



**Hongkong Chinese Limited**  
**香港華人有限公司\***

*(Incorporated in Bermuda with limited liability)*  
(Stock Code: 655)

# 2024 Interim Report

\* For identification purpose only





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The Board of Directors of Hongkong Chinese 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
<b>Revenue</b>	3	<b>36,177</b>	36,862
Cost of sales		<b>(1,203)</b>	(1,131)
<b>Gross profit</b>		<b>34,974</b>	35,731
Administrative expenses		<b>(8,784)</b>	(17,438)
Other operating expenses	5	<b>(7,397)</b>	(9,917)
Other losses — net	4	<b>(309)</b>	(129)
Finance costs		<b>(14,790)</b>	(11,337)
Share of results of associates		<b>10,021</b>	2,954
Share of results of joint ventures	6	<b>(432,682)</b>	90,555
<b>Profit/(Loss) before tax</b>	5	<b>(418,967)</b>	90,419
Income tax	7	<b>(3,000)</b>	(2,248)
<b>Profit/(Loss) for the period</b>		<b>(421,967)</b>	88,171
<b>Attributable to:</b>			
Equity holders of the Company		<b>(421,610)</b>	88,679
Non-controlling interests		<b>(357)</b>	(508)
		<b>(421,967)</b>	88,171
		<b>HK cents</b>	HK cents
<b>Earnings/(Loss) per share attributable to equity holders of the Company</b>	8		
Basic and diluted		<b>(21.1)</b>	4.4

# 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
<b>Profit/(Loss) for the period</b>	<b>(421,967)</b>	88,171
<b>Other comprehensive income/(loss)</b>		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	<b>(13,274)</b>	(7,898)
Exchange differences reclassified to profit or loss upon liquidation of foreign operations	<b>35</b>	–
Share of other comprehensive loss of joint ventures:		
Exchange differences on translation of foreign operations	<b>(357,790)</b>	(179,684)
Other reserve	<b>(755)</b>	(145)
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods, net of tax	<b>(371,784)</b>	(187,727)
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	<b>(2)</b>	(5)
Share of changes in fair value of equity instruments at fair value through other comprehensive income of joint ventures	<b>(85,776)</b>	(76,299)
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods, net of tax	<b>(85,778)</b>	(76,304)
Other comprehensive loss for the period, net of tax	<b>(457,562)</b>	(264,031)
<b>Total comprehensive loss for the period</b>	<b>(879,529)</b>	(175,860)
<b>Attributable to:</b>		
Equity holders of the Company	<b>(879,059)</b>	(174,831)
Non-controlling interests	<b>(470)</b>	(1,029)
	<b>(879,529)</b>	(175,860)

# Condensed Consolidated Statement of Financial Position

As at 30 June 2024

	Note	30 June 2024 HK\$'000 (Unaudited)	31 December 2023 HK\$'000 (Audited)
<b>Non-current assets</b>			
Fixed assets		9,902	7,984
Investment properties		129,739	131,289
Right-of-use assets		123	263
Interests in associates		299,395	297,534
Interests in joint ventures	6	9,667,424	10,479,831
Financial assets at fair value through other comprehensive income		65	72
Financial assets at fair value through profit or loss		2,780	2,850
		<b>10,109,428</b>	10,919,823
<b>Current assets</b>			
Properties held for sale		63,892	64,266
Properties under development		20,636	23,408
Debtors, prepayments and other assets	10	1,781	4,143
Financial assets at fair value through profit or loss		219	226
Tax recoverable		736	761
Cash and cash equivalents		124,900	145,457
		<b>212,164</b>	238,261
<b>Current liabilities</b>			
Lease liabilities		127	269
Other payables, accruals and other liabilities		17,922	21,403
Tax payable		31,936	30,401
		<b>49,985</b>	52,073
<b>Net current assets</b>		<b>162,179</b>	186,188
<b>Total assets less current liabilities</b>		<b>10,271,607</b>	11,106,011

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)
<b>Non-current liabilities</b>			
Bank loans	11	497,444	465,667
Deferred tax liabilities		11,197	11,352
		<b>508,641</b>	477,019
<b>Net assets</b>			
		<b>9,762,966</b>	10,628,992
<b>Equity</b>			
Equity attributable to equity holders of the Company			
Share capital	12	199,828	199,828
Reserves	13	9,547,438	10,412,994
		<b>9,747,266</b>	10,612,822
Non-controlling interests		15,700	16,170
		<b>9,762,966</b>	10,628,992
<b>Total equity</b>			

# 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	Share premium account	Capital redemption reserve (Note 13(b))	Fair value reserve of financial assets at FVOCI*	Hedging reserve (Note 13(c))	Exchange equalisation reserve	Distributable reserves (Note 13(b))	Total	Non-controlling interests	Total equity
At 1 January 2024	199,828	-	22,144	(732,121)	(3,213)	(109,830)	11,236,014	10,612,822	16,170	10,628,992
Loss for the period	-	-	-	-	-	-	(421,610)	(421,610)	(357)	(421,967)
Other comprehensive income/(loss) for the period:										
Exchange differences on translation of foreign operations	-	-	-	-	-	(13,161)	-	(13,161)	(113)	(13,274)
Exchange differences reclassified to profit or loss upon liquidation of foreign operations	-	-	-	-	-	35	-	35	-	35
Changes in fair value of equity instruments at fair value through other comprehensive income	-	-	-	(2)	-	-	-	(2)	-	(2)
Share of other comprehensive loss of joint ventures	-	-	-	(85,776)	(755)	(357,790)	-	(444,321)	-	(444,321)
Total comprehensive loss for the period	-	-	-	(85,778)	(755)	(370,916)	(421,610)	(879,059)	(470)	(879,529)
Share of equity movements arising on equity transactions of joint ventures	-	-	-	-	-	-	33,486	33,486	-	33,486
Share of transfer of reserve of joint ventures	-	-	-	(2,161)	-	-	2,161	-	-	-
2023 final dividend declared and paid to shareholders of the Company	-	-	-	-	-	-	(19,983)	(19,983)	-	(19,983)
<b>At 30 June 2024</b>	<b>199,828</b>	<b>-</b>	<b>22,144</b>	<b>(820,060)</b>	<b>(3,968)</b>	<b>(480,746)</b>	<b>10,830,068</b>	<b>9,747,266</b>	<b>15,700</b>	<b>9,762,966</b>
At 1 January 2023	1,998,280	92,775	22,144	(615,019)	5,961	(33,054)	9,209,259	10,680,346	17,373	10,697,719
Profit/(Loss) for the period	-	-	-	-	-	-	88,679	88,679	(508)	88,171
Other comprehensive loss for the period:										
Exchange differences on translation of foreign operations	-	-	-	-	-	(7,377)	-	(7,377)	(521)	(7,898)
Changes in fair value of equity instruments at fair value through other comprehensive income	-	-	-	(5)	-	-	-	(5)	-	(5)
Share of other comprehensive loss of joint ventures	-	-	-	(76,299)	(145)	(179,684)	-	(256,128)	-	(256,128)
Total comprehensive income/(loss) for the period	-	-	-	(76,304)	(145)	(187,061)	88,679	(174,831)	(1,029)	(175,860)
Share of equity movements arising on equity transactions of joint ventures	-	-	-	-	-	-	9,570	9,570	-	9,570
Share of transfer of reserve of joint ventures	-	-	-	(14,122)	-	-	14,122	-	-	-
<b>At 30 June 2023</b>	<b>1,998,280</b>	<b>92,775</b>	<b>22,144</b>	<b>(705,445)</b>	<b>5,816</b>	<b>(220,115)</b>	<b>9,321,630</b>	<b>10,515,085</b>	<b>16,344</b>	<b>10,531,429</b>

\* 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 used in operating activities	<b>(14,346)</b>	(23,522)
Cash flows from investing activities		
Payments to acquire fixed assets	<b>(2,551)</b>	(1,131)
Other net cash flows arising from investing activities	<b>70</b>	223
Net cash flows used in investing activities	<b>(2,481)</b>	(908)
Cash flows from financing activities		
Drawdown of bank and other borrowings	<b>30,000</b>	49,000
Repayment of other borrowings	<b>–</b>	(43,000)
Finance costs paid	<b>(13,041)</b>	(9,584)
Dividend paid to shareholders of the Company	<b>(19,983)</b>	–
Other net cash flows arising from financing activities	<b>(136)</b>	(132)
Net cash flows used in financing activities	<b>(3,160)</b>	(3,716)
Net decrease in cash and cash equivalents	<b>(19,987)</b>	(28,146)
Cash and cash equivalents at beginning of period	<b>145,457</b>	207,373
Exchange realignments	<b>(570)</b>	(2,134)
Cash and cash equivalents at end of period	<b>124,900</b>	177,093

# 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 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.

## 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; and
- (e) the “other” segment comprises principally the provision of project management services.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(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)

	Property investment HK\$'000	Property development HK\$'000	Treasury investment HK\$'000	Securities investment HK\$'000	Other HK\$'000	Consolidated HK\$'000
<b>Six months ended 30 June 2024</b>						
<b>Revenue — external</b>	<b>34,681</b>	<b>–</b>	<b>1,285</b>	<b>–</b>	<b>211</b>	<b>36,177</b>
<b>Segment results</b>	<b>16,328</b>	<b>(1,954)</b>	<b>1,285</b>	<b>(80)</b>	<b>(1,189)</b>	<b>14,390</b>
Unallocated corporate expenses						(10,696)
Share of results of associates	–	10,021	–	–	–	10,021
Share of results of joint ventures	(432,682)	–	–	–	–	(432,682)
Loss before tax						(418,967)
<b>Other segment information:</b>						
Depreciation	(13)	(27)	–	–	(138)	(178)
Interest income	31,075	–	1,285	–	–	32,360
Finance costs	(14,786)	–	–	–	(4)	(14,790)
Net fair value loss on financial instruments at fair value through profit or loss	–	–	–	(77)	–	(77)
Unallocated:						
Capital expenditure (Note)						2,551
Depreciation						(439)
Loss on disposal of fixed assets						(2)
Realised translation loss reclassified to the statement of profit or loss relating to liquidation of foreign operations						(35)
<b>Six months ended 30 June 2023</b>						
<b>Revenue — external</b>	<b>34,790</b>	<b>–</b>	<b>1,822</b>	<b>2</b>	<b>248</b>	<b>36,862</b>
<b>Segment results</b>	<b>20,030</b>	<b>(2,679)</b>	<b>1,822</b>	<b>(140)</b>	<b>(1,391)</b>	<b>17,642</b>
Unallocated corporate expenses						(20,732)
Share of results of associates	–	2,954	–	–	–	2,954
Share of results of joint ventures	90,555	–	–	–	–	90,555
Profit before tax						90,419
<b>Other segment information:</b>						
Capital expenditure (Note)	45	10	–	–	–	55
Depreciation	(18)	(1)	–	–	(140)	(159)
Interest income	31,195	–	1,822	–	–	33,017
Finance costs	(11,328)	–	–	–	(9)	(11,337)
Net fair value loss on financial instruments at fair value through profit or loss	–	–	–	(139)	–	(139)
Unallocated:						
Capital expenditure (Note)						1,076
Depreciation						(2,881)

Note: Capital expenditure includes additions to fixed assets.

**2. SEGMENT INFORMATION** (Continued)

	Property investment HK\$'000	Property development HK\$'000	Treasury investment HK\$'000	Securities investment HK\$'000	Other HK\$'000	Consolidated HK\$'000
<b>At 30 June 2024 (unaudited)</b>						
<b>Segment assets</b>	<b>169,299</b>	<b>73,317</b>	<b>99,876</b>	<b>3,064</b>	<b>181</b>	<b>345,737</b>
Interests in associates	6,817	292,578	-	-	-	299,395
Interests in joint ventures	9,667,424	-	-	-	-	9,667,424
Unallocated assets						9,036
Total assets						10,321,592
<b>Segment liabilities</b>	<b>502,569</b>	<b>8,926</b>	<b>-</b>	<b>-</b>	<b>150</b>	<b>511,645</b>
Unallocated liabilities						46,981
Total liabilities						558,626
<b>At 31 December 2023 (audited)</b>						
<b>Segment assets</b>	<b>169,860</b>	<b>76,589</b>	<b>121,477</b>	<b>3,148</b>	<b>338</b>	<b>371,412</b>
Interests in associates	7,132	290,402	-	-	-	297,534
Interests in joint ventures	10,479,831	-	-	-	-	10,479,831
Unallocated assets						9,307
Total assets						11,158,084
<b>Segment liabilities</b>	<b>470,429</b>	<b>8,983</b>	<b>-</b>	<b>-</b>	<b>347</b>	<b>479,759</b>
Unallocated liabilities						49,333
Total liabilities						529,092

**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:		
Provision of project management services	209	246
Revenue from other sources:		
Property rental income from operating leases	3,606	3,595
Interest income	32,360	33,017
Dividend income	-	2
Other	2	2
	<b>35,968</b>	36,616
	<b>36,177</b>	36,862

## Notes to the Interim Financial Statements (Continued)

### 3. REVENUE (Continued)

Disaggregated revenue information for revenue from contracts with customers

	Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
Other segment:		
Types of goods or services:		
Provision of project management services	209	246
Geographical market:		
Republic of Singapore	209	246
Timing of revenue recognition:		
Services transferred over time	209	246

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

	Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
Other segment:		
Revenue from contracts with external customers	209	246
Revenue from other sources — external	2	2
Total segment revenue	211	248

### 4. OTHER LOSSES — NET

	Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
Fair value losses 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	(7)	(39)
Debt securities	(70)	(100)
Loss on disposal of fixed assets	(77)	(139)
Foreign exchange gains/(losses) — net	(2)	—
Realised translation loss reclassified to the statement of profit or loss relating to liquidation of foreign operations	(195)	10
	(35)	—
	(309)	(129)



**5. PROFIT/(LOSS) BEFORE TAX**

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

	Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
Interest income:		
Loans and advances	<b>31,075</b>	31,195
Other	<b>1,285</b>	1,822
Depreciation of fixed assets	<b>(483)</b>	(2,904)
Depreciation of right-of-use assets	<b>(134)</b>	(136)
Staff costs (Note (a))	<b>(6,259)</b>	(11,930)
Legal and professional fees (Note (b))	<b>(256)</b>	(989)
Consultancy and service fees (Note (b))	<b>(1,989)</b>	(2,894)

Note:

- (a) The amount is included in "Administrative expenses" in the condensed consolidated statement of profit or loss.
- (b) The amounts are included in "Other operating expenses" in the condensed consolidated statement of profit or loss.

**6. SHARE OF RESULTS OF JOINT VENTURES/INTERESTS IN 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. As at 30 June 2024, the Group's total interests in LAAPL was approximately HK\$9,516,412,000 (31 December 2023 — HK\$10,325,161,000).

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 HK\$'000	2023 HK\$'000
Hong Kong:		
Charge for the period	2,832	2,125
Deferred	(1)	(5)
	<b>2,831</b>	2,120
Mainland China and overseas:		
Charge for the period	169	128
Total charge for the period	<b>3,000</b>	2,248

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 1,998,280,000 ordinary shares (2023 — approximately 1,998,280,000 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. 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	31 December
	2024 HK\$'000	2023 HK\$'000
Outstanding balances with ages:		
Within 30 days	21	21
Between 31 and 60 days	22	—
	<b>43</b>	21

**11. BANK LOANS**

	30 June 2024 HK\$'000	31 December 2023 HK\$'000
Unsecured bank loans (Note)	497,444	465,667
Bank loans repayable: In the second year	497,444	465,667

Note: The Group's bank loans were denominated in Hong Kong dollars and bore interest at floating rate. The Company has provided corporate guarantee for the bank loans granted to a subsidiary of the Company.

**12. SHARE CAPITAL**

	30 June 2024 HK\$'000	31 December 2023 HK\$'000
<b>Authorised:</b> 4,000,000,000 (31 December 2023 — 4,000,000,000) ordinary shares of HK\$0.10 each	400,000	400,000
<b>Issued and fully paid:</b> 1,998,280,097 (31 December 2023 — 1,998,280,097) ordinary shares of HK\$0.10 each	199,828	199,828

**13. 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) Transfer from the share premium account to distributable reserves:  
Pursuant to a special resolution passed at a special general meeting of the Company on 2 December 1997, the entire amount standing to the credit of the share premium account of HK\$3,630,765,000 was cancelled (the "Cancellation"). The credit arising from the Cancellation was transferred to the distributable reserves. The balance of the reserves arising from the Cancellation could be applied towards any capitalisation issues of the Company in future, or for making distributions to shareholders of the Company. As at 30 June 2024, the remaining balance arising from the Cancellation amounted to HK\$744,975,000 (31 December 2023 — HK\$744,975,000).

Pursuant to the capital reorganisation effected on 3 July 2023, the balance of the share premium account of HK\$1,891,227,000 was transferred to the distributable reserves. The balance of the reserves arising from the capital reorganisation could be applied towards any capitalisation issues of the Company in future, or for making distributions to shareholders of the Company.

- (b) The distributable reserves and the capital redemption reserve are available for distribution to shareholders.
- (c) The hedging reserve relates to the Group's share of the hedging reserve of joint ventures.

**14. CONTINGENT LIABILITIES**

As at 30 June 2024, the Group had no material contingent liabilities (31 December 2023 — Nil).

**15. COMMITMENTS**

As at 30 June 2024, the Group had no material commitments (31 December 2023 — Nil).

**16. 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 Company paid rental expenses (including service charges) of HK\$551,000 (2023 — HK\$606,000) to a fellow subsidiary of the Company, in respect of office premises occupied by the Company. The rental was determined by reference to the then prevailing open market rentals.
- (b) During the period, the Group received interest income of HK\$31,037,000 (2023 — HK\$31,146,000) from joint ventures of the Group.
- (c) 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.
- (d) As at 30 June 2024, the Group had amounts due from joint ventures of HK\$2,902,950,000 (31 December 2023 — HK\$2,950,735,000) 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\$189,166,000 (31 December 2023 — HK\$189,407,000), 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 venture permit. The remaining balances with the joint ventures are unsecured, interest-free and repayable on demand.

**17. 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	65	72	65	72
Financial assets at fair value through profit or loss	2,999	3,076	2,999	3,076
	<b>3,064</b>	3,148	<b>3,064</b>	3,148

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 and financial liabilities included in other payables, 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 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.

**17. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)**

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 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.

**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	
<b>At 30 June 2024</b>				
Financial assets at fair value through other comprehensive income:				
Equity securities	65	–	–	65
Financial assets at fair value through profit or loss:				
Equity securities	219	–	–	219
Debt securities	–	2,780	–	2,780
	<b>284</b>	<b>2,780</b>	–	<b>3,064</b>
<b>At 31 December 2023</b>				
Financial assets at fair value through other comprehensive income:				
Equity securities	72	–	–	72
Financial assets at fair value through profit or loss:				
Equity securities	226	–	–	226
Debt securities	–	2,850	–	2,850
	<b>298</b>	<b>2,850</b>	–	<b>3,148</b>

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.



# Business Review and Prospects

## Business Review

### Overview

The higher-for-even-longer interest rates have affected the operating environment of various businesses. 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\$422 million for the six months ended 30 June 2024 (the "Period"), as compared to a consolidated profit of HK\$89 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 amounted to HK\$36 million (2023 — HK\$37 million). Property investment business contributed to 96% (2023 — 94%) of total revenue for the Period.

The Group's other operating expenses mainly included legal and professional fees and consultancy and service fees. Other operating expenses amounted to HK\$7 million for the Period (2023 — HK\$10 million). Finance costs increased to HK\$15 million (2023 — HK\$11 million), which was largely driven by higher interest rates during the Period as compared with 2023.

### Property investment

Segment revenue from the property investment business 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. Segment revenue for the Period amounted to HK\$35 million (2023 — HK\$35 million). Segment profit before accounting for share of results from the Group's joint ventures amounted to HK\$16 million for the Period (2023 — HK\$20 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”), the OUEH Group holds a 26.24% stake in Healthway which enhances its regional healthcare ecosystem to include over 130 clinics and medical centres, encompassing a comprehensive spectrum of services covering primary, secondary and ancillary care. The OUEH Group’s portfolio in Singapore also includes 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. 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\$2 million for the Period (2023 — HK\$3 million) before accounting for the share of results from the Group's associates.

### Financial Position

The Group's financial position remained healthy. As at 30 June 2024, its total assets amounted to HK\$10.3 billion (31 December 2023 — HK\$11.2 billion). Property-related assets amounted to HK\$10.2 billion as at 30 June 2024 (31 December 2023 — HK\$11.0 billion), representing 99% (31 December 2023 — 99%) of the total assets. Total liabilities amounted to HK\$0.6 billion (31 December 2023 — HK\$0.5 billion). As at 30 June 2024, cash and cash equivalents amounted to HK\$0.1 billion (31 December 2023 — HK\$0.1 billion). Current ratio as at 30 June 2024 was 4.2 (31 December 2023 — 4.6).

As at 30 June 2024, the Group's bank loans amounted to HK\$497 million (31 December 2023 — HK\$466 million). All bank loans were non-current liabilities, denominated in Hong Kong dollars and carried interest at floating rate. Where appropriate, the Group would use interest rate swaps to modify the interest rate characteristics of its borrowings to limit interest rate exposure. The gearing ratio (measured as total borrowings to equity attributable to equity holders of the Company) was 5.1% as at 30 June 2024 (31 December 2023 — 4.4%).

The net asset value attributable to equity holders of the Company amounted to HK\$9.7 billion as at 30 June 2024 (31 December 2023 — HK\$10.6 billion). This was equivalent to HK\$4.9 per share (31 December 2023 — HK\$5.3 per share).

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

As at 30 June 2024, the Group had no capital commitment (31 December 2023 — Nil). The Group's investments or capital assets will be financed by its internal resources and/or external bank financing, as appropriate.



### Staff and Remuneration

The Group had 23 full-time employees as at 30 June 2024 (30 June 2023 — 40 full-time employees). Staff costs (including directors' emoluments) charged to the statement of profit or loss for the Period amounted to HK\$6 million (2023 — HK\$12 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 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
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#### Number of ordinary shares of HK\$0.10 each in the Company

Stephen Riady	–	–	1,477,715,492 <i>Notes (i) and (ii)</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
King Fai Tsui	600,000	75,000	–	–	675,000	0.03

#### Number of ordinary shares in Lippo Limited ("Lippo")

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

#### Number of ordinary shares in Lippo China Resources Limited ("LCR")

Stephen Riady	–	–	689,018,438 <i>Notes (i) and (iii)</i>	–	689,018,438	74.99
Min Yen Goh	–	–	–	200,000 <i>Note (iv)</i>	200,000	0.02

## 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, Lippo. 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, Lippo, 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, the Company.
- (iii) As at 30 June 2024, Lippo, 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.
- (iv) 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.

## 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
Healthway Medical Corporation Limited ("Healthway")	(e)	Ordinary shares	3,038,634,828	67
Hennessy Holdings Limited	(f)	Ordinary shares	1	100
Huge Success Limited	(f)	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	(g)	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.	(h)	Ordinary shares	1,549,633,796	68.56
Skyscraper Realty Limited	(f)	Ordinary shares	10	100
Superfood Retail Limited ("Superfood")	(i)	Ordinary shares	10,000	100
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"). The Company, 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 are disclosed in Notes (i) and (ii) 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 ("Nine Heritage"), an 80% owned direct subsidiary of Jeremiah; 36,165,052 ordinary shares were held by Pantogon Holdings Pte Ltd ("Pantogon"), a 100% owned indirect subsidiary of LCR and 759,000 ordinary shares were held by Max Turbo Limited ("Max Turbo"), a 100% owned indirect subsidiary of LCR. Details of Dr. Riady's interest in LCR are disclosed in Notes (i) and (iii) 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) Of these shares, 253,865,182 ordinary shares were held by Continental Equity Inc. ("Continental Equity"); 1,594,776,083 ordinary shares were held by Gentle Care Pte. Ltd. ("Gentle Care") and 1,189,993,563 ordinary shares were held by OUEH Investments Pte. Ltd., a 70.36% owned indirect subsidiary of OUE. Continental Equity and Gentle Care were 100% owned indirect subsidiaries of LCR. Accordingly, Dr. Riady was taken to be interested in an aggregate of 3,038,634,828 ordinary shares in, representing approximately 67% of the issued shares of, Healthway. Details of Dr. Riady's interest in OUE and LCR are disclosed in Notes (b), (i) and (iii) above.
- (f) Such share(s) was/were 100% held directly by Lippo. Details of Dr. Riady's interest in Lippo are disclosed in Note (i) above.
- (g) Such share was 100% held directly by Lippo Capital Group.

## 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: (Continued)

- (h) 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.
- (i) Of these shares, 1,625 ordinary shares were held by Nine Heritage; 2,937 ordinary shares were held by Pantogon; 406 ordinary shares were held by Jeremiah; 62 ordinary shares were held by Max Turbo and 4,970 ordinary shares were held by Oddish Ventures Pte. Ltd., a 100% owned indirect subsidiary of OUE. Nine Heritage, Pantogon, Jeremiah and Max Turbo were subsidiaries of LCR. Accordingly, Dr. Riady was taken to be interested in an aggregate of 10,000 ordinary shares in, representing 100% of the issued shares of, Superfood. Details of Dr. Riady's interest in OUE and LCR are disclosed in Notes (b), (i) and (iii) above.

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 represented 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 are 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 was re-designated from the Chief Executive Officer to the Deputy Chairman of the Company with effect from 7 June 2024.

### **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
Hennessy Holdings Limited ("Hennessy")	1,477,715,492	73.95
Lippo Limited ("Lippo")	1,477,715,492	73.95
Lippo Capital Limited ("Lippo Capital")	1,477,715,492	73.95
Lippo Capital Holdings Company Limited ("Lippo Capital Holdings")	1,477,715,492	73.95
Lippo Capital Group Limited ("Lippo Capital Group")	1,477,715,492	73.95
Madam Shincee Leonardi	1,477,715,492	73.95
PT Trijaya Utama Mandiri ("PT TUM")	1,477,715,492	73.95
Mr. James Tjahaja Riady	1,477,715,492	73.95
Madam Aileen Hambali	1,477,715,492	73.95

Note:

- Hennessy, the immediate holding company of the Company, as beneficial owner, directly held 1,477,715,492 ordinary shares in, representing approximately 73.95% of the issued shares of, the Company.
- Lippo directly owned 100% of the issued share capital of Hennessy.
- Lippo Capital was directly interested in 369,800,219 ordinary shares in, representing approximately 74.98% of the issued shares of, Lippo.
- 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.
- Hennessy's interests in the ordinary shares of the Company were recorded as the interests of Lippo, Lippo Capital, Lippo Capital Holdings, Lippo Capital Group, Madam Shincee Leonardi, PT TUM, Mr. James Tjahaja Riady and Madam Aileen Hambali. The above 1,477,715,492 ordinary shares in 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".

## Interests and Short Positions of Shareholders Discloseable under the Securities and Futures Ordinance (Continued)

### Interests of substantial shareholders in shares of the Company (Continued)

All the interests stated above represented 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.

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

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.

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. King Fai Tsui (Chairman) and Mr. Edwin Neo 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  
**Hongkong Chinese 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	1,285,657
Fixed assets	4,345,415
Investment properties	30,173,262
Right-of-use assets	211,658
Interests in equity-accounted investees	8,526,620
Properties held for sale	236,479
Financial assets at fair value through other comprehensive income	701,510
Financial assets at fair value through profit or loss	17,079
Debtors, prepayments and other assets	1,335,312
Cash and cash equivalents	1,923,944
Assets classified as held for sale	198,782
Other net assets	44,462
Bank and other borrowings	(18,605,919)
Lease liabilities	(199,922)
Creditors, accruals and other liabilities	(1,870,108)
Tax payable	(321,610)
Shareholders' advance	(3,348,069)
Deferred tax liabilities	(693,825)
Non-controlling interests	(16,244,704)
	<b>7,716,023</b>
Group's attributable interest ( <i>Note</i> )	<b>9,966,819</b>

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



# Corporate Information

## 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 Director

Mr. Leon Nim Leung Chan

### Independent non-executive Directors

Mr. King Fai Tsui  
Mr. Edwin Neo  
Ms. Min Yen Goh

## COMMITTEES

### Audit Committee

Mr. King Fai Tsui (*Chairman*)  
Mr. Leon Nim Leung Chan  
Mr. Edwin Neo

### Remuneration Committee

Mr. King Fai Tsui (*Chairman*)  
Dr. Stephen Riady  
Mr. Leon Nim Leung Chan  
Mr. Edwin Neo  
Ms. Min Yen Goh

### Nomination Committee

Mr. King Fai Tsui (*Chairman*)  
Dr. Stephen Riady  
Mr. Leon Nim Leung Chan  
Mr. Edwin Neo  
Ms. Min Yen Goh

## 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  
China CITIC Bank International Limited

## SOLICITORS

Howse Williams

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited  
4th Floor North  
Cedar House  
41 Cedar Avenue  
Hamilton HM 12  
Bermuda

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

## REGISTERED OFFICE

Clarendon House  
Church Street  
Hamilton HM 11  
Bermuda

## PRINCIPAL PLACE OF BUSINESS

40th Floor, Tower Two  
Lippo Centre  
89 Queensway  
Hong Kong

## STOCK CODE

655

## WEBSITE

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