreciation of assets attributable to those segments.



(a) Analysis of segment revenue and results

| Six months ended       | Revenue<br>HK\$ Million | Operating<br>profit/(loss)<br>HK\$ Million | Changes in<br>fair value of<br>investment<br>properties<br>HK\$ Million | Other<br>net charge<br>HK\$ Million | Finance<br>costs<br>HK\$ Million | Associate<br>HK\$ Million | Profit/(loss)<br>before<br>taxation<br>HK\$ Million |
|------------------------|-------------------------|--|---|-------------------------------------|----------------------------------|---------------------------|---|
|                        |                         |  |   |                                     |                                  |                           |   |
| <b>30 June 2024</b>    |                         |  |   |                                     |                                  |                           |   |
| Hotels                 | 422                     | (43)                                       | -   | -                                   | (1)                              | -                         | (44)  |
| Investment properties  | 123                     | 111  | (82)  | -                                   | (3)                              | -                         | 26  |
| Development properties | 8                       | 74   | -   | (1)                                 | (6)                              | (113)                     | (46)  |
| Investments            | 69                      | 69   | -   | -                                   | -                                | -                         | 69  |
| <b>Segment total</b>   | <b>622</b>              | <b>211</b>                                 | <b>(82)</b>   | <b>(1)</b>                          | <b>(10)</b>                      | <b>(113)</b>              | <b>5</b>  |
| Others                 | 1                       | (2)  | -   | -                                   | -                                | -                         | (2)   |
| <b>Group total</b>     | <b>623</b>              | <b>209</b>                                 | <b>(82)</b>   | <b>(1)</b>                          | <b>(10)</b>                      | <b>(113)</b>              | <b>3</b>  |
| <b>30 June 2023</b>    |                         |  |   |                                     |                                  |                           |   |
| Hotels                 | 454                     | 15   | -   | -                                   | (5)                              | -                         | 10  |
| Investment properties  | 121                     | 108  | 63  | -                                   | (9)                              | -                         | 162   |
| Development properties | 22                      | (13)                                       | -   | (88)                                | (7)                              | (146)                     | (254)   |
| Investments            | 72                      | 72   | -   | -                                   | -                                | -                         | 72  |
| <b>Segment total</b>   | <b>669</b>              | <b>182</b>                                 | <b>63</b>   | <b>(88)</b>                         | <b>(21)</b>                      | <b>(146)</b>              | <b>(10)</b>   |
| Others                 | 4                       | 1  | -   | (2)                                 | -                                | -                         | (1)   |
| <b>Group total</b>     | <b>673</b>              | <b>183</b>                                 | <b>63</b>   | <b>(90)</b>                         | <b>(21)</b>                      | <b>(146)</b>              | <b>(11)</b>   |

- (i) Substantially all depreciation was attributable to the hotels segment.
- (ii) No inter-segment revenue has been recorded during the current and prior periods.

(b) Disaggregation of revenue

|  | Six months ended 30 June |                      |
|--|--------------------------|----------------------|
|  | 2024<br>HK\$ Million     | 2023<br>HK\$ Million |
| <b>Revenue recognised under HKFRS 15</b>                       |                          |                      |
| Hotels   | 422                      | 454                  |
| Management and services income and other rental related income | 19                       | 18                   |
| Sale of development properties                                 | 8                        | 22                   |
|  | <b>449</b>               | 494                  |
| <b>Revenue recognised under other accounting standards</b>     |                          |                      |
| Rental income under investment properties segment              |                          |                      |
| – Fixed  | 102                      | 100                  |
| – Variable   | 2                        | 3                    |
| Investments  | 69                       | 72                   |
| Others   | 1                        | 4                    |
|  | <b>174</b>               | 179                  |
| <b>Total revenue</b>   | <b>623</b>               | 673                  |

The Group has applied practical expedient in paragraph 121 of HKFRS 15 to exempt the disclosure of revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date to its:

- hotel operation as the Group recognises revenue at the amount to which it has a right to invoice, which corresponds directly with the value to the customer of the Group's performance completed to date.
- property management fees and other rental related income as the Group recognises revenue at the amount to which it has a right to invoice, which corresponds directly with the value to the customer of the Group's performance completed to date.
- sales of completed properties as the performance obligation is part of a contract that had an original expected duration of one year or less.

### 3. OPERATING PROFIT

Operating profit is arrived at:

|  | Six months ended 30 June |                      |
|--|--------------------------|----------------------|
|  | 2024<br>HK\$ Million     | 2023<br>HK\$ Million |
| <b>After charging/(crediting):</b>                 |                          |                      |
| Depreciation                                       | 89                       | 103                  |
| Staff costs (Note)                                 | 196                      | 192                  |
| Cost of trading properties for recognised sales    | (70)                     | 17                   |
| Direct operating expenses of investment properties | 8                        | 8                    |
| <b>After crediting:</b>                            |                          |                      |
| Gross rental revenue from investment properties    | 123                      | 121                  |
| Interest income                                    | 2                        | 4                    |
| Dividend income from equity investments            | 69                       | 72                   |

Note: Staff costs included defined contribution pension schemes costs HK\$8 million (2023: HK\$8 million), which included MPF schemes after a forfeited contribution of HK\$Nil (2023: HK\$Nil).

### 4. FINANCE COSTS

|                             | Six months ended 30 June |                      |
|-----------------------------|--------------------------|----------------------|
|                             | 2024<br>HK\$ Million     | 2023<br>HK\$ Million |
| Interest on bank borrowings | 9                        | 19                   |
| Other finance costs         | 1                        | 2                    |
| <b>Total</b>                | <b>10</b>                | <b>21</b>            |

## 5. INCOME TAX

(a) Taxation charged to the consolidated income statement represents:

|   | Six months ended 30 June |                      |
|---|--------------------------|----------------------|
|   | 2024<br>HK\$ Million     | 2023<br>HK\$ Million |
| <b>Current income tax</b>                         |                          |                      |
| Hong Kong   |                          |                      |
| – provision for the period                        | 22                       | 23                   |
| Mainland China                                    |                          |                      |
| – provision for the period                        | –                        | 1                    |
| – over-provision in respect of prior years        | (110)                    | –                    |
|   | (88)                     | 24                   |
| <b>Land appreciation tax (“LAT”) (Note (d))</b>   | –                        | 1                    |
| <b>Deferred tax</b>                               |                          |                      |
| Origination and reversal of temporary differences | 108                      | (3)                  |
| <b>Total</b>                                      | <b>20</b>                | <b>22</b>            |

- (b) The provision for Hong Kong profits tax is at the rate of 16.5% (2023: 16.5%) of the estimated assessable profits for the period.
- (c) Income tax on profit assessable in Mainland China are corporate income tax calculated at a rate of 25% (2023: 25%) and withholding tax at a rate of up to 10%.
- (d) Under the Provisional Regulations on LAT, all gains arising from transfer of real estate property in Mainland China are subject to LAT at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including cost of land use rights, borrowings costs and all property development expenditures.
- (e) Under the tax law in Mainland China, withholding tax at 10% is imposed unless reduced by a treaty or agreement, for dividends distributed by a PRC-resident enterprise to its immediate holding company outside Mainland China.
- (f) Tax credit attributable to an associate for the six months ended 30 June 2024 of HK\$3 million (2023: expense of HK\$126 million) is included in the share of results of an associate.

## 6. LOSS PER SHARE

Basic and diluted loss per share is calculated by dividing the loss attributable to equity shareholders for the period of HK\$8 million (2023: HK\$12 million) by 708.8 million ordinary shares (2023: 708.8 million ordinary shares) in issue during the period.

## 7. TRADE AND OTHER RECEIVABLES

Included in this item are trade receivables (net of loss allowance) with an ageing analysis based on invoice date as at 30 June 2024 as follows:

|                                      | <b>30 June<br/>2024</b> | 31 December<br>2023 |
|--------------------------------------|-------------------------|---------------------|
|                                      | HK\$ Million            | HK\$ Million        |
| Trade receivables                    |                         |                     |
| 0 – 30 days                          | <b>19</b>               | 30                  |
| 31 – 60 days                         | <b>1</b>                | 2                   |
| Over 60 days                         | <b>2</b>                | 3                   |
|                                      | <b>22</b>               | 35                  |
| Prepayments                          | <b>28</b>               | 33                  |
| Other receivables                    | <b>7</b>                | 7                   |
| Amounts due from fellow subsidiaries | <b>62</b>               | 68                  |
| <b>Group total</b>                   | <b>119</b>              | 143                 |

The Group has established credit policies for each of its core businesses. The general credit terms allowed range from 0 to 60 days, except for sale of properties from which the proceeds are receivable pursuant to the terms of the agreements. All the trade and other receivables are expected to be recoverable within one year.

## 8. TRADE AND OTHER PAYABLES

Included in this item are trade payables with an ageing analysis based on invoice date as at 30 June 2024 as follows:

|                                    | <b>30 June<br/>2024</b> | 31 December<br>2023 |
|------------------------------------|-------------------------|---------------------|
|                                    | HK\$ Million            | HK\$ Million        |
| Trade payables                     |                         |                     |
| 0 – 30 days                        | <b>17</b>               | 28                  |
| 31 – 60 days                       | <b>2</b>                | 6                   |
| 61 – 90 days                       | <b>2</b>                | 2                   |
| Over 90 days                       | <b>4</b>                | –                   |
|                                    | <b>25</b>               | 36                  |
| Other payables and provisions      | <b>340</b>              | 385                 |
| Construction costs payable         | <b>594</b>              | 930                 |
| Amounts due to fellow subsidiaries | <b>2</b>                | 10                  |
| Amount due to an associate         | <b>14</b>               | 14                  |
| <b>Group total</b>                 | <b>975</b>              | 1,375               |

## 9. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

### (a) Assets and liabilities carried at fair value

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair Value Measurement* ("HKFRS 13"). The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique. The levels are defined as follows:

Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.

Level 3 valuations: Fair value measured using significant unobservable inputs.

#### *Financial instruments carried at fair value*

The fair value measurement information for financial instruments in accordance with HKFRS 13 is given below:

|                           | <b>30 June<br/>2024</b> | 31 December<br>2023 |
|---------------------------|-------------------------|---------------------|
|                           | HK\$ Million            | HK\$ Million        |
| <b>Level 1<br/>Assets</b> |                         |                     |
| Equity investments:       |                         |                     |
| – Listed investments      | <b>2,101</b>            | 2,522               |

During the six months ended 30 June 2024, there were no transfers of instruments between Level 1 and Level 2, or transfer into or out of Level 3 (31 December 2023: Nil).

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of reporting period in which they occur.

### (b) Assets and liabilities carried at other than fair value

All financial instruments carried at cost or amortised costs are carried at amounts not materially different from their fair values as at 30 June 2024 and 31 December 2023. Amounts due from/(to) fellow subsidiaries and related parties are unsecured, interest free and have no fixed repayment terms.

## 10. MATERIAL RELATED PARTY TRANSACTIONS

Material transactions between the Group and other related parties during the six months ended 30 June 2024 are set out below:

- (a) There were in existence agreements with a subsidiary of The Wharf (Holdings) Limited (“Wharf”), being a related company of the Group, for the management, marketing, project management and technical services of the Group’s hotel operations. Total fees payable under this arrangement during the current period amounted to HK\$15 million (2023: HK\$17 million). Such transaction does not constitute a connected transaction under the Listing Rules.
- (b) There were in existence agreements with a subsidiary of Wharf and subsidiaries of Wharf Real Estate Investment Company Limited, being the parent company of the Group, for the property services in respect of the Group’s property projects. Total fees payable under this arrangement during the current period amounted to HK\$3 million (2023: HK\$9 million), of which HK\$3 million (2023: HK\$3 million) of such transaction constitutes a connected transaction as defined under the Listing Rules.
- (c) There were in existence leasing agreements entered into between subsidiaries of Wharf and subsidiaries of the Group for leases, tenancies or licences in respect of certain areas situated on 6/F of Suzhou International Finance Square. Total rental income under this arrangement during the current period amounted to HK\$1 million (2023: HK\$3 million). Such transaction does not constitute a connected transaction under the Listing Rules.

## 11. CONTINGENT LIABILITIES

As at 30 June 2024, there were contingent liabilities in respect of guarantees given by the Company on behalf of subsidiaries relating to bank overdrafts, short term loans and credit facilities up to HK\$900 million (31 December 2023: HK\$1,030 million).

As at 30 June 2024, there were guarantees of HK\$3 million (31 December 2023: HK\$34 million) provided by the Group to the banks in favour of their customers in respect of the mortgage loans provided by the banks to those customers for the purchase of the Group's development properties.

The Group and the Company have not recognised any deferred income of the above guarantees as their fair value cannot be reliably measured and their transaction price was HK\$Nil (31 December 2023: HK\$Nil).

As at the end of the reporting period, the directors do not consider it is probable that a claim will be made against the Group and the Company under any of the guarantees.

## 12. COMMITMENTS

The Group's outstanding commitments as at 30 June 2024 are detailed as below:

|                               | 30 June 2024              |                             |                       | 31 December 2023          |                             |                       |
|-------------------------------|---------------------------|-----------------------------|-----------------------|---------------------------|-----------------------------|-----------------------|
|                               | Committed<br>HK\$ Million | Uncommitted<br>HK\$ Million | Total<br>HK\$ Million | Committed<br>HK\$ Million | Uncommitted<br>HK\$ Million | Total<br>HK\$ Million |
| <b>Investment Properties</b>  |                           |                             |                       |                           |                             |                       |
| Hong Kong                     | 9                         | -                           | 9                     | 8                         | 1                           | 9                     |
| <b>Hotels</b>                 |                           |                             |                       |                           |                             |                       |
| Hong Kong                     | 14                        | -                           | 14                    | 16                        | -                           | 16                    |
| <b>Development Properties</b> |                           |                             |                       |                           |                             |                       |
| Mainland China                | 163                       | 363                         | 526                   | 231                       | 336                         | 567                   |
| <b>Total</b>                  |                           |                             |                       |                           |                             |                       |
| Hong Kong                     | 23                        | -                           | 23                    | 24                        | 1                           | 25                    |
| Mainland China                | 163                       | 363                         | 526                   | 231                       | 336                         | 567                   |
|                               | <b>186</b>                | <b>363</b>                  | <b>549</b>            | 255                       | 337                         | 592                   |

## 13. REVIEW OF UNAUDITED INTERIM FINANCIAL INFORMATION

The unaudited interim financial information for the six months ended 30 June 2024 has been reviewed with no disagreement by the Audit Committee of the Company.



## **CORPORATE GOVERNANCE CODE**

During the financial period under review, the Company has applied the principles and complied with all the applicable code provisions of the Corporate Governance 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"), with one exception as regards Code Provision C.2.1 providing for the roles of chairman and chief executive to be performed by different individuals.

Such deviation is deemed appropriate as it is considered to be more efficient to have one single person to be Chairman of the Company as well as to discharge the executive functions of a chief executive under the Group's corporate structure thereby enabling more effective planning and better execution of long-term strategies. The Board of Directors of the Company (the "Board") believes that the balance of power and authority is adequately ensured by the operations and governance of the Board which comprises experienced and high calibre individuals, with more than half of them being Independent Non-executive Directors.

## **CODE FOR DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted its own set of code of conduct (the "Company's Code") governing securities transactions of the Directors of the Company (the "Directors") with terms thereof being no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix C3 to the Listing Rules. The Company has made specific enquiry of all Directors, and all Directors have complied with the required standard set out in the Model Code and the Company's Code during the period under review.

## DIRECTORS' INTERESTS IN SECURITIES

### (i) Interests in Shares and Debentures

At 30 June 2024, Directors had the following beneficial interests, all being long positions, in the shares and/or debentures of the Company, Wharf Real Estate Investment Company Limited ("Wharf REIC") (parent company of the Company) and Wharf REIC Finance (BVI) Limited (fellow subsidiary of the Company). The percentages (where applicable) which the relevant shares represented to the total number of shares in issue of the Company and Wharf REIC respectively are also set out below:

|   | Quantity/Amount held<br>(percentage, where applicable) | Nature of Interest |
|---|--|--------------------|
| <b>The Company – Ordinary Shares</b>  |  |                    |
| Michael T P Sze   | 9,000 (0.0013%)  | Family Interest    |
| <b>Wharf REIC – Ordinary Shares</b>   |  |                    |
| Stephen T H Ng  | 1,435,445 (0.0473%)                                    | Personal Interest  |
| Peter Z K Pao   | 201,216 (0.0066%)                                      | Family Interest    |
| Michael T P Sze   | 53,949 (0.0018%)                                       | Family Interest    |
| <b>Wharf REIC Finance (BVI) Limited<br/>– USD Fixed Rate Notes due 2030</b> |  |                    |
| Brian S K Tang  | US\$1,000,000  | Personal Interest  |

*Note: The interests in shares disclosed above do not include interests in share options of the Company's associated corporation(s) held by Directors as at 30 June 2024. Details of such interests in share options are separately set out below under the sub-section headed "(ii) Interests in Share Options of Wharf REIC".*

## (ii) Interests in Share Options of Wharf REIC

Set out below are particulars of all interests (all being personal interests) in share options held by Director(s) of the Company during the six months ended 30 June 2024 to subscribe for ordinary shares of Wharf REIC granted/exercisable under the share option scheme of Wharf REIC:

| Name of Director | Date of grant<br>(Day/Month/Year) | Number of Wharf REIC's shares under option |                                   |   | Exercise price<br>per share<br>(HK\$) | Vesting/Exercise Period<br>(Day/Month/Year) |
|------------------|-----------------------------------|--|-----------------------------------|---|---------------------------------------|---|
|                  |                                   | As at<br>1 January<br>2024                 | Exercised<br>during<br>the period | As at 30 June 2024<br>(percentage based on<br>total number of<br>shares in issue) |                                       |   |
| Stephen T H Ng   | 14/08/2023                        | 300,000                                    | -                                 | 300,000   | 36.58                                 | 14/08/2024 – 13/08/2029                     |
|                  |                                   | 300,000                                    | -                                 | 300,000   |                                       | 14/08/2025 – 13/08/2029                     |
|                  |                                   | 300,000                                    | -                                 | 300,000   |                                       | 14/08/2026 – 13/08/2029                     |
|                  |                                   | 300,000                                    | -                                 | 300,000   |                                       | 14/08/2027 – 13/08/2029                     |
|                  |                                   | 300,000                                    | -                                 | 300,000   |                                       | 14/08/2028 – 13/08/2029                     |
| <b>Total</b>     |                                   | <b>1,500,000</b>                           | <b>-</b>                          | <b>1,500,000</b>  |                                       | <b>(0.05%)</b>                              |

*Note: Except as disclosed above, no share option of Wharf REIC held by Directors of the Company and/or their associate(s) lapsed or was exercised or cancelled during the financial period, and no share option of Wharf REIC was granted to any Director of the Company and/or their associate(s) during the financial period.*

Except as disclosed above, as recorded in the register kept by the Company under section 352 of the Securities and Futures Ordinance (Cap 571 of the laws of Hong Kong) (the "SFO") in respect of information required to be notified to the Company and the Stock Exchange by the Directors and/or Chief Executive of the Company pursuant to the SFO or the Model Code (or any other applicable code), there were no interests, whether long or short positions, held or deemed to be interested as at 30 June 2024 by any of the Directors or Chief Executive of the Company in shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), nor had there been any rights to subscribe for any shares, underlying shares or debentures of the Company and its associated corporations held or deemed to be interested by any of them as at 30 June 2024.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS

Given below are the names of all parties, other than person(s) who is/are Director(s), who/which were, directly or indirectly, interested in 5% or more of any class of voting shares of the Company as at 30 June 2024, and the respective relevant numbers of shares in which they were, and/or were deemed to be, interested as at that date as recorded in the register kept by the Company under section 336 of the SFO (the "Register"):

| Names  | Number of Ordinary Shares<br>(percentage based on total number of shares in issue) |
|--|--|
| (i) Wharf Real Estate Investment Company Limited   | 506,946,196 (71.53%)   |
| (ii) Wheelock and Company Limited ("WAC")          | 506,946,196 (71.53%)   |
| (iii) HSBC Trustee (C.I.) Limited ("HSBC Trustee") | 506,946,196 (71.53%)   |
| (iv) Harson Investment Limited                     | 57,054,375 (8.05%)   |

Notes:

- (1) For the avoidance of doubt and double counting, it should be noted that the shareholdings stated against parties (i) to (iii) above represented the same block of shares.
- (2) Wharf REIC's deemed shareholding interests stated above were held through its three wholly-owned subsidiaries, namely Wharf REIC Holdings Limited, Wharf Estates Limited and Upfront International Limited.
- (3) WAC's deemed shareholding interests stated above were held through Wharf REIC, of which it controls more than one-third of the voting power at general meetings.
- (4) HSBC Trustee's deemed shareholding interests stated above were held through WAC, of which it controls more than one-third of the voting power at general meetings.

All the interests stated above represent long positions. As at 30 June 2024, there were no short position interests recorded in the Register.

## CHANGES IN INFORMATION OF DIRECTORS

The changes in the information of the Directors required to be disclosed pursuant to rule 13.51B(1) of the Listing Rules since the publication of the last annual report of the Company are set out below:

- (I) At the 2024 Annual General Meeting held on 3 May 2024, Shareholders approved the Board's recommendation to revise the annual fees payable to each of the Directors, chairman and members of the Audit Committee with retroactive effect from 1 January 2024. Details of the revision of annual fees payable to Directors are set out in the Company's circular to Shareholders dated 3 April 2024.

The current level of annual fees payable to Directors is set out below:

|  | HK\$ per person per annum |        |
|--|---------------------------|--------|
|  | 2024                      | 2023   |
| Director   | <b>80,000</b>             | 70,000 |
| Audit Committee Chairman   | <b>50,000</b>             | 30,000 |
| Audit Committee Member<br><i>(other than Audit Committee Chairman)</i> | <b>40,000</b>             | 30,000 |

- (II) Given below is a change in other information of a Director:

|  | Effective Date    |
|--|-------------------|
| <b>David T C Lie-A-Cheong</b> <ul style="list-style-type: none"><li>Hashemite Kingdom of Jordan in the Hong Kong Special Administrative Region<ul style="list-style-type: none"><li>– ceased to be honorary consul</li></ul></li></ul> | 25 September 2023 |

## **PURCHASE, SALE OR REDEMPTION OF SECURITIES**

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities of the Company during the financial period under review.

By Order of the Board

**Harbour Centre Development Limited**

**Grace L C Ho**

*Company Secretary*

Hong Kong, 1 August 2024

*As at the date of this interim report, the Board comprises Mr Stephen T H Ng, Hon Frankie C M Yick and Mr Peter Z K Pao, together with five Independent Non-executive Directors, namely, Mr David T C Lie-A-Cheong, Mr Roger K H Luk, Mr Michael T P Sze, Mr Brian S K Tang and Mr Ivan T L Ting.*

*This interim report is printed in English and Chinese, and is available on the Company's website at [www.harbourcentre.com.hk](http://www.harbourcentre.com.hk) and on the website of Hong Kong Exchanges and Clearing Limited ("HKEX") at [www.hkexnews.hk](http://www.hkexnews.hk). To minimise use of paper and to reduce our carbon footprints, the Company recommends Shareholders to elect to receive the Company's corporate communications (as defined in the Listing Rules) by electronic means via the websites of the Company and HKEX. Shareholders may at any time change their choice of language or means of receiving the Company's corporate communications by giving reasonable prior notice in writing to the Company c/o the Company's Share Registrar, Tricor Tengis Limited. The "Shareholder Services" section under "Investor Relations" of the Company's website sets out the relevant arrangements for Shareholders to make such change request(s).*