

UNAUDITED INTERIM FINANCIAL REPORT

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

in HK\$ million	Note	Six months ended 30 June 2023 (Unaudited)	Six months ended 30 June 2022 (Unaudited)
Revenue from Hong Kong transport operations		9,342	5,815
Revenue from Hong Kong station commercial businesses		2,415	1,481
Revenue from Hong Kong property rental and management businesses		2,456	2,307
Revenue from Mainland China and international railway, property rental and management subsidiaries	2	13,079	13,150
Revenue from other businesses		282	142
		27,574	22,895
Revenue from Mainland China property development	2	–	138
Total revenue		27,574	23,033
Expenses relating to Hong Kong transport operations			
– Staff costs and related expenses		(3,363)	(3,155)
– Maintenance and related works		(1,154)	(1,019)
– Energy and utilities		(1,175)	(877)
– General and administration expenses		(349)	(343)
– Stores and spares consumed		(263)	(253)
– Railway support services		(154)	(89)
– Government rent and rates		(77)	(77)
– Other expenses		(127)	(118)
		(6,662)	(5,931)
Expenses relating to Hong Kong station commercial businesses		(255)	(244)
Expenses relating to Hong Kong property rental and management businesses		(458)	(434)
Expenses relating to Mainland China and international railway, property rental and management subsidiaries	2	(12,547)	(12,227)
Expenses relating to other businesses		(240)	(253)
Project study and business development expenses		(156)	(173)
		(20,318)	(19,262)
Expenses relating to Mainland China property development	2	(9)	(89)
Operating expenses before depreciation, amortisation and variable annual payment		(20,327)	(19,351)
Operating profit/(loss) before Hong Kong property development, fair value measurement of investment properties, depreciation, amortisation and variable annual payment			
– Arising from recurrent businesses		7,256	3,633
– Arising from Mainland China property development		(9)	49
		7,247	3,682
Hong Kong property development profit from share of surplus and interest in unsold properties	4	783	9,277
Gain/(loss) from fair value measurement of investment properties	5	1,005	(2,389)
Operating profit before depreciation, amortisation and variable annual payment		9,035	10,570
Depreciation and amortisation		(3,046)	(2,773)
Impairment loss	13	–	(962)
Variable annual payment		(1,052)	(198)
Share of profit of associates and joint ventures	6	632	490
Profit before interest, finance charges and taxation		5,569	7,127
Interest and finance charges	7	(589)	(458)
Profit before taxation		4,980	6,669
Income tax	8	(627)	(1,741)
Profit for the period		4,353	4,928
Attributable to:			
– Shareholders of the Company		4,178	4,732
– Non-controlling interests		175	196
Profit for the period		4,353	4,928
Profit/(loss) for the period attributable to shareholders of the Company:	3		
– Arising from recurrent businesses			
– in Hong Kong		2,227	(232)
– outside Hong Kong		193	(446)
		2,420	(678)
– Arising from property development			
– in Hong Kong		712	7,747
– outside Hong Kong		20	39
		732	7,786
– Arising from underlying businesses		3,152	7,108
– Arising from fair value measurement of investment properties		1,026	(2,376)
		4,178	4,732
Earnings per share:	10		
– Basic		HK\$0.67	HK\$0.76
– Diluted		HK\$0.67	HK\$0.76

The notes on pages 50 to 74 form part of this interim financial report.
Details of dividends payable to shareholders of the Company are set out in note 9.