LAI FUNG HOLDINGS

Lai Fung Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1125)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 JULY 2024

Results Highlights:

- Net loss attributable to owners of the Company was HK$267.7 million, improved from loss of HK$584.7 million in the previous financial year.
- Adjusted earnings before interests, taxes, depreciation and amortisation ("**adjusted EBITDA**") (excluding impact of fair value changes of investment properties and other non-cash and non-recurring items) improved to HK$782.0 million, increased by 35.7% year-on-year.
- Resilient rental portfolio generated rental income of HK$995.4 million with steady occupancy rate and high operating efficiency under a constrained consumption market environment, up by 11.3% year-on-year.
- Recognised sales of properties and other operations amounted to HK$1,197.4 million, up by 32.2% year-on-year.
- Effective cost control measures resulted in administrative expenses decreased by 26.4% year-on-year. Other operating expenses, net, also decreased by 39.2% year-on-year.
- The Group's total capital resources amounted to approximately HK$4,787.5 million, comprising cash and bank balances of approximately HK$1,857.1 million and undrawn bank facilities of approximately HK$2,930.4 million as at 31 July 2024, versus the Group's borrowings due within one year of approximately HK$615.5 million as at 31 July 2024.
- Total borrowings reduced to HK$9,853.2 million, down by 7.2% year-on-year.
- The Group's e-commerce hub in Hengqin Novotown achieved major breakthroughs. Hengqin Novotown has successfully re-positioned itself for the development of a cross-border e-commerce and social media and related ecosystem. As at the date of this results announcement,
    - Phase I has been fully operational with major office tenants of leading Chinese social media and e-commerce platform, technology and logistics corporations and their related ecosystem partners, improving traffic and tenant mix in the commercial area and providing synergy to its Phase I cultural workshop units and Hyatt Regency Hengqin hotel; and
    - Phase II is making major progress particularly on rental accommodation towers. In addition to the three towers under construction, of which two are for accommodation purpose, the Group received approval from the local government to develop the remaining eight towers of accommodation for rental purpose, becoming the first project certified as rental accommodation towers in Hengqin, so as to satisfy the growing rental accommodation need from the commercial eco-system of Hengqin, and as supporting facilities for them.

RESULTS

The board of directors (the "**Board**") of Lai Fung Holdings Limited (the "**Company**") announces the consolidated results of the Company and its subsidiaries (the "**Group**") for the year ended 31 July 2024 together with the comparative figures for the previous year as follows:

Consolidated Income Statement
For the year ended 31 July 2024

	Notes	**2024** **HK$'000**	2023 HK$'000
TURNOVER	3	**2,192,830**	1,800,510
Cost of sales		**(1,302,843)**	(898,518)
Gross profit		**889,987**	901,992
Other income and gains	3	**92,933**	96,335
Selling and marketing expenses		**(123,975)**	(112,161)
Administrative expenses		**(226,718)**	(307,919)
Other operating expenses, net		**(209,077)**	(343,926)
Fair value gains/(losses) on investment properties		**446,483**	(68,808)
PROFIT FROM OPERATING ACTIVITIES	4	**869,633**	165,513
Finance costs	5	**(634,139)**	(596,219)
Share of losses of joint ventures		**(1,537)**	(214)
Share of loss of an associate		**(13)**	(8)
PROFIT/(LOSS) BEFORE TAX		**233,944**	(430,928)
Tax	6	**(583,109)**	(258,425)
LOSS FOR THE YEAR		**(349,165)**	(689,353)
ATTRIBUTABLE TO:			
Owners of the Company		**(267,663)**	(584,702)
Non-controlling interests		**(81,502)**	(104,651)
		(349,165)	(689,353)
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY:	8		
Basic and diluted		**(HK$0.809)**	(HK$1.766)

Consolidated Statement of Comprehensive Income
For the year ended 31 July 2024

	2024 HK$'000	2023 HK$'000
LOSS FOR THE YEAR	**(349,165)**	(689,353)
OTHER COMPREHENSIVE EXPENSES THAT MAY BE RECLASSIFIED TO THE INCOME STATEMENT IN SUBSEQUENT PERIODS, NET OF TAX		
Exchange differences:		
Exchange differences arising on translation to the presentation currency	**(212,800)**	(1,253,968)
Reclassification of reserve upon deregistration of a subsidiary	**—**	(10,274)
Reclassification of reserve upon return of capital from subsidiaries	**—**	(285)
	(212,800)	(1,264,527)
Share of other comprehensive expenses of an associate	**(1)**	(9)
OTHER COMPREHENSIVE EXPENSES FOR THE YEAR, NET OF TAX	**(212,801)**	(1,264,536)
TOTAL COMPREHENSIVE EXPENSES FOR THE YEAR	**(561,966)**	(1,953,889)
ATTRIBUTABLE TO:		
Owners of the Company	**(458,742)**	(1,828,551)
Non-controlling interests	**(103,224)**	(125,338)
	(561,966)	(1,953,889)

Consolidated Statement of Financial Position
As at 31 July 2024

	Notes	2024 HK$'000	2023 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**2,120,130**	2,302,822
Right-of-use assets		**467,147**	487,714
Investment properties		**19,687,200**	19,720,100
Investments in joint ventures		**15,441**	18,478
Investment in an associate		**85**	99
Debtors, deposits and prepayments	9	**489,237**	477,974
Total non-current assets		**22,779,240**	23,007,187
CURRENT ASSETS			
Properties under development		**1,169,737**	1,063,709
Completed properties for sale		**2,106,634**	2,926,175
Inventories		**2,507**	3,905
Debtors, deposits and prepayments	9	**484,909**	481,967
Prepaid tax		**66,726**	162,357
Pledged and restricted time deposits and bank balances		**842,880**	822,900
Cash and cash equivalents		**1,014,250**	1,648,823
		5,687,643	7,109,836
Assets classified as held for sale		**—**	735
Total current assets		**5,687,643**	7,110,571
CURRENT LIABILITIES			
Creditors, accruals and other payables	10	**972,952**	1,730,450
Contract liabilities and deposits received	11	**195,058**	874,884
Interest-bearing bank loans		**581,032**	1,116,841
Lease liabilities		**1,634**	2,822
Tax payable		**654,170**	458,984
Other borrowings		**34,485**	34,412
Total current liabilities		**2,439,331**	4,218,393
NET CURRENT ASSETS		**3,248,312**	2,892,178
TOTAL ASSETS LESS CURRENT LIABILITIES		**26,027,552**	25,899,365

Consolidated Statement of Financial Position (continued)
As at 31 July 2024

	Notes	**2024** **HK$'000**	2023 HK$'000
TOTAL ASSETS LESS CURRENT LIABILITIES		**26,027,552**	25,899,365
NON-CURRENT LIABILITIES			
Lease liabilities		**646**	278
Other payables	10	**890,237**	900,726
Long-term deposits received	11	**156,165**	129,385
Interest-bearing bank loans		**9,169,112**	8,805,753
Advances from a former substantial shareholder		**50,360**	50,953
Loans from a fellow subsidiary		**18,200**	610,245
Deferred tax liabilities		**3,039,608**	2,892,835
Total non-current liabilities		**13,324,328**	13,390,175
		12,703,224	12,509,190
EQUITY			
Equity attributable to owners of the Company			
Issued capital		**1,655,167**	1,655,167
Reserves		**10,663,989**	11,122,731
		12,319,156	12,777,898
Non-controlling interests		**384,068**	(268,708)
		12,703,224	12,509,190

Notes to Consolidated Financial Statements

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, which have been measured at fair value. Non-current asset classified as held for sale is stated at the lower of its carrying amount and fair value less costs to sell. These financial statements are presented in Hong Kong dollars ("**HK$**") and all values are rounded to the nearest thousand except when otherwise indicated.

Considering the highly challenging real estate market in Chinese Mainland, the directors carefully monitored the future liquidity and performance of the Group. As at the end of the reporting period, the directors have reviewed the Group's cash flow projections prepared by management, which cover a twelve-month period from 31 July 2024. In view that (i) as at 31 July 2024 and in subsequent period, the Group had sufficient undrawn facilities; and (ii) the recurring cash flows from the Group's operating activities, the directors are of the opinion that the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 July 2024. Accordingly, the directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

HKFRS 17	*Insurance Contracts*
Amendments to HKAS 1 and HKFRS Practice Statements 2	*Disclosure of Accounting Policies*
Amendments to HKAS 8	*Definition of Accounting Estimates*
Amendments to HKAS 12	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
Amendments to HKAS 12	*International Tax Reform – Pillar Two Model Rules*
Amendments to HKAS 1	*Classification of Liabilities as Current or Non-current (the "**2020 Amendments**")*
Amendments to HKAS 1	*Non-current Liabilities with Covenants (the "**2022 Amendments**")*

The Group has early applied the 2020 Amendments and the 2022 Amendments in the current year's financial statements. The adoption of the above new and revised standards has had no significant financial effect on these financial statements.

3. TURNOVER, OTHER INCOME AND GAINS AND OPERATING SEGMENT INFORMATION

The Group's turnover represents revenue from the sale of properties, investment properties, hotel and serviced apartment operation, building management operation and theme park operation.

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

	2024	2023
	HK$'000	HK$'000
Turnover	**2,192,830**	1,800,510
Other income and gains	**92,933**	96,335
Total turnover, other income and gains	**2,285,763**	1,896,845

	2024	2023
	HK$'000	HK$'000
Turnover, other income and gains from contracts with customers		
Sale of properties	**1,182,350**	887,025
Hotel and serviced apartment operation	**279,728**	250,234
Building management operation	**150,417**	124,500
Theme park operation	**15,065**	18,877
	1,627,560	1,280,636
Turnover, other income and gains from other sources		
Rental income from investment properties	**565,270**	519,874
Interest income from bank deposits	**34,668**	45,865
Interest income from finance lease contract	**19,708**	19,533
Government grant*	**239**	1,851
Others	**38,318**	29,086
	658,203	616,209
Total turnover, other income and gains	**2,285,763**	1,896,845
Timing of recognition of turnover, other income and gains from contracts with customers		
At a point in time	**1,182,350**	887,025
Over time	**445,210**	393,611
Total	**1,627,560**	1,280,636

* *There are no unfulfilled conditions or contingencies to this income.*

3. TURNOVER, OTHER INCOME AND GAINS AND OPERATING SEGMENT INFORMATION (CONTINUED)

	Property development		Property investment		Hotel and serviced apartment operation		Theme park operation		Consolidated	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Segment revenue/results:										
Segment revenue										
Sales to external customers	**1,182,350**	887,025	**715,687**	644,374	**279,728**	250,234	**15,065**	18,877	**2,192,830**	1,800,510
Other revenue	**23,850**	23,392	**21,357**	16,639	**13**	356	**2,053**	657	**47,273**	41,044
Total	**1,206,200**	910,417	**737,044**	661,013	**279,741**	250,590	**17,118**	19,534	**2,240,103**	1,841,554
Segment results	**302,911**	403,930	**737,062**	120,641	**18,658**	2,112	**(124,718)**	(295,760)	**933,913**	230,923
Interest income from bank deposits									**34,668**	45,865
Unallocated gains									**10,992**	9,426
Unallocated expenses, net									**(109,940)**	(120,701)
Profit from operating activities									**869,633**	165,513
Finance costs									**(634,139)**	(596,219)
Share of profits/(losses) of joint ventures	**8**	(27)	**(1,545)**	(187)	**–**	–	**–**	–	**(1,537)**	(214)
Share of loss of an associate	**–**	–	**(13)**	(8)	**–**	–	**–**	–	**(13)**	(8)
Profit/(loss) before tax									**233,944**	(430,928)
Tax									**(583,109)**	(258,425)
Loss for the year									**(349,165)**	(689,353)

3. TURNOVER, OTHER INCOME AND GAINS AND OPERATING SEGMENT INFORMATION (CONTINUED)

	Property development		Property investment		Hotel and serviced apartment operation		Theme park operation		Consolidated	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Segment assets/liabilities:										
Segment assets	**3,845,355**	4,599,637	**19,962,722**	19,970,488	**1,705,249**	1,792,433	**739,799**	849,329	**26,253,125**	27,211,887
Investments in joint ventures	**84**	76	**15,357**	18,402	**–**	–	**–**	–	**15,441**	18,478
Investment in an associate	**–**	–	**85**	99	**–**	–	**–**	–	**85**	99
Unallocated assets									**2,198,232**	2,886,559
Assets classified as held for sale	**–**	735	**–**	–	**–**	–	**–**	–	**–**	735
Total assets									**28,466,883**	30,117,758
Segment liabilities	**345,213**	1,115,626	**515,406**	1,037,645	**65,372**	104,543	**32,049**	95,128	**958,040**	2,352,942
Unallocated liabilities									**14,805,619**	15,255,626
Total liabilities									**15,763,659**	17,608,568

During the years ended 31 July 2024 and 2023, no revenue from a single customer accounted for over 10% of the Group's total turnover.

3. TURNOVER, OTHER INCOME AND GAINS AND OPERATING SEGMENT INFORMATION (CONTINUED)

	Property development		Property investment		Hotel and serviced apartment operation		Theme park operation		Consolidated	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Other segment information:										
Depreciation	**620**	951	**6,741**	8,403	**81,245**	80,557	**29,074**	68,123	**117,680**	158,034
Corporate and other unallocated depreciation									**5,426**	5,527
									123,106	163,561
Capital expenditure, net	**101**	289	**(267,208)**	415,862	**–**	–	**2,540**	28,919	**(264,567)**	445,070
Corporate and other unallocated capital expenditure									**2,159**	268
									(262,408)	445,338
Fair value gains/(losses) on investment properties[@]	**–**	–	**446,483**	(68,808)	**–**	–	**–**	–	**446,483**	(68,808)
Gain on disposal of assets classified as held for sale	**533**	–	**–**	–	**–**	–	**–**	–	**533**	–
Write-down of completed properties for sale to net realisable value	**162,457**	4,849	**–**	–	**–**	–	**–**	–	**162,457**	4,849
Derecognition loss on rental receivable	**–**	–	**–**	7,159	**–**	–	**–**	–	**–**	7,159
Impairment of property, plant and equipment	**–**	–	**–**	–	**–**	–	**74,769**	173,642	**74,769**	173,642
Loss on disposal of items of property, plant and equipment	**182**	5	**–**	183	**–**	–	**154**	–	**336**	188
Corporate and other unallocated loss on disposal of items of property, plant and equipment									**64**	49

@ *The current year's fair value gains on investment properties amounting to HK$446,483,000 were partly attributable to the actual construction costs incurred being lower than the accrued amount by approximately HK$283,900,000 in aggregate for certain recently completed investment properties upon finalisation of final accounts with major contractors.*

4. PROFIT FROM OPERATING ACTIVITIES

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

	2024	2023
	HK$'000	HK$'000
Cost of completed properties sold	**624,940**	394,913
Outgoings in respect of rental income, hotel and serviced apartment operation, theme park operation and building management operation	**515,446**	503,605
Depreciation of property, plant and equipment#	**103,701**	142,928
Depreciation of right-of-use assets#	**19,405**	20,633
Amortisation of prepaid land lease payments	**9,146**	9,454
Capitalised in properties under development	**(9,146)**	(9,454)
	—	—
Foreign exchange differences, net**	**24,158**	5,846
Gain on disposal of assets classified as held for sale**	**(533)**	—
Loss on disposal of items of property, plant and equipment**	**400**	237
Impairment of property, plant and equipment**	**74,769**	173,642
Write-down of completed properties for sale to net realisable value^	**162,457**	4,849
Contingent rents##	**(4,022)**	(4,986)
Derecognition loss on rental receivable**	**—**	7,159
Fair value losses on cross currency swaps**	**—**	5,951

\# *The depreciation charge for hotels and serviced apartments and related leasehold improvements is HK$81,245,000 (2023: HK$80,557,000). The depreciation charge for theme parks is HK$26,806,000 (2023: HK$65,300,000). These items are included in "Other operating expenses, net" on the face of the consolidated income statement.*

\## *The contingent rents are included in "Turnover" on the face of the consolidated income statement.*

** *These items of expenses/(income) are included in "Other operating expenses, net" on the face of the consolidated income statement.*

^ *Write-down of completed properties for sale to net realisable value amounting to HK$162,457,000 is included in "Cost of sales" (2023: HK$4,849,000 is included in "Other operating expenses, net") on the face of the consolidated income statement.*

5. FINANCE COSTS

	2024 HK$'000	2023 HK$'000
Interest on:		
Bank loans	**672,586**	571,273
Guaranteed notes	**—**	68,320
Amortisation of transaction fees for:		
Bank loans	**20,380**	28,653
Guaranteed notes	**—**	2,577
Bank financing charges and direct costs	**51,948**	62,079
Interest on lease liabilities	**147**	271
Interest on put option liabilities	**4,474**	4,612
	749,535	737,785
Less: Capitalised in properties under development	**(81,133)**	(62,743)
Capitalised in investment properties under construction	**(27,348)**	(48,988)
Capitalised in construction in progress	**(6,915)**	(29,835)
	(115,396)	(141,566)
Total finance costs	**634,139**	596,219

6. TAX

The statutory rate of Hong Kong profits tax is 16.5% (2023: 16.5%). No provision for Hong Kong profits tax had been made as the Group had no estimated assessable profits arising in Hong Kong during the year (2023: Nil). Taxes on profits assessable elsewhere had been calculated at the tax rates prevailing in the jurisdictions in which the Group operates.

	2024 HK$'000	2023 HK$'000
Current — Chinese Mainland		
Corporate income tax	**150,872**	98,858
Land appreciation tax	**225,244**	211,693
Deferred	**206,993**	(52,126)
Total tax charge for the year	**583,109**	258,425

7. DIVIDEND

No final dividend was declared for the years ended 31 July 2024 and 31 July 2023.

8. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic loss per share amount was based on the loss for the year attributable to owners of the Company of HK$267,663,000 (2023: HK$584,702,000), and the weighted average number of ordinary shares of 331,033,443 (2023: 331,033,443) in issue during the year.

As the exercise prices of the share options were higher than the average market price of the shares during the year, the Group had no potentially dilutive ordinary shares in issue during the years ended 31 July 2024 and 31 July 2023.

9. DEBTORS, DEPOSITS AND PREPAYMENTS

The Group maintains various credit policies for different business operations in accordance with business practices and market conditions in which the respective subsidiaries operate. Sales proceeds receivable from the sale of properties are settled in accordance with the terms of the respective contracts. Rent and related charges in respect of the leasing of properties are receivable from tenants, and are normally payable in advance with rental deposits received in accordance with the terms of the tenancy agreements. Hotel and serviced apartment charges are mainly settled by customers on a cash basis except for those corporate clients who maintain credit accounts with the Group, the settlement of which is in accordance with the respective agreements. The Group's trade receivables related to a large number of diversified customers and there is no significant concentration of credit risk. Trade receivables of the Group were interest-free. The Group's finance lease receivables related to a creditworthy third party.

The Group did not hold any collateral or other credit enhancements over these balances.

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

	2024 **HK$'000**	2023 HK$'000
Trade receivables, net:		
Within one month	**119,282**	105,627
One to three months	**7,470**	8,620
Over three months	**16,746**	19,069
	143,498	133,316
Finance lease receivables, not yet due	**492,752**	482,099
Other receivables, deposits and prepayments	**337,896**	344,526
	974,146	959,941
Amounts classified as current assets	**(484,909)**	(481,967)
Non-current portion	**489,237**	477,974

10. CREDITORS, ACCRUALS AND OTHER PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on payment due date, is as follows:

	2024	2023
	HK$'000	HK$'000
Trade payables:		
Within one month	**132,091**	163,841
One to three months	**8,999**	9,089
Over three months	**28,789**	100,888
	169,879	273,818
Accruals and other payables	**589,267**	1,243,278
Put option liabilities	**1,104,043**	1,114,080
	1,863,189	2,631,176
Amounts classified as current liabilities	**(972,952)**	(1,730,450)
Non-current portion	**890,237**	900,726

11. CONTRACT LIABILITIES AND DEPOSITS RECEIVED

An analysis of the contract liabilities and deposits received as at the end of the reporting period is as follows:

	2024	2023
	HK$'000	HK$'000
Contract liabilities	**90,091**	755,595
Deposits received	**261,132**	248,674
	351,223	1,004,269
Amounts classified as current liabilities	**(195,058)**	(874,884)
Non-current portion	**156,165**	129,385

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 July 2024 (2023: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

The global economy grinded along a fragile path against a backdrop of geopolitical instability, intensifying trade tensions, relatively high interest rates, and inflationary pressures. Whilst the impending United States presidential election should alleviate some uncertainties, geopolitical tensions in Europe and Middle East might get worse before it gets better. As such, the global economic outlook remains highly volatile for reasons above and all of which are likely to continue to impede global growth and business activities. The long-awaited Federal Reserve interest rate cut finally took place in September 2024 with a 0.5% decrease, hinting at further cuts that offer a glimmer of hope. Nonetheless, we have yet to see how the global economy will respond.

Chinese Mainland announced GDP growth target this year of around 5.0% at the National People's Congress held in March 2024, indicating the challenges posed by the economic slowdown. Chinese Mainland's GDP growth fell below expectations in the second quarter of 2024, with retail sales and property investment acting as persistent headwinds. Weak consumer confidence has hampered economic recovery across the board. Current and impending tariffs from the US will undoubtedly present challenges, but trade partnerships with members of the BRICS and countries under the Belt and Road initiative should somewhat mitigate the issue. The property sector remained subdued for the year under review, with outlook remaining uncertain. In May 2024, house prices in Chinese Mainland experienced the fastest decline in nearly a decade, attributed to numerous factors including an oversupply of properties dampening demand, resulting in a series of developer defaults and numerous idle construction sites in recent years. In order to support and stabilise the struggling property sector, the Central Government implemented extensive measures during the year to enhance confidence in the property market. These measures included reducing down payment requirements, lowering mortgage rates, easing home purchase restrictions, and encouraging local governments to acquire unsold properties for social housing. Furthermore, to address the property market downturn, the Central Government declared its intent to "promote the stabilisation of the real estate market" in September 2024. This initiative involves expanding the list of approved housing projects eligible for further financing, revitalising idle land, removing home purchase restrictions, reducing existing mortgage rates, and refining land, fiscal, tax, and financial policies. These actions are aimed at expediting the transition to a new real estate development model, fostering significant confidence, and providing sustainable momentum for Chinese Mainland's real estate sector. The Group believes that the Central Government will demonstrate continued commitment to sustain long-term economic growth. While the Group remains cautiously optimistic about the long-term business outlook in Chinese Mainland, the Group holds confidence in the future prospects of cities where our operations are based, especially in the dynamic Greater Bay Area ("**GBA**") in southern Chinese Mainland.

The GBA is a young, vibrant, complementary and connected geography making it an attractive growth engine for the future:

- Approximately 56,000 square kilometres spread over 9 municipalities and 2 special administrative regions with complementary industries around the Pearl River Delta;

- Approximately 87 million people; nearly 11 times the size of Hong Kong or 6% of Chinese Mainland's total population. Over 70% of which is between 15-59 years old;

- GDP achieved approximately RMB14,000 billion or 11% of Chinese Mainland GDP. Over RMB160k per capita, which is substantially over the Chinese Mainland average; and

- Established and well-connected network of roads, high speed rails, ships and airports.

The Group has adopted a regional focus and rental-led strategy. The rental portfolio, comprising approximately 5.9 million square feet in Shanghai, Guangzhou, Zhongshan and Hengqin, all of which are Tier 1 cities in Chinese Mainland and cities within the GBA, has remained steady in rental income amid weakened economy in Chinese Mainland for the year under review. The continued rental ramp up of two recently completed grade A office towers, Shanghai Skyline Tower and Guangzhou Lai Fung International Center, in September and November 2022 respectively, have substantially expanded the Group's rental portfolio. These new properties have made a significant contribution to the Group's rental portfolio during the year, surpassing the revenue generated last year. The existing rental portfolio has also managed amicably in the face of challenging economic conditions and ample market supply, particularly in Shanghai and Guangzhou.

The Group's initiative in establishing an e-commerce hub in Novotown has, a bright spot in an otherwise turbulent environment, gathered steady momentum. On 16 July 2024, the Urban Planning and Construction Bureau of Guangdong-Macao In-Depth Cooperation Zone in Hengqin officially approved the name of Hengqin Novotown Cross-Border E-commerce Hub to be recognised. Hengqin island enjoys a number of benefits which redefine its strategic value as a spring board for cross-border e-commerce:

- Heart of the GBA; covers most parts of GBA in 2-4 hours;

- Proximity to international airports and ports connected by bridges, expressways and railways;

- Proximity to universities; access to local talent pool provides steady supply of low cost work force;

- Unrivaled personal and corporate tax benefits within Chinese Mainland: Corporate income tax 15%; Personal Income Tax 15% for qualified high-end and in-demand talents; and

- Advantages tax arrangements for moving of goods: Goods are tax free crossing the border to Hengqin. Goods processed in Hengqin with an added value of 30% or more are exempted from import duties entering into Chinese Mainland from Hengqin.

The Group has positioned its Hengqin Novotown project for the development of a cross-border e-commerce and social media and related ecosystem. This encompasses e-commerce office headquarters, professional broadcasting and recording centre, live broadcast training facilities, e-commerce studios, X-Space entrepreneur exchange hub, roadshow centre, hotel and conference facilities, fitness centre, cultural workshops, commercial spaces, etc..

Phase I of the Novotown project ("**Novotown Phase I**") in Hengqin is operational with space accessible to e-commerce and social media and related ecosystem partners, attracting leading Chinese social media and e-commerce platform, technology and logistics corporations and their related ecosystem partners. The Group has leased six floors of our office spaces in Novotown Phase I to an anchor tenant as a global cross-border e-commerce headquarter and is actively exploring further expansion opportunities with it. Such anchor tenant has 1,200 staff currently and is expected to increase to more than 3,000 staff once the additional floors are occupied. As at the date of this announcement, approximately 76% of the office units have been leased. The Group has also leased out the remaining unsold cultural workshop units in Novotown Phase I to the staff of these tenants. This is expected to enhance traffic in commercial area and improve the commercial area's tenant mix. Novotown Phase I has become the leading cross border e-commerce hub in terms of development pace and occupancy rate, as well as the heart of the cross border e-commerce in the Henqin-Macao region.

As at the date of this results announcement, leasing of the commercial area of Novotown Phase I is underway with approximately 82% being leased and key tenants include two themed indoor experience centers, namely "Lionsgate Entertainment World®" and "National Geographic Ultimate Explorer Hengqin", Heytea, McDonald's, Pokiddo Trampoline Park, Kunpeng Go-Kart Sports Centre, Snow Alarm, Da Yin Restaurant, Oyster King, Zhen Qi Ji, Ai Shang Niu Ding Ji, Vanguard Life Superstore and ULSC Hengqin. Industrial and Commercial Bank of China Limited also demonstrated their confidence in the project through their purchase of two retail units in Novotown Phase I from the Group, which was completed in August 2024.

Phase II of the Novotown project ("**Novotown Phase II**") in Hengqin is making major progress particularly on rental accommodation towers. In addition to the three towers under construction, of which two are for accommodation purpose, the Group received approval from the local government to develop the remaining eight towers of accommodation for rental purpose, becoming the first project certified as rental accommodation towers in Hengqin, so as to satisfy the growing rental accommodation need from the commercial eco-system of Hengqin, and as supporting facilities for them.

The sale of remaining phases of Zhongshan Palm Spring, the cultural studios and cultural workshop units of Hengqin Novotown Phase I are in progress. The residential units in Zhongshan Palm Spring, the cultural studios and cultural workshops of Hengqin Novotown Phase I, as well as elements of Hengqin Novotown Phase II are expected to contribute to the revenue of the Group in coming financial years.

Other Business updates

Trading in the shares of the Company ("**Shares**") on The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") was resumed on 11 November 2022. The Board has been discussing with core connected persons of the Company to consider disposing of some of their respective holdings in the Shares (the "**Potential Sell-down**") to restore the public float of the Company. As at the date of this results announcement, discussions on the Potential Sell-down are still ongoing and no legally binding agreements have been entered into. Public float of the Company remains below the minimum requirement under the Rules Governing the Listing of Securities on the Stock Exchange ("**Listing Rules**"). Announcement(s) will be made by the Company on a quarterly basis until the public float of the Company is restored in accordance with the Listing Rules, so as to keep shareholders of the Company ("**Shareholders**") and the market informed on the progress made in carrying out the proposed public float restoration plans.

On 20 June 2024, Zhuhai Hengqin Laisun Creative Culture Co., Ltd. (an indirect non-wholly-owned subsidiary of the Company) had entered into sale and purchase agreements with an independent third party of the Group, in relation to the disposal of the non-residential properties situated at Shop No.90 and 92 in Zhishui Road, Hengqin New Area (the "**Business Premises Disposal**"), for the consideration of RMB32,963,320 (equivalent to approximately HK$35,400,000). The Business Premises Disposal enables the Lai Sun Garment (International) Limited ("**LSG**") and its subsidiaries (together, "**LSG Group**") and the Group to reallocate more financial resources on capital structure enhancement and/or for general corporate purpose of the LSG Group and the Group. The transaction was completed on 16 August 2024.

As at 31 July 2024, the Group has approximately HK$1,857.1 million of cash on hand (2023: HK$2,471.7 million) and undrawn facilities of approximately HK$2,930.4 million (2023: HK$2,013.9 million) with a net debt to equity ratio of approximately 65% as at 31 July 2024 (2023: 64%). The Group will continue its prudent and flexible approach in managing its operations and financial position.

OVERVIEW OF FINAL RESULTS

For the year ended 31 July 2024, the Group recorded a turnover of HK$2,192.8 million (2023: HK$1,800.5 million), representing a significant increase of approximately 21.8% over last financial year. The average Renminbi ("**RMB**") exchange rate depreciated by approximately 3.3% over last financial year. Excluding the effect of currency translation, the increase in RMB denominated turnover was approximately 25.9%. The increase was primarily driven by the recognition of presold properties from previous years and generally higher income from rental during the year under review as compared to last year. The gross profit slightly decreased by approximately 1.3% to HK$890.0 million from that of HK$902.0 million last financial year.

Set out below is the turnover by segment:

	For the year ended 31 July			For the year ended 31 July		
	2024[1]	2023[1]		**2024**	2023	
	(HK$ million)	(HK$ million)	% change	**(RMB million)**	(RMB million)	% change
Rental income[2]						
− properties held for rental	**715.7**	644.4	+11.1%	**662.2**	576.8	+14.8%
− hotel and serviced apartments	**279.7**	250.2	+11.8%	**258.8**	224.0	+15.5%
	995.4	894.6	+11.3%	**921.0**	800.8	+15.0%
Sale of properties	**1,182.3**	887.0	+33.3%	**1,094.0**	794.0	+37.8%
Theme park operation	**15.1**	18.9	-20.1%	**14.0**	16.8	-16.7%
Total	**2,192.8**	1,800.5	+21.8%	**2,029.0**	1,611.6	+25.9%

1. *The exchange rates adopted for the year ended 31 July 2024 and 2023 are 0.9253 and 0.8951, respectively*
2. *Including rental turnover from properties held for rental, turnover from hotel and serviced apartment operation and property management income*

Net loss attributable to owners of the Company was approximately HK$267.7 million, as compared to net loss attributable to owners of the Company of HK$584.7 million for the last financial year. The significantly decreased loss, partially offset by the increase in tax expense, was primarily attributed to (i) the fair value gains on investment properties, (ii) the reduction of other operating expenses, net, and (iii) the decreased administrative expenses, during the year under review. With regards to the fair value gains on investment properties, these were mainly driven by actual construction costs incurred being lower than the budget for the recently completed investment properties, being Shanghai Skyline Tower and Guangzhou Lai Fung International Center. The revised budget for the two towers under construction in Novotown Phase II are also lower than previously expected.

Net loss per share was HK$0.809 (2023: HK$1.766 per share).

Non-HKFRS Financial Measures

To supplement the Group's consolidated financial statements which are presented under HKFRS, the Group also use (i) adjusted EBITDA of the Group and (ii) adjusted net loss attributable to owners of the Company (non-HKFRS measures) as the additional financial measures, which are not required by, or presented in accordance with, HKFRS. The Group believes that these non-HKFRS measures facilitate comparisons of operating performance from year to year and company to company by excluding certain non-cash, one-off and volatile items which are often a function of exogenous factors such as the movement of the property market. The Group believes that these measures provide useful information to investors and others in understanding and evaluating the consolidated results of operations in the same manner as it helps the Group's management.

(i) Reconciliation of adjusted EBITDA of the Group (non-HKFRS measure):

	For the year ended 31 July	
(HK$ million)	**2024**	2023
Profit from operating activities of the Group (HKFRS measure)	**869.6**	165.5
Adjustments for:		
Share of losses of joint ventures	**(1.5)**	(0.2)
Share of loss of an associate	**(0.0)**	(0.0)
Fair value (gains)/losses of investment properties *(Note 1)*	**(446.5)**	68.8
Depreciation of property, plant and equipment and right-of-use assets *(Note 2)*	**123.1**	163.6
Impairment of property, plant and equipment *(Note 3)*	**74.8**	173.6
Write-down of completed properties for sale to net realisable value *(Note 4)*	**162.5**	4.8
Adjusted EBITDA of the Group (non-HKFRS measure)	**782.0**	576.1

Notes:

1. *Given the sizeable investment properties portfolio held by the Group, the adjustment relates to fair value gains/losses of investment properties, which are non-cash in nature.*
2. *The adjustment arises from depreciation of the Group's property, plant and equipment and right-of-use assets, which is non-cash in nature.*
3. *The adjustment arises from impairment of the Group's property, plant and equipment, which is non-cash and non-recurring in nature.*
4. *The adjustment arises from write-down of the Group's completed properties for sale to net realisable value, which is non-cash and non-recurring in nature.*

Excluding the net effect of property revaluations, other non-cash and non-recurring items, EBITDA of the Group was approximately HK$782.0 million for the year under review (2023: HK$576.1 million).

(ii) Reconciliation of adjusted net loss attributable to owners of the Company (non-HKFRS measure):

	For the year ended 31 July	
(HK$ million)	**2024**	2023
Net loss attributable to owners of the Company (HKFRS measure)	**(267.7)**	(584.7)
Adjustments for:		
Fair value (gains)/losses of investment properties *(Note 1)*	**(446.5)**	68.8
Deferred tax on fair value gains/(losses) of investment properties *(Note 1)*	**111.6**	(17.2)
Non-controlling interests' share of fair value gains/(losses) less deferred tax *(Note 1)*	**18.0**	(0.9)
Impairment of property, plant and equipment *(Note 2)*	**74.8**	173.6
Deferred tax on impairment of property, plant and equipment *(Note 2)*	**—**	5.1
Non-controlling interests' share of impairment of property, plant and equipment less deferred tax *(Note 2)*	**(3.9)**	(35.7)
Write-down of completed properties for sale to net realisable value *(Note 3)*	**162.5**	4.8
Deferred tax on write-down of completed properties for sale to net realisable value *(Note 3)*	**(116.5)**	—
Non-controlling interests' share of write-down of completed properties for sale to net realisable value less deferred tax *(Note 3)*	**(9.2)**	(1.0)
Deferred tax assets written off *(Note 4)*	**181.1**	—
Non-controlling interests' share of deferred tax assets written off *(Note 4)*	**(36.2)**	—
Adjusted net loss attributable to owners of the Company excluding fair value gains/losses of investment properties and other non-cash and non-recurring items (non-HKFRS measure)	**(332.0)**	(387.2)

Notes:

1. *Given the sizeable investment properties portfolio held by the Group, the adjustments relate to fair value gains/losses of investment properties and related deferred tax and impact on non-controlling interest's share, which are non-cash in nature.*
2. *The adjustments arise from impairment of the Group's property, plant and equipment and related deferred tax and impact on non-controlling interest's share, which are non-cash and non-recurring in nature.*
3. *The adjustments arise from write-down of the Group's completed properties for sale to net realisable value and related deferred tax and impact on non-controlling interest's share, which are non-cash and non-recurring in nature.*
4. *The adjustments arise from the deferred tax assets written off and the related impact on non-controlling interest's share, which are non-cash and non-recurring in nature.*

Excluding the net effect of property revaluations and other non-cash and non-recurring items, net loss attributable to owners of the Company was approximately HK$332.0 million for the year under review (2023: HK$387.2 million). Net loss per share excluding the effect of property revaluations and other non-cash and non-recurring items was approximately HK$1.003 (2023: HK$1.170).

Net assets attributable to owners of the Company as at 31 July 2024 amounted to HK$12,319.2 million (31 July 2023: HK$12,777.9 million). Net asset value per share attributable to owners of the Company slightly decreased to HK$37.21 per share as at 31 July 2024 from HK$38.60 per share as at 31 July 2023.

PROPERTY PORTFOLIO COMPOSITION

Approximate attributable GFA (in ’000 square feet) and number of car parking spaces as at 31 July 2024:

	Commercial/ Retail	**Office**	**Hotel and Serviced Apartment**	**Residential**	**Total (excluding car parking spaces & ancillary facilities)**	**No. of Car Parking Spaces**
Completed Properties Held for Rental[1]	2,673[2]	2,208	—	—	4,881[2]	2,984
Completed Hotel Properties and Serviced Apartments	—	—	990	—	990	—
Subtotal	**2,673**	**2,208**	**990**	**—**	**5,871**	**2,984**
Properties under Development[3]	544	1,585	579	—	2,708	1,352
Completed Properties Held for Sale	164[4]	421	191	152	928	3,411
Total GFA of major properties of the Group	**3,381**	**4,214**	**1,760**	**152**	**9,507**	**7,747**

1. *Completed and rental generating properties*
2. *Including cultural attraction spaces in Novotown Phase I that have been occupied by Lionsgate Entertainment World® and National Geographic Ultimate Explorer Hengqin with approximately 258,616 square feet and 49,191 square feet attributable to the Group, respectively*
3. *All properties under construction*
4. *Including 33,001 square feet of commercial space in Zhongshan Palm Spring which is currently for self-use*

Revenue from Properties Held for Rental

The completion of two new grade A office towers in Shanghai and Guangzhou, namely Shanghai Skyline Tower and Guangzhou Lai Fung International Center in September and November 2022, respectively, has significantly expanded the Group's rental portfolio. These new properties have made a significant contribution to the Group's properties held for rental during the year, surpassing the revenue generated last year. The existing rental portfolio has also managed amicably in the face of challenging economic conditions and ample market supply, particularly in Shanghai and Guangzhou.

For the year ended 31 July 2024, the Group's properties held for rental recorded a turnover of HK$715.7 million (2023: HK$644.4 million), representing an increase of approximately 11.1% over last financial year. The average RMB exchange rate for the year under review depreciated by approximately 3.3% compared to last year. Excluding the effect of currency translation, the RMB denominated revenue from lease of properties increased by 14.8% to RMB662.2 million. Breakdown of rental turnover by major rental properties of the Group is as follows:

	For the year ended 31 July			For the year ended 31 July			Year end occupancy (%)	
	2024# **(HK$ million)**	2023# (HK$ million)	% Change	**2024** **(RMB million)**	2023 (RMB million)	% Change	**2024**	2023
Shanghai								
Shanghai Hong Kong Plaza	**272.0**	272.3	-0.1%	**251.7**	243.7	+3.3%	**Retail: 92.7%** **Office: 90.3%**	Retail: 91.5% Office: 90.8%
Shanghai May Flower Plaza	**41.1**	42.4	-3.1%	**38.0**	38.0	0.0%	**Retail: 99.6%**	Retail: 98.9%
Shanghai Regents Park	**17.4**	20.6	-15.5%	**16.1**	18.5	-13.0%	**100.0%**	100.0%
Shanghai Skyline Tower	**49.2**	12.0	+310.0%	**45.5**	10.7	+325.2%	**Retail: 83.9%** **Office: 45.6%**	Retail: 70.1%* Office: 31.9%*
Guangzhou								
Guangzhou May Flower Plaza	**93.1**	96.1	-3.1%	**86.2**	86.0	+0.2%	**95.1%**	94.5%
Guangzhou West Point	**22.2**	21.3	+4.2%	**20.5**	19.1	+7.3%	**95.0%**	95.0%
Guangzhou Lai Fung Tower	**122.5**	130.9	-6.4%	**113.3**	117.2	-3.3%	**Retail: 100.0%** **Office: 90.6%****	Retail: 100.0% Office: 85.0%**
Guangzhou Lai Fung International Center	**43.0**	10.6	+305.7%	**39.8**	9.5	+318.9%	**Retail: 99.0%** **Office: 52.9%**	Retail: 6.0%* Office: 42.0%*
Zhongshan								
Zhongshan Palm Spring Rainbow Mall	**5.5**	6.4	-14.1%	**5.1**	5.7	-10.5%	**Retail: 83.5%****	Retail: 66.5%**
Hengqin								
Hengqin Novotown Phase I	**6.7**	2.7	+148.1%	**6.2**	2.4	+158.3%	**Retail: 81.3%*****	Retail: 81.0%***
Others	**43.0**	29.1	+47.8%	**39.8**	26.0	+53.1%	**N/A**	N/A
Total	**715.7**	644.4	+11.1%	**662.2**	576.8	+14.8%		

The exchange rates adopted for the year ended 31 July 2024 and 2023 are 0.9253 and 0.8951, respectively

* *Shanghai Skyline Tower and Guangzhou Lai Fung International Center were completed in September and November 2022, respectively*

** *Excluding self-use area*

*** *Including the cultural attraction spaces occupied by Lionsgate Entertainment World® and National Geographic Ultimate Explorer Hengqin*

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

	For the year ended 31 July 2024			For the year ended 31 July 2023		
	Group interest	**Turnover (HK$ million)**	**Attributable GFA (square feet)**	Group interest	Turnover (HK$ million)	Attributable GFA (square feet)
Shanghai						
Shanghai Hong Kong Plaza	**100%**			100%		
Retail		**168.5**	**468,434**		165.4	468,434
Office		**98.0**	**362,096**		100.9	362,098
Car Parking Spaces		**5.5**	**N/A**		6.0	N/A
		272.0	**830,530**		272.3	830,532
Shanghai May Flower Plaza	**100%**			100%		
Retail		**36.5**	**320,314**		37.8	320,314
Car Parking Spaces		**4.6**	**N/A**		4.6	N/A
		41.1	**320,314**		42.4	320,314
Shanghai Regents Park	**95%**			95%		
Retail		**16.2**	**77,959**		18.5	77,959
Car Parking Spaces		**1.2**	**N/A**		2.1	N/A
		17.4	**77,959**		20.6	77,959
Shanghai Skyline Tower*	**100%**			100%		
Retail		**6.4**	**92,226**		1.5	92,226
Office		**41.2**	**634,839**		10.3	634,839
Car Parking Spaces		**1.6**	**N/A**		0.2	N/A
		49.2	**727,065**		12.0	727,065
Guangzhou						
Guangzhou May Flower Plaza	**100%**			100%		
Retail		**81.3**	**357,424**		81.2	357,424
Office		**8.5**	**79,431**		12.3	79,431
Car Parking Spaces		**3.3**	**N/A**		2.6	N/A
		93.1	**436,855**		96.1	436,855
Guangzhou West Point	**100%**			100%		
Retail		**22.2**	**182,344**		21.3	182,344
Guangzhou Lai Fung Tower	**100%**			100%		
Retail		**16.8**	**112,292**		17.2	112,292
Office		**99.2**	**625,821**		107.0	625,821
Car Parking Spaces		**6.5**	**N/A**		6.7	N/A
		122.5	**738,113**		130.9	738,113
Guangzhou Lai Fung International Center*	**100%**			100%		
Retail		**9.6**	**109,320**		0.1	109,320
Office		**30.6**	**505,301**		10.2	505,301
Car Parking Spaces		**2.8**	**N/A**		0.3	N/A
		43.0	**614,621**		10.6	614,621
Zhongshan						
Zhongshan Palm Spring Rainbow Mall	**100%**			100%		
Retail**		**5.5**	**148,106**		6.4	148,106
Hengqin						
Novotown Phase I#	**80%*** **			80%***		
Commercial****		**6.7**	**804,873**		2.7	804,873
Others		**43.0**	**N/A**		29.1	N/A
Total		**715.7**	**4,880,780**		644.4	4,880,782

* *Shanghai Skyline Tower and Guangzhou Lai Fung International Center were completed in September and November 2022, respectively*

** *Excluding self-use area*

*** *The remaining 20% interest owned by Lai Sun Development Company Limited (“**LSD**”), the intermediate holding company of the Company*

**** *Including the cultural attraction spaces occupied by Lionsgate Entertainment World® and National Geographic Ultimate Explorer Hengqin (self-use area), the attributable GFA of which was approximately 307,807 square feet as at 31 July 2024. Revenue from Lionsgate Entertainment World® and National Geographic Ultimate Explorer Hengqin are recognised under turnover from theme park operation of the Group*

\# *Excluding office units and cultural workshop units. Office units of attributable GFA of 420,705 square feet and cultural workshop units of attributable GFA of 191,314 square feet of Hengqin Novotown Phase I under “Completed properties for sale” have been leased during the year ended 31 July 2024, with occupancy rate of approximately 62.0% and 72.0%, respectively, achieving a total of approximately HK$3.3 million and HK$3.5 million to “Other income and gains”, respectively.*

Review of Major Rental Properties

Shanghai Hong Kong Plaza
Being the Group's wholly-owned flagship investment property project in Shanghai, Shanghai Hong Kong Plaza is strategically located in the prime district of the city, directly above the Huangpi South Road Metro Station at Huaihaizhong Road in Huangpu District, which is highly accessible by car and well connected to public transportation networks, as well as walking distance from Shanghai Xintiandi.

Connected by an indoor footbridge, the property comprises a 32-storey office building, a 32-storey serviced apartment (managed by the Ascott Group), a shopping mall and carpark. The property's total GFA is approximately 1,188,500 square feet excluding 350 car parking spaces, comprising approximately 362,100 square feet for office, approximately 358,000 square feet for serviced apartment, and approximately 468,400 square feet for shopping mall. Anchor tenants, as of the date of this results announcement, include The Apple Store, Tiffany, Genesis Motor, Tasaki, Swarovski etc.

The Group owns 100% of this property.

Shanghai May Flower Plaza
Shanghai May Flower Plaza is a mixed-use project located at the junction of Da Tong Road and Zhi Jiang Xi Road in Su Jia Xiang in the Jing'an District in Shanghai. This project is situated near the Zhongshan Road North Metro Station.

The Group owns 100% in the retail podium which has a total GFA of approximately 320,300 square feet including the basement commercial area. The asset is positioned as a community retail facility.

Shanghai Regents Park
Shanghai Regents Park is a large-scale residential/commercial composite development located in the Zhongshan Park Commercial Area at the Changning District, Shanghai. It is situated within walking distance of the Zhongshan Park Metro Station. The Group retains a 95% interest in the commercial portion which has a total GFA of approximately 82,100 square feet (GFA attributable to the Group is approximately 78,000 square feet).

Shanghai Skyline Tower
Shanghai Skyline Tower is a mixed-use redevelopment project of Shanghai Northgate Plaza I, Northgate Plaza II and the Hui Gong Building, located at Tian Mu Road West in the Jing'an District of Shanghai near the Shanghai Railway Terminal. This 30-storey office tower, erected upon a 3-level shopping mall and car-parking basement, has a total GFA of approximately 727,100 square feet excluding 443 car parking spaces. The construction was completed in September 2022. This property has been awarded the Leadership in Energy and Environmental Design ("**LEED**") v4 Gold Certification in October 2023. As at the date of this results announcement, approximately 83% of commercial and 47% of office areas have been secured, respectively.

The Group owns 100% of this property.

Guangzhou May Flower Plaza
Guangzhou May Flower Plaza is a prime property situated at Zhongshanwu Road, Yuexiu District directly above the Gongyuanqian Metro Station in Guangzhou, the interchange station of Guangzhou Subway Lines No. 1 and 2. This 13-storey complex has a total GFA of approximately 436,900 square feet excluding 136 car parking spaces.

The building comprises retail spaces, restaurants, office units and car parking spaces. The property is almost fully leased to tenants comprising well-known corporations, consumer brands and restaurants.

The Group owns 100% of this property.

Guangzhou West Point
Guangzhou West Point is located on Zhongshan Qi Road and is within walking distance from the Ximenkou Subway Station. This is a mixed-use property where the Group has sold all the residential and office units.

The Group owns 100% in the commercial podium with GFA of approximately 182,300 square feet. Tenants of the retail podium include renowned restaurants and local retail brands.

Guangzhou Lai Fung Tower
Guangzhou Lai Fung Tower is the 38-storey office block of Phase V of Guangzhou Eastern Place, which is a multi-phase project located on Dongfeng East Road, Yuexiu District, Guangzhou. This office building was completed in June 2016. This property with LEED 2009 Gold Certification has a total GFA of approximately 738,100 square feet excluding car parking spaces.

The Group owns 100% of this property.

Guangzhou Lai Fung International Center
Guangzhou Lai Fung International Center, formerly known as Guangzhou Haizhu Plaza, is located on Chang Di Main Road in Yuexiu District, Guangzhou along the Pearl River. Guangzhou Lai Fung International Center, comprising an 18-storey office tower, erected upon a 4-level commercial facility, has a total GFA of approximately 614,600 square feet excluding 267 car parking spaces. The construction was completed in November 2022. This property has been awarded the LEED v4 Gold Certification in February 2023. As at the date of this results announcement, approximately 99% of commercial and 65% of office areas have been secured, respectively.

The Group owns 100% of this property.

Zhongshan Palm Spring Rainbow Mall
Zhongshan Palm Spring Rainbow Mall is the commercial portion of Zhongshan Palm Spring, a multi-phase project located in Caihong Planning Area, Western District of Zhongshan. It is positioned as a community retail facility with a total GFA of approximately 181,100 square feet.

The Group owns 100% of this property.

Hengqin Novotown
Novotown is an integrated cultural, entertainment, tourism and hospitality project located in the heart of Hengqin, officially recognised as the Guangdong-Macao In-Depth Co-operation Zone ("**Cooperation Zone**") and strategically located within the GBA, directly opposite to Macao and 75 minutes by car from Hong Kong via the Hong Kong-Zhuhai- Macao Bridge. The "Master Plan of the Development of the Guangdong-Macao In-Depth Co-operation Zone in Hengqin" promulgated on 5 September 2021 marks the significant deployment of the Central Government in supporting the moderate economic diversification of Macao and enriching the practices of the "One Country, Two Systems" policy, which is to inject new impetus into the long-term development of Macao.

The Cooperation Zone in Hengqin officially implemented hierarchical management and closed customs operations on 1 March 2024. This new system features streamlined "first-line" and controlled "second-line" management, enabling highly convenient access for personnel and relaxed control over goods crossing the "first-line" into Hengqin, while retaining control over goods crossing the "second-line" into the other Chinese Mainland regions. Notably, the scope of tariff-free goods crossing the "first-line' is no longer limited to "production-related usage", benefiting business entities that need to import machines and equipment for their own use. Goods manufactured by enterprises in the Cooperation Zone using imported materials, with 30% or above value added to the original value of the imported materials, can be exempt from tariffs when imported into the other Chinese Mainland regions through the "second line", which is conducive to Macao brand industries and manufacturing entities such as technology research and development, and traditional Chinese medicine. Attractive preferential tax policy for corporates and individuals: eligible industries and enterprises in Hengqin will now be subject to a reduced corporate income tax rate of 15%, while high-end and in-demand talent will enjoy a personal income tax rate cap at 15%.

In the first half of 2024, Hengqin Port experienced remarkable growth in transportation throughput, with over 10 million passengers and 1.08 million vehicles crossing the border, marking a 44% and 11% year-on-year increase, respectively. The Cooperation Zone is poised to drive the development of new industries in support of Macao's economic diversification, in particular e-commerce, science and technology research, high-end manufacturing, traditional Chinese medicine, and other key Macao industries such as education, culture and tourism, conventions and exhibitions, and modern finance.

In line with efforts to boost the e-commerce ecosystem, Hengqin authorities have introduced measures providing financial support to businesses in the Cooperation Zone. The Group's initiative in establishing an e-commerce hub in Novotown has gathered steady momentum. The Group has positioned its Hengqin Novotown project for the development of a cross-border e-commerce and social media and related ecosystem. This encompasses e-commerce office headquarters, professional broadcasting and recording centre, live broadcast training facilities, e-commerce studios, X-Space entrepreneur exchange hub, roadshow centre, hotel and conference facilities, fitness centre, cultural workshops, commercial spaces, etc..

Novotown Phase I is operational with space accessible to e-commerce and social media and related ecosystem partners, attracting leading Chinese social media and e-commerce platform, technology and logistics corporations and their ecosystem partners. The Group has leased six floors of our office spaces in Novotown Phase I to an anchor tenant as a global cross-border e-commerce headquarter and is actively exploring further expansion opportunities with it. Such anchor tenant has 1,200 staff currently and is expected to increase to more than 3,000 staff once the additional floors are occupied. As at the date of this announcement, approximately 76% of the office units have been leased. The Group has also leased out the remaining unsold cultural workshop units in Novotown Phase I to the staff of these tenants. This is expected to enhance traffic in commercial area and improve the commercial area's tenant mix. Novotown Phase I has become the leading cross border e-commerce hub in terms of development pace and occupancy rate, as well as the heart of the cross border e-commerce in the Henqin-Macao region.

Novotown Phase II is making major progress particularly on rental accommodation towers. In addition to the three towers under construction, of which two are for accommodation purpose, the Group received approval from the local government to develop the remaining eight towers of accommodation for rental purpose, becoming the first project certified as rental accommodation towers in Hengqin, so as to satisfy the growing rental accommodation need from the commercial eco-system of Hengqin, and as supporting facilities for them.

Phase I
Novotown Phase I was opened in 2019 and comprises a 493-room Hyatt Regency Hengqin hotel, multi-function hall, wedding pavilion, offices, cultural workshops and studios, a central garden for hosting outdoor performances, shopping and leisure facilities with 1,844 car parking spaces and ancillary facilities.

As at the date of this results announcement, leasing of the commercial area of Novotown Phase I is underway with approximately 82% being leased. Except for the two themed indoor experience centers, namely Lionsgate Entertainment World® and National Geographic Ultimate Explorer Hengqin, key tenants include Heytea, McDonald's, Pokiddo Trampoline Park, Kunpeng Go-Kart Sports Centre, Snow Alarm, Da Yin Restaurant, Oyster King, Zhen Qi Ji, Ai Shang Niu Ding Ji, Vanguard Life Superstore and ULSC Hengqin. Industrial and Commercial Bank of China Limited also demonstrated their confidence in the project through their purchase of two retail units in Novotown Phase I from the Group, which was completed in August 2024.

The Group owns 80% of Novotown Phase I. The remaining 20% is owned by LSD, the intermediate holding company of the Company.

HOTEL AND SERVICED APARTMENT OPERATION

For the year ended 31 July 2024, the hotel and serviced apartment operation contributed HK$279.7 million to the Group's turnover (2023: HK$250.2 million), representing an increase of approximately 11.8%. The noticeable recovery in the Group's hotel business was mainly driven by the full relaxation of COVID-19 restrictions in Chinese Mainland as well as the reopening of the border with Hong Kong.

Breakdown of turnover from hotel and serviced apartment operation for the year ended 31 July 2024 is as follows:

	Location	**No. of Rooms**[1]	**Total GFA** (square feet)	**Turnover** (HK$ million)	**Year end occupancy rate** (%)
Hotel and serviced apartment					
Ascott Huaihai Road Shanghai	Shanghai	310	358,009	103.2	88.8
STARR Hotel Shanghai	Shanghai	239	143,846	28.7	82.3
Hyatt Regency Hengqin	Hengqin	493	610,540	147.8	75.4
Total:				**279.7**	

Note 1: On 100% basis

Ascott Huaihai Road Shanghai
Ascott Huaihai Road in Shanghai Hong Kong Plaza is managed by the Ascott Group and it is one of a premier collection of the Ascott Limited's serviced residences in over 70 cities in Asia Pacific, Europe and the Gulf region. The residence with a total GFA of approximately 359,700 square feet and approximately 358,000 square feet attributable to the Group has 310 contemporary apartments of various sizes: studios (640-750 sq.ft.), one-bedroom apartments (915-1,180 sq.ft.), two-bedroom apartments (1,720 sq.ft.), three-bedroom apartments (2,370 sq.ft.) and two luxurious penthouses on the highest two floors (4,520 sq.ft.). An average occupancy rate of 86.7% was achieved during the year under review and the average room tariff was approximately HK$1,035.

STARR Hotel Shanghai
STARR Hotel Shanghai is a 17-storey hotel located in the Mayflower Lifestyle complex in Jing'an District, within walking distance to Lines 1, 3 and 4 of the Shanghai Metro Station with easy access to major motorways. There are 239 fully furnished and equipped hotel units with stylish separate living room, bedroom, fully-equipped kitchenette and luxurious bathroom amenities for short or extended stays to meet the needs of the business travelers from around the world and the total GFA is approximately 143,800 square feet. An average occupancy rate of 76.0% was achieved during the year under review and the average room tariff was approximately HK$424.

Hyatt Regency Hengqin
Hyatt Regency Hengqin is located in Novotown Phase I in Hengqin, Zhuhai, the heart of the GBA and is within easy reach of the Hong Kong-Zhuhai-Macao Bridge. Hyatt Regency Hengqin has a total GFA of approximately 610,500 square feet and approximately 488,400 square feet attributable to the Group has 493 guest rooms including 55 suites ranging in size from 430 sq.ft. to 2,580 sq.ft., a wide range of dining options, as well as banqueting and conference facilities of over 40,000 square feet. An average occupancy rate of 66.2% was achieved during the year under review and the average room tariff was approximately HK$816.

The Group owns 80% interest in Hyatt Regency Hengqin. The remaining 20% is owned by LSD, the intermediate holding company of the Company.

PROPERTY DEVELOPMENT

Recognised Sales

For the year ended 31 July 2024, the Group's property development operations recorded a turnover of HK$1,182.3 million (2023: HK$887.0 million) from sale of properties, representing a significant increase of 33.3% compared to last year. The average RMB exchange rate depreciated by approximately 3.3% compared to last year. Excluding the effect of currency translation, the RMB denominated property sales revenue was RMB1,094.0 million (2023: RMB794.0 million). The recognised sales during the year under review was primarily driven by the sales performance of residential units of Zhongshan Palm Spring as well as cultural studios and cultural workshop units of Hengqin Novotown Phase I.

Breakdown of turnover for the year ended 31 July 2024 from properties sales is as follows:

Recognised Basis	**No. of Units**	**Approximate GFA**	**Average Selling Price#**	**Turnover##**	
		(Square feet)	(HK$/square foot)	(HK$ million*)	(RMB million)
Hengqin Novotown Phase I					
Cultural Studios	12	42,179	4,412	175.8	162.7
Cultural Workshop Units	98	69,488	2,218	141.4	130.8
Zhongshan Palm Spring					
Residential High-rise Units	460	558,615	1,644	842.4	779.5
Subtotal	**570**	**670,282**	**1,877**	**1,159.6**	**1,073.0**
Shanghai Regents Park					
Car Parking Spaces	13			8.0	7.4
Guangzhou West Point					
Car Parking Spaces	35			13.8	12.8
Zhongshan Palm Spring					
Car Parking Spaces	5			0.9	0.8
Subtotal	**53**			**22.7**	**21.0**
Total				**1,182.3**	**1,094.0**

\# *Value-added tax inclusive*
\## *Value-added tax exclusive*
* *The exchange rate adopted for the year ended 31 July 2024 is 0.9253*

Contracted Sales

As at 31 July 2024, the Group's property development operations have contracted but not yet recognised sales of HK$188.6 million, primarily driven by the sale performance of residential units in Zhongshan Palm Spring and cultural studio unit in Hengqin Novotown Phase I, as well as the sale of properties in Novotown Phase II being occupied by Harrow LiDe School Hengqin. Excluding the effect of currency translation, the RMB denominated contracted but not yet recognised sales of residential units, cultural studios, cultural workshop units and car parking spaces as at 31 July 2024 amounted to RMB174.5 million (31 July 2023: RMB869.8 million).

Breakdown of contracted but not yet recognised sales as at 31 July 2024 is as follows:

Contracted Basis	No. of Units	Approximate GFA	Average Selling Price#	Turnover#	
		(Square feet)	(HK$/square foot)	(HK$ million##)	(RMB million)
Zhongshan Palm Spring					
Residential High-rise Units	11	10,277	1,421	14.6	13.5
Hengqin Novotown Phase I					
Cultural Studio	1	2,928	4,542	13.3	12.3
Hengqin Novotown Phase II					
Harrow LiDe School Hengqin Buildings*	N/A	149,078	1,074	160.1	148.1
Subtotal	**12**	**162,283**	**1,158**	**188.0**	**173.9**
Shanghai Regents Park					
Car Parking Space	1			0.6	0.6
Subtotal	**1**			**0.6**	**0.6**
Total				**188.6**	**174.5**

\# *Value-added tax inclusive*
\## *The exchange rate adopted for the year ended 31 July 2024 is 0.9253*
* *Will be recognised as income from finance lease under turnover*

Review of Major Properties Completed for Sale and under Development

Shanghai Wuli Bridge Project
Shanghai Wuli Bridge Project is a high-end luxury residential project located by Huangpu River in Huangpu District in Shanghai. This project providing 28 residential units with an attributable GFA of approximately 77,900 square feet and 43 car parking spaces was launched for sale in September 2020 and has received an enthusiastic response from the market. As at 31 July 2024, all residential units and 30 car parking spaces have been sold. The total carrying amount of remaining 13 unsold car parking spaces of this development was approximately HK$8.4 million as at 31 July 2024.

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

Shanghai May Flower Plaza
Shanghai May Flower Plaza is a completed mixed-use project located at the junction of Da Tong Road and Zhi Jiang Xi Road in Su Jia Xiang in the Jing'an District in Shanghai and situated near the Zhongshan Road North Metro Station. As at 31 July 2024, 458 car parking spaces of this development remained unsold with a carrying amount of approximately HK$96.8 million.

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

Shanghai Regents Park
Shanghai Regents Park is a large-scale residential/commercial composite development located in the Zhongshan Park Commercial Area at the Changning District, Shanghai. It is situated within walking distance of the Zhongshan Park Metro Station. During the year under review, the sales of 13 car parking spaces contributed HK$8.0 million to the turnover. As at 31 July 2024, the contracted but not yet recognised sales of one car parking space amounted to approximately HK$0.6 million and a total of 187 car parking spaces of this development remained unsold with a carrying amount of approximately HK$42.8 million.

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

Guangzhou King's Park
This is a high-end residential development located on Donghua Dong Road in Yuexiu District. The attributable GFA is approximately 98,300 square feet excluding 57 car parking spaces and ancillary facilities. As at 31 July 2024, two unsold car parking spaces have a total carrying amount of approximately HK$0.9 million.

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

Guangzhou West Point
Guangzhou West Point is located on Zhongshan Qi Road and is within walking distance from the Ximenkou Subway Station. This is a mixed-use property where the Group has sold all the residential and office units. During the year under review, the sales of 35 car parking spaces contributed HK$13.8 million to the turnover. As at 31 July 2024, 80 unsold car parking spaces have a total carrying amount of approximately HK$7.7 million.

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

Zhongshan Palm Spring
The project is located in Caihong Planning Area, Western District of Zhongshan. The overall development has a total planned GFA of approximately 6.1 million square feet. The project comprises high-rise residential towers, townhouses and commercial blocks totaling 4.5 million square feet. All construction of Zhongshan Palm Spring has been completed and the sale of remaining phases is in progress with satisfactory result.

During the year under review, 558,615 square feet of high-rise residential units were recognised at an average selling price of HK$1,644 per square foot, which contributed a total of approximately HK$842.4 million to the sales turnover. Also, the sales of five car parking spaces contributed approximately HK$0.9 million to the turnover. As at 31 July 2024, contracted but not yet recognised sales for high-rise residential units amounted to approximately HK$14.6 million, at an average selling price of HK$1,421 per square foot.

STARR Resort Residence Zhongshan comprising two 16-storey blocks in the Palm Lifestyle complex was closed in 2019. The serviced apartment units were launched for sale in May 2019 and have been re-classified from "Property, plant and equipment" to "Assets classified as held for sale" in the consolidated statement of financial position of the Group. The sale of these serviced apartment units is recorded as disposal of assets classified as held for sale and the sales proceeds net of cost are included in "Other operating expenses, net" on the face of the consolidated income statement of the Group. As at 31 July 2024, the remaining serviced apartment unit of 1,068 square feet was sold at an average selling price of HK$1,240 per square foot, contributing a total of approximately HK$1.3 million to "Other operating expenses, net".

As at 31 July 2024, completed units held for sale in this development, including residential units and commercial units, amounted to approximately 260,400 square feet with a total carrying amount of approximately HK$179.5 million. The carrying amount of the 2,672 unsold car parking spaces of this development as at 31 July 2024 was approximately HK$214.2 million.

The Group owns 100% interest in this project.

Hengqin Novotown

Phase I
Sales of the cultural studios and cultural workshop units of Hengqin Novotown Phase I are in progress. During the year under review, sales of 42,179 square feet of cultural studios and 69,488 square feet of cultural workshop units were recognised at an average selling price of HK$4,412 per square foot and HK$2,218 per square foot, respectively, which contributed a total of HK$317.2 million to the Group's turnover. As at 31 July 2024, contracted but not yet recognised sales for cultural studio unit amounted to HK$13.3 million, at an average selling price of HK$4,542 per square foot. As at 31 July 2024, completed properties held for sale in Novotown Phase I, including cultural studios, cultural workshop units and office units, amounted to approximately 793,900 square feet with a total carrying amount of approximately HK$1,524.3 million.

The Group owns 80% of Novotown Phase I. The remaining 20% is owned by LSD, the intermediate holding company of the Company.

Phase II
Novotown Phase II is situated adjacent to Novotown Phase I with a total site area of approximately 143,800 square meters and a maximum plot ratio of two times. The Group succeeded in bidding for the land use rights of the land offered for sale by The Land and Resources Bureau of Zhuhai through the listing-for-sale process in December 2018.

On 19 September 2024, the Urban Planning and Construction Bureau of Guangdong-Macao In-Depth Cooperation Zone in Hengqin issued a confirmation for the development of eight accommodation for rental purpose towers in Novotown Phase II. It stated that towers four to eleven can be developed into rental accommodation. Construction works for towers one and three have started. Construction works for towers four to eleven will begin as soon as relevant approvals have been obtained by the project team. Tower two is an office and is expected to accommodate more cross-border e-commerce tenants.

Novotown Phase II also included Harrow LiDe School Hengqin, managed and operated by Asia International School Limited ("**AISL**"). Harrow LiDe School Hengqin began operation in February 2021. In accordance to the agreement with AISL, the school has been sold, in turn, this will enable the Group to crystalise the value of its investment in Novotown Phase II and gradually recoup funding to improve the project's working capital position.

The Group owns 100% of Novotown Phase II, except for the properties occupied by Harrow LiDe School Hengqin which have been sold to the school operator.

CAPITAL STRUCTURE, LIQUIDITY AND DEBT MATURITY PROFILE

As at 31 July 2024, cash and bank balances held by the Group amounted to HK$1,857.1 million and undrawn facilities of the Group was HK$2,930.4 million.

As at 31 July 2024, the Group had total borrowings amounting to HK$9,853.2 million (2023: HK$10,618.2 million), representing a decrease of HK$765.0 million from 31 July 2023. The consolidated net assets attributable to the owners of the Company amounted to HK$12,319.2 million (2023: HK$12,777.9 million). The gearing ratio, being net debt (total borrowings less cash and bank balances) to net assets attributable to the owners of the Company was approximately 65% (2023: 64%). The maturity profile of the Group's borrowings of HK$9,853.2 million is well spread with HK$615.5 million repayable within one year, HK$4,325.0 million repayable in the second year, HK$2,074.2 million repayable in the third to fifth years and HK$2,838.5 million repayable beyond the fifth year.

Approximately 99% and 1% of the Group's borrowings were interest bearing on a floating rate basis and interest-free, respectively. The Group's borrowings of HK$9,853.2 million were 66% denominated in Renminbi ("**RMB**"), 31% in Hong Kong dollars ("**HKD**") and 3% in United States dollars ("**USD**").

The Group's cash and bank balances of HK$1,857.1 million were 78% denominated in RMB, 20% in HKD and 2% in USD. The Group's monetary assets, liabilities and transactions are principally denominated in RMB, USD and HKD. The Group, with HKD as its presentation currency, is exposed to foreign currency risk arising from the exposure of HKD against USD and RMB, respectively. The Group has a net exchange exposure to RMB as the Group's assets are principally located in China and the revenues are predominantly in RMB. The Group does not have any derivative financial instruments or hedging instruments outstanding.

Certain assets of the Group have been pledged to secure borrowings and bank facilities of the Group, including investment properties with a total carrying amount of approximately HK$18,072.7 million, properties under development with a total carrying amount of approximately HK$868.1 million, property, plant and equipment and the related right-of-use assets with a total carrying amount of approximately HK$2,469.3 million, completed properties for sale with a total carrying amount of approximately HK$317.3 million and time deposits and bank balances of approximately HK$371.3 million.

Taking into account the amount of cash being held as at the end of the reporting period, the available banking facilities and the recurring cash flows from the Group's operating activities, the Group believes that it would have sufficient liquidity to finance its existing property development and investment projects.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 July 2024, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

CORPORATE GOVERNANCE

The Company is committed to achieving and maintaining high standards of corporate governance and has established policies and procedures for compliance with the principles and code provisions set out from time to time in the Corporate Governance Code ("**CG Code**") contained in Part 2 of Appendix C1 to the Listing Rules.

The Company has complied with all the code provisions set out in the CG Code for the year ended 31 July 2024 except for code provision F.2.2.

Under code provision F.2.2, the chairman of the board should attend the annual general meeting.

Due to other pre-arranged business commitments which must be attended to by Dr. Lam Kin Ngok, Peter, the Chairman, he was not present at the annual general meeting of the Company ("**AGM**") held on 15 December 2023. Mr. Cheung Sum, Sam, an executive director of the Company ("**Executive Director**") and the Group Chief Financial Officer, who was present at that AGM was elected chairman of that AGM pursuant to Article 78 of the second amended and restated articles of association of the Company to ensure an effective communication with the Shareholders thereat.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 July 2024, the Group employed a total of around 1,500 employees. The Group recognises the importance of maintaining a stable staff force in its continued success. Under the Group's existing policies, employee pay rates are maintained at competitive levels whilst promotion and salary increments are assessed on a performance-related basis. Discretionary bonuses are granted to employees based on their merit and in accordance with industry practice. Other benefits including share option scheme, mandatory provident fund scheme, free hospitalisation insurance plan, subsidised medical care and sponsorship for external education and training programmes are offered to eligible employees.

INVESTOR RELATIONS

To ensure our investors have a better understanding of the Company, our management engages in a proactive investor relations programme. Our Executive Directors and Investor Relations Department communicate with research analysts and institutional investors regularly.

The Group maintains proactive interactions with the investment community and provides them with updates on the Group's operations, financial performance and outlook. During the year under review, the Company has been communicating with a range of stakeholders via physical/online meetings and conference calls.

The Company is keen on promoting investor relations and enhancing communication with its shareholders and potential investors. It welcomes suggestions from investors, stakeholders and the public who may contact the Investor Relations Department by phone on (852) 2853 6106, by fax at (852) 2853 6651 or by e-mail at ir@laifung.com.

REVIEW OF ANNUAL RESULTS

The audit committee of the Company ("**Audit Committee**") currently comprises four independent non-executive directors, namely Messrs. Law Kin Ho, Lam Bing Kwan, Ku Moon Lun and Mak Wing Sum, Alvin. The Audit Committee has reviewed the consolidated results (including the consolidated financial statements) of the Company for the year ended 31 July 2024.

REVIEW OF PRELIMINARY ANNOUNCEMENT OF RESULTS BY THE INDEPENDENT AUDITOR

The figures in respect of the Group's consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 July 2024 as set out in the preliminary announcement have been agreed by the Company's auditor to the amounts set out in the Group's consolidated financial statements for the year. The work performed by the Company's auditor, Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on the preliminary announcement.

ANNUAL GENERAL MEETING

The Annual General Meeting of the Company ("**AGM**") will be held on Friday, 13 December 2024. Notice of the AGM together with the Company's Annual Report for the year ended 31 July 2024 will be published on the respective websites of the Hong Kong Exchanges and Clearing Limited and the Company and despatched to Shareholders in mid-November 2024.

By Order of the Board
Lam Kin Ngok, Peter
Chairman

Hong Kong, 15 October 2024

As at the date of this announcement, the Board comprises seven Executive Directors, namely Dr. Lam Kin Ngok, Peter (Chairman), Mr. Lam Kin Hong, Matthew (Executive Deputy Chairman), Mr. Lam Hau Yin, Lester (Chief Executive Officer) (also alternate to Madam U Po Chu), Madam U Po Chu and Messrs. Cheng Shin How, Lee Tze Yan, Ernest and Cheung Sum, Sam; and six Independent Non-executive Directors, namely Messrs. Lam Bing Kwan, Ku Moon Lun, Law Kin Ho, Mak Wing Sum, Alvin, Shek Lai Him, Abraham and Au Hoi Fung.