



# 2024-2025 INTERIM REPORT

二零二四至二零二五年 中期報告

Creating Better Lifescapes  
建構更美好生活

 SINO HOTELS (HOLDINGS) LIMITED  
信和酒店(集團)有限公司

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## Board of Directors

### Executive Directors

Robert Ng Chee Siong, Chairman  
Daryl Ng Win Kong, SBS, JP, Deputy Chairman

### Non-Executive Directors

Ronald Joseph Arculli, GBM, CVO, GBS, OBE, JP  
Gilbert Lui Wing Kwong  
Nikki Ng Mien Hua

### Independent Non-Executive Directors

Steven Ong Kay Eng  
Wong Cho Bau, JP  
Hung Wai Man, JP

## Audit Committee

Steven Ong Kay Eng, Chairman  
Gilbert Lui Wing Kwong  
Hung Wai Man, JP

## Nomination Committee

Robert Ng Chee Siong, Chairman  
Steven Ong Kay Eng  
Hung Wai Man, JP

## Remuneration Committee

Steven Ong Kay Eng, Chairman  
Hung Wai Man, JP  
Daryl Ng Win Kong, SBS, JP

## Authorised Representatives

Robert Ng Chee Siong  
Daryl Ng Win Kong, SBS, JP

## Company Secretary

Fanny Cheng Siu King

## Auditor

KPMG  
Public Interest Entity Auditor registered in accordance with  
the Accounting and Financial Reporting Council Ordinance

## Solicitors

Clifford Chance, Hong Kong  
Maples and Calder, Cayman Islands

## Principal Registrar

Tricor Investor Services Limited  
17/F, Far East Finance Centre,  
16 Harcourt Road,  
Hong Kong  
Telephone : (852) 2980 1333  
Fax : (852) 2810 8185  
Email : sinohotels1221-ecom@vistra.com

## Principal Bankers

Bank of China (Hong Kong) Limited  
BNP Paribas  
UBS AG  
Hang Seng Bank Limited  
The Hongkong and Shanghai Banking Corporation Limited

## Investor relations contact

Telephone : (852) 2132 8480  
Fax : (852) 2137 5907  
Email : investorrelations@sino.com

## Principal Office

12th Floor, Tsim Sha Tsui Centre,  
Salisbury Road, Tsim Sha Tsui,  
Kowloon, Hong Kong  
Telephone : (852) 2721 8388  
Fax : (852) 2723 5901  
Website : www.sino.com  
Email : info@sino.com

## Registered Office

P.O. Box 309,  
Ugland House, Grand Cayman,  
KY1-1104, Cayman Islands

## Listing information

Stock Code 1221

## Shareholders' calendar

Closure of Register of Members  
for dividend entitlement 13th to 17th March, 2025  
(both dates inclusive)

Record Date for  
interim dividend entitlement 17th March, 2025

Last Day for lodging form of  
election for scrip dividend 8th April, 2025 4:30 p.m.

Interim Dividend Payable HK1.5 cents per share  
23rd April, 2025

# Chairman's statement

I am pleased to present the interim results of Sino Hotels (Holdings) Limited (the "Company", together with its subsidiaries, the "Group") for the six months ended 31st December, 2024 (the "Interim Period") to the shareholders.

## Interim results

The Group's unaudited net profit attributable to shareholders for the Interim Period was HK\$43.5 million (2023: HK\$28.8 million). Turnover of the Group for the Interim Period was HK\$61.3 million (2023: HK\$65.7 million). Earnings per share for the Interim Period was HK3.76 cents (2023: HK2.52 cents).

The unaudited results for the Interim Period have been reviewed by the Company's auditor, KPMG and they reflect the adoption of all Hong Kong Financial Reporting Standards applicable to the Group that are effective for the accounting period.

## Dividend

The Board of Directors has declared an interim dividend of HK1.5 cents per share (2023: HK1.5 cents per share), payable on 23rd April, 2025 to the shareholders whose name appear on the Register of Members of the Company on 17th March, 2025.

The interim dividend will be payable in cash but shareholders will be given the option of electing to receive the interim dividend in the form of new shares in lieu of cash in respect of part or all of such dividend. The shares to be issued pursuant to the scrip dividend scheme are subject to their listing being granted by the Listing Committee of The Stock Exchange of Hong Kong Limited.

A circular containing details of the scrip dividend scheme will be dispatched to the shareholders together with a form of election for the scrip dividend on or about 21st March, 2025. It is expected that the interim dividend warrants and share certificates will be dispatched to the shareholders on or about 23rd April, 2025.

## Review of operations

As at 31st December, 2024, the Group's portfolio of hotels comprises City Garden Hotel, Conrad Hong Kong and The Royal Pacific Hotel & Towers.

The global hospitality industry is experiencing positive developments as both business and leisure travelers resume international travel, driving up demand for hotels. In 2024, Hong Kong welcomed 44.5 million tourists, marking a 31% increase compared to 2023. Visitors from Mainland China accounted for 76% of the total inbound tourists, according to the Hong Kong Tourism Board. Hong Kong ranked fourth globally in terms of visitor arrivals in 2024, showcasing its strong competitive edge in the global tourism market. Despite the positive momentum in inbound visitors, changes in consumer behavior are reshaping the industry landscape. The growing preference for short-haul travel and last-minute hotel bookings is putting pressure on room rates. The Group must adapt to these changes by optimising its services and offerings to remain competitive in the market.

To optimise occupancy and ensure a stable income stream, City Garden Hotel entered into a four-year lease agreement with a tenant, effective August 2022, while remaining under the Group's management. Under this agreement, the hotel receives pre-agreed rates for all available rooms. Both Conrad Hong Kong and The Royal Pacific Hotel & Towers have experienced a noticeable year-on-year decline in average room rates, negatively impacted by the changing behaviour of inbound tourists, who are increasingly making last-minute hotel bookings. In light of the evolving industry landscape, the Group is proactively identifying and responding to these consumer behaviour changes. Additionally, the Group is prioritising cost control, efficiency improvements, and enhancing the quality of hotel services to safeguard the profitability and margins of our hotels.

During the Interim Period, income generated from operations of City Garden Hotel, Conrad Hong Kong and The Royal Pacific Hotel & Towers were HK\$49.8 million, HK\$283.8 million and HK\$140.7 million (2023: HK\$48.7 million, HK\$301.3 million and HK\$153.4 million), respectively. The average occupancy rates for City Garden Hotel, Conrad Hong Kong and The Royal Pacific Hotel & Towers were 100%, 74.7% and 84.9% (2023: 100%, 69.5% and 84.7%), respectively. Overall, the financial performance of our three hotels was mixed. The industry-wide decline in room rates in Hong Kong, driven by changing consumer behaviour, has negatively impacted the profitability of our core operations. The net profit attributable to shareholders for the Interim Period was HK\$43.5 million, primarily supported by an unrealised gain of HK\$7.3 million on fair value changes of a financial instrument, compared to an unrealised fair value loss of HK\$26.9 million in the corresponding period in 2023. This instrument represents a long-term investment in a company listed on the Main Board of the Stock Exchange, primarily engaged in real estate investment trusts in Mainland China.

Other than that mentioned above, there was no material change from the information published in the report and accounts for the year ended 30th June, 2024.

## Finance

As at 31st December, 2024, the Group had cash and bank deposits of HK\$1,391.6 million and had no debt outstanding. The Group is in net cash position, therefore gearing ratio, calculated on the basis of total borrowings less cash and bank deposits to equity attributable to the Company's shareholders, is not applicable.

There was no material change in the capital structure of the Group for the Interim Period. Foreign exchange exposure is kept at a low level. As at 31st December, 2024, the Group did not have any contingent liabilities.

Other than the above-mentioned, there was no material change from the information published in the report and accounts for the financial year ended 30th June, 2024.

## Corporate governance

The Group places great importance on corporate integrity, business ethics, and good governance. With the objective of practising good corporate governance, the Group has formed Audit, Compliance, Remuneration and Nomination Committees.

### Employee programmes

During the Interim Period, the Group continued to enhance its employee development initiatives, reinforcing our commitment to operational excellence and employee engagement. Central to this effort was the continuous development of our in-house training curriculum, which we expanded to provide training for employees at various levels and roles. This approach ensures that every team member has access to relevant development opportunities, thereby fostering a culture of continuous learning and professional growth and at the same time, we also partnered with a professional institution to offer Chinese Tea Training, Process Improvement Training and Revenue Management to our senior management. As a testament to this commitment, we observed a notable increase in training hours per employee.

To further support our workforce, we made significant improvements to the onboarding experience for new hires, ensuring they feel welcomed and integrated into our company culture from day one. For employees under the Enhanced Supplementary Labour Scheme, we provided tailored relocation support and training, helping them acclimate to the local Hong Kong culture seamlessly. This holistic approach to onboarding not only enhances employee satisfaction but also contributes to long-term retention.

In alignment with our development strategy, we successfully recruited additional Operations Management Trainees. Several of these trainees graduated and progressed into Management Trainee roles, continuing their professional growth within our administrative functions. This effective pipeline of talent is vital for sustaining our operational excellence.

Moreover, our commitment to community engagement was evident as employee participation in volunteer activities reached new heights, with a significant increase in volunteer service hours. This engagement demonstrates our workforce dedication to community service and social responsibility. Additionally, through extensive reinforcement, we achieved a substantial reduction in work injury cases, underscoring our unwavering focus on occupational safety and the well-being of our employees.

Together, these initiatives reaffirm our steadfast commitment to developing our people, promoting sustainability, and positioning the organization as the preferred choice for all stakeholders. Through these efforts, we continue to build a resilient and engaged workforce that drives our success.

### Sustainability

The Group upholds Environmental, Social and Governance ("ESG") principles and integrates sustainability into every aspect of its operations. The Group seeks to create value for stakeholders and makes business a driver of sustainability for a better future by combating climate change, serving the community, promoting social integration and preserving heritage and culture.

In recognition of its performance in sustainable hotel best practices, the Group was recognised among the Top 10 in the Greater China Hotel Business Sustainability Index organised by the Centre for Business Sustainability, CUHK Business School, for the third consecutive year, in November 2024.

### Environmental management

The Group recognises the importance of protecting the environment and seeks to mitigate environmental impacts while upholding quality excellence. The Group adopts an array of green initiatives, including those covering climate change mitigation, promoting a circular economy and waste management, and urban biodiversity conservation.

### Climate change mitigation

The Group continues to support the 'Energy Saving Charter 2024' and '4T Charter' organised by the Environment Bureau and the Electrical and Mechanical Services Department of the HKSAR Government. To this end, City Garden Hotel has installed 72 solar panels to support the development of renewable energy in Hong Kong. As at 31st December, 2024, the hotel has generated over 131,400 kWh of renewable energy. City Garden Hotel has also completed lift replacement works to increase energy efficiency, resulting in a 28% reduction in energy consumption. The Group also encourages using electric vehicles ("EVs") by installing an EV charging station in the City Garden Hotel's car parking area.

### Promoting circular economy and waste management

In April 2024, the Group took steps to implement the HKSAR Government's ban on single-use plastics, including replacing disposable plastic tableware covered by Phase 1 of the Product Eco-responsibility (Amendment) Ordinance 2023 with non-plastic alternatives and installing umbrella dryers. A book donation drive was also launched to nurture an environmentally conscious mindset among colleagues. This effort resulted in the collection of over 300 second-hand books for The Salvation Army during the Interim Period.

The Group also actively engages the stakeholders in the reduction of food waste. The Group has partnered with food-related charities such as the Foodlink Foundation on the Food Donation Programme. The programme undertakes weekly food donations of well-prepared cooked food to underprivileged families in the community. The Group also joined the Environmental Protection Department of the HKSAR Government's Pilot Scheme on Food Waste Collection. Food waste is collected daily and delivered to O • PARK1, Hong Kong's first organic resources recovery centre, to convert food waste into biogas for power generation by applying advanced biotechnology and compost for landscaping use.

### Urban biodiversity

The Group adopted the Seafood Guide issued by the World Wide Fund For Nature Hong Kong to procure sustainable seafood, including those certified by the Aquaculture Stewardship Council and the Marine Stewardship Council.

### Community engagement

The Group continues to play an active role in serving the community by utilising its hotel resources and formulating long-term sustainable community programmes. For 14 years in a row, the Group has, through the 'Hearty Soup Delivery Programme', delivered hot soup to elderly people in need through NGO partners, spreading warmth across the community during the cold winter months.

Furthermore, the Group has collaborated with Food Angel, a food rescue and food assistance programme. Colleagues of the Group have been volunteering regularly to prepare meal boxes for people in need, allowing them to give back to the community.

The Group reasserts its commitment to promoting social integration by designing and maintaining a caring environment at its hotels. The Royal Pacific Hotel & Towers was awarded the 'Breastfeeding-friendly Premises – Blue Label' issued by UNICEF Hong Kong. The Group also continued to provide long-term employment and training opportunities for candidates with varying abilities. City Garden Hotel and The Royal Pacific Hotel & Towers were also presented with the 'Happy Company 2024' logo issued by the Promoting Happiness Index Foundation.

## Chairman's statement (Continued)

### Tai O Heritage Hotel

The Ng Family, the major shareholder of the Group, established a not-for-profit organisation named Hong Kong Heritage Conservation Foundation Limited ("HCF"). The HCF revitalised and converted the Old Tai O Police Station, a Grade II historic building, into a boutique hotel. Named the Tai O Heritage Hotel (the "Hotel"), it is home to nine colonial-style rooms and suites. The Hotel, operated by HCF as a non-profit-making social enterprise, is part of the HKSAR Government's 'Revitalising Historic Buildings Through Partnership Scheme'. The Hotel is a winner of the '2013 UNESCO Asia-Pacific Awards for Cultural Heritage Conservation' and is the first UNESCO-awarded hotel in Hong Kong.

In August 2024, prior to the arrival of tropical cyclones, the Hotel partnered with the YWCA Tai O Community Work Office to organise home visits to elderly members of the community living in stilt houses. Typhoon emergency kits were also distributed to the elderly members for contingency.

In September 2024, the Hotel collaborated with the Tai O Rural Committee to spread warmth and care to more than 1,000 residents in Tai O by presenting Mid-Autumn festive gifts.

In addition, the Hotel partnered with the Tai O Cultural Association to organise the 'Tai O Cultural Festival 2024' to enhance public understanding of and support for various heritage conservation efforts in Hong Kong.

The Hotel also received multiple awards. In October 2024, the Hotel became one of the pioneer projects in Hong Kong to be recognised by the World Economic Forum's Centre for Urban Transformation and UN-Habitat, with the Honourable Mention at the 'World Economic Forum Public-Private Collaboration Award'. The Hotel is also honoured to receive three titles at the '2024 World Luxury Hotel Awards'.

### Industry outlook and prospects

The hotel industry in Hong Kong experienced steady growth in 2024, driven by a gradual increase in visitors from Mainland China and other regions. Post-pandemic, visitor behavior has shifted in several ways. There is the growing preference for short-haul travel, in-depth experiences, and bleisure travel (a blend of business and leisure by business travelers). Additionally, there is a growing emphasis on sustainable tourism. As an international city and tourism hub, Hong Kong must adapt to these changes by optimising its tourism offerings and services. The industry should focus on identifying, responding to and steering these changes effectively.

The HKSAR Government is making significant efforts to transform Hong Kong into a premier tourism destination by leveraging innovative thinking and the city's rich and unique resources such as Victoria Harbour, outlying islands, scenic countryside, indigenous cultures, cuisines, lifestyles and historic buildings. The concept of "tourism is everywhere in Hong Kong" is being promoted to enhance the city's appeal. In 2024, the Culture, Sports and Tourism Bureau published the Development Blueprint for Hong Kong's Tourism Industry 2.0 ("Blueprint 2.0"), which further solidifies the collective efforts of the trade and society to enhance Hong Kong's tourism attraction. Blueprint 2.0 focuses on "Grasping the Present, and Planning for the Future", outlining strategic directions and measures to be implemented over the next five years. These initiatives aim to boost the long-term competitiveness of Hong Kong's tourism industry.

The Central Government's support is exemplified by the gifting and smooth arrival of the two precious giant pandas to Hong Kong. Hong Kong will capitalise on this opportunity by actively promoting panda tourism. Additionally, the Central Government has resumed multiple-entry permits for Shenzhen residents and expanded the measure to include residence permit holders, enabling them to visit Hong Kong more freely and conveniently. This expanded scheme is expected to further boost the tourism industry.

Opening in the first quarter of 2025, the Kai Tak Sports Park, with its 50,000-seat Main Stadium, stands as the largest sports infrastructure project ever commissioned in Hong Kong. This development will significantly boost sports development and invigorate related industries. The year 2025 will see major events such as the National Games, Hong Kong Sevens, and a good number of concerts, drawing tourists from around the globe to participate. This major development will foster the synergistic growth of major sports events, innovative entertainment, dining, conventions, exhibitions, and tourism activities, further improving the outlook for Hong Kong's tourism industry.

Despite the exciting developments in the pipeline, the recovery of Hong Kong's hotel industry faces several challenges. These include the global economic climate, the strength of the Hong Kong Dollar, evolving travel patterns of Mainland China visitors, shifts in consumer spending behaviors, inflationary pressures, and a tight labour market. To navigate these challenges and maintain its competitive edge, the Group will remain agile, continuously enhance service quality, and tailor packages to meet customers' needs.

In response to these challenges, the Group is committed to refining its strategies, closely monitoring market trends, and managing costs effectively. Our management is dedicated to evaluating and enhancing our offerings and services. Our goal is to deliver superb experiences to our discerning guests, ensuring their stays at our hotels are memorable and exceed expectations.

The Group is in a strong financial position with no outstanding debt as of 31st December, 2024.

### Staff and management

On behalf of the Board, I take this opportunity to express my sincere appreciation to all staff for their commitment, dedication and continuing support. I would also like to express my gratitude to my fellow Directors for their guidance and wise counsel.

**Robert NG Chee Siong**

*Chairman*

Hong Kong, 26th February, 2025

# Corporate governance and other information

## Closure of register of members

The register of members of the Company will be closed from Thursday, 13th March, 2025 to Monday, 17th March, 2025, both dates inclusive, during which period no transfer of shares will be effected. The record date for the interim dividend is at the close of business on Monday, 17th March, 2025.

In order to qualify for the interim dividend, shareholders should ensure that all transfers accompanied by the relevant share certificates are lodged with the Company's Principal Registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 12th March, 2025.

## Purchase, sale or redemption of the Company's listed securities

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the Interim Period.

## Directors' interests

As at 31st December, 2024, the interests and short positions held by the Directors of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) ("SFO")), as recorded in the register required to be kept by the Company under Section 352 of the SFO or otherwise notified to the Company and The Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules"), were as follows:

### (a) Long positions in shares of the Company

Name of Director	Number of ordinary shares	Capacity and nature of interest	% of issued shares
Mr. Robert Ng Chee Siong	561,287,966 (Note)	Beneficial owner of 328,979 shares, spouse interest in 1,007,006 shares and trustee interest in 559,951,981 shares in the capacity as one of the co-executors of the estate of the late Mr. Ng Teng Fong	48.17%
The Honourable Ronald Joseph Arculli	286,123	Beneficial owner	0.02%
Mr. Gilbert Lui Wing Kwong	–	–	–
Ms. Nikki Ng Mien Hua	–	–	–
Mr. Steven Ong Kay Eng	–	–	–
Mr. Wong Cho Bau	–	–	–
Mr. Hung Wai Man	–	–	–
Mr. Daryl Ng Win Kong	–	–	–

## Directors' interests (Continued)

### (a) Long positions in shares of the Company (Continued)

Note:

The trustee interest in 559,951,981 shares comprises:

- (a) 508,176,352 shares which were held through companies 100% controlled by the co-executors of the estate of the late Mr. Ng Teng Fong, namely, 49,290,627 shares by Fanlight Investment Limited, 70,084 shares by Garford Nominees Limited, 21,087,355 shares by Karaganda Investments Inc., 66,349,618 shares by Nippomo Limited, 1,901,181 shares by Orient Creation Limited, 134,113,670 shares by Strathallan Investment Limited, 5,767,533 shares by Strong Investments Limited, 199,155,333 shares by Tamworth Investment Limited and 30,440,951 shares by Transpire Investment Limited;
- (b) 2,282,765 shares which were held through wholly-owned subsidiaries of Tsim Sha Tsui Properties Limited, in which the co-executors of the estate of the late Mr. Ng Teng Fong had a 72.08% control; and
- (c) 49,492,864 shares which were held by the co-executors of the estate of the late Mr. Ng Teng Fong.

### (b) Long positions in shares of associated corporation

Mr. Robert Ng Chee Siong was deemed to be interested in shares of the following company through corporation controlled by him:

Name of associated corporation	Number of ordinary shares	% of issued shares
FHR International Limited	1 (Note)	33.33%

Note: The share was held by Smart Link Limited in which Mr. Robert Ng Chee Siong had a 100% control.

Save as disclosed above, as at 31st December, 2024, none of the Directors of the Company had or was deemed to have any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations which were recorded in the register required to be kept by the Company under Section 352 of the SFO or required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

## Corporate governance and other information (Continued)

### Substantial shareholders' and other shareholders' interests

As at 31st December, 2024, the interests and short positions of the substantial shareholders and other shareholders (other than Directors of the Company) in the shares and underlying shares of the Company as notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept under Section 336 of the SFO were as follows:

#### Long positions in shares of the Company

Name of substantial shareholder	Number of ordinary shares	Capacity and nature of interest	% of issued shares
Mr. Philip Ng Chee Tat	550,085,966 <i>(Notes 1, 2, 3, 4 and 5)</i>	Interest of controlled corporation in 3,278,907 shares and trustee interest in 546,807,059 shares in the capacity as one of the co-executors of the estate of the late Mr. Ng Teng Fong	48.31%
Tamworth Investment Limited	178,150,243 <i>(Notes 3 and 5)</i>	Beneficial owner	17.04%
Strathallan Investment Limited	119,968,581 <i>(Notes 3 and 5)</i>	Beneficial owner	11.47%

Name of other shareholder	Number of ordinary shares	Capacity and nature of interest	% of issued shares
Nippomo Limited	59,351,666 <i>(Notes 3 and 5)</i>	Beneficial owner	5.67%

#### Notes:

- 3,278,907 shares were held by Far East Capital Pte. Ltd. which was 100% controlled by Mr. Philip Ng Chee Tat.
- The trustee interest in 546,807,059 shares comprises:
  - 496,246,865 shares which were held through companies 100% controlled by the co-executors of the estate of the late Mr. Ng Teng Fong, namely, 48,133,525 shares by Fanlight Investment Limited, 68,440 shares by Garford Nominees Limited, 20,592,331 shares by Karaganda Investments Inc., 64,792,053 shares by Nippomo Limited, 1,856,552 shares by Orient Creation Limited, 130,965,336 shares by Strathallan Investment Limited, 5,632,141 shares by Strong Investments Limited, 194,480,140 shares by Tamworth Investment Limited and 29,726,347 shares by Transpire Investment Limited;
  - 2,229,180 shares which were held through wholly-owned subsidiaries of Tsim Sha Tsui Properties Limited, in which the co-executors of the estate of the late Mr. Ng Teng Fong had a 72.03% control; and
  - 48,331,014 shares which were held by the co-executors of the estate of the late Mr. Ng Teng Fong.

## Substantial shareholders' and other shareholders' interests (Continued)

### Long positions in shares of the Company (Continued)

Notes: (Continued)

3. *The interests of Tamworth Investment Limited, Strathallan Investment Limited and Nippomo Limited were duplicated in the interests of the co-executors of the estate of the late Mr. Ng Teng Fong.*
4. *The trustee interest of Mr. Philip Ng Chee Tat was duplicated in the trustee interest of Mr. Robert Ng Chee Siong as disclosed under the section headed "Directors' interests" above as the co-executors of the estate of the late Mr. Ng Teng Fong.*
5. *The number and the percentage of shares as disclosed are based on the substantial shareholder notices filed with the Stock Exchange.*

Save as disclosed above and so far as the Directors of the Company are aware, as at 31st December, 2024, no other person (other than Directors of the Company) had an interest or short position in the shares and underlying shares of the Company which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and were recorded in the register required to be kept under Section 336 of the SFO, or was otherwise a substantial shareholder of the Company.

## Disclosure of Directors' information pursuant to Rule 13.51B(1) of the Listing Rules

Pursuant to Rule 13.51B(1) of the Listing Rules, changes in information of the Directors since the publication of the 2024 Annual Report and up to 26th February, 2025 (being the approval date of this Interim Report) are set out below:

### Directors' updated biographical details

The changes in the biographical details of the Directors are set out below:

#### Mr. Hung Wai Man

- ceased as External Member of the Departmental Advisory Committee on Applied Mathematics of The Hong Kong Polytechnic University.

#### Mr. Daryl Ng Win Kong

- ceased as the Deputy Chairman of the Chongqing Youth Federation;
- appointed as the Chairman of HKSTP Foundation Limited;
- ceased as a member of the Estate Agents Authority of the Government of Hong Kong Special Administrative Region;
- appointed as a Trustee of The University of Hong Kong's Occupational Retirement Schemes; and
- ceased as a member of the Council of the University of Hong Kong.

#### Ms. Nikki Ng Mien Hua

- ceased as the Chairman of the Retail & Tourism Committee of the Hong Kong General Chamber of Commerce.

Directors' updated biographies are available on the Company's website.

Save as disclosed above, there had not been any other changes in the information of Directors notified to the Company as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

### Remuneration Committee

The Company has established its Remuneration Committee with written terms of reference which are available at the Company's website [www.sino.com](http://www.sino.com) and the Stock Exchange's website.

The Remuneration Committee is responsible for making recommendations to the Board on the Company's policy and structure for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy. The Committee makes recommendations to the Board on the remuneration package of individual Executive Directors and senior management, and it also makes recommendations to the Board on the remuneration of Non-Executive Directors and Independent Non-Executive Directors. The Committee meets at least once a year and is provided with sufficient resources enabling it to discharge its duties.

The Remuneration Committee currently comprises Mr. Steven Ong Kay Eng (Committee Chairman) and Mr. Hung Wai Man, both of whom are Independent Non-Executive Directors, and Mr. Daryl Ng Win Kong, the Deputy Chairman of the Board.

### Nomination Committee

The Company has established its Nomination Committee with written terms of reference which are available at the Company's website [www.sino.com](http://www.sino.com) and the Stock Exchange's website.

The Nomination Committee is responsible for regularly reviewing the structure, size and composition of the Board with reference to the board diversity policy of the Company and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy. Its duties include making recommendations to the Board on the selection of individuals nominated for directorships, the appointment or re-appointment of Directors and succession planning for Directors, and regularly reviewing the time required from a Director to perform his/her responsibilities. The Committee is also responsible for assessing the independence of Independent Non-Executive Directors and reviewing their annual confirmations on independence. The Committee meets at least once a year and is provided with sufficient resources enabling it to discharge its duties.

The Nomination Committee currently comprises Mr. Robert Ng Chee Siong (Committee Chairman), the Chairman of the Board, as well as Mr. Steven Ong Kay Eng and Mr. Hung Wai Man, both of whom are Independent Non-Executive Directors.

### Audit Committee

The Company has set up its Audit Committee with written terms of reference which are available at the Company's website [www.sino.com](http://www.sino.com) and the Stock Exchange's website.

The Audit Committee reports to the Board and holds regular meetings to assist the Board in discharging its responsibilities for effective financial reporting controls, risk management and internal control. The Committee meets at least four times a year and is provided with sufficient resources enabling it to discharge its duties.

The Audit Committee currently comprises Mr. Steven Ong Kay Eng (Committee Chairman) and Mr. Hung Wai Man, both of whom are Independent Non-Executive Directors, and Mr. Gilbert Lui Wing Kwong, a Non-Executive Director.

In the first quarter of 2025, the Audit Committee has reviewed the accounting policies and practices adopted by the Company and the Interim Report for the Interim Period.

### Compliance Committee

The Company has set up its Compliance Committee with written terms of reference to enhance the corporate governance standard of the Company. The Compliance Committee has dual reporting lines. A principal reporting line is to the Board through the Committee Chairman. A secondary reporting line is to the Audit Committee. The Compliance Committee currently comprises the Deputy Chairman of the Board, Mr. Daryl Ng Win Kong (Committee Chairman), the other Executive Director of the Company, the Chief Financial Officer, the Group General Counsel, the Company Secretary, the Head of Internal Audit Department, other department heads and the Compliance Officer. The Committee holds regular meetings on a bi-monthly basis to review management reports on ongoing compliance regarding continuing connected transactions and usage of annual caps, provide a forum for regulatory updates for the management, consider corporate governance issues and make recommendations to the Board and the Audit Committee on the Company's corporate governance issues and Listing Rules compliance matters.

### Codes for dealing in the Company's securities

The Company has adopted its own code for dealing in the Company's securities by Directors (the "Directors Dealing Code") on terms no less exacting than the required standard set out in the Model Code. The Company has made specific enquiries of all Directors who held such offices during the period under review. All of them confirmed their compliance with the required standard set out in the Directors Dealing Code during the Interim Period. The Company has also adopted a code for dealing in the Company's securities by relevant employees, who are likely to be in possession of inside information in relation to the securities of the Company, on no less exacting terms than the Model Code.

### Compliance with Corporate Governance Code

The Company has adopted its own Corporate Governance Code, which is based on the principles and the code provisions as set out in Part 2 of Appendix C1 to the Listing Rules (the "CG Code"). The Company has complied with all code provisions as set out in the CG Code applicable to the Company for the Interim Period, except that (i) there was no separation of the roles of the chairman and the chief executive; and (ii) the Chairman of the Board was unable to attend the Company's annual general meeting held on 23rd October, 2024 (the "2024 AGM").

There is no separation of the roles of the chairman and the chief executive in the Company. Both roles are currently undertaken by the Chairman of the Board. The Board is of the view that the current management structure has been effective in facilitating the Company's operation and business development and that necessary checks and balances consistent with sound corporate governance practices are in place. The implementation of strategies and policies of the Board and the operations of each business unit are overseen and monitored by designated responsible Executive Directors. The Board has found that the current arrangement has worked effectively in enabling it to discharge its responsibilities satisfactorily. In addition, all the Independent Non-Executive Directors have contributed valuable views and proposals for the Board's deliberation and decisions. The Board reviews the management structure regularly to ensure that it continues to meet these objectives and is in line with the industry practices.

Pursuant to code provision F.2.2 under Part 2 of the CG Code, the chairman of the board should attend the annual general meeting. Mr. Robert Ng Chee Siong, the Chairman of the Board, was unable to attend the 2024 AGM as he was abroad at that time to accompany his spouse for medical treatment. Mr. Daryl Ng Win Kong, the Deputy Chairman of the Board, took the chair of the 2024 AGM and answered questions at the 2024 AGM.

### Compliance with Appendix D2 to the Listing Rules

Save as disclosed in this Interim Report, information of the Group with respect to the matters set out in paragraph 32 of Appendix D2 to the Listing Rules has not changed materially from the information disclosed in the Company's 2024 Annual Report.

By Order of the Board

**Fanny CHENG Siu King**

*Company Secretary*

Hong Kong, 26th February, 2025

# Report on review of condensed consolidated financial statements



## Review report to the board of directors of Sino Hotels (Holdings) Limited

*(Incorporated in the Cayman Islands with limited liability)*

## Introduction

We have reviewed the condensed consolidated financial statements set out on pages 18 to 33 which comprise the consolidated statement of financial position of Sino Hotels (Holdings) Limited (the “Company”) as of 31st December, 2024 and the related consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard (“HKAS”) 34, *Interim Financial Reporting*, issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of the condensed consolidated financial statements in accordance with HKAS 34.

Our responsibility is to form a conclusion, based on our review, on the condensed consolidated financial statements and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## Scope of Review

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

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements as at 31st December, 2024 are not prepared, in all material respects, in accordance with HKAS 34.

### KPMG

*Certified Public Accountants*

8th Floor, Prince's Building

10 Chater Road

Central, Hong Kong

26th February, 2025

# Consolidated statement of profit or loss

For the six months ended 31st December, 2024

	Notes	Six months ended	
		31st December, 2024 HK\$'000 (Unaudited)	31st December, 2023 HK\$'000 (Unaudited)
Revenue	3, 4	61,329	65,755
Direct expenses		(27,145)	(28,060)
Gross profit		34,184	37,695
Other income and other gains and losses		(392)	(25,599)
Other expenses		(32,035)	(34,843)
Marketing costs		(8)	(8)
Administrative expenses		(10,806)	(11,193)
Finance income	5	32,932	25,992
Finance costs	6	(22)	(62)
Finance income, net		32,910	25,930
Share of results of associates		20,187	36,967
Profit before taxation	7	44,040	28,949
Income tax expense	8	(560)	(147)
Profit for the period attributable to the Company's shareholders		43,480	28,802
Earnings per share – Basic	10	HK3.76 cents	HK2.52 cents

The notes on pages 23 to 33 form part of these condensed consolidated financial statements. Details of dividends payable to equity shareholders of the Company are set out in Note 9.

# Consolidated statement of profit or loss and other comprehensive income

For the six months ended 31st December, 2024

	Six months ended	
	31st December, 2024 HK\$'000 (Unaudited)	31st December, 2023 HK\$'000 (Unaudited)
Profit for the period	43,480	28,802
<b>Other comprehensive income</b>		
<i>Items that will not be reclassified to profit or loss:</i>		
Gain/(loss) on fair value changes of equity instruments at fair value through other comprehensive income ("FVTOCI")	37,763	(90,285)
<i>Items that are or may be reclassified subsequently to profit or loss:</i>		
Reclassification upon redemption of debt instrument at FVTOCI	(1,492)	–
Gain on fair value changes of debt instrument at FVTOCI	–	1,196
Other comprehensive income for the period	36,271	(89,089)
Total comprehensive income for the period attributable to the Company's shareholders	79,751	(60,287)

The notes on pages 23 to 33 form part of these condensed consolidated financial statements.

# Consolidated statement of financial position

At 31st December, 2024

	<i>Notes</i>	31st December, 2024 <i>HK\$'000</i> (Unaudited)	30th June, 2024 <i>HK\$'000</i> (Audited)
<b>Non-current assets</b>			
Property, plant and equipment	11	241,612	242,772
Right-of-use assets	11	879,461	890,570
Interests in associates	12	1,052,056	1,031,869
Amount due from an associate		5,035	44,284
Financial instruments	17	605,465	560,422
Deposits paid for property, plant and equipment		2,152	5,690
		<u>2,785,781</u>	<u>2,775,607</u>
<b>Current assets</b>			
Hotel inventories		32	52
Trade and other receivables	13	41,618	32,930
Amounts due from associates		1,388	1,073
Financial instruments	17	–	77,734
Time deposits, bank balances and cash		1,391,641	1,248,134
		<u>1,434,679</u>	<u>1,359,923</u>
<b>Current liabilities</b>			
Trade and other payables	14	25,481	19,694
Amount due to an associate		1,394	1,375
Taxation payable		73	233
		<u>26,948</u>	<u>21,302</u>
<b>Net current assets</b>		<u>1,407,731</u>	<u>1,338,621</u>
<b>Total assets less current liabilities</b>		<u>4,193,512</u>	<u>4,114,228</u>
<b>Capital and reserves</b>			
Share capital	15	1,165,124	1,153,303
Reserves		3,028,388	2,960,925
<b>Equity attributable to the Company's shareholders</b>		<u>4,193,512</u>	<u>4,114,228</u>

The notes on pages 23 to 33 form part of these condensed consolidated financial statements.

# Consolidated statement of changes in equity

For the six months ended 31st December, 2024

	Notes	Share capital HK\$'000	Share premium HK\$'000	Investment revaluation reserve HK\$'000	Distributable reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000
At 1st July, 2023		1,142,662	677,263	(156,508)	552,192	1,927,435	4,143,044
Profit for the period		-	-	-	-	28,802	28,802
Loss on fair value changes of equity instruments at FVTOCI		-	-	(90,285)	-	-	(90,285)
Gain on fair value changes of debt instrument at FVTOCI		-	-	1,196	-	-	1,196
Other comprehensive income for the period		-	-	(89,089)	-	-	(89,089)
Total comprehensive income for the period		-	-	(89,089)	-	28,802	(60,287)
At 31st December, 2023 (unaudited)		1,142,662	677,263	(245,597)	552,192	1,956,237	4,082,757
At 1st July, 2024		1,153,303	683,019	(248,507)	535,052	1,991,361	4,114,228
Profit for the period		-	-	-	-	43,480	43,480
Gain on fair value changes of equity instruments at FVTOCI		-	-	37,763	-	-	37,763
Reclassification upon redemption of debt instrument at FVTOCI		-	-	(1,492)	-	-	(1,492)
Other comprehensive income for the period		-	-	36,271	-	-	36,271
Total comprehensive income for the period		-	-	36,271	-	43,480	79,751
Share issued in lieu of cash dividends	15	11,821	5,012	-	-	-	16,833
Final dividend – 2024	9	-	-	-	(17,300)	-	(17,300)
<b>At 31st December, 2024 (unaudited)</b>		<b>1,165,124</b>	<b>688,031</b>	<b>(212,236)</b>	<b>517,752</b>	<b>2,034,841</b>	<b>4,193,512</b>

The notes on pages 23 to 33 form part of these condensed consolidated financial statements.

# Condensed consolidated statement of cash flows

For the six months ended 31st December, 2024

	Six months ended	
	31st December, 2024 HK\$'000 (Unaudited)	31st December, 2023 HK\$'000 (Unaudited)
<b>Net cash from operating activities</b>	<b>9,589</b>	<b>19,602</b>
<b>Net cash from investing activities</b>		
Purchase of property, plant and equipment	(4,011)	(3,150)
Proceeds on disposal of equity instrument at FVTOCI	–	157,304
Proceeds on redemption of debt instrument at FVTOCI	78,125	–
Proceeds on disposal of property, plant and equipment	–	14
Decrease/(increase) in time deposits with original maturity of more than three months	19,016	(122,163)
Repayment from associates	38,934	63,673
Other investing cash flows	20,090	7,537
	<b>152,154</b>	<b>103,215</b>
<b>Net cash generated from/(used in) financing activities</b>		
Advance from an associate	19	29
Dividend paid	(467)	–
Other financing cash flows	1,228	(225)
	<b>780</b>	<b>(196)</b>
<b>Net increase in cash and cash equivalents</b>	<b>162,523</b>	<b>122,621</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>79,313</b>	<b>75,319</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>241,836</b>	<b>197,940</b>
<b>Analysis of the balances of cash and cash equivalents</b>		
Time deposits	1,341,328	1,088,810
Bank balances and cash	50,313	67,568
Time deposits, bank balances and cash in the consolidated statement of financial position	1,391,641	1,156,378
Less: Time deposits with original maturity of more than three months	(1,149,805)	(958,438)
Cash and cash equivalents in the condensed consolidated statement of cash flows	<b>241,836</b>	<b>197,940</b>

The notes on pages 23 to 33 form part of these condensed consolidated financial statements.

# Notes to the unaudited condensed consolidated financial statements

For the six months ended 31st December, 2024

## 1. Basis of preparation

These condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard (“HKAS”) 34, *Interim Financial Reporting*, issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

The condensed consolidated financial statements are unaudited, but have been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the HKICPA. KPMG’s independent review report to the Board of Directors is included on page 17.

## 2. Principal accounting policies

The condensed consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are measured at fair values, as appropriate.

Other than changes in accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 31st December, 2024 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 30th June, 2024.

### Application of amendments to HKFRSs

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, which are effective for the annual period beginning on or after 1st July, 2024 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKAS 1	<i>Presentation of financial statements: Classification of liabilities as current or non-current (2020 amendments)</i>
Amendments to HKAS 1	<i>Presentation of financial statements: Non-current liabilities with covenants (2022 amendments)</i>
Amendments to HKFRS 16	<i>Leases: Lease liability in a sale and leaseback</i>
Amendments to HKAS 7 and HKFRS 7	<i>Statement of cash flows and Financial instruments: Disclosures – Supplier finance arrangements</i>

The application of amendments to HKFRSs in the current period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

## Notes to the unaudited condensed consolidated financial statements (Continued)

For the six months ended 31st December, 2024

### 3. Revenue

	Six months ended	
	31st December, 2024 HK\$'000	31st December, 2023 HK\$'000
Hotel operation		
– Room revenue	45,933	43,750
– Food and beverage sales	3,451	4,521
– Other ancillary services	454	440
	<u>49,838</u>	<u>48,711</u>
Club operation and hotel management	7,946	7,850
Dividend income from financial instruments	3,386	7,289
Interest revenue from debt instrument at FVTOCI	159	1,905
	<u>61,329</u>	<u>65,755</u>
<b>Geographical market:</b>		
Hong Kong	<u>61,329</u>	<u>65,755</u>

In August 2022, a new four-year bulk hiring of hotel rooms and facilities arrangement (the “Arrangement”) was signed to optimise occupancy and to ensure a stable stream of income.

The total room charge of HK\$45,933,000 (six months ended 31st December, 2023: HK\$43,750,000) derived from the Arrangement in current period has been included in room revenue as above, comprising lease income of HK\$27,560,000 (six months ended 31st December, 2023: HK\$26,250,000) and room service revenue of HK\$18,373,000 (six months ended 31st December 2023: HK\$17,500,000) for the purpose of separation of lease and non-lease component under HKFRS 16, *Leases*.

# Notes to the unaudited condensed consolidated financial statements (Continued)

For the six months ended 31st December, 2024

## 3. Revenue (Continued)

	Six months ended	
	31st December, 2024 HK\$'000	31st December, 2023 HK\$'000
<b>Disaggregation of revenue:</b>		
<b>Lease income under HKFRS 16</b>		
– Room revenue	27,560	26,250
<b>Revenue from contracts with customers within the scope of HKFRS 15, Revenue from Contracts with Customers</b>		
Recognised over time		
– Room revenue	18,373	17,500
– Club operation and hotel management	5,049	4,896
– Other ancillary services	454	440
	23,876	22,836
Recognised at a point in time		
– Hotel operation	3,451	4,521
– Club operation	2,897	2,954
	6,348	7,475
	57,784	56,561

Dividend income and interest revenue from financial instruments are recognised in accordance with HKFRS 9, *Financial Instruments*.

As at 31st December, 2024, the aggregate amount of the transaction price allocated to the remaining performance obligations under the Arrangement is approximately HK\$60,487,000 (six months ended 31st December, 2023: HK\$96,500,000), which is expected to be recognised over the next 19 months (six months ended 31st December, 2023: 31 months) under HKFRS 15. The revenue from club operation and hotel management are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

The Group's revenue is originated from Hong Kong.

# Notes to the unaudited condensed consolidated financial statements (Continued)

For the six months ended 31st December, 2024

## 4. Segment information

The Group's reportable and operating segments under HKFRS 8, *Operating Segments* are as follows:

1. Hotel operation – City Garden Hotel
2. Investment holding – holding financial instruments
3. Hotel operation – operated through investments in associates of the Group, including Conrad Hong Kong and The Royal Pacific Hotel & Towers
4. Others – club operation and hotel management

The following is an analysis of the Group's revenue and results by reportable and operating segments for the period under review:

	Segment revenue Six months ended		Segment results Six months ended	
	31st December, 2024 HK\$'000	31st December, 2023 HK\$'000	31st December, 2024 HK\$'000	31st December, 2023 HK\$'000
Hotel operation				
– City Garden Hotel	49,838	48,711	11,622	7,256
Investment holding	3,545	9,194	3,538	9,181
Hotel operation				
– share of results of associates	–	–	51,034	66,227
Others – club operation and hotel management	7,946	7,850	1,033	996
	<u>61,329</u>	<u>65,755</u>		
Total segment results			67,227	83,660
Other income and other gains and losses			(392)	(25,599)
Administrative and other expenses			(24,858)	(25,782)
Finance income, net			32,910	25,930
Share of results of associates				
– administrative and other expenses			(27,280)	(28,309)
– finance income, net			378	670
– income tax expense			(3,945)	(1,621)
			<u>(30,847)</u>	<u>(29,260)</u>
Profit before taxation			<u>44,040</u>	<u>28,949</u>

All of the segment revenue reported above are from external customers. There was no inter-segment revenue for the period (six months ended 31st December, 2023: nil).

Segment results represent the results by each segment without allocation of certain administrative and other expenses, other income and other gains and losses and finance income net of finance costs. The segment results of hotel operation operated through investments in associates includes revenue and direct expenses without allocation of associates' administrative and other expenses, finance income net of finance costs and income tax expense of the associates. This is the measure reported to the chief operating decision makers for the purposes of resources allocation and performance assessment.

# Notes to the unaudited condensed consolidated financial statements (Continued)

For the six months ended 31st December, 2024

## 5. Finance income

The amount represents interest income on time deposits and bank balances.

## 6. Finance costs

	Six months ended	
	31st December, 2024 HK\$'000	31st December, 2023 HK\$'000
Interest on amount due to a related company	22	62

## 7. Profit before taxation

	Six months ended	
	31st December, 2024 HK\$'000	31st December, 2023 HK\$'000
Profit before taxation has been arrived at after charging/(crediting):		
(Gain)/loss on fair value change of financial asset at FVTPL <sup>1</sup>	(7,280)	26,880
Gain on redemption of debt instrument at FVTOCI <sup>1</sup>	(1,883)	–
Exchange loss/(gain) <sup>1</sup>	9,233	(1,658)
Loss/(gain) on disposal of property, plant and equipment <sup>1</sup>	322	(2)
Cost of hotel inventories consumed <sup>2</sup>	3,539	4,571
Depreciation of right-of-use assets <sup>3</sup>	11,109	11,109
Depreciation and amortisation of property, plant and equipment <sup>3</sup>	8,387	9,637

<sup>1</sup> Included in other income and other gains and losses

<sup>2</sup> Included in direct expenses

<sup>3</sup> Included in other expenses

## Notes to the unaudited condensed consolidated financial statements (Continued)

For the six months ended 31st December, 2024

### 8. Income tax expense

	Six months ended	
	31st December, 2024 HK\$'000	31st December, 2023 HK\$'000
Income tax expense comprises:		
Hong Kong Profits Tax		
Current period	563	165
Over-provision in prior year	(3)	(18)
	<hr/>	<hr/>
	560	147
	<hr/>	<hr/>

Note:

Hong Kong Profits Tax is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated weighted average annual tax rate used is 16.5% (six months ended 31st December, 2023: 16.5%).

### 9. Dividend paid

	Six months ended	
	31st December, 2024 HK\$'000	31st December, 2023 HK\$'000
Final dividend paid for the year ended 30th June, 2024 of HK1.5 cents (2023: No final dividend for the year ended 30th June, 2023) per share	<hr/>	<hr/>
	17,300	–
	<hr/>	<hr/>

Subsequent to 31st December, 2024, the Directors of the Company determined that an interim dividend of HK1.5 cents for the six months ended 31st December, 2024 (six months ended 31st December, 2023: HK1.5 cents) per share amounting to HK\$17,477,000 (six months ended 31st December, 2023: HK\$17,140,000) would be paid to the shareholders of the Company whose names appear on the Register of Members on 17th March, 2025.

## Notes to the unaudited condensed consolidated financial statements (Continued)

For the six months ended 31st December, 2024

### 10. Earnings per share

The calculation of the basic earnings per share is based on the profit for the period attributable to the Company's shareholders of HK\$43,480,000 (six months ended 31st December, 2023: HK\$28,802,000) and on the weighted average number of 1,155,166,354 (six months ended 31st December, 2023: 1,142,661,798) shares in issue during the period.

No diluted earnings per share has been presented as there were no potential ordinary shares outstanding in both periods.

### 11. Property, plant and equipment and right-of-use assets

During the six months ended 31st December, 2024, the Group acquired property, plant and equipment of approximately HK\$4,011,000 (six months ended 31st December, 2023: HK\$3,150,000).

Under the Arrangement, leasehold land, hotel building, furniture, fixtures, leasehold improvement and hotel operating equipment with an aggregate carrying amount of HK\$1,119,442,000 as at 31st December, 2024 (30th June, 2024: HK\$1,130,954,000) were leased out under an operating lease for a period of four years as disclosed in note 3.

### 12. Interests in associates

	31st December, 2024 <i>HK\$'000</i>	30th June, 2024 <i>HK\$'000</i>
Interests in associates	<u>1,052,056</u>	<u>1,031,869</u>

Included in the cost of unlisted investments in associates is goodwill of HK\$186,513,000 (30th June, 2024: HK\$186,513,000) arising on acquisition of an associate in prior years.

## Notes to the unaudited condensed consolidated financial statements (Continued)

For the six months ended 31st December, 2024

### 13. Trade and other receivables

At 31st December, 2024, included in trade and other receivables of the Group are trade receivables of HK\$1,715,000 (30th June, 2024: HK\$4,084,000). Trade debtors mainly comprise receivables from the operation of City Garden Hotel. For the payment terms of the Arrangement referred to in note 3, the monthly room charge and other charges for three months in total shall be settled in advance by the first month of each quarter.

For the others, the Group maintains a defined credit policy to assess the credit quality of each counterparty. The collection is closely monitored to minimise any credit risk associated with these trade receivables.

The following is an analysis of trade receivables by age based on the invoice dates, and other receivables at the end of the reporting period:

	31st December, 2024 HK\$'000	30th June, 2024 HK\$'000
Trade receivables		
0 – 30 days	1,715	4,084
Other receivables	39,903	28,846
	<u>41,618</u>	<u>32,930</u>

### 14. Trade and other payables

At 31st December, 2024, included in trade and other payables of the Group are trade payables of HK\$3,318,000 (30th June, 2024: HK\$2,355,000).

The following is an analysis of trade payables by age based on the invoice dates, and other payables and contract liabilities at the end of the reporting period:

	31st December, 2024 HK\$'000	30th June, 2024 HK\$'000
Trade payables		
0 – 30 days	3,318	2,347
31 – 60 days	–	6
61 – 90 days	–	–
Over 90 days	–	2
	<u>3,318</u>	<u>2,355</u>
Other payables	19,076	14,399
Contract liabilities	3,087	2,940
	<u>25,481</u>	<u>19,694</u>

## Notes to the unaudited condensed consolidated financial statements (Continued)

For the six months ended 31st December, 2024

### 15. Share capital

	Number of ordinary shares of HK\$1 each		Nominal value	
	2024	2023	2024 HK\$'000	2023 HK\$'000
Authorised:				
At the beginning and the end of the period	<u>3,000,000,000</u>	<u>3,000,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>
Issued and fully paid:				
At 1st July	<u>1,153,303,258</u>	<u>1,142,661,798</u>	<u>1,153,303</u>	<u>1,142,662</u>
Issue of shares in lieu of cash dividends	<u>11,821,024</u>	<u>–</u>	<u>11,821</u>	<u>–</u>
At 31st December	<u>1,165,124,282</u>	<u>1,142,661,798</u>	<u>1,165,124</u>	<u>1,142,662</u>

On 3rd December, 2024, the Company issued and allotted a total of 11,821,024 (six months ended 31st December, 2023: Nil) ordinary shares of HK\$1.00 each at an issue price of HK\$1.424 (six months ended 31st December, 2023: HK\$Nil) to the shareholders in lieu of cash for the 2024 final dividend (six months ended 31st December, 2023: Nil).

The shares issued during the period rank pari passu with the then existing shares in all respects.

### 16. Commitments

	31st December, 2024 HK\$'000	30th June, 2024 HK\$'000
Expenditures contracted for but not provided in the condensed consolidated financial statements in respect of:		
Renovation works, purchase of furniture, fixtures and hotel operating equipment	<u>5,649</u>	<u>8,577</u>

## Notes to the unaudited condensed consolidated financial statements (Continued)

For the six months ended 31st December, 2024

### 17. Fair value measurement of financial instruments

#### Fair value of the Group's financial assets that are measured at fair value on a recurring basis

The Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 inputs are quoted prices (unadjusted) in active market for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique and key inputs
	31st December, 2024 HK\$'000	30th June, 2024 HK\$'000		
<b>Equity instruments at FVTOCI</b>				
– Listed equity securities	537,145	499,382	Level 1	Quoted price from direct market comparable
<b>Debt instrument at FVTOCI</b>				
– Listed debt security	–	77,734	Level 2	Quoted market price provided by financial institution
<b>Debt instrument at FVTPL</b>				
– Listed debt security	68,320	61,040	Level 1	Quoted price from direct market comparable

There was no transfer between level 1, 2 and 3 in the current and prior periods.

The Directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

## 17. Fair value measurement of financial instruments (Continued)

### Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

As at 31st December, 2024, the Group held 85,909,519 (30th June, 2024: 85,909,519) ordinary shares, representing approximately 5.15% (30th June, 2024: 5.15%) equity interest, in The Hongkong and Shanghai Hotels, Limited (the "HKSHL Shares"), a company whose shares (stock code: 45) are listed on the Main Board of the Stock Exchange and is principally engaged in the ownership and management of hotel, retail, commercial and residential properties in Asia, the United States of America and Europe.

The total cost of investment in HKSHL Shares was approximately HK\$709,296,000 (30th June, 2024: HK\$709,296,000) and its fair value as at 31st December, 2024 was approximately HK\$534,357,000 (30th June, 2024: HK\$496,557,000), representing approximately 12.7% (30th June, 2024: 12%) of the total assets of the Group as at 31st December, 2024. The Group recognised an unrealised gain on fair value change of the HKSHL Shares of approximately HK\$37,800,000 (six months ended 31st December, 2023: unrealised loss of HK\$89,918,000) in other comprehensive income and accumulated in the investment revaluation reserve for the six months ended 31st December, 2024. This significant investment is held for long term. During the six months ended 31st December, 2024 and 31st December, 2023, no scrip dividend or cash was received by the Group.

## 18. Material related party transactions

There were no new material related party transactions during the six months ended 31st December, 2024 save as those disclosed in the Group's audited annual financial statements for the year ended 30th June, 2024.



(An exempted company incorporated in the Cayman Islands with limited liability)  
(於開曼群島註冊成立之受豁免有限公司)

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