



Lippo Limited
力寶有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 226)

2024 Interim Report



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The Board of Directors of Lippo Limited (the “Company”) presents the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2024.

Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2024

	Note	Unaudited Six months ended 30 June	
		2024 HK\$'000	2023 HK\$'000
Revenue	3	410,008	386,902
Cost of sales		(143,855)	(154,846)
Gross profit		266,153	232,056
Administrative expenses	5	(222,794)	(207,798)
Other operating expenses	5	(104,795)	(84,161)
Net fair value gain/(loss) on financial instruments at fair value through profit or loss	5	(51,822)	28,927
Fair value gain/(loss) on investment properties		(5,000)	4,500
Other losses — net	4	(1,657)	(6,639)
Finance costs		(57,176)	(50,775)
Share of results of associates		20,436	(10,499)
Share of results of joint ventures	6	(433,063)	90,169
Loss before tax	5	(589,718)	(4,220)
Income tax	7	(5,129)	(3,994)
Loss for the period		(594,847)	(8,214)
Attributable to:			
Equity holders of the Company		(436,942)	2,711
Non-controlling interests		(157,905)	(10,925)
		(594,847)	(8,214)
		HK cents	HK cents
Earnings/(Loss) per share attributable to equity holders of the Company	8		
Basic and diluted		(88.6)	0.6

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2024

	Unaudited	
	Six months ended 30 June 2024	2023
	HK\$'000	HK\$'000
Loss for the period	(594,847)	(8,214)
Other comprehensive income/(loss)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	(28,066)	(32,010)
Exchange differences reclassified to profit or loss upon liquidation of foreign operations	35	–
Share of other comprehensive loss of associates	(20,592)	(3,713)
Share of other comprehensive loss of joint ventures:		
Exchange differences on translation of foreign operations	(357,790)	(179,684)
Other reserve	(755)	(145)
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods, net of tax	(407,168)	(215,552)
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:		
Changes in fair value of equity instruments at fair value through other comprehensive income	(1,300)	(18,330)
Share of changes in fair value of equity instruments at fair value through other comprehensive income of joint ventures	(85,776)	(76,299)
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods, net of tax	(87,076)	(94,629)
Other comprehensive loss for the period, net of tax	(494,244)	(310,181)
Total comprehensive loss for the period	(1,089,091)	(318,395)
Attributable to:		
Equity holders of the Company	(794,999)	(214,311)
Non-controlling interests	(294,092)	(104,084)
	(1,089,091)	(318,395)

Condensed Consolidated Statement of Financial Position

As at 30 June 2024

	Note	30 June 2024 HK\$'000 (Unaudited)	31 December 2023 HK\$'000 (Audited)
Non-current assets			
Intangible assets		21,034	21,034
Fixed assets		1,012,027	1,038,253
Investment properties		652,990	663,438
Right-of-use assets		149,640	161,372
Interests in associates		1,105,346	1,119,065
Interests in joint ventures	10	9,732,375	10,545,451
Financial assets at fair value through other comprehensive income		47,925	49,372
Financial assets at fair value through profit or loss		426,146	448,153
Debtors, prepayments and other assets	11	24,460	40,313
Deferred tax assets		5,578	5,233
		13,177,521	14,091,684
Current assets			
Properties held for sale		64,672	65,046
Properties under development		20,636	23,408
Inventories		24,329	23,962
Debtors, prepayments and other assets	11	214,010	165,987
Financial assets at fair value through profit or loss		195,304	304,193
Other financial asset		232	–
Tax recoverable		853	876
Cash and cash equivalents		435,647	454,717
		955,683	1,038,189
Current liabilities			
Bank and other borrowings	12	889,406	367,330
Lease liabilities		56,688	47,106
Creditors, accruals and other liabilities	13	195,936	224,256
Other financial liability		–	569
Tax payable		149,055	147,198
		1,291,085	786,459
Net current assets/(liabilities)		(335,402)	251,730
Total assets less current liabilities		12,842,119	14,343,414

Condensed Consolidated Statement of Financial Position (Continued)

As at 30 June 2024

	Note	30 June 2024 HK\$'000 (Unaudited)	31 December 2023 HK\$'000 (Audited)
Non-current liabilities			
Bank and other borrowings	12	851,041	1,272,967
Lease liabilities		104,161	125,983
Creditors, accruals and other liabilities	13	11,229	8,542
Deferred tax liabilities		25,895	26,257
		992,326	1,433,749
Net assets			
		11,849,793	12,909,665
Equity			
Equity attributable to equity holders of the Company			
Share capital	14	986,598	986,598
Reserves	15	7,319,101	8,088,633
		8,305,699	9,075,231
Non-controlling interests		3,544,094	3,834,434
Total equity			
		11,849,793	12,909,665

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2024

	Unaudited									
	Attributable to equity holders of the Company									
	Share capital	Special capital reserve (Note 15(a))	Fair value reserve of financial assets at FVOCI*	Other assets revaluation reserve	Hedging reserve (Note 15(b))	Exchange equalisation reserve	Retained profits	Total	Non-controlling interests	Total equity
At 1 January 2024	986,598	1,709,202	(791,688)	2,092	(1,179)	(132,370)	7,302,576	9,075,231	3,834,434	12,909,665
Loss for the period	-	-	-	-	-	-	(436,942)	(436,942)	(157,905)	(594,847)
Other comprehensive income/(loss) for the period:										
Exchange differences on translation of foreign operations	-	-	-	-	-	(13,028)	-	(13,028)	(15,038)	(28,066)
Exchange differences reclassified to profit or loss upon liquidation of foreign operations	-	-	-	-	-	26	-	26	9	35
Changes in fair value of equity instruments at fair value through other comprehensive income	-	-	(1,039)	-	-	-	-	(1,039)	(261)	(1,300)
Share of other comprehensive loss of associates	-	-	-	-	-	(15,442)	-	(15,442)	(5,150)	(20,592)
Share of other comprehensive loss of joint ventures	-	-	(63,431)	-	(1,755)	(263,388)	-	(328,574)	(115,747)	(444,321)
Total comprehensive loss for the period	-	-	(64,470)	-	(1,755)	(291,832)	(436,942)	(794,999)	(294,092)	(1,089,091)
Share of equity movements arising on equity transactions of an associate	-	-	-	-	-	-	704	704	235	939
Share of equity movements arising on equity transactions of joint ventures	-	-	-	-	-	-	24,763	24,763	8,723	33,486
Share of transfer of reserve of joint ventures	-	-	(1,598)	-	-	-	1,598	-	-	-
Dividend paid to non-controlling shareholders of a subsidiary	-	-	-	-	-	-	-	-	(5,206)	(5,206)
Transfer of fair value reserve upon disposal of equity instruments at fair value through other comprehensive income	-	-	1,875	-	-	-	(1,875)	-	-	-
At 30 June 2024	986,598	1,709,202	(855,881)	2,092	(2,934)	(424,202)	6,890,824	8,305,699	3,544,094	11,849,793
At 1 January 2023	986,598	1,709,202	(679,610)	2,092	5,605	(77,660)	7,353,781	9,300,008	3,916,971	13,216,979
Profit/(Loss) for the period	-	-	-	-	-	-	2,711	2,711	(10,925)	(8,214)
Other comprehensive loss for the period:										
Exchange differences on translation of foreign operations	-	-	-	-	-	(16,223)	-	(16,223)	(15,787)	(32,010)
Changes in fair value of equity instruments at fair value through other comprehensive income	-	-	(8,609)	-	-	-	-	(8,609)	(9,721)	(18,330)
Share of other comprehensive loss of associates	-	-	-	-	-	(2,784)	-	(2,784)	(929)	(3,713)
Share of other comprehensive loss of joint ventures	-	-	(56,424)	-	(106)	(132,876)	-	(189,406)	(66,722)	(256,128)
Total comprehensive income/(loss) for the period	-	-	(65,033)	-	(106)	(151,883)	2,711	(214,311)	(104,084)	(318,395)
Share of equity movements arising on equity transactions of joint ventures	-	-	-	-	-	-	7,077	7,077	2,493	9,570
Share of transfer of reserve of joint ventures	-	-	(10,443)	-	-	-	10,443	-	-	-
Advance from non-controlling shareholders of a subsidiary	-	-	-	-	-	-	-	-	21,985	21,985
At 30 June 2023	986,598	1,709,202	(755,086)	2,092	5,499	(229,543)	7,374,012	9,092,774	3,837,365	12,930,139

* FVOCI stands for fair value through other comprehensive income.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2024

	Unaudited	
	Six months ended 30 June 2024	2023
	HK\$'000	HK\$'000
Net cash flows from/(used in) operating activities	(6,933)	348
Cash flows from investing activities		
Payments to acquire fixed assets	(17,885)	(20,548)
Payments to acquire financial assets at fair value through other comprehensive income	–	(17,464)
Payments to acquire financial assets at fair value through profit or loss	(7,215)	(10,176)
Distribution from financial assets at fair value through profit or loss	4,011	25,319
Proceeds from disposal of financial assets at fair value through profit or loss	5,777	21,586
Other net cash flows arising from investing activities	938	12
Net cash flows used in investing activities	(14,374)	(1,271)
Cash flows from financing activities		
Drawdown of bank and other borrowings	145,000	210,486
Repayment of bank and other borrowings	(46,658)	(192,159)
Principal portion of lease payments	(33,323)	(31,384)
Finance costs paid	(54,347)	(47,948)
Dividend paid to non-controlling shareholders of a subsidiary	(5,206)	–
Advance from non-controlling shareholders of a subsidiary	–	21,985
Net cash flows from/(used in) financing activities	5,466	(39,020)
Net decrease in cash and cash equivalents	(15,841)	(39,943)
Cash and cash equivalents at beginning of period	454,717	868,547
Exchange realignments	(3,229)	(4,617)
Cash and cash equivalents at end of period	435,647	823,987

Notes to the Interim Financial Statements

1. BASIS OF PREPARATION

The interim financial statements are unaudited, condensed and have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2023.

The financial information relating to the year ended 31 December 2023 that is included in the interim financial statements as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 December 2023 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

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

The accounting policies adopted in the preparation of the interim financial statements are consistent with those applied in the preparation of the Group’s annual financial statements for the year ended 31 December 2023, except for the adoption of the following revised Hong Kong Financial Reporting Standards (“HKFRSs”), HKASs and Interpretations for the first time for the current period’s financial statements:

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

The adoption of the above revised HKFRSs has had no significant financial effect on the interim financial statements. The Group has not applied any new or revised HKFRSs, HKASs and Interpretations that are not yet effective for the current financial period.

As at 30 June 2024, the current liabilities of the Group exceeded its current assets by HK\$335,402,000. After considering the available funds from operations and investing activities to the Group and the unutilised credit facilities, management considers the Group is able to meet its liabilities as and when they fall due within the next 12-month period. Accordingly, these unaudited condensed consolidated interim financial statements have been prepared on a going concern basis.

2. SEGMENT INFORMATION

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

- (a) the property investment segment includes investments relating to the letting and resale of properties;
- (b) the property development segment includes the development and sale of properties;
- (c) the treasury investment segment includes investments in money markets;
- (d) the securities investment segment includes investments in securities that are held for trading and for long-term strategic purposes;
- (e) the food businesses segment mainly includes food manufacturing and food retail operations in chains of cafés and bistros;
- (f) the healthcare services segment includes the provision of healthcare management services; and
- (g) the “other” segment comprises principally the provision of property and project management services, mineral exploration and extraction and investment in a closed-end fund.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss) and comprises segment results of the Company and its subsidiaries, the Group’s share of results of associates and joint ventures.

Segment results are measured consistently with the Group’s profit/(loss) before tax except that the Group’s share of results of associates and joint ventures, unallocated corporate expenses and certain finance costs are excluded from such measurement.

Segment assets exclude interests in associates and joint ventures, deferred tax assets, tax recoverable and other head office and corporate assets which are managed on a group basis.

Segment liabilities exclude tax payable, deferred tax liabilities and other head office and corporate liabilities which are managed on a group basis.

Inter-segment transactions are on an arm’s length basis in a manner similar to transactions with third parties.

Notes to the Interim Financial Statements (Continued)

2. SEGMENT INFORMATION (Continued)

Six months ended 30 June 2024

	Property investment HK\$'000	Property development HK\$'000	Treasury investment HK\$'000	Securities investment HK\$'000	Food businesses HK\$'000	Healthcare services HK\$'000	Other HK\$'000	Inter- segment elimination HK\$'000	Consolidated HK\$'000
Revenue									
External	42,962	-	3,544	7,583	347,617	-	8,302	-	410,008
Inter-segment	2,184	-	-	-	-	-	294	(2,478)	-
Total	45,146	-	3,544	7,583	347,617	-	8,596	(2,478)	410,008
Segment results	9,636	(3,414)	3,544	(45,737)	(19,589)	-	6,110	106	(49,344)
Unallocated corporate expenses									(89,787)
Finance costs									(37,960)
Share of results of associates	-	10,021	-	-	-	(2,718)	13,133	-	20,436
Share of results of joint ventures	(432,682)	9	-	-	(390)	-	-	-	(433,063)
Loss before tax									(589,718)
Other segment information:									
Capital expenditure (Note)	68	-	-	-	13,809	-	225	-	14,102
Depreciation	(9,328)	(27)	-	-	(57,514)	-	(161)	1,997	(65,033)
Interest income	31,471	-	3,544	748	937	-	1,367	-	38,067
Finance costs	(14,786)	-	-	-	(4,719)	-	(4)	293	(19,216)
Gain/(Loss) on disposal of:									
Subsidiaries	-	-	-	-	-	-	957	-	957
Fixed assets	-	-	-	-	(145)	-	-	-	(145)
Provisions for impairment losses on:									
Inventories	-	-	-	-	(540)	-	-	-	(540)
Loans and receivables	-	-	-	-	(1,103)	-	-	-	(1,103)
Net fair value loss on financial instruments at fair value through profit or loss	-	-	-	(51,822)	-	-	-	-	(51,822)
Fair value loss on investment properties	(5,000)	-	-	-	-	-	-	-	(5,000)
Unallocated:									
Capital expenditure (Note)									4,004
Depreciation									(2,847)
Finance costs									(37,960)
Loss on disposal of fixed assets									(5)
Realised translation loss reclassified to the statement of profit or loss relating to liquidation of foreign operations									(35)

Notes to the Interim Financial Statements (Continued)

2. SEGMENT INFORMATION (Continued)

Six months ended 30 June 2023

	Property investment HK\$'000	Property development HK\$'000	Treasury investment HK\$'000	Securities investment HK\$'000	Food businesses HK\$'000	Healthcare services HK\$'000	Other HK\$'000	Inter- segment elimination HK\$'000	Consolidated HK\$'000
Revenue									
External	44,260	-	3,889	2,281	328,848	-	7,624	-	386,902
Inter-segment	1,928	-	-	-	-	-	1,107	(3,035)	-
Total	46,188	-	3,889	2,281	328,848	-	8,731	(3,035)	386,902
Segment results	24,265	(4,393)	3,889	26,686	(35,978)	(1,607)	305	(320)	12,847
Unallocated corporate expenses									(63,733)
Finance costs									(33,004)
Share of results of associates	-	2,954	-	-	-	8,943	(22,396)	-	(10,499)
Share of results of joint ventures	90,555	3	-	-	(389)	-	-	-	90,169
Loss before tax									(4,220)
Other segment information:									
Capital expenditure (Note)	45	10	-	-	19,360	-	199	-	19,614
Depreciation	(9,416)	(1)	-	-	(56,823)	-	(202)	1,592	(64,850)
Interest income	31,420	-	3,889	492	911	-	835	-	37,547
Finance costs	(11,268)	-	-	(33)	(6,477)	-	(9)	16	(17,771)
Loss on disposal of fixed assets	-	-	-	-	(2,428)	-	(33)	-	(2,461)
Provision for impairment losses on inventories	-	-	-	-	(757)	-	-	-	(757)
Net fair value gain on financial instruments at fair value through profit or loss	-	-	-	28,927	-	-	-	-	28,927
Fair value gain on investment properties	4,500	-	-	-	-	-	-	-	4,500
Unallocated:									
Capital expenditure (Note)									1,129
Depreciation									(5,903)
Finance costs									(33,004)
Loss on disposal of fixed assets									(2)

Note: Capital expenditure includes additions to fixed assets and exploration and evaluation assets.

Notes to the Interim Financial Statements (Continued)

2. SEGMENT INFORMATION (Continued)

	Property investment HK\$'000	Property development HK\$'000	Treasury investment HK\$'000	Securities investment HK\$'000	Food businesses HK\$'000	Healthcare services HK\$'000	Other HK\$'000	Inter-segment elimination HK\$'000	Consolidated HK\$'000
At 30 June 2024 (unaudited)									
Segment assets	1,356,661	74,092	322,600	764,039	682,265	-	50,391	(9,734)	3,240,314
Interests in associates	6,817	292,578	-	-	-	474,709	331,242	-	1,105,346
Interests in joint ventures	9,654,470	66	-	41,446	36,393	-	-	-	9,732,375
Unallocated assets									55,169
Total assets									14,133,204
Segment liabilities	706,275	9,553	-	42,136	321,569	437,345	346,496	(1,031,212)	832,162
Unallocated liabilities									1,451,249
Total liabilities									2,283,411
At 31 December 2023 (audited)									
Segment assets	1,369,046	77,388	363,591	825,539	739,114	-	52,784	(11,706)	3,415,756
Interests in associates	7,132	290,402	-	-	-	489,364	332,167	-	1,119,065
Interests in joint ventures	10,466,877	1,094	-	41,461	36,019	-	-	-	10,545,451
Unallocated assets									49,601
Total assets									15,129,873
Segment liabilities	679,113	9,637	-	42,208	349,354	439,257	377,538	(1,067,435)	829,672
Unallocated liabilities									1,390,536
Total liabilities									2,220,208

3. REVENUE

An analysis of revenue is as follows:

	Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
Revenue from contracts with customers:		
Revenue from food manufacturing operation	166,400	158,454
Revenue from restaurant operation	179,479	169,020
Provision of management services	6,555	6,489
	352,434	333,963
Revenue from other sources:		
Property rental income from operating leases:		
Variable lease payments that do not depend on an index or a rate	26	479
Other lease payments, including fixed payments	11,465	12,361
	11,491	12,840
Interest income	38,067	37,547
Dividend income	6,835	1,789
Other	1,181	763
	57,574	52,939
	410,008	386,902

Notes to the Interim Financial Statements (Continued)

3. REVENUE (Continued)

Disaggregated revenue information for revenue from contracts with customers

Segments	Food businesses HK\$'000	Other HK\$'000	Total HK\$'000
Six months ended 30 June 2024			
Types of goods or services:			
Revenue from food manufacturing operation	166,400	–	166,400
Revenue from restaurant operation	179,479	–	179,479
Provision of management services	–	6,555	6,555
Total revenue from contracts with customers	345,879	6,555	352,434
Geographical markets:			
Hong Kong	114,488	5,346	119,834
Mainland China	–	1,000	1,000
Republic of Singapore	220,942	209	221,151
Malaysia	10,449	–	10,449
Total revenue from contracts with customers	345,879	6,555	352,434
Timing of revenue recognition:			
Goods transferred at a point in time	345,879	–	345,879
Services transferred over time	–	6,555	6,555
Total revenue from contracts with customers	345,879	6,555	352,434
Six months ended 30 June 2023			
Types of goods or services:			
Revenue from food manufacturing operation	158,454	–	158,454
Revenue from restaurant operation	169,020	–	169,020
Provision of management services	–	6,489	6,489
Total revenue from contracts with customers	327,474	6,489	333,963
Geographical markets:			
Hong Kong	104,336	5,134	109,470
Mainland China	–	1,109	1,109
Republic of Singapore	219,419	246	219,665
Malaysia	3,719	–	3,719
Total revenue from contracts with customers	327,474	6,489	333,963
Timing of revenue recognition:			
Goods transferred at a point in time	327,474	–	327,474
Services transferred over time	–	6,489	6,489
Total revenue from contracts with customers	327,474	6,489	333,963

Notes to the Interim Financial Statements (Continued)

3. REVENUE (Continued)

Disaggregated revenue information for revenue from contracts with customers (Continued)

Set out below is the reconciliation of the revenue from contracts with customers to the amounts disclosed in the segment information:

Segments	Food businesses HK\$'000	Other HK\$'000	Total HK\$'000
Six months ended 30 June 2024			
Revenue from contracts with customers			
External customers	345,879	6,555	352,434
Inter-segment	–	294	294
Total revenue from contracts with customers	345,879	6,849	352,728
Revenue from other sources — external	1,738	1,747	3,485
Total segment revenue	347,617	8,596	356,213
Six months ended 30 June 2023			
Revenue from contracts with customers			
External customers	327,474	6,489	333,963
Inter-segment	–	1,107	1,107
Total revenue from contracts with customers	327,474	7,596	335,070
Revenue from other sources — external	1,374	1,135	2,509
Total segment revenue	328,848	8,731	337,579

4. OTHER LOSSES — NET

	Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
Gain/(Loss) on disposal of:		
Subsidiaries	957	–
Fixed assets	(150)	(2,463)
Provisions for impairment losses on:		
Inventories	(540)	(757)
Loans and receivables	(1,103)	–
Foreign exchange losses — net	(786)	(3,419)
Realised translation loss reclassified to the statement of profit or loss relating to liquidation of foreign operations	(35)	–
	(1,657)	(6,639)

Notes to the Interim Financial Statements (Continued)

5. LOSS BEFORE TAX

Loss before tax is arrived at after crediting/(charging):

	Six months ended 30 June	
	2024	2023
	HK\$'000	HK\$'000
Net fair value gain/(loss) on financial instruments at fair value through profit or loss:		
Financial assets at fair value through profit or loss mandatorily classified as such, including those held for trading:		
Equity securities	(24,879)	20,783
Debt securities	(2,246)	(1,324)
Investment funds	(19,567)	9,690
Derivative financial instruments	(5,130)	(222)
	(51,822)	28,927
Interest income:		
Loans and advances	33,790	33,035
Financial assets at fair value through profit or loss	470	476
Other	3,807	4,036
Depreciation of fixed assets (Note (a))	(34,693)	(39,327)
Depreciation of right-of-use assets	(33,187)	(31,426)
Staff costs (Note (b))	(163,518)	(149,642)
Selling and distribution expenses (Note (c))	(22,163)	(21,096)
Legal and professional fees (Note (c))	(34,153)	(11,338)
Consultancy and service fees (Note (c))	(8,171)	(7,604)
Utilities charges (Note (c))	(7,096)	(7,069)
Cost of inventories sold (Note (a) and Note (b))	(141,521)	(152,881)

Note:

- HK\$9,561,000 (2023 — HK\$10,970,000) is included in "Cost of inventories sold" and HK\$25,132,000 (2023 — HK\$28,357,000) is included in "Administrative expenses" in the condensed consolidated statement of profit or loss, respectively.
- HK\$11,790,000 (2023 — HK\$14,191,000) is included in "Cost of inventories sold" and HK\$151,728,000 (2023 — HK\$135,451,000) is included in "Administrative expenses" in the condensed consolidated statement of profit or loss, respectively.
- The amounts are included in "Other operating expenses" in the condensed consolidated statement of profit or loss.

6. SHARE OF RESULTS OF JOINT VENTURES

Share of results of joint ventures for the six months ended 30 June 2024 mainly included share of loss of Lippo ASM Asia Property Limited ("LAAPL", together with its subsidiaries, the "LAAPL Group") of HK\$430,239,000 (2023 — profit of HK\$93,010,000). The loss was mainly attributable to share of results of an equity-accounted investee by the joint venture.

LAAPL is the investment vehicle holding a controlling stake in OUE Limited ("OUE", together with its subsidiaries, the "OUE Group"). OUE is listed on the Mainboard of Singapore Exchange Securities Trading Limited. The OUE Group is a leading real estate and healthcare group, growing strategically to capitalise on growth trends across Asia. OUE's real estate activities include the development, investment and management of real estate assets across the commercial, hospitality, retail and residential sectors. Certain bank facilities of the LAAPL Group were secured by certain listed shares held under it.

7. INCOME TAX

	Six months ended 30 June	
	2024	2023
	HK\$'000	HK\$'000
Hong Kong:		
Charge for the period	2,832	2,125
Deferred	10	(585)
	2,842	1,540
Mainland China and overseas:		
Charge for the period	2,740	1,187
Deferred	(453)	1,267
	2,287	2,454
Total charge for the period	5,129	3,994

Hong Kong profits tax has been provided at the rate of 8.25% or 16.5% (2023 — 8.25% or 16.5%), as appropriate. For the companies operating in mainland China and the Republic of Singapore, corporate taxes have been calculated on the estimated assessable profits for the period at the rates of 25% and 17% (2023 — 25% and 17%), respectively. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

8. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY**(a) Basic earnings/(loss) per share**

Basic earnings/(loss) per share is calculated based on (i) the consolidated profit/(loss) for the period attributable to equity holders of the Company; and (ii) the weighted average number of approximately 493,154,000 ordinary shares (2023 — approximately 493,154,000 ordinary shares) in issue during the period.

(b) Diluted earnings/(loss) per share

The Group had no potentially dilutive ordinary shares in issue during the six months ended 30 June 2024 and 2023.

9. INTERIM DIVIDEND

The Directors have resolved not to declare the payment of any interim dividend for the six months ended 30 June 2024 (2023 — Nil).

10. INTERESTS IN JOINT VENTURES

Interests in joint ventures mainly included the Group's interests in LAAPL. As at 30 June 2024, the Group's total interests in LAAPL was approximately HK\$9,503,458,000 (31 December 2023 — HK\$10,312,207,000).

Reference was made to the Group's minority ownership interest in Skye Mineral Partners, LLC ("Skye") whose major asset, prior to the events described below, was substantially all of the equity interests in CS Mining, LLC ("CS Mining"), a company that owned a number of copper ore deposits in the U.S.A. Subsequently, CS Mining sold its assets through a court-supervised sale process under its bankruptcy proceedings and a former joint venture of the Company participated and won the bid to acquire the assets in 2017. In 2018, a verified complaint was filed in a state court in the U.S.A. by the majority investors in Skye (the "Majority Investors") individually and derivatively on behalf of Skye against, among others, certain entities and persons in or related to the Group (collectively, the "Parties"), alleging, among other things, that they suffered from diminution in the value of their equity interests in CS Mining based on an alleged scheme perpetrated by the Parties on CS Mining. The Group, individually and derivatively on behalf of Skye, also filed a counterclaim against the Majority Investors and their related persons (the "Counterparties"), in which the Group has claimed that the Counterparties, at all relevant times, controlled both Skye and CS Mining, preferred their own interests over those of Skye and its creditors and other owners and that this misconduct of the Counterparties caused the Group to suffer loss. The parties have preliminary agreed to settle the litigation and all claims that exist and are in discussions regarding the same. Further update will be provided if and when the settlement agreement is concluded.

11. DEBTORS, PREPAYMENTS AND OTHER ASSETS

Included in the balances are trade debtors with an ageing analysis, based on the invoice date and net of loss allowance, as follows:

	30 June 2024 HK\$'000	31 December 2023 HK\$'000
Outstanding balances with ages:		
Within 30 days	47,507	28,083
Between 31 and 60 days	21,811	21,258
Between 61 and 90 days	12,490	14,413
Over 90 days	1,232	396
	83,040	64,150

12. BANK AND OTHER BORROWINGS

	30 June 2024 HK\$'000	31 December 2023 HK\$'000
Current portion:		
Secured bank loans (Note (a))	639,406	287,330
Unsecured other loans (Note (b))	250,000	80,000
	889,406	367,330
Non-current portion:		
Bank loans:		
Secured (Note (a))	318,597	637,300
Unsecured	497,444	465,667
Unsecured other loans (Note (b))	35,000	170,000
	851,041	1,272,967
	1,740,447	1,640,297
Bank and other borrowings by currency:		
Hong Kong dollar	1,700,703	1,597,817
Malaysian ringgit	39,744	42,480
	1,740,447	1,640,297
Bank loans repayable:		
Within one year or on demand	639,406	287,330
In the second year	616,918	844,309
In the third to fifth years, inclusive	199,123	258,658
	1,455,447	1,390,297
Other borrowings repayable:		
Within one year or on demand	250,000	80,000
In the second year	35,000	170,000
	285,000	250,000

The Group's bank loans bear interest at rates ranging from 4.6% to 6.9% per annum (31 December 2023 — 4.7% to 7.8% per annum).

12. BANK AND OTHER BORROWINGS (Continued)

Note:

- (a) At the end of the reporting period, the bank loans were secured by:
- (i) shares in certain listed subsidiaries of the Group with market value of HK\$894,611,000 (31 December 2023 — HK\$1,042,552,000);
 - (ii) first legal mortgages over certain investment properties and land and buildings of the Group with carrying amounts of HK\$234,050,000 (31 December 2023 — HK\$239,050,000) and HK\$792,450,000 (31 December 2023 — HK\$807,050,000), respectively; and
 - (iii) fixed and floating charges over all the assets of certain subsidiaries of the Group.
- (b) The Group's unsecured other loans included a loan of HK\$70,000,000 (31 December 2023 — HK\$70,000,000) advanced from Lippo Capital Limited, a holding company of the Company, which bears interest at a rate of 4% per annum (31 December 2023 — 4% per annum). The balances also included loans of HK\$215,000,000 (31 December 2023 — HK\$180,000,000) from a joint venture of the Group, which bear interest at a rate of 6.5% per annum (31 December 2023 — 7.6% per annum).

13. CREDITORS, ACCRUALS AND OTHER LIABILITIES

Included in the balances are trade creditors with an ageing analysis, based on the invoice date, as follows:

	30 June 2024 HK\$'000	31 December 2023 HK\$'000
Outstanding balances with ages:		
Within 30 days	23,926	28,076
Between 31 and 60 days	9,294	11,620
Between 61 and 90 days	835	2,804
Over 90 days	1,445	1,237
	35,500	43,737

14. SHARE CAPITAL

	30 June 2024 HK\$'000	31 December 2023 HK\$'000
Issued and fully paid:		
493,154,032 (31 December 2023 — 493,154,032) ordinary shares	986,598	986,598

In accordance with section 135 of the Hong Kong Companies Ordinance, the ordinary shares of the Company have no par value.

15. RESERVES

The amounts of the Group's reserves and movements therein for the current and prior periods are presented in the condensed consolidated statement of changes in equity on page 6.

Note:

- (a) Special capital reserve
Pursuant to a special resolution passed at an extraordinary general meeting of the Company on 23 December 1998 and the subsequent confirmation by the court on 26 January 1999, the then entire amount standing to the credit of the share capital account of the Company of approximately HK\$1,709,202,000 was cancelled on 27 January 1999 (the "Cancellation"). The credit arising from the Cancellation was transferred to a special capital reserve account.
- (b) Hedging reserve
The hedging reserve relates to the Group's share of the hedging reserve of joint ventures.

16. CONTINGENT LIABILITIES

Save as disclosed elsewhere in the interim financial statements, the Group had the following contingent liabilities at the end of the reporting period:

	30 June 2024 HK\$'000	31 December 2023 HK\$'000
Secured bankers' guarantee	1,303	1,337
Unsecured bankers' guarantee	3,415	3,357
	4,718	4,694

The bankers' guarantees were mainly issued in lieu of rental and utility deposits for the premises used in the food businesses segment. The secured bankers' guarantees were secured by certain assets pledged as security for the bank loans of the Group.

17. COMMITMENTS

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

	30 June 2024 HK\$'000	31 December 2023 HK\$'000
Contracted, but not provided for:		
Properties, plant and equipment	4,250	4,528
Financial assets at fair value through profit or loss	76,977	83,786
	81,227	88,314

18. RELATED PARTY TRANSACTIONS

The Group had the following transactions with related parties during the six months ended 30 June 2024:

- (a) During the period, the Group paid interest expense of HK\$1,396,000 (2023 — HK\$1,388,000) to a holding company of the Company pursuant to an unsecured loan granted by such holding company, details of which are disclosed in Note 12 to the interim financial statements.
- (b) During the period, the Group paid interest expense of HK\$5,279,000 (2023 — HK\$3,276,000) to a joint venture of the Group pursuant to unsecured loans granted by such joint venture, details of which are disclosed in Note 12 to the interim financial statements.
- (c) During the period, the Group received interest income of HK\$31,817,000 (2023 — HK\$31,922,000) from joint ventures of the Group.
- (d) During the period, the Group paid management service fee of HK\$1,045,000 (2023 — HK\$1,056,000) to a joint venture of the Group. The fee was charged pursuant to the terms of the agreement signed between the parties.
- (e) During the period, the Group paid a royalty fee of HK\$1,299,000 (2023 — HK\$646,000) to a joint venture of the Group. The fee was charged pursuant to the terms of the agreement signed between the parties.
- (f) As at 30 June 2024, the Group had amounts due from associates of HK\$6,817,000 (31 December 2023 — HK\$7,132,000). The amounts due from associates included balances of HK\$664,000 (31 December 2023 — HK\$790,000), which are unsecured, bear interest at a rate of 10% per annum (31 December 2023 — 10% per annum) and are fully repayable by 2027. The remaining balances with associates are unsecured, interest-free and repayable on demand.
- (g) As at 30 June 2024, the Group had amounts due from joint ventures of HK\$3,116,453,000 (31 December 2023 — HK\$3,163,546,000) and amount due to a joint venture of HK\$4,165,000 (31 December 2023 — HK\$4,352,000). The amounts due from joint ventures included balances of HK\$2,699,939,000 (31 December 2023 — HK\$2,747,483,000), which are unsecured, bear interest at rates ranging from nil to 2.25% per annum (31 December 2023 — nil to 2.25% per annum) and are repayable on demand. The amounts due from joint ventures also included balances of HK\$227,507,000 (31 December 2023 — HK\$226,986,000), which are unsecured, bear interest at rates ranging from nil to 7% per annum (31 December 2023 — nil to 7% per annum) and are repayable when the resources of the joint ventures permit. The remaining balances with the joint ventures are unsecured, interest-free and repayable on demand.

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		Fair values	
	30 June 2024 HK\$'000	31 December 2023 HK\$'000	30 June 2024 HK\$'000	31 December 2023 HK\$'000
Financial assets:				
Financial assets at fair value through other comprehensive income	47,925	49,372	47,925	49,372
Financial assets at fair value through profit or loss	621,450	752,346	621,450	752,346
Other financial asset	232	–	232	–
	669,607	801,718	669,607	801,718
Financial liability:				
Other financial liability	–	569	–	569

Management has assessed that the fair values of cash and cash equivalents, financial assets included in debtors, prepayments and other assets, amounts due from associates and joint ventures, fixed rate other loans and financial liabilities included in creditors, accruals and other liabilities approximate to their carrying amounts largely due to the short-term maturity of these instruments. In addition, the fair values of interest-bearing bank loans and floating rate other loans approximate to their carrying amounts as they are floating rate instruments that are repriced to market interest rates at or near the end of the reporting period and the changes in fair value as a result of the Group's non-performance risk were considered to be minimal.

The Group's management is responsible for determining the policies and procedures for the fair value measurement of significant financial instruments. At each reporting date, the finance team analyses the movements in the values of financial instruments and determines major inputs applied in the valuation.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

The fair values of listed equity securities, debt securities, investment funds and futures are based on quoted market prices.

The fair values of unlisted debt securities are determined by reference to the quoted market prices from the broker using a valuation technique with market observable inputs or calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

The fair values of unlisted investment funds are assessed to approximate the net asset values indicated on the net asset value statements issued by the investment fund managers, which take into consideration the fair values of the underlying assets held under the investments. For unlisted investment funds classified under Level 3 of the fair value measurement hierarchy, when the net asset value increases/decreases by 3% (31 December 2023 — 3%), the fair value will be increased/decreased by HK\$12,168,000 (31 December 2023 — HK\$12,848,000).

The fair values of unlisted equity securities are estimated based on either the market approach or the income approach. The market approach is based on the price multiple determined with reference to comparable public companies and includes appropriate risk adjustments for lack of marketability. The income approach uses the discounted cash flow model which requires management to make assumptions about model inputs, including forecast cash flows, the discount rate and volatility based on observable or unobservable market data.

Below is a summary of significant unobservable inputs to the valuation of the unlisted equity securities used in Level 3 fair value measurements as at 30 June 2024:

	Valuation technique	Significant unobservable inputs	Range/Rate	Sensitivity of fair value to the input
Unlisted equity securities	Market approach	Enterprise value to sales multiple ("Multiple")	3.42	When Multiple increases/decreases by 0.1 (31 December 2023 — 0.1), the fair value will be increased/decreased by HK\$381,000 and HK\$381,000 (31 December 2023 — HK\$381,000 and HK\$381,000), respectively.
			(31 December 2023 — 3.42)	
	Income approach	Discount rate	17.8% to 29.4% (31 December 2023 — 17.8% to 29.4%)	When discount rate increases/decreases by 3% (31 December 2023 — 3%), the fair value will be decreased/increased by HK\$1,679,000 and HK\$2,339,000 (31 December 2023 — HK\$1,728,000 and HK\$2,407,000), respectively.
		Discount for lack of marketability ("DLOM")	15.7% (31 December 2023 — 15.7%)	When DLOM increases/decreases, the fair value will be decreased/increased. Fair value changes resulting from reasonably possible changes in DLOM were not significant (31 December 2023 — not significant).

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)**Fair value hierarchy**

The following table illustrates the fair value measurement hierarchy of the Group's financial instruments:

	Fair value measurement using			Total HK\$'000
	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	
At 30 June 2024				
Assets measured at fair value				
Financial assets at fair value through other comprehensive income:				
Equity securities	19,069	–	28,856	47,925
Financial assets at fair value through profit or loss:				
Equity securities	159,597	–	–	159,597
Debt securities	17,911	20,537	–	38,448
Investment funds	17,796	–	405,609	423,405
Other financial asset:				
Futures	232	–	–	232
	214,605	20,537	434,465	669,607
At 31 December 2023				
Assets measured at fair value				
Financial assets at fair value through other comprehensive income:				
Equity securities	11,139	–	38,233	49,372
Financial assets at fair value through profit or loss:				
Equity securities	279,391	–	–	279,391
Debt securities	18,587	22,107	–	40,694
Investment funds	4,002	–	428,259	432,261
	313,119	22,107	466,492	801,718
Liability measured at fair value				
Other financial liability:				
Futures	569	–	–	569

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)**Fair value hierarchy** (Continued)

The movements in fair value measurements in Level 3 during the period are as follows:

	Equity securities at fair value through other comprehensive income HK\$'000	Debt securities at fair value through profit or loss HK\$'000	Investment funds at fair value through profit or loss HK\$'000
At 1 January 2024	38,233	–	428,259
Total losses recognised in the statement of profit or loss	–	–	(19,424)
Total losses recognised in other comprehensive income	(450)	–	–
Additions	–	–	7,392
Disposals	(8,785)	–	(5,777)
Distributions	–	–	(4,683)
Exchange adjustments	(142)	–	(158)
At 30 June 2024	28,856	–	405,609
At 1 January 2023	71,992	3,260	490,155
Total gains/(losses) recognised in the statement of profit or loss	–	(3,285)	7,364
Total losses recognised in other comprehensive income	(17,327)	–	–
Additions	–	–	10,176
Disposals	–	–	(21,586)
Distributions	–	–	(25,319)
Exchange adjustments	(26)	25	118
At 30 June 2023	54,639	–	460,908

During the six months ended 30 June 2024, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2023 — Nil). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

20. EVENTS AFTER THE REPORTING PERIOD

Save as disclosed elsewhere in the interim financial statements, the Group had no material events after the reporting period.

Business Review and Prospects

Business Review

Overview

The Hong Kong economy recorded moderate growth in the first half of 2024. However, the operating environment remained challenging. The change in inbound tourist behaviours such as budget-conscious and the spending habits of the local people adversely affected the operating environment in the retail and food business in Hong Kong. In addition, the higher-for-even-longer interest rates have affected the operating environment of various businesses and the property market in Hong Kong. The mainland China's GDP growth was stronger than projected earlier due to the roll-out of more government support measures. However, it continued to be affected by the weak property market conditions. The Singapore economy grew at a modest sequential pace in the first half of 2024. The stronger-than-anticipated recovery in air travel and tourism demand in Singapore continued to bolster the growth of the tourism-related sectors in which the Company and its subsidiaries (collectively, the "Group") together with its joint ventures operate. However, as a whole, the global economy continued to be affected by persistently core inflation, high interest rates, geoeconomic fragmentation, continued tensions in Middle East and conflict between Russia and Ukraine.

Results for the Period

Against this backdrop, the Group recorded a consolidated loss attributable to shareholders of HK\$437 million for the six months ended 30 June 2024 (the "Period"), as compared to a consolidated profit of HK\$3 million for the six months ended 30 June 2023 ("2023"). The loss for the Period was mainly attributable to the share of loss of the Group's joint ventures for the Period.

Revenue for the Period increased to HK\$410 million (2023 — HK\$387 million), of which 61% (2023 — 64%) and 31% (2023 — 31%) were generated from Singapore and Hong Kong, respectively. Food businesses remain the principal sources of revenue of the Group and registered 6% increase in revenue, contributing to 85% (2023 — 85%) of total revenue for the Period.

The Group's other operating expenses mainly included selling and distribution expenses and utilities charges for food businesses, legal and professional fees, and consultancy and service fees. Other operating expenses amounted to HK\$105 million for the Period (2023 — HK\$84 million).

Property investment

The Group's property investment portfolio mainly comprises commercial properties in Hong Kong and mainland China. The total segment revenue from the property investment business for the Period amounted to HK\$45 million (2023 — HK\$46 million), which was mainly attributable to recurrent rental income from the Group's investment properties and interest income from the loans to the Group's joint ventures. The Group recorded a fair value loss on investment properties of HK\$5 million for the Period (2023 — gain of HK\$5 million). As a result, segment profit before accounting for share of results from the Group's joint ventures amounted to HK\$10 million for the Period (2023 — HK\$24 million).

Lippo ASM Asia Property Limited ("LAAPL", together with its subsidiaries, collectively, the "LAAPL Group"), a principal joint venture of the Group, is the vehicle holding a controlling stake in OUE Limited ("OUE", together with its subsidiaries, collectively, the "OUE Group"), a company listed on the Mainboard of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The OUE Group is a leading real estate and healthcare group, growing strategically to capitalise on growth trends across Asia. OUE's real estate activities include the development, investment and management of real estate assets across the commercial, hospitality, retail and residential sectors. As at 30 June 2024, the LAAPL Group had an equity interest of approximately 73.65% in OUE.

OUE Real Estate Investment Trust ("OUE REIT", formerly known as OUE Commercial Real Estate Investment Trust), a subsidiary of OUE, is one of Singapore's largest diversified REITs listed on the SGX-ST. The property portfolio of OUE REIT includes OUE Bayfront, One Raffles Place, OUE Downtown Office, Hilton Singapore Orchard, the adjoining Mandarin Gallery and Crowne Plaza Changi Airport in Singapore as well as Lippo Plaza in Shanghai, the People's Republic of China (the "PRC"). The LAAPL Group had an aggregate of approximately 49.58% interest in OUE REIT as at 30 June 2024.

OUE REIT achieved a better operational performance for the Period which was mainly driven by the resilience of Singapore commercial properties and higher hospitality sector contributions. The commercial assets held by OUE REIT continued to deliver stable income growth and high occupancy. OUE REIT's Singapore office portfolio committed occupancy increased to 95.2%. Positive rental reversion remained strong at 11.7% for office lease renewals in the second quarter of 2024. Mandarin Gallery's committed occupancy (including short-term leases) remained high at 98.3%. Benefiting from continued improvement in retailer sentiment and the recovery in visitor arrivals, Mandarin Gallery achieved high rental reversion of 28.4% in the second quarter of 2024. Hilton Singapore Orchard and Crowne Plaza Changi Airport have benefited from the recovery of Singapore business and leisure tourism. Revenue from the hospitality sector increased during the Period which was mainly due to higher room rates and occupancies, supported by strong meetings, incentives, conventions and exhibitions (MICE) and event pipeline. The OUE Group was awarded the tender for the lease and development of a new hotel, namely Hotel Indigo Changi Airport at Changi Airport Terminal 2. The hotel, which is expected to be completed and fully operational by 2028, will combine energy-efficient design with low-energy operations and is targeted to be Singapore's first zero-energy hotel.

OUE Healthcare Limited (“OUEH”, together with its subsidiaries, collectively, the “OUEH Group”), a subsidiary of OUE listed on the Catalist Board, the sponsor-supervised listing platform of the SGX-ST, is a regional healthcare group that operates and owns high-quality healthcare assets in high-growth Asian markets. As at 30 June 2024, the OUE Group owned approximately 70.36% equity interest in OUEH.

Following the successful exit offer and voluntary delisting of Healthway Medical Corporation Limited (“Healthway”, together with its subsidiaries, collectively, the “Healthway Group”), the OUEH Group holds a 26.24% stake in Healthway, one of the largest networks of primary and specialist clinics in Singapore. The acquisition of interest in Healthway enhanced the OUEH Group’s presence in Singapore and provided a wider platform for collaboration with the O2 Healthcare Group, which currently consists of a team of trained specialists with expertise in cardiothoracic surgery, pulmonary medicine and intensive care. O2 Healthcare Group has a team of 11 respiratory physicians and two cardiothoracic surgeons in Singapore. The OUEH Group leverages opportunities in creating synergies across the OUEH Group and strives to establish a collaborative regional platform for all its healthcare business verticals to grow, develop and scale their business in the region. In mainland China, the Changshu China Merchants-Lippo Obstetrics & Gynaecology Hospital (the “Changshu Hospital”), with a total capacity of 100 beds, was officially commissioned in May 2023. The Changshu Hospital provides premium obstetrics, gynaecology, paediatric and other related medical services to patients in Changshu, Suzhou and the Yangtze River Delta region. Despite the challenges of a declining birth rate, the management team at Changshu Hospital has been ramping up its marketing and branding efforts as well as fine-tuning its business strategies and service offerings in line with changing patient demands. The Shenzhen China Merchants-Lippo Prince Bay Hospital (the “Prince Bay Hospital”) is in the final stage of preparatory works for its opening in late 2024 or early 2025. The Prince Bay Hospital will be a premium general hospital providing services of international standards to meet the discerning demands of the affluent population in the Greater Bay Area (“GBA”). Both the Changshu Hospital and the Prince Bay Hospital are the OUEH Group’s joint venture with the China Merchants Group.

As at 30 June 2024, the OUE Group (including that held through the OUEH Group) had an approximately 44.95% interest in First Real Estate Investment Trust (“First REIT”), which is listed on the Mainboard of the SGX-ST. First REIT is a healthcare real estate investment trust focused on investing in income producing real estate projects which are primarily used for healthcare and/or healthcare-related purposes. As at 30 June 2024, First REIT has 32 properties comprising 14 nursing homes in Japan, 11 hospitals, 2 integrated hospitals and malls, an integrated hospital and hotel and a hotel and country club in Indonesia and 3 nursing homes in Singapore. Due to the rapid growth in the aging population in Japan and Singapore, senior-care facilities such as nursing homes are expected to see sustained demand in the medium to long-term. In Indonesia, demand for quality healthcare is increasing with rising affluence. Structural tailwinds from a rapidly greying population in Asia has supported the long-term growth of elderly care infrastructure and quality healthcare services. First REIT’s healthcare portfolio is well-positioned to ride on this demographic megatrend.

As part of its 60th anniversary celebrations, OUE declared a special dividend of S\$0.02 per share and undertook an off-market purchase of ordinary shares in OUE (the “OUE Shares”) in accordance with an equal access scheme (the “Offer”) to purchase 84,038,036 OUE Shares for a total consideration of approximately S\$105 million. The Offer aimed to reward OUE’s shareholders and enhance long-term shareholder value. After the completion of the Offer on 5 July 2024, the LAAPL Group’s equity interest in OUE reduced slightly to approximately 72.93%.

The Group recorded a share of loss of joint ventures of HK\$430 million from its investment in LAAPL for the Period (2023 — profit of HK\$93 million). The loss for the Period was mainly attributable to share of results of an equity-accounted investee of the OUE Group whose business in the PRC was adversely impacted by the prevailing slow-down of the property market and the current economic environment in the PRC. Such share of loss from the equity-accounted investee is non-cash in nature and there is no material impact on the OUE Group’s operational cashflows and corporate funding requirements. Coupled with share of foreign exchange translation losses of overseas operations of the LAAPL Group and share of fair value loss of its financial assets at fair value through other comprehensive income in reserves during the Period, the Group’s total interests in LAAPL as at 30 June 2024 decreased to HK\$9.5 billion (31 December 2023 — HK\$10.3 billion).

Property development

The sale of the remaining properties at Lippo Plaza in Beijing, the PRC was stagnant during the Period due to the sustained downturn in the PRC’s property market. The segment recorded a loss of HK\$3 million for the Period (2023 — HK\$4 million) before accounting for the share of results from the Group’s associates and joint ventures.

Food businesses

The Group’s food businesses segment recorded a revenue of HK\$348 million for the Period (2023 — HK\$329 million), mainly from food retail operations in chains of cafés and bistros and food manufacturing which revenue increased by 6% and 5%, respectively. The Group is currently operating restaurants under the brands, namely “Chatterbox Café”, “Chatterbox Express”, “Délifrance”, “alfafa” and “Lippo Chiuchow Restaurant”. To improve the in-store experience of the customers, the Group has revamped its stores from time to time. The performance of the revamped stores was satisfactory. The performance of the Group’s food manufacturing business in Singapore and Malaysia also improved during the Period mainly due to enhanced operational cost management and higher sale revenue. However, the operating environment of the food businesses of the Group as a whole remained challenging and suffered from intense competition, manpower shortage and higher operating costs. In Hong Kong, a large number of Hong Kong people travelling to Shenzhen and the GBA for leisure on weekends and slower-than-expected economy recovery have weakened local consumption demand. As a result, the segment incurred a loss of HK\$20 million for the Period (2023 — HK\$36 million).

Treasury and securities investments

The Group managed its investment portfolio in accordance with its investment committee's terms of reference and looked for opportunities to enhance yields. The Group invested in a diversified portfolio mainly including listed and unlisted equity securities, debt securities and investment funds. Total revenue of treasury and securities investments businesses increased to HK\$11 million during the Period (2023 — HK\$6 million), which was mainly attributable to increase in dividend income for the Period. Global stock markets were volatile during the Period. The Group recorded a net fair value loss of HK\$52 million in the statement of profit or loss from its securities investments for the Period as compared with a gain of HK\$29 million in 2023 under this segment. As a result, the treasury and securities investments businesses recorded a loss of HK\$42 million in the statement of profit or loss for the Period (2023 — profit of HK\$31 million).

The Group cautiously manages the mix of its investment portfolio. As at 30 June 2024, the treasury and securities investment portfolio of HK\$1,087 million (31 December 2023 — HK\$1,189 million) comprised mainly cash and bank balances of HK\$384 million (31 December 2023 — HK\$372 million), financial assets at fair value through profit or loss ("FVPL") of HK\$621 million (31 December 2023 — HK\$752 million) and financial assets at fair value through other comprehensive income ("FVOCI") of HK\$48 million (31 December 2023 — HK\$49 million). Further details of securities investments under different categories are as follows:

Financial assets at fair value through profit or loss

As of 30 June 2024, the Group's financial assets at FVPL amounted to HK\$621 million (31 December 2023 — HK\$752 million), comprising equity securities of HK\$160 million (31 December 2023 — HK\$279 million), debt securities of HK\$38 million (31 December 2023 — HK\$41 million) and investment funds of HK\$423 million (31 December 2023 — HK\$432 million).

Details of the major financial assets at FVPL were as follows:

	As at 30 June 2024			As at 31 December 2023	Six months ended 30 June 2024
	Fair value HK\$'000	Approximate percentage of financial assets at FVPL	Approximate percentage to the total assets	Fair value HK\$'000	Net fair value gain/(loss) HK\$'000
GSH Corporation Limited ("GSH")	68,957	11.1%	0.5%	77,753	(8,796)
Amasia CIV T, L.P. ("Amasia")	56,121	9.0%	0.4%	56,150	(29)
Quantedge Global Fund ("Quantedge")	44,456	7.2%	0.3%	42,086	7,091
Others (Note)	451,916	72.7%	3.2%	576,357	(44,958)
Total	621,450	100.0%	4.4%	752,346	(46,692)

Note: Others comprised of various securities, none of which accounted for more than 5% of financial assets at FVPL as at 30 June 2024.

GSH

As at 30 June 2024, the fair value of the Group's equity securities in GSH amounted to HK\$69 million, representing approximately 11.1% and 0.5% of the Group's total financial assets at FVPL and total assets, respectively. An unrealised fair value loss of HK\$9 million was recognised by the Group for the Period. The Group also invested in the listed convertible bonds issued by GSH. As at 30 June 2024, the fair value of the Group's debt securities in GSH amounted to HK\$18 million, representing approximately 2.9% and 0.1% of the Group's total financial assets at FVPL and total assets, respectively.

GSH, having its shares listed on the Mainboard of the SGX-ST, is a property developer in Asia with properties under development in Malaysia and mainland China. It also owns and operates the Sutera Harbour Resort in Kota Kinabalu, comprising two five-star hotels, a 104-berth marina and a 27-hole championship golf course, and the idyllic Sutera@Mantanani Resort in Sabah. Driven by robust domestic tourism and a strong return of international travellers, GSH's hospitality business in Malaysia continued to grow. GSH's property business in Malaysia continued to show positive momentum, spurred by interest from foreign investors, particularly from mainland China. However, the real estate market in mainland China continued to face significant headwinds.

Amasia

Amasia is a single portfolio fund which invested in Dialpad, Inc. ("Dialpad"). Dialpad offers a suite of business communications software, including its namesake Dialpad product, a "PBX in the cloud", as well as Dialpad Meetings, a lightweight conference calling solution. Dialpad continues to expand its AI infrastructure, investing in graphics processing units that can speed up model training. It plans to launch data insights and productivity-focused features for sales, contact center and recruiting use cases. The Group invested US\$2 million into Amasia in 2015 for long-term capital gain. As at 30 June 2024, the fair value of the Group's investment in Amasia was maintained at HK\$56 million, representing approximately 9.0% and 0.4% of the Group's total financial assets at FVPL and total assets, respectively.

Quantedge

Quantedge is an unlisted investment fund which aims to achieve absolute long-term capital growth by investing in multiple asset classes across the globe. Cumulated fair value gain has been recognised by the Group in prior years and fair value gain of HK\$7 million was recorded by the Group for the Period. In line with the objective of the Group to manage its investment portfolio by adopting a proactive but prudent approach, partial redemption of investment in Quantedge has been made since 2022 to realise the cumulated fair value gain and to re-allocate the proceeds for general working capital. During the Period, the Group partially redeemed HK\$5 million of the investment. Coupled with the unrealised fair value gain for the remaining investment, the fair value of the Group's investment in Quantedge was HK\$44 million as at 30 June 2024, representing approximately 7.2% and 0.3% of the Group's total financial assets at FVPL and total assets, respectively.

Financial assets at fair value through other comprehensive income

In addition to the above investments under financial assets at FVPL, the Group also invested in equity securities which are held for long-term strategic purposes and recorded them under financial assets at FVOCI. As at 30 June 2024, the fair value of such investments amounted to HK\$48 million (31 December 2023 — HK\$49 million). The major investments in this category are H2G Green Limited (“H2G”) and GenieBiome Holdings Limited (“GB”).

H2G is a company listed on the Catalist Board and is a sustainability focused platform spearheading the energy transition and it also operates a lifestyle business that comprises the distribution and retail of a comprehensive collection of furniture, wardrobe and kitchen cabinet systems, lighting and accessories. The Group initially subscribed for approximately 11.0% of the then issued shares in H2G in 2023. In 2024, the Group took up 8.9% new shares in H2G upon completion of a share swap with one of its unlisted investments in a related business, which allows the Group to enhance liquidity of its investment portfolio. As at 30 June 2024, the fair value of the Group’s investment in H2G amounted to HK\$19 million, representing approximately 38.7% and 0.1% of the Group’s total financial assets at FVOCI and total assets, respectively. The Group recorded an unrealised fair value loss of HK\$0.3 million through other comprehensive income for the Period.

GB is another major investment in this category. As at 30 June 2024, the fair value of the Group’s investment in GB amounted to HK\$18 million, representing approximately 37.0% and 0.1% of the Group’s total financial assets at FVOCI and total assets, respectively. In 2021, the Group made an investment in GB, a biotech company established by a team of internationally renowned university professors of medicine and clinician-scientists in Hong Kong. GB has pioneered the use of microbiome with evidence-based science to tackle a myriad of diseases, revolutionising the prevention, diagnosis and treatment of disease. Its portfolio includes diagnostic and risk prediction tests, next-generation microbiome precision formula and precision medicine tailored for the Asian population. GB has a pipeline of new products to be launched in market as well as continuing its research and development on microbiome. The performance of GB is satisfactory and dividend income was received during the Period. The Group recorded an unrealised fair value loss of HK\$0.01 million through other comprehensive income for the Period.

Healthcare services

Other than the healthcare services conducted by the OUEH Group, the Group also holds 40.8% interest in Healthway, an associate of the Company. Healthway has a wide network of over 130 clinics and medical centres, primarily in Singapore, offering comprehensive services including general practitioner and family medicine clinics, health screening, adult specialists, baby and child specialists, dental services and allied healthcare services.

The Healthway Group posted stronger revenue for the Period. The revenue growth was driven by an increase in revenue from both primary healthcare segment and specialist healthcare segment, following the acquisition of new clinics in the second half of 2023. Such newly acquired clinics included, inter alia, UROHEALTH Pte Ltd., one of the largest private urology practices in Singapore. Healthway opened a day surgery centre in Singapore during the Period. The day surgery centre, with 5 operating rooms and 12 premium patient suites, offers patients cost effective treatment options and helps to alleviate capacity issues in hospitals. As a result of higher operating costs following the change in revenue mix, the Group recognised a share of loss of HK\$3 million (2023 — profit of HK\$9 million) from the Healthway Group for the Period. As at 30 June 2024, the Group's interest in Healthway amounted to HK\$475 million (31 December 2023 — HK\$489 million).

Other business

The Group recorded a share of profit of HK\$13 million from its investment in TIH Limited ("TIH", together with its subsidiaries, collectively, the "TIH Group"), a 39.9% owned associate of the Company and listed on the Mainboard of the SGX-ST for the Period (2023 — loss of HK\$22 million). The Group's interests in TIH as at 30 June 2024 amounted to HK\$286 million (31 December 2023 — HK\$286 million).

The TIH Group currently has two business segments, that is, investment business and fund management. The TIH Group's income for the Period is mostly derived from the realisation and/or revaluation of its investments and fee income, against a net fair value loss recorded in 2023. In tandem with the positive growth outlook in Southeast Asia's economies, private equity activity in Southeast Asia had demonstrated good momentum as deal activity picked up in the region during the Period. However, macroeconomic uncertainties, including geopolitical conflicts and tensions, and ongoing fragility in the global markets could pose challenges to the region.

Financial Position

As at 30 June 2024, total assets of the Group amounted to HK\$14.1 billion (31 December 2023 — HK\$15.1 billion). Property-related assets amounted to HK\$11.4 billion as at 30 June 2024 (31 December 2023 — HK\$12.2 billion), representing 81% (31 December 2023 — 81%) of the total assets. As at 30 June 2024, cash and cash equivalents amounted to HK\$0.4 billion (31 December 2023 — HK\$0.5 billion). Total liabilities amounted to HK\$2.3 billion (31 December 2023 — HK\$2.2 billion).

The net asset value attributable to equity holders of the Company decreased to HK\$8.3 billion as at 30 June 2024 (31 December 2023 — HK\$9.1 billion). This was equivalent to HK\$16.8 per share as at 30 June 2024 (31 December 2023 — HK\$18.4 per share). The decrease was mainly attributable to the loss for the Period and the share of reduction in reserves of the LAAPL Group for the Period.

Total bank and other borrowings of the Group as at 30 June 2024 amounted to HK\$1,740 million (31 December 2023 — HK\$1,640 million). The balance included bank loans of HK\$1,455 million (31 December 2023 — HK\$1,390 million) and other borrowings of HK\$285 million (31 December 2023 — HK\$250 million). The bank and other borrowings were denominated in Hong Kong dollars and Malaysian ringgits. Certain bank loans were secured by fixed and floating charges on certain properties and assets of certain subsidiaries and shares in certain subsidiaries of the Group, whereas all the other borrowings are unsecured.

As at 30 June 2024, approximately 96% (31 December 2023 — 96%) of the bank and other borrowings carried interest at floating rates with the remaining carried at fixed rate. Where appropriate, the Group would use interest rate swaps to modify the interest rate characteristics of its borrowings to limit interest rate exposure. As at 30 June 2024, approximately 51% (31 December 2023 — 22%) of the bank and other borrowings were repayable within one year or on demand. The gearing ratio (measured as total borrowings, net of non-controlling interests, to equity attributable to equity holders of the Company) as at 30 June 2024 was 17.1% (31 December 2023 — 14.8%).

As at 30 June 2024, current ratio decreased to 0.7 (31 December 2023 — 1.3). After considering the available funds from operations and investing activities to the Group and the unutilised credit facilities, management considers the Group is able to meet its liabilities as and when they fall due.

The Group monitors the relative foreign exchange position of its assets and liabilities to minimise foreign currency risk. When appropriate, hedging instruments including forward contracts, swaps and currency loans would be used to manage the foreign exchange exposure.

The Group had bankers' guarantees issued in lieu of rental and utility deposits for the premises used for operation of food businesses. As at 30 June 2024, the Group has secured bankers' guarantees of HK\$1 million (31 December 2023 — HK\$1 million) and unsecured bankers' guarantees of HK\$4 million (31 December 2023 — HK\$4 million). The secured bankers' guarantees were secured by certain assets of the Group.

Reference was made to the Group's minority ownership interest in Skye Mineral Partners, LLC ("Skye") whose major asset, prior to the events described below, was substantially all of the equity interests in CS Mining, LLC ("CS Mining"), a company that owned a number of copper ore deposits in the U.S.A. Subsequently, CS Mining sold its assets through a court-supervised sale process under its bankruptcy proceedings and a former joint venture of the Company participated and won the bid to acquire the assets in 2017. In 2018, a verified complaint was filed in a state court in the U.S.A. by the majority investors in Skye (the "Majority Investors") individually and derivatively on behalf of Skye against, among others, certain entities and persons in or related to the Group (collectively, the "Parties"), alleging, among other things, that they suffered from diminution in the value of their equity interests in CS Mining based on an alleged scheme perpetrated by the Parties on CS Mining. The Group, individually and derivatively on behalf of Skye, also filed a counterclaim against the Majority Investors and their related persons (the "Counterparties"), in which the Group has claimed that the Counterparties, at all relevant times, controlled both Skye and CS Mining, preferred their own interests over those of Skye and its creditors and other owners and that this misconduct of the Counterparties caused the Group to suffer loss. The parties have preliminarily agreed to settle the litigation and all claims that exist and are in discussions regarding the same. Further update will be provided if and when the settlement agreement is concluded.

Aside from the abovementioned, the Group had neither material contingent liabilities outstanding nor charges on the Group's assets at the end of the Period (31 December 2023 — Nil).

Total capital commitment of the Group as at 30 June 2024 amounted to HK\$81 million (31 December 2023 — HK\$88 million), which are mainly related to the committed investments in certain unlisted investment funds for long-term strategic purpose. The investments or capital assets will be financed by the Group's internal resources and/or external bank financing, as appropriate.

Staff and Remuneration

The Group had 856 full-time employees as at 30 June 2024 (30 June 2023 — 786 full-time employees). Staff costs (including directors' emoluments) charged to the statement of profit or loss for the Period amounted to HK\$164 million (2023 — HK\$150 million). The Group ensures that its employees are offered competitive remuneration packages. The Group also provides benefits such as medical insurance and retirement funds to employees to sustain competitiveness of the Group.

Prospects

Global growth is projected to stabilise in this year. The Ministry of Trade and Industry in Singapore has narrowed Singapore's GDP growth forecast for 2024 to 2.0% to 3.0% from 1.0% to 3.0%. With the support of the government, it is expected that the economy of mainland China is likely to be stronger. However, it may take longer time for the property market in mainland China to rebound. Given continued inflationary pressures, central banks in both advanced economies and developing economies will likely remain cautious in easing monetary policy. The escalation in geopolitical and trade conflicts could dampen business sentiments and increase production costs, which could weigh on global trade and investment. Amid the challenging operating environment, the Group and its joint ventures and associates will continue to manage their businesses and monitor their assets and investments cautiously and exercise prudent capital management.

Additional Information

Interim Dividend

The Directors have resolved not to declare the payment of any interim dividend for the six months ended 30 June 2024 (2023 — Nil).

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations

As at 30 June 2024, the interests or short positions of the Directors and chief executive of the Company in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) (the "Associated Corporations"), as recorded in the register required to be kept by the Company under Section 352 of 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 under the Rules Governing the Listing of Securities on the Stock Exchange (the "Model Code"), were as follows:

Interests in shares and underlying shares of the Company and Associated Corporations

Name of Director	Personal interests (held as beneficial owner)	Family interests (interest of spouse)	Corporate interests (interest of controlled corporations)	Other interests	Total interests	Approximate percentage of total interests in the issued shares
Number of ordinary shares in the Company						
Stephen Riady	–	–	369,800,219 <i>Note (i)</i>	–	369,800,219	74.98
John Luen Wai Lee	1,031,250	–	–	–	1,031,250	0.21
Davy Kwok Fai Lee	48	48	–	–	96	0.00
Jark Pui Lee	–	60	–	–	60	0.00
Number of ordinary shares in Lippo China Resources Limited ("LCR")						
Stephen Riady	–	–	689,018,438 <i>Notes (i) and (ii)</i>	–	689,018,438	74.99
Min Yen Goh	–	–	–	200,000 <i>Note (iii)</i>	200,000	0.02
Number of ordinary shares of HK\$0.10 each in Hongkong Chinese Limited ("HKC")						
Stephen Riady	–	–	1,477,715,492 <i>Notes (i) and (iv)</i>	–	1,477,715,492	73.95
John Luen Wai Lee	2,000,270	270	–	–	2,000,540	0.10
Davy Kwok Fai Lee	350	350	–	–	700	0.00
Jark Pui Lee	469	469	–	–	938	0.00
King Fai Tsui	600,000	75,000	–	–	675,000	0.03

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations (Continued)

Interests in shares and underlying shares of the Company and Associated Corporations (Continued)

Note:

- (i) As at 30 June 2024, Lippo Capital Limited ("Lippo Capital"), an Associated Corporation of the Company, was directly interested in 369,800,219 ordinary shares in, representing approximately 74.98% of the issued shares of, the Company. Lippo Capital was a 60% owned subsidiary of Lippo Capital Holdings Company Limited ("Lippo Capital Holdings"), an Associated Corporation of the Company, which in turn was a wholly-owned subsidiary of Lippo Capital Group Limited ("Lippo Capital Group"), an Associated Corporation of the Company. Dr. Stephen Riady ("Dr. Riady") was the beneficial owner of one ordinary share in, representing 100% of the issued share capital of, Lippo Capital Group.
- (ii) As at 30 June 2024, the Company, through its 100% owned subsidiary, was indirectly interested in 689,018,438 ordinary shares in, representing approximately 74.99% of the issued shares of, LCR.
- (iii) As at 30 June 2024, Ms. Min Yen Goh (in the capacity of an executor) was deemed to be interested in 200,000 ordinary shares in, representing approximately 0.02% of the issued shares of, LCR.
- (iv) As at 30 June 2024, the Company, through its 100% owned subsidiary, was indirectly interested in 1,477,715,492 ordinary shares of HK\$0.10 each in, representing approximately 73.95% of the issued shares of, HKC.

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations (Continued)

Interests in shares and underlying shares of the Company and Associated Corporations (Continued)

As mentioned in Note (i) above, Dr. Riady was the beneficial owner of one ordinary share in, representing 100% of the issued share capital of, Lippo Capital Group. Through his interest in Lippo Capital Group, Dr. Riady was also interested or taken to be interested (through controlled corporations) in the issued shares of the following Associated Corporations of the Company as at 30 June 2024:

Name of Associated Corporation	Note	Class of shares	Number of shares interested	Approximate percentage of interest in the issued shares
Abital Trading Pte. Limited	(a)	Ordinary shares	2	100
Auric Digital Retail Pte. Ltd. ("Auric Digital")	(b)	Ordinary shares	10	100
Auric Pacific Group Limited ("Auric")	(c)	Ordinary shares	80,618,551	65.48
Bentham Holdings Limited	(d)	Ordinary shares	1	100
Boudry Limited	(a)	Ordinary shares	10	100
	(a)	Non-voting deferred shares	1,000	100
Broadwell Overseas Holdings Limited	(a)	Ordinary shares	1	100
Grand Peak Investment Limited	(a)	Ordinary shares	2	100
Greenorth Holdings Limited	(a)	Ordinary shares	1	100
Lippo Assets (International) Limited	(a)	Ordinary shares	1	100
	(a)	Non-voting deferred shares	15,999,999	100
Lippo Capital	(d)	Ordinary shares	423,414,001	60
Lippo Capital Holdings	(e)	Ordinary shares	1	100
Lippo Investments Limited	(a)	Ordinary shares	2	100
Lippo Realty Limited	(a)	Ordinary shares	2	100
Multi-World Builders & Development Corporation	(a)	Ordinary shares	4,080	51
PT Matahari Department Store Tbk.	(f)	Ordinary shares	1,549,633,796	68.56
The HCB General Investment (Singapore) Pte Ltd	(a)	Ordinary shares	100,000	100
Valencia Development Limited	(a)	Ordinary shares	800,000	100
	(a)	Non-voting deferred shares	200,000	100

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations (Continued)

Interests in shares and underlying shares of the Company and Associated Corporations (Continued)

Note:

- (a) Such share(s) was/were 100% held directly or indirectly by Lippo Capital, a 60% owned indirect subsidiary of Lippo Capital Group.
- (b) Of these shares, 6 ordinary shares were held by Auric Bespoke I Pte. Ltd. ("Auric Bespoke") and 4 ordinary shares were held by OUE Retail Holdings Pte. Ltd. ("OUE Retail"). Auric Bespoke was a wholly-owned subsidiary of Auric Capital Holdings Limited which was owned as to 50% by Edgemont Hill Holdings Limited ("Edgemont"). Edgemont was wholly owned by Dr. Riady. OUE Retail was 100% owned direct subsidiary of OUE Limited ("OUE"). OUE was indirectly owned as to approximately 73.65% by Fortune Crane Limited ("FCL"). HKC, through its 50% joint venture, Lippo ASM Asia Property Limited, held approximately 92.05% interest in FCL. Details of Dr. Riady's interest in the Company and HKC are disclosed in Notes (i) and (iv) above.
- (c) Of these shares, 4,999,283 ordinary shares were held by Jeremiah Holdings Limited ("Jeremiah"), a 60% owned indirect subsidiary of LCR; 20,004,000 ordinary shares were held by Nine Heritage Pte Ltd, an 80% owned direct subsidiary of Jeremiah; 36,165,052 ordinary shares were held by Pantogon Holdings Pte Ltd, a 100% owned indirect subsidiary of LCR and 759,000 ordinary shares were held by Max Turbo Limited, a 100% owned indirect subsidiary of LCR. Details of Dr. Riady's interest in LCR are disclosed in Notes (i) and (ii) above. In addition, as at 30 June 2024, 18,691,216 ordinary shares were held by Silver Creek Capital Pte. Ltd. ("Silver Creek"). Dr. Riady, through companies controlled by him, is the beneficial owner of 100% of the issued shares in Silver Creek. Accordingly, Dr. Riady was taken to be interested in an aggregate of 80,618,551 ordinary shares in, representing approximately 65.48% of the issued shares of, Auric.
- (d) Such share(s) was/were held directly by Lippo Capital Holdings which in turn was a direct wholly-owned subsidiary of Lippo Capital Group.
- (e) Such share was 100% held directly by Lippo Capital Group.
- (f) Of these shares, 209,992,000 ordinary shares were held by PT Multipolar Tbk. ("PT Multipolar"); 100,000,000 ordinary shares were held by PT Cahaya Investama ("PT Cahaya"); 100,000,000 ordinary shares were held by PT Surya Cipta Investama ("PT Surya"); 100,000,000 ordinary shares were held by PT Reksa Puspita Karya ("PT Reksa"), 960,021,796 ordinary shares were held by Auric Digital and 79,620,000 ordinary shares were held by OUE Investments Pte. Ltd., a 100% owned direct subsidiary of OUE. PT Cahaya, PT Surya and PT Reksa were owned as to 99.99% by PT Multipolar. PT Multipolar was owned as to 42.03% by PT Inti Anugerah Pratama which in turn was owned as to 40% by Fullerton Capital Limited ("Fullerton"). Dr. Riady, through a company controlled by him, is the beneficial owner of 100% of the issued shares in Fullerton. Details of Dr. Riady's interest in Auric Digital and OUE are disclosed in Note (b) above.

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations (Continued)

As at 30 June 2024, none of the Directors or chief executive of the Company had any interests in the underlying shares in respect of physically settled, cash settled or other equity derivatives of the Company or any of its Associated Corporations.

All the interests stated above represent long positions. Save as disclosed herein, as at 30 June 2024, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its Associated Corporations which were required to be recorded in the register kept by the Company under Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

As at 30 June 2024, none of the Directors or chief executive of the Company nor their spouses or minor children (natural or adopted) were granted or had exercised any rights to subscribe for any equity or debt securities of the Company or any of its Associated Corporations.

Updated Directors' Information

The following is the updated information of the Directors of the Company disclosed pursuant to rule 13.51B(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited:

1. The director's fee paid to each of the Directors was adjusted from HK\$22,100 per month to HK\$22,900 per month with effect from 1 April 2024.
2. The fees paid to the non-executive Directors for serving as the Chairmen and members of various board committees of the Company were adjusted from HK\$7,300 per month to HK\$7,600 per month and from HK\$4,700 per month to HK\$4,900 per month respectively with effect from 1 April 2024.
3. Mr. John Luen Wai Lee ("Mr. Lee") was re-designated from the Managing Director and Chief Executive Officer to the Deputy Chairman of the Company with effect from 7 June 2024. Mr. Lee was re-designated from the Chief Executive Officer to the Deputy Chairman of Lippo China Resources Limited and Hongkong Chinese Limited with effect from 7 June 2024. Both companies are non-wholly owned subsidiaries of the Company.

Share Option Scheme

Details of the share option scheme of a subsidiary of the Company are set out below.

A share option scheme of Asia Now Resources Corp. (“Asia Now”, a subsidiary of the Company) (the “ANR Share Option Scheme”), which was approved by the shareholders of Asia Now, Lippo China Resources Limited (a listed subsidiary of the Company) and the Company, was adopted on 11 September 2014.

As at the beginning and end of the period under review, there were no outstanding options granted under the ANR Share Option Scheme to subscribe for shares in Asia Now (the “ANR Shares”). No option of Asia Now was granted, exercised, cancelled or lapsed under the ANR Share Option Scheme during the period.

Following the receivership entered into in August 2015, the listing of Asia Now was transferred from TSX Venture Exchange of Canada (“TSXVE”) to NEX, a separate board of TSXVE which provides a trading forum for listed companies in Canada that have fallen below TSXVE’s ongoing financial listing standards. The receivership of Asia Now was completed in April 2016. The ANR Shares were subsequently delisted from NEX.

Purchase, Sale or Redemption of the Company’s Listed Securities

During the six months ended 30 June 2024, there was no purchase, sale or redemption of the Company’s listed securities by the Company or any of its subsidiaries.

Interests and Short Positions of Shareholders Discloseable under the Securities and Futures Ordinance

As at 30 June 2024, so far as is known to the Directors of the Company, the following persons (other than the Directors or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the Securities and Futures Ordinance (the "SFO") as follows:

Interests of substantial shareholders in shares of the Company

Name of substantial shareholder	Number of ordinary shares	Approximate percentage of the issued shares
Lippo Capital Limited ("Lippo Capital")	369,800,219	74.98
Lippo Capital Holdings Company Limited ("Lippo Capital Holdings")	369,800,219	74.98
Lippo Capital Group Limited ("Lippo Capital Group")	369,800,219	74.98
Madam Shincee Leonardi	369,800,219	74.98
PT Trijaya Utama Mandiri ("PT TUM")	369,800,219	74.98
Mr. James Tjahaja Riady	369,800,219	74.98
Madam Aileen Hambali	369,800,219	74.98

Note:

- 369,800,219 ordinary shares of the Company were held by Lippo Capital directly as beneficial owner.
- Lippo Capital Holdings owned 60% of the issued shares in Lippo Capital. Lippo Capital Group owned 100% of the issued share capital of Lippo Capital Holdings. Dr. Stephen Riady was the beneficial owner of 100% of the issued share capital of Lippo Capital Group. Madam Shincee Leonardi is the spouse of Dr. Stephen Riady.
- PT TUM owned the remaining 40% of the issued shares in Lippo Capital. PT TUM was wholly owned by Mr. James Tjahaja Riady who is a brother of Dr. Stephen Riady. Madam Aileen Hambali is the spouse of Mr. James Tjahaja Riady.
- Lippo Capital's interests in the ordinary shares of the Company were recorded as the interests of Lippo Capital Holdings, Lippo Capital Group, Madam Shincee Leonardi, PT TUM, Mr. James Tjahaja Riady and Madam Aileen Hambali. The above 369,800,219 ordinary shares of the Company related to the same block of shares that Dr. Stephen Riady was interested, details of which are disclosed in the above section headed "Directors' and chief executive's interests and short positions in shares, underlying shares and debentures of the Company and associated corporations".

All the interests stated above represent long positions. Save as disclosed herein, as at 30 June 2024, none of the substantial shareholders or other persons (other than the Directors or chief executive of the Company) had any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

Disclosure pursuant to rule 13.20 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

The Group has granted financial assistance to Fortune Crane Limited (“FCL”), a subsidiary of Lippo ASM Asia Property Limited which in turn is a principal joint venture of the Company. The relevant advances disclosed pursuant to rule 13.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and remained outstanding as at 30 June 2024 were granted under the following loan agreements:

- (i) a loan agreement dated 29 May 2015 between FCL and Pacific Landmark Holdings Limited (“PLH”), a then subsidiary of the Company, pursuant to which PLH agreed to advance a loan of S\$53,920,839.43 (the “Loan”) to FCL;
- (ii) a loan agreement dated 28 August 2015 between FCL and PLH pursuant to which PLH agreed to make available a loan facility of S\$7,000,000 (the “Interim Loan”) to FCL;
- (iii) a loan agreement dated 28 August 2015 between FCL and PLH pursuant to which PLH agreed to advance a further loan of S\$100,000,000 (the “Further Loan”) to FCL;
- (iv) a loan agreement dated 12 October 2015 between FCL and PLH pursuant to which PLH agreed to make available a loan facility of S\$2,000,000 (the “Second Interim Loan”) to FCL;
- (v) a loan agreement dated 30 November 2015 between FCL and PLH pursuant to which PLH agreed to make available a new loan facility of S\$38,000,000 (the “New Loan”) to FCL;
- (vi) a loan agreement dated 19 July 2016 between FCL and PLH pursuant to which PLH agreed to make available a loan facility of approximately S\$14,959,000 (the “July 2016 Loan”) to FCL; and
- (vii) a loan agreement dated 20 October 2016 between FCL and Polar Step Limited (“PSL”), a subsidiary of the Company, pursuant to which PSL agreed to make available a loan facility in the maximum principal amount of S\$155,000,000 (the “October 2016 Facility”) to FCL. The October 2016 Facility was first drawn on 4 January 2017 (the “October 2016 Facility Drawdown Date”) and is unsecured, subject to an interest rate of 2.25% per annum and repayable on demand.

In addition, an unsecured loan of approximately S\$10,314,000 (the “June 2013 Loan”) was advanced by PLH to FCL on 20 June 2013.

Disclosure pursuant to rule 13.20 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (Continued)

On 20 October 2016, PLH assigned all of its rights, interests, benefits and title in the June 2013 Loan, the Loan, the Further Loan and the July 2016 Loan to PSL. Pursuant to an amended and restated loan agreement dated 20 October 2016 between, inter alia, PSL and FCL, with effect from the October 2016 Facility Drawdown Date, the interest rate of each of the June 2013 Loan, the Loan, the Further Loan and the July 2016 Loan was amended from 6.5% per annum to 2.25% per annum and the repayment date was amended to repayable on demand.

On 4 January 2017, PLH assigned all of its rights, interests, benefits and title in the Interim Loan, the Second Interim Loan and the New Loan to PSL. Pursuant to an amended and restated loan agreement dated 4 January 2017 between, inter alia, PSL and FCL (which was replaced by a second amended and restated loan agreement dated 4 January 2021), with effect from 4 January 2017, the interest rate of each of the Interim Loan, the Second Interim Loan and the New Loan was amended from 6.5% per annum to 2.25% per annum and such loans will be repayable on demand.

FCL prepaid PSL S\$6,423,108.11 (the "Prepaid Loan") out of the Interim Loan in December 2020 and reborrowed the Prepaid Loan in January 2021 pursuant to a consent letter dated 20 December 2020 between, inter alia, PSL and FCL.

All the above advances to FCL are unsecured. As at 30 June 2024, the outstanding balance of the above advances amounted to approximately S\$380,420,000 (equivalent to approximately HK\$2,190,572,000).

Audit Committee

The Company has established an audit committee (the "Committee"). The existing members of the Committee comprise two independent non-executive Directors, namely Mr. Victor Ha Kuk Yung (Chairman) and Mr. King Fai Tsui and one non-executive Director, Mr. Leon Nim Leung Chan. The Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and financial reporting matters including the review of the unaudited consolidated interim financial statements of the Group for the six months ended 30 June 2024.

Corporate Governance

The Company is committed to ensuring high standards of corporate governance practices. The Board of Directors of the Company (the “Board”) believes that good corporate governance practices are increasingly important for maintaining and promoting investor confidence. Corporate governance requirements keep changing, therefore the Board reviews its corporate governance practices from time to time to ensure they meet public and shareholder expectations, comply with legal and professional standards and reflect the latest local and international developments. The Board will continue to commit itself to achieving a high quality of corporate governance so as to safeguard the interests of shareholders and enhance shareholder value.

To the best knowledge and belief of the Directors, the Directors consider that the Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the six months ended 30 June 2024.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix C3 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as the code for securities transactions by Directors. Having made specific enquiry of all Directors, the Directors have complied with the required standard set out in the Model Code during the period under review.

By Order of the Board
Lippo Limited
Davy Kwok Fai Lee
Chief Executive Officer

Hong Kong, 27 August 2024

Supplementary Financial Information

Disclosure pursuant to rule 13.22 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

Set out below is a pro forma combined statement of financial position of the Group's affiliates as at 30 June 2024 (being the latest practicable date for determining the relevant figures) required to be disclosed under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited:

	HK\$'000
Pro forma combined statement of financial position	
Intangible assets	1,743,576
Fixed assets	4,501,269
Investment properties	30,173,262
Right-of-use assets	402,773
Interests in equity-accounted investees	8,531,371
Properties held for sale	236,479
Financial assets at fair value through other comprehensive income	719,028
Financial assets at fair value through profit or loss	764,247
Debtors, prepayments and other assets	1,550,095
Cash and cash equivalents	2,135,552
Assets classified as held for sale	198,782
Other net assets	146,605
Bank and other borrowings	(18,606,515)
Lease liabilities	(402,772)
Creditors, accruals and other liabilities	(2,257,677)
Tax payable	(326,528)
Shareholders' advance	(3,680,263)
Deferred tax liabilities	(747,262)
Non-controlling interests	(16,273,719)
	8,808,303
Group's attributable interest (Note)	10,837,721

Note: The Group's attributable interest represents that portion attributable to the Group before non-controlling interests included therein.

Corporate Information

HONORARY CHAIRMAN*

Dr. Mochtar Riady

BOARD OF DIRECTORS

Executive Directors

Dr. Stephen Riady (*Chairman*)

Mr. John Luen Wai Lee, BBS, JP
(*Deputy Chairman*)

Mr. Davy Kwok Fai Lee
(*Chief Executive Officer*)

Mr. Brian Riady

Non-executive Directors

Mr. Jark Pui Lee, SBS, OBE, JP

Mr. Leon Nim Leung Chan

Independent non-executive Directors

Mr. King Fai Tsui

Mr. Victor Ha Kuk Yung

Ms. Min Yen Goh

COMMITTEES

Audit Committee

Mr. Victor Ha Kuk Yung (*Chairman*)

Mr. Leon Nim Leung Chan

Mr. King Fai Tsui

Remuneration Committee

Mr. King Fai Tsui (*Chairman*)

Mr. Leon Nim Leung Chan

Mr. Victor Ha Kuk Yung

Ms. Min Yen Goh

Dr. Stephen Riady

Nomination Committee

Mr. King Fai Tsui (*Chairman*)

Mr. Leon Nim Leung Chan

Mr. Victor Ha Kuk Yung

Ms. Min Yen Goh

Dr. Stephen Riady

* *non-officer position*

SECRETARY

Ms. Millie Yuen Fun Luk

AUDITOR

Ernst & Young

Certified Public Accountants

Registered Public Interest Entity Auditor

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited

Fubon Bank (Hong Kong) Limited

China CITIC Bank International Limited

UBS AG

SOLICITORS

Howse Williams

REGISTRAR

Tricor Progressive Limited

17th Floor, Far East Finance Centre

16 Harcourt Road

Hong Kong

REGISTERED OFFICE

40th Floor, Tower Two

Lippo Centre

89 Queensway

Hong Kong

STOCK CODE

226

WEBSITE

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