

WING TAI PROPERTIES LIMITED

永泰地產有限公司

STOCK CODE 股份代號 369



Our brands,
Wing Tai Asia and Lanson Place,
are synonymous with quality
craftsmanship, a result of
the close alignment of values
and seamless cooperation of
our committed professional teams.

We strive to deliver sophisticated
yet warm homes that turn our
customers' dreams into reality.



WE DON'T JUST BUILD,
WE CRAFT.

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BOARD OF DIRECTORS**Executive Directors**

CHENG Wai Chee, Christopher *GBS OBE JP (Chairman)*

CHENG Wai Sun, Edward *GBS JP*

(Deputy Chairman and Chief Executive)

CHENG Man Piu, Francis

CHOW Wai Wai, John

NG Kar Wai, Kenneth

Non-executive Directors

KWOK Ping Luen, Raymond *JP*

(KWOK Ho Lai, Edward as his alternate)

HONG Pak Cheung, William

CHEN CHOU Mei Mei, Vivien

Independent Non-executive Directors

Simon MURRAY *CBE*

YEUNG Kit Shing, Jackson

Haider Hatam Tyebjee *BARMA GBS CBE ISO JP*

LAM Kin Fung, Jeffrey *GBM GBS JP*

NG Tak Wai, Frederick

AUDIT COMMITTEE MEMBERS

YEUNG Kit Shing, Jackson *(Chairman)*

HONG Pak Cheung, William

Haider Hatam Tyebjee *BARMA GBS CBE ISO JP*

REMUNERATION COMMITTEE MEMBERS

Simon MURRAY *CBE (Chairman)*

CHENG Wai Chee, Christopher *GBS OBE JP*

YEUNG Kit Shing, Jackson

NOMINATION COMMITTEE MEMBERS

Simon MURRAY *CBE (Chairman)*

CHENG Wai Chee, Christopher *GBS OBE JP*

CHENG Wai Sun, Edward *GBS JP*

YEUNG Kit Shing, Jackson

Haider Hatam Tyebjee *BARMA GBS CBE ISO JP*

COMPANY SECRETARY AND**GROUP LEGAL COUNSEL**

CHUNG Siu Wah, Henry

AUDITOR

PricewaterhouseCoopers

Certified Public Accountants

Registered Public Interest Entity Auditor

LEGAL ADVISERS TO THE COMPANY

Slaughter and May *(as to Hong Kong Laws)*

Appleby *(as to Bermuda Laws)*

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking
Corporation Limited

Bank of China (Hong Kong) Limited

Standard Chartered Bank (Hong Kong) Limited

DBS Bank Limited, Hong Kong Branch

**PRINCIPAL SHARE REGISTRAR AND
TRANSFER AGENT**

Ocorian Management (Bermuda) Limited

Victoria Place, 5th Floor

31 Victoria Street

Hamilton HM 10

Bermuda

**HONG KONG BRANCH SHARE
REGISTRAR AND TRANSFER OFFICE**

Tricor Standard Limited

17th Floor, Far East Finance Centre

16 Harcourt Road

Hong Kong

REGISTERED OFFICE

Victoria Place, 5th Floor

31 Victoria Street

Hamilton HM 10

Bermuda

**HEAD OFFICE AND PRINCIPAL PLACE
OF BUSINESS**

27th Floor, AIA Kowloon Tower

Landmark East

100 How Ming Street

Kwun Tong, Kowloon

Hong Kong

COMPANY WEBSITE

<http://www.wingtaiproperties.com>

HONG KONG STOCK EXCHANGE STOCK CODE

369

FINANCIAL SUMMARY

The following is a summary of the results and of the assets and liabilities of the Group for each of the six months period ended 30 June 2024 and 2023, and of the five years ended 31 December 2023:

	Interim results		Annual results				
	2024 HK\$'M	2023 HK\$'M	2023 HK\$'M	2022 HK\$'M	2021 HK\$'M (Note a)	2020 HK\$'M	2019 HK\$'M (Note b)
RESULTS							
Revenue	560.3	477.3	882.4	4,096.7	3,423.2	2,777.8	829.5
(Loss)/profit before taxation	(1,323.2)	(307.7)	(768.6)	(152.0)	1,045.4	(555.1)	374.7
Taxation	(38.4)	(26.3)	(43.8)	(171.9)	(127.8)	(60.8)	(69.7)
(Loss)/profit for the period/year	(1,361.6)	(334.0)	(812.4)	(323.9)	917.6	(615.9)	305.0
Attributable to:							
Shareholders of the Company	(1,337.1)	(374.2)	(890.4)	(540.0)	854.4	(674.4)	238.9
Holder of perpetual capital securities	32.8	32.8	65.8	64.3	65.5	63.8	64.9
Non-controlling interests	(57.3)	7.4	12.2	151.8	(2.3)	(5.3)	1.2
(Loss)/profit for the period/year	(1,361.6)	(334.0)	(812.4)	(323.9)	917.6	(615.9)	305.0

	At 30 June		At 31 December				
	2024 HK\$'M	2023 HK\$'M	2023 HK\$'M	2022 HK\$'M	2021 HK\$'M	2020 HK\$'M	2019 HK\$'M
ASSETS AND LIABILITIES							
Total assets	32,519.3	33,988.1	35,499.2	38,738.5	37,245.8	36,322.8	
Total liabilities	(7,927.4)	(7,893.5)	(8,171.9)	(10,572.7)	(9,604.8)	(7,699.3)	
Perpetual capital securities	(1,491.4)	(1,491.4)	(1,491.4)	(1,513.4)	(1,513.3)	(1,513.7)	
Non-controlling interests	(105.8)	(163.1)	(151.1)	0.5	(2.1)	(7.6)	
Equity attributable to shareholders of the Company	22,994.7	24,440.1	25,684.8	26,652.9	26,125.6	27,102.2	

Notes:

- (a) The Group adopted Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 using retrospective approach with no material impact from adoption and the opening balance of retained earnings as at 1 January 2021 and that comparative had not been restated.
- (b) The Group adopted HKFRS 16 using the modified retrospective approach with no material impact from adoption and the opening balance of retained earnings as at 1 January 2019 and that comparative had not been restated.

CHAIRMAN'S STATEMENT

Dear Shareholders,

Hong Kong's economic recovery remained sluggish in the first half of 2024, hampered by global financial uncertainties, high interest rates, regional conflicts, and a slow Mainland China economic recovery. The recovery of the residential and commercial property, along with the hospitality sector has lagged expectations while investment sentiment remained tepid.

Despite the Hong Kong Government lifting all property cooling measures in February, the rebound in home buying demand has proven to be short-lived. The rental level of Grade A office remains under pressure due to continued influx of new office supply and weak demand. Amid such subdued property market conditions in Hong Kong, both residential and office property prices dropped further in the first half of 2024, resulting in many Hong Kong property companies to continue mark down their property fair value for financial reporting at the end of June.

In line with the market valuation mark down and based on independent valuation, the Group recorded net valuation loss and impairment provision of HK\$1,352 million on our Hong Kong property portfolio (2023: HK\$480 million). Including net valuation loss on financial instruments of HK\$17 million (2023: HK\$43 million gain), total non-cash net valuation loss was HK\$1,369 million (2023: HK\$437 million).

Excluding such non-cash net valuation loss, core consolidated profit attributable to shareholders was HK\$32 million (2023: HK\$63 million) mainly due to lower profit margin from sales of our remaining residential units, and core earnings per share was HK\$0.02 (2023: HK\$0.05). Including non-cash net valuation loss, total consolidated loss attributable to shareholders was HK\$1,337 million (2023: HK\$374 million), and loss per share was HK\$0.99 (2023: HK\$0.28).

After prudent consideration of the Group's business performance and financial position, the Board of Directors recommended an interim dividend of HK3.0 cents per share which amounted to HK\$41 million.

The residential property market rebounded for merely two months after the Hong Kong Government removed all property cooling measures in February. High sales volume was seen from the new launches along the MTR lines, but at restrained price due to high inventory levels in the market. We managed to sell some remaining units of OMA by the Sea after we adjusted the selling price downward. However, market sentiment has weakened again since May due to buyers' lack of confidence amid economic uncertainties, coupled with high interest rate. This has resulted in further price cut and steep decline in volume.

For our medium-density residential site near Sheung Shui MTR, superstructure work commenced in May 2024. We have applied for pre-sale consent in April and are preparing for the pre-sale launch upon obtaining consent. For our joint-venture residential site near Tai Wai and Hin Keng MTR stations, foundation work will be completed soon with superstructure work commencing next month.

Despite the challenges on office leasing in Hong Kong, our Hong Kong Landmark East twin towers maintained a resilient occupancy of approximately 90%. Such achievement is attributed to our proactive asset enhancement initiatives and tenant engagement programmes. Landmark East has been awarded WELL v2 Platinum rating by the International WELL Building Institute in 2024, in addition to last year awards of LEED Existing Buildings Platinum rating and BEAM Plus Existing Buildings Platinum rating. In the meantime, our London office properties have managed to maintain their occupancy and rental rate amidst economic challenges.

Superstructure work of our development in the heart of Central is in progress. Located at 118 Wellington Street between Graham and Cochrane Streets, this rare mixed-used development consists of Grade A offices, a luxury international hotel, bespoke retails and a green open space.

Set in captivating Causeway Bay prime location for business and shopping, our Lanson Place Causeway Bay hotel soft reopened in March 2024. The elegant and sophisticated French design by world-renowned Parisian hotel design maestro Pierre-Yves Rochon are well-received. During the initial reopening phase and amid a soft hotel market, we focused on brand building and quality service delivery while building up occupancy.

Lanson Place has extended its hospitality management portfolio in China's Greater Bay Area and the Philippines. Following the opening of the Manila hotel and serviced residences in April, in June 2024, we signed up and managed Lanson Place's first long-term rental apartment of 1,610 units situated in the heart of the hi-tech Xili district in Shenzhen.

I would like to express my sincere gratitude to all our dedicated employees for their commitment and contribution. Their resilience and diligence have been instrumental in navigating recent challenges and ensuring the smooth operation of our business. I would also like to extend my appreciation to my fellow Board members, business partners and stakeholders for their continued support.

Cheng Wai Chee, Christopher
Chairman

Hong Kong, 26 August 2024

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In the first half of 2024, the Group's revenue was HK\$560 million, compared with HK\$477 million in 2023. The increase was mainly due to more sales of remaining units of OMA by the Sea.

Consolidated loss for the six months ended 30 June 2024 was HK\$1,362 million, an increase in loss of HK\$1,028 million, compared with HK\$334 million in 2023. The increase was mainly attributable to non-cash loss, comprised of (i) HK\$412 million increase in net valuation losses on investment properties and financial instruments including share of joint ventures (2024: HK\$849 million; 2023: HK\$437 million) and (ii) HK\$586 million increase in impairment provision on properties under development (2024: HK\$586 million; 2023: Nil).

Non-cash net valuation losses on investment properties and financial instruments including share of joint ventures was HK\$849 million, compared with HK\$437 million in 2023, comprised of (i) HK\$832 million valuation loss from investment properties (2023: HK\$480 million), mainly Landmark East and (ii) HK\$17 million valuation loss from financial instruments (2023: HK\$43 million gain), mainly the Real Estate Investment Trust investments listed in Singapore. Including the impairment provision on properties under development, net of non-controlling interests of HK\$520 million (2023: Nil), total net valuation loss and impairment provision amounted to HK\$1,369 million, compared with HK\$437 million in 2023.

Consolidated loss attributable to shareholders was HK\$1,337 million, an increase of HK\$963 million, compared with HK\$374 million in 2023.

Loss per share attributable to shareholders was HK\$0.99, compared with HK\$0.28 in 2023.

Core consolidated profit attributable to shareholders, excluding non-cash net valuation loss and impairment provision was HK\$32 million, a decrease of HK\$31 million, compared with HK\$63 million in 2023.

Property Development

The property development segment revenue excluding inter-segment sales was HK\$221 million in the first half of 2024, compared with HK\$143 million in 2023, mainly due to more sales of remaining units of OMA by the Sea, albeit at thinner profit margin. Core segment loss before taxation was HK\$20 million, compared with HK\$5 million in 2023. Due to the weakening of Hong Kong residential and office market, and in line with the drop in market property value, impairment provision of HK\$577 million was booked based on the June valuation on our properties under development. Segment loss before taxation including impairment provision and net valuation change (2024: HK\$569 million loss; 2023: HK\$1 million gain) was HK\$589 million, compared with HK\$4 million in 2023.

Wholly-owned project

OMA OMA, a medium-density residential site on So Kwun Wat Road, So Kwun Wat, Tuen Mun, provides a saleable area of approximately 234,000 square feet for 466 residential apartment units. Cumulatively, as at 30 June 2024, around 95% (in terms of number) of the residential units were sold.

Majority-owned projects

The Group has a 70% interest in OMA by the Sea, Tai Lam, Tuen Mun. This medium-density residential site has a saleable area of approximately 252,000 square feet for 517 residential apartment units. In the first half of 2024, around 4% (in terms of number) of the residential units were sold. Cumulatively, as at 30 June 2024, around 96% (in terms of number) of the residential units were sold. Around 3% (in terms of number) of the residential units were handed over to buyers with related revenue recognised in the first half of 2024.

The Group has a 85% interest in a medium-density residential site located at the junction of Fan Kam Road and Castle Peak Road – Kwu Tung, Fanling, New Territories. The site is adjacent to Fanling Golf Course and is within a 10-minute walk to Sheung Shui MTR station, with a gross floor area of approximately 284,000 square feet. The Group is the lead project manager and lead sales and marketing manager for this project. Superstructure work of the project is in progress. Pre-sale consent application has been filed.

Joint venture projects

The Group has a 50% interest in a commercial complex site in Central, through the tender for H18C of the Gage Street/Graham Street project as put up by the Urban Renewal Authority. Advantageously located in the heart of the bustling Central financial hub, the site provides a gross floor area of up to 433,500 square feet to be developed into a Grade A office tower, a hotel, retail shops, as well as public open space with green facilities for the neighbourhood. The Group is the lead project manager and lead leasing manager for this project. Superstructure work of the project is in progress.

The Group has a 50% interest in a residential site in Sha Tin. The site which enjoys the dual convenience of the East Rail and the Tuen Ma MTR transportation network, is walking distance to the Tai Wai and Hin Keng MTR stations. The site provides a gross floor area of approximately 89,000 square feet. The Group is the lead sales and marketing manager for this project. Foundation work of the project will be completed soon with superstructure work commencing thereafter.

Property Investment and Management

The property investment and management segment revenue excluding inter-segment sales was HK\$282 million in the first half of 2024, compared with HK\$288 million in 2023. Core segment profit before taxation was HK\$179 million, compared with HK\$164 million in 2023. Segment loss before taxation including net valuation loss was HK\$565 million, compared with HK\$221 million in 2023, mainly due to higher net valuation loss (2024: HK\$744 million; 2023: HK\$385 million) on office buildings, mainly Landmark East.

As at 30 June 2024, the Group's portfolio of investment properties, mostly Grade A office buildings, has a total area of approximately 1,961,000 square feet with an aggregate attributable fair market valuation of around HK\$19,100 million. The portfolio covers 1,633,000 square feet in Hong Kong and 328,000 square feet in London.

Wholly-owned properties in Hong Kong

Landmark East is the Group's flagship property located in Kowloon East. This property is a Grade A office complex comprising twin towers of 36 floors and 34 floors respectively with a total gross floor area of approximately 1,338,000 square feet and 454 car parking spaces. As at 30 June 2024, the property achieved an occupancy of approximately 90%. As a testament to our commitment to upgrade the building quality and green standard, we successfully obtained 3 certificates, of which WELL v2 Platinum issued by International WELL Building Institute in 2024, and BEAM Plus Existing Buildings Platinum issued by Hong Kong Green Building Council Limited and LEED Existing Buildings Platinum issued by U.S. Green Building Council in 2023.

Shui Hing Centre is an industrial building in Kowloon Bay, with a gross floor area of approximately 187,000 square feet. As at 30 June 2024, the property achieved an occupancy of approximately 83%. Town Planning Board's approval for redevelopment was obtained in April 2021.

The Group holds Le Cap and La Vetta, located at Kau To, Sha Tin, which are low-density residential projects, for leasing after distributions of unsold units to shareholders in 2020 and 2021 respectively. Le Cap has 16 residential units including houses and apartments, and 22 car parking spaces of approximately 36,000 square feet saleable area. As at 30 June 2024, around 81% of the residential units (in terms of number) were leased. La Vetta has 34 residential units including houses and apartments, and 48 car parking spaces, of approximately 72,000 square feet saleable area. As at 30 June 2024, around 71% of the residential units (in terms of number) were leased.

MANAGEMENT DISCUSSION AND ANALYSIS

Wholly-owned properties in London, the United Kingdom

The commercial property located at Savile Row/Vigo Street, West End, has a net internal area of approximately 14,000 square feet of Grade A office and retail space.

The commercial property located at Brook Street, West End, offers easy access to Bond Street Station of London Crossrail and has a net internal area of approximately 19,000 square feet of Grade A office and retail space.

The commercial property located at Berkeley Square, West End, has a net internal area of approximately 7,900 square feet of Grade A office space.

As at 30 June 2024, the above three wholly-owned properties achieved an average occupancy of approximately 84%.

Joint venture properties in London, the United Kingdom

The Group has a 25% interest in a commercial property located on Fleet Place, the City. The property has a net internal area of approximately 192,000 square feet of Grade A office and retail space.

The Group has a 33% interest in a commercial property located at Cavendish Square, West End. The property has a net internal area of approximately 13,000 square feet of Grade A office space.

The Group has a 50% interest in a commercial property located at 30 Gresham Street, City of London. The property has a net internal area of approximately 404,000 square feet of Grade A office, retail space and ancillary accommodation, with 48 car parking spaces.

The Group has a 21% interest in a commercial property located at 66 Shoe Lane, City of London. The property has a net internal area of approximately 158,000 square feet of Grade A office, ancillary space and retail space. The office space is fully leased to a global Big Four accounting and professional services firm with tenors of 15 years (including rent-free periods) expiring on 28 September 2035.

As at 30 June 2024, the above four joint venture properties achieved an average occupancy of approximately 94%.

Hospitality Investment and Management

The hospitality investment and management segment revenue was HK\$27 million in the first half of 2024, compared with HK\$19 million in 2023. Core segment loss before taxation was HK\$65 million, compared with HK\$30 million in 2023, mainly due to pre-opening/re-opening expenses of Lanson Place Causeway Bay hotel and higher finance cost. Segment loss before taxation including net valuation loss (2024: HK\$55 million; 2023: HK\$20 million) was HK\$120 million, compared with HK\$50 million in 2023.

Following an extensive refurbishment project led by the world-renowned Parisian hotel design maestro, our wholly-owned Lanson Place Causeway Bay hotel in Hong Kong was soft reopened in March.

Lanson Place Waterfront Suites, our wholly-owned prime harbour-front furnished residence in Sai Wan Ho, was held for leasing. Its performance remained stable and currently achieved an occupancy over 80%.

The Group has a 50% interest in Lanson Place Bukit Ceylon in Kuala Lumpur. Its occupancy and performance remained stable.

Others

This segment represents investing activities and central management and administrative function. Segment revenue was HK\$30 million in the first half of 2024, compared with HK\$27 million in 2023.

Core segment profit before taxation was HK\$9 million, compared with a breakeven core segment profit before taxation in 2023, mainly due to HK\$15 million gain on release of other long-term liability in 2024. Segment loss before taxation including net valuation loss (2024: HK\$58 million; 2023: HK\$33 million) was HK\$49 million, compared with HK\$33 million in 2023.

As at 30 June 2024, the Group's bank and other borrowings totalled HK\$6,912 million (31 December 2023: HK\$6,808 million). The maturity profile of the Group's bank and other borrowings is set out below:

	30 June 2024		31 December 2023	
	HK\$ million	%	HK\$ million	%
Repayable:				
Within one year	3,180	46%	2,808	41%
Between one and two years	342	5%	516	8%
Between two and five years	3,390	49%	3,484	51%
	6,912	100%	6,808	100%

FINANCIAL REVIEW

The Group has been maintaining an appropriate capital structure with multiple financing channels to ensure that financial resources are always available to meet operational needs and expansions. A sufficient level of revolving loan facilities is available to cushion the Group from any unexpected external economic shocks. All financial risk management, including debt refinancing, foreign exchange exposure, and interest rate volatility, is centrally managed and controlled at the corporate level.

Liquidity and Financial Resources

The Group's net assets totalled HK\$24,592 million as at 30 June 2024 (31 December 2023: HK\$26,095 million). The decrease of HK\$1,503 million is mainly resulted from the distribution of the 2023 final dividend of HK\$109 million, distribution to holders of perpetual capital securities of HK\$33 million and the loss for the period of HK\$1,362 million.

MANAGEMENT DISCUSSION AND ANALYSIS

As at 30 June 2024, the Group's gearing ratio is 16.7% (31 December 2023: 16.0%) which is calculated as the Group's net borrowings divided by total equity. The Group's net borrowings (total bank and other borrowings less bank balances and cash) were HK\$4,109 million (31 December 2023: HK\$4,166 million). Interest for the Group's bank

borrowings is on a floating rate basis while interest for the Group's bonds is on a fixed rate basis. The Group will closely monitor the exposure to interest rate fluctuations and, if appropriate, hedge by interest rate swap contracts to the extent desirable.

The Group's bank balances and cash as well as unutilised revolving loan facilities are set out as follows:

	30 June 2024 HK\$ million	31 December 2023 HK\$ million
Bank balances and cash	2,803	2,642
Unutilised revolving loan facilities	2,490	2,551
	5,293	5,193

Foreign Currencies

The Group principally operates in Hong Kong, and as a result, has immaterial exposure to exchange rate fluctuations. The Group conducts its business mainly in Hong Kong dollars, and to a lesser extent UK pounds, Renminbi, Singapore dollars and Malaysia Ringgits. For transactions in foreign currencies, the Group will closely monitor the exposure and, if appropriate, hedge by local currency financing and other financial instruments to the extent desirable. In particular, exposure to investments in foreign operations in the United Kingdom is substantially covered by local currency financing and forward exchange contracts.

As at 30 June 2024, the Group's borrowings were 86% in Hong Kong dollars and 14% in other currencies mainly UK pounds. The borrowings in UK pounds were arranged with banks for operations in the United Kingdom. The Group maintains bank balances and deposits substantially in Hong Kong dollars.

Material loans to joint ventures

The Group provided certain loans to joint ventures to finance the projects and the details are set out as follows:

Names of joint ventures:	Notes	30 June 2024 HK\$ million	31 December 2023 HK\$ million
Southwater Investments Limited and its subsidiaries	(a)	2,269	2,149
Kingswood Edge Limited	(b)	779	732
Champion Estate (HK) Limited	(c)	283	268
Others		865	852
Total		4,196	4,001

Notes:

- (a) The loans are unsecured, carry interest at rates agreed by both parties, and have no fixed repayment dates. They are for financing the development of a property project in Hong Kong. The Group performs impairment assessment under Expected Credit Losses ("ECL") model. The ECL is measured on either a 12-month or lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Based on the assessment under ECL model, the Group concluded that the amount of ECL is immaterial.
- (b) The loan is unsecured, interest-free, and has no fixed repayment dates. It is for financing an investment in property in London. Based on the assessment under ECL model, the Group concluded that the amount of ECL is immaterial.
- (c) The loan is unsecured, carries interest at rates agreed by both parties, and has no fixed repayment dates. It is for financing the development of a property project in Hong Kong. Based on the assessment under ECL model, the Group concluded that the amount of ECL is immaterial.

Contingent Liabilities

As at 30 June 2024, the Group had contingent liabilities of HK\$5,384 million (31 December 2023: HK\$5,398 million) in respect of guarantees given by the Company for banking facilities granted to certain joint ventures. The guarantees were given severally and in proportion to the Group's equity interests in the joint ventures.

As at 30 June 2024, several of the Group's investment properties, properties for sale, financial assets at amortised cost, other properties, plant and equipment and bank deposits with carrying values of HK\$4,052 million, HK\$2,775 million, HK\$586 million, HK\$33 million and HK\$22 million, respectively, were pledged to secure credit facilities for the Group.

Pledge of Assets

As at 30 June 2024, the Group's advances to joint ventures of HK\$3,779 million (31 December 2023: HK\$3,551 million) were subordinated to the loan facilities of joint ventures and assigned. The shares in these joint ventures beneficially owned by the Group are pledged to the financial institutions.

MANAGEMENT DISCUSSION AND ANALYSIS & INTERIM DIVIDEND

PROSPECTS

We anticipate the Hong Kong economy to continue its slow recovery in the second half of 2024; however, the property market is likely to remain under pressure.

Over the medium to long term, demand for residential property is expected to remain resilient, supported by a potential interest rate cut, solid pent-up demand from home buyers, and growing demand from new immigrants arriving through various government initiatives.

We are preparing for the pre-sale launch of Sheung Shui and Sha Tin residential projects. These two projects situated along MTR lines offering primarily one- to two-bedroom small units are well-positioned to capitalise on the release of pent-up demand from first-time home buyers in the event of interest rate cut and revival of market confidence.

We expect Hong Kong office rent correction to persist until the business environment in Hong Kong and Mainland China improves. Based on current lease renewals and new lease commitment on hand, we anticipate that our occupancy rates will remain steady for the rest of the year and rental rate drop will be contained.

Given the ongoing efforts of the government in promoting Hong Kong's tourism and achieving gradual economic recovery, we see potential for gradual improvement in the occupancy of our Lanson Place Causeway Bay hotel.

Maintaining a healthy financial position and diversified asset portfolio remains a priority to us. We will continue to manage our operations prudently in light of market volatility, and cautiously and diligently explore suitable investment opportunities.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2024, the Group had approximately 480 employees. The Group offers comprehensive remuneration and benefit packages to our employees, which are structured according to prevailing salary levels in the market, individual merit and performance. The Group has a mandatory provident fund scheme and an occupational retirement scheme to provide retirement benefits to all employees in Hong Kong. The Group also provides training programmes for employees.

Employees, including the Directors, are eligible for the Company's share option plan and share award plan where the share options and/or the share awards are generally exercisable by phases within ten years.

INTERIM DIVIDEND

The Directors declare the payment of an interim dividend of HK3.0 cents per share for the year ending 31 December 2024 (2023: HK6.0 cents). The interim dividend will be distributed on or around 7 October 2024 to the shareholders whose names appear on the register of members of the Company at the close of business on 16 September 2024 (the Record Date).

In order to qualify for the entitlement of the interim dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Standard Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on 16 September 2024.

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION



羅兵咸永道

TO THE BOARD OF DIRECTORS OF WING TAI PROPERTIES LIMITED

(incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 16 to 41, which comprises the condensed consolidated balance sheet of Wing Tai Properties Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 June 2024 and the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated cash flow statement for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 26 August 2024

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CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2024

INTERIM RESULTS

The Board of Directors (the "Directors") of Wing Tai Properties Limited (the "Company") presents the unaudited condensed consolidated interim financial information (the "Interim Financial Information") of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2024.

	Note	Unaudited	
		Six months ended 30 June	
		2024 HK\$'M	2023 HK\$'M
Revenue	6	560.3	477.3
Cost of sales		(252.8)	(163.8)
Gross profit		307.5	313.5
Other (losses)/gains, net	7	(438.3)	6.5
Selling and distribution costs		(26.8)	(10.5)
Administrative expenses		(200.5)	(180.4)
Change in fair value of			
– investment properties	13	(827.6)	(290.1)
– financial instruments	8	(47.5)	(18.0)
		(875.1)	(308.1)
Loss from operations	9	(1,233.2)	(179.0)
Finance costs		(107.6)	(91.0)
Finance income		77.0	55.5
Share of results of joint ventures	14	(59.6)	(93.2)
Share of results of an associate		0.2	–
Loss before taxation		(1,323.2)	(307.7)
Taxation	10	(38.4)	(26.3)
Loss for the period		(1,361.6)	(334.0)
(Loss)/profit for the period attributable to:			
Shareholders of the Company		(1,337.1)	(374.2)
Holders of perpetual capital securities		32.8	32.8
Non-controlling interests		(57.3)	7.4
		(1,361.6)	(334.0)
Loss per share attributable to shareholders of the Company	11		
– Basic		(HK\$0.99)	(HK\$0.28)
– Diluted		(HK\$0.99)	(HK\$0.28)

The notes on pages 23 to 41 form an integral part of this Interim Financial Information.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2024

	Unaudited	
	Six months ended 30 June	
	2024 HK\$'M	2023 HK\$'M
Loss for the period	(1,361.6)	(334.0)
Other comprehensive (loss)/income		
Items that have been/may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	(19.0)	29.7
Net gain/(loss) on net investment hedge		
– Fair value gains/(losses)	23.0	(15.3)
– Realised upon settlement	(18.3)	(18.0)
Reclassification of net gain from translation reserve to profit or loss	–	(12.5)
	(14.3)	(16.1)
Other comprehensive loss for the period, net of tax	(14.3)	(16.1)
Total comprehensive loss for the period	(1,375.9)	(350.1)
Total comprehensive (loss)/income for the period attributable to:		
Shareholders of the Company	(1,351.4)	(390.3)
Holders of perpetual capital securities	32.8	32.8
Non-controlling interests	(57.3)	7.4
Total comprehensive loss for the period	(1,375.9)	(350.1)

The notes on pages 23 to 41 form an integral part of this Interim Financial Information.

CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 June 2024

	Note	Unaudited 30 June 2024 HK\$'M	Audited 31 December 2023 HK\$'M
ASSETS AND LIABILITIES			
Non-current assets			
Investment properties	13	18,892.5	19,693.4
Other properties, plant and equipment	13	63.3	64.8
Interests in joint ventures	14	5,218.9	5,086.1
Interests in an associate		43.9	43.7
Financial investments at amortised cost	15	343.3	295.8
Financial investments at fair value through profit or loss	16	561.9	593.1
Deferred tax assets		7.3	9.1
Derivative financial instruments		197.5	213.0
		25,328.6	25,999.0
Current assets			
Properties for sale		3,462.3	3,834.3
Trade and other receivables, deposits and prepayments	18	219.5	561.4
Financial investments at amortised cost	15	360.1	531.9
Financial investments at fair value through profit or loss	16	196.4	49.3
Other current assets	17	62.0	242.1
Derivative financial instruments		45.0	67.5
Sales proceeds held in stakeholders' accounts		18.1	23.2
Tax recoverable		2.4	10.1
Pledged bank deposit		21.7	27.0
Bank balances and cash		2,803.2	2,642.3
		7,190.7	7,989.1
Current liabilities			
Trade and other payables and accruals	19	623.2	693.0
Derivative financial instruments		7.8	12.9
Tax payable		131.5	122.6
Bank and other borrowings	20	3,180.4	2,808.2
		3,942.9	3,636.7

	Note	Unaudited 30 June 2024 HK\$'M	Audited 31 December 2023 HK\$'M
Non-current liabilities			
Bank and other borrowings	20	3,731.6	4,000.3
Other long-term liability	4(e)	–	16.2
Deferred tax liabilities		252.9	240.3
		3,984.5	4,256.8
NET ASSETS		24,591.9	26,094.6
EQUITY			
Shareholders' funds			
Share capital	21	678.6	678.6
Reserves		22,316.1	23,761.5
		22,994.7	24,440.1
Perpetual capital securities	22	1,491.4	1,491.4
Non-controlling interests		105.8	163.1
TOTAL EQUITY		24,591.9	26,094.6

The notes on pages 23 to 41 form an integral part of this Interim Financial Information.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

	Unaudited										
	Attributable to shareholders of the Company										Total equity HK\$'M
	Share capital HK\$'M	Share premium HK\$'M	Employee share-based compensation reserve HK\$'M	Other property revaluation reserve HK\$'M	Translation reserve HK\$'M	Contributed surplus HK\$'M	Retained profits HK\$'M	Total HK\$'M	Perpetual capital securities HK\$'M	Non-controlling interests HK\$'M	
At 1 January 2024	678.6	3,341.4	58.6	36.0	(97.4)	751.0	19,671.9	24,440.1	1,491.4	163.1	
Comprehensive (loss)/income											
Loss for the period	-	-	-	-	-	-	(1,337.1)	(1,337.1)	32.8	(57.3)	(1,361.6)
Other comprehensive (loss)/income											
Exchange differences on translation of foreign operations	-	-	-	-	(19.0)	-	-	(19.0)	-	-	(19.0)
Net gain on net investment hedge	-	-	-	-	4.7	-	-	4.7	-	-	4.7
Total comprehensive (loss)/income	-	-	-	-	(14.3)	-	(1,337.1)	(1,351.4)	32.8	(57.3)	(1,375.9)
Transactions with owners											
Value of employee services relating to grants of share options and share awards	-	-	14.6	-	-	-	-	14.6	-	-	14.6
2023 final dividend paid	-	-	-	-	-	-	(108.6)	(108.6)	-	-	(108.6)
Distribution on perpetual capital securities	-	-	-	-	-	-	-	-	(32.8)	-	(32.8)
Total transactions with owners	-	-	14.6	-	-	-	(108.6)	(94.0)	(32.8)	-	(126.8)
At 30 June 2024	678.6	3,341.4	73.2	36.0	(111.7)	751.0	18,226.2	22,994.7	1,491.4	105.8	24,591.9

	Unaudited										
	Attributable to shareholders of the Company										
	Share capital HK\$'M	Share premium HK\$'M	Employee share-based compensation reserve HK\$'M	Other property revaluation reserve HK\$'M	Translation reserve HK\$'M	Contributed surplus HK\$'M	Retained profits HK\$'M	Total HK\$'M	Perpetual capital securities HK\$'M	Non-controlling interests HK\$'M	Total equity HK\$'M
At 1 January 2023	678.0	3,339.2	49.7	36.0	(97.8)	751.0	20,928.7	25,684.8	1,491.4	151.1	27,327.3
Comprehensive (loss)/income											
Loss for the period	-	-	-	-	-	-	(374.2)	(374.2)	32.8	7.4	(334.0)
Other comprehensive (loss)/income											
Exchange differences on translation of foreign operations	-	-	-	-	29.7	-	-	29.7	-	-	29.7
Net loss on net investment hedge	-	-	-	-	(33.3)	-	-	(33.3)	-	-	(33.3)
Reclassification of net gain to profit or loss	-	-	-	-	(12.5)	-	-	(12.5)	-	-	(12.5)
Total comprehensive (loss)/income	-	-	-	-	(16.1)	-	(374.2)	(390.3)	32.8	7.4	(350.1)
Transactions with owners											
Value of employee services relating to grants of share options	-	-	5.9	-	-	-	-	5.9	-	-	5.9
Share options exercised	0.6	2.2	(2.8)	-	-	-	-	-	-	-	-
2022 final dividend paid	-	-	-	-	-	-	(285.0)	(285.0)	-	-	(285.0)
Distribution on perpetual capital securities	-	-	-	-	-	-	-	-	(32.8)	-	(32.8)
Total transactions with owners	0.6	2.2	3.1	-	-	-	(285.0)	(279.1)	(32.8)	-	(311.9)
At 30 June 2023	678.6	3,341.4	52.8	36.0	(113.9)	751.0	20,269.5	25,015.4	1,491.4	158.5	26,665.3

The notes on pages 23 to 41 form an integral part of this Interim Financial Information.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June 2024

	Unaudited	
	Six months ended 30 June	
	2024 HK\$'M	2023 HK\$'M
Net cash (used in)/generated from operating activities	(41.6)	292.3
Cash flows from investing activities		
Additions of investment properties	(67.4)	(52.7)
Purchase of other properties, plant and equipment	(0.9)	(2.1)
Purchase of financial investments at amortised cost	(224.2)	(114.4)
Purchase of financial investments at fair value through profit or loss	(427.7)	(272.5)
Proceeds from disposal of financial investments at amortised cost	3.7	–
Proceeds on maturity of financial investments at amortised cost	342.2	50.1
Proceeds on maturity of financial investments at fair value through profit or loss	285.9	379.4
Net proceeds from disposal of a subsidiary	339.4	–
Advance of loans to joint ventures	(187.1)	(143.0)
Repayments of loans to joint ventures	30.4	83.9
Repayments of mortgage loan receivables	177.8	359.2
Release of pledged bank deposits	5.3	–
Net decrease in deposits with banks with original maturity of more than three months	41.8	501.3
Net cash generated from investing activities	319.2	789.2
Cash flows from financing activities		
Bank and other borrowings raised	461.5	864.6
Redemption of fixed rate bonds	–	(580.0)
Repayment of bank and other borrowings	(412.8)	(208.8)
Dividends paid by the Company	(108.6)	(285.0)
Distribution paid on perpetual capital securities	(33.3)	(34.0)
Cash received on derivative financial instruments	18.3	17.8
Net cash used in financing activities	(74.9)	(225.4)
Increase in cash and cash equivalents	202.7	856.1
Cash and cash equivalents at the beginning of the period	1,341.9	1,113.3
Cash and cash equivalents at the end of the period	1,544.6	1,969.4
Cash and cash equivalents comprise:		
Bank balances and cash	2,803.2	2,595.3
Less: Deposits with maturity of more than three months	(1,258.6)	(625.9)
	1,544.6	1,969.4

The notes on pages 23 to 41 form an integral part of this Interim Financial Information.

NOTES TO THE INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2024

1. GENERAL INFORMATION

Wing Tai Properties Limited (the “Company”) is a limited liability company incorporated in Bermuda and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of its registered office is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda.

The Company is an investment holding company. Its principal subsidiaries are engaged in property development, property investment and management and hospitality investment and management. The Company and its subsidiaries are hereinafter collectively referred to as the Group.

The Group’s joint ventures and associate are principally engaged in property investment, property development and hospitality investment.

This Interim Financial Information is presented in millions of Hong Kong dollars (HK\$’M), unless otherwise stated. It has been reviewed by the Company’s Audit Committee. It has also been approved for issue by the Board of Directors on 26 August 2024.

2. BASIS OF PREPARATION

This Interim Financial Information for the six months ended 30 June 2024 has been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and with the Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). It should be read in conjunction with the Company’s annual financial statements for the year ended 31 December 2023.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the Interim Financial Information are consistent with those adopted and described in the Group’s annual financial statements for the year ended 31 December 2023, except for the amendments and interpretations to standards of Hong Kong Financial Reporting Standards (“HKFRS”) as of 1 January 2024, noted below.

(a) Amendments and interpretations to standards effective for the current accounting period beginning on 1 January 2024 and relevant to the Group

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Hong Kong Interpretation 5 (revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

The adoption of the above amendments and interpretations to standards of HKFRS did not have any significant impact to the Group’s Interim Financial Information in the current and prior periods.

NOTES TO THE INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2024

3. MATERIAL ACCOUNTING POLICIES (Continued)

(a) Amendments and interpretations to standards effective for the current accounting period beginning on 1 January 2024 and relevant to the Group (Continued)

As a result of the adoption of the amendments of HKAS 1, the Group changed its accounting policy for the classification of borrowings:

“Borrowings are classified as current liabilities unless at the end of the reporting period, the Group has a right to defer settlement of the liability for at least 12 months after the reporting period.”

This new policy did not result in a change in the classification of the Group’s borrowings. The Group did not make retrospective adjustments as a result of adopting the amendments to HKAS 1.

(b) New standards, amendments and interpretations to standards relevant to the Group that are not yet effective in 2024 and have not been early adopted by the Group

The Group has not early adopted the following new standards, amendments and interpretations to standards that have been issued but are not yet effective for the period.

		Effective for accounting periods beginning on or after
Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability	1 January 2025
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group is in the process of making an assessment of the impact of these new standards, amendments and interpretations to standards and is not yet in a position to state whether they would have a significant impact on the Group’s results and financial position.

4. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

(a) Financial risk factors

The Group’s activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The Interim Financial Information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements as at 31 December 2023.

There have been no changes in any risk management policies since the year end.

4. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

(b) Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following tables present the Group's financial assets and liabilities that are measured at fair value at 30 June 2024 and 31 December 2023.

	Level 1 HK\$'M	Level 2 HK\$'M	Level 3 HK\$'M	Total HK\$'M
At 30 June 2024				
Assets				
Financial investments at fair value through profit or loss				
– listed securities	253.0	–	–	253.0
– listed debt investments	308.9	–	–	308.9
– unlisted fund investments	–	196.4	–	196.4
Derivative financial instruments				
– interest rate swap contracts	–	184.7	–	184.7
– cross currency swap contracts	–	24.6	–	24.6
– forward exchange contracts	–	33.2	–	33.2
Mortgage loan receivables at fair value through profit or loss	–	–	52.6	52.6
	561.9	438.9	52.6	1,053.4
Liabilities				
Derivative financial instruments				
– cross currency swap contracts	–	1.6	–	1.6
– forward exchange contracts	–	6.2	–	6.2
	–	7.8	–	7.8
At 31 December 2023				
Assets				
Financial investments at fair value through profit or loss				
– listed securities	308.7	–	–	308.7
– listed debt investments	304.2	–	–	304.2
– unlisted fund investments	–	29.5	–	29.5
Derivative financial instruments				
– interest rate swap contracts	–	171.6	–	171.6
– cross currency swap contracts	–	55.8	–	55.8
– forward exchange contracts	–	53.1	–	53.1
Mortgage loan receivables at fair value through profit or loss	–	–	227.6	227.6
	612.9	310.0	227.6	1,150.5
Liabilities				
Derivative financial instruments				
– cross currency swap contracts	–	0.1	–	0.1
– forward exchange contracts	–	12.8	–	12.8
Other long-term liability	–	–	16.2	16.2
	–	12.9	16.2	29.1

NOTES TO THE INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2024

4. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

(b) Fair value estimation (Continued)

During the six months ended 30 June 2024, there were no transfers between the different levels of fair value measurements hierarchy of financial instruments.

There were no other changes in valuation techniques during the period.

(c) Financial instruments in Level 1

Listed securities and debt investments are stated at market prices. The quoted market price used for financial assets held by the Group is the bid price at the end of the reporting period. They are included in Level 1.

(d) Valuation techniques used to derive Level 2 fair values

Unlisted fund investments are stated at fair values which are estimated using other prices observed in recent transactions or valuation techniques when the market price is not readily available.

Level 2 financial instruments also comprise cross currency swap contracts, forward exchange contracts and interest rate swap contracts. The fair values are calculated as the present values of the estimated future cash flows based on forward exchange rates that are quoted in an active market and/or forward interest rates extracted from observable yield curves.

(e) Fair value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in Level 3 instruments for the six months ended 30 June 2024 and 2023.

	Mortgage loan receivables at fair value through profit or loss (Note 17)		Other long-term liability	
	2024 HK\$'M	2023 HK\$'M	2024 HK\$'M	2023 HK\$'M
At 1 January	227.6	753.4	(16.2)	(11.0)
Group's accrued contributions	–	–	–	1.0
Payments on release and discharge	–	–	4.3	–
Repayments	(172.7)	(330.3)	–	–
Reversal of Group's accrued contributions upon release and discharge	–	–	(3.0)	–
Gain on release and discharge (Note 7)	–	–	14.9	–
Fair value (loss)/gain recognised in profit or loss (Note 8)	(2.3)	3.3	–	–
Transfer	–	(24.5)	–	–
At 30 June	52.6	401.9	–	(10.0)

The fair value of mortgage loans receivables are determined based on the discounted cash flow projections with reference to the market inputs.

Other long-term liability represents provisions of liabilities in relation to indemnifying a third party against the cost of winding up the pension scheme of a disposed business in 2012. The other long-term liability has been released and discharged in June 2024.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of Interim Financial Information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this Interim Financial Information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2023.

6. REVENUE AND SEGMENT INFORMATION

Revenue represents the amounts received and receivable from third parties net of value-added tax and discounts in connection with the following activities:

	Six months ended 30 June	
	2024	2023
	HK\$'M	HK\$'M
Sales of properties and project management income	215.0	130.9
Rental income and property management income	309.4	306.9
Interest income from financial investments	22.6	19.0
Interest income from mortgage loan receivables	5.6	12.1
Dividend income from financial investments	7.7	8.4
	560.3	477.3

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by Executive Directors in order to allocate resources to the segment and to assess its performance.

Segment information are analysed on the basis of the Group's operating divisions. They are (i) Property Development, (ii) Property Investment and Management, (iii) Hospitality Investment and Management and (iv) Others. Others mainly represent investing activities and corporate activities including central management and administrative function.

NOTES TO THE INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2024

6. REVENUE AND SEGMENT INFORMATION (Continued)

	Property development HK\$'M	Property investment and management HK\$'M	Hospitality investment and management HK\$'M	Others HK\$'M	Elimination HK\$'M	Total HK\$'M
For the six months ended 30 June 2024						
REVENUE						
External sales						
Revenue						
– Recognised at a point in time	207.9	–	–	–	–	207.9
– Recognised over time	7.1	6.2	6.9	–	–	20.2
Revenue from other sources						
– Rental income	0.2	276.3	19.8	–	–	296.3
– Interest income from financial investments	5.6	–	–	22.6	–	28.2
– Dividend income	–	–	–	7.7	–	7.7
Inter-segment sales	8.8	4.9	–	–	(13.7)	–
Total	229.6	287.4	26.7	30.3	(13.7)	560.3
RESULTS						
(Loss)/profit before change in fair value of investment properties and financial instruments	(498.5)	168.1	(47.0)	19.3	–	(358.1)
Change in fair value of						
– investment properties	(1.4)	(771.5)	(54.7)	–	–	(827.6)
– financial instruments	9.5	1.2	–	(58.2)	–	(47.5)
Loss from operations	(490.4)	(602.2)	(101.7)	(38.9)	–	(1,233.2)
Finance costs	(4.9)	(38.5)	(20.3)	(63.2)	19.3	(107.6)
Finance income	24.5	17.7	0.6	53.5	(19.3)	77.0
Share of results of joint ventures	(118.4)	57.5	1.3	–	–	(59.6)
Share of results of an associate	–	0.2	–	–	–	0.2
Loss before taxation	(589.2)	(565.3)	(120.1)	(48.6)	–	(1,323.2)
Taxation						(38.4)
Loss for the period						(1,361.6)
OTHER ITEM						
Depreciation and amortisation	0.1	0.6	0.1	1.6	–	2.4

6. REVENUE AND SEGMENT INFORMATION (Continued)

	Property development HK\$'M	Property investment and management HK\$'M	Hospitality investment and management HK\$'M	Others HK\$'M	Elimination HK\$'M	Total HK\$'M
For the six months ended 30 June 2023						
REVENUE						
External sales						
Revenue						
– Recognised at a point in time	121.6	–	–	–	–	121.6
– Recognised over time	9.3	6.1	6.6	–	–	22.0
Revenue from other sources						
– Rental income	0.5	281.6	12.1	–	–	294.2
– Interest income from financial investments	12.1	–	–	19.0	–	31.1
– Dividend income	–	–	–	8.4	–	8.4
Inter-segment sales	6.6	4.8	–	–	(11.4)	–
Total	150.1	292.5	18.7	27.4	(11.4)	477.3
RESULTS						
(Loss)/profit before change in fair value of investment properties and financial instruments	(13.6)	154.2	(12.7)	1.2	–	129.1
Change in fair value of						
– investment properties	–	(273.9)	(16.2)	–	–	(290.1)
– financial instruments	(2.9)	18.0	–	(33.1)	–	(18.0)
Loss from operations	(16.5)	(101.7)	(28.9)	(31.9)	–	(179.0)
Finance costs	(13.4)	(30.5)	(18.6)	(39.2)	10.7	(91.0)
Finance income	15.9	11.5	0.6	38.2	(10.7)	55.5
Share of results of joint ventures	10.0	(99.9)	(3.3)	–	–	(93.2)
Share of results of an associate	–	–	–	–	–	–
Loss before taxation	(4.0)	(220.6)	(50.2)	(32.9)	–	(307.7)
Taxation						(26.3)
Loss for the period						(334.0)
OTHER ITEM						
Depreciation and amortisation	–	0.8	–	1.4	–	2.2

NOTES TO THE INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2024

6. REVENUE AND SEGMENT INFORMATION (Continued)

The following is an analysis of the Group's revenue by geographical areas in which the customers are located, irrespective of the origin of the goods/services:

	Six months ended 30 June	
	2024	2023
	HK\$'M	HK\$'M
Hong Kong	513.3	429.4
United Kingdom	11.3	10.1
Singapore	9.8	10.9
The People's Republic of China	2.5	7.2
Others	23.4	19.7
	560.3	477.3

7. OTHER (LOSSES)/GAINS, NET

	Six months ended 30 June	
	2024	2023
	HK\$'M	HK\$'M
Exchange (losses)/gains, net	(0.9)	2.6
Forfeited deposits received from properties sales	0.7	1.4
Gain on release and discharge of other long-term liability	14.9	–
Impairment provision for financial investments at amortised cost	(2.6)	(2.1)
Impairment provision for properties for sale	(461.2)	–
Provision for doubtful debts	(0.6)	(0.6)
Other charges to tenants	6.5	–
Others	4.9	5.2
	(438.3)	6.5

8. CHANGE IN FAIR VALUE OF FINANCIAL INSTRUMENTS

	Six months ended 30 June	
	2024	2023
	HK\$'M	HK\$'M
Net fair value loss on derivative financial instruments	(19.3)	(4.8)
Loss on financial investments at fair value through profit or loss	(25.9)	(16.5)
(Loss)/gain on mortgage loan receivables at fair value through profit or loss	(2.3)	3.3
	(47.5)	(18.0)

9. LOSS FROM OPERATIONS

Six months ended 30 June
2024 **2023**
HK\$'M **HK\$'M**

Loss from operations has been arrived at after charging the following:

Share-based compensation expenses	14.6	5.9
Staff costs including directors' remuneration	165.0	132.7
Cost of properties included in cost of sales	169.5	82.9
Depreciation of other properties, plant and equipment	2.4	2.2
Direct operating expenses arising from investment properties generating rental income	82.5	79.0
Operating lease rental expenses in respect of land and buildings	0.4	0.3

10. TAXATION

Hong Kong profits tax has been calculated at 16.5% (2023: 16.5%) on the estimated assessable profits for the period. Taxation on overseas profits has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries in which the Group operates.

The amount of taxation charged/(credited) to the condensed consolidated income statement represents:

Six months ended 30 June
2024 **2023**
HK\$'M **HK\$'M**

Current taxation		
– Current tax on profits for the period	24.1	23.0
Deferred taxation		
– Change in fair value of investment properties	(0.1)	0.3
– Temporary differences on tax depreciation	12.6	6.7
– Recognition of tax losses	(11.6)	(5.4)
– Other temporary differences	13.4	1.7
	14.3	3.3
Income tax expenses	38.4	26.3

NOTES TO THE INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2024

11. LOSS PER SHARE

The calculation of the basic and diluted loss per share for loss attributable to shareholders of the Company is based on the following financial information:

	Six months ended 30 June 2024 HK\$'M	2023 HK\$'M
Loss attributable to shareholders of the Company	(1,337.1)	(374.2)
	Six months ended 30 June 2024	2023
Weighted average number of ordinary shares in issue	1,357,200,279	1,357,071,268
Effect of dilutive potential shares issuable under the Company's share option plans and share award plan	–	–
Weighted average number of shares for the purpose of calculating diluted loss per share	1,357,200,279	1,357,071,268
Basic loss per share	(HK\$0.99)	(HK\$0.28)
Diluted loss per share	(HK\$0.99)	(HK\$0.28)

The effect of the outstanding share awards was not included in the computation of diluted loss per share for the six months ended 30 June 2024 as the impact of dilution of the share awards is anti-dilutive.

12. INTERIM DIVIDEND

	Six months ended 30 June 2024 HK\$'M	2023 HK\$'M
Interim dividend of HK3.0 cents (2023: HK6.0 cents) per ordinary share	40.7	81.4

On 26 August 2024, the Board of Directors has resolved to declare an interim dividend of HK3.0 cents (2023: HK6.0 cents) per ordinary share. This interim dividend, amounting to HK\$40.7M (2023: HK\$81.4M), has not been recognised as a liability in the Interim Financial Information. It will be recognised in shareholders' equity in the year ending 31 December 2024.

13. CAPITAL EXPENDITURE

	Investment properties HK\$'M	Other properties, plant and equipment HK\$'M
Opening net book value at 1 January 2024	19,693.4	64.8
Exchange differences	(7.1)	–
Net loss arising from change in fair value	(827.6)	–
Additions	33.8	0.9
Depreciation and amortisation	–	(2.4)
Closing net book value at 30 June 2024	18,892.5	63.3
Opening net book value at 1 January 2023	20,467.9	63.2
Exchange differences	10.7	–
Net loss arising from change in fair value	(290.1)	–
Additions	106.2	2.3
Depreciation and amortisation	–	(2.2)
Closing net book value at 30 June 2023	20,294.7	63.3

The Group's investment properties are stated at revalued amounts based on professional valuations at 30 June 2024 on an open market value basis. The Group engaged Savills Valuation and Professional Services Limited, Jones Lang LaSalle Limited, Cushman & Wakefield and Knight Frank Petty Limited to value its investment properties. The fair values have been determined with reference to comparable current prices in an active market, and/or income capitalisation approach from current leases and assumptions about future leases in light of current market conditions and reversionary income potential, and/or discounted cash flow analysis on periodic net cash flows to be forecasted over the life of the investment property and discounted by an appropriate rate.

NOTES TO THE INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2024

14. INTERESTS IN JOINT VENTURES

	30 June 2024 HK\$'M	31 December 2023 HK\$'M
Share of net assets	1,049.9	1,112.1
Non-current loans to joint ventures		
– Interest-free	1,778.9	1,573.9
– Interest-bearing	2,390.1	2,400.1
	4,169.0	3,974.0
	5,218.9	5,086.1
	Six months ended 30 June 2024 HK\$'M	2023 HK\$'M
Revenue	64.2	78.5
(Loss)/profit before change in fair value of investment properties and financial instruments (Note)	(57.4)	66.9
Change in fair value of		
– investment properties	(2.1)	(189.6)
– financial instruments	32.1	63.2
	30.0	(126.4)
Loss from operations	(27.4)	(59.5)
Finance costs	(22.6)	(25.5)
Finance income	2.8	1.3
Loss before taxation	(47.2)	(83.7)
Taxation	(12.4)	(9.5)
Loss for the period	(59.6)	(93.2)

Note:

The amount includes impairment provision for properties under development of HK\$118.0M (2023: Nil).

15. FINANCIAL INVESTMENTS AT AMORTISED COST

	30 June 2024 HK\$'M	31 December 2023 HK\$'M
Corporate bonds and US treasury bills	640.8	714.6
Certificate of deposits	62.6	113.1
	703.4	827.7
Analysed as		
Non-current	343.3	295.8
Current	360.1	531.9
	703.4	827.7

16. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2024 HK\$'M	31 December 2023 HK\$'M
REIT investments listed overseas (Note a)	252.7	308.3
Listed debt securities (Note a)	308.9	304.2
Unlisted fund investments	196.4	29.5
Others	0.3	0.4
	758.3	642.4
Analysed as		
Non-current	561.9	593.1
Current	196.4	49.3
	758.3	642.4

Notes:

- (a) The market value was determined by reference to published price quotations in an active market. They are classified as Level 1 in the fair value hierarchy.
- (b) The Group classifies the following financial investments at fair value through profit or loss:
- Debt investments that do not qualify for measurement at either amortised cost (Note 15) or fair value through other comprehensive income,
 - Equity investments that are held for trading, and
 - Equity investments for which the Group has not elected to recognise fair value gains and losses through other comprehensive income.

NOTES TO THE INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2024

17. OTHER CURRENT ASSETS

	30 June 2024 HK\$'M	31 December 2023 HK\$'M
Mortgage loan receivables		
– at fair value through profit or loss	52.6	227.6
– at amortised cost	9.4	14.5
	62.0	242.1

Mortgage loan receivables are advances to purchasers of development properties of the Group and are secured by first mortgages on the related properties. The Group has not provided any impairment loss for its mortgage loan receivables during the period (2023: Nil).

18. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	30 June 2024 HK\$'M	31 December 2023 HK\$'M
Trade receivables (Note a)	16.2	14.0
Deferred rent receivables	14.0	14.3
Amounts due from joint ventures	3.5	7.8
Loans to joint ventures	26.5	27.4
Amounts due from non-controlling interests	31.0	–
Contract assets (Note b)	6.1	1.1
Other receivables, deposits and prepayments	122.2	496.8
	219.5	561.4

Notes:

- (a) The Group allows different credit periods to its customers. Credit periods vary from 30 to 90 days in accordance with the industry practice. Sales proceeds receivable from sale of properties are settled in accordance with the terms of respective contracts. The following is an ageing analysis of the Group's trade receivables (net of provision) at the balance sheet date, based on the invoice dates:

	30 June 2024 HK\$'M	31 December 2023 HK\$'M
0 – 30 days	14.0	9.7
31 – 90 days	0.8	2.5
Over 90 days	1.4	1.8
	16.2	14.0

- (b) It mainly represents sales commissions incurred for obtaining property sales contracts.

19. TRADE AND OTHER PAYABLES AND ACCRUALS

	30 June 2024 HK\$'M	31 December 2023 HK\$'M
Trade payables (Note a)	37.4	28.2
Contract liabilities (Note b)	7.8	3.1
Rental deposits received	138.2	144.5
Construction costs payable	109.2	143.9
Amounts due to joint ventures	88.6	78.5
Other payables and accruals	242.0	294.8
	623.2	693.0

Notes:

(a) The ageing analysis of the Group's trade payables based on invoice date at the balance sheet date is as follows:

	30 June 2024 HK\$'M	31 December 2023 HK\$'M
0 – 30 days	37.0	27.2
31 – 90 days	0.4	0.9
Over 90 days	–	0.1
	37.4	28.2

(b) It mainly represents sales deposits received from property sales.

NOTES TO THE INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2024

20. BANK AND OTHER BORROWINGS

	30 June 2024 HK\$'M	31 December 2023 HK\$'M
Bank borrowings	6,501.6	6,389.3
Fixed rate bonds	100.3	100.3
Loans from non-controlling interests	310.1	318.9
	6,912.0	6,808.5

The bank and other borrowings carry interest at the prevailing market rates and are repayable as follows:

	30 June 2024 HK\$'M	31 December 2023 HK\$'M
Within one year	3,180.4	2,808.2
Between one and two years	341.5	515.5
Between two and five years	3,390.1	3,484.8
	6,912.0	6,808.5
Less: Amounts due within one year shown under current liabilities	(3,180.4)	(2,808.2)
Amounts due after one year	3,731.6	4,000.3
Analysed as		
Secured	3,540.6	3,533.0
Unsecured	3,371.4	3,275.5
	6,912.0	6,808.5

21. SHARE CAPITAL

	Number of ordinary shares of HK\$0.50 each	Amount HK\$'M
Authorised:		
At 1 January 2023, 31 December 2023 and 30 June 2024	2,000,000,000	1,000.0
Issued and fully paid:		
At 1 January 2024 and 30 June 2024	1,357,200,279	678.6
At 1 January 2023	1,355,971,279	678.0
Issue of shares on exercise of share options	1,229,000	0.6
At 31 December 2023	1,357,200,279	678.6

22. PERPETUAL CAPITAL SECURITIES

Under the US\$1 billion Medium Term Note Programme, Wing Tai Properties (Finance) Limited, a wholly-owned subsidiary of the Group, issued S\$260 million 4.35% unrated senior guaranteed perpetual capital securities (the "Securities") which are listed on Singapore Exchange Securities Trading Limited in 2017. The Group accounted for the Securities as equity instruments pursuant to HKFRSs issued by the HKICPA for the purposes of the Group's consolidated financial statements.

23. COMMITMENTS

	30 June 2024 HK\$'M	31 December 2023 HK\$'M
Expenditure in respect of investment properties		
– contracted but not provided for	33.2	30.8
– authorised but not contracted for	–	18.0
Expenditure in respect of other properties, plant and equipment		
– contracted but not provided for	5.6	–
Capital injection to joint ventures		
– contracted but not provided for	492.1	601.7
	530.9	650.5

NOTES TO THE INTERIM FINANCIAL INFORMATION

For the six months ended 30 June 2024

24. CONTINGENT LIABILITIES AND FINANCIAL GUARANTEES

The Group's contingent liabilities as at the balance sheet date are as follows:

	30 June 2024 HK\$'M	31 December 2023 HK\$'M
Guarantees given to banks in respect of bank facilities extend to joint ventures	5,384.3	5,397.9

At 30 June 2024, bank loans of HK\$4,415.4M (31 December 2023: HK\$4,478.5M) being guaranteed by the Group to joint ventures have been drawn down.

25. PLEDGE OF ASSETS

As at 30 June 2024, the Group's advances to joint ventures of HK\$3,778.8M (31 December 2023: HK\$3,551.0M) were subordinated to loan facilities of joint ventures and assigned. The joint ventures are engaged in property development and property investment and management. The shares in these joint ventures beneficially owned by the Group are pledged to financial institutions.

At balance sheet date, several of the Group's assets were pledged to secure credit facilities for the Group:

	30 June 2024 HK\$'M	31 December 2023 HK\$'M
Investment properties	4,051.7	4,158.1
Other properties, plant and equipment	33.5	33.6
Properties for sale	2,774.9	2,967.7
Financial investments at amortised cost	586.5	586.2
Pledged bank deposit	21.7	27.0
	7,468.3	7,772.6

The credit facilities were utilised to the extent of HK\$3,540.6M (31 December 2023: HK\$3,533.0M).

26. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) The Group had significant transactions with related parties during the period as follows:

	Six months ended 30 June	
	2024	2023
	HK\$'M	HK\$'M
Key management compensation (Note)		
Salaries and other benefits	(21.9)	(21.0)
Retirement benefits costs	(0.8)	(0.8)
Value of share options and share awards	(9.0)	(4.3)
	(31.7)	(26.1)
Interest income from loans to and amounts due from joint ventures	3.1	1.6
Interest expenses for loans from non-controlling interests	(5.1)	(6.5)
Management income from joint ventures	1.0	1.0
Project management fee income from a joint venture	7.1	9.2
Property rental income from a joint venture	1.6	1.5
Property rental income from a substantial shareholder of the Company	2.5	2.5
Serviced apartment management and license fee income from a joint venture	0.8	0.6
Serviced apartment management and license fee income from a substantial shareholder of the Company	2.0	2.5

These transactions were carried out on terms mutually agreed between the parties involved.

Note: Key management personnel represents the directors of the Group.

(b) Outstanding balances with related parties at the reporting dates are:

	30 June	31 December
	2024	2023
	HK\$'M	HK\$'M
Non-current loans to joint ventures (Note 14)	4,169.0	3,974.0
Current loans to joint ventures (Note 18)	26.5	27.4
Amounts due from joint ventures (Note 18)	3.5	7.8
Amounts due to joint ventures (Note 19)	88.6	78.5
Non-current loans to associates	22.4	22.4

GENERAL INFORMATION

DIRECTORS' AND THE CHIEF EXECUTIVE'S INTERESTS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 June 2024, the interests of the directors (the "Directors") and the Chief Executive in shares of the Company (the "Shares") and underlying Shares as recorded in the register required to be kept under section 352 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"), or as 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") set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") are as follows:

Interests in the Company

Directors	Number of Shares/underlying Shares held					Number of underlying Shares held under equity derivatives (Note f)	Aggregate interests	Approx. percentage of the issued share capital (Note a)
	Personal interests	Family interests	Corporate interests	Other interests				
CHENG Wai Chee, Christopher	14,776,566	-	-	462,488,185 (Note b)	-	9,451,000*	486,715,751*	35.86%
CHENG Wai Sun, Edward	12,709,231	-	-	462,488,185 (Note b)	-	9,451,000**	484,648,416**	35.71%
CHENG Man Piu, Francis	-	-	-	462,488,185 (Note b)	-	-	462,488,185	34.08%
CHOW Wai Wai, John	11,022,665	-	-	-	-	2,345,250†	13,367,915†	0.98%
NG Kar Wai, Kenneth	1,659,250	-	-	-	-	4,030,750††	5,690,000††	0.42%
KWOK Ping Luen, Raymond	-	-	-	9,224,566 (Note c)	-	-	9,224,566	0.68%
KWOK Ho Lai, Edward (Alternate Director to KWOK Ping Luen, Raymond)	-	-	-	9,736,566 (Note d)	-	-	9,736,566	0.72%
CHEN CHOU Mei Mei, Vivien	157,478	-	-	-	-	-	157,478	0.01%
NG Tak Wai, Frederick	278,391	1,016,000	-	313,666 (Note e)	-	-	1,608,057	0.12%

* Including share options for 1,350,000 Shares the right to exercise the same had been waived irrevocably.

** Including share options for 1,350,000 Shares the right to exercise the same had been waived irrevocably.

† Including share options for 818,750 Shares the right to exercise the same had been waived irrevocably.

†† Including share options for 1,350,000 Shares the right to exercise the same had been waived irrevocably.

Notes:

- a The total number of issued Shares as at 30 June 2024 was 1,357,200,279.
- b CHENG Wai Chee, Christopher, CHENG Wai Sun, Edward and CHENG Man Piu, Francis, being beneficiaries of a family trust, were deemed to be interested in 462,488,185 Shares beneficially owned by Brave Dragon Limited, Wing Tai Retail Pte. Ltd. and Crossbrook Group Limited as set out under the section headed “Substantial Shareholders’ Interests” below. The same represented the same interests and was therefore duplicated amongst these three Directors for the purpose of Part XV of the SFO.
- c KWOK Ping Luen, Raymond was deemed to be interested in 9,224,566 Shares by virtue of being a beneficiary of a trust for the purpose of Part XV of the SFO. As this trust is one of the discretionary trusts, referred to in Note d below, these 9,224,566 Shares represented the same interests and were therefore duplicated between KWOK Ping Luen, Raymond and KWOK Ho Lai, Edward for the purpose of Part XV of the SFO.
- d KWOK Ho Lai, Edward was deemed to be interested in 9,736,566 Shares by virtue of being a beneficiary of certain discretionary trusts for the purpose of Part XV of the SFO.
- e 313,666 Shares were held by NG Tak Wai, Frederick jointly with his spouse.
- f These interests represented the interests in underlying Shares in respect of the share options and/or share awards granted by the Company to these Directors. Details of which are set out in the section below headed “Equity-Linked Agreements”.

Save as disclosed herein, as at 30 June 2024, none of the Directors or the Chief Executive had or was deemed to have any interest or short position in the Shares, underlying Shares and debentures of the Company as recorded in the register required to be kept under section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

EQUITY-LINKED AGREEMENTS

Details of the equity-linked agreements entered into during the six months ended, or subsisting as at, 30 June 2024 are set out below:

Share Option Plans and Share Award Plan

The shareholders of the Company (the “Shareholders”) passed ordinary resolutions at the annual general meeting of the Company on 23 May 2023 approving and adopting a new share option plan (the “2023 Share Option Plan”) and a new share award plan (the “2023 Share Award Plan”). The 2023 Share Option Plan and the 2023 Share Award Plan shall be valid and effective for a period of 10 years commencing from 23 May 2023 to 22 May 2033.

Upon the adoption of the 2023 Share Option Plan, the share option plan which was adopted by the Shareholders on 27 October 2015 (the “2015 Share Option Plan”) was ended by the board of Directors (the “Board”) with effect from 23 May 2023. No further share options shall be available for grant under the 2015 Share Option Plan but the outstanding share options granted thereunder shall continue to be valid and exercisable in accordance with the terms of the 2015 Share Option Plan.

(I) 2015 Share Option Plan

Under the 2015 Share Option Plan, the Board or a duly authorised committee thereof may, in its sole discretion, grant options to bona fide directors, employees, officers, consultants, former directors, former employees, former officers or former consultants of any members of the Company and its subsidiaries (the “Group”) to subscribe for the Shares. The purpose of the 2015 Share Option Plan is to enable the Company to grant share options to incentivise and retain such eligible persons.

GENERAL INFORMATION

Details of the share options granted and summary of movements of the outstanding share options during the six months ended 30 June 2024 under the 2015 Share Option Plan are as follows:

	Date of grant	Exercise price per share option HK\$	Closing price of Shares immediately before the date of grant HK\$	Exercise period	Number of share options				Weighted average closing price of the Shares immediately before the date on which the options were exercised HK\$	
					As at 1.1.2024	Granted during the six months ended 30.6.2024	Exercised during the six months ended 30.6.2024	Cancelled/ lapsed during the six months ended 30.6.2024		As at 30.6.2024
Directors										
CHENG Wai Chee, Christopher	27.3.2018	6.10	6.10	22.1.2020 to 26.3.2028 (Note a)	222,500	-	-	-	222,500*	N/A
	27.3.2018	6.10	6.10	22.1.2021 to 26.3.2028 (Note b)	445,000	-	-	-	445,000*	N/A
	23.1.2019	5.766	5.78	23.1.2020 to 22.1.2029 (Note c)	250,000	-	-	-	250,000*	N/A
	23.1.2019	5.766	5.78	23.1.2021 to 22.1.2029 (Note d)	250,000	-	-	-	250,000*	N/A
	23.1.2019	5.766	5.78	23.1.2022 to 22.1.2029 (Note e)	500,000	-	-	-	500,000†	N/A
	17.1.2020	5.17	5.17	17.1.2021 to 16.1.2030 (Note c)	269,250	-	-	-	269,250	N/A
	17.1.2020	5.17	5.17	17.1.2022 to 16.1.2030 (Note d)	269,250	-	-	-	269,250	N/A
	17.1.2020	5.17	5.17	17.1.2023 to 16.1.2030 (Note e)	538,500	-	-	-	538,500	N/A
	19.1.2021	3.69	3.67	19.1.2024 to 18.1.2031 (Note e)	710,500	-	-	-	710,500	N/A
	18.1.2022	4.342	4.36	18.1.2023 to 17.1.2032 (Note c)	301,750	-	-	-	301,750	N/A
	18.1.2022	4.342	4.36	18.1.2024 to 17.1.2032 (Note d)	301,750	-	-	-	301,750	N/A
	18.1.2022	4.342	4.36	18.1.2025 to 17.1.2032 (Note e)	603,500	-	-	-	603,500	N/A
	10.1.2023	3.60	3.60	10.1.2024 to 9.1.2033 (Note c)	381,250	-	-	-	381,250	N/A
	10.1.2023	3.60	3.60	10.1.2025 to 9.1.2033 (Note d)	381,250	-	-	-	381,250	N/A
	10.1.2023	3.60	3.60	10.1.2026 to 9.1.2033 (Note e)	762,500	-	-	-	762,500	N/A
CHENG Wai Sun, Edward	27.3.2018	6.10	6.10	22.1.2020 to 26.3.2028 (Note a)	222,500	-	-	-	222,500*	N/A
	27.3.2018	6.10	6.10	22.1.2021 to 26.3.2028 (Note b)	445,000	-	-	-	445,000*	N/A
	23.1.2019	5.766	5.78	23.1.2020 to 22.1.2029 (Note c)	250,000	-	-	-	250,000*	N/A
	23.1.2019	5.766	5.78	23.1.2021 to 22.1.2029 (Note d)	250,000	-	-	-	250,000*	N/A
	23.1.2019	5.766	5.78	23.1.2022 to 22.1.2029 (Note e)	500,000	-	-	-	500,000††	N/A
	17.1.2020	5.17	5.17	17.1.2021 to 16.1.2030 (Note c)	269,250	-	-	-	269,250	N/A
	17.1.2020	5.17	5.17	17.1.2022 to 16.1.2030 (Note d)	269,250	-	-	-	269,250	N/A
	17.1.2020	5.17	5.17	17.1.2023 to 16.1.2030 (Note e)	538,500	-	-	-	538,500	N/A
	19.1.2021	3.69	3.67	19.1.2024 to 18.1.2031 (Note e)	710,500	-	-	-	710,500	N/A
	18.1.2022	4.342	4.36	18.1.2023 to 17.1.2032 (Note c)	301,750	-	-	-	301,750	N/A
	18.1.2022	4.342	4.36	18.1.2024 to 17.1.2032 (Note d)	301,750	-	-	-	301,750	N/A
	18.1.2022	4.342	4.36	18.1.2025 to 17.1.2032 (Note e)	603,500	-	-	-	603,500	N/A
	10.1.2023	3.60	3.60	10.1.2024 to 9.1.2033 (Note c)	381,250	-	-	-	381,250	N/A
	10.1.2023	3.60	3.60	10.1.2025 to 9.1.2033 (Note d)	381,250	-	-	-	381,250	N/A
	10.1.2023	3.60	3.60	10.1.2026 to 9.1.2033 (Note e)	762,500	-	-	-	762,500	N/A

	Date of grant	Exercise price per share option HK\$	Closing price of Shares immediately before the date of grant HK\$	Exercise period	Number of share options				Weighted average closing price of the Shares immediately before the date on which the options were exercised HK\$	
					As at	Granted during the six months ended	Exercised during the six months ended	Cancelled/lapsed during the six months ended		
					1.1.2024	30.6.2024	30.6.2024	30.6.2024		
CHOW Wai Wai, John	27.3.2018	6.10	6.10	22.1.2020 to 26.3.2028 (Note a)	40,000	-	-	-	40,000*	N/A
	27.3.2018	6.10	6.10	22.1.2021 to 26.3.2028 (Note b)	80,000	-	-	-	80,000*	N/A
	23.1.2019	5.766	5.78	23.1.2020 to 22.1.2029 (Note c)	44,250	-	-	-	44,250*	N/A
	23.1.2019	5.766	5.78	23.1.2021 to 22.1.2029 (Note d)	44,250	-	-	-	44,250*	N/A
	23.1.2019	5.766	5.78	23.1.2022 to 22.1.2029 (Note e)	88,500	-	-	-	88,500*	N/A
	17.1.2020	5.17	5.17	17.1.2021 to 16.1.2030 (Note c)	51,500	-	-	-	51,500*	N/A
	17.1.2020	5.17	5.17	17.1.2022 to 16.1.2030 (Note d)	51,500	-	-	-	51,500*	N/A
	17.1.2020	5.17	5.17	17.1.2023 to 16.1.2030 (Note e)	103,000	-	-	-	103,000*	N/A
	19.1.2021	3.69	3.67	19.1.2024 to 18.1.2031 (Note e)	133,500	-	-	-	133,500*	N/A
	18.1.2022	4.342	4.36	18.1.2023 to 17.1.2032 (Note c)	56,750	-	-	-	56,750*	N/A
	18.1.2022	4.342	4.36	18.1.2024 to 17.1.2032 (Note d)	56,750	-	-	-	56,750*	N/A
	18.1.2022	4.342	4.36	18.1.2025 to 17.1.2032 (Note e)	113,500	-	-	-	113,500	N/A
	10.1.2023	3.60	3.60	10.1.2024 to 9.1.2033 (Note c)	68,750	-	-	-	68,750*	N/A
	10.1.2023	3.60	3.60	10.1.2025 to 9.1.2033 (Note d)	68,750	-	-	-	68,750	N/A
10.1.2023	3.60	3.60	10.1.2026 to 9.1.2033 (Note e)	137,500	-	-	-	137,500	N/A	
NG Kar Wai, Kenneth	27.3.2018	6.10	6.10	22.1.2020 to 26.3.2028 (Note a)	10,250	-	-	-	10,250*	N/A
	27.3.2018	6.10	6.10	22.1.2021 to 26.3.2028 (Note b)	20,500	-	-	-	20,500*	N/A
	23.1.2019	5.766	5.78	23.1.2020 to 22.1.2029 (Note c)	95,500	-	-	-	95,500*	N/A
	23.1.2019	5.766	5.78	23.1.2021 to 22.1.2029 (Note d)	95,500	-	-	-	95,500*	N/A
	23.1.2019	5.766	5.78	23.1.2022 to 22.1.2029 (Note e)	191,000	-	-	-	191,000*	N/A
	17.1.2020	5.17	5.17	17.1.2021 to 16.1.2030 (Note c)	97,500	-	-	-	97,500*	N/A
	17.1.2020	5.17	5.17	17.1.2022 to 16.1.2030 (Note d)	97,500	-	-	-	97,500*	N/A
	17.1.2020	5.17	5.17	17.1.2023 to 16.1.2030 (Note e)	195,000	-	-	-	195,000*	N/A
	19.1.2021	3.69	3.67	19.1.2024 to 18.1.2031 (Note e)	268,000	-	-	-	268,000*	N/A
	18.1.2022	4.342	4.36	18.1.2023 to 17.1.2032 (Note c)	110,750	-	-	-	110,750*	N/A
	18.1.2022	4.342	4.36	18.1.2024 to 17.1.2032 (Note d)	110,750	-	-	-	110,750*	N/A
	18.1.2022	4.342	4.36	18.1.2025 to 17.1.2032 (Note e)	221,500	-	-	-	221,500	N/A
	10.1.2023	3.60	3.60	10.1.2024 to 9.1.2033 (Note c)	139,000	-	-	-	139,000 ^{†††}	N/A
	10.1.2023	3.60	3.60	10.1.2025 to 9.1.2033 (Note d)	139,000	-	-	-	139,000	N/A
10.1.2023	3.60	3.60	10.1.2026 to 9.1.2033 (Note e)	278,000	-	-	-	278,000	N/A	

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	Date of grant	Exercise price per share option HK\$	Closing price of Shares immediately before the date of grant HK\$	Exercise period	Number of share options			As at 30.6.2024	Weighted average closing price of the Shares immediately before the date on which the options were exercised HK\$	
					As at 1.1.2024	Granted during the six months ended 30.6.2024	Exercised during the six months ended 30.6.2024			Cancelled/lapsed during the six months ended 30.6.2024
Employees										
Employees in aggregate	27.3.2018	6.10	6.10	22.1.2020 to 26.3.2028 (Note a)	201,000	-	-	-	201,000*	N/A
	27.3.2018	6.10	6.10	22.1.2021 to 26.3.2028 (Note b)	402,000	-	-	-	402,000*	N/A
	23.1.2019	5.766	5.78	23.1.2020 to 22.1.2029 (Note c)	233,750	-	-	-	233,750*	N/A
	23.1.2019	5.766	5.78	23.1.2021 to 22.1.2029 (Note d)	233,750	-	-	-	233,750*	N/A
	23.1.2019	5.766	5.78	23.1.2022 to 22.1.2029 (Note e)	467,500	-	-	-	467,500*	N/A
	17.1.2020	5.17	5.17	17.1.2021 to 16.1.2030 (Note c)	230,500	-	-	-	230,500*	N/A
	17.1.2020	5.17	5.17	17.1.2022 to 16.1.2030 (Note d)	230,500	-	-	-	230,500*	N/A
	17.1.2020	5.17	5.17	17.1.2023 to 16.1.2030 (Note e)	461,000	-	-	-	461,000*	N/A
	19.1.2021	3.69	3.67	19.1.2024 to 18.1.2031 (Note e)	635,500	-	-	-	635,500*	N/A
	18.1.2022	4.342	4.36	18.1.2023 to 17.1.2032 (Note c)	271,500	-	-	-	271,500*	N/A
	18.1.2022	4.342	4.36	18.1.2024 to 17.1.2032 (Note d)	271,500	-	-	-	271,500*	N/A
	18.1.2022	4.342	4.36	18.1.2025 to 17.1.2032 (Note e)	543,000	-	-	-	543,000	N/A
	10.1.2023	3.60	3.60	10.1.2024 to 9.1.2033 (Note c)	357,250	-	-	-	357,250*	N/A
	10.1.2023	3.60	3.60	10.1.2025 to 9.1.2033 (Note d)	357,250	-	-	-	357,250	N/A
	10.1.2023	3.60	3.60	10.1.2026 to 9.1.2033 (Note e)	714,500	-	-	-	714,500	N/A
					21,192,750	-	-	-	21,192,750	

* The right to exercise these options had been waived irrevocably.

† The right to exercise these options to the extent of 182,500 Shares had been waived irrevocably.

†† The right to exercise these options to the extent of 182,500 Shares had been waived irrevocably.

††† The right to exercise these options to the extent of 57,750 Shares had been waived irrevocably.

Notes:

a The vesting period is 27.3.2018 to 21.1.2020.

b The vesting period is 27.3.2018 to 21.1.2021.

c The vesting period is 12 months from the date of grant.

d The vesting period is 24 months from the date of grant.

e The vesting period is 36 months from the date of grant.

The Company will provide subscription money to the share option holders in the event that they exercise their share options when the market price of the Shares is equal to or higher than the exercise price of share options concerned.

(II) 2023 Share Option Plan and 2023 Share Award Plan

Under the 2023 Share Option Plan and the 2023 Share Award Plan, the Board or the remuneration committee of the Company or a duly authorised committee thereof (the “Committee”) may, in its discretion, grant share options/awards to a bona fide director, employee or a Re-Engaged Consultant (as hereinafter defined) of any member of the Group on the grant date to subscribe for the Shares. A Re-Engaged Consultant means an individual who (a) is a former director or employee of any member of the Group; and (b) has entered into a consultancy contract to provide consultancy services to any member of the Group on a continuing and recurring basis in its ordinary and usual course of business who, in the sole and absolute direction of the Board or the Committee, has contributed or will contribute to the long-term growth of the Group (hereinafter referred to as an “Individual Consultant”). A Re-Engaged Consultant shall also include any corporation owned and operated by such an Individual Consultant through which he enters into an agreement to provide consultancy services to any member of the Group on a continuing and recurring basis.

For the avoidance of doubt, “Re-Engaged Consultant” excludes (a) placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions; and (b) professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity.

The purpose of the 2023 Share Option Plan and the 2023 Share Award Plan is to (i) recognise, motivate and provide incentives to those who make contributions to the Group; (ii) help the Group retain its existing directors, employees and Re-Engaged Consultants and recruit additional directors, employees and Re-Engaged Consultants who will be valuable to the Group; and (iii) provide its existing and future directors, employees and Re-Engaged Consultants with direct economic interests in the long-term development and growth of the Group.

The summary of the rules of the 2023 Share Option Plan and the 2023 Share Award Plan are set out in the circular of the Company dated 25 April 2023. The number of Shares available for grant under the 2023 Share Option Plan and the 2023 Share Award Plan as at 1 January 2024 and 30 June 2024 was 135,720,027 Shares and 120,624,527 respectively. The Re-Engaged Consultant sublimit (as defined in rules of the 2023 Share Option Plan and the 2023 Share Award Plan) as at 1 January 2024 and 30 June 2024 was 27,144,005 Shares (representing 2% of the Company’s issued Shares as at 1 January 2024 and 30 June 2024).

GENERAL INFORMATION

(i) Outstanding Share Options under the 2023 Share Option Plan

Details of the share options granted and summary of movements of the outstanding share options during the six months ended 30 June 2024 under the 2023 Share Option Plan are as follows:

	Date of grant	Exercise price per share option HK\$	Closing price of Shares immediately before the date of grant HK\$	Exercise period	Number of share options			Weighted average closing price of the Shares immediately before the date on which the options were exercised HK\$		
					As at 1.1.2024	Granted during the six months ended 30.6.2024	Exercised during the six months ended 30.6.2024		Cancelled/lapsed during the six months ended 30.6.2024	As at 30.6.2024
Directors										
CHENG Wai Chee, Christopher	19.1.2024	2.64	2.58	19.1.2025 to 18.1.2034 (Note a)	-	478,500	-	-	478,500	N/A
	19.1.2024	2.64	2.58	19.1.2026 to 18.1.2034 (Note b)	-	478,500	-	-	478,500	N/A
	19.1.2024	2.64	2.58	19.1.2027 to 18.1.2034 (Note c)	-	957,000	-	-	957,000	N/A
CHENG Wai Sun, Edward	19.1.2024	2.64	2.58	19.1.2025 to 18.1.2034 (Note a)	-	478,500	-	-	478,500	N/A
	19.1.2024	2.64	2.58	19.1.2026 to 18.1.2034 (Note b)	-	478,500	-	-	478,500	N/A
	19.1.2024	2.64	2.58	19.1.2027 to 18.1.2034 (Note c)	-	957,000	-	-	957,000	N/A
NG Kar Wai, Kenneth	19.1.2024	2.64	2.58	19.1.2025 to 18.1.2034 (Note a)	-	152,750	-	-	152,750	N/A
	19.1.2024	2.64	2.58	19.1.2026 to 18.1.2034 (Note b)	-	152,750	-	-	152,750	N/A
	19.1.2024	2.64	2.58	19.1.2027 to 18.1.2034 (Note c)	-	305,500	-	-	305,500	N/A
					-	4,439,000	-	-	4,439,000	

Notes:

- a The vesting period is 12 months from the date of grant.
- b The vesting period is 24 months from the date of grant.
- c The vesting period is 36 months from the date of grant.

The Company will provide subscription money to the share option holders in the event that they exercise their share options when the market price of the Shares is equal to or higher than the exercise price of share options concerned.

(ii) Outstanding Share Awards under the 2023 Share Award Plan

Details of the share awards granted and summary of movements of the outstanding share awards during the six months ended 30 June 2024 under the 2023 Share Award Plan are as follows:

	Date of grant	Subscription price per share award HK\$	Closing price of Shares immediately before the date of grant HK\$	Exercise period	Number of share awards				Weighted average closing price of the Shares immediately before the date on which the awards were subscribed HK\$	
					As at 1.1.2024	Granted during the six months ended 30.6.2024	Subscribed during the six months ended 30.6.2024	Cancelled/lapsed during the six months ended 30.6.2024		As at 30.6.2024
Directors										
CHENG Wai Chee, Christopher	19.1.2024	0.50	2.58	19.1.2025 to 18.1.2034 (Note a)	-	1,350,000	-	-	1,350,000	N/A
CHENG Wai Sun, Edward	19.1.2024	0.50	2.58	19.1.2025 to 18.1.2034 (Note a)	-	1,350,000	-	-	1,350,000	N/A
CHOW Wai Wai, John	19.1.2024	0.50	2.58	19.1.2025 to 18.1.2034 (Note a)	-	915,750	-	-	915,750	N/A
	19.1.2024	0.50	2.58	19.1.2026 to 18.1.2034 (Note b)	-	97,000	-	-	97,000	N/A
	19.1.2024	0.50	2.58	19.1.2027 to 18.1.2034 (Note c)	-	194,000	-	-	194,000	N/A
NG Kar Wai, Kenneth	19.1.2024	0.50	2.58	19.1.2025 to 18.1.2034 (Note a)	-	1,350,000	-	-	1,350,000	N/A
Employees										
Employees in aggregate	19.1.2024	0.50	2.58	19.1.2025 to 18.1.2034 (Note a)	-	4,346,750	-	-	4,346,750	N/A
	19.1.2024	0.50	2.58	19.1.2026 to 18.1.2034 (Note b)	-	351,000	-	-	351,000	N/A
	19.1.2024	0.50	2.58	19.1.2027 to 18.1.2034 (Note c)	-	702,000	-	-	702,000	N/A
					-	10,656,500	-	-	10,656,500	

Notes:

- a The vesting period is 12 months from the date of grant.
- b The vesting period is 24 months from the date of grant.
- c The vesting period is 36 months from the date of grant.

The Company will provide subscription money to the share award holders in the event that they subscribe their share awards.

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(iii) Valuation of Share Options and Share Awards

The fair value of share options granted under the 2023 Share Option Plan and share awards granted under the 2023 Share Award Plan during the six months ended 30 June 2024 are determined by using the Binomial Model (the “Model”). Key assumptions of the Model are as follows:

Risk-free rate	3.60%
Expected dividend yield	7.23%
Expected volatility of the market price of the Shares	20.30%
Expected life	10 years from the date of grant
Estimated fair value per share option	HK\$0.16
Estimated fair value per share award	HK\$1.81

The Model requires the input of subjective assumptions, including the volatility of share price. Because changes in subjective assumptions can materially affect the fair value estimate, the Model does not, in the opinion of the Directors, necessarily provide a reliable single measure of the fair value of share options and share awards.

(III) Share Options or Share Awards Granted during the Six Months Ended 30 June 2024

The number of Shares that may be issued in respect of share options granted under the 2023 Share Option Plan and share awards granted under the 2023 Share Award Plan during the period are 4,439,000 and 10,656,500 respectively (representing approximately 0.33% and 0.79% of the weighted average number of Shares in issue during the period).

Save as disclosed above, during the six months ended 30 June 2024, none of the Directors, the Chief Executive of the Company or their respective spouses and children under the age of 18 had any interest in, or had been granted any right to subscribe for the shares, options and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), or had exercised any such rights.

Save as disclosed above, at no time during the six months ended 30 June 2024 was the Company or any of its subsidiaries a party to any arrangement that may enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 30 June 2024, the following persons (other than the Directors and the Chief Executive) had interests in the Shares as recorded in the register kept by the Company under section 336 of the SFO or as otherwise notified to the Company:

Name of Shareholders	Capacity	Number of Shares interested	Approx. percentage of the issued share capital (Note a)
1. Brave Dragon Limited	Beneficial owner	141,794,482	10.45%
2. Crossbrook Group Limited	Beneficial owner	270,411,036	19.92%
3. Wing Tai Holdings Limited	Interest of controlled corporation	462,488,185 (Notes b(i) & c)	34.08%
4. Butterfield Trust (Asia) Limited	Trustee	462,488,185 (Notes b(ii) & d)	34.08%
5. Butterfield Fiduciary Services (Cayman) Limited	Trustee	462,488,185 (Notes b(ii) & d)	34.08%
6. Wing Tai Corporation Limited	Interest of controlled corporation	182,560,826 (Note e)	13.45%
7. Renowned Development Limited	Interest of controlled corporation	182,560,826 (Notes b(iii) & e)	13.45%
8. Wing Tai (Cheng) Holdings Limited	Interest of controlled corporation	199,884,783 (Notes b(iii) & f)	14.73%
9. Sun Hung Kai Properties Limited	Interest of controlled corporation	183,612,533 (Note g)	13.53%
10. HSBC Trustee (C.I.) Limited	Trustee	183,612,533 (Notes b(iv) & h)	13.53%
11. Gala Land Investment Co. Limited	Beneficial owner	101,579,467	7.48%
12. Farnham Group Limited	Interest of controlled corporation	101,579,467 (Notes b(v) & i)	7.48%
13. WHCWTF Limited	Interest of controlled corporation	101,579,467 (Notes b(v) & j)	7.48%
14. CKF Limited	Interest of controlled corporation	101,579,467 (Notes b(v) & k)	7.48%

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Notes:

- a The total number of issued Shares as at 30 June 2024 was 1,357,200,279.
- b The interests disclosed duplicated in the following manners and to the following extent:
- (i) the interests of parties 1 and 2 were included in the interests of party 3.
 - (ii) the interests of party 3 duplicated with the interests of parties 4 and 5 entirely.
 - (iii) the interests of party 6 duplicated with the interests of party 7 entirely and were included in the interests of party 8.
 - (iv) the interests of party 9 duplicated with the interests of party 10 entirely.
 - (v) The interests of party 11 duplicated with the interests of parties 12, 13 and 14 entirely.
- c Wing Tai Holdings Limited beneficially owned 89.4% of the issued share capital of Brave Dragon Limited, 100% of the issued share capital of Crossbrook Group Limited and 100% of the issued share capital of Wing Tai Retail Pte. Ltd.. Wing Tai Retail Pte. Ltd. owned 50,282,667 Shares.
- d Butterfield Trust (Asia) Limited was the trustee of a family trust (of which CHENG Wai Chee, Christopher, CHENG Wai Sun, Edward and CHENG Man Piu, Francis were beneficiaries) which held all units of a unit trust ("Unit Trust").
- Butterfield Fiduciary Services (Cayman) Limited ("Butterfield Cayman") was the trustee of the Unit Trust and was deemed to be interested in 462,488,185 Shares (such deemed interest arose by virtue of the fact that Butterfield Cayman was interested indirectly through subsidiaries in more than one-third of the issued share capital of Wing Tai Holdings Limited which was interested in 462,488,185 Shares).
- e Wing Tai Corporation Limited beneficially owned 100% of the issued share capital of Bestime Resources Limited ("Bestime") and Pofung Investments Limited ("Pofung") and, therefore, by virtue of its corporate interest in Bestime and Pofung, Wing Tai Corporation Limited was deemed to be interested in 93,629,998 Shares and 88,930,828 Shares held by Bestime and Pofung respectively.
- By virtue of the corporate interest of Renowned Development Limited ("Renowned") in Wing Tai Corporation Limited, the former was deemed to be interested in the latter's interest in the Shares.
- f By virtue of the corporate interest of Wing Tai (Cheng) Holdings Limited in Renowned and Broxbourne Assets Limited ("Broxbourne"), Wing Tai (Cheng) Holdings Limited was deemed to be interested in the interest of Renowned and Broxbourne in the Shares. Broxbourne beneficially owned 17,323,957 Shares.
- g Sun Hung Kai Properties Limited ("SHKP") beneficially owned 100% of the issued share capital of Wesmore Limited ("Wesmore"), Fourseas Investments Limited ("Fourseas"), Mondale Holdings Limited ("Mondale"), Victory Zone Holdings Limited ("Victory Zone") and Country World Limited ("Country World"). Wesmore was the beneficial owner of 111,928,210 Shares.
- Fourseas beneficially owned 100% of the issued share capital of Soundworld Limited ("Soundworld"), Units Key Limited ("Units Key") and Triple Surge Limited ("Triple Surge"). Soundworld, Units Key and Triple Surge were the beneficial owners of 20,869,323, 5,673,333 and 37,680,000 Shares respectively.
- Mondale beneficially owned 100% of the issued share capital of Junwall Holdings Ltd. ("Junwall"), which in turn beneficially owned 100% of the issued share capital of Techglory Ltd. ("Techglory"). Techglory was the beneficial owner of 192,000 Shares.
- Victory Zone beneficially owned 100% of the issued share capital of Charmview International Ltd. ("Charmview"). Charmview was the beneficial owner of 7,141,600 Shares.
- Country World beneficially owned 100% of the issued share capital of Erax Strong Development Ltd. ("Erax Strong"). Erax Strong was the beneficial owner of 128,067 Shares.
- By virtue of the corporate interest of SHKP in the aforesaid companies, SHKP was deemed to be interested in the interests of Wesmore, Soundworld, Units Key, Triple Surge, Techglory, Charmview and Erax Strong in the Shares.

- h HSBC Trustee (C.I.) Limited, as the trustee of certain discretionary trusts, was deemed to be interested in more than one-third of the total issued shares of SHKP. By virtue of its deemed interest in SHKP, it was deemed to be interested in 183,612,533 Shares.
- i Farnham Group Limited (“Farnham”) beneficially owned 100% of the issued share capital of Gala Land Investment Co. Limited (“Gala”) and, therefore, Farnham was deemed to be interested in 101,579,467 Shares held by Gala by virtue of its corporate interest therein.
- j WHCWTF Limited (“WHCWTF”) beneficially owned 50% of the issued share capital of Farnham and, therefore, WHCWTF was deemed to be interested in 101,579,467 Shares held by Gala by virtue of its corporate interest therein via Farnham.
- k CKF Limited (“CKF”) beneficially owned 50% of the issued share capital of Farnham and, therefore, CKF was deemed to be interested in 101,579,467 Shares held by Gala by virtue of its corporate interest therein via Farnham.

Save as disclosed above, as at 30 June 2024, the Company had not been notified of any interests or short positions held by any substantial Shareholder in the Shares or underlying Shares which are required to be recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

INTERESTS OF ANY OTHER PERSONS

As at 30 June 2024, the Company had not been notified of any persons other than the substantial Shareholders who had interests or short positions in the Shares or underlying Shares, which are required to be recorded in the register required to be kept under section 336 of the SFO.

DISCLOSURE PURSUANT TO RULE 13.20 OF THE LISTING RULES

As at 30 June 2024, the aggregate amount due to the Group and guarantee for loan facilities given by the Company on behalf of Southwater Investments Limited and its subsidiary (the “Southwater Group”) exceeded 8% under the assets ratio as defined under Rule 14.07(1) of the Listing Rules.

Details of the amounts to the Southwater Group as at 30 June 2024 were as follows:

Name of Entity	The Group’s % of attributable equity interest therein	Amount of guarantee for loan facilities given by the Company (Note 1) HK\$’M	Amount and loans due to the Group (Note 2) HK\$’M	Total HK\$’M
Southwater Group	50%	3,450	2,271	5,721

Notes:

- All the loan facilities are secured by (among others) guarantees given by the Company and CSI Properties Limited (“CSI”) on a several and proportional basis. All loan facilities carry interest at normal commercial rate agreed after negotiations on an arm’s length basis with the lending bank concerned. The final maturity date of the loan facilities is the earlier of (a) 21 November 2025; or (b) 5 months after the issuance of the certificate of compliance in respect of the development situated at the land parcel known as Inland Lot No. 9065 and located at Gage Street/Graham Street, Central, Hong Kong.
- The amount due from the Southwater Group is (i) unsecured; (ii) carrying interest at rates agreed by the Group and CSI from time to time; and (iii) without fixed repayment dates.

GENERAL INFORMATION

DISCLOSURE PURSUANT TO RULE 13.21 OF THE LISTING RULES

On 3 November 2022, the Company (as guarantor) entered into a facility agreement (the “Facility Agreement”) with, among others, certain financial institutions (as original lenders) in relation to term and revolving loan facilities of an aggregate amount of HK\$1,900 million (the “Facilities”) to be made available to an indirect wholly-owned subsidiary of the Company (the “Borrower”). The final maturity date of the Facilities falls 60 months after the date of the Facility Agreement.

The Facility Agreement provides, among others, that, if Cheng Family (as defined below) as a whole (i) does not or ceases to directly or indirectly maintain at least 30% beneficial shareholding in the Company; (ii) does not or ceases to give and manage directions with respect to the management and business of the Company; or (iii) does not or ceases to be the single largest shareholder group of the Company, all the available commitments will be immediately cancelled and the Borrower shall prepay all the loans (together with payment of the accrued interest and all other amounts payable) in full within 10 business days thereafter (or such longer period as may be agreed by all the lenders).

For the purpose of the Facility Agreement, “Cheng Family” means:-

- (i) Mr. CHENG Wai Chee, Christopher and/or his issue and/or any of their executors or administrators and/or companies which are controlled by them or any of them;
- (ii) Mr. CHENG Wai Sun, Edward and/or his issue and/or any of their executors or administrators and/or companies which are controlled by them or any of them;
- (iii) Mr. CHENG Man Piu, Francis and/or his issue and/or any of their executors or administrators and/or companies which are controlled by them or any of them; or
- (iv) any trust of which any person referred to in paragraphs (i) to (iii) above is a beneficiary.

As at the date of this interim report, Cheng Family maintains approximately 36.10% beneficial shareholding in the Company.

DISCLOSURE PURSUANT TO RULE 13.22 OF THE LISTING RULES

As at 30 June 2024, the aggregate amount of financial assistance to and guarantees given for facilities granted to affiliated companies by the Group amounted to HK\$9,606 million which exceeded 8% of the assets ratio as defined in Rule 14.07(1) of the Listing Rules.

An unaudited combined balance sheet of these affiliated companies and the Group's attributable interest in these affiliated companies as at 30 June 2024 are presented below:

	Combined balance sheet <i>HK\$'M</i>	The Group's attributable interest <i>HK\$'M</i>
Non-current assets	8,954.6	3,109.6
Current assets	14,244.7	6,900.9
Current liabilities	(1,569.9)	(432.8)
Non-current liabilities	(9,514.6)	(4,373.5)
Amounts and loans due from shareholders	588.2	88.6
Amounts and loans due to shareholders	(9,842.9)	(4,221.4)
Net assets	2,860.1	1,071.4

AUDIT COMMITTEE

The Audit Committee has reviewed with the management and the auditor of the Company the unaudited interim financial report and considered the significant accounting principles and policies adopted by the Company and discussed with the management the internal control and financial reporting matters in respect of this interim report.

CORPORATE GOVERNANCE

The Company is committed to achieving and maintaining high standards of corporate governance and has established policies and procedures for compliance with regulatory requirements, including the requirements under the Listing Rules. 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 Listing Rules throughout the six months ended 30 June 2024.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as its code of conduct for securities transactions by the Directors.

The Company has made specific enquiry of all Directors regarding any non-compliance with the Model Code during the six months ended 30 June 2024, and received confirmations from all Directors that they had fully complied with the required standard set out in the Model Code throughout the six months ended 30 June 2024.

GENERAL INFORMATION

CHANGES IN DIRECTORS' INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in the Directors' information since the date of the Company's Annual Report 2023 are set out below:

Change in Director's Biographical Details

Director	Detail of Change
LAM Kin Fung, Jeffrey	• Appointed as an independent non-executive director of Golden Resources Development International Limited with effect from 2 April 2024

Changes in Directors' Annual Fees

Board of Directors/ Chairman of Board Committees	2023	Effective from 1 January 2024 (Note)
	HK\$	HK\$
Each Non-executive Director (namely KWOK Ping Luen, Raymond, HONG Pak Cheung, William and CHEN CHOU Mei Mei, Vivien)	79,000	82,000
Each Independent Non-executive Director (namely Simon MURRAY, YEUNG Kit Shing, Jackson, Haider Hatam Tyebjee BARMA, LAM Kin Fung, Jeffrey and NG Tak Wai, Frederick)	318,500	331,500
Chairman of the Audit Committee (namely YEUNG Kit Shing, Jackson)	136,500	142,000
Chairman of the Remuneration Committee (namely Simon MURRAY)	68,500	71,500
Chairman of the Nomination Committee (namely Simon MURRAY)	68,500	71,500

Note:

The annual fees were approved by the Shareholders at the annual general meeting of the Company held on 23 May 2024.

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

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

WING TAI PROPERTIES LIMITED
Incorporated in Bermuda with limited liability

永泰地產有限公司
於百慕達註冊成立之有限公司

