Sino Land (83 HK)

Takeaways From Visit To One Marina Project

Highlights

- We visited One Marina on 16 Nov 26. The project has sold about 75% of its 451 units, with 85% of the 400 units launched taken up. The latest price list averaged HK$21,588 psf after discounts, which is 16% above the first list. About half of the buyers are Putonghua-speaking and about 40% are investors.
- We expect Sino Land's FY27 property sales to stay on track, with One Marina and La Mirabelle II selling well and the Kai Tak project of about 2,000 units due to be launched next year at a low land cost. Stable property sales, resilient rental income and over HK$2b of interest income should support FY27 earnings.
- Maintain BUY with an unchanged target price of HK$14.00.

Analysis

- **Strong sales at One Marina.** Sino Land launched about 400 units and achieved nearly 84% sell-through rate in 10 days. Two-bedroom units below 400 sqm were the most popular type, with ASP of HK$18,588 to HK$21,588 for price list projects. Tender units are priced higher, with an estimated ASP of around HK$26,000. We attribute the strong sales to the following factors: a) good location (near To Kwa Wan station, sea views, close to Kai Tak); b) an affordable ticket size, with two-bedroom units priced at around HK$8m; c) 3.3-metre floor-to-floor height; and d) a gross rental yield of 3.3-3.9% as implied by monthly rents of HK$60-70 psf in the area.
- **Buyer sentiment improved marginally in 4Q26 vs 3Q26,** helped by HSBC and Hang Seng Bank continuing to offer fixed-rate mortgages. Although the fixed rate rose 20bps to 2.93%, it is still below the prevailing mortgage rate and hedges against a potential P-rate hike.
- **Talent inflow and resilient local demand support the end-user market.** Based on Pinyin names, we estimate about half of buyers are from the Mainland, which suggests there is no solid evidence of mainland demand weakening, at least for mass-market units. This also shows that urban Kowloon is well recognised among Mainland buyers, helped by the Kai Tak development. Local demand is holding steady, supported by a low unemployment rate. Both new talents and local end-users favour practical two-bedroom units, which make up 80% of One Marina.

Key Financials

Year to 30 Jun (HK$m)	2025	2026	2027F	2028F	2029F
Net turnover	8,183	9,273	7,037	6,795	6,319
EBITDA	2,805	3,018	2,335	2,470	2,306
Operating profit	2,647	2,848	2,245	2,380	2,216
Net profit (rep./act.)	4,019	4,589	4,911	5,251	5,032
Net profit (adj.)	5,118	4,789	4,911	5,251	5,032
EPS (HK$)	57.5	51.2	50.2	51.6	47.6
PE (x)	18.3	20.6	21.0	20.4	22.1
P/B (x)	0.6	0.6	0.6	0.6	0.6
EV/EBITDA (x)	16.8	15.6	20.2	19.1	20.5
Dividend yield (%)	5.5	5.5	5.5	5.5	5.5
Net margin (%)	49.1	49.5	69.8	77.3	79.6
Net debt/(cash) to equity (%)	(29.0)	(30.4)	(30.6)	(30.9)	(31.1)
Interest cover (x)	n.a.	n.a.	n.a.	n.a.	n.a.
ROE (%)	2.4	2.7	2.8	2.9	2.7
Consensus net profit (HK$m)	-	-	4,930.8	5,212.5	5,037.0
UOBKH/Consensus (x)	-	-	1.00	1.01	1.00

Source: Sino Land, Bloomberg, UOB Kay Hian

Analyst(s)

Liu Jieqi
Jieqi.Liu@uobkh.com
+852 28261392

Damon Shen
Damonshen@uobkh.com
+86 21 54047225 ext.820

BUY (Maintained)

Share Price	HK$10.53
Target Price	HK$14.00
Upside	+33.0%

Stock Data

GICS sector	Real Estate
Bloomberg ticker:	83 HK
Shares issued (m):	9,586.1
Market Cap (HK$m):	100,941.6
Market cap (US$m):	12,865.7
3-mth avg t'over (US$m):	11.5

Price Performance (%)

52-week high/low				HK$13.26/HK$9.71
1mth	3mth	6mth	1yr	YTD
0.3	2.6	(16.8)	(0.8)	3.0

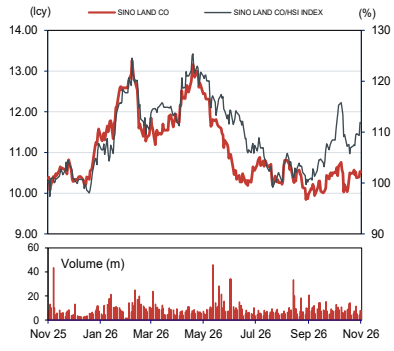
Major Shareholders (%)

Ng Chee Siong	61.74

Balance Sheet Metrics

FY26 NAV/Share (HK$)	17.81
FY26 Net Cash/ Share (HK$)	5.00

Price Chart



Source: Bloomberg, UOB Kay Hian

Company Description

Sino Land, through its subsidiaries, develops and invests in properties, trades and invests in securities, and provides financing services. The company also operates hotels and provides building management services.

One Marina Vs A Comparable Primary Project Nearby

	One Marina (Sino Land)	One Victoria Cove (Henderson)
Location	Wing Kwong St, Hung Hom	Bailey St, Hung Hom
Developers	Sino Land, China Merchants Land, URA	Henderson, Hysan, Empire Group
No. of units	451	1,296 (4 phases)
GFA	25,884 sq m / ~278,613 sq ft (max.)	66,654 sq m / ~717,458 sq ft (max.)
Land cost	HK$2.39b, or HK$8,571 psf (Oct 22)	1HK$8.19b, or about HK$11,400 psf of GFA (Sep 21)
Unit size (sq ft, saleable)	339-1,147	330-642 (first list)
Unit type	1BR: 14; 2BR: 393; 3BR: 41; 4BR: 3	2–3BR (all phases)
First price list	27 Oct 26; avg HK$18,588 psf	14 Apr 26; avg HK$18,666 psf
Latest price list	List 4 (10 Nov 26); avg HK$21,588 psf	List 2 (20 Apr 26); avg HK$19,940 psf
Units launched	347	910
Sell-through	334 units sold (84% of launched/74% of total); ~HK$3.0b	810 sold (89% of launched/62.5% of total); ~HK$6.85bn
Key date	Sep 28	Aug 27

Source: Sino Land, Henderson Land, HK01, Ming Pao, The Standard, UOB Kay Hian

- **FY27 sales on track; Kai Tak next.** One Marina is the main new launch this year, with 334 units sold for nearly HK$3.0b as of 14 Nov 26. The other major project, La Mirabelle, has sold 1,239 units for HK$10.7b, as of end-October, implying a sell-through rate of around 50%. We view this year's sales on track. For 2027, the Kai Tak project near Sung Wong Toi MTR Station will be the key launch. With its low land cost (HK$5,400) and prime location, the project is expected to be a key margin driver of Sino Land.

Valuation/Recommendation

- **Maintain BUY with an unchanged target price of HK$14.00.** For FY27, we expect: a) stable revenue and margins from property sales, b) a resilient rental portfolio, and c) over HK$2b of interest income (+8% yoy per our estimation), as the 10-year US Treasury yield averaged 4.86% in Jul-Nov 26, up 66bps yoy, which will support a resilient earnings base and stable DPS. Sino Land is currently trading at 5.5% dividend yield. We view Sino Land as our preferred defensive play against the risk of higher interest rates.

Earnings Revision/Risk

- **None**.

Share Price Catalyst

- Lower-than-expected HIBOR; faster property sales.

Profit & Loss

Year to 30 Jun (HK$m)	2026	2027F	2028F	2029F
Net turnover	**9,273.0**	**7,036.9**	**6,795.3**	**6,318.6**
EBITDA	3,018.0	2,335.0	2,470.5	2,305.7
Deprec. & amort.	170.0	90.0	90.0	90.0
EBIT	2,848.0	2,245.0	2,380.5	2,215.7
Total other non-operating income	801.0	464.0	464.0	464.0
Associate contributions	-119.0	648.3	750.7	533.8
Net interest income/(expense)	1,877.0	2,028.2	2,122.9	2,260.1
Pre-tax profit	**5,407.0**	**5,385.4**	**5,718.0**	**5,473.6**
Tax	-774.0	-456.6	-467.0	-442.1
Minorities	-44.0	-18.3	0.0	0.0
Net profit	**4,589.0**	**4,910.6**	**5,251.0**	**5,031.5**
Net profit (adj.)	4,789.0	4,910.6	5,251.0	5,031.5

Balance Sheet

Year to 30 Jun (HK$m)	2026	2027F	2028F	2029F
Fixed assets	71,523.0	71,559.3	71,595.6	71,632.0
Other LT assets	41,876.0	43,221.5	43,990.7	44,521.5
Cash/ST investment	58,022.0	63,216.8	71,708.6	81,816.3
Other current assets	20,308.0	21,245.7	22,571.9	24,352.1
Total assets	**191,729.0**	**199,243.3**	**209,866.8**	**222,321.7**
ST debt	2,259.0	6,025.5	12,626.2	21,327.0
Other current liabilities	7,975.0	7,975.0	7,975.0	7,975.0
LT debt	2,892.0	2,892.0	2,892.0	2,892.0
Other LT liabilities	4,220.0	4,220.0	4,220.0	4,220.0
Shareholders' equity	173,875.0	177,604.5	181,627.3	185,381.4
Minority interest	508.0	526.3	526.3	526.3
Total liabilities & equity	**191,729.0**	**199,243.3**	**209,866.8**	**222,321.7**

Cash Flow

Year to 30 Jun (HK$m)	2026	2027F	2028F	2029F
Operating	**1,964.0**	**5,476.0**	**7,983.4**	**9,338.3**
Profit fo the year	5,407.0	5,385.4	5,718.0	5,473.6
Tax	-774.0	-456.6	-467.0	-442.1
Deprec. & amort.	170.0	90.0	90.0	90.0
Associates	119.0	-648.3	-750.7	-533.8
Working capital changes	-896.0	2,828.7	5,274.6	6,920.6
Non-cash items	-2,599.0	-1,798.7	-1,956.9	-2,245.4
Other operating cashflows	537.0	75.4	75.4	75.4
Investing	**11,714.0**	**899.8**	**1,736.7**	**2,046.7**
Capex (growth)	-226.0	-126.3	-126.3	-126.3
Investment	40,101.0	41,446.5	42,215.7	42,746.5
Capex (growth)	309.0	0.0	0.0	0.0
Others	-28,470.0	-40,420.4	-40,352.7	-40,573.4
Financing	**192.0**	**-1,181.0**	**-1,228.3**	**-1,277.4**
Dividend payments	-958.0	-1,181.0	-1,228.3	-1,277.4
Proceeds from borrowings	1,925.0	0.0	0.0	0.0
Loan repayment	-1,202.0	0.0	0.0	0.0
Others/interest paid	427.0	0.0	0.0	0.0
Net cash inflow (outflow)	13,870.0	5,194.8	8,491.8	10,107.6
Beginning cash & cash equivalent	44,013.0	58,022.0	63,216.8	71,708.6
Changes due to forex impact	139.0	0.0	0.0	0.0
Ending cash & cash equivalent	**58,022.0**	**63,216.8**	**71,708.6**	**81,816.3**

Key Metric

Year to 30 Jun (%)	2026	2027F	2028F	2029F
Profitability				
EBITDA margin	32.5	33.2	36.4	36.5
Pre-tax margin	58.3	76.5	84.1	86.6
Net margin	49.5	69.8	77.3	79.6
ROA	2.4	2.5	2.6	2.3
ROE	2.7	2.8	2.9	2.7
Growth				
Turnover	13.3	(24.1)	(3.4)	(7.0)
EBITDA	7.6	(22.6)	5.8	(6.7)
Pre-tax profit	20.9	(0.4)	6.2	(4.3)
Net profit	14.2	7.0	6.9	(4.2)
Net profit (adj.)	(6.4)	2.5	6.9	(4.2)
EPS	(11.1)	(1.8)	2.8	(7.9)
Leverage				
Debt to total capital	2.9	4.8	7.9	11.5
Debt to equity	3.0	5.0	8.5	13.1
Net debt/(cash) to equity	(30.4)	(30.6)	(30.9)	(31.1)
Interest cover (x)	n.a.	n.a.	n.a.	n.a.

IMPORTANT NOTICE - DISCLOSURES AND DISCLAIMERS

This report is provided subject to various disclosures and disclaimers (the "Disclosures / Disclaimers") which form an integral part of this report and are available at this link or by scanning the QR code below:

The Disclosures / Disclaimers contain important information, including without limitation, (a) exclusions of liability, (b) confidentiality obligations, (c) restrictions on publication, circulation, reproduction, distribution and use of the report, (d) potential conflicts of interest, and (e) disclosures and requirements specific to recipients in the United States and other applicable jurisdictions.

Specifically, this report is intended for general circulation and informational purposes only and does not take into account the specific investment objectives, financial situation, or particular needs of any individual person. It is not intended to constitute personal investment advice or a recommendation to buy or sell any investment product or security. You should independently evaluate the information and, where necessary, seek advice from a qualified financial adviser regarding the suitability of any investment, taking into account your specific objectives, financial situation and needs, before making any investment decision. Analyst certifications required under applicable regulations, including SEC Regulation AC (where relevant), are included in this report.

Recipients of this report must carefully read, review and understand the full Disclosures / Disclaimers before using or relying on any information in this report. By accessing, receiving or using this report, you acknowledge and confirm that you have read, understood, accepted and agreed to be bound by the Disclosures / Disclaimers (as may be amended or updated from time to time) in full.