HALF-YEAR RESULTS

HONG KONG LAND HOLDINGS LD

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Announcement

1st August 2024

The following announcement was issued today to a Regulatory Information Service approved by the Financial Conduct Authority in the United Kingdom.

HONGKONG LAND HOLDINGS LIMITED
HALF-YEAR RESULTS FOR THE SIX MONTHS ENDED 30TH JUNE 2024

Highlights

- Underlying loss of US$7 million due to provisions in China Development Properties
- Excluding non-recurring provisions, underlying profit was US$288 million
- Investment Properties contributions resilient, underpinned by market leading occupancy levels
- Tomorrow's CENTRAL: US$1 billion strategic investment in the future of the Central Portfolio announced
- Interim dividend of US¢6 per share, unchanged from the prior year

"The Group's first half results produced a modest underlying loss due to non-cash provisions in the carrying value of some China Development Properties projects. Contributions from Investment Properties were stable, despite market headwinds. Excluding provisions, Development Properties contributions were lower than the first half of 2023 due to the phasing of project completions.

The Group continues to invest for growth and to strengthen its market leading position. Tomorrow's CENTRAL, a US$1 billion investment to reimagine our core Hong Kong retail portfolio will shortly commence in phases over the next three years. In Shanghai, the next chapter of Hongkong Land's growth is being crafted with the development of the West Bund project, a large and diverse district of commercial and residential properties that will open in phases between 2024 and 2027."

Michael Smith
Chief Executive

Results

	(unaudited)		
	Six months ended 30th June		
	2024	2023	Change
	US$m	US$m	%
Underlying (loss)/profit attributable to shareholders#	**(7)**	422	N/A
Loss attributable to shareholders	**(833)**	(333)	+150
Shareholders' funds	**30,504**	31,965*	-5
Net debt	**5,357**	5,371*	-
	US¢	US¢	%
Underlying (loss)/earnings per share#	**(0.31)**	19.02	N/A
Loss per share	**(37.75)**	(15.00)	+152
Interim dividend per share	**6.00**	6.00	-
	US$	US$	%
Net asset value per share	**13.82**	14.49*	-5

The Group uses 'underlying profit attributable to shareholders' in its internal financial reporting to distinguish between ongoing business performance and non-trading items, as more fully described in note 7 to the condensed financial statements. Management considers this to be a key measure which provides additional information to enhance understanding of the Group's underlying business performance.

* At 31st December 2023.

The interim dividend of US¢6.00 per share will be payable on 16th October 2024 to shareholders on the register of members at the close of business on 23rd August 2024.

HONGKONG LAND HOLDINGS LIMITED
HALF-YEAR RESULTS FOR THE SIX MONTHS ENDED 30TH JUNE 2024

OVERVIEW

The Group's portfolio of Investment Properties delivered a solid performance in the first half of the year, with stable contributions from the luxury retail and Singapore office segments, and a mild reduction in Hong Kong office rental income.

On the Chinese mainland, persistent weak sentiment in the residential sector resulted in reduced demand and sales prices in both primary and secondary markets in most cities. The weak market conditions prompted an extensive review of the sales pricing of the Group's development projects, resulting in significant non-cash provisions against the carrying value of selected projects. Excluding provisions, contributions from Development Properties were significantly lower than the prior period, due to the timing of project completions. Overall, the Group recorded a small underlying loss for the first half of 2024.

The Group's fundamentals remain sound, with resilient operating cash flows from its Investment Properties portfolio and a strong balance sheet.

The Group is currently undergoing a comprehensive strategic review of its overall business strategy and commercial priorities. Upon its completion, which is expected to be before the end of 2024, the Group intends to present a strategy update.

FINANCIAL PERFORMANCE

The underlying loss attributable to shareholders was US$7 million, while the underlying loss per share was US¢0.31; both results were significantly lower than the prior year. This included a non-cash provision of US$295 million in China Development Properties. Excluding the impact of the non-cash provision, underlying profit attributable to shareholders was US$288 million, 32% lower than the prior year.

There was a loss attributable to shareholders of US$833 million in the first half of 2024, compared to a loss of US$333 million in the first half of 2023. This figure reflected unrealised net non-cash losses arising primarily from revaluations of the Investment Properties portfolio of US$826 million and US$755 million in the first half of 2024 and 2023, respectively. The 2024 net revaluation loss is principally attributable to the Hong Kong office portfolio, following a modest decrease in market rents, partially offset by a valuation gain for the Hong Kong retail portfolio driven by expected rental uplifts resulting from the LANDMARK investment. The valuation of the remainder of the Investment Properties portfolio was stable.

The net asset value per share at 30th June 2024 was US$13.82, compared with US$14.49 at the end of 2023.

Net debt at 30th June 2024 was US$5.4 billion, unchanged from the end of 2023. Net gearing was 18%, compared to 17% at the end of 2023.

As at 30th June 2024, the Group had undrawn committed facilities and cash of US$3.0 billion, with an average debt tenor of 6.2 years. 65% of the Group's interest rate on debt is at fixed rates.

The Directors are recommending an interim dividend of US¢6.00 per share, unchanged from the prior year.

DEVELOPMENT ACTIVITIES

In June 2024, the Group announced Tomorrow's CENTRAL, a strategic investment in the expansion and transformation of its luxury retail offering in Hong Kong over the next three years. This US$1 billion investment will be financed both by the Group's luxury brand partners, who will contribute an estimated US$600 million to design and build their new global flagships, and Hongkong Land, who will invest US$400 million to create new multi-story Maison retail spaces. In total, the LANDMARK will have 10 new world-class Maison destinations which will be unique both in Hong Kong and globally.

The Group is making this strategic investment to meet its luxury tenants' demand for significant additional retail space and enhanced brand representation in the heart of Hong Kong. The milestone project will expand the Group's regional market share and leadership in the luxury goods segment and strengthen the attractiveness of its CENTRAL portfolio ecosystem to tenants and customers through enhanced lifestyle, dining and retail concepts.

The investment will create additional value for shareholders through a combination of significant rental growth from new, long-term leases, and an uplift in the capital value of the prime retail portfolio. The US$400 million investment is to be financed over three years from operating cash flows.

In July, the first of 10 Maisons was opened by Sotheby's at LANDMARK CHATER. The 24,000 sq. ft. space, designed to cater to the needs of a new generation of art enthusiasts and experienced collectors, features a pioneering dual concept Maison with curated retail across art, luxury, and collectibles, as well as immersive experiences and museum-quality exhibitions.

Also in June, the Group launched The Ring, Chengdu, a wholly-owned retail-led mixed-used development. The 220,000 sq. m. commercial complex includes a seven-storey retail complex, two office towers as well as a hotel. The Ring, Chengdu marks the Group's second commercial development to open as part of the 'The Ring' experiential-led lifestyle retail series on the Chinese mainland.

Construction activities at the flagship, riverfront West Bund project in Shanghai continues at pace. The project, with a developable gross floor area exceeding 1.1 million sq. m., is the largest in the Group's history and will include all the hallmarks Hongkong Land is renowned for, including prime Grade A offices, luxury retail and hotels, serviced apartments and residential, alongside a variety of arts and cultural programming creating a community-based environment. The luxury retail segment of West Bund will also become the first location outside of the LANDMARK to become part of the Group's GLOBAL CENTRAL vision - which is to create world-class luxury lifestyle and retail destinations that serve as gravitational hubs for the world's most prestigious brands. The first phase of the project, largely comprising residential and serviced apartments, completed in the first half of the year. The remainder of the development will open gradually in phases from 2025 to 2027.

GROUP REVIEW

Investment Properties

In Hong Kong, office leasing demand remained weak, with subdued new enquiry levels. The Group's Central office portfolio remained resilient and continued to outperform the market, underpinned by flight to quality demand. Physical and committed vacancy was 7.3% and 6.8% respectively at the end of June 2024, compared to 7.4% and 6.8% at the end of 2023. This compares favourably to 12.1% vacancy in the wider Central Grade A office market. Negative rental reversions resulted in average office rents decreasing to HK$103 per sq. ft., compared to HK$107 per sq. ft. for the same period last year.

There was a moderate decline in sales at the Group's LANDMARK retail portfolio primarily due to some leakage of sales to other destinations due to the strong Hong Kong dollar, as well as planned tenant movements ahead of the announced LANDMARK transformation. Average retail rents were HK$206 per sq. ft., compared with HK$204 per sq. ft. for the same period last year. Physical vacancy increased to 2.6% as a result of the transformation works, which are scheduled to begin in the third quarter of 2024.

Combined contributions from the Group's CENTRAL series luxury retail malls in Beijing and Macau were stable during the period. Higher tenant sales at WF CENTRAL, Beijing were mainly driven by tenant mix optimisation, which offset lower contributions from One CENTRAL Macau, which is currently undergoing upgrade works. Market conditions have recently become more challenging however, with a meaningful reduction in luxury goods sales in China in the second quarter.

In Singapore, the Group's office portfolio saw moderate rental growth, supported by low vacancies and limited new supply. Vacancy across the Group's office portfolio was 2.6% at the end of June 2024, compared with 1.9% at the end of 2023. On a committed basis, vacancy was 1.1%. Leasing demand remained subdued given macroeconomic uncertainties, with new deals primarily driven by flight to quality as tenants are prioritising space quality over size. Rental reversions were positive, with average rents increasing to S$11.1 per sq. ft., compared to S$10.9 per sq. ft. for the same period last year.

Development Properties

On the Chinese mainland, residential sales continued to be impacted by low consumer confidence, although sales performances varied between different cities, with demand for well-located projects remaining healthy. In the first half of the year, the Group fully sold all residential units at its flagship West Bund development. Profits from these sales will be recognised upon handover to buyers in the second half of 2024. More generally, sales completions were limited in the period, with a greater number of profitable, fully sold projects to be handed over to buyers later in the year.

The Group's attributable interest in contracted sales was US$838 million, compared to US$745 million and US$785 million in the first and second halves of 2023, respectively. At 30th June 2024, the Group had US$2,215 million in sold but unrecognised contracted sales, compared with US$2,031 million at the end of 2023.

Deteriorating market conditions on the Chinese mainland prompted an extensive review of the pricing and competitive positioning of the Group's development projects, with pricing adjusted where needed to improve sales velocity. Following this review, non-cash provisions totalling US$295 million were recorded on a limited number of projects. The provisions were required where expected sales price, based on market comparables, had fallen below the carrying value. Most of the affected projects were in non-prime locations in Wuhan, Nanjing and Chongqing.

In Singapore, the profit contribution from residential development projects was lower compared to the same period in 2023, due to limited inventory available for sale. The Group's attributable interest in contracted sales was US$25 million, compared to US$487 million and US$100 million in the first and second halves of 2023, respectively. Two new projects, which were acquired in late 2023, are expected to be launched in the second half of 2024.

In the rest of South East Asia, total contributions were lower due to the timing of planned sales completions.

SUSTAINABILITY

Decarbonisation

Since committing to ambitious science-based targets in 2022, the Group has made encouraging progress. Scope 1 and 2 greenhouse gas ('GHG') emissions reduced by 29% at the end of 2023 compared to the 2019 baseline, which is more than halfway towards achieving the Group's committed 46.2% reduction in Scope 1 and 2 GHG emissions by 2030.

Green Buildings

As a leader in sustainable building practices, the Group constantly reinvests in its existing asset portfolio to obtain market leading sustainability certifications. The Group has recently announced that it is the first developer to achieve 'Triple-Platinum' status for all of its commercial buildings in Hong Kong, across LEED, WELL Core Platinum and BEAM certifications.

OUTLOOK

Market conditions are expected to remain challenging for the remainder of the year. Despite market uncertainties, the Group's Investment Properties portfolio is well positioned and resilient, underpinned by its quality and premium positioning.

The Central office portfolio is expected to continue outperforming the broader market, underpinned by the unique Central ecosystem and scarcity of supply of high-quality, well-managed space in Central. The Group expects committed occupancy levels to remain stable, as a vast majority of 2024 office lease expiries have already been renewed.

There will be a mild reduction in contributions from the retail portfolio in Hong Kong for the remainder of the year, as the LANDMARK transformation commences in the third quarter of 2024. However, this strategic investment will enable the Group to capture the rental upside from the expanded presence of our luxury retail partners, as well as further enhancing the Central ecosystem.

Luxury retail sales in China have declined in recent months, although WF CENTRAL in Beijing is expected to deliver a stable performance driven by tenant repositioning efforts. Trading at One CENTRAL Macau for the remainder of the year will be impacted by ongoing upgrading works, which will bring a new retail experience to market by early 2025.

In Singapore, office demand is expected to be muted, due to the uncertain macroeconomic outlook, limiting near-term growth potential in office rents. Although in a tightly supplied market, the Group's market leading office portfolio should continue to enjoy low vacancies.

Contributions from the Development Properties business are expected to increase in the second half of the year, due to planned project completions on the Chinese mainland, with several fully sold projects scheduled to be handed over to buyers.

While full-year underlying profit will be significantly below 2023, due to the impact of provisions already recognised, the Group's diversified portfolio remains resilient and continues to make strategic investments to drive future growth.

Michael Smith
Chief Executive

Hongkong Land Holdings Limited
Consolidated Profit and Loss Account
for the six months ended 30th June 2024

	(unaudited)		
	Six months ended 30th June		Year ended 31st December
	2024	2023	2023

	Underlying business performance US$m	Non-trading items US$m	Total US$m	Underlying business performance US$m	Non-trading items US$m	Total US$m	Underlying business performance US$m	Non-trading items US$m	Total US$m
Revenue *(note 2)*	**972.4**	**-**	**972.4**	670.3	-	670.3	1,844.3	-	1,844.3
Net operating costs *(note 3)*	**(758.3)**	**-**	**(758.3)**	(277.6)	-	(277.6)	(1,050.0)	16.6	(1,033.4)
Change in fair value of investment properties *(note 7)*	**-**	**(864.6)**	**(864.6)**	-	(742.6)	(742.6)	-	(1,323.5)	(1,323.5)
Operating profit/(loss) *(note 4)*	**214.1**	**(864.6)**	**(650.5)**	392.7	(742.6)	(349.9)	794.3	(1,306.9)	(512.6)
Net financing charges									
- financing charges	**(123.1)**	**-**	**(123.1)**	(123.7)	-	(123.7)	(265.9)	-	(265.9)
- financing income	**41.6**	**-**	**41.6**	40.1	-	40.1	81.5	-	81.5
	(81.5)	**-**	**(81.5)**	(83.6)	-	(83.6)	(184.4)	-	(184.4)
Share of results of associates and joint ventures *(note 5)*	**(78.1)**	**54.7**	**(23.4)**	164.3	(8.6)	155.7	234.7	18.0	252.7
Profit/(loss) before tax	**54.5**	**(809.9)**	**(755.4)**	473.4	(751.2)	(277.8)	844.6	(1,288.9)	(444.3)
Tax *(note 6)*	**(60.2)**	**(12.0)**	**(72.2)**	(49.8)	(2.7)	(52.5)	(107.2)	(25.6)	(132.8)
(Loss)/profit after tax	**(5.7)**	**(821.9)**	**(827.6)**	423.6	(753.9)	(330.3)	737.4	(1,314.5)	(577.1)
Attributable to:									
Shareholders of the Company *(note 8)*	**(6.9)**	**(826.1)**	**(833.0)**	422.2	(755.2)	(333.0)	734.2	(1,316.5)	(582.3)
Non-controlling interests	**1.2**	**4.2**	**5.4**	1.4	1.3	2.7	3.2	2.0	5.2
	(5.7)	**(821.9)**	**(827.6)**	423.6	(753.9)	(330.3)	737.4	(1,314.5)	(577.1)
	US¢		**US¢**	US¢		US¢	US¢		US¢

(Loss)/earnings per share *(note 8)*	**(0.31)**	**(37.75)**	19.02	(15.00)	33.15	(26.29)

Hongkong Land Holdings Limited
Consolidated Statement of Comprehensive Income
for the six months ended 30th June 2024

	(unaudited) Six months ended 30th June		Year ended 31st December
	2024	2023	2023
	US$m	US$m	US$m
Loss for the period	**(827.6)**	(330.3)	(577.1)
Other comprehensive income/(expense)			
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit plans	**-**	-	0.7
Tax on items that will not be reclassified	**-**	-	(0.1)
	-	-	0.6
Items that may be reclassified subsequently to profit or loss:			
Net exchange translation differences			
- net loss arising during the period	**(54.2)**	(209.2)	(82.2)
- transfer to profit and loss	**-**	-	0.6
	(54.2)	(209.2)	(81.6)
Cash flow hedges			
- net gain/(loss) arising during the period	**9.6**	(16.4)	(53.1)
- transfer to profit and loss	**(2.7)**	(1.4)	(2.2)
	6.9	(17.8)	(55.3)
Tax relating to items that may be reclassified	**(1.1)**	2.9	9.1
Share of other comprehensive expense of associates and joint ventures	**(229.3)**	(204.7)	(59.1)

	(277.7)	(428.8)	(186.9)
Other comprehensive expense for the period, net of tax	**(277.7)**	(428.8)	(186.3)
Total comprehensive expense for the period	**(1,105.3)**	(759.1)	(763.4)
Attributable to:			
Shareholders of the Company	**(1,108.8)**	(759.1)	(767.4)
Non-controlling interests	**3.5**	-	4.0
	(1,105.3)	(759.1)	(763.4)

Hongkong Land Holdings Limited
Consolidated Balance Sheet
at 30th June 2024

		(unaudited) At 30th June	At 31st December
	2024	2023	2023
	US$m	US$m	US$m
Net operating assets			
Fixed assets	**93.8**	104.1	99.7
Right-of-use assets	**11.0**	13.7	12.1
Investment properties *(note 10)*	**25,844.8**	27,167.4	26,687.2
Associates and joint ventures *(note 11)*	**8,888.6**	8,943.5	9,284.2
Non-current debtors	**14.1**	13.2	14.2
Deferred tax assets	**70.4**	107.4	113.3
Pension assets	**1.0**	0.9	1.0
Non-current assets	**34,923.7**	36,350.2	36,211.7
Properties for sale	**2,422.1**	3,085.1	2,926.1
Current debtors	**336.9**	531.2	374.1
Current tax assets	**48.2**	58.5	60.4
Bank balances	**1,068.9**	1,143.4	1,195.6
Current assets	**3,876.1**	4,818.2	4,556.2
Current creditors	**(1,422.6)**	(1,779.3)	(1,705.9)
Current borrowings *(note 12)*	**(677.5)**	(858.5)	(781.6)

Current tax liabilities	**(132.0)**	(238.2)	(189.8)
Current liabilities	**(2,232.1)**	(2,876.0)	(2,677.3)
Net current assets	**1,644.0**	1,942.2	1,878.9
Long-term borrowings *(note 12)*	**(5,747.9)**	(5,829.6)	(5,785.3)
Deferred tax liabilities	**(229.6)**	(278.7)	(249.1)
Pension liabilities	**(0.5)**	(2.2)	(0.1)
Non-current creditors	**(60.8)**	(25.4)	(68.8)
	30,528.9	32,156.5	31,987.3
Total equity			
Share capital	**220.7**	221.5	220.7
Revenue and other reserves	**30,282.8**	31,911.9	31,744.7
Shareholders' funds	**30,503.5**	32,133.4	31,965.4
Non-controlling interests	**25.4**	23.1	21.9
	30,528.9	32,156.5	31,987.3

Hongkong Land Holdings Limited
Consolidated Statement of Changes in Equity
for the six months ended 30th June 2024

	Share capital US$m	Revenue reserves US$m	Hedging reserves US$m	Exchange reserves US$m	Attributable to shareholders of the Company US$m	Attributable to non-controlling interests US$m	Total equity US$m
Six months ended 30th June 2024 (unaudited)							
At 1st January 2024	**220.7**	**32,299.5**	**(57.7)**	**(497.1)**	**31,965.4**	**21.9**	**31,987.3**
Total comprehensive (expense)/income	**-**	**(833.0)**	**8.1**	**(283.9)**	**(1,108.8)**	**3.5**	**(1,105.3)**
Dividends paid by the Company *(note 9)*	**-**	**(353.1)**	**-**	**-**	**(353.1)**	**-**	**(353.1)**
At 30th June 2024	**220.7**	**31,113.4**	**(49.6)**	**(781.0)**	**30,503.5**	**25.4**	**30,528.9**
Six months ended 30th June 2023 (unaudited)							
At 1st January 2023	222.7	33,449.8	(3.0)	(366.1)	33,303.4	23.7	33,327.1

Total comprehensive expense	-	(333.0)	(16.9)	(409.2)	(759.1)	-	(759.1)
Dividends paid by the Company *(note 9)*	-	(355.9)	-	-	(355.9)	-	(355.9)
Dividends paid to non-controlling shareholders	-	-	-	-	-	(0.6)	(0.6)
Repurchase of shares	(1.2)	(53.8)	-	-	(55.0)	-	(55.0)
At 30th June 2023	221.5	32,707.1	(19.9)	(775.3)	32,133.4	23.1	32,156.5
Year ended 31st December 2023							
At 1st January 2023	222.7	33,449.8	(3.0)	(366.1)	33,303.4	23.7	33,327.1
Total comprehensive (expense)/income	-	(581.7)	(54.7)	(131.0)	(767.4)	4.0	(763.4)
Dividends paid by the Company	-	(488.7)	-	-	(488.7)	-	(488.7)
Dividends paid to non-controlling shareholders	-	-	-	-	-	(0.6)	(0.6)
Unclaimed dividends forfeited	-	1.3	-	-	1.3	-	1.3
Repurchase of shares	(2.0)	(81.2)	-	-	(83.2)	-	(83.2)
Disposal of subsidiaries	-	-	-	-	-	(5.2)	(5.2)
At 31st December 2023	220.7	32,299.5	(57.7)	(497.1)	31,965.4	21.9	31,987.3

Hongkong Land Holdings Limited
Consolidated Cash Flow Statement
for the six months ended 30th June 2024

		(unaudited) Six months ended 30th June	Year ended 31st December
	2024	2023	2023
	US$m	US$m	US$m
Operating activities			
Operating loss	**(650.5)**	(349.9)	(512.6)
Depreciation and amortisation	**6.3**	8.4	16.5
Change in fair value of investment properties	**864.6**	742.6	1,323.5
Gain on acquisition of subsidiaries	**-**	(31.6)	(31.6)
Net gain on disposal of subsidiaries and joint ventures	**-**	-	(15.9)

Decrease/(increase) in properties for sale	**437.0**	(41.6)	187.5
Decrease/(increase) in debtors	**65.7**	(9.2)	83.0
(Decrease)/increase in creditors	**(254.5)**	123.9	8.2
Interest received	**31.4**	22.4	46.4
Interest and other financing charges paid	**(119.9)**	(124.0)	(251.2)
Tax paid	**(92.5)**	(127.2)	(287.3)
Dividends from associates and joint ventures	**32.1**	58.9	135.1
Cash flows from operating activities	**319.7**	272.7	701.6
Investing activities			
Major renovations expenditure	**(36.9)**	(48.1)	(85.3)
Repayments from associates and joint ventures	**156.7**	721.1	1,183.3
Investments in associates and joint ventures	**(0.7)**	(110.8)	(401.4)
Advances to associates and joint ventures	**(69.4)**	(127.6)	(434.3)
Disposal of subsidiaries	**-**	-	29.3
Disposal of joint ventures	**-**	-	8.5
Acquisition of subsidiaries	**-**	(30.9)	(30.9)
Cash flows from investing activities	**49.7**	403.7	269.2
Financing activities			
Drawdown of borrowings	**1,245.6**	836.6	2,121.9
Repayment of borrowings	**(1,320.7)**	(1,106.6)	(2,569.5)
Principal elements of lease payments	**(1.2)**	(1.5)	(3.4)
Repurchase of shares	**-**	(55.0)	(83.2)
Dividends paid by the Company	**(346.2)**	(353.6)	(486.2)
Dividends paid to non-controlling shareholders	**-**	(0.6)	(0.6)
Cash flows from financing activities	**(422.5)**	(680.7)	(1,021.0)
Net cash outflow	**(53.1)**	(4.3)	(50.2)
Cash and cash equivalents at beginning of period	**1,112.2**	1,171.5	1,171.5
Effect of exchange rate changes	**(18.1)**	(26.4)	(9.1)
Cash and cash equivalents at end of period	**1,041.0**	1,140.8	1,112.2

Hongkong Land Holdings Limited

Notes to Condensed Financial Statements

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION

The condensed financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting' and on a going concern basis. The condensed financial statements have not been audited or reviewed by the Group's auditors.

There are no changes to the accounting policies as described in the 2023 annual financial statements. A number of amendments issued by the International Accounting Standards Board were effective from 1st January 2024 and do not have significant impact on the Group's results, financial position and accounting policies.

The Group has not early adopted any standards, interpretations or amendments that have been issued but not yet effective.

2. REVENUE

	Six months ended 30th June	
	2024	2023
	US$m	US$m
Rental income	**451.4**	463.9
Service income and others		
- recognised at a point in time	**18.5**	16.6
- recognised over time	**88.7**	86.6
	107.2	103.2
Sales of properties		
- recognised at a point in time	**408.9**	94.4
- recognised over time	**4.9**	8.8
	413.8	103.2
	972.4	670.3
By business		
Investment Properties	**526.9**	538.4
Development Properties	**445.5**	131.9
	972.4	670.3

3. NET OPERATING COSTS

	Six months ended 30th June	
	2024	2023
	US$m	US$m
Cost of sales	**(679.8)**	(218.3)
Other income	**22.1**	21.1
Gain on acquisition of subsidiaries	**-**	31.6
Administrative expenses	**(100.6)**	(112.0)

	(758.3)	(277.6)

Cost of sales included a US$147.5 million provision in China Development Properties (2023: Nil) arising from a deterioration in market conditions that resulted in projected sales prices being lower than development cost. A corresponding deferred tax credit of US$4.7 million was recognised.

4. OPERATING PROFIT/(LOSS)

	Six months ended 30th June	
	2024	2023
	US$m	US$m
By business		
Investment Properties	**406.4**	422.1
Development Properties	**(151.7)**	18.3
Corporate	**(40.6)**	(47.7)
Underlying business performance	**214.1**	392.7
Change in fair value of investment properties	**(864.6)**	(742.6)
	(650.5)	(349.9)

5. SHARE OF RESULTS OF ASSOCIATES AND JOINT VENTURES

	Six months ended 30th June	
	2024	2023
	US$m	US$m
By business		
Investment Properties		
- operating profit	**76.0**	75.4
- net financing charges	**(26.7)**	(25.1)
- tax	**(8.1)**	(8.3)
- net profit	**41.2**	42.0
Development Properties		
- operating (loss)/profit	**(108.3)**	161.2
- net financing charges	**(23.7)**	(15.8)
- tax	**12.7**	(23.1)
- net (loss)/profit	**(119.3)**	122.3
Underlying business performance	**(78.1)**	164.3
Change in fair value of investment properties		

(net of tax)	**54.7**	(8.6)
	(23.4)	155.7

The Development Properties net loss in 2024 included a US$151.8 million net provision after including a deferred tax credit. This arose due to a deterioration in market conditions that resulted in projected sales prices being lower than development cost. In 2023, the net profit included a net gain of US$50.4 million arising from acquisitions.

6. TAX

	Six months ended 30th June	
	2024	2023
	US$m	US$m
Tax charged to profit and loss is analysed as follows:		
Current tax	**(49.3)**	(47.8)
Deferred tax		
- changes in fair value of investment properties	**(12.0)**	(2.7)
- other temporary differences	**(10.9)**	(2.0)
	(72.2)	(52.5)
Tax relating to components of other comprehensive income or expense is analysed as follows:		
Cash flow hedges	**(1.1)**	2.9

Tax on profits has been calculated at the rates of taxation prevailing in the territories in which the Group operates.

The Group is within the scope of the OECD Pillar Two model rules, and has applied the exception to recognising and disclosing information about deferred tax assets and liabilities relating to Pillar Two income taxes from 1st January 2023. Pillar Two legislation has been enacted or substantially enacted in certain jurisdictions in which the Group operates. The Group has assessed that the income tax expense related to Pillar Two income taxes in the relevant jurisdictions for the interim period is immaterial.

Share of tax charge of associates and joint ventures of US$1.5 million *(2023: US$30.5 million)* is included in share of results of associates and joint ventures.

7. NON-TRADING ITEMS

Non-trading items are separately identified to provide greater understanding of the Group's underlying business performance. Items classified as non-trading items include fair value gains or losses on revaluation of investment properties; gains and losses arising from the sale of businesses and investment properties; impairment of non-depreciable intangible assets; provisions for the closure of businesses; acquisition-related costs in business combinations; and other credits and charges of a non-recurring nature that require inclusion in order to provide additional insight into underlying business performance.

An analysis of non-trading items after interest, tax and non-controlling interests is set out below:

	Six months ended 30th June **2024** US$m	2023 US$m
Change in fair value of investment properties	**(864.6)**	(742.6)
Tax on change in fair value of investment properties	**(12.0)**	(2.7)
Share of change in fair value of investment properties of associates and joint ventures (net of tax)	**54.7**	(8.6)
Non-controlling interests	**(4.2)**	(1.3)
	(826.1)	(755.2)

8. (LOSS)/EARNINGS PER SHARE

Loss per share is calculated on loss attributable to shareholders of US$833.0 million *(2023: US$333.0 million)* and on the weighted average number of 2,206.6 million *(2023: 2,220.2 million)* shares in issue during the period.

(Loss)/earnings per share is/are additionally calculated based on underlying (loss)/profit attributable to shareholders. A reconciliation of earnings is set out below:

	Six months ended 30th June **2024**		2023	
	US$m	**Loss per share US¢**	US$m	Earnings/ (loss) per share US¢
Underlying (loss)/profit attributable to shareholders	**(6.9)**	**(0.31)**	422.2	19.02
Non-trading items *(note 7)*	**(826.1)**		(755.2)	
Loss attributable to shareholders	**(833.0)**	**(37.75)**	(333.0)	(15.00)

9. DIVIDENDS

	Six months ended 30th June **2024** US$m	2023 US$m
Final dividend in respect of 2023 of US¢16.00 *(2022: US¢16.00)* per share	**353.1**	355.9

An interim dividend in respect of 2024 of US¢6.00 *(2023: US¢6.00)* per share amounting to a total of US$132.4 million *(2023: US$132.9 million)* is declared by the Board and will be accounted for as an appropriation of revenue reserves in the year ending 31st December 2024.

10. INVESTMENT PROPERTIES

	Six months ended 30th June		Year ended 31st December
	2024	2023	2023
	US$m	US$m	US$m
At beginning of period	**26,687.2**	28,054.1	28,054.1
Exchange differences	**(20.1)**	(179.2)	(69.7)
Additions	**42.3**	35.1	49.6
Disposal of subsidiaries	**-**	-	(23.3)
Decrease in fair value	**(864.6)**	(742.6)	(1,323.5)
At end of period	**25,844.8**	27,167.4	26,687.2

11. ASSOCIATES AND JOINT VENTURES

	At 30th June		At 31st December
	2024	2023	2023
	US$m	US$m	US$m
By business			
Investment Properties	**4,547.1**	4,480.1	4,590.8
Development Properties	**4,341.5**	4,463.4	4,693.4
	8,888.6	8,943.5	9,284.2

12. BORROWINGS

	At 30th June		At 31st December
	2024	2023	2023
	US$m	US$m	US$m
Current			
Bank overdrafts	**0.6**	2.6	1.2
Bank loans	**45.5**	61.5	74.2
Current portion of long-term borrowings			
- bank loans	**631.4**	219.1	306.5
- medium term notes	**-**	575.3	399.7

	677.5	858.5	781.6
Long-term			
Bank loans	**1,843.7**	2,586.6	1,909.7
Medium term notes			
- due 2025	**640.5**	641.9	641.3
- due 2026	**221.0**	38.4	225.3
- due 2027	**186.2**	185.3	186.0
- due 2028	**182.6**	181.8	182.3
- due 2029	**121.3**	120.8	121.1
- due 2030	**698.9**	698.0	698.6
- due 2031	**569.8**	569.0	569.5
- due 2032	**140.1**	139.5	139.9
- due 2033	**524.9**	88.7	524.7
- due 2034	**115.1**	76.7	77.0
- due 2035	**253.7**	252.6	253.3
- due 2038	**108.7**	108.8	111.9
- due 2039	**109.5**	109.7	112.8
- due 2040	**31.9**	31.8	31.9
	3,904.2	3,243.0	3,875.6
	5,747.9	5,829.6	5,785.3
	6,425.4	6,688.1	6,566.9

13. FINANCIAL INSTRUMENTS

Financial instruments by category

The fair values of financial assets and financial liabilities, together with carrying amounts at 30th June 2024 and 31st December 2023 are as follows:

	Fair value of hedging instruments US$m	Financial assets at amortised costs US$m	Other financial liabilities US$m	Total carrying amount US$m	Fair value US$m
30th June 2024					
Financial assets measured at fair value					
Derivative financial instruments	**0.9**	**-**	**-**	**0.9**	**0.9**
Financial assets not measured at fair value					

Amounts due from associates and joint ventures	**-**	**2,181.9**	**-**	**2,181.9**	**2,181.9**
Debtors	**-**	**230.9**	**-**	**230.9**	**230.9**
Bank balances	**-**	**1,068.9**	**-**	**1,068.9**	**1,068.9**
	-	**3,481.7**	**-**	**3,481.7**	**3,481.7**
Financial liabilities measured at fair value					
Derivative financial instruments	**(56.5)**	**-**	**-**	**(56.5)**	**(56.5)**
Financial liabilities not measured at fair value					
Borrowings	**-**	**-**	**(6,425.4)**	**(6,425.4)**	**(6,172.1)**
Creditors	**-**	**-**	**(1,020.1)**	**(1,020.1)**	**(1,020.1)**
	-	**-**	**(7,445.5)**	**(7,445.5)**	**(7,192.2)**
31st December 2023					
Financial assets measured at fair value					
Derivative financial instruments	4.0	-	-	4.0	4.0
Financial assets not measured at fair value					
Amounts due from associates and joint ventures	-	2,269.7	-	2,269.7	2,269.7
Debtors	-	245.1	-	245.1	245.1
Bank balances	-	1,195.6	-	1,195.6	1,195.6
	-	3,710.4	-	3,710.4	3,710.4
Financial liabilities measured at fair value					
Derivative financial instruments	(62.0)	-	-	(62.0)	(62.0)
Financial liabilities not measured at fair value					
Borrowings	-	-	(6,566.9)	(6,566.9)	(6,326.5)
Creditors	-	-	(1,145.4)	(1,145.4)	(1,145.4)
	-	-	(7,712.3)	(7,712.3)	(7,471.9)

Fair value estimation

(a) Financial instruments that are measured at fair value based on observable current market transactions

	At 30th June 2024 US$m	At 31st December 2023

		US$m
Assets		
Derivative designated at fair value		
- through other comprehensive income	**0.9**	2.7
- through profit and loss	**-**	1.3
	0.9	4.0
Liabilities		
Derivative designated at fair value		
- through other comprehensive income	**(56.5)**	(62.0)

The fair values of derivative financial instruments are determined using rates quoted by the Group's bankers at the balance sheet date. The rates for interest rate swaps are calculated by reference to market interest rates.

There were no changes in valuation techniques during the six months ended 30th June 2024 and the year ended 31st December 2023.

(b) Financial instruments that are not measured at fair value

The fair values of current debtors, bank balances, current creditors, current borrowings and current lease liabilities are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities.

The fair values of long-term borrowings are based on market prices or are estimated using the expected future payments discounted at market interest rates. The fair values of non-current lease liabilities are estimated using the expected future payments discounted at market interest rates.

14. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

Total capital commitments at 30th June 2024 and 31st December 2023 amounted to US$1,148.0 million and US$813.8 million, respectively.

Various Group companies are involved in litigation arising in the ordinary course of their respective businesses. Having reviewed outstanding claims and taking into account legal advice received, the Directors are of the opinion that adequate provisions have been made in the condensed financial statements.

15. RELATED PARTY TRANSACTIONS

The parent company of the Group is Jardine Strategic Limited ('JSL') and the ultimate parent company of the Group is Jardine Matheson Holdings Limited ('JMH'). Both JMH and JSL are incorporated in Bermuda.

In the normal course of business, the Group has entered into a variety of transactions with the subsidiaries, associates and joint ventures of JMH ('Jardine Matheson group members'). The more significant of these transactions during the six months ended 30th June 2024 are described below:

Management fee

The management fee payable by the Group, under an agreement entered into in 1995, to Jardine Matheson Limited ('JML') was nil *(2023: US$2.1 million)*, being 0.5% per annum of the Group's underlying profit in consideration for management consultancy services provided by JML, a wholly-owned subsidiary of JMH.

Property and other services

The Group rented properties to Jardine Matheson group members. Gross rents on such properties amounted to US$9.9 million *(2023: US$9.0 million)*.

The Group provided project management services and property management services to Jardine Matheson group members amounting to US$2.0 million *(2023: US$1.4 million)*.

Jardine Matheson group members provided property maintenance and other services to the Group in aggregate amounting to US$26.5 million (*2023: US$27.6 million)*.

Hotel management services

Jardine Matheson group members provided hotel management services to the Group amounting to US$1.7 million *(2023: US$1.8 million)*.

Outstanding balances with associates and joint ventures

Amounts of outstanding balances with associates and joint ventures are included in associates and joint ventures, and debtors as appropriate.

Hongkong Land Holdings Limited
Principal Risks and Uncertainties

The Board has overall responsibility for risk management and internal control. The following have been identified previously as the areas of principal risk and uncertainty facing the Company, and they remain unchanged:

- Economic Risk
- Commercial Risk
- Financial and Treasury Risk
- Regulatory and Political Risk
- Pandemic, War, Terrorism and Natural Disasters Risk
- Key Contracts Risk
- Cybersecurity Risk
- Governance and Misconduct Risk
- Health and Safety Risk
- People Risk
- Investment, Strategic Transactions and Partnerships Risk
- Environmental and Climate Risk

For greater detail, please refer to pages 105 to 109 of the Company's Annual Report for 2023, a copy of which is available on the Company's website www.hkland.com.

Responsibility Statements

The Directors of the Company confirm to the best of their knowledge that:

(a) the condensed financial statements prepared in accordance with IAS 34 'Interim Financial Reporting' give a true and fair view of the assets, liabilities, financial position and profit and losses of the Group; and

(b) the interim management report includes a fair review of all information required to be disclosed under Rules 4.2.7 and 4.2.8 of the Disclosure Guidance and Transparency Rules issued by the Financial Conduct Authority in the United Kingdom.

For and on behalf of the Board

Michael Smith
Craig Beattie

Directors

Dividend Information for Shareholders

The interim dividend of US¢6.00 per share will be payable on 16th October 2024 to shareholders on the register of members at the close of business on 23rd August 2024. The shares will be quoted ex-dividend on 22nd August 2024, and the share registers will be closed from 26th to 30th August 2024, inclusive.

Shareholders will receive cash dividends in United States Dollars, except when elections are made for alternate currencies in the following circumstances.

Shareholders on the Jersey branch register

Shareholders registered on the Jersey branch register can elect for their dividends to be paid in Sterling. These shareholders may make new currency elections for the 2024 interim dividend by notifying the United Kingdom transfer agent in writing by 27th September 2024. The Sterling equivalent of dividends declared in United States Dollars will be calculated by reference to a rate prevailing on 2nd October 2024.

Shareholders holding their shares through CREST in the United Kingdom will receive cash dividends in Sterling only, as calculated above.

Shareholders on the Singapore branch register who hold their shares through The Central Depository (Pte) Limited ('CDP')

Shareholders who are on CDP's Direct Crediting Service ('DCS')

Those shareholders on CDP's DCS will receive their cash dividends in Singapore Dollars unless they opt out of CDP Currency Conversion Service, through CDP, to receive United States Dollars.

Shareholders who are **not on** CDP's DCS

Those shareholders not on CDP's DCS will receive their cash dividends in United States Dollars unless they elect, through CDP, to receive Singapore Dollars.

Shareholders on the Singapore branch register who wish to deposit their shares into the CDP system by the dividend record date, being 23rd August 2024, must submit the relevant documents to Boardroom Corporate & Advisory Services Pte. Ltd., by no later than 5.00 p.m. (local time) on 22nd August 2024.

About Hongkong Land Group

Hongkong Land is a major listed property investment, management and development group. Founded in 1889, Hongkong Land's business is built on excellence, integrity and partnership.

The Group owns and manages more than 850,000 sq. m. of prime office and luxury retail assets in key Asian cities, principally Hong Kong, Singapore, Beijing and Jakarta. Its properties hold industry leading green building certifications and attract the world's foremost companies and luxury brands.

The Group's Central Hong Kong portfolio represents some 450,000 sq. m. of prime property. It has a further 165,000 sq. m. of prestigious office space in Singapore mainly held through joint ventures, five retail centres on the Chinese mainland, including a luxury retail centre at Wangfujing in Beijing, and a 50% interest in a leading office complex in Central Jakarta. The Group also has a number of high-quality residential, commercial and mixed-use projects under development in cities across China and Southeast Asia, including a 43% interest in a 1.1 million sq. m. mixed-use project in West Bund, Shanghai. Its subsidiary, MCL Land, is a well-established residential developer in Singapore.

Hongkong Land Holdings Limited is incorporated in Bermuda and has a primary listing in the equity shares (transition) category of the London Stock Exchange, with secondary listings in Bermuda and Singapore. The Group's assets and investments are managed from Hong Kong by Hongkong Land Limited. Hongkong Land is a member of the Jardine Matheson Group.

- end -

For further information, please contact:

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As permitted by the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority in the United Kingdom, the Company will not be posting a printed version of the Half-Year Results announcement for the six months ended 30th June 2024 to shareholders. This Half-Year Results announcement will be made available on the Company's website, www.hkland.com, together with other Group announcements.

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