CSI 資本策略地產有限公司
PROPERTIES LIMITED

ANNUAL REPORT
2025 年報

Stock Code 股份代號: 497

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Corporate Information

BOARD OF DIRECTORS

Executive Directors:
Chung Cho Yee, Mico *(Chairman)*
Kan Sze Man
Chow Hou Man
Ho Lok Fai
Leung King Yin, Kevin
Chung Yuen Tung, Jasmine

Non-Executive Director:
Lo Hing Hung *(appointed on 17 June 2025)*
(with Ip Ho Wang as his alternate)

Independent Non-Executive Directors:
Cheng Yuk Wo
Shek Lai Him, Abraham, *GBS, JP*
Lo Wing Yan, William, *JP*
Chak Hubert *(appointed on 17 June 2025)*

AUDIT COMMITTEE

Cheng Yuk Wo *(Chairman)*
Shek Lai Him, Abraham, *GBS, JP*
Lo Wing Yan, William, *JP*

REMUNERATION COMMITTEE

Cheng Yuk Wo *(Chairman)*
Chung Cho Yee, Mico
Lo Wing Yan, William, *JP*

NOMINATION COMMITTEE

Chung Cho Yee, Mico *(Chairman)*
Cheng Yuk Wo
Lo Wing Yan, William, *JP*

EXECUTIVE COMMITTEE

Chung Cho Yee, Mico *(Chairman)*
Kan Sze Man
Chow Hou Man
Ho Lok Fai
Leung King Yin, Kevin
Chung Yuen Tung, Jasmine

COMPANY SECRETARY

Tang Wallace

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Bank of Communications Co., Ltd., Hong Kong Branch
Chong Hing Bank Limited
Dah Sing Bank, Limited
DBS Bank (Hong Kong) Limited
Fubon Bank (Hong Kong) Limited
Hang Seng Bank Limited
Hua Xia Bank Co., Limited Hong Kong Branch
Industrial and Commercial Bank of China (Asia) Limited
Nanyang Commercial Bank, Limited
Oversea-Chinese Banking Corporation Limited
Shanghai Pudong Development Bank Co., Limited
The Bank of East Asia, Limited
The Hongkong and Shanghai Banking Corporation Limited
United Overseas Bank Limited

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HONG KONG HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

31/F., Bank of America Tower
12 Harcourt Road
Central
Hong Kong

SHANGHAI OFFICE

Unit 1702, Infinitus Tower
168 Hubin Road
Huangpu District
Shanghai, 200021
China

AUDITORS

Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditors
35/F., One Pacific Place
88 Queensway
Hong Kong

PRINCIPAL REGISTRARS

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HONG KONG BRANCH SHARE REGISTRARS

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

STOCK CODE

497

COMPANY WEBSITE

www.csigroup.hk

Financial Review

REVIEW OF THE RESULTS

CSI Properties Limited (the "Company") and its subsidiaries (collectively referred as the "Group") reported a total revenue of approximately HK$520.6 million for the year ended 31 March 2025, which was mainly generated from sale of properties, representing a decrease of 67.0% from approximately HK$1,579.1 million recorded last year.

The Group reported a consolidated loss attributable to owners of the Company of HK$1,691.5 million for the year ended 31 March 2025, as compared to consolidated loss attributable to owners of the Company of HK$425.6 million for the year ended 31 March 2024.

The loss was mainly due to adverse change in fair value of the Group's investment properties, write-down of the Group's properties held for sale and the impairment provisions for joint ventures and associates' properties of approximately HK$1,122.3 million.

LIQUIDITY AND FINANCIAL RESOURCES

The Group maintained a healthy liquid position which included bank balances and cash (including cash held by securities brokers) of approximately HK$1,413.5 million (31 March 2024: HK$2,523.9 million). The Group generally financed its operations through its internal resources and banking facilities provided by its principal bankers.

As at 31 March 2025, the Group's total external borrowings, comprise of bank borrowings and guaranteed notes, amounted to approximately HK$9,232.4 million (31 March 2024: HK$10,184.5 million) and the Group's ratio of total debt to total assets was 41.1% (31 March 2024: 38.8%) (measured by total external borrowings as a percentage to the total assets of the Group).

All bank borrowings were mainly denominated in Hong Kong dollars, Renminbi and US dollars which were on a floating rate basis at short-term Hong Kong Interbank Offered Rate plus 1.00% to 2.05% per annum or bearing interest at the quoted Loan Prime Rate by the National Interbank Funding Center or the Shanghai Interbank Offered Rate plus a fixed margin. The maturity profile (including bank borrowings of approximately HK$58.1 million that contain a repayment on demand clause in the loan agreements are grouped under repayable within one year) usually spreads over a period of around two to five years with approximately HK$1,112.6 million repayable within one year, HK$5,454.5 million repayable between one to five years and HK$357.6 million repayable more than five years.

The majority of the Group's assets and liabilities were denominated in Hong Kong dollars, Renminbi and US dollars. As such, the fluctuation of foreign currencies did not have a significant impact on the performance, result and operation of the Group. However, the Group will closely monitor the foreign exchange risk exposure.

FINANCIAL HIGHLIGHTS

(In HK$ million, except otherwise indicated)

	Year ended 31 March	
	2025	2024
Revenue		
Per consolidated statement of profit or loss	521	1,579
Share of revenue of associates and joint ventures	1,349	1,879
	1,870	3,458
Loss attributable to owners of the Company	(1,692)	(426)
Equity attributable to owners of the Company	11,981	13,733 (restated)
Loss per share – basic *(HK cents)*	(36.73)	(9.18)

ASSETS VALUE

The Group's properties held for sale are stated at the lower of cost and net realisable value on individual property basis in accordance with the current accounting standards.

The principal assets of the Group's joint ventures are properties held for sale and stated at the lower of cost and net realisable value in accordance with the current accounting standards.

In order to fully reflect the underlying economic value of the properties held for sale of the Group and its joint ventures, the Group considers it appropriate also to present to shareholders, as set out below, supplementary information on the Group's statement of net assets on the basis that the Group was to state its properties held for sale at their open market valuations as at 31 March 2025.

	2025 (Unaudited) HK$'000
Net assets attributable to owners of the Company (audited)	11,980,829
Add: Attributable revaluation surplus relating to the Group's properties held for sale [(1)]	1,169,241
Attributable revaluation surplus relating to properties held for sale by joint ventures [(1)]	1,165,058
Net assets attributable to owners of the Company as if the properties held for sale and interests in joint ventures were stated at open market value [(2)(4)]	14,315,128
Net assets per ordinary share as if the properties held for sale and interests in joint ventures were stated at open market value [(3)(4)]	HK$3.11

(1) Based on open market valuations as at 31 March 2025 carried out by independent and qualified property valuers not connected to the Group (the value of which has been slightly adjusted due to the RMB to HK$ exchange rate) or actual transaction prices or estimated based on average transaction price.

(2) Deferred tax liabilities have not been provided for the attributable revaluation surplus of the properties held for sale.

(3) Net assets per ordinary share calculated based on 4,604.9 million shares in issue as at 31 March 2025.

(4) The amount is a non-Hong Kong Financial Reporting Standards financial measure.

EMPLOYEE

As at 31 March 2025, the total number of employees of the Group was 80 (2024: 104). The Group's employees are remunerated in line with the prevailing market terms and individual performance, with the remuneration package and policies reviewed on a regular basis. In addition to salaries, discretionary bonuses may be rewarded to employees after assessment of the performance of the Group and the individual employee.

FINANCIAL GUARANTEE CONTRACTS

	2025 HK$'000	2024 HK$'000
Guarantees given by the Group for banking facilities granted to:		
Joint ventures	7,294,388	8,122,698
Associates	1,317,240	1,220,656
	8,611,628	9,343,354
and utilised by:		
Joint ventures	6,397,388	6,975,561
Associates	957,240	993,736
	7,354,628	7,969,297

The directors of the Company assess the expected credit loss allowance in relation to the financial guarantee contracts. As at 31 March 2025, included in other payables and accruals represents financial guarantee contracts amounted to HK$12,618,000 (2024: HK$23,003,000).

PLEDGE OF ASSETS

At the end of the reporting period, the following assets were pledged to secure banking facilities granted to the Group:

	2025 HK$'000	2024 HK$'000
Property, plant and equipment	146,089	161,887
Investment properties	3,079,657	3,204,457
Properties held for sale	5,101,088	5,438,468
Financial assets at fair value through profit or loss	5,723	5,112
	8,332,557	8,809,924

For certain properties, the Group has assigned to the banks all its right, title and benefit as lessor of relevant properties for certain banking facilities granted to the Group.

Chairman's Statement

Dear Shareholders,

On behalf of CSI Properties Limited, I present the annual results of the Group for the financial year ended 31 March 2025.

The past fiscal year has been defined by a challenging macroeconomic environment. Persistently high interest rates, coupled with volatility in global capital markets, have dampened investment appetite in both residential and commercial real estate across Hong Kong and Mainland China. These headwinds have tested the resilience of the entire property sector.

However, amidst these challenges, we are beginning to see early signs of recovery in Hong Kong's residential real estate market. Encouragingly, our joint venture flagship project "Deep Water Pavilia" in The Southside, has demonstrated strong market interest, signaling growing confidence in high quality developments. These "green shoots" reaffirm the enduring demand for well-positioned residential properties, even in a difficult environment. In addition, we have also sold more than 80% our "Topside Residences" residential development in Jordan and achieved pre-sales of over HK$2 billion.

STRENGTHENING FINANCIAL RESILIENCE

In spite of the challenging economic backdrop, we have taken decisive steps to strengthen our financial position. In February 2025, we announced a fundraising of approximately HK$1,992 million including an approximately HK$1,492 million rights issue and a HK$500 million 4-year senior unsecured note which I personally participated in and introduced Gaw Capital as a new strategic partner. Their investment is not only a vote of confidence in the Group but also a testament to our ability to attract world-class partners, even in a volatile market.

In addition to the rights issue, we issued a US$150 million 3-year guaranteed notes in May 2025. This guaranteed notes was the first unrated bond issuance by a Hong Kong issuer this year, allowing us to refinance our US$300 million guaranteed notes due in July 2025. These capital-raising efforts have enabled us to fortify our balance sheet, enhance liquidity, and reduce financial risk, positioning the Group to weather ongoing uncertainties and capitalise on future opportunities as markets stabilise.

STRATEGIC POSITIONING FOR GROWTH

Despite current headwinds, we remain focused on executing our strategic pipeline to unlock long-term value. Our key development projects, including the Gage Street mixed-use development and the Nathan Road commercial podium, are primely located to capture upside when the market recovers. These projects reflect our commitment to create value-driven assets that align with evolving market demands and position us competitively for long-term growth.

Looking ahead, we are optimistic that the easing of measures in Hong Kong's residential market, the decline in Hong Kong Interbank Offered Rate, improving stock market conditions, and various economic stimulus efforts in Mainland China will contribute to a gradual recovery. While the commercial property sector continues to face challenges, our disciplined approach ensures that we remain well-prepared to navigate volatility and seize opportunities.

ENHANCING SHAREHOLDER VALUE

At the core of our strategy is a commitment to grow shareholder value. We are actively managing liquidity and maintaining a healthy balance sheet via our HK$9 billion sales program. As per our previous announcement, we are targeting to achieve this by March 2029. In addition, we are striving to reduce the discount of our Net Asset Value (NAV) to our market capitalisation. By prioritising financial discipline and aligning our initiatives with long-term value creation, we aim to deliver sustainable returns to our shareholders.

CLOSING THOUGHTS

In closing, I would like to express my gratitude to our shareholders, joint venture partners, business partners, customers and employees for their continued confidence and support during these challenging times. We remain steadfast in our commitment to navigating this environment with discipline and focus. With a strengthened financial position, a robust project pipeline, and the trust of our stakeholders, I am confident that the Group is well-positioned to emerge stronger and deliver enduring value in the years to come.

Thank you for your trust in our journey.

CHUNG CHO YEE, MICO
Chairman

Hong Kong, 30 June 2025

Management Discussion and Analysis

BUSINESS REVIEW

The Group's loss attributable to owners of the Company for the year ended 31 March 2025 amounted to HK$1,691.5 million, compared to loss of HK$425.6 million last year. Loss per share was HK36.73 cents, compared to loss per share of HK9.18 cents (restated) last year.

The Group's revenue for the year was HK$520.6 million, representing a decrease of HK$1,058.5 million, compared to HK$1,579.1 million last year. Consolidated loss for the year amounted to HK$1,710.9 million, compared to consolidated loss of HK$456.0 million last year. The loss attributable to owners of the Company was primarily attributable to the aggregate of (i) decrease in revenue from the sales of properties; and (ii) adverse change in fair value of the Group's investment properties, write-down of the Group's properties held for sale and the impairment provisions for joint ventures and associates' properties of approximately HK$1,122.3 million. Change in fair value of investment properties, write-down of the Group's properties held for sale and impairment provisions for joint ventures and associates' properties are non-cash items which will not have an impact on the operating cash flow of the Group. The overall financial, business and trading positions of the Group remain healthy.

Total revenue attributable to the Group from sales of properties for the year, including those contributed by joint ventures and associates was HK$1,573.3 million (2024: HK$3,128.2 million).

The fiscal year under review continued to be very challenging. The persistently high interest rate environment has dampened overall property investment sentiment, and has remained a substantial strain on our profitability during this fiscal period. Facing continuing weakness in Mainland China and Hong Kong economies, our asset sales have remained relatively subdued, in addition to the need for making impairment provisions for some of our Group's property portfolio. All these factors have combined to extend our losses since the last financial year end.

In the residential property market, Hong Kong Government has relaxed the various measures previously taken to dampen purchase sentiment since the beginning of 2024. The results have been mixed with improving sales volume but at subdued pricing levels. The Group's portfolio of residential properties has seen gradually stronger sales on both the mass end and luxury end since the beginning of 2025 which we hope is a turning sign. In light of the better equity market performance in Hong Kong since the beginning of 2025 and some influx of capital from Mainland China and overseas resulting in much lower Hong Kong Interbank Offered Rate, we remain optimistic of an improving residential market and sales going forward, albeit at subdued prices.

The Hong Kong commercial property sector continues to face significant challenges, with office and retail uptake demand remaining at subdued levels. The ongoing uncertainty in the broader economic environment, coupled with shifts in consumer behavior and workplace dynamics, have contributed to sluggish demand for commercial spaces. The outlook for the commercial property market remains challenging, however, we are hopeful of improvements in the medium to longer term due to a recovering Hong Kong stock market and Mainland China economy. In spite of the still elevated interest rate cycle, the Group will endeavor to navigate the complex landscape and seek strategies to adapt to the evolving market conditions prudently and carefully.

During the second half of the fiscal year, the Group has made tremendous efforts to significantly improve the balance sheet and liquidity. In February 2025, the Group announced a strategic fundraising of HK$1,992 million including a HK$1,492 million rights issue and a HK$500 million 4-year senior unsecured note. The exercise was led by the Group's chairman and majority shareholder, who made a personal contribution, and introduced a new institutional investor Gaw Capital as an equity partner. The successful equity fundraising helped to inject additional equity and liquidity to the Group to support our strong belief in a gradual recovery of the real estate markets, which the Group can benefit on a more orderly unlocking of values for the Group's assets.

Furthermore, the successful issue of a new US$150 million 3-year guaranteed notes in May 2025 also demonstrates investors' confidence in the ongoing credit strength and asset quality of the Group. This is the first unrated bond issue by any Hong Kong issuer for the year 2025 and the issue was well supported by numerous leading international credit investors, highlighting their strong conviction in the Group's future and a validation of our business model and management strength in a challenging but hopefully improving real estate market.

Looking ahead, we expect the property markets in both Hong Kong and Mainland China to have a gradually improving future, with encouraging signs from the improving Hong Kong stock market and the ongoing Chinese economic stimulus measures. The Group will maintain a cautiously optimistic outlook given our improved balance sheet and liquidity, while focusing on continued asset disposal to further raise liquidity, prudent financial management and strategic commercial bank refinancing strategies to balance the interests of all stakeholders.

Hong Kong Commercial Property Portfolio

The Group has continued to make solid progress to develop and upgrade its portfolio of strategic commercial projects. The URA project at Gage Street/Graham Street, Central, is a joint venture mixed-use commercial development with Wing Tai Properties Limited. The project will deliver a Grade A office tower, luxury international hotel, F&B and retail shops with a combined gross floor area of approximately 432,000 square feet. The construction is underway with final construction completion set for mid-2026.

Over in Kowloon East, the Group has been actively managing and upgrading leasing arrangements for the "Harbourside HQ" joint venture project, the prime office building in prime Kowloon Bay. The Group has continually upgraded its tenant mix with the Hospital Authority renting an additional 16,000 square feet of office space in addition to the 100,000 square feet previously rented. The Group will strive to continue bringing in high calibre tenants, as well as achieving respectable rental yields.

The "Hong Kong Health Check Tower" at Nos. 241 and 243 Nathan Road in Jordan has a leading Hong Kong medical service provider, Hong Kong Health Check and Medical Diagnostic Centre Limited, anchored as main tenant. Other tenants include Chow Tai Fook Jewellery and the Bank of East Asia. The tower is strategically located at the junction of Nathan Road and Jordan Road. We will continue to actively manage and upgrade leasing arrangements to achieve better returns.

The redevelopment plan for "ex-Novotel Hotel" in Jordan, via transformation into a new commercial and residential complex, is progressing well with construction completion targeting in the latter part of 2025. The residential portion, namely "Topside Residences" has conducted successful presales since May 2024 with over 230 out of 259 units presold.

In Central, we have another commercial project, "DL Tower" at No. 92 Wellington Street, which is in close proximity to the SOHO district. This joint venture project with Canada Pension Plan Investment Board and a minority partner has been developed into a stylish commercial building with construction completed in March 2024. The strata-sale of individual floors is well underway with a total of 10 floors sold.

Despite the current challenging commercial market, the Group has continued its efforts in driving the development and repositioning of our various commercial properties. We are hopeful that these continual efforts will enable the Group in capitalising on these value-added works in the future with the slow recovery of commercial real estate market on a longer-term horizon.

Hong Kong Residential Property Portfolio

The Group currently maintains a portfolio of luxury and mass residential projects in prime locations of Hong Kong.

"Dukes Place" at No. 47 Perkins Road in Jardine's Lookout is our luxury residential joint venture project. Nestled in a quiet, prestigious ultra-high-net-worth neighbourhood, the project offers a selective number of super luxury simplexes, duplexes, garden villas and a penthouse, with layouts and sizes ranging from approximately 2,850 square feet to over 6,800 square feet. The Group has seen improving buying interest in ultra-luxury units after the US Federal Reserve rate cut in September 2024 and sold an additional two duplex units. To date the Group has successfully sold a substantial majority of units in the project.

"Infinity" at Nos. 8-12 Peak Road is a joint venture project, consisting of the refurbishment of a collection of ultra-high-end residences. In addition, the Group wholly owns a newly built detached house at No. 10 Peak Road at this Prime Peak address. This project is endowed with sweeping, full 180-degree views of Victoria Harbour. We believe that this premium project will continue to solidify our renowned reputation for ultra-luxury residential projects.

Our residential project "Cadenza" at No. 333 Fan Kam Road in Sheung Shui comprises 6 luxurious villas, each providing a gross floor area of more than 6,000 square feet. Each villa includes its own swimming pool and exquisite private garden, setting the benchmark for the most prestigious country houses. The project is a mere three-minute drive from the acclaimed Hong Kong Golf Club at Fanling, with easy accessibility to Mainland China for cross border travellers. We sold one of the villas in the second half of the fiscal period and we are hopeful for more sales in the near future.

Our MTR Yau Tong Ventilation Building residential project in joint venture with Sino Land Company Limited is progressing well according to schedule. We currently anticipate the presale of the residential units to be in the second half of 2025 and remain hopeful to receive solid market response due to its convenient location in Kowloon East.

Our Phase V development project at Wong Chuk Hang MTR station, namely "Deep Water Pavilia", in joint venture with New World Development Company Limited among others, is a superior residential property located atop "The Southside" shopping mall in Hong Kong Island South at Wong Chuk Hang MTR station. The plan is to develop the prime site into a premium residential complex, with a total gross floor area of around 636,000 square feet. The residential units will have excellent views of Ocean Park Hong Kong and Deep Water Bay, creating a well-located haven for premium residential units at this convenient address with a short five-minute MTR ride away from Admiralty. Construction of superstructure has commenced for this project and target project completion in 2026. Presales of Phase 5A of the residential units have already commenced in June 2025 with solid buyer interest, over 340 units presold and with top pricings being achieved for some superior high floor units via the tender process. The Group is hopeful the project will continue to command solid response and achieve decent presales in light of the recent stronger residential market sentiment from stamp duties relaxation, in addition to the extremely convenient location in Hong Kong Island South.

Our joint venture project in Yuen Long, "Lai Sun Yuen Long Centre", is planned for conversion into a mass residential complex with an anticipated gross floor area of approximately 480,000 square feet. We are progressing with the preparation work for the site.

Overall, the Group's residential properties development pipeline is on track with our business plan.

Mainland China Operations

"Knightsbridge" is the Group's first luxury residential joint venture project in Beijing and located at Nos. 90 and 92 Jinbao Street. This project has a classical European style façade which is one-of-a-kind landmark in the area. The completed renovation works include an upgrade of the façade, common areas, and the fitting out of the interiors of the 2 floors of show units. Sales of the units are well underway with over 90 of the total 114 refurbished units sold at solid pricing, demonstrating resilient demand from affluent mainlanders for high-end luxury residential properties in Mainland China.

Our premium shopping malls, namely "In Point" and "Richgate Plaza" in Shanghai, are well positioned to capture long-term benefits after the latest revamp with improving occupancies and better tenant mix.

Securities Investment

As at 31 March 2025, the Group held financial assets at fair value through profit or loss of approximately HK$250.9 million (31 March 2024: HK$351.8 million). The investment portfolio comprises 34.9% listed debt securities, 2.8% listed equity securities and 62.3% unlisted equity and debt securities. They are denominated in different currencies with 97.2% in United States dollars and 2.8% in Hong Kong dollars.

During the year under review, a mark-to-market valuation net loss of HK$107.3 million, comprising HK$1.7 million of net fair value loss from listed debt securities, HK$2.0 million of net fair value loss from equity securities (mostly listed in Hong Kong) and HK$103.6 million arising from net fair value loss from unlisted equity and debt securities.

Interest income and dividend income from securities investment decreased to approximately HK$29.4 million (31 March 2024: HK$44.5 million).

As at 31 March 2025, approximately HK$5.7 million (31 March 2024: HK$5.1 million) of these listed securities investments were pledged to banks as collateral for banking facilities granted to the Group.

FINANCIAL POLICIES AND MARKET OUTLOOK

The Group has made various initiatives to improve its stability, resilience, and has adopted prudent risk management to manage the current challenges. This includes stringent cost management practices, optimising our capital structure, and ensuring adequate liquidity to meet our obligations and seize opportunities as they arise. As we highlighted, the Group has recently completed the strategic fundraising of HK$1,992 million including a HK$1,492 million rights issue exercise and a HK$500 million 4-year senior unsecured note in April 2025 with participation from the chairman and new equity partner Gaw Capital. In addition, in May 2025, US$150 million 3-year guaranteed notes issue was well supported by leading international credit investors and helped the Group to refinance the US$300 million guaranteed notes due in July 2025. The Group will strive to continue maintaining strong liquidity, stable financial position and a well-managed maturity profile for our liabilities going forward.

We anticipate Mainland China and Hong Kong economies to continue its slow recovery in the coming period amidst new government support policies. Over the medium to long term, demand for residential property in Hong Kong is expected to remain resilient, demonstrated by our presale of "Deep Water Pavilia" Phase 5A and other project launches by our peers.

We are currently actively working on and preparing for the pre-sale launches of our joint venture "Deep Water Pavilia" Phase 5B and MTR Yau Tong Ventilation Building residential projects. These two projects are well situated along MTR lines and are well-positioned to capitalise on the release of pent-up demand from first-time home buyers at these convenient locations.

With the aforementioned efforts in continual asset disposal, property sales, and operational enhancement, the Group is determined to stay resilient in the currently challenging environment. The management team is grateful to the various stakeholders including our investors, customers and banking partners for their continual support to the Group during such challenging time. We remain hopeful for a slow but gradual recovery of the Hong Kong property markets eventually.

Looking forward, we are seeing signs of easing on financing costs and we believe this trend will especially benefit the Hong Kong real estate sector with lower mortgage cost which in turn stimulate user and investor demands.

Corporate Governance Report

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintain high standards of corporate governance and believed that good corporate governance practices are essential to the transparent operation of the Company and to its ability to protect the rights of its shareholders and enhance their value. Throughout the fiscal year, the Company complied with the Companies Act in Bermuda, the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), and all other relevant laws and regulations.

The Company has applied the principles and complied with all the applicable code provisions of the Corporate Governance Code (the "Code") as set out in Appendix C1 of the Listing Rules during the year, except for the deviation from code provision C.2.1 of the Code regarding the separation of the roles of chairman and chief executive. Details of such deviation is further described below in the relevant section.

CORPORATE PURPOSE, VALUES AND STRATEGIES

The Company is a leading developer in Hong Kong and Greater China specialising in luxurious residential properties and quality commercial properties. When developing properties, the Company places emphasis on prime locations, artisanal craftsmanship and attention to highest calibre. We take pride in cultivating productive and honest relationships with our staff, partners and other key stakeholders.

Transparency, integrity, and innovative thinking are our key values which drive our purpose to create and develop premium quality properties which is only possible through our strategic efforts in nurturing staff diversity and talents and our relationship with all stakeholders. Such values have been embedded in our company policies and work practices.

BOARD OF DIRECTORS

The board of directors of the Company (the "Board") is responsible for the leadership and control of the Company and oversees the Company's businesses, strategic decisions and performance. All directors pay sufficient time and attention to the affairs of the Company. Every member of the Board is fully aware of his/her responsibilities as a director of the Company under the applicable laws and regulations. Non-executive directors provide their skills and expertise and serve different board committees of the Company. The day-to-day execution of the Board's policies and strategies is delegated to the Executive Committee which comprised of the executive directors and was formed with specific written terms of reference.

The Company provides appropriate cover on directors and officers liabilities insurance and the latest policy was renewed in May 2025.

Bye-laws 99(A) and 102(B) of the bye-laws of the Company (the "Bye-laws") are amended by a special resolution passed on 25 August 2005 to the effect that all directors are subject to rotation at least once every three years. Additional and new directors filling up casual vacancy are subject to election in the next following general meeting.

Board Composition

As at the date of this report, the Board is comprised of six executive directors of the Company ("EDs") (namely, Mr. Chung Cho Yee, Mico, Mr. Kan Sze Man, Mr. Chow Hou Man, Mr. Ho Lok Fai, Mr. Leung King Yin, Kevin and Ms. Chung Yuen Tung, Jasmine); one non-executive director of the Company ("NED") (namely, Mr. Lo Hing Hung (with Mr. Ip Ho Wang as his alternate)) and four independent non-executive directors of the Company ("INEDs") (namely, Mr. Cheng Yuk Wo, Mr. Shek Lai Him, Abraham, *GBS, JP*, Dr. Lo Wing Yan, William, *JP* and Mr. Chak Hubert).

BOARD OF DIRECTORS (Continued)

Board Composition (Continued)

Mr. Lo Hing Hung (with Mr. Ip Ho Wang as his alternate) and Mr. Chak Hubert were appointed with effect from 17 June 2025. They had obtained the legal advice regarding their appointments on 16 June 2025 and they had confirmed that they understood their obligations as directors of the Company.

Biographical information of all current directors are set out on pages 54 to 60 of this annual report. List of directors and their role and function is available on the websites of the Company and the Stock Exchange.

The composition of the Board and their respective attendance records of each director at the various meetings of the Company during the year are as follows:

	Number of meetings attended/held					
	Board Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting	Annual General Meeting	Special General Meeting
Executive Directors						
Chung Cho Yee, Mico	3/4	N/A	2/2	1/1	0/1	1/1
Kan Sze Man	3/4	N/A	N/A	N/A	1/1	1/1
Chow Hou Man	4/4	N/A	N/A	N/A	1/1	1/1
Ho Lok Fai	3/4	N/A	N/A	N/A	1/1	1/1
Leung King Yin, Kevin	3/4	N/A	N/A	N/A	1/1	1/1
Chung Yuen Tung, Jasmine	3/4	N/A	N/A	N/A	1/1	1/1
Independent Non-Executive Directors						
Cheng Yuk Wo	4/4	3/3	2/2	1/1	1/1	1/1
Lo Wing Yan, William, *JP*	4/4	3/3	2/2	1/1	1/1	1/1
Shek Lai Him, Abraham, *GBS, JP*	4/4	3/3	N/A	N/A	1/1	1/1

Compliance with Rules 3.10(1) and (2), and 3.10A of the Listing Rules

Pursuant to the requirements set out in Rules 3.10(1) and (2), and 3.10A of the Listing Rules, relating to the appointment of at least three INEDs (representing not less than one-third of the Board) with at least one INED possessing appropriate professional qualifications or accounting or related financial management expertise.

Independence of Independent Non-Executive Directors

All INEDs have confirmed their independence and the Company considers each of them to be independent. The Nomination Committee has conducted an annual review of the independence of all INEDs. According to the independence criteria as set out in Rule 3.13 of the Listing Rules, the Nomination Committee concluded that all the INEDs satisfied the Listing Rules requirement of independence.

BOARD OF DIRECTORS (Continued)

Independence of Independent Non-Executive Directors (Continued)

According to code provision B.2.3 of the Code, any further appointment of an INED in excess of nine years should be subject to a separate resolution to be approved by the shareholders of the Company. Two INEDs have served the Board for more than nine years. In accordance with Bye-law 99(A) of the Bye-laws, all directors are subject to retirement by rotation at least once every three years. The Company also sent the papers to shareholders of the Company accompanying that resolution included the reasons why the Board believed the retired INEDs who have served for more than nine years are still independent and should be re-elected.

Relationship between Board Members

Mr. Chung Cho Yee, Mico and Mr. Kan Sze Man are brothers-in-law. Ms. Chung Yuen Tung, Jasmine is the daughter of Mr. Chung Cho Yee, Mico and she is also the niece of Mr. Kan Sze Man. Save as disclosed above, there are no family or other material relationship among members of the Board.

Directors' Induction and Continuous Professional Development

Each newly appointed director is provided with guidelines on directors' duties and responsibilities upon his/her appointment as a director so as to ensure that he/she is fully aware of his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements.

Pursuant to code provision C.1.4 of the Code, all directors are committed on directors' training. As part of an ongoing process of director's training, all directors are provided with written materials on the latest developments from time to time to develop and refresh their knowledge and skills. During the year, all directors had received regular updates on the Company's business and written materials regarding changes to the Listing Rules and other relevant rules and regulations. The directors are also encouraged to attend training relevant to their duties and responsibilities that they consider appropriate. The Company has received confirmations from all directors of their respective training records for the year ended 31 March 2025.

BOARD OF DIRECTORS (Continued)

Directors' Induction and Continuous Professional Development (Continued)

A summary of training received by the directors during the year ended 31 March 2025 is as follows:

	Type of continuous professional development	
	Reading materials/ attending seminars/ webinars on Directors' duties and responsibilities/ Corporate Governance/ Updates on Laws, Rules and Regulations	Reading materials/ attending seminars/ webinars on Business related/Accounting/ Management or other professional skills
Executive Directors		
Chung Cho Yee, Mico	√	√
Kan Sze Man	√	√
Chow Hou Man	√	√
Ho Lok Fai	√	√
Leung King Yin, Kevin	√	√
Chung Yuen Tung, Jasmine	√	√
Independent Non-Executive Directors		
Cheng Yuk Wo	√	√
Lo Wing Yan, William, *JP*	√	√
Shek Lai Him, Abraham, *GBS, JP*	√	√

CHAIRMAN AND CHIEF EXECUTIVE

Pursuant to code provision C.2.1 of the Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual.

However, the Company does not have the position of chief executive officer. 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 department are overseen and monitored by designated responsible Executive Committee. The Board found that the current management had worked effectively in enabling it to discharge its responsibilities satisfactorily. In addition, four INEDs have contributed valuable views and proposals independently for the Board's deliberation and decisions.

NON-EXECUTIVE DIRECTORS

Each Non-executive Director (including Independent Non-executive Director) of the Company has entered into a letter of appointment with the Company for a specific term not more than three years, subject to re-election at the general meeting.

DIVERSITY

The Board has adopted a Board Diversity Policy since 2013 which is available on the website of the Company. The policy was reviewed and updated during the year to enhance implementation of the policy and maintaining a diversified Board. The Board believes that a diversified Board brings constructive challenge and fresh perspectives to discussions. The Board considers diversity in its broadest sense which is not limited to gender during Board composition reviews and developing selection criteria for appointing a new director.

The details of Board Diversity Policy are set out below:

(a) Purpose – the policy aims to set out the approach to achieve diversity on the Board.

(b) Vision – the Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance.

(c) Policy – when determining the composition of the Board, the Company will consider board diversity in terms of, among other things, age, experience, cultural, gender and educational background, expertise, skills and know-how. All Board appointments will be based on merits, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

(d) Measurable Objectives – selection of candidates for Board membership will be based on a range of diversity perspectives, including but not limited to age, experience, cultural, gender and educational background, expertise, skills and know-how.

(e) Monitoring and Reporting – the Nomination Committee will disclose the composition of the Board annually in the Corporate Governance Report and monitor the implementation of this Policy.

(f) Review of this policy – the Nomination Committee has been delegated by the Board to review this policy to ensure its effectiveness. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

To identify a pipeline of potential successors to the Board, the Company will:

(a) conduct assessment to understand the current breakdown of gender diversity from the bottom up;

(b) through the Remuneration Committee identify internal candidates with different abilities and skillset that qualify for internal promotion and form a sub-committee comprising of such individuals for further assessment to directorship; and

(c) search via internal resources and may engage professional search firm as and when required.

DIVERSITY (Continued)

The Board reviewed and monitored the implementation of the Board Diversity Policy on an annual basis and is satisfied with its effectiveness to achieve the diversity of the Board for the year ended 31 March 2025. On 20 April 2023, one female director was appointed on the Board (representing 9.09% of the current Board), in line with the target set by the Board. In the future, the Company will seek professional director candidates through diversified channels to further enhance the diversity level of the Board. The Board targets to maintain at least the current level of female representation and is of the view that all aspects of diversity and the ability to contribute towards the Board's responsibilities should be considered as a whole in the selection of suitable potential candidates for appointment to the Board.

Workforce Diversity

The Company is committed to building a diversified workplace with equal opportunities. It actively recruits female employees. Our workforce representation as at 31 March 2025 was 53% male and 47% female, which demonstrates the Company's devotion to gender diversity across the workforce level. For more details on the gender ratio in the Group's workforce, please refer to the "Environmental, Social and Governance Report" of this annual report. The Group also regularly reviews its compensation and benefit packages to ensure such packages are in line with the market as well as creates a bonding culture to strengthen the sense of belongings of staff members.

BOARD COMMITTEES

The Board has established four committees, namely, the Audit Committee, the Remuneration Committee, the Nomination Committee and the Executive Committee, for overseeing particular aspects of the Company's affairs. The four committees are established with defined written terms of reference and approved by the Board, which set out the committees' respective duties.

The terms of reference of the board committees have been reviewed from time to time to cope with the latest amendments of the Listing Rules and the needs of the Company.

The members of each board committees had fully accessed to board minutes, records, materials as well as the management and staff of the Company. The Company provides full support to the board committees and arranges for professional advisors to give incidental advice whenever necessary.

Audit Committee

The main role and function of the Audit Committee are to consider the application of financial reporting, risk management and internal control principles and to maintain an appropriate relationship with the external auditors of the Company.

Currently, the Audit Committee comprises three INEDs, namely, Mr. Cheng Yuk Wo, Mr. Shek Lai Him, Abraham, *GBS, JP*, and Dr. Lo Wing Yan, William, *JP*. The chairman of the Audit Committee is Mr. Cheng Yuk Wo, who has professional accounting qualifications and expertise in financial management. The Audit Committee's authority and duties are set out in written terms of reference is available on the websites of the Company and the Stock Exchange.

BOARD COMMITTEES (Continued)

Audit Committee (Continued)

During the year, the Audit Committee held three meetings. Following the Board practice, minutes of these meetings were circulated to all members for comment, approval and record as soon as practicable after each meeting. There was no disagreement between the Board and the Audit Committee regarding the selection and appointment of external auditors. The Audit Committee has reviewed the final results of the Company for the year ended 31 March 2024 and the interim results of the Company for the six months ended 30 September 2024; approved the remuneration and terms of engagement of the external auditors; reviewed the internal audit plan; reviewed the work progress reports in respect of internal control and risk management and the works performed by the external consultants; and discussed with the management and the Company's auditors the accounting policies and practices adopted, internal control and financial reporting matters of the year.

Remuneration Committee

The Remuneration Committee was established on 21 July 2005 with written terms of reference, which deal clearly with its authority and duties for a formal and transparent procedure to fix the remuneration package for all directors. The main role and function of the Remuneration Committee are to formulate reward packages for senior management and individual executive directors.

The Remuneration Committee will consult the Chairman of the Board on the adequacy of the corporate remuneration policy and individual reward package with particular reference to fairness, sufficiency of incentive element and effective application of company resources. The Remuneration Committee's authority and duties are set out in written terms of reference is available on the websites of the Company and the Stock Exchange.

Currently, the Remuneration Committee comprises two INEDs, namely, Mr. Cheng Yuk Wo and Dr. Lo Wing Yan, William, *JP*, and one ED, namely, Mr. Chung Cho Yee, Mico. Mr. Cheng Yuk Wo is the chairman of the Remuneration Committee.

During the year, the Remuneration Committee held two meetings, in which it reviewed, discussed and approved the remuneration policies, system, package and the discretionary bonus of the directors and senior management of the Company.

Details of emolument paid to the directors for the year 2025 are set out in the notes to the consolidated financial statements on page 109.

Nomination Committee

The Nomination Committee was established on 13 March 2012 with specific written terms of reference. The main role and function of the Nomination Committee are to review the structure, size and composition of the Board and the Board Diversity Policy; to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors; to identify, screen and recommend to the Board appropriate candidates to serve as directors of the Company; to assess of the independence of each INED. The Nomination Committee's authority and duties are set out in written terms of reference is available on the websites of the Company and the Stock Exchange.

Currently, the Nomination Committee comprises two INEDs, namely, Mr. Cheng Yuk Wo and Dr. Lo Wing Yan, William, *JP*, and one ED, namely, Mr. Chung Cho Yee, Mico. Mr. Chung Cho Yee, Mico is the chairman of the Nomination Committee.

In order to facilitate its functions for the nomination procedures and the process and criteria to select and recommend candidates for directorship of the Company, the Board adopted the Board Diversity Policy with measurable objectives.

BOARD COMMITTEES (Continued)

Nomination Committee (Continued)

The Board also adopted the Nomination Policy which sets out the approach and procedures for the Board to nominate and select directors. The Nomination Committee shall consider a number of factors in making nominations, including but not limited to followings:

(a) skills and experience: The candidate should possess the skills, knowledge and experience which are relevant to the operations of the Company and its subsidiaries;

(b) commitment: The candidate should be able to devote sufficient time to attend board meetings and discharge of the duties of a director;

(c) independence: The candidate to be nominated as an independent non-executive director must satisfy the independence requirements under the Listing Rules; and

(d) reputation for integrity: The candidate should be a person of integrity, honesty, good repute and high professional standing.

The appointment of any proposed candidate to the Board or re-appointment of any existing member(s) of the Board shall be made in accordance with the Bye-laws and other applicable rules and regulations.

During the year, the Nomination Committee held one meeting, in which it reviewed the structure, size, composition and diversity of the Board and made recommendations to the Board on the re-appointment of directors at the annual general meeting and recommended the nominated director of each of committee. If a retiring INED (i) has served on the Board for more than nine years or (ii) has held directorship in seven or more other listed companies, the Board shall explain in the circular the reasons why (i) he is still believed as independent and should be re-elected or (ii) he is able to devote sufficient time to the Board, respectively.

Executive Committee

The Executive Committee, comprised of the EDs, was formed on 21 July 2005 with specific written terms of reference. The main role and function of the Executive Committee are to manage the day-to-day operations of the Group's business and make investment and divestment decisions for and on behalf of the Group unless otherwise restricted by the terms of reference. In addition, the Executive Committee reviews the corporate and financial planning, investment and operation strategy of the Group as well as monitoring the progress of the carrying out of Board decisions by the management. The Executive Committee reports its view and puts forward recommendations to the Board through the Chairman of the Board.

Currently, the Executive Committee comprises six EDs, namely, Mr. Chung Cho Yee, Mico, Mr. Kan Sze Man, Mr. Chow Hou Man, Mr. Ho Lok Fai, Mr. Leung King Yin, Kevin and Ms. Chung Yuen Tung, Jasmine. Mr. Chung Cho Yee, Mico is the chairman of the Executive Committee.

BOARD INDEPENDENCE

To ensure that independent views and inputs are available to the Board, the Company has established the following mechanisms, and the implementation and effectiveness of such mechanisms are reviewed annually.

1. The Board must ensure the appointment of at least three INEDs and at least one-third of its members being INEDs (or such higher threshold as may be required by the Listing Rules) from time to time.

2. Each Board committee must comprise a majority of INEDs.

3. The independence of INEDs is assessed upon appointment, annually, re-appointment, and at any other time where the circumstances warrant reconsideration.

BOARD INDEPENDENCE (Continued)

4. The INEDs are required to inform the Company as soon as practicable if there is any change in their personal particulars that may materially affect their independence.

5. INEDs receive fixed fees for their role as members of the Board and Board committees and are not entitled to equity-based remuneration (e.g. share options or grants) with performance-related elements.

6. Further re-appointment of an INED (including the long-serving INED) is subject to a separate resolution to be approved by the shareholders.

7. INEDs should not be involved in the daily management of the Company nor in any relationship or circumstance which would affect the exercise of their independent judgement.

8. All directors are entitled to seek independent professional advice on issues relevant to their function and duties at the Company's expense.

9. Directors are required to declare their and their connected entities' direct or indirect interests, if any, in proposals or transactions to be considered by the Board at board meetings and withdraw from the meetings as appropriate.

10. The Chairman meets with the INEDs at least annually without the presence of other executive directors.

CORPORATE GOVERNANCE FUNCTION

The Board is responsible for determining the policy for the corporate governance of the Company and performing the corporate governance duties as below:

(a) to develop and review the Group's policies and practices on corporate governance and make recommendations;

(b) to review and monitor the training and continuous professional development of directors and senior management;

(c) to review and monitor the Group's policies and practices on compliance with all legal and regulatory requirements;

(d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the employees and directors of the Group; and

(e) to review the Group's compliance with the code of corporate governance and disclosure requirements in the Corporate Governance Report.

During the year, the Board reviewed the Group's compliance with the Code disclosure requirements in the Corporate Governance Report and approved the 2025 Corporate Governance Report of the Company.

COMPANY SECRETARY

The Company Secretary is a full-time employee of the Company, who reports to the Chairman and assists the Board in ensuring effective information flow among Board members and that the Board policy and procedures including those on corporate governance matters are followed. The Company Secretary had complied with Rule 3.29 of the Listing Rules during the year under review.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the Listing Rules relating to dealings in securities. Memorandum was sent to directors twice a year to draw their attention to the Model Code. The Company made specific enquiries to each director and had received their written confirmation of full compliance with the Model Code for the year ended 31 March 2025.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The annual and interim results of the Group are published in a timely manner, within three months and two months respectively of the year end and the half year.

The responsibility of directors in relation to the consolidated financial statements is set out below. It should be read in conjunction with, but distinguished from, the Independent Auditor's Report on page 67 of this annual report which acknowledges the reporting responsibility of the Group's auditor.

Annual Report and Accounts

The directors acknowledge their responsibility for the preparation of the annual report and consolidated financial statements of the Group, ensuring that the consolidated financial statements give a true and fair presentation in accordance with generally accepted accounting standards in Hong Kong, the requirements of the Listing Rules and applicable laws as well as the integrity of the financial information so reported. Such responsibility is extended to cover not only the annual and interim reports but also announcements and other financial disclosures of the Company required under the Listing Rules.

Going Concern

The directors, having made appropriate enquiries, are of the view that the Group has adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate for the Group to adopt the going concern basis in preparing the consolidated financial statements.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and maintaining sound and effective risk management and internal control systems to safeguard the interests of shareholders and the Group's assets. The Board recognises that it is ultimately responsible for the Group's risk management and internal control systems; it oversees the management in the design, implementation and monitoring of the risk management and internal control systems and reviews their effectiveness at least annually through the Audit Committee.

Effective risk management is an integral part of the overall achievement of the Group's strategic objectives. To achieve this, the Board ensures that there is a robust and ongoing risk management process in identifying, evaluating and managing significant risks faced by the Group to promote the long-term success of the Group.

RISK MANAGEMENT AND INTERNAL CONTROL (Continued)

Each division of the Company is responsible for identifying, evaluating and managing risks within its divisions taking into account the objectives of such division on a semi-annually basis with mitigation plans to manage those risks. Based on the risk assessment results, the management reviews the principal business risks identified, assesses the effectiveness of control measures to help mitigate, reduce or transfer such risks, monitors the risk management and internal control systems and reports to the Audit Committee for any significant issues identified. The Audit Committee supports the Board in monitoring risk exposure, design and operating effectiveness of the underlying risk management and internal control systems. It oversees regular reviews of the business process and operations reported by the external internal control consultant and regular reports by the external auditors of any control issues identified in the course of their work. The Board considers the works and findings of the Audit Committee in forming its own view on the effectiveness of the risk management and internal control systems.

The risk management process coupled with our internal controls, ensures that the risks associated with different divisions of the Group are effectively controlled and in line with the Group's risk appetite. To this end, we have a distinct organisation structure with defined lines of authority and control responsibilities. A comprehensive management accounting system is in place to provide financial and operational performance indicators for management's review and relevant financial information for reporting and disclosure purposes. Appropriate policies and controls have been designed and established to ensure that assets are safeguarded against improper use or disposal, relevant rules and regulations are adhered to and complied with, reliable financial and accounting records are maintained in accordance with relevant accounting standards and regulatory reporting requirements, and key risks that may impact on the Group's performance are appropriately identified and managed. Besides, the management continues to allocate resources for the risk management and internal control systems to provide reasonable, though not absolute, assurance against material misstatement or loss and to manage rather than eliminate the risk of failure to achieve business objectives.

The Board, through the Audit Committee, has delegated the internal audit function to an independent external internal control consultant, Moore Advisory Services Limited, who has conducted a review on the adequacy and effectiveness of the Group's rental and property management income, accounts receivable and collection and acquisition cycles for the year 2024-2025, and included recommendations for improvement and strengthening of the internal controls system. The Board considers that the Group's risk management and internal control systems are effective and adequate. The external internal control consultant also developed a risk-based approach for the internal audit and established a five years' internal audit plan, which is subject to review annually, covers major activities and processes of the Group's operations, businesses and service units. The results of these audit activities are submitted to the Audit Committee and senior management of the Group. Audit issues are tracked, followed up for proper implementation, and their progress are reported to the Audit Committee and senior management of the Group periodically.

Inside Information

With regards to the internal controls and procedures for the handling and dissemination of inside information, the Group complies with under the Part XIVA and relevant parts of the Securities and Future Ordinances and Listing Rules. To be certain that all the staff members in the Group are aware of the inside information handling, the Group's Inside Information Disclosure Policy sets out guidance and procedures to ensure that the inside information of the Group is disseminated to the public completely, accurately and timely. Besides, the Board is responsible to approve the dissemination of the information. The Group also has reasonable measures regarding keeping the sensitive information confidential and ensuring the confidentiality terms are in place in the significant agreements.

RISK MANAGEMENT AND INTERNAL CONTROL (Continued)

Inside Information (Continued)

Furthermore, to encourage and provide a channel to employees to report, without fear of reprisals, any potential improprieties or other matters, the Whistle Blowing Policy was established and appointed a compliance officer to receive, investigate and handle the relevant issues, thereafter report to the Audit Committee.

The Company is committed to maintaining confidence in the integrity of the Group. All directors and employees should show the highest business integrity in their dealings with others and should conduct the Group's business in accordance with the laws and principles of good business practice. The Company has adopted an Anti-Corruption Policy to prohibit all forms of bribery and corruption.

AUDITOR'S REMUNERATION

During the year ended 31 March 2025, the fee incurred for audit and non-audit services provided by the auditor to the Group is set out as follows:

Nature of Services	HK$ million
Audit services	3.10
Other services	2.92
	6.02

CONSTITUTIONAL DOCUMENTS

During the year, there was changed in the Company's Memorandum of Association and Bye-laws. The latest consolidated version of the Memorandum of Association and Bye-laws is available on the websites of the Company and the Stock Exchange.

DIVIDEND POLICY

The Board adopted the Dividend Policy since 2019 which sets out the guidelines for the Board to determine (i) whether dividends are to be declared and paid, and (ii) the level of dividend to be paid to the shareholders of the Company.

The Dividend Policy allows the shareholders of the Company to participate in the Company's profits whilst to retain adequate reserves for future growth. Normally, the Company pays dividends once a year, which is final dividend. The Board may declare special dividends in addition to such dividends as it considers appropriate.

The Company does not have any pre-determined dividend payout ratio. The declaration, payment and amount of dividends are subject to the Board's discretion having regard to determined factors such as operations, earnings, financial conditions, capital expenditure, future development, business conditions and strategies, interest of shareholders, etc.

Subject to the Bye-laws and all the applicable laws, dividends may be paid in cash or be satisfied wholly or partly in the form of allotment of shares of the Company. The Board may also consider the issuance of bonus shares on a basis permitted by the applicable laws and regulations.

SHAREHOLDERS' RIGHTS

1. Procedures by which shareholders can convene a special general meeting

Pursuant to the Bye-laws and the Companies Act 1981 of Bermuda (the "Act"), the Board shall, on the requisition in writing of the shareholders holding at the date of deposit of the requisition not less than one-tenth (10%) of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition.

SHAREHOLDERS' RIGHTS (Continued)

1. Procedures by which shareholders can convene a special general meeting (Continued)

If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three (3) months from the said date.

2. Procedures for shareholders to Put Forward Proposals at a General Meeting

Pursuant to the Companies Act, either any number of the registered shareholders holding not less than one-twentieth (5%) of the paid-up capital of the Company carrying the right of voting at general meetings of Company, or not less than 100 of such registered shareholders, can request the Company in writing to (a) give to shareholders entitled to receive notice of the next general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and (b) circulate to shareholders entitled to receive notice of the next general meeting any statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

The requisition signed by all the requisitionists may consist of several documents in like form, each signed by one or more of the requisitionists; and it must be deposited at the Company's Registered Office with a sum reasonably sufficient to meet the Company's relevant expenses, not less than six (6) weeks before the meeting in case of a requisition requiring notice of a resolution or not less than one (1) week before the meeting in the case of any other requisition. Provided that if an annual general meeting is called for a date six (6) weeks or less after the requisition has been deposited, the requisition though not deposited within the time required shall be deemed to have been properly deposited for the purposes thereof.

3. Procedures for shareholders to propose a person for election as a Director

Pursuant to the Bye-laws, if a shareholder, who is duly qualified to attend and vote at the general meeting convened to deal with appointment or election of director(s), wishes to propose a person (other than a retiring director and the shareholder himself/herself) for election as a director at that general meeting, such shareholder can deposit a notice in writing of the intention to propose that person for election as a director and a notice in writing by that person of his/her willingness to be elected at the Company's Registered Office or the Hong Kong Principal Place of business at least seven (7) days before the date of the general meeting.

The period for lodging such notice will commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and no later than seven (7) days prior to the date of such meeting. In order for the Company to inform all members of that proposal, the written notice must state the full name of the person proposed for election as a director, his/her biographical details as required by Rule 13.51(2) of the Listing Rules.

4. Procedures by which enquiries may be put to the Board

Shareholders may, at any time, direct enquiries to the Board. Such enquiries can be addressed to the Company Secretary in writing by mail to the Company's principal place of business in Hong Kong at 31/F., Bank of America Tower, 12 Harcourt Road, Central, Hong Kong.

INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS

The Board adopted a Shareholders' Communication Policy reflecting mostly the current practices of the Company for communications with its shareholders. Such policy aims at providing the shareholders and potential investors with ready and timely access to balanced and understandable information of the Company. This policy will be reviewed regularly to ensure its effectiveness and compliance with the prevailing regulatory and other requirements.

The annual general meeting provides a forum for shareholders to exchange views with the Board. The Chairman of the Board as well as the Chairmen of the Audit, the Remuneration and the Nomination Committees or, in their absence, other members of the respective committees, and where applicable, the independent board committee, are available to answer questions at the shareholders' meetings.

An explanation of the detailed procedures of conducting a poll will be provided to shareholders at the commencement of the annual general meeting, to ensure that shareholders attending such meeting are familiar with such procedures.

The Company's website at www.csigroup.hk offers timely access to investors regarding the Company's financial, corporate and other information.

The Board has reviewed the implementation of the communication channels and, based on the above, considered the Shareholders' Communication Policy has been effectively implemented during the year.

Environmental, Social and Governance Report

REPORTING STANDARDS

In accordance with the ESG Reporting Guide ("Reporting Guide") set out in Appendix C2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Stock Exchange"; which has been upgraded to the "Environment, Social and Governance Reporting Code" since 1 January 2025), CSI Properties Limited ("CSI" or the "Company") and its subsidiaries (collectively, the "Group", "we", "our" or "us") are pleased to present the Environmental, Social and Governance ("ESG") Report ("ESG Report") for the period from 1 April 2024 to 31 March 2025 ("Reporting Period"). The information stated in this ESG Report covers the same period, which aligns with the financial year as the 2025 annual report of the Group. The aim of the ESG Report is to provide our stakeholders with a comprehensive understanding of our ESG policies, achievements and performance of the Group and to demonstrate our long-standing commitment to fulfil our corporate social responsibility.

SCOPE OF REPORTING

The scope of this ESG Report covers the Group's core business in property development, leasing and investment activities during the current financial year in Hong Kong, Macau, Shanghai and Beijing. For more information on the "Governance" section, please refer to the Company's Corporate Governance Report included in this Annual Report for further details.

REPORTING PRINCIPLES

The ESG Report is prepared according to the "Comply or Explain" principle and is governed by four key principles:

1. Materiality: ESG topics that may influence the perspectives of the stakeholders are disclosed.

2. Quantitative: ESG data are presented numerically, so our ESG performance can be compared against our peers, industry standards and our previous year's performance.

3. Balance: All information disclosed in the ESG Report shall be unbiased. There will not be any misleading presentation format, selections and omission that may inappropriately influence the decision of a stakeholder.

4. Consistency: In order to ensure comparability, all key performance indicators calculation and assumption are consistent with the previous year. Any changes in our methodologies are disclosed clearly to inform the stakeholders.

MESSAGE FROM THE BOARD

A robust governance structure is critical to effectively integrate sustainable practices into our business operations. The Board is responsible for overseeing and managing the general direction of ESG approach, including the approval of this ESG Report and identification of material ESG issues and ESG risks. The Board evaluates, prioritises, and manages the material ESG-related issues with reference to the materiality analysis. The Board reviews the result annually and evaluates any actions needed for the material issues.

ESG related matters and daily affairs are managed and monitored by relevant department heads. They will report to the Board on a regular basis to ensure that the Group strictly abides by the laws and regulations related to ESG in the corresponding business locations.

Meanwhile, we regularly evaluate the Group's ESG performance and report to stakeholders through the annual ESG Report, thereby demonstrating our efforts to build up a sustainable and better future.

Our Environment

In the 2024 United Nations Climate Change Conference (COP29), leaders around the globe stressed the importance of addressing climate change. Both Hong Kong and People's Republic of China (the "PRC") have taken action and set a goal to reach carbon neutrality by 2050 and 2060 respectively. We are proud to be an active contributor of these national initiatives with our environmental services and products.

Incorporating the latest green designs into our buildings to pursue higher rankings of Building Environment Assessment Method ("BEAM") Plus Certification has also been one of our main strategic goals. 2021 was a successful year as we reached one of the milestones of transforming a large proportion of fluorescent and incandescent lights into LED lights of the common areas in our properties, we strive to ensure that LED lights are continually used in the future to minimise unnecessary emissions.

Within our work environment, we have furthered the environmental initiatives by leveraging on technology, such as utilising zoom or conference call discussion instead of traveling, and promoting the theme of paperless office. We believe transforming into a green business operation is an essential process to support our clients' journey for the transition to a carbon neutral economy. With this long-term target in mind, we will further explore alternate strategies that will catalyse this transition and to support our nation's net-zero goal.

Our People

We recognise that the staff are crucial to the Group's success. As we move forward into the post-pandemic era, we reaffirm our commitment to provide a supportive and inclusive working environment that fosters personal and professional development and recognises and rewards outstanding performance. We will continue to prioritise the health, safety, and well-being of our staff.

Embedded within our culture of diversity, we are a team that fosters respect, inclusion and equality. We recognise the unique abilities and talents of individuals in our workforce. With a diversified and inclusive environment, this facilitates innovative ideas to support the needs of our diverse clientele and the community. For the year ended 31 March 2025, we have maintained diversity, with 47% consisting of female staff.

Our Next Steps

Going forward in 2025, we are fully committed to integrating sustainability into the core of our business. We have already taken significant steps in this direction, and we will continue to proactively establish the necessary foundations to expedite our transition towards sustainability. Our dedication to achieving sustainable practices remains unwavering, as we strive to forge a more promising future in collaboration with our stakeholders.

On behalf of everyone at CSI, we would like to thank you for your interest in our 2025 ESG Report.

OUR APPROACH TO STAKEHOLDERS ENGAGEMENT

The Group's ESG approach is to integrate the principle of sustainability into our business operations with a view to creating long-term value for customers, employees, business partners, shareholders, investors and the wider community. By obtaining feedback from internal and external stakeholders, this would enable us to obtain a balance view of ESG issues to facilitate the continuous improvement in our sustainability performance. As such, we regularly engage with our stakeholders to understand their expectations and priorities on our ESG issues, as well as to enhance our mutual understanding of interests and aspirations.

During the Reporting Period, the Group has taken various measures to enhance information transparency and readiness, involving (1) the use of Company's website to provide information update including financial reports, circulars, corporate presentations, announcements and newsletters; (2) regular communication with shareholders, employees, suppliers, contractors, business partners and customers through telephones and emails; and (3) the use of an online Q&A drop box that allows collections of queries and exchanges of ideas from our stakeholders.

We will continue to explore other innovative platform to communicate our messages to and receive direct feedback from our stakeholders. Feedback and concerns from the stakeholders are collected through the following channels, which are effective in identifying opportunities for improvement:

Major Stakeholders		Methods of Communication	Major Concerns and Interests
Internal Stakeholders	Shareholders and Investors	• Annual and Interim Reports • Corporate Seminars and Information Circulars • E-mails, Newsletters and Announcements • Shareholders' Meetings and Annual General Meetings • Corporate Website	• Sound Risk Management • Effective Corporate Governance • Sustainable Development • Information Disclosure and Transparency • Ethical Business Operations, Responsible Investment, Profitability and Financial Stability
	Employees	• Corporate Events, Activities and Seminars • Performance Appraisals and Annual Evaluation • Trainings and Employee Engagement Events • Meetings and Briefings	• Health and Safety of Work Environment • Benefits and Compensation Package • Employee's Rights • Training Opportunities and Career Development • Privacy and Protection of Employee's Data
External Stakeholders	Tenants and Customers	• Customer Feedback and Complaints • Customer Service Hotlines • Correspondences and Meetings • Corporate Website	• Improvement of Service Quality • Increase in Customer Satisfaction • Assurance of Product Quality • Privacy Protection and Data Usage • Honesty, Ethics and Integrity
	Suppliers and Contractors	• Regular Supplier Review and Evaluation • Tendering and Procurement Meetings • Site Visits, Conferences, Phone Calls and E-mails	• Mutual Benefits and Achievements • Supply Chain Responsibilities • Long-term Cooperation and Sustainable Relationship • Fair Competition, Integrity and Ethics
	Business Partners	• Resource Sharing Activities and Events • Mutual Development Projects	• Sustainable and Long-term Relationship • Corporate Synergies • Knowledge, Information and Resources Sharing
	Public Community	• Community Activities and Interactions • Charitable and Volunteering Events • Social Media Platforms	• Corporate Social Responsibilities • Active Participation in Charitable Activities and Community Investment
	Government and Supervisory Institutions	• External Reports and Other Information Disclosures • Policy Consultations and Meetings • Conferences, Seminars and Meetings	• Compliance with Regulatory Rules • Sound Risk Management and Effective Corporate Governance • Business Integrity and Ethics • Environmental Protection Measures

MATERIALITY ASSESSMENT

Based on the ESG aspects set out in the Reporting Guide, the Group has received feedback from key stakeholders through a wide range of communication channels. We also conducted a materiality assessment to identify major ESG issues and the results are illustrated in the graph below:

Materiality Assessment Matrix

Item	ESG Topic	Item	ESG Topic
1	Customer satisfaction	15	Selection and monitoring of suppliers
2	Customer information and privacy	16	Cultivation of local employment
3	Product health and safety	17	Hazardous waste production
4	Occupational health and safety	18	Energy use (e.g. electricity, gas and fuel)
5	Employee development and training	19	Anti-corruption training provided to directors and staff
6	Employee remuneration, benefits and rights (e.g. working hours, rest periods and working conditions)	20	Environmental risks (e.g. pollution) and social risks (e.g. monopoly) of the suppliers
7	Observing and protecting intellectual property rights	21	Air emissions
8	Preventing child and forced labour	22	Greenhouse gas emissions
9	Environmentally preferable products and services	23	Community support (e.g. donation and volunteering)
10	Diversity and equal opportunity of employees	24	Mitigation measures to protect environment and natural resources
11	Product and service labelling	25	Use of materials (e.g. paper, packaging and raw materials)
12	Number of concluded legal cases regarding corrupt practices (e.g. bribery, extortion, fraud and money laundering)	26	Water use
13	Marketing communications (e.g. advertisement)	27	Climate change
14	Anti-corruption policies and whistle-blowing procedure	28	Non-hazardous waste production

The above matrix presents the importance of an ESG topic from internal and external stakeholder's perspective. ESG topics that are located in the top right corner (second quadrant) are the most important areas to focus on. According to the insights gathered from the materiality assessment, the social aspects are relatively more important than the environmental area. Since the Group is principally engaged in the business of property development and property investment, the impact of most of business operation on the environment is relatively small, except for redevelopment projects that may pose some environmental risks compared to other businesses. The Group has actively paid attention to reduce the use of natural resources in operations and implement environmental control measures wherever practicable to minimise the impact on the environment. The environmental section will be further elaborated in the section below.

In this Reporting Period, "customer satisfaction", "customer information and privacy" and "product health and safety" are the key issues to focus on.

STAKEHOLDERS' FEEDBACK

The Group welcomes all feedback made by the stakeholders for future improvements. Your opinion is highly valued, for any comments about this ESG Report or suggestions in enhancing our sustainability performance, please feel free to contact the Group via the channels below:

Website:	www.csigroup.hk
Address:	31/F., Bank of America Tower, 12 Harcourt Road, Central, Hong Kong
Telephone:	+852 2878 2800
Fax:	+852 2878 7525

A. ENVIRONMENTAL ASPECTS

A1 Emissions

Regardless of the Group's minimal impact on the environment, our aim is to implement environmentally friendly initiatives, sustainable construction strategies and materials procurement strategy to improve construction environment sustainability in Hong Kong, and to reduce energy and resources used in our property development projects.

The Group has implemented the objectives and measures for environmental protection which includes the design, materials procurement, and development procedures for minimising greenhouse gas ("GHG") emissions, hazardous and non-hazardous waste generation.

GREEN BUILDING CERTIFICATION

Our sustainable development initiative has been demonstrated by the Group through the incorporation of green building elements into our property development programs, such as the adaptation of the guideline of the BEAM Plus, to provide our tenants and residents with a clean, stable, comfortable, functional and productive living environment.

Some of our projects have been accredited the BEAM Plus Certification by the Hong Kong Green Building Council in recognition of our efforts to reduce the environmental effects of design and development work and to improve environmental quality. In the future, the Group strives to achieve higher ranking of the green building certification, such as platinum and gold, through adopting eco-friendlier materials and renewable energy to minimise the carbon footprint. During the Reporting Period, one project of the Group obtained the certification to ensure the application of eco-friendlier materials and renewable energy. The project in Nathan Road obtained gold ranking in Stage 2. Besides, the project in Gage Street targeted to obtain the platinum ranking in Stage 2 by third quarter of 2025. This is also vital to further enhance the well-being and health of the building occupants.

GREEN DESIGN

According to the Hong Kong's Climate Action Plan 2050 that was released in June 2021, buildings account for 90% of Hong Kong's total electricity consumption which is a relatively large proportion of the carbon emission in Hong Kong. We are proud to play a role in integrating green designs into our buildings by supporting green procurement and environmentally friendly construction approaches. The Group has adopted green designs across our residential projects in order to reduce the impact to the environment. We have implemented open-sky garden to reduce the impact of urban heat by the means of evaporative cooling and reducing the amount of sunlight entering the parking lots and buildings. It is believed that it can enhance our residents' living standards and bring environmental benefits for the neighbouring communities.

During the Reporting Period, the Group strictly complied with the relevant laws in Hong Kong relating to emission, including but not limited to the Air Pollution Control Ordinance, Noise Control Ordinance, Waste Disposal Ordinance, Water Pollution Control Ordinance. The Group was not aware of any material environmental non-compliance that would have a significant impact on the environment or on our Group. We summarise our efforts in managing energy use, noise control, air quality and waste at the below sections.

Energy Savings

The Group intends to consume and save resources more effectively, and as the key means of reducing GHG emissions. Our project development team always anticipate in potential energy-saving opportunities, particularly in our property development projects to incorporate environmentally friendly design.

In accordance with the Building Energy Code, the need for indoor illumination and the appropriate lighting power density for living areas have been carefully considered by our project team. The separate lighting control switches allow users to switch only when they occupy the lighting zones. Automatic lighting control was also mounted in other areas to automatically control the illumination, in order to prevent excessive use of electricity. By integrating SMART (self-monitoring, analysis, and reporting technology) technology, it plays a vital role in energy saving management and the energy efficiency of buildings.

In addition, residents are provided with charging bays fitted with electric vehicle charging facilities. This convenient charging facility not only benefits the existing electric vehicle users, but also encourages our residents to convert their existing gasoline or diesel vehicles to electric vehicles, thus reducing GHG emissions in return.

Noise Control

The Noise Control Ordinance ("NCO"), under the management of the Government, is followed by the Group. To ensure compliance with the applicable regulations and standards for noise control in Hong Kong, the Group and our contractors have taken proactive participation where applicable in the planning and implementation of noise abatement measures to control noise levels of certain projects during the year, including but not limited to the following:

1. To ensure the environmental noise from our construction activities at daytime and nighttime have been controlled at or below the noise control standards as specified under the NCO, i.e. at 70 decibels or below;

2. To reduce noise emission through better planning on building design in residential development and apply more noise protection features where applicable, including specially designed windows and acoustic barrier, to ensure that the residents can enjoy noise-free living conditions;

3. To more carefully arrange our construction schedule to minimise nuisance to nearby residents during the restricted hours as specified under the NCO; and

4. To exercise due care before the commencement of any construction and building works to identify the noise sensitive receiver, being premises that are used for purposes sensitive to noise and requires protection, such as domestic premises, hotels, hospitals and clinics etc.

During the Reporting Period, the Group did not commit any offence under the NCO and was not liable to any penalties or fines in relation to the noise control standards and regulations currently in effect.

Air Quality

One of our key concerns on environment protection is the impact on air quality during the daily operation of our projects. In order to reduce the impact of air pollution with our stakeholders, the Group and our contractors are effectively striving to persistently improve air quality and reduce GHG emissions. As such, measures have been taken to ensure all emissions from daily operations will meet the applicable environmental standards and requirements, including but not limited to the installation of carbon monoxide concentration control device for the mechanical ventilation system in an underground car park. If high carbon monoxide concentration is detected, the flow rate of exhaust air fan will be increased to ensure sufficient fresh air intake and to reduce carbon monoxide concentration to an acceptable level.

Additionally, the Group aims to create a more sustainable business through transparent measurements and reporting of our emissions metrics. Our air pollution measures include regular monitoring and reporting of greenhouse gases, and air pollutants emitted by motor vehicles for commercial purposes.

In view of the Group's business portfolio, the GHG emission produced by the Group is mainly on account of the direct GHG emissions from combustion of gasoline from private cars of the Group (Scope 1), indirect emissions (Scope 2) resulted from the use of electricity for the operation of the Group.

During the Reporting Period, the emissions of GHGs from our operations were as follows:

Aspects[1]	Unit[2]	2023/24	2024/25	Percentage Comparison
Scope 1 Direct GHG Emissions	tCO_2e	30.67	28.48	–7%
Scope 2 Indirect GHG Emissions	tCO_2e	61.88	53.46	–14%
Scope 3 Other Indirect GHG Emissions	tCO_2e	15.36	15.46	+1%
Total	**tCO_2e**	**107.91**	**97.40**	**–10%**
Intensity of total GHG Emissions	**tCO_2e/no. of employees**	**1.04**	**1.05**	**+1%**

Remarks:

1. Above calculation is based on the emissions factors adopted from "How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" published by the Stock Exchange.

2. tCO_2e refers to tonnes of Carbon Dioxide equivalent.

During the Reporting Period, our business operation produced a total of 97.40 tonnes of carbon emissions (mainly carbon dioxide, methane and nitrous oxide) across the Group.

The Group actively adopts electricity conversation and energy-saving measures to reduce GHG emissions. Although electrical appliances were adopted for anti-epidemic use, such as sanitising equipment and air purifier, Scope 2 emissions from electricity consumption remained relatively low. We are pleased to report that both Scope 1 and Scope 2 emissions have decreased compared to the previous reporting period. However, the Scope 3 GHG emissions have increased by 1%. This increase is attributed to the business travel. We will continue our efforts to mitigate and manage our GHG emissions moving forward.

During the Reporting Period, we have been awarded the DHL GoGreen Plus Certificate for reducing carbon emissions through the use of sustainable aviation fuel, which is a green energy alternative derived from waste materials such as used oil and food scraps. Compared to traditional aviation fuel, SAF can reduce greenhouse gas emissions by approximately 80%, making it the most effective solution for rapidly decreasing carbon emissions in air transportation over the coming decades.

During the Reporting Period, the air emission from the private cars of the Group were as follows:

Emission[1]	Unit[2]	2023/24	2024/25	Percentage Comparison
Nitrogen oxides ("NO_x")	kg	5.09	4.38	–14%
Particulate Matter ("PM")[3]	kg	0.37	0.32	–14%
Sulphur oxides ("SO_x")	kg	0.17	0.16	–6%
Total emissions from vehicles	**kg**	**5.63**	**4.86**	**–14%**

Remarks:

1. Above calculation is based on the emissions factors adopted from "How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" published by the Stock Exchange.

2. kg refers to kilograms.

3. Respiratory suspended particles ("RSP", also known as Particulate Matter ("PM")).

Besides, air pollutants of NO_x, PM and SO_x recorded a decrease of approximately 14% compared with the last Reporting Period.

GREEN PROCUREMENT

Our commitment to the environment can be observed in our procurement practices.

A balanced judgment is made not only by taking into account the quality of construction materials, but also the environmental and social factors, including the recyclability, reusability, emission as well as energy consumption in supplier selection. Our preference will be based on the principle of green procurement, with priority given to environmentally friendly products and services whenever practicable. In the procurement process, contractors with ISO 14001 Environmental Management System Certification or other relevant accreditation will be prioritised, to ensure that the practices of suppliers are in line with the ISO 14001 standards, which require environmentally friendly considerations on services.

Before the purchase of any construction materials, our project team only utilises the necessary items and controls the number of materials to prevent excessive use. This is intended to mitigate the effect on the environment and to protect natural resources.

The Group supports the use of products that are conducive to sustainable development. To demonstrate our company's commitment to sustainable development and support the sustainable use of resources, we used paper certified by the Forest Stewardship Council ("FSC") for the publishing of our annual report. FSC is an international non-profit, multi-stakeholder organisation established in 1993, aiming to promote responsible management of the world's forests.

In order to support the local community, our supplier chain management strategy is to purchase goods and services locally as much as possible which supports the economic growth in our operating region. This also minimises the environmental footprint arising from transportation. The Group purchased goods and building services like cleaning, hygiene, sanitation, electrical and mechanical, security, IT services and consumables, for our operations in Hong Kong, all of which were spent on local suppliers. During the Reporting Period, our contractors and suppliers are all located in Hong Kong.

During the Reporting Period, we have complied with all applicable environmental laws, regulations and requirements for product and service procurement. For more information on our supply chain management strategy, please refer to the Supply Chain Management section.

GREEN OPERATION

In addition, taking into consideration of the potential impact of our projects on the environment, the Group has adopted a number of energy conservation measures to ensure the most efficient use of electricity in the office area, to reduce the emission of GHG and demonstrate our determination to protect our environment:

1. To encourage the use of electronic documents to minimise paper printing;

2. To encourage reuse of single-side used papers for drafting, printing and receiving faxes;

3. To encourage employees to switch off the lights, air-conditioning and computer monitors after office hours or when not in use;

4. To encourage the use of both sides of the paper when printing and photocopying;

5. To place recycling boxes for the collection of used ink and toner cartridges in the office area; and

6. To encourage reuse of envelopes/packaging for internal post with new labels.

In addition, the Group distributes office memo, through emails to promote the adoption of green initiatives to all staff regularly, such as paper and energy saving tips for office. Our office electrical appliances have also been inspected periodically to ensure efficient usage of energy.

A2 Use of Resources

One of the main targets of the Company is to reduce the electricity consumption using LED light bulbs instead of quartz lamps. The Group will further explore alternate measures to further reduce the use of resources.

During the Reporting Period, the natural resources consumed at our head office were as follows:

Aspects[1]	**Unit**	**2023/24**	**2024/25**	**Percentage Comparison**
Non-renewable fuel consumed: Petrol	MWh	111.74	103.76	–7%
Electricity consumption	MWh	93.76	89.10	–5%
Total energy consumption	**MWh**	**205.50**	**192.86**	**–6%**
Intensity of total energy consumption	MWh/no. of employees	1.98	2.07	+5%
Water consumption	**m^3**	**87.00**	**80.00**	**–8%**
Intensity of water consumption	m^3/no. of employees	0.84	0.86	+2%

Remark:

1. Above calculation is based on the emissions factors adopted from "How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" published by the Stock Exchange.

During the Reporting Period, non-renewable fuel consumed was 103.76 Megawatt hour ("MWh") and the total electricity consumption was 89.10 MWh, with total energy consumption intensity of 2.07 MWh per employee. This figure represents an increase of 5% in the intensity of total energy consumption per employee in comparison to last Reporting Period.

On the other hand, the total water consumption was 80 cubic meters ("m^3"), representing a decrease of 8% during the Reporting Period. The Group will continue to assess and record our water consumption data annually and compare it with last year's data to assist the Group in further developing our reduction targets in the future.

Reducing Waste and Promoting Recycling

In 2021, the Hong Kong Government published the Waste Blueprint 2035 which highlights a new mission: Waste Reduction, Resource Circulation, Zero Landfill. The Group also shares a similar vision, which is to develop and introduce an environmentally sustainable waste management program focused on the use of building materials. Through our approach, this also ensures the compliance with the applicable regulatory and contractual standards.

As to reduce the consumption of natural resources, our project development team and contractors are encouraged to take into consideration the reduction of construction waste during the design, planning and implementation phases of our property development projects, we have also developed a number of applicable waste control measures during the year, including but not limited to the following:

1. To incorporate sustainable designs into our projects, prioritising waste avoidance over disposal, and pre-identifying and using reusable and recyclable construction materials during the planning phase and construction works;

2. To introduce pre-cast elements in construction which are effective in terms of optimal material requirement and can reduce waste generation on-site; and

3. To carry out more rational planning of our operations and management of the construction sites to reduce the consumption of natural resources.

The Group understands that waste management is also a collective effort of our residents, tenants, customers or any other users of the premises. Hence, the Group has launched and encouraged our stakeholder to participate in our recycling campaigns. These waste control approaches will apply to all of our upcoming projects and are encouraged to be complied with by our contractors. We partnered with Greeners Action for many years in promoting the recycling culture through the "Lai See Reuse & Recycle Program" and "Mooncake Box Recycling Collection", placing the recycling bins and encouraging the participation of employees and tenants.

Programs	Target	Achievement
Lai See Reuse & Recycle Program 2025 (Greeners Action)	Recycling unused or used Lai See packets to reduce waste and help relief the burden of landfill disposal	121 kg (2023/24: 70 kg) red packets
Mooncake Box Recycling Collection 2024 (Greeners Action)	Recycling the metal by sorting out and help relief the burden of landfill disposal	125 (2023/24: 162) mooncake boxes

During the Reporting Period, the generated non-hazardous waste was as follows:

Aspects[1]	Unit[2]	2023/24	2024/25	Percentage Comparison
Non-hazardous: Paper	kg	2,261.00	1,955.10	–14%
Intensity of non-hazardous waster	kg/no. of employees	21.74	21.02	–3%

Remarks:

1. Above calculation is based on the emissions factors adopted from "How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" published by the Stock Exchange.

2. kg refers to kilograms.

Due to the business nature, paper is the main source of non-hazardous waste generated in our head office. The paper usage has remained at a reasonable usage level during the Reporting Period. We are working towards in transforming our office into a paper-less working environment.

Our employees are encouraged to adopt an effective use of paper, including recycling single-sided printing paper for reuse and using digital technology to replace paper. The total paper usage has decreased by approximately 14% as compared with the last Reporting Period. The decrease in paper usage is mainly due to the increased awareness of environmental protection among employees, along with the resource conservation policies implemented within the company.

The Group exhibited responsible management of electronic devices during the Reporting Period. Recognising the importance of waste minimisation and maximising the use of resources, the Group would donate equipment where possible to give it a second life. During the Reporting Period, the Group had donated desktops, IT accessories, LCD monitors etc. to Caritas Computer Workshop.

For other hazardous waste that cannot be reused or recycled, we ensure they are properly handled by licensed waste collectors. During the Reporting Period, no hazardous electronic waste was generated or handled. The Group will closely monitor the disposal of hazardous waste and ensure all handling processes remain in full compliance with applicable laws and regulations.

A3 The Environment and Natural Resources

Due to the nature of our business, the impact on the environment is minimal. The main environmental impact of the business is the indirect impact of carbon dioxide generated by power and paper usage in the daily activities of the business.

To the best of our knowledge, there was no case of non-compliance in relation to the environmental laws and regulations during the Reporting Period.

Actions have been taken by the Group to reduce the impact on the environment by adopting energy-saving measures mentioned in A1 Emissions and A2 Use of Resources.

A4 Climate Change

The 29th United Nations Climate Change Conference of the Parties (COP 29) was held in Baku, Azerbaijan, marking significant progress in the implementation of Article 6 of the Paris Agreement, a pivotal framework for international climate collaboration that enables voluntary cooperation among nations to achieve their Nationally Determined Contributions (NDCs) through market-based and non-market mechanisms, highlighting the immense potential of global cooperation in tackling the climate crisis. The Group has formulated a set of procedures to build up climate resiliency, which is as follows:

a) To perform a climate risk assessment;

b) To develop measures for addressing the risk;

c) To prioritise and allocate resources to support the implementation of the measures; and

d) To monitor and conduct a post implementation evaluation.

Climate Risk Assessment

Our approach to building climate resiliency is to first identify the impacts of climate change and the new regulations introduced into our business environment. There are two major types of climate risk, which are physical risk and transition risk:

- Physical risk is the direct risk arising from weather related events and changes in weather patterns.
- Transition risk is the risk arising from the transition to a carbon neutral economy.

Physical risk	
Acute Risk	Acute risk refers to the weather-related events, such as flood, tornados, and blizzard. Considering the business nature of the Group is mainly office-based operation, the impact of the weather-related events is relatively low. However, the business may be temporary disrupted, for instance, when typhoon Signal No. 8 is hoisted, employees may be unable to travel to the office. In order to cope with those situations, the Group has adopted work from home arrangements and most of documents are available online. Basic office operations can still be continued remotely. Our outdoor operations in the construction site may be subject to a relatively higher physical acute risk. During black rainstorm, flooding may occur which may cause some damage and affect our progress in projects. Although outdoor operations are more susceptible to weather related events, there are measures in place to protect the well-being of our employees and to ensure our assets will not be damaged. This includes our contingency plans, and safety check procedures, such as conducting an exit check on our scaffolding. In the Reporting Period, there were around 85 days that were lost in our outdoor operations due to severe weather-related events. The Group will continue to closely monitor the impact of weather-related events on our business operations. Regarding with our investment properties, these buildings have used certified materials and are structured to withstand severe weather events. There is minimal risk of any damage to our assets.
Chronic Risk	Chronic risk refers to the changes in weather related patterns that includes rise in sea levels and increase in annual temperatures. Our properties are not located in low-lying areas, which will not be susceptible to the rise in sea levels. As mentioned above, extreme temperatures, humidity and wind will not damage our properties. Overall, the physical chronic risk is regarded as minimal.

Transition Risk	
Legal and Policy Risk	With the Hong Kong's and PRC's net zero goal in 2050 and 2060 respectively, it is inevitable that new low-carbon policies may be introduced into the property development industry in the future. In Hong Kong, one of the government's four decarbonisation strategies is "energy savings and green buildings." The Hong Kong's Climate Action Plan 2050 as published by the government stated that "improving energy efficiency of buildings to reduce the energy demand will be Hong Kong's top priority in future energy saving efforts" (extracted from 4.1.3 of Hong Kong's Climate Action Plan 2050). We believe there may be changes to our business operations, such as stricter environmental requirements for buildings which may potentially result in higher operating cost. In the past few years, the Group has not only been integrating energy saving initiatives into our business operation, but also incorporating energy saving measures in the buildings of our business projects. We believe this will align our business operations with Hong Kong's decarbonisation goals to minimise any potential risk. In parallel, the PRC has also developed similar initiatives. The Group will continue to closely monitor the development of the new policies introduced into our operating regions in order to mitigate any climate risk and to grasp new opportunities.
Technology Risk	Within our projects, the Group strives to leverage on the latest technology to enhance the operational efficiency, reduce our impact to the environment and to create a higher quality product for our clients. We have been incorporating more SMART technology and automation within our building designs to improve the quality of life of our residents, tenants and customers. There have not been any major technologic issues in the Reporting Period.

Transition Risk	
Market Risk	Although green designs have generally been more popular with our international clients compared with our local clients, this is not the main driver for our high sales volume. Green designs are regarded as an extra feature to complement with other building designs and to further reduce our carbon footprints. We do also provide other environmental related features in our properties, such as the electric charging station. The Group understands that there has been an increasing number of clients or potential customers that own an electrical vehicle. This was primarily due to the introduction of the first registration tax concessions, lower license fee for private electrical vehicles and other government incentives. The electric charging station serves as a convenient accommodation for electrical vehicle owner. As "green transport" is one of the four decarbonisation strategies in Hong Kong, the Group believes that building the electric charging station in our properties will play a vital role to support our client's transition to a carbon neutral economy. Since there has not been a major shift in our client's preferences on green designs and environmentally friendly features of our properties, the market risk is regarded as relatively low.
Reputational Risk	Although there has been some momentum by the government and regulatory authorities to implement environmental related initiatives, our customers and business partners generally do not perceive these green designs and environmental features of our buildings as a mandatory requirement. Hence, the reputational risk for not incorporating environmental related measures into our business does not significantly impact on our image.

During the Reporting Period, there were no significant climate risk identified by our climate risk assessment, nor has the Group been severely affected by climate change.

B. SOCIAL ASPECTS

B1 Employment

The Group strongly believes that the most valuable asset for our sustainable development is our employees. The Group strictly complies with the Hong Kong Employment Ordinance (Cap. 57 of the Laws of Hong Kong) and other legal employment requirements, avoiding any child employment, discrimination, harassment or offenses against the laws of Hong Kong. We strive to fulfil our responsibilities to employees, respect their legitimate rights and interests, promote their professional development, improve our working environment and pay attention to the physical and mental health of employees in order to realise the common development of the Group and our employees. During the Reporting Period, the Group was not aware of any litigation cases regarding labour and employment practices brought against the Group or our employees.

During the Reporting Period, regular counselling and appraisal sessions were arranged for our employees, allowing management to communicate our expectations, evaluate and maintain the competitiveness of remuneration packages, and gain feedback on employees' professional development needs or grievances.

A wide range of incentives are offered to our employees, including competitive wages and proper insurance coverage. Bonuses may also have distributed to employees by the Group, based on their positive contribution to the Group's success throughout the years. These incentives and benefits are benchmarked against industry peers, ensuring that the Group continues to be a destination for quality talent.

Additionally, the Group aims to offer additional benefits to our employees including, but not limited to, medical and dental allowances, reimbursement to staff for occupational injuries, paid paternity and maternity leave, newborn child gift, as well as training and education subsidies.

The Group makes MPF contributions for our employees on a regular basis and is in compliance with MPF legislation to ensure the interests of our employees are protected. Under the MPF system, mandatory contributions made by employers and employees are set at 5% of the salary with reference to the statutory minimum (HK$7,100) and maximum (HK$30,000) salary level. In addition, the Group also contributes 5% to the part of the voluntary provident fund, according to the terms of the MPF Scheme. Moreover, the Group offers more than one MPF providers for staff to select since 2019. A "Good MPF employer" designation has been awarded to the Group since 2016 and this award aims to cultivate an employer's responsibility under the law and also encourage the employer's efforts to further enhance the retirement protection of employees.

During the Reporting Period, the Group has complied with local labour laws regarding working hours, overtime, vacation, minimum wage requirements, compensation and dismissal. In addition, we have not received any complaints or notices from the government authorities for contravention of the above employment practices.

During the Reporting Period, the Group has 80 full time staff. All staff are aged 18 or above. Geographically, 86% of our staffs are located in Hong Kong, 13% are in Mainland China, and 1% are in Macau, which is similar to last Reporting Period according to the table below.

The following table illustrates the Group's staff composition as at 31 March 2025:

Total Employment Distribution	Categories	As at 31 March 2024	As at 31 March 2025	Change in percentage points[1]
Gender	Male	51%	53%	+2pp
	Female	49%	47%	–2pp
Age group	21 – 30	6%	8%	+2pp
	31 – 40	36%	33%	–3pp
	41 – 50	30%	33%	+3pp
	Over 51	28%	26%	–2pp
Geographical region	Mainland China	12%	13%	+1pp
	Hong Kong	87%	86%	–1pp
	Macau	1%	1%	–

Remark:

1. pp represents percentage points.

Employee composition and changes in staff turnover are monitored by the Group. Equal opportunities are heeded as prerequisites for the effective utilisation of available competence and for a balanced working environment.

During the Reporting Period, our employee turnover rate was 23%.

Employee Turnover Rate	Categories	2023/24	2024/25[1]	Change in percentage points[2]
Overall employee turnover rate		**18%**	**23%**	**+5pp**
Gender	Male	23%	18%	–5pp
	Female	13%	29%	+16pp
Age group	21 – 30	17%	15%	–2pp
	31 – 40	27%	32%	+5pp
	41 – 50	9%	13%	+4pp
	Over 51	17%	26%	+9pp
Geographical region	Mainland China	17%	0%	–17pp
	Hong Kong	19%	27%	+8pp
	Macau	0%	0%	–

Remarks:

1. The calculation of turnover rate is performed by dividing the number of employee turnovers during the year by the average number of employees during the previous and current Reporting Periods for the corresponding category.

2. pp represents percentage points.

B2 Health and Safety

Occupational health and safety are key focus of the Group, and we strive to maintain a safe and healthy working environment in strict compliance with the relevant laws and regulations, including but not limited to the Occupational Safety and Health Ordinance (Cap. 509 of the Laws of Hong Kong).

Our policies on occupational health and safety are communicated in the "Employee Handbook" and followed the code of practice on safety management, which is prepared by the Occupational Safety and Health Branch of the Labour Department.

For the purpose of raising staff awareness of occupational health and safety, our Group and employees have joined and participated in several events during the Reporting Period, including but not limited to:

- On-site Seasonal Influenza Vaccination; and
- Bank of America Tower Annual Fire Drill.

The Group will continue to send out the occupational health and safety-related memo to our employees by email and may limit or alter the work of employees deemed to be in need of special support, following by a medical checkup or other physical examination.

During the Reporting Period and the past three years, neither reports of non-compliance regarding employee health and safety, nor any work-related fatalities were received.

The Group places a strong emphasis on prioritising the health and well-being of all employees. In order to safeguard their health, the Group has taken proactive measures by applying the antimicrobial protector in office areas. The Group applied the Prime Shield Antimicrobial Protector twice during the Reporting Period, each application maintain protection against the buildup of harmful microbes for a period of six months. These measures have been implemented to create a safer and healthier work environment for our employees.

B3 Development and Training

The development of employee professional skills is one of the Group's priorities.

As part of our "Employee Handbook", the "Training and Development" procedures provide a framework for training and development. This ensures all employees have the necessary competencies to achieve operational excellence and to enrich the employees' knowledge in carrying out their job duties. Equality of opportunity will be provided to all employees to develop their knowledge, skills and abilities through a blend of learning methods including training and education programs, group-sponsored training and work-related courses, on-the-job learning, as well as mentoring and coaching.

During the Reporting Period, the Group has continued to provide a range of educational sponsorship and examination leave for employees participating in professional programs that are related to their works. In particular, we have actively encouraged our professional staff to participate in continuous professional development to maintain and improve their work skills and knowledge.

The Group has been further developing the employee retention strategy to develop a talent pipeline that will meet the needs of our expanding business, such as strengthening recruitment controls so applicants can fully understand the working environment of the Group. We also focus on the work-life balance of employees and their development prospects within the Group to build a competitive career platform.

During the Reporting Period, 37% of the total workforce participated in training, comprising 29% male employees and 71% female employees. On average, male employees received approximately 0.41 training hours, while female employees received 1.07 training hours. For frontline and other employees, the average training hours were 0.49.

The training programs offered during the Reporting Period encompassed a variety of topics, including the introduction of new office equipment, the talent search workshop, and a webinar focused on Mandatory Provident Fund (MPF) related matters. These training opportunities were designed to enhance employee skills, promote professional development, and provide relevant knowledge and resources to support their roles within the Group.

B4 Labour Standards

The Group, as an equal opportunity employer, recruit employees from the open market. Our policies related to non-discrimination and diversity practices are communicated in the "Employee Handbook". In addition to stipulating employment arrangements, the employee handbook also emphasises our principle of equal opportunities in employment, promotion, transfer, dismissal and termination to ensure that all potential and existing employees are treated fairly regardless of race, sexual orientation, religion, gender, family status, physical disability or other biases.

The Group prohibits the employment of child labour or any other form of forced and illegal labour; which is in line with the local employment laws including the Employment Ordinance (Cap. 57 of the Laws of Hong Kong) and other related labour laws or regulations.

The Group strictly adheres to applicable labour laws and regulations in the regions where we operate to ensure a recruitment procedure that is free from child labour or forced labour. Our commitment to preventing these practices is unwavering. If any instances of child labour or forced labour are identified, immediate termination procedures will be implemented for the individuals involved. This zero-tolerance approach underscores our dedication to upholding ethical and responsible employment practices throughout our operations.

B5 Supply Chain Management

For supply chain management, it does not only measure the quality of our services and deliverables, but also how effective environmental and social risks are managed by the Group.

We manage and monitor the supply chain's environmental and social risks through the development of a clear and equitable "Tender Invitation Policy". This stipulates our procurement ethics, anti-fraud standards and the criteria for both our long-term or recently engaged supply chain partners. During our procurement process, the environmental requirements are taken into account. We also encourage our suppliers and contractors to improve their sustainability practices, reduce the environmental effects resulting from projects and exercise quality supply chain management governance.

Suppliers or contractors are reminded that they will only be selected with good credit history, good reputation and high-quality products and services, and other practices stated in the Supply Chain Management Policy. During the procurement and tendering processes, monitoring and management controls are also in place to detect and prevent bribery frauds or other forms of malpractice.

As to maintain a fair selection of the suppliers and contractors, supplier performance evaluations will be needed on a regular basis. Its purpose is to ensure the quality of services and products provided by the suppliers and contractors to meet the needs of the Group. To influence suppliers in a positive and sustainable direction, practice on monitoring and evaluation is designed to form an essential part of strategic sourcing of vendors and supply chain management, to help to maintain competitiveness.

During identifying and reviewing suppliers and contractors, the Group also reviews our track record of environmental enforcement and contribution to social responsibility. Providers and contractors that are environmentally and socially responsible will be given preferences in the tendering process.

During the Reporting Period, the Group managed and partnered with a total of seventeen contractors, all of which are from Hong Kong. Thirteen out of seventeen contractors are certificated with ISO 14001 Environmental Management System Certification which ensures the Group's environmental management system meets the standard of internal industry-specific environmental.

B6 Product Responsibility

Protection of Intellectual Property Rights

We respect the intellectual property rights of any third parties. Our employees are required to comply with the applicable legal requirements as stated in the new Ethical Guidelines. In the course of our business activities, employees are also required to protect the confidentiality of all privileged information provided to us. All intellectual property rights including copyrights in any design drawings, specifications, reports, calculation, documents, materials, computer files, know-how and information related to the project are owned by the providers. The Group will not use the contents without prior written approval from the providers.

For the Reporting Period, the Group compiled with the relevant laws and regulations related to intellectual properties rights including but not limited to Patents Ordinance (Cap. 514 of the Laws of Hong Kong), and was not aware of any infringement of our or any other intellectual property rights which had or could have a material adverse effect on our business, there were no legal proceedings against the Group with respect to our use of works. We will continue to target zero infringement in coming years.

Consumer Data Protection and Privacy

Consumers have become increasingly concerned about data privacy and cybersecurity issues. When applying digital solutions to our operations and services, we have done our best to ensure security and protection of our customers' personal information.

With an evolving cyber security threat landscape, cybersecurity measures are carried out to equip the staff with the latest knowledge and skills. The Group also keeps all employees updated on fraudulent emails and the use of phone and USB flash drives through issuing cybersecurity alerts and tips on our intranet. To lower the risk of data exfiltration, only endorsed and registered removable drives are allowed to be used.

During the Reporting Period, electronic devices were donated. To safeguard the security of both consumer data and the Group's data, a degaussing process was employed for data elimination. This process adhered to the US Department of Defense 5220.22-M Standard, which ensures the effective erasure of data in a manner that meets stringent security requirements. By employing this standardised degaussing process, the Group maintains a commitment to protecting sensitive information and upholding the highest standards of data security.

Product Recall and Complaints

Due to the nature of the Group's business activities in property development and investment property and project management, the data collected during the Reporting Period relating to product recall, labelling and advertising is assessed as either immaterial and irrelevant. The Group received no complaints related to product safety and service during the Reporting Period which were minor complaints that were resolved within a reasonable timeframe.

B7 Anti-Corruption and Anti-Money Laundering

The Group understands the potential risks of unethical behaviour to our business. We have zero-tolerance for misconduct, any form of bribery, extortion, fraud and money laundering.

All employees employed by the Group must fully comply with the provisions, as included in our "Employee Handbook", which emphasises the values and principles, we uphold in anti-fraud and anti-corruption and guides work practices and employee behaviour. The Employee Handbook covers definitions and requirements concerned with various topics, including but not limited to those related to:

1. Avoidance of Conflict of Interest and Standards of Integrity;

2. Non-Disclosure of Confidential Information;

3. Restrictions on the Offer, Solicitation or Acceptance of Advantages; and

4. Clause of Non-Competition.

Employees who found to have breached our policies and Employee Handbook will be investigated and may be subject to warning, suspension, termination of contract, dismissal and disciplinary discharge.

In addition, "Whistle Blowing Policy" has been established to support the values and principles upheld by the Group. This provides employees with guidance and channels for the reporting of fraud, corruption, bribery, criminal offences, conflict of interest and other non-compliances with the laws, regulations and internal controls or other forms of misconducts without fear of adverse consequences.

During the Reporting Period, the Group took proactive measures to promote and uphold the highest standards of integrity among employees. As part of this initiative, an online anti-bribery training session was organised and facilitated by the Independent Commission Against Corruption Hong Kong Special Administrative Region (ICAC). A total of 22 employees actively participated in this training, accumulating total of 127 training hours focused on anti-corruption practices. This training aimed to enhance employees' understanding of preventing bribery and foster a culture of integrity within the organisation.

The policy provides a set of transparent and confidential procedures for dealing with the concerns raised by each employee and is fully supported by senior management, endorsed by the Audit Committee and approved by the Board of Directors.

Suspected non-compliance may be reported to the Department Head or directly to the Compliance Officer, who is also required to notify any concerns to the Audit Committee on a timely basis. According to this policy, the identity of employees who reported in good faith will be kept confidential and protected by the Group without any form of retaliation, harassment or victimisation.

The Group strictly abides by relevant laws and regulations including the Prevention of Bribery Ordinance (Cap 201) and the Companies Ordinance (Cap 622). During the Reporting Period, there were no violations of laws and regulations related to bribery, extortion, fraud and money laundering.

B8 Community Investment

The Group is passionate about supporting the community, and going above and beyond our business operation to give back to those that are in need. The Group's community events revolve around three pillars, namely, family interactions, environment and outdoor activities. These three elements provide guidance on the type of community activities that we host or support. The Group also encourages our employees to contribute to the community through volunteering in various events.

Investment Practices

The Group practices a set of principles when acting as a placing agent or an underwriter of fund-raising activities whereby the Group seeks to cooperate with companies who share the same passions as us, which is to create a transformational change that will secure a sustainable future for the community. The Group contributes to society in a variety of ways, including donations.

During the Reporting Period, we have supported a number of organisations including the Hong Kong Golf Club Charitable Foundation Limited, Hong Kong Rehabilitation Power, Greeners Action and the Community Chest of Hong Kong, with a total donation amounting to HK$85,000.

In addition to our donations, the Group is also dedicated to actively supporting the community through participation. During the Reporting Period, the Group participated in the Hong Kong Rehabilitation Power Flag Bag Circulation event as well as the Biz-Green Dress Day. By taking part in these community events, we aim to show our commitment. The Group is proud to announce that we have been awarded the "5 Year Plus Caring Company Logo" by the Hong Kong Council of Social Service. This recognition reflects our dedicated contributions to the community, employees, and environment over the past years. We are honoured to have our efforts acknowledged and are committed to upholding our core values as we continue to make a positive impact on the community.

Besides participating in events, the Group also donated 3 desktop computers, 1 laptop computer, 2 LCD monitors, 3 boxes of IT accessories such as cables and 7 pieces of hard disk to the Caritas Computer Workshop. The reusable devices, after examination and refurbishment, will be donated to the needy. The donation gives a second life to electronic devices, which not only help to lower the effect of pollution but also help to raise public awareness and promote a sense of togetherness among citizens.

FUTURE APPROACH TO SUSTAINABLE DEVELOPMENT

Going forward, we will explore new opportunities to further integrate sustainability into our business operations, whereby we can create a sustainable future for our stakeholders and the community as a whole, including but not limited to the below:

1) Continue to incorporate green designs into our property development projects;

2) Operate in a manner that safeguards the health and safety of all of the people with whom we work;

3) Provide a working environment in which all employees are treated fairly, equally and with respect, and are able to realise their full potential; and

4) Organise more recreational eco-friendly activities and charitable events for them to join.

Directors' Report

The directors present their annual report and the audited consolidated financial statements of the Group for the year ended 31 March 2025.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The activities of its principal subsidiaries, associates and joint ventures are set out in notes 41, 20 and 19, respectively to the consolidated financial statements.

BUSINESS REVIEW

A review of the business of the Group during the year, a discussion on the Group's future business development, an analysis of the Group's performance using financial key performance indicators is provided in the Financial Highlights and principal risks and uncertainties that the Group may be facing and particulars of important events affecting the Group that have occurred since the end of the financial year are provided in the "Chairman's Statement" on pages 7 to 8, "Management Discussion and Analysis" on pages 9 to 13 and "Corporate Governance Report" on pages 14 to 27 of this annual report.

Discussions on the environmental policies and performance, and the account of the key relationships of the Group with its stakeholders are contained in the "Environmental, Social and Governance Report" on pages 28 to 50 of this annual report.

Compliance with Laws and Regulations

The Group is committed to maintain a high level of corporate compliance with the legal and regulatory requirements in respect of businesses and operations. The Group's overseas operations are mainly carried out by the Company's subsidiaries in Macau and the People's Republic of China (the "PRC") while the Company itself was incorporated in Bermuda and the shares of which are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Group accordingly shall comply with relevant laws and regulations in, inter alia, the PRC, Macau, Hong Kong and Bermuda.

As far as the board of directors of the Company (the "Board") is aware, during the year and up to the date of this report, the Group has complied with the relevant laws and regulations that have significant impact on its businesses and operations.

Relationships with Key Stakeholders

The Group's success also depends on the support from its key stakeholders which comprise, inter alia, employees, business partners and customers. Employees are regarded as important and valuable assets of the Group. Therefore, the Group provides competitive remuneration packages to attract, motivate and retain employees for their continued contribution to the Group and also encourages them by way of sponsorship to attend training courses which help employees' career development. Besides, the Group has developed and maintained solid and steady relationships with its business partners, and provides high quality products and services to its customers so as to enhance its competitiveness, sustainability and future development.

RESULTS AND APPROPRIATIONS

Details of the Group's results for the year are set out in the consolidated statement of profit or loss on page 72.

The directors do not recommend the payment of a final dividend for the years ended 31 March 2025 and 31 March 2024.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed for the purpose of determining shareholders who are entitled to attend and vote at the annual general meeting, the register of members of the Company will be closed from Monday, 25 August 2025 to Thursday, 28 August 2025 (both days inclusive), during which period no transfer of shares will be registered. The record date for determining the entitlements of the shareholders to attend and vote at the annual general meeting is Thursday, 28 August 2025. In order to qualify for attending and voting at the annual general meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Friday, 22 August 2025.

PROPERTY, PLANT AND EQUIPMENT

Details of these and other movements in the property, plant and equipment of the Group during the year are set out in note 16 to the consolidated financial statements.

SHARE CAPITAL

Details of the movements in the share capital of the Company during the year are set out in note 28 to the consolidated financial statements.

BORROWINGS

Details of bank borrowings of the Group during the year are set out in note 27 to the consolidated financial statements.

RESERVES

Details of the movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity herein.

DISTRIBUTABLE RESERVES OF THE COMPANY

In the opinion of the directors, the Company's reserves available for distribution to shareholders as at 31 March 2025, calculated under the Companies Act 1981 of Bermuda (as amended), including contributed surplus and accumulated profits amounted to approximately HK$9,174,615,000 (2024: HK$11,531,546,000).

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the aggregate sales attributable to the Group's five largest customers comprised approximately 50.4% of the Group's total sales and the sales attributable to the Group's largest customer were approximately 23.4% of the Group's total sales.

During the year, the aggregate purchases attributable to the Group's five largest suppliers comprised approximately 49.4% of the Group's total purchases and the purchases attributable to the Group's largest supplier were approximately 29.6% of the Group's total purchases.

Save as disclosed in note 36 to the consolidated financial statements, at no time during the year did a director, an associate of a director or a shareholder of the Company (which to the knowledge of the directors owns more than 5% of the Company's share capital) have an interest in any of the Group's five largest customers and suppliers.

(From left to right) Mr. Chow Hou Man, Mr. Kan Sze Man, Mr. Chung Cho Yee, Mico, Ms. Chung Yuen Tung, Jasmine, Mr. Ho Lok Fai and Mr. Leung King Yin, Kevin

DIRECTORS

The directors of the Company during the year and up to the date of this report were:

Executive Directors:

Mr. Chung Cho Yee, Mico *(Chairman)*
Mr. Kan Sze Man
Mr. Chow Hou Man
Mr. Ho Lok Fai
Mr. Leung King Yin, Kevin
Ms. Chung Yuen Tung, Jasmine

Non-Executive Director:

Mr. Lo Hing Hung
(with Mr. Ip Ho Wang as his alternate)

Independent Non-Executive Directors:

Mr. Cheng Yuk Wo
Mr. Shek Lai Him, Abraham, *GBS, JP*
Dr. Lo Wing Yan, William, *JP*
Mr. Chak Hubert

Pursuant to Bye-law 99(A) of the bye-laws of the Company (the "Bye-laws"), Mr. Kan Sze Man, Mr. Chow Hou Man and Mr. Cheng Yuk Wo will retire from office at the forthcoming annual general meeting.

In addition, Mr. Lo Hing Hung appointed as a non-executive director (with Mr. Ip Ho Wang as his alternate) and Mr. Chak Hubert appointed as an independent non-executive director, being their appointments after the annual general meeting held on 28 August 2024 are required to retire at the forthcoming annual general meeting pursuant to Bye-law 102(B) of the Bye-laws.

Mr. Kan Sze Man, Mr. Chow Hou Man, Mr. Lo Hing Hung and Mr. Chak Hubert, being eligible, will offer themselves for re-election at the forthcoming annual general meeting, whereas Mr. Cheng Yuk Wo has indicated that he will retire from office as an independent non-executive director with effect from the conclusion of the forthcoming annual general meeting and will not offer himself for re-election to devote more time to focus on his other career development and work arrangements.

The directors proposed for re-election at the forthcoming annual general meeting do not have any service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

The terms of office of each non-executive director is the period up to the retirement by rotation in accordance with the Bye-laws.

Mr. Chung Cho Yee, Mico

Mr. Kan Sze Man

DIRECTORS' PROFILE

Chairman and Executive Director

Mr. Chung Cho Yee, Mico, aged 64, Chairman and Executive Director of the Company, joined the Company in 2004. He is a director of certain subsidiaries of the Company. He is also the chairmen of the Executive Committee and the Nomination Committee, and a member of the Remuneration Committee of the Board. Mr. Chung graduated from University College London in the United Kingdom, with a law degree in 1983 and qualified as a solicitor in Hong Kong in 1986. Mr. Chung is currently a non-executive director of HKT Limited and HKT Management Limited, the trustee-manager of the HKT Trust, the shares of which are listed on the Stock Exchange. Mr. Chung is the father of Ms. Chung Yuen Tung, Jasmine, an executive director of the Company. He is also the brother-in-law of Mr. Kan Sze Man, an executive director and Deputy Chief Executive Officer of the Company.

Executive Directors

Mr. Kan Sze Man, aged 53, joined the Company as Group General Counsel in 2001 and served as the Chief Operating Officer from 2016 until 28 February 2025. He was promoted to the role of Deputy Chief Executive Officer on 1 March 2025 and is a director of certain subsidiaries and associates of the Company and a member of the Executive Committee of the Board. Mr. Kan is a qualified solicitor by profession. He graduated from Wadham College, University of Oxford in the United Kingdom in 1993 and qualified as a solicitor in Hong Kong in 1997. He has worked in the commercial department of a Hong Kong law firm and a U.K. city firm, until joining Hikari Tsushin International Limited (now known as China Oil and Gas Group Limited) as its senior vice president and legal counsel in early 2000. Mr. Kan is the brother-in-law of Mr. Chung Cho Yee, Mico, the Chairman and the controlling shareholder of the Company. He also is the uncle of Ms. Chung Yuen Tung, Jasmine, an executive director of the Company.

Mr. Chow Hou Man

Mr. Ho Lok Fai

DIRECTORS' PROFILE (Continued)

Executive Directors (Continued)

Mr. Chow Hou Man, aged 54, joined the Company in 2001 and resigned as the Group Chief Financial Officer on 7 February 2025. He was redesignated as Executive Director – Operations and Finance on 1 March 2025 and is a director of certain subsidiaries and associates of the Company and a member of the Executive Committee of the Board. Mr. Chow graduated from The Hong Kong Baptist University and holds a Master of Business Administration degree from The Hong Kong Polytechnic University. He has over 20 years of financial experience in various companies listed in Hong Kong and overseas and an international firm of certified public accountants. He is a member of both the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants.

Mr. Ho Lok Fai, aged 64, joined the Company in 2005. He is a deputy managing director/director of certain subsidiaries of the Company and a member of the Executive Committee of the Board. Mr. Ho has been involved in the commercial property investment and agency business since 1991, having over 30 years of solid and proven experience specialising in the investment in Grade A and B offices in Hong Kong. He is responsible for investment in commercial properties, leasing matters, and the property management business for offices and industrial properties of the Group.

Mr. Leung King Yin, Kevin

Ms. Chung Yuen Tung, Jasmine

DIRECTORS' PROFILE (Continued)

Executive Directors (Continued)

Mr. Leung King Yin, Kevin, aged 63, joined the Company in 2021 and was appointed as managing director of development in May 2021 by the Company. He is a director of a subsidiary of the Company and a member of the Executive Committee of the Board. He is the head of the project management and development department of the Group, leading a team of project managers and surveyors in managing a variety of residential and commercial projects in Hong Kong. Prior to joining the Group, he was the general manager/ project director of a number of sizable listed companies. He has over 30 years of experience in the property development field with a variety of portfolio including residential, commercial and hotel developments in Hong Kong, Mainland China and Canada. Mr. Leung holds a Bachelor degree of Architecture from the University of Melbourne. He is a registered architect and an authorised person under the Buildings Ordinance (Cap. 123 of the Laws of Hong Kong), with extensive project management experience.

Ms. Chung Yuen Tung, Jasmine, aged 33, joined the Company in 2017. She is a member of Executive Committee of the Board. Ms. Chung holds a Bachelor of Arts degree with a major in Economics from New York University. Ms. Chung is responsible for driving corporate development strategy to optimise business units, sales and marketing functions of the Group. She also plays an active role in promoting the Group's Environmental, Social and Governance initiatives and integrating corporate branding strategy. Ms. Chung is the daughter of Mr. Chung Cho Yee, Mico, the Chairman and the controlling shareholder of the Company. She is also the niece of Mr. Kan Sze Man, an executive director and Deputy Chief Executive Officer of the Company.

Mr. Lo Hing Hung

Mr. Ip Ho Wang

DIRECTORS' PROFILE (Continued)

Non-Executive Director

Mr. Lo Hing Hung, aged 62, joined the Company in 2025. He is currently the Managing Director, Principal – Investments, and a member of the Investment Committee of Gaw Capital Partners. Prior to joining Gaw Capital Partners, Mr. Lo served as director of Wachovia Bank, in charge of real estate debt and equity investments in the Greater China. He worked as Head of Investments for both Jones Lang LaSalle and DTZ in Hong Kong for over 15 years. Mr. Lo graduated from the Hong Kong Polytechnic University and has been a Chartered Surveyor since 1989.

Mr. Ip Ho Wang *(Alternate to Mr. Lo Hing Hung)*, aged 47, he is currently the Managing Director – Investments of Gaw Capital Partners. Mr. Ip has 25 years of real estate investment and asset management experience in Asia Pacific. Prior to joining Gaw Capital Partners, Mr. Ip served as Senior Portfolio Manager for Abu Dhabi Investment Authority (ADIA) from 2010 to 2023. Before that, Mr. Ip also worked as Vice President for Wachovia Bank and Associate Director for Jones Lang LaSalle. Mr. Ip holds a Bachelor of Science in Surveying from the University of Hong Kong and a Bachelor of Laws from the University of London. He is also a professional member of Royal Institution of Chartered Surveyors and Hong Kong Institute of Surveyors, and a CFA Charterholder.

DIRECTORS' PROFILE (Continued)

Independent Non-Executive Directors

Mr. Cheng Yuk Wo, aged 64, joined the Company in 2002. He is the chairman of the Audit Committee and the Remuneration Committee, and a member of the Nomination Committee of the Board. Mr. Cheng is a fellow of the Institute of Chartered Accountants in England and Wales, the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Professional Accountants of Canada. He is a co-founder of a Hong Kong merchant banking firm and is the proprietor of a certified public accountant practice firm in Hong Kong. Mr. Cheng obtained a Master of Science (Economics) degree in Accounting and Finance from the London School of Economics, England and a Bachelor of Arts (Honours) degree in Accounting from the University of Kent, England. Mr. Cheng had worked at Coopers and Lybrand (now known as PricewaterhouseCoopers) in London and with Swiss Bank Corporation (now known as UBS AG) in Toronto.

Mr. Cheng is an independent non-executive director of China Renewable Energy Investment Limited, Liu Chong Hing Investment Limited, Chia Tai Enterprises International Limited, Miricor Enterprises Holdings Limited, Somerley Capital Holdings Limited and Kidsland International Holdings Limited, the shares of all of which are listed on the Stock Exchange.

Mr. Cheng was an independent non-executive director of CPMC Holdings Limited up to April 2025, the shares of which were delisted from the Stock Exchange in April 2025, and Top Spring International Holdings Limited up to September 2024, the shares of which are listed on the Stock Exchange.

Dr. Lo Wing Yan, William, *JP*, aged 64, joined the Company in 2014. He is a member of the Audit Committee, the Remuneration Committee and the Nomination Committee of the Board. Dr. Lo is currently the Vice Chairman of www.dayuclass.com, a digital knowledge platform. Dr. Lo is also a Founding Governor of The Independent Schools Foundation Academy, one of the most well-known independent schools in Hong Kong. He has also been the Chairman of the Charles K. Kao Foundation for Alzheimer's Disease and Junior Achievement Hong Kong since 2013.

Dr. Lo started his career in McKinsey & Company Inc. and subsequently held various management posts at Hongkong Telecom, Cable & Wireless plc, Citibank, WPP plc, China Unicom, I.T Limited, South China Media Group and Kidsland International Holdings Ltd. He is renowned for being the founder of Netvigator, the largest Internet business in Hong Kong, as well as iTV (the predecessor of NowTV), one of the first interactive and on-demand TV services in the world.

Dr. Lo obtained an M. Phil. degree in Molecular Pharmacology and a Ph.D. degree in Engineering/Neuroscience, both from the University of Cambridge.

DIRECTORS' PROFILE (Continued)

Independent Non-Executive Directors (Continued)

In 1996, he was selected as a "Global Leader for Tomorrow" by the Davos-based global organisation World Economic Forum. In 2000, he was selected as one of the top 25 Asia's Digital Elites by the Asiaweek magazine. Dr. Lo has held numerous Government appointments during his career and is currently a member of the Cyberport Advisory Panel and an Advisory Committee of School of Chinese Medicine, Hong Kong Baptist University. Dr. Lo is also at present an Advisor of the Our Hong Kong Foundation, an Honorary Advisor of the institute of Web3.0 HK and a Board Governor of the Hong Kong Adventist Hospital Foundation. He was a board member of the Hong Kong Broadcasting Authority (now known as the Communications Authority) as well as the Hong Kong Applied Science and Technology Research Institute and the Hong Kong Science Park. He was also a founding member of the Growth Enterprise Market (GEM) Listing Committee of the Stock Exchange. In 1999, Dr. Lo was appointed as Justice of the Peace (JP) of the Government of the Hong Kong Special Administrative Region for his contribution to Hong Kong. During the period 2003 to 2016, Dr. Lo was a Committee Member of Shantou People's Political Consultative Conference. Recently, Dr. Lo has been invited by the United Nations Economic and Social Commission for Asia and the Pacific to lead a task force for its Sustainable Business Network committee to look at financial inclusion leveraging fintech in the region. He was also appointed as an expert committee member of the GP Capital Research Institute of Shanghai GP Capital. In addition, Dr. Lo is a Board Mentor at Criticaleye, where he provides strategic guidance and mentorship to senior executives and board members.

Dr. Lo is an independent non-executive director of Television Broadcasts Limited, OCI International Holdings Limited and CWT International Limited, the shares of all of which are listed on the Stock Exchange. Also, Dr. Lo is an independent non-executive director of Regencell Bioscience Holdings Limited (NASDAQ: RGC).

Dr. Lo was an independent non-executive director of Jingrui Holdings Limited up to December 2024 and Oshidori International Holdings Limited up to July 2023, the shares of all of which are listed on the Stock Exchange and South Shore Holdings Limited up to November 2022, the shares of which were delisted from the Stock Exchange in February 2023.

Mr. Shek Lai Him, Abraham, *GBS, JP*, aged 80, joined the Company in 2018. He is a member of the Audit Committee of the Board. Mr. Shek obtained a bachelor degree of arts and a diploma in education in the University of Sydney in May 1969 and March 1970 respectively. Mr. Shek also obtained a Juris Doctor Degree in The City University of Hong Kong in June 2022. He became an honorary fellow of Lingnan University, The Hong Kong University of Science and Technology, The University of Hong Kong and The Education University of Hong Kong in November 2008, June 2014, September 2016 and March 2018 respectively. In addition to his achievements in the academic field, Mr. Shek has also earned certain honorary titles in various ambits. He was appointed as Justice of the Peace in July 1995 and awarded the Silver Bauhinia Star and Gold Bauhinia Star in the Hong Kong Special Administrative Region 2007 and 2013 Honors Lists respectively. He was a member of the advisory committee board of the Independent Commission Against Corruption from 2017 to 2022. Mr. Shek is currently an honorary member of the Court of The Hong Kong University of Science and Technology, a member of the Court of The City University of Hong Kong and a member of the Court of The Hong Kong Metropolitan University.

DIRECTORS' PROFILE (Continued)

Independent Non-Executive Directors (Continued)

In addition, Mr. Shek is the chairman and non-executive director of JY Grandmark Holdings Limited, the shares of which are listed on the Stock Exchange. He is an independent non-executive director of the following listed companies, the shares of all of which are listed on the Stock Exchange: Paliburg Holdings Limited; Chuang's Consortium International Limited; CTF Services Limited (formerly known as NWS Holdings Limited); Chuang's China Investments Limited; ITC Properties Group Limited; China Resources Building Materials Technology Holdings Limited (formerly known as China Resources Cement Holdings Limited); Lai Fung Holdings Limited; Cosmopolitan International Holdings Limited; Everbright Grand China Assets Limited; Regal Portfolio Management Limited, the manager of Regal Real Estate Investment Trust; Eagle Asset Management (CP) Limited, the manager of Champion Real Estate Investment Trust; Far East Consortium International Limited; Shin Hwa World Limited (formerly known as Landing International Development Limited); Hao Tian International Construction Investment Group Limited and Alliance International Education Leasing Holdings Limited (formerly known as International Alliance Financial Leasing Co., Ltd.).

Mr. Shek was the chairman and an executive director of Goldin Financial Holdings Limited up to October 2023, the shares of which were delisted from the Stock Exchange in October 2023.

Mr. Shek was also an independent non-executive director of the following companies: Country Garden Holdings Company Limited up to March 2024, the shares of which are listed on the Stock Exchange, and Lifestyle International Holdings Limited up to December 2022, the shares of which were delisted from the Stock Exchange in December 2022

Mr. Chak Hubert, aged 64, joined the Company in 2025. He is currently an executive director and the Chief Executive Officer of SF REIT Asset Management Limited ("SF REIT Manager"), the manager of SF Real Estate Investment Trust (listed on the Main Board of the Stock Exchange with stock code: 2191) and is also one of the Responsible Officers of SF REIT Manager. He is currently an independent non-executive director of Tradelink Electronic Commerce Limited (listed on the Main Board of the Stock Exchange with stock code: 536).

Mr. Chak joined Link Asset Management Limited, a wholly-owned subsidiary and the Manager of Link Real Estate Investment Trust (listed on the Main Board of the Stock Exchange with stock code: 823) in June 2010 and was its Director of Finance when he left in December 2018. Prior to that and for a brief tenure afterwards, Mr. Chak held two positions within the Group: he was (a) an executive Director of the Company from April 2007 to May 2010; and (b) a responsible officer of CSI Asset Management Limited (a subsidiary of the Company) from January to November 2020. Mr. Chak has ceased to hold any position in the Group after November 2020. He also held various senior management positions at Pacific Century Group between October 1999 and February 2007 and was an executive director of Pacific Century Premium Developments Limited (listed on the Main Board of the Stock Exchange with stock code: 432) from May 2004 to February 2007.

Mr. Chak began his career with KPMG in Hong Kong and worked as an investment banker between 1990 and 1999. He holds a Master of Business Administration degree and a Bachelor of Science degree in Mechanical Engineering from University of Wales (now known as "Cardiff University").

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision for the benefit of the directors and officers is currently in force and was in force during the year. The Company has taken out and maintained appropriate directors' and officers' liability insurance cover in respect of potential legal actions against their risks and exposure arising from the Group's business and activities.

DIRECTORS' AND THE CHIEF EXECUTIVE'S INTERESTS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 31 March 2025, the interests and short positions of the directors and the chief executive of the Company in shares, underlying shares or debentures of the Company or any its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) (the "SFO") which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or were required, pursuant to Section 352 of the SFO, to be entered in the register of the Company referred to therein or were required, pursuant to Part XV of the SFO or the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), to be notified to the Company and the Stock Exchange:

Long positions in shares of the Company:

Name of Director	Nature of interests	Company/name of associated corporation	Number of shares held	Approximate percentage of shareholdings *(Note 2)*
Chung Cho Yee, Mico ("Mr. Chung") *(Note 1)*	Interest of controlled corporation	The Company	9,025,593,882	70.00
Kan Sze Man	Beneficial owner	The Company	33,306,700	0.26

Note 1: As at 31 March 2025, Digisino Assets Limited ("Digisino") was wholly-owned by Mr. Chung, Grand Future Ventures Limited ("Grand Future") was 99.9996% owned by Digisino, and Earnest Equity Limited ("Earnest Equity") and Golden Boost Limited ("Golden Boost") were wholly-owned by Grand Future. Grand Future was deemed to be interested in 9,025,593,882 shares, Earnest Equity was deemed to be interested in 4,811,808,254 shares and Golden Boost was deemed to be interested in 2,439,060,632 shares.

Note 2: Such percentage was calculated based on the number of shares and underlying shares of the Company in which the relevant director was interested as notified to the Company and disclosed on the website of the Stock Exchange pursuant to Part XV of the SFO, against the number of issued shares of the Company as at 31 March 2025 as deemed to be enlarged by the Rights Issue (as defined in the prospectus of the Company dated 21 March 2025), being 12,893,705,532 shares. For the avoidance of doubt, the actual number of issued shares of the Company as at 31 March 2025 was 4,604,894,838 shares.

Save as disclosed above, as at 31 March 2025, none of the directors and chief executive of the Company had any interest in any securities of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of listed companies as set out in the Listing Rules to be notified to the Company and the Stock Exchange.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed above, at no time during the year, was the Company or its subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contracts of significance, to which the Company or its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

MANAGEMENT CONTRACT

No contracts concerning the management and administration of the whole or any substantial part of any business of the Company were entered into or existed during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year, none of the directors and their respective associates was interested in any business, apart from the Group's businesses, which compete or are likely to compete, either directly or indirectly, with the Group's businesses, other than those businesses where the directors were appointed as directors to represent the interests of the Group.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Save as disclosed in this report, at no time during the year had the Company or any of its subsidiaries entered into any contract of significance with the controlling shareholder (as defined in the Listing Rules) or any of its subsidiaries, nor had any contract of significance been entered into for the services provided by the controlling shareholder or any of its subsidiaries to the Company or any of its subsidiaries.

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive directors of the Company ("INEDs"), an annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all the INEDs are independent.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 31 March 2025, according to the register kept by the Company pursuant to Section 336 of SFO, and so far as is known to any directors or the Company, the following persons, in addition to those interests disclosed above in respect of the Directors had, or was deemed or taken to have, an interest or short position in shares and underlying shares which would fall to be disclosed to the Company under the provisions of the Divisions 2 and 3 of Part XV of the SFO:

SUBSTANTIAL SHAREHOLDERS' INTERESTS (Continued)

Long positions in shares of the Company:

Name of Shareholders	Nature of interests	Number of shares	Total	Approximate percentage of shareholdings *(Note 4)*
Digisino *(Note 1)*	Interest of controlled corporation	9,025,593,882	9,025,593,882	70.00
Grand Future *(Note 1)*	Beneficial owner Interest of controlled corporation	1,774,724,996 7,250,868,886	9,025,593,882	70.00
Petto Bell Limited *(Note 2)*	Interest of controlled corporation	9,025,593,881	9,025,593,881	70.00
Gaw Goodwin *(Notes 2 and 3)*	Interest of controlled corporation	9,025,593,881	9,025,593,881	70.00
Gaw Capital Partners *(Notes 2 and 3)*	Interest of controlled corporation	9,025,593,881	9,025,593,881	70.00
Gaw Capital Asset Management (SG) Pte. Ltd. *(Note 2)*	Investment manager	9,025,593,881	9,025,593,881	70.00
GC Advisors Holdings Limited *(Note 2)*	Interest of controlled corporation	9,025,593,881	9,025,593,881	70.00
Gateway VII Holdings Pte. Ltd. *(Note 2)*	Interest of controlled corporation	9,025,593,881	9,025,593,881	70.00
Gateway VII GP (Singapore) Pte. Ltd. *(Note 2)*	Interest of controlled corporation	9,025,593,881	9,025,593,881	70.00
Gateway Real Estate Fund VII (Singapore), LP *(Note 2)*	Interest of controlled corporation	9,025,593,881	9,025,593,881	70.00
Walter One Limited *(Note 2)*	Interest of controlled corporation	9,025,593,881	9,025,593,881	70.00
Golden Growth Holdings Limited *(Note 2)*	Interest of controlled corporation	9,025,593,881	9,025,593,881	70.00

Note 1: As at 31 March 2025, Digisino was wholly-owned by Mr. Chung, Grand Future was 99.9996% owned by Digisino, and Earnest Equity and Golden Boost were wholly-owned by Grand Future. Grand Future was deemed to be interested in 9,025,593,882 shares, Earnest Equity was deemed to be interested in 4,811,808,254 shares and Golden Boost was deemed to be interested in 2,439,060,632 shares.

Note 2: As at 31 March 2025, each of these shareholders was deemed to be interested in the shares and underlying shares of the Company through Petto Bell Limited. Grand Future was 0.0004% owned by Petto Bell Limited.

Note 3: As at 31 March 2025, Gaw Capital Partners was 60% owned by Gaw Goodwin.

Note 4: Such percentage was calculated based on the number of shares and underlying shares of the Company in which the relevant entity was interested as notified to the Company and disclosed on the website of the Stock Exchange pursuant to Part XV of the SFO, against the number of issued shares of the Company as at 31 March 2025 as deemed to be enlarged by the Rights Issue (as defined in the prospectus of the Company dated 21 March 2025), being 12,893,705,532 shares. For the avoidance of doubt, the actual number of issued shares of the Company as at 31 March 2025 was 4,604,894,838 shares.

CONNECTED TRANSACTION

During the year, the Group had no connected transactions.

In respect of the Company's related party transactions disclosed in note 36 to the consolidated financial statements prepared in accordance with International Financial Reporting Standards, to the extent that they constitute connected transactions of the Company for the purpose of the Listing Rules that apply to them, the Company confirms that it has complied with the relevant requirements under the Listing Rules (if applicable).

The Company was not aware of any other related party transactions which constitute a connected transaction of the Group, nor are there any connected transactions that need to be disclosed in this report under the Listing Rules. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

FINANCIAL ASSISTANCE AND GUARANTEE TO AFFILIATED COMPANIES

The Group had provided financial assistance to, and guarantee for, affiliated companies in the aggregate amount of HK$17,829,778,000, which represented approximately 79.5% of the Group's total assets as at 31 March 2025.

As at 31 March 2025, the advances and guarantees made by the Group to its joint ventures and associates are as follows:

	Advances HK$'000	**Guarantees** HK$'000
Action Soar Investments Limited	240,755	–
Autumn Bliss Limited	60	–
Century Bliss Limited	143,813	268,995
City Synergy Limited	104,925	91,142
Clear Dynamic Limited	533,562	298,438
Cleverland Global Limited	–	86,327
Creative Modern Limited	27,692	140,000
Eagle Wonder Limited	286,315	38,898
Fame Allied Limited	28,592	53,099
Great Maker Limited	501,000	–
Innovative Vanguard Limited	–	18,870
King Empire International Limited	1,364,607	990,000
Land Magic Investments Limited	172,598	–
Leading Avenue Limited	273,976	270,000
Lotus Legend Limited	6,078	–
Modern Crescent Limited	1,368,738	731,500
Silver Chic Limited	229,791	136,000
Sincere Charm Limited	276,321	156,720
Southwater Investments Limited	2,975,390	3,450,000
Success Apex Limited	469,263	166,399
Tiptop Noble Limited	425	1,300,500
True Fame Enterprises Limited	–	327,240
Vital Triumph Limited	214,249	87,500
	9,218,150	8,611,628

In accordance with the requirement under Rule 13.22 of the Listing Rules, the pro forma combined balance sheet of those affiliated companies and the Group's attributable interests in those affiliated companies based on their latest financial statements available are presented below:

	Combined balance sheet HK$'000	**Group's attributable interests** HK$'000
Non-current assets	75,263	19,637
Current assets	55,347,834	19,162,526
Current liabilities	(22,463,638)	(6,112,509)
Non-current liabilities	(35,661,412)	(13,204,718)
	(2,701,953)	(135,064)

EMOLUMENT POLICY

The emolument policy of the employees of the Group is set by the Board on the basis of their merit, qualifications and competence with reference to the prevailing market terms. In addition to salaries, discretionary bonuses may be rewarded to employees after assessment of the performance of the Group and the individual employee.

The emoluments of the directors and senior management of the Company are determined by the Remuneration Committee having regard to the Company's operating results, individual performance and comparable market statistics.

SHARE OPTIONS SCHEME

During the year, the Company did not have any share option scheme.

EQUITY-LINKED AGREEMENTS

During the year, the Group had not entered into any equity-linked agreements.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

There was no purchase, sale or redemption of shares of the Company by the Company or its subsidiaries during the year.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Bye-laws, or the laws of Bermuda, which would oblige the Company to offer new shares on a prorata basis to existing shareholders.

CORPORATE GOVERNANCE

The Company is obliged to comply with the requirements for continuing listing on the Stock Exchange and is committed to practice high standard of corporate governance in its daily management and operations. The Company follows and applies the principles of the code provisions of the Code as set out in Appendix C1 of the Listing Rules in the year under review, except for the deviation from code provision C.2.1 of the Code. Detailed information on the Company's corporate governance practices is set out in the Corporate Governance Report contained in pages 14 to 27 of this annual report.

CHARITABLE DONATIONS

During the year, the Group made charitable donations amounting to HK$85,000.

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this annual report, based on information that was publicly available to the Company and within the knowledge of the directors of the Company, the directors confirmed that the Company maintained the prescribed public float as required under the Listing Rules.

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the past five financial years is set out on page 158 of this annual report.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal controls, risk management and financial reporting matters including a review of the consolidated financial statements for the year ended 31 March 2025.

PROFESSIONAL TAX ADVICE RECOMMENDED

If the shareholders are unsure about the taxation implications of purchasing, holding, disposing of, dealing in or exercising of any rights (including entitlements to any relief of taxation) in relation to the shares, they are advised to consult their professional advisers.

AUDITORS

A resolution will be submitted to the annual general meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

On behalf of the Board

CHUNG CHO YEE, MICO
CHAIRMAN

30 June 2025

Independent Auditor's Report

Deloitte. 德勤

TO THE MEMBERS OF CSI PROPERTIES LIMITED
(incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of CSI Properties Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 72 to 157, which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTERS (Continued)

Key audit matter	How our audit addressed the key audit matter
Assessing the net realisable value of properties held for sale owned by the Group and the joint ventures	
As at 31 March 2025, the Group held a number of residential and commercial properties held for sale in Hong Kong and Macau. In addition, the Group also has interests in residential and commercial properties held for sale in Mainland China and Hong Kong through joint ventures which are equity accounted for in the consolidated financial statements. We identified the valuation assessment of properties held for sales, owned by the Group or through joint ventures (collectively referred to as the "Properties") as a key audit matter due to the significance of the balance to the consolidated financial statements as a whole, combined with significant estimates involved in determining the net realisable value ("NRV"). As disclosed in note 4 to the consolidated financial statements, the determination of the NRV of Properties requires significant estimation, particularly in determining open market value with reference to the valuations carried out by the independent and qualified property valuers (the "Valuers") for the Properties. As at 31 March 2025, the Group had properties held for sale amounted to HK$5,187,679,000 whilst the joint ventures had properties held for sale that are attributable to the Group amounted to HK$4,686,721,000 and properties under development for sale that are attributable to the Group amounted to HK$11,152,898,000 as disclosed in notes 23 and 19 to the consolidated financial statements, respectively. For the year ended 31 March 2025, a net write-down of Group's properties held for sale amounting to approximately HK$130,981,000 has been recognised in the consolidated statement of profit or loss.	Our procedures in relation to assessing the NRV of the Properties included: • evaluating the competence, capabilities and objectivity of the Valuers; • assessing the appropriateness and reasonableness of the valuation methodology and significant estimation used in the valuations; and • checking the reasonableness of source data of significant estimation including open market value underlying the valuation to publicly available information of comparable properties.

KEY AUDIT MATTERS (Continued)

Key audit matter	How our audit addressed the key audit matter
Valuation of investment properties	
We identified the valuation of investment properties as a key audit matter due to the significance of the balance to the consolidated financial statements as a whole, combined with the significant judgments associated with the determination of the fair value. The Group's investment properties are located in Mainland China. As at 31 March 2025, the Group's investment properties amounted to HK$3,079,657,000 and represented 13.7% of the Group's total assets. For the year ended 31 March 2025, fair value loss on investment properties amounting to HK$69,431,000 has been recognised in the consolidated statement of profit or loss. All of the Group's investment properties are stated at fair value based on valuations carried out by the Valuers. The valuations are dependent on significant unobservable inputs that involve significant judgment including reversionary income and capitalisation rates. Details of the valuation techniques and significant unobservable inputs used in the valuations are disclosed in note 17 to the consolidated financial statements.	Our procedures in relation to the valuation of the investment properties included: • evaluating the competence, capabilities and objectivity of the Valuers; • assessing the appropriateness and reasonableness of the valuation methodology and significant inputs used in the valuations; and • checking the reasonableness of source data of significant unobservable inputs including reversionary income and capitalisation rates underlying the valuation to publicly available information of comparable properties.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Ms. Lee, Carmen Kar Man (practising certificate number: P07879).

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

30 June 2025

Consolidated Statement of Profit or Loss

For the year ended 31 March 2025

	NOTES	2025 HK$'000	2024 HK$'000
Revenue	*5*		
Sales of properties held for sale		289,790	1,343,298
Rental income		230,833	235,834
Total revenue		520,623	1,579,132
Cost of sales and services		(504,887)	(793,039)
Gross profit		15,736	786,093
Income from investments	*7*	29,362	44,463
Losses from investments	*7*	(108,345)	(126,312)
Other income	*8*	285,127	400,704
Fair value loss on investment properties	*17*	(69,431)	(36,069)
Impairment loss recognised on amounts due from joint ventures, under expected credit loss model		(7,920)	(554,926)
Other gains and losses	*9*	(64,103)	(114,291)
Administrative expenses		(210,209)	(231,469)
Finance costs	*10*	(577,418)	(663,740)
Share of results of joint ventures		(825,562)	62,263
Share of results of associates		(232,638)	(64,130)
Loss before taxation		(1,765,401)	(497,414)
Income tax credit	*11*	54,550	41,462
Loss for the year	*12*	(1,710,851)	(455,952)
Loss attributable to:			
Owners of the Company		(1,691,529)	(425,605)
Non-controlling interests		(19,322)	(30,347)
		(1,710,851)	(455,952)
Loss per share (HK cents)	*15*		(Restated)
Basic		(36.73)	(9.18)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2025

	2025 HK$'000	2024 HK$'000
Loss for the year	(1,710,851)	(455,952)
Other comprehensive expense		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of foreign operations	(46,635)	(94,234)
Share of exchange differences of joint ventures, net of related income tax	(13,592)	(53,349)
	(60,227)	(147,583)
Total comprehensive expense for the year	(1,771,078)	(603,535)
Total comprehensive expense attributable to:		
Owners of the Company	(1,751,756)	(573,188)
Non-controlling interests	(19,322)	(30,347)
	(1,771,078)	(603,535)

Consolidated Statement of Financial Position

At 31 March 2025

	NOTES	2025 HK$'000	2024 HK$'000
Non-Current Assets			
Property, plant and equipment	16	147,959	165,047
Investment properties	17	3,079,657	3,204,457
Financial assets at fair value through profit or loss ("FVTPL")	18	186,473	283,230
Club memberships		12,405	12,405
Interests in joint ventures	19	3,518,053	5,645,075
Amounts due from joint ventures	19	7,088,682	6,813,871
Interests in associates	20	535,516	503,086
Amounts due from associates	20	927,127	940,018
Loan receivables	21	30,741	72,792
		15,526,613	17,639,981
Current Assets			
Loan receivables	21	45,338	115,399
Trade and other receivables	22	200,005	290,858
Properties held for sale	23	5,187,679	5,598,042
Financial assets at FVTPL	18	64,465	68,591
Taxation recoverable		1,239	1,560
Cash held by securities brokers	24	1,584	3,399
Bank balances and cash	24	1,411,918	2,520,518
		6,912,228	8,598,367
Current Liabilities			
Other payables and accruals	25	211,236	229,605
Contract liabilities	26	348	620
Taxation payable		103,416	128,872
Amounts due to joint ventures	19	741,178	1,699,816
Amounts due to non-controlling shareholders of subsidiaries	36(a)	119,731	123,254
Bank borrowings – due within one year	27	1,112,596	3,876,918
Guaranteed notes – due within one year	29	2,307,731	–
		4,596,236	6,059,085
Net Current Assets		2,315,992	2,539,282
Total assets less current liabilities		17,842,605	20,179,263

	NOTES	2025 HK$'000	2024 HK$'000
Capital and Reserves			
Share capital	28	73,678	73,678
Reserves		11,907,151	13,658,907
Equity attributable to owners of the Company		11,980,829	13,732,585
Non-controlling interests		(51,302)	3,533
Total Equity		11,929,527	13,736,118
Non-Current Liabilities			
Bank borrowings – due after one year	27	5,812,064	4,005,930
Guaranteed notes – due after one year	29	–	2,301,660
Deferred tax liabilities	30	101,014	135,555
		5,913,078	6,443,145
		17,842,605	20,179,263

The consolidated financial statements on pages 72 to 157 were approved and authorised for issue by the Board of Directors on 30 June 2025 and are signed on its behalf by:

Chung Cho Yee, Mico
DIRECTOR

Chow Hou Man
DIRECTOR

Consolidated Statement of Changes in Equity

For the year ended 31 March 2025

	Attributable to owners of the Company								
	Share capital HK$'000	Share premium HK$'000	Capital redemption reserve HK$'000	Contributed surplus HK$'000 *(note)*	Translation reserve HK$'000	Retained profits HK$'000	Sub-total HK$'000	Non-controlling interests HK$'000	Total equity HK$'000
At 1 April 2023	74,952	2,052,135	6,620	72,579	(257,715)	12,415,721	14,364,292	35,480	14,399,772
Loss for the year	–	–	–	–	–	(425,605)	(425,605)	(30,347)	(455,952)
Exchange differences arising on translation of foreign operations	–	–	–	–	(94,234)	–	(94,234)	–	(94,234)
Share of exchange differences of joint ventures, net of related income tax	–	–	–	–	(53,349)	–	(53,349)	–	(53,349)
Total comprehensive expense for the year	–	–	–	–	(147,583)	(425,605)	(573,188)	(30,347)	(603,535)
Share repurchases *(note 28)*	(1,274)	–	–	–	–	(17,895)	(19,169)	–	(19,169)
Dividends recognised as distribution *(note 14)*	–	–	–	–	–	(39,350)	(39,350)	–	(39,350)
Dividends paid to non-controlling shareholders of subsidiaries	–	–	–	–	–	–	–	(1,600)	(1,600)
At 31 March 2024	73,678	2,052,135	6,620	72,579	(405,298)	11,932,871	13,732,585	3,533	13,736,118
Loss for the year	–	–	–	–	–	(1,691,529)	(1,691,529)	(19,322)	(1,710,851)
Exchange differences arising on translation of foreign operations	–	–	–	–	(46,635)	–	(46,635)	–	(46,635)
Share of exchange differences of joint ventures, net of related income tax	–	–	–	–	(13,592)	–	(13,592)	–	(13,592)
Total comprehensive expense for the year	–	–	–	–	(60,227)	(1,691,529)	(1,751,756)	(19,322)	(1,771,078)
Dividends paid to non-controlling shareholders of subsidiaries	–	–	–	–	–	–	–	(35,513)	(35,513)
At 31 March 2025	73,678	2,052,135	6,620	72,579	(465,525)	10,241,342	11,980,829	(51,302)	11,929,527

Note: The contributed surplus of the Group represents the amount arising from capital reorganisation carried out by the Company during the year ended 31 March 2003.

Consolidated Statement of Cash Flows

For the year ended 31 March 2025

	2025 HK$'000	2024 HK$'000
OPERATING ACTIVITIES		
Loss before taxation	(1,765,401)	(497,414)
Adjustments for:		
Finance costs	577,418	663,740
Depreciation of property, plant and equipment	17,527	32,778
(Gain) loss on disposal of property, plant and equipment	(420)	16
Loss on fair value change of investment properties	69,431	36,069
Amortisation of financial guarantee contracts	(7,322)	(8,012)
Amortisation of guaranteed notes	6,071	5,751
Interest income	(227,267)	(327,225)
Net write-down (reversal of write-down) of properties held for sale	130,981	(40,992)
Impairment loss recognised on financial guarantee contracts	3,300	44,889
Impairment loss recognised on amounts due from joint ventures	7,920	554,926
Impairment loss recognised on investment in a joint venture	–	79,954
Written off loan receivables	61,497	–
Share of results of joint ventures	825,562	(62,263)
Share of results of associates	232,638	64,130
Decrease in fair value of financial assets at FVTPL	108,345	126,312
Interest income from financial assets at FVTPL	(5,435)	(23,878)
Dividend income from financial assets at FVTPL	(23,927)	(20,585)
Operating cash flows before movements in working capital	10,918	628,196
Decrease in properties held for sale	277,875	828,045
Decrease (increase) in trade and other receivables	90,853	(21,455)
(Increase) decrease in financial assets at FVTPL	(15,262)	8,097
Increase (decrease) in other payables and accruals	482	(184,623)
Decrease in contract liabilities	(272)	(113,380)
Net cash generated from operations	364,594	1,144,880
Income tax paid	(5,126)	(20,513)
NET CASH FROM OPERATING ACTIVITIES	359,468	1,124,367

Consolidated Statement of Cash Flows

For the year ended 31 March 2025

	2025 HK$'000	2024 HK$'000
INVESTING ACTIVITIES		
Investments in joint ventures	(94,637)	(159,370)
Withdrawal of interests in joint ventures	162,879	–
Advances to joint ventures	(709,986)	(944,403)
Repayments from joint ventures	235,673	489,868
Purchases of property, plant and equipment	(439)	(4)
Investments in an associate	(304,237)	(48,889)
Advance to an associate	(136,061)	(60,001)
Dividends received from joint ventures	43,526	–
Dividends received from an associate	251,995	360
Interest received	68,919	144,619
Interest income received from financial assets at FVTPL	5,435	23,878
Dividend income received from financial assets at FVTPL	23,927	20,585
Proceeds on maturity of loan receivables	50,615	3,390
Proceeds on disposal of property, plant and equipment	420	–
Disposal of financial assets at FVTPL	7,800	14,352
Decrease in cash held by securities brokers	1,815	11,700
NET CASH USED IN INVESTING ACTIVITIES	(392,356)	(503,915)

	2025 HK$'000	2024 HK$'000
FINANCING ACTIVITIES		
Repayments of bank borrowings	(3,780,774)	(2,745,781)
Payment for share repurchase	–	(19,169)
Dividends paid	–	(39,350)
Dividends paid to non-controlling shareholders of subsidiaries	(35,513)	(1,600)
Advances from joint ventures	530,002	478,843
Repayment to joint ventures	(29,761)	–
Repayment to non-controlling shareholders of subsidiaries	(3,523)	(41,474)
New bank borrowings raised	2,832,826	1,782,470
Interest paid	(588,969)	(660,807)
NET CASH USED IN FINANCING ACTIVITIES	(1,075,712)	(1,246,868)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,108,600)	(626,416)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	2,520,518	3,146,934
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash	1,411,918	2,520,518

Notes to the Consolidated Financial Statements

For the year ended 31 March 2025

1. GENERAL INFORMATION

CSI Properties Limited (the "Company") was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited ("HKSE"). The addresses of the registered office and principal place of business of the Company are disclosed in the section headed "Corporate Information" in the annual report. The directors of the Company considers that Earnest Equity Limited, a private company incorporated in the British Virgin Islands ("BVI"), is its immediate holding company while Digisino Assets Limited, also a private company incorporated in the BVI, is its ultimate holding company. Its ultimate controlling party is Mr. Chung Cho Yee, Mico, a director of the Company.

The Company is an investment holding company. The activities of its principal subsidiaries, joint ventures and associates are set out in notes 41, 19 and 20 respectively.

The consolidated financial statements are presented in Hong Kong dollars ("HK$"), which is the same as the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

2.1 Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Company and its subsidiaries (collectively referred to as the "Group") have applied the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time, which are mandatorily effective for the annual periods beginning on or after 1 April 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

Except as described below, the application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (Continued)

2.1 Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year (Continued)

Impacts on application of Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the "2020 Amendments") and Amendments to HKAS 1 Non-current Liabilities with Covenants (the "2022 Amendments")

The Group has applied the amendments for the first time in the current year.

The 2020 Amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which:

- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the classification should not be affected by management intentions or expectations to settle the liability within 12 months.

- clarify that the settlement of a liability can be a transfer of cash, goods or services, or the entity's own equity instruments to the counterparty. If a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying HKAS 32 Financial Instruments: Presentation.

For rights to defer settlement for at least twelve months from reporting date which are conditional on the compliance with covenants, the 2022 Amendments specifically clarify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date, even if compliance with the covenant is assessed only after the reporting date. The 2022 Amendments also specify that covenants with which an entity must comply after the reporting date (i.e. future covenants) do not affect the classification of a liability as current or non-current at the reporting date. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants, the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

The application of the amendments has no material impact on the classification of the Group's liabilities.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (Continued)

2.2 New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective.

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[3]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity[3]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11[3]
Amendments to HKAS 21	Lack of Exchangeability[2]
HKFRS 18	Presentation and Disclosure in Financial Statements[4]

1 Effective for annual periods beginning on or after a date to be determined.
2 Effective for annual periods beginning on or after 1 January 2025.
3 Effective for annual periods beginning on or after 1 January 2026.
4 Effective for annual periods beginning on or after 1 January 2027.

Except for the new HKFRS Accounting Standard mentioned below, the directors of the Company anticipate that the application of all other amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 "Presentation and Disclosure in Financial Statements"

HKFRS 18, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 "Presentation of Financial Statements". This new HKFRS 18, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and HKFRS 7 "Financial Instruments: Disclosures". Minor amendments to HKAS 7 "Statement of Cash Flows" and HKAS 33 "Earnings per Share" are also made.

HKFRS 18 and amendments to other standards will be effective for annual periods beginning on or after 1 January 2027 with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the HKSE (the "Listing Rules") and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

For financial instruments and investment properties which are transacted at fair value and a valuation technique that unobservable inputs are to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equals the transaction price.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets 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.

Material accounting policy information

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries.

Control is achieved when the Company:

- has power over the investee;

- is exposed, or has rights, to variable returns from its involvement with the investee; and

- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Material accounting policy information (Continued)

Basis of consolidation (Continued)

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Material accounting policy information (Continued)

Investments in associates and joint ventures (Continued)

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in an associate or a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 "Impairment of Assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

Revenue from properties held for sale is recognised at a point in time when the customer obtains the control of the properties, which is the property stated in the sale and purchase agreement being delivered, through directly pass the property title to the customer. As part of the Group's ordinary activities, the Group entered into contracts with customers to sell its property projects through selling the equity interest in a single asset entity that is a subsidiary. The Group accounts for such transactions using HKFRS 15 "Revenue from Contracts with Customers" and recognised the consideration the Group is entitled to as revenue.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Material accounting policy information (Continued)

Revenue from contracts with customers (Continued)

Deposits received from sales of properties prior to meeting the above criteria for revenue recognition are presented as contract liabilities in the consolidated statement of financial position under current liabilities.

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes, and are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at fair value, adjusted to exclude any prepaid or accrued operating lease income.

Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Completed properties held for sale

Completed properties held for sale are stated in the consolidated statement of financial position at the lower of cost and net realisable value on an individual property basis. Cost includes the cost of the properties and other directly attributable expenses. Net realisable value is calculated at the actual or estimated selling price less the estimated selling expenses.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Material accounting policy information (Continued)

Leases

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application of HKFRS 16 "Leases" or arising from business combinations, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, and such costs are recognised as an expense on a straight-line basis over the lease term except for investment properties measured under fair value model.

Rental income which are derived from the Group's ordinary course of business are presented as revenue.

Refundable rental deposits

Refundable rental deposits received are accounted for under HKFRS 9 "Financial Instruments" and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

Financial instruments

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and

- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and

- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 "Business Combinations" applies.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period.

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

(ii) Financial assets at FVTPL (Continued)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets and is included in the "losses from investments". Dividend or interest income from financial assets is included in the "Income from investments".

Impairment of financial assets and financial guarantee contracts

The Group performs impairment assessment under expected credit loss ("ECL") on financial assets (including trade and other receivables, loan receivables and amounts due from joint ventures and associates, cash held by securities brokers and bank balances) and financial guarantee contracts which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

The Group always recognises lifetime ECL for trade receivables.

For all other instruments, the Group measures the loss allowance equal to 12 months ECL ("12m ECL"), unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and financial guarantee contracts (Continued)

(i) Significant increase in credit risk (Continued)

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

(ii) Definition of default

The Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;

(b) a breach of contract, such as a default or past due event;

(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

(e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and financial guarantee contracts (Continued)

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. For a lease receivable, the cash flows used for determining the ECL is consistent with the cash flows used in measuring the lease receivable in accordance with HKFRS 16.

For a financial guarantee contract, the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, the ECL is the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

Except for financial guarantee contracts, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables and loan receivables where the corresponding adjustment is recognised through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Material accounting policy information (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities at amortised cost

Financial liabilities including other payables, amounts due to joint ventures and non-controlling shareholders of subsidiaries, guaranteed notes and bank borrowings are subsequently measured at amortised cost using the effective interest method.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts liabilities are initially measured at their fair values, and are subsequently measured at the higher of the amount of the loss allowance determined in accordance with HKFRS 9 and the amount initially recognised less, when appropriate, cumulative amortisation recognised over the guarantee period.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Material accounting policy information (Continued)

Borrowing costs (Continued)

Any specific borrowing that remain outstanding after the related asset is ready for its intended use or sale is included in the general borrowing pool for calculation of capitalisation rate on general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Material accounting policy information (Continued)

Taxation (Continued)

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale, except for freehold land, which is always presumed to be recovered entirely through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The following is the critical judgement, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Deferred taxation on investment properties

For the purposes of measuring deferred tax arising from investment properties that are measured using the fair value model, the directors of the Company have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time. Therefore, in determining the deferred taxation on investment properties, the directors of the Company have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is not rebutted. The Group has recognised deferred tax on changes in fair value of investment properties, amounted to HK$112,603,000 (2024: HK$114,625,000), as the Group is subject to income taxes on the fair value changes of the investment properties on disposal.

Key sources of estimation uncertainty

The following are the key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Valuation of properties held for sale

The properties held for sale owned by the Group or through joint ventures (collectively referred to as the "Properties") are stated at the lower of cost and net realisable value. The net realisable value of the Properties were determined by management of the Group with reference to external valuation reports prepared by the independent and qualified property valuers (the "Valuers"), taking into account of open market value and/or the market evidence of transaction prices for similar properties in the same locations and conditions.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Valuation of properties held for sale (Continued)

If there is a decrease in net sales value, the net realisable value will decrease and additional write-down of the Properties would be recognised should the net realisable value be lower that the carrying amount.

In addition, given the volatility of the property market and the unique nature of individual properties, the actual outcomes in terms of revenue may be higher or lower than that estimated at the end of the reporting period. Any increase or decrease in the estimates would affect profit or loss in future years.

Detail of the carrying amount of the Properties are disclosed in notes 19 and 23.

Fair values of investment properties

Investment properties are stated at fair value based on the valuation performed by the Valuers. The determination of the fair value involves certain assumptions of market conditions. In determining the fair values, the Valuers have based on a method of valuation which involves certain unobservable inputs including, among other factors, capitalisation rate and reversionary income used in the valuations as set out in note 17.

In relying on the valuation report, the directors of the Company have exercised their judgements and are satisfied that the assumptions used in the valuation are reflective of the current market conditions. Changes to these assumptions would result in changes in the fair values of the Group's investment properties and the corresponding adjustments to the amount of gain or loss reported in the consolidated statement of profit or loss and other comprehensive income.

Detail of the carrying amount of the Group's investment properties is disclosed in note 17.

5. REVENUE

(i) Disaggregation of revenue

	2025 HK$'000	2024 HK$'000
Sales of properties held for sale – at a point in time	289,790	1,343,298
Rental income	230,833	235,834
	520,623	1,579,132

5. REVENUE (Continued)

(i) Disaggregation of revenue (Continued)

	Sales of properties held for sale	
	2025 HK$'000	2024 HK$'000
Geographical market		
Hong Kong	260,060	1,343,298
Macau	29,730	–
	289,790	1,343,298

(ii) Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information

	2025 HK$'000	2024 HK$'000
Sales of properties held for sale		
Commercial property holding	127,980	203,298
Residential property holding	132,080	1,140,000
Macau property holding	29,730	–
Revenue from contracts with customers	289,790	1,343,298
Rental income	230,833	235,834
Interest income and dividend income	29,362	44,463
Revenue disclosed in segment information	549,985	1,623,595

(iii) Performance obligations for contracts with customers

Revenue from sales of properties held for sale is recognised at a point in time when the customer obtains the control of the properties, which is the property stated in the sale and purchase agreement being delivered and its title being passed to the customer. The Group receives at least 5% of the contract value as deposits from customers when they sign the preliminary sale and purchase agreements and the balance of purchase price shall be paid upon completion of the sale and purchase of the properties.

All contracts are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

5. REVENUE (Continued)

(iv) Leases

	2025 HK$'000	2024 HK$'000
For operating leases:		
Lease payments that are fixed	230,833	235,834

6. SEGMENT INFORMATION

The following is an analysis of the Group's revenue and results by operating segment, based on information provided to the chief operating decision maker ("CODM") representing the executive directors of the Company, for the purpose of allocating resources to segments and assessing their performance. This is also the basis upon which the Group is arranged and organised.

There are four reportable and operating segments in current year as follows:

(a) commercial property holding segment, which engages in the investment and trading of commercial properties, properties under development and also the strategic alliances with the partners of the joint ventures and associates in Hong Kong and Mainland China;

(b) residential property holding segment, which engages in the investment and trading of residential properties, properties under development and also the strategic alliances with the partners of the joint ventures and associates in Hong Kong and Mainland China;

(c) Macau property holding segment, which engages in the investment and trading of properties located in Macau; and

(d) securities investment segment, which engages in the securities trading and investment.

The CODM also considered the share of revenue of associates and joint ventures for the purpose of allocating resources and assessing performance of each segment.

6. SEGMENT INFORMATION (Continued)

Segment revenue and results

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

	Commercial property holding HK$'000	Residential property holding HK$'000	Macau property holding HK$'000	Securities investment HK$'000	Consolidated HK$'000
For the year ended 31 March 2025					
EXTERNAL REVENUE					
Rental income	227,880	874	2,079	–	230,833
Sales of properties held for sale	127,980	132,080	29,730	–	289,790
Revenue of the Group	355,860	132,954	31,809	–	520,623
Interest income and dividend income	–	–	–	29,362	29,362
	355,860	132,954	31,809	29,362	549,985
SHARE OF REVENUE OF ASSOCIATES AND JOINT VENTURES					
Rental income	65,223	416	–	–	65,639
Sales of properties held for sale	266,188	1,017,353	–	–	1,283,541
	331,411	1,017,769	–	–	1,349,180
Segment revenue	687,271	1,150,723	31,809	29,362	1,899,165
RESULTS					
Share of results of joint ventures *(note)*	(874,653)	49,091	–	–	(825,562)
Share of results of associates *(note)*	153	(232,791)	–	–	(232,638)
Segment profit (loss) excluding share of results of joint ventures and associates	3,691	(16,950)	(34,919)	(153,344)	(201,522)
Segment loss	(870,809)	(200,650)	(34,919)	(153,344)	(1,259,722)
Unallocated other income					91,160
Unallocated other gains and losses					(2,606)
Central administrative costs					(16,815)
Finance costs					(577,418)
Loss before taxation					(1,765,401)

6. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

	Commercial property holding HK$'000	Residential property holding HK$'000	Macau property holding HK$'000	Securities investment HK$'000	Consolidated HK$'000
For the year ended 31 March 2024					
EXTERNAL REVENUE					
Rental income	232,775	990	2,069	–	235,834
Sales of properties held for sale	203,298	1,140,000	–	–	1,343,298
Revenue of the Group	436,073	1,140,990	2,069	–	1,579,132
Interest income and dividend income	–	–	–	44,463	44,463
	436,073	1,140,990	2,069	44,463	1,623,595
SHARE OF REVENUE OF ASSOCIATES AND JOINT VENTURES					
Rental income	91,803	2,569	–	–	94,372
Sales of properties held for sale	32,475	1,752,379	–	–	1,784,854
	124,278	1,754,948	–	–	1,879,226
Segment revenue	560,351	2,895,938	2,069	44,463	3,502,821
RESULTS					
Share of results of joint ventures *(note)*	(130,946)	193,209	–	–	62,263
Share of results of associates *(note)*	9	(64,139)	–	–	(64,130)
Segment profit (loss) excluding share of results of joint ventures and associates	151,293	76,351	(67,000)	(103,144)	57,500
Segment profit (loss)	20,356	205,421	(67,000)	(103,144)	55,633
Unallocated other income					170,018
Unallocated other gains and losses					(34,337)
Central administrative costs					(24,988)
Finance costs					(663,740)
Loss before taxation					(497,414)

Note: Share of results of associates and joint ventures mainly represent share of the operating profit or loss of these entities from their businesses of property investment and development.

6. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment (loss) profit represents the (loss incurred) profit earned by each segment, without allocation of certain items of other income (primarily bank interest income, interest income from loan receivables and amortisation of financial guarantee contracts) and of other gains and losses (primarily impairment loss recognised on financial guarantee contracts, gain (loss) on disposal of property, plant and equipment and net exchange gain), central administrative costs and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

	2025 HK$'000	2024 HK$'000
Segment assets		
Commercial property holding	14,863,962	15,702,835
Residential property holding	5,624,695	7,154,914
Macau property holding	17,280	80,180
Securities investment	187,965	408,554
Total segment assets	20,693,902	23,346,483
Property, plant and equipment	147,959	165,047
Taxation recoverable	1,239	1,560
Bank balances and cash	1,411,918	2,520,518
Other unallocated assets	183,823	204,740
Consolidated total assets	22,438,841	26,238,348
Segment liabilities		
Commercial property holding	364,801	367,671
Residential property holding	654,438	1,610,442
Macau property holding	57,733	62,898
Securities investment	3,623	6,889
Total segment liabilities	1,080,595	2,047,900
Guaranteed notes	2,307,731	2,301,660
Bank borrowings	6,924,659	7,882,848
Taxation payable	103,416	128,872
Other unallocated liabilities	92,913	140,950
Consolidated total liabilities	10,509,314	12,502,230

6. SEGMENT INFORMATION (Continued)

Segment assets and liabilities (Continued)

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments other than property, plant and equipment, taxation recoverable, bank balances and cash and other assets used jointly by reportable and operating segments; and

- all liabilities are allocated to operating segments other than guaranteed notes, bank borrowings, taxation payable and other liabilities for which reportable and operating segments are jointly liable.

Other segment information

For the year ended 31 March 2025

	Commercial property holding HK$'000	Residential property holding HK$'000	Macau property holding HK$'000	Securities investment HK$'000	Segment total HK$'000	Unallocated HK$'000	Total HK$'000
Amounts included in the measure of segment profit (loss) or segment assets and liabilities:							
Interests in joint ventures	1,846,085	1,671,968	–	–	3,518,053	–	3,518,053
Amounts due from joint ventures	5,661,388	1,427,294	–	–	7,088,682	–	7,088,682
Amounts due to joint ventures	173,898	567,280	–	–	741,178	–	741,178
Interests in associates	3,989	531,527	–	–	535,516	–	535,516
Amounts due from associates	12	927,115	–	–	927,127	–	927,127
Net decrease in fair value of financial assets at FVTPL or derivative financial instruments	–	–	–	(108,345)	(108,345)	–	(108,345)
Interest income from amounts due from joint ventures and an associate	73,459	84,737	–	–	158,196	152	158,348
Interest income from financial assets at FVTPL	–	–	–	5,435	5,435	–	5,435
Depreciation of property, plant and equipment	–	–	–	–	–	(17,527)	(17,527)
Net write-down of properties held for sale	(105,335)	–	(25,646)	–	(130,981)	–	(130,981)

6. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

For the year ended 31 March 2024

	Commercial property holding HK$'000	Residential property holding HK$'000	Macau property holding HK$'000	Securities investment HK$'000	Segment total HK$'000	Unallocated HK$'000	Total HK$'000
Amounts included in the measure of segment profit (loss) or segment assets and liabilities:							
Interests in joint ventures	2,450,828	3,194,247	–	–	5,645,075	–	5,645,075
Amounts due from joint ventures	5,508,232	1,305,639	–	–	6,813,871	–	6,813,871
Amounts due to joint ventures	175,914	1,523,902	–	–	1,699,816	–	1,699,816
Interests in associates	3,836	499,250	–	–	503,086	–	503,086
Amounts due from associates	–	940,018	–	–	940,018	–	940,018
Net decrease in fair value of financial assets at FVTPL or derivative financial instruments	–	–	–	(126,312)	(126,312)	–	(126,312)
Interest income from amounts due from joint ventures and an associate	97,767	84,528	–	–	182,295	311	182,606
Interest income from financial assets at FVTPL	–	–	–	23,878	23,878	–	23,878
Depreciation of property, plant and equipment	–	–	–	–	–	(32,778)	(32,778)
Net reversal of (write-down of) properties held for sale	107,992	–	(67,000)	–	40,992	–	40,992

6. SEGMENT INFORMATION (Continued)

Geographical information

The Group's operations in commercial property holding, residential property holding, Macau property holding and securities investment are mainly located in Hong Kong, the PRC (excluding Hong Kong and Macau) and Macau.

The following table provides an analysis of the Group's revenue and non-current assets by geographical location.

Revenue from property rentals and sales of properties held for sale are allocated based on the geographical location of the property interests.

Non-current assets are allocated by geographical location of the assets.

	Revenue from external customers Year ended 31 March		Non-current assets *(note)*	
	2025 HK$'000	2024 HK$'000	2025 HK$'000	2024 HK$'000
Hong Kong	349,469	1,452,986	3,623,962	5,678,185
PRC (excluding Hong Kong and Macau)	139,345	124,077	3,669,628	3,851,885
Macau	31,809	2,069	–	–
	520,623	1,579,132	7,293,590	9,530,070

Note: Non-current assets exclude financial instruments.

Information about major tenants and buyers of properties

Revenue from customers, who are buyers of properties held for sale, which individually accounted for more than 10% of the consolidated revenue from external customers are detailed as below.

	2025 HK$'000	2024 HK$'000
Buyer A[1]	–	203,298
Buyer B[2]	–	1,140,000
Buyer C[1]	81,180	–
Buyer D[2]	122,000	–
	203,180	1,343,298

1 Revenue from commercial property holding
2 Revenue from residential property holding

Revenue by type of income

The relevant information is set out in note 5.

7. INCOME AND LOSSES FROM INVESTMENTS

	2025 HK$'000	2024 HK$'000
Income from investments includes the following:		
Interest income from financial assets at FVTPL	5,435	23,878
Dividend income from financial assets at FVTPL	23,927	20,585
	29,362	44,463
Losses from investments includes the following:		
Net change in fair value of financial assets at FVTPL	(108,345)	(127,890)
Net change in fair value of derivative financial instruments	–	1,578
	(108,345)	(126,312)

The following is the analysis of the investment income and losses from respective financial instruments:

	2025 HK$'000	2024 HK$'000
Derivative financial instruments	–	1,578
Financial assets at FVTPL	(78,983)	(83,427)
	(78,983)	(81,849)

8. OTHER INCOME

	2025 HK$'000	2024 HK$'000
Bank interest income	63,891	118,990
Interest income from loan receivables	5,028	25,629
Interest income from amounts due from joint ventures and an associate	158,348	182,606
Amortisation of financial guarantee contracts	7,322	8,012
Assets management income from joint ventures	34,785	35,246
Consultancy fee income	834	12,834
Others	14,919	17,387
	285,127	400,704

Total interest income of financial assets measured at amortised cost amounts to HK$227,267,000 (2024: HK$327,225,000) for the year ended 31 March 2025.

9. OTHER GAINS AND LOSSES

	2025 HK$'000	2024 HK$'000
Impairment loss recognised on financial guarantee contracts, net	(3,300)	(44,889)
Impairment loss recognised on investment in a joint venture	–	(79,954)
Gain (loss) on disposal of property, plant and equipment	420	(16)
Net exchange gain	274	10,568
Written off loan receivable	(61,497)	–
	(64,103)	(114,291)

10. FINANCE COSTS

	2025 HK$'000	2024 HK$'000
Interests on:		
Bank borrowings	440,876	523,827
Loan from joint ventures	11,006	13,678
Guaranteed notes	125,536	126,235
Total borrowing costs	577,418	663,740

11. INCOME TAX CREDIT

	2025 HK$'000	2024 HK$'000
The credit comprises:		
Hong Kong Profits Tax		
– Current year	1,447	2,074
– Overprovision in prior years	(22,689)	(37,110)
	(21,242)	(35,036)
Deferred taxation *(note 30)*	(33,308)	(6,426)
	(54,550)	(41,462)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years.

According to the Macau Complementary Tax Law, complementary tax is calculated at a rate of 12% on the assessable profit above Macau Pataca ("MOP") 600,000 (2024: MOP600,000) for the year.

11. INCOME TAX CREDIT (Continued)

No provision for Macau complementary tax was required as the subsidiaries of the Group in Macau did not have assessable profits more than MOP600,000 for both years.

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

No provision for the PRC on enterprise income tax was required as the subsidiaries of the Group in the PRC have accumulated losses available for offset against future profits for both years.

Income tax credit for the year can be reconciled to the loss before taxation per the consolidated statement of profit or loss as follows:

	2025 HK$'000	2024 HK$'000
Loss before taxation	(1,765,401)	(497,414)
Taxation at Hong Kong Profits Tax rate of 16.5%	(291,291)	(82,073)
Tax effect of expenses not deductible for tax purpose	63,057	108,661
Tax effect of income not taxable for tax purpose	(17,693)	(101,541)
Tax effect of share of results of joint ventures	136,218	(10,273)
Tax effect of share of results of associates	38,385	10,581
Tax effect of tax losses not recognised	43,306	71,664
Utilisation of tax losses previously not recognised	(3,843)	(1,371)
Overprovision in prior years	(22,689)	(37,110)
Income tax credit for the year	(54,550)	(41,462)

12. LOSS FOR THE YEAR

	2025 HK$'000	2024 HK$'000
Loss for the year has been arrived at after charging (crediting):		
Directors' remuneration *(note 13)*	36,117	37,552
Other staff costs:		
Salaries and other benefits	52,271	58,682
Performance-related incentive bonus	8,765	9,607
Contributions to retirement benefits schemes	4,325	4,887
	65,361	73,176
Total staff costs	101,478	110,728
Auditor's remuneration	3,103	2,982
Cost of properties held for sale recognised as an expense	285,289	697,009
Depreciation of property, plant and equipment	17,527	32,778
Net write-down (reversal of write-down) of properties held for sale (included in cost of sales)	130,981	(40,992)
Gross rental income from investment properties	(139,345)	(124,078)
Less: direct operating expenses incurred for investment properties that generated rental income during the year	40,093	40,742
direct operating expenses incurred for investment properties that did not generate rental income during the year	13,043	2,086
	(86,209)	(81,250)

13. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES

The emoluments paid or payable to each of nine (2024: eleven) directors were as follows:

For the year ended 31 March 2025

	Executive Directors						Independent Non-executive Directors			
	Mr. Chung Cho Yee, Mico HK$'000	Mr. Kan Sze Man HK$'000	Mr. Chow Hou Man HK$'000	Mr. Ho Lok Fai HK$'000	Mr. Leung King Yin, Kevin HK$'000	Ms. Chung Yuen Tung, Jasmine HK$'000	Mr. Cheng Yuk Wo HK$'000	Dr. Lo Wing Yan, William HK$'000	Mr. Shek Lai Him, Abraham HK$'000	Total HK$'000
Directors' remuneration										
Fees	–	–	–	–	–	–	200	200	200	600
Salaries and other benefits	12,421	5,301	4,258	2,700	3,479	1,086	–	–	–	29,245
Performance-related incentive bonus *(note)*	2,070	1,105	680	720	580	136	–	–	–	5,291
Contributions to retirement benefits schemes	18	298	239	176	195	55	–	–	–	981
	14,509	6,704	5,177	3,596	4,254	1,277	200	200	200	36,117

For the year ended 31 March 2024

	Executive Directors							Independent Non-executive Directors				
	Mr. Chung Cho Yee, Mico HK$'000	Mr. Kan Sze Man HK$'000	Mr. Chow Hou Man HK$'000	Mr. Fong Man Bun, Jimmy (retired on 23 August 2023) HK$'000	Mr. Ho Lok Fai HK$'000	Mr. Leung King Yin, Kevin HK$'000	Ms. Chung Yuen Tung, Jasmine (appointed on 20 April 2023) HK$'000	Dr. Lam Lee G. (retired on 28 March 2024) HK$'000	Mr. Cheng Yuk Wo HK$'000	Dr. Lo Wing Yan, William HK$'000	Mr. Shek Lai Him, Abraham HK$'000	Total HK$'000
Directors' remuneration												
Fees	–	–	–	–	–	–	–	200	200	200	200	800
Salaries and other benefits	12,421	5,301	4,080	2,770	2,448	3,479	1,069	–	–	–	–	31,568
Performance-related incentive bonus *(note)*	1,552	663	510	–	714	435	134	–	–	–	–	4,008
Contributions to retirement benefits schemes	18	304	246	172	167	216	53	–	–	–	–	1,176
	13,991	6,268	4,836	2,942	3,329	4,130	1,256	200	200	200	200	37,552

Note: Performance-related incentive bonus is recommended by the Remuneration Committee and is approved by the board of directors, having regard to the Group's operating results, individual performance and comparable market statistics.

13. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (Continued)

The Company has not appointed Chief Executive Officer, and the role and function of the Chief Executive Officer has been performed by the CODM collectively.

The above emoluments to Executive Directors were for their services in connection with the management of the affairs of the Company and of the Group. The above emoluments to Independent Non-executive Directors were for their services as directors of the Company. No directors waived any emoluments during both years.

During both years, no emoluments were paid by the Group to any director as an inducement to join or upon joining the Group or as compensation for loss of office.

Of the five individuals with the highest emoluments in the Group, five (2024: four) were directors of the Company whose emoluments are included above.

Details of the remuneration for the year zero (2024: remaining one) highest paid employees who are neither a director nor chief executive of the Company are as follows:

	2024 HK$'000
Salaries, allowances and benefits in kind	3,236
Performance related bonuses	1,146
Pension scheme contributions	15
	4,397

The number of non-director and non-chief executive highest paid employee whose remuneration fell within the following bands which is presented in Hong Kong Dollar ("HK$") is as follows:

	2024 Number of employee
HK$4,000,001 to HK$4,500,000	1

14. DIVIDENDS

	2025 HK$'000	2024 HK$'000
Dividends recognised as distribution during the year		
– Final dividend of HKnil cent per share in respect of financial year ended 31 March 2024 (2024: Final dividend of HK0.42 cent per share in respect of financial year ended 31 March 2023)	–	39,350
Dividends proposed after the end of the reporting period		
– Final dividend of HKnil cent per share (2024: Final dividend of HKnil cent per share)	–	–

15. LOSS PER SHARE

The calculation of the basic loss per share attributable to the owners of the Company is based on the following data:

	2025 HK$'000	2024 HK$'000
Loss		
Loss for the purpose of basic loss per share:		
Loss for the year attributable to owners of the Company	(1,691,529)	(425,605)

	2025	2024 (Restated)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic loss per share (in thousands)	4,604,895	4,638,318

The weighted average number of ordinary shares used to calculate the basic loss per share for both years have been adjusted to reflect the Share Consolidation (as defined in note 28) during the year ended 31 March 2025. Accordingly, the basic loss per share for the year ended 31 March 2024 is restated.

No diluted loss per share is presented as there is no potential ordinary shares outstanding during both years.

16. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings HK$'000	Leasehold improvements HK$'000	Furniture, fixtures and office equipment HK$'000	Motor vehicles HK$'000	Vessel HK$'000	Total HK$'000
COST						
At 1 April 2023	303,998	30,419	2,327	9,645	81,682	428,071
Additions	–	4	–	–	–	4
Disposal during the year	–	–	(36)	–	–	(36)
At 31 March 2024	303,998	30,423	2,291	9,645	81,682	428,039
Additions	–	9	–	430	–	439
Disposal during the year	–	–	–	(3,136)	–	(3,136)
At 31 March 2025	303,998	30,432	2,291	6,939	81,682	425,342
DEPRECIATION						
At 1 April 2023	127,976	26,931	1,654	9,645	64,028	230,234
Provided for the year	14,905	1,347	229	–	16,297	32,778
Disposal during the year	–	–	(20)	–	–	(20)
At 31 March 2024	142,881	28,278	1,863	9,645	80,325	262,992
Provided for the year	14,904	1,048	206	12	1,357	17,527
Disposal during the year	–	–	–	(3,136)	–	(3,136)
At 31 March 2025	157,785	29,326	2,069	6,521	81,682	277,383
CARRYING VALUES						
At 31 March 2025	146,213	1,106	222	418	–	147,959
At 31 March 2024	161,117	2,145	428	–	1,357	165,047

The above items of property, plant and equipment, after taking into account the residual values, are depreciated on a straight-line basis at the following rates per annum:

Land and buildings	Over the shorter of the terms of the relevant lease of the relevant land on which buildings are erected, or 5%
Leasehold improvements	20%
Furniture, fixtures and office equipment	20%
Motor vehicles	33%
Vessel	20%

16. PROPERTY, PLANT AND EQUIPMENT (Continued)

Certain of the above property, plant and equipment are pledged to secure the general banking facilities granted to the Group. Details are set out in note 33.

	2025 HK$'000	2024 HK$'000
Expense relating to short-term leases	1,139	1,377
Total cash outflows for leases	1,139	1,377

17. INVESTMENT PROPERTIES

	HK$'000
FAIR VALUE	
At 1 April 2023	3,356,142
Fair value loss recognised in profit or loss	(36,069)
Exchange adjustments	(115,616)
At 31 March 2024	3,204,457
Fair value loss recognised in profit or loss	(69,431)
Exchange adjustments	(55,369)
At 31 March 2025	3,079,657

The Group leases out retail stores under operating leases with rentals payable monthly or quarterly. The leases typically run for an initial period of 1 to 10 years. The leases of retail stores contain minimum annual lease payments that are fixed over the lease term.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currency of group entities. The lease contracts do not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term.

The fair value of the Group's investment properties as at 31 March 2025 has been arrived at on the basis of a valuation carried out on the date by Knight Frank Petty Limited (2024: Knight Frank Petty Limited and Savills Real Estate Valuation (Guangzhou) Limited Shanghai Branch), independent and qualified property valuers not connected to the Group.

The above investment properties are pledged to secure bank facilities granted to the Group. Details are set out in note 33.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

17. INVESTMENT PROPERTIES (Continued)

	Valuation technique(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
Commercial properties located in Shanghai, PRC 2025: HK$3,079,657,000 (2024: HK$3,204,457,000)	Investment method derived from the existing tenancies, with due provision for the reversionary potential of each constituent portion of the property at appropriate capitalisation rates.	Capitalisation rate, taking into account the capitalisation of rental income potential, nature of the property, and prevailing market condition, of 6% – 6.5% (2024: 3% – 4.5%).	A slight increase in the capitalisation rate used would result in a significant decrease in fair value, and vice versa.
		Reversionary income, taking into account the differences in location, and individual factors, such as frontage and size between the comparables and the property ranging from RMB280 to RMB1,557 per sqm (2024: RMB417 to RMB2,079 per sqm) per month.	A slight increase in the reversionary income used would result in a significant increase in fair value, and vice versa.

The fair value measurement is categorised into Level 3 fair value hierarchy.

18. FINANCIAL ASSETS AT FVTPL

The financial assets at FVTPL comprise:

	2025 HK$'000	2024 HK$'000
Listed equity securities *(note i)*	6,933	8,949
Unlisted equity securities/limited partnership *(note ii)*	103,944	175,918
Listed debt securities *(note iii)*	87,635	97,234
Unlisted debt securities	52,426	69,720
	250,938	351,821
Total and reported as:		
Listed		
Hong Kong	62,542	63,916
Singapore	2,132	2,166
Elsewhere	29,894	40,101
Unlisted	156,370	245,638
	250,938	351,821
Analysed for reporting purposes as:		
Non-current assets	186,473	283,230
Current assets	64,465	68,591
	250,938	351,821

Notes:

(i) The fair value was based on the quoted market closing prices of the respective securities in active markets for identical assets.

(ii) The unlisted equity securities/limited partnership as at 31 March 2025 are measured at fair value. Details are set out in note 38(c).

(iii) The listed debt securities at 31 March 2025 represented bonds with fixed interest of 1% to 11% (2024: 1% to 11%) per annum. The maturity dates of the listed debt securities range from 11 July 2025 to perpetual (2024: 30 June 2024 to perpetual). Their fair values are determined based on quoted market closing prices available from the market.

Certain of the listed debt securities are pledged to secure the general banking facilities granted to the Group. Details are set out in note 33.

19. INTERESTS IN JOINT VENTURES/AMOUNTS DUE FROM (TO) JOINT VENTURES

	2025 HK$'000	2024 HK$'000
Costs of unlisted investments in joint ventures	4,963,993	5,032,236
Share of post-acquisition (loss) gain and other comprehensive (expense) income, net of dividend received	(1,779,877)	248,919
Exchange difference arising on translation	(128,391)	(114,799)
Deemed capital contribution – financial guarantee contracts	29,157	32,434
Deemed capital contribution – interest-free loans *(note i)*	433,171	446,285
	3,518,053	5,645,075
Amounts due from joint ventures included in non-current assets *(note i)*	7,088,682	6,813,871
Amounts due to joint ventures included in current liabilities *(note ii)*	741,178	1,699,816

Notes:

(i) Included in the amounts due from joint ventures as at 31 March 2025, there are principal amounts with interests of HK$2,851,347,000 (2024: HK$2,822,693,000), which are unsecured, bear interest at 4.875%, and Hong Kong prime rate plus 1% to 3% (2024: 4.875% and 1% to 3%) per annum, and repayable after one year. The remaining amounts with principal of HK$5,835,777,000 (2024: HK$5,292,348,000) are unsecured, non-interest bearing and have no fixed repayment terms. All the balances are not expected to be repaid within one year and are therefore classified as non-current.

In addition, included in the amounts due from joint venture as at 31 March 2025, there are share of loss of joint ventures of HK$1,203,052,000 (2024: HK$982,260,000) representing share of the loss in excess of the cost of investment to the extent of the Group's legal or constructive obligations.

During the year ended 31 March 2025, an impairment of HK$7,920,000 (2024: HK$554,926,000) is recognised on amounts due from joint ventures, which had been determined by assessing the expected credit loss allowance by management. Details are set out in note 38.

(ii) Included in the amounts due to joint ventures as at 31 March 2025, there is principal amount of HK$79,474,000 (2024: HK$108,700,000), which is unsecured, bear interest at Hong Kong Interbank Offered Rate ("HIBOR") plus 1.15% (2024: HIBOR plus 1.15%) per annum and repayable on demand. Also, there is principal amount of HK$36,000,000 (2024: HK$45,000,000), which is unsecured, bear interest at 15% (2024: 15%) per annum and repayable in August 2025. The remaining balances are unsecured, non-interest bearing and repayable on demand.

Valuation of the properties held for sale held by joint ventures as at 31 March 2025 and 2024 were carried out by the Valuers, with reference to expected future selling prices by comparing it to recent sales transaction for similar properties located in the vicinity of each development.

19. INTERESTS IN JOINT VENTURES/AMOUNTS DUE FROM (TO) JOINT VENTURES (Continued)

As at 31 March 2025, the Group had interests in the following material joint venture:

Name of entity	Form of entity	Place of incorporation	Principal place of operation	Class of share held	Proportion of nominal value of issued capital held by the Group		Proportion of voting power held		Principal activities
					2025	2024	2025	2024	
Tiptop Noble Limited	Incorporated	BVI	Hong Kong	Ordinary	51%	51%	51% *(note)*	51% *(note)*	Property holding

Note: Regarding this joint venture, the Group has entered into agreements with the joint venture partner in respect of the operations and control of this entity. Based on the legal form and terms of the contractual arrangements, the investments in this entity is treated as a joint venture because major decisions relating to relevant activities require consent of all parties.

The above table lists the joint venture of the Group which, in the opinion of the directors of the Company, principally affected the results of the year or form a substantial portion of the net assets of the group. The remaining joint ventures are considered not material in terms of its individual carrying amount of interest in joint ventures and the share of results recognised by the Group for the current year. To give details of other joint ventures would, in the opinion of the directors of the Company, result in particulars of excessive length.

The joint ventures had properties held for sale that are attributable to the Group amounted to HK$4,686,721,000 (2024: HK$7,251,375,000) and properties under development for sale that are attributable to the Group amounted to HK$11,152,898,000 (2024: HK$10,664,303,000) as at 31 March 2025, all of which are situated in Mainland China and Hong Kong.

19. INTERESTS IN JOINT VENTURES/AMOUNTS DUE FROM (TO) JOINT VENTURES (Continued)

Summarised financial information of material joint ventures

Summarised financial information in respect of the Group's material joint venture is set out below. The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with HKFRS Accounting Standards.

The joint venture is accounted for using the equity method in these consolidated financial statements.

Tiptop Noble Limited

	2025 HK$'000
Current assets	5,258,516
Current liabilities	(2,912,756)
Non-current liabilities	(52,130)
The above amounts of assets and liabilities include the following:	
Cash and cash equivalents	595,284

As at 31 March 2025, current assets mainly comprised of property held for sale of HK$4,610,932,000 and cash and cash equivalents of HK$595,284,000. Current liabilities as at 31 March 2025 mainly comprised of bank borrowing of HK$1,838,000,000 and contract liabilities of HK$986,560,000.

	2025 HK$'000
Loss and total comprehensive expense for the year	(12,865)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:

	2025 HK$'000
Net assets of the joint venture	2,293,630
Proportion of the Group's ownership interest in the joint venture	51%
	1,169,751
Deemed Capital Contribution - financial guarantee contracts	5,961
Carrying amount of the Group's interest in the joint venture	1,175,712

19. INTERESTS IN JOINT VENTURES/AMOUNTS DUE FROM (TO) JOINT VENTURES (Continued)

Summarised financial information of material joint ventures (Continued)

Aggregate information of joint ventures that are not individually material

	2025 HK$'000	2024 HK$'000
The Group's share of loss	(819,001)	(207,796)
The Group's share of other comprehensive expense	(13,592)	(53,349)
The Group's share of total comprehensive expense	(832,593)	(261,145)
Dividends received from joint ventures during the year *(note)*	1,424,026	–
Aggregate carrying amount of the Group's interest in joint ventures	2,342,341	4,037,310

Note: During the year ended 31 March 2025, the Company received dividend income of HK$1,380,500,000 (2024: HK$nil) from joint ventures which were recorded in current accounts with joint ventures.

Significant restriction

There are no significant restrictions on the ability of the joint ventures to transfer funds to the Group in the form of cash dividends, or to repay loans or advances made by the Group.

20. INTERESTS IN ASSOCIATES/AMOUNTS DUE FROM ASSOCIATES

	2025 HK$'000	2024 HK$'000
Costs of unlisted investments in associates	720,802	416,565
Share of post-acquisition losses and other comprehensive expense, net of dividend received	(292,223)	(20,416)
Deemed capital contribution – financial guarantee contracts	2,744	2,744
Deemed capital contribution – interest-free loans *(note)*	104,193	104,193
	535,516	503,086
Amounts due from associates included in non-current assets *(note)*	927,127	940,018

All of the associates are accounted for using the equity method in these consolidated financial statements.

Note: Included in the amounts due from associates as at 31 March 2025, principal amounts with interests of HK$1,364,607,000 (2024: HK$1,164,683,000) are unsecured, bear interest at HIBOR plus 1.5% (2024: HIBOR plus 1.5%) per annum and have no fixed repayment terms. All the balances are not expected to be repaid within one year and are therefore classified as non-current.

20. INTERESTS IN ASSOCIATES/AMOUNTS DUE FROM ASSOCIATES (Continued)

At 31 March 2025, the Group had interest in the following material associate:

Name of entity	Form of entity	Place of incorporation	Principal place of operation	Class of shares held	Proportion of nominal value of issued share capital held indirectly by the Group		Proportion of voting power held		Principal activities
					2025	2024	2025	2024	
True Fame Enterprises Limited	Incorporated	BVI	Hong Kong	Ordinary	30%	30%	30%	30%	Investment holding

The above table lists the associate of the Group which, in the opinion of the directors of the Company, principally affected the results of the year or form a substantial portion of the net assets of the Group. To give details of other associates would, in the opinion of the directors of the Company, result in particulars of excessive length.

Summarised financial information of material associates

Summarised financial information in respect of the Group's material associate is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with HKFRS Accounting Standards.

True Fame Enterprises Limited

	2025 HK$'000
Non-current assets	20,073
Current assets	2,912,398
Current liabilities	(1,408,024)
Non-current liabilities	(100,000)
The above amounts of assets and liabilities include the following:	
Cash and cash equivalents	34,204

As at 31 March 2025, current assets mainly comprised of property held for sale of HK$2,839,133,000 and cash and cash equivalents of HK$34,204,000. Current liabilities as at 31 March 2025 mainly comprised of bank borrowing of HK$1,089,120,000.

20. INTERESTS IN ASSOCIATES/AMOUNTS DUE FROM ASSOCIATES (Continued)

Summarised financial information of material associates (Continued)

True Fame Enterprises Limited (Continued)

	2025 HK$'000
Revenue	–
Loss and total comprehensive expense for the year	(66,553)
Dividend received from the associate during the year	251,995

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

	2025 HK$'000
Net assets of the associate	1,424,447
Proportion of the Group's ownership interest in the associate	30%
	427,334
Deemed Capital Contribution - financial guarantee contracts	1,408
Carrying amount of the Group's interest in the associate	428,742

Aggregate information of associates that are not individually material

	2025 HK$'000	2024 HK$'000
The Group's share of loss and total comprehensive expense for the year	(212,672)	(64,130)
Dividends received from an associate during the year	–	360
Aggregate carrying amount of the Group's interest in associates	106,774	503,086

Significant restriction

There are no significant restrictions on the ability of the associates to transfer funds to the Group in the form of cash dividends, or to repay loans or advances made by the Group.

21. LOAN RECEIVABLES

	2025 HK$'000	2024 HK$'000
Loan receivables	76,079	188,191
Analysed for reporting purposes as:		
Current assets	45,338	115,399
Non-current assets	30,741	72,792
	76,079	188,191

The Group offers loans to buyers of properties sold by the Group and the repayment terms of the loans are specified in the loan agreements. As at 31 March 2025, the loan receivables included the carrying amount of HK$76,079,000 (2024: HK$78,191,000) which are mortgage loans over the properties held by the purchasers and are receivable by instalments over a period of not more than 20 years and the carrying amount of HK$nil (2024: HK$110,000,000) which is repayable within 12 months from the end of reporting period and secured by the properties held by the borrower.

Before granting loans, the Group uses an internal credit assessment process to assess the potential borrower's credit quality and defines its credit limits granted to the borrowers. The credit limits granted to the borrowers are reviewed by the management regularly.

The Group's loan receivables are denominated in HK$, the functional currency of the relevant group entity. During the year ended 31 March 2025, the range of interest rate on the Group's loan receivables is variable at Hong Kong Prime Rate plus 1% (2024: fixed at 18% or variable at Hong Kong Prime Rate plus 1%) per annum. Including in loan receivables as at 31 March 2025, there were loan receivables with carrying amounts of HK$30,741,000 (2024: HK$72,792,000), which was repayable more than twelve months after the reporting period, and hence was classified as non-current. Pursuant to loan agreements, the Group retains a discretionary right to demand the repayment from the borrower in full before the maturity of the loans at the amount of principals outstanding plus accrued interests.

At the end of each reporting date, the Group's loan receivables were individually assessed for impairment. Details are set out in note 38.

22. TRADE AND OTHER RECEIVABLES

Trade receivables mainly comprise of rental receivables which are receivable on the presentation of debit notes and rental income is billed in advance. The Group allows credit period of 0 – 60 days (2024: 0 – 60 days) to its tenants. The ageing analysis of the trade receivables, presented based on the debit note date for rental receivables which approximated the revenue recognition date, at the end of the reporting period is as follows:

	2025 HK$'000	2024 HK$'000
Trade receivables:		
0 – 30 days	5,131	5,125
31 – 90 days	5,145	4,318
	10,276	9,443
Prepayments and deposits	38,908	29,400
Other receivables *(note)*	150,821	252,015
	200,005	290,858

Before accepting new customers, the Group will assess and understand the potential customer's credit quality.

The entire trade receivables balance was neither past due nor credit-impaired and had no default record based on historical information.

Note: As at 31 March 2025 and 2024, other receivables mainly comprised of promissory note issued by a joint venture amounted to HK$72,000,000 and HK$152,000,000 respectively, which is interest bearing at HIBOR plus 1.2% per annum.

23. PROPERTIES HELD FOR SALE

	2025 HK$'000	2024 HK$'000
The Group's carrying amounts of properties held for sale, stated at lower of cost and net realisable value, comprise:		
– Completed properties	5,187,679	5,598,042

Certain of the above properties held for sale are pledged to secure the general facilities granted to the Group. Details are set out in note 33.

The net realisable value of the properties held for sale as at 31 March 2025 and 2024 were determined by the management with reference to external valuation reports prepared by the Valuers, taking into account open market value and/or the market evidence of transaction prices for similar properties in the same locations and conditions.

23. PROPERTIES HELD FOR SALE (Continued)

The net realisable value of properties held for sale was determined by the Valuers on the following basis:

Completed properties – arrived at by capitalising the net rental income derived from the existing tenancies with due allowance for reversionary potential income of the respective properties, or direct comparison method on basis of market value.

Based on the assessment carried out by the directors of the Company, a net write-down of HK$130,981,000, comprising a write-down of HK$105,335,000 for properties located in Hong Kong and a write-down of HK$25,646,000 located in Macau are recognised in the cost of sales for the year ended 31 March 2025 (2024: a net reversal of write-down of HK$40,992,000, comprising a reversal of write-down of HK$107,992,000 for properties located in Hong Kong and a write-down of HK$67,000,000 located in Macau were recognised in the cost of sales). All impaired units are commercial properties.

24. CASH HELD BY SECURITIES BROKERS/BANK BALANCES AND CASH

Cash held by securities brokers are short-term deposits which carried variable interest rates ranging from 0.025% to 0.875% (2024: 0.0001% to 0.875%) per annum.

The amounts of the Group's cash held by securities brokers denominated in a currency other than the functional currencies of the relevant group entities are set out below:

	2024 HK$'000
United States dollars ("US$")	1,820

Bank balances and cash comprised bank balances and cash and short-term bank deposits with an original maturity of three months or less. The bank balances carried variable interest rates ranging from 1.00% to 5.48% (2024: 0.01% to 5.85%) per annum.

The amounts of Group's bank balances and cash denominated in currencies other than functional currencies of the relevant group entities are set out below:

	2025 HK$'000	2024 HK$'000
Renminbi ("RMB")	19,548	144,591
US$	426,558	885,101
Euro ("EUR")	2,521	2,531
Great British Pound ("GBP")	322	316
Australian Dollars ("AUD")	114	27,811
	449,063	1,060,350

25. OTHER PAYABLES AND ACCRUALS

The following is the breakdown of other payables and accruals at the end of the reporting period:

	2025 HK$'000	2024 HK$'000
Rental and related deposits received	89,674	86,949
Other tax payables	2,590	2,488
Financial guarantee contracts	12,618	23,003
Interest payables	36,821	48,372
Accrued construction costs	33,515	38,248
Accruals and other payables	36,018	30,545
	211,236	229,605

26. CONTRACT LIABILITIES

	2025 HK$'000	2024 HK$'000
Sales of properties held for sale	348	620

The Group receives at least 5% of the contract value as deposits from customers when they sign the sale and purchase agreements. However, depending on market conditions, the Group may offer customers a discount compared to the listed sales price, provided that the customers agree to pay the balance of the consideration early while construction is still ongoing. The deposits and advance payment schemes result in contract liabilities being recognised throughout the property construction period until the customer obtains control of the completed property.

27. BANK BORROWINGS

	2025 HK$'000	2024 HK$'000
The carrying amounts of the Group's borrowings are repayable based on contractual repayment dates as follows:		
Within one year	1,054,461	3,814,883
More than one year, but not exceeding two years	2,469,612	444,688
More than two years, but not exceeding five years	2,984,856	3,561,242
More than five years	357,596	–
	6,866,525	7,820,813
The carrying amounts of the Group's borrowings that contain a repayment on demand clause in the loan agreements are repayable as follows:		
Within one year	3,564	62,035
More than one year, but not exceeding two years	3,564	–
More than two years, but not exceeding five years	51,007	–
	58,135	62,035
Less: Amounts due within one year or contain a repayment on demand clause in the loan agreements shown under current liabilities	(1,112,596)	(3,876,918)
Amounts shown under non-current liabilities	5,812,064	4,005,930
Secured *(note i)*	3,701,265	4,176,247
Unsecured *(note ii)*	3,223,395	3,706,601
	6,924,660	7,882,848

Notes:

i. The secured bank borrowings were secured by various assets held by the Group. The carrying amounts of the assets pledged are disclosed in note 33.

ii. At 31 March 2025, bank borrowings amounting to HK$3,223,395,000 were guaranteed by the Company (2024: HK$3,706,601,000).

The bank borrowings carried floating rate interests, of which borrowings amounting to HK$6,377,430,000 as at 31 March 2025 (2024: HK$7,282,153,000) bore interest at HIBOR plus 1.00% to 2.05% (2024: HIBOR plus 1.20% to 2.05%) per annum, compounded reference rate and borrowings amounting to HK$547,230,000 (2024: HK$600,695,000) bore interest at the quoted Loan Prime Rate by the National Interbank Funding Center or the Shanghai Interbank Offered Rate plus a fixed margin. At 31 March 2025, the effective interest rates ranged from 4.40% to 6.86% (2024: 4.28% to 7.56%) per annum.

28. SHARE CAPITAL

	Number of shares	Amount HK$'000
Ordinary shares of HK0.8 cent each (before share consolidation) and HK1.6 cents each (after share consolidation)		
Authorised:		
At 1 April 2023, 31 March 2024, 1 April 2024 and 31 March 2025	22,500,000,000	180,000
Issued and fully paid:		
At 1 April 2023	9,368,939,676	74,952
Shares repurchased and cancelled	(159,150,000)	(1,274)
At 31 March 2024	9,209,789,676	73,678
Shares consolidation *(note)*	(4,604,894,838)	–
At 31 March 2025	4,604,894,838	73,678

All the shares issued or repurchased by the Company rank *pari passu* with the then existing ordinary shares in all respects.

Note: On 17 February 2025, the Company proposed to implement a share consolidation on the basis that every two issued and unissued shares of HK0.8 cent each would be consolidated into one consolidated share of HK1.6 cents each ("Consolidated Share(s)") (collectively referred to the "Share Consolidation").

Pursuant to an ordinary resolution passed on 6 March 2025, the Share Consolidation was approved by the shareholders of the Company and has become effective on 10 March 2025. Immediately after the Share Consolidation, the total number of issued shared of the Company was adjusted from 9,209,789,676 to 4,604,894,838.

29. GUARANTEED NOTES

On 22 July 2021, Estate Sky Limited ("ESL"), a subsidiary of the Group, issued guaranteed notes, which the Company is the guarantor, in the aggregate principal amount of US$300,000,000 (equivalent to approximately HK$2,340,000,000) ("2021 Guaranteed Notes") at an interest rate of 5.45% per annum, payable semi-annually in arrears. The guaranteed notes with carrying amount of HK$2,307,731,000 as at 31 March 2025 will mature on 21 July 2025 (2024: HK$2,301,660,000).

The 2021 Guaranteed Notes were listed on the Singapore Exchange and the fair value was HK$2,248,596,000 based on the quoted price as at 31 March 2025 (2024: HK$2,036,969,000).

30. DEFERRED TAXATION

The following is the major deferred tax liabilities (assets) recognised and movements thereon during the current and prior years:

	Fair value change of investment properties HK$'000	Accelerated tax depreciation HK$'000	Tax losses HK$'000	Total HK$'000
At 1 April 2023	118,703	32,948	(9,670)	141,981
(Credit) charge to consolidated statement of profit or loss for the year	(4,078)	10,840	(13,188)	(6,426)
At 31 March 2024	114,625	43,788	(22,858)	135,555
Deregistration of a subsidiary	–	(1,233)	–	(1,233)
(Credit) charge to consolidated statement of profit or loss for the year	(2,022)	1,499	(32,785)	(33,308)
At 31 March 2025	112,603	44,054	(55,643)	101,014

As at 31 March 2025, the Group had unused tax losses of approximately HK$2,296,338,000 (2024: HK$1,858,473,000) available for offset against future profits and certain of these tax losses have not yet been agreed with the tax authority. A deferred tax asset has been recognised in respect of tax loss of HK$337,235,000 (2024: HK$138,539,000). No deferred tax asset has been recognised in respect of the remaining unused tax losses of HK$1,959,103,000 (2024: HK$1,719,934,000) due to unpredictability of future profits streams. The unrecognised tax losses in Hong Kong amounted to HK$1,929,755,000 (2024: HK$1,671,999,000) can be carried forward indefinitely. The unrecognised tax losses arising from subsidiaries operated in the PRC will expire as follows:

Tax losses expiring in

	2025 HK$'000	2024 HK$'000
2025	–	11,770
2026	14,766	23,745
2027	3,948	4,019
2028	7,385	7,518
2029	868	883
2030	2,381	–
	29,348	47,935

Under the EIT Law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. As at 31 March 2025, no deferred taxation regarding such withholding tax has been provided as the PRC subsidiaries have accumulated losses and have no retained profits available for distribution (2024: HK$nil).

For the purpose of presentation in the consolidated statement of financial position, the deferred tax assets and liabilities have been offset.

31. DISPOSAL OF ASSETS AND LIABILITIES THROUGH DISPOSAL OF SUBSIDIARIES

For the year ended 31 March 2025

Disposal of Hoyden Holdings Limited (the "2025 Disposed Subsidiary – Hoyden")

During the year ended 31 March 2025, the Group disposed of the entire interests in the 2025 Disposed Subsidiary – Hoyden for a total cash consideration of HK$9,258,000. Since the 2025 Disposed Subsidiary – Hoyden was principally engaged in properties held for sale, the Group was principally selling, and the buyer was principally acquiring, the properties held for sale which were the single predominant asset of the 2025 Disposed Subsidiary – Hoyden. Accordingly, the Group had accounted for the disposal of the 2025 Disposed Subsidiary – Hoyden as disposal of the underlying properties held for sale. The consideration allocated to the sale of properties held for sale was regarded as revenue generated from sales of properties held for sale by the Group.

The amounts of the assets and liabilities attributable to the 2025 Disposed Subsidiary – Hoyden on the date of disposal were as follows:

	HK$'000
Net assets and liabilities disposed of:	
Properties held for sale	10,080
Trade and other receivables, deposits and prepayments	58
Other payables	(8)
Net assets disposed of	10,130
Transaction cost	542
Loss on disposal	(542)
	10,130
Total consideration satisfied by:	
Cash received	9,258
Assignment of loan	872
	10,130

31. DISPOSAL OF ASSETS AND LIABILITIES THROUGH DISPOSAL OF SUBSIDIARIES (Continued)

For the year ended 31 March 2025 (Continued)

Disposal of several companies located in Macau (the "2025 Disposed Subsidiaries – Macau Companies")

During the year ended 31 March 2025, the Group disposed of the entire interests in the 2025 Disposed Subsidiaries – Macau Companies for a total cash consideration of HK$8,560,000. Since the 2025 Disposed Subsidiaries – Macau Companies were principally engaged in properties held for sale, the Group was principally selling, and the buyer was principally acquiring, the properties held for sale which were the single predominant asset of the 2025 Disposed Subsidiaries – Macau Companies. Accordingly, the Group had accounted for the disposal of the 2025 Disposed Subsidiaries – Macau Companies as disposal of the underlying properties held for sale. The consideration allocated to the sale of properties held for sale was regarded as revenue generated from sales of properties held for sale by the Group.

The amounts of the assets and liabilities attributable to the 2025 Disposed Subsidiaries – Macau Companies on the date of disposal were as follows:

	HK$'000
Net assets and liabilities disposed of:	
Properties held for sale	5,954
Other payables	(63)
Net assets disposed of	5,891
Transaction cost	286
Gain on disposals	2,383
	8,560
Total consideration satisfied by:	
Cash received	8,560

31. DISPOSAL OF ASSETS AND LIABILITIES THROUGH DISPOSAL OF SUBSIDIARIES (Continued)

For the year ended 31 March 2024

Disposal of Starry View Limited and its subsidiaries (the "2024 Disposed Subsidiaries – Starry View")

During the year ended 31 March 2024, the Group disposed of the entire interests in the 2024 Disposed Subsidiaries – Starry View for a total cash consideration of HK$393,600,000. Since the 2024 Disposed Subsidiaries – Starry View was principally engaged in properties held for sale, the Group was principally selling, and the buyer was principally acquiring, the properties held for sale which were the single predominant asset of the 2024 Disposed Subsidiaries – Starry View. Accordingly, the Group had accounted for the disposal of the 2024 Disposed Subsidiaries – Starry View as disposal of the underlying properties held for sale. The consideration allocated to the sale of properties held for sale was regarded as revenue generated from sales of properties held for sale by the Group.

The amounts of the assets and liabilities attributable to the 2024 Disposed Subsidiaries – Starry View on the date of disposal were as follows:

	HK$'000
Net assets and liabilities disposed of:	
Properties held for sale	660,645
Other receivables	201
Other payables	(24)
Net assets disposed of	660,822
Transaction cost	26,289
Gain on disposal	452,889
	1,140,000
Total consideration satisfied by:	
Cash received	393,600
Assignment of loan	746,400
	1,140,000

31. DISPOSAL OF ASSETS AND LIABILITIES THROUGH DISPOSAL OF SUBSIDIARIES (Continued)

For the year ended 31 March 2024 (Continued)

Disposal of Marble Range Limited (the "2024 Disposed Subsidiary – Marble Range")

During the year ended 31 March 2024, the Group disposed of the entire interests in the 2024 Disposed Subsidiary – Marble Range for a total cash consideration of HK$106,836,000. Since the 2024 Disposed Subsidiary – Marble Range was principally engaged in properties held for sale, the Group was principally selling, and the buyer was principally acquiring, the properties held for sale which were the single predominant asset of the 2024 Disposed Subsidiary – Marble Range. Accordingly, the Group had accounted for the disposal of the 2024 Disposed Subsidiary – Marble Range as disposal of the underlying properties held for sale. The consideration allocated to the sale of properties held for sale was regarded as revenue generated from sales of properties held for sale by the Group.

The amounts of the assets and liabilities attributable to the 2024 Disposed Subsidiary – Marble Range on the date of disposal were as follows:

	HK$'000
Net assets and liabilities disposed of:	
Property held for sales	175,625
Trade and other receivables, deposits and prepayments	174
Bank balances and cash	4,494
Lease incentive	22,368
Trade and other payables	(3,683)
Taxation payable	(282)
Net assets disposed of	198,696
Transaction costs	12,040
Loss on disposal	(7,438)
	203,298
Total consideration satisfied by:	
Cash received	106,836
Assignment of loan	96,462
	203,298

32. FINANCIAL GUARANTEE CONTRACTS

	2025 HK$'000	2024 HK$'000
Guarantees given by the Group for banking facilities granted to:		
Joint ventures	7,294,388	8,122,698
Associates	1,317,240	1,220,656
	8,611,628	9,343,354
and utilised by:		
Joint ventures	6,397,388	6,975,561
Associates	957,240	993,736
	7,354,628	7,969,297

The directors of the Company assess the ECL allowance in relation to the financial guarantee contracts as set out in note 38. As at 31 March 2025, included in other payables and accruals (note 25) represents financial guarantee contracts amounted to HK$12,618,000 (2024: HK$23,003,000).

33. PLEDGE OF ASSETS

At the end of the reporting period, the following assets were pledged to secure banking facilities granted to the Group:

	2025 HK$'000	2024 HK$'000
Property, plant and equipment	146,089	161,887
Investment properties	3,079,657	3,204,457
Properties held for sale	5,101,088	5,438,468
Financial assets at FVTPL	5,723	5,112
	8,332,557	8,809,924

For certain properties, the Group has assigned to the banks all its right, title and benefit as lessor of relevant properties for certain banking facilities granted to the Group.

34. OPERATING LEASE AND CAPITAL COMMITMENTS

Operating lease commitments

The Group as lessor

Certain of properties, which are classified as properties held for sale and investment properties, have committed lessees for the next one to six years. The lease commitments will be released when the properties are sold.

Minimum lease payments receivable on leases are as follows:

	2025 HK$'000	2024 HK$'000
Within one year	225,007	212,922
In the second year	204,809	160,958
In the third year	121,593	100,861
In the fourth year	90,827	57,897
In the fifth year	73,175	48,111
After five years	127,919	134,240
	843,330	714,989

35. RETIREMENT BENEFITS SCHEMES

The Group participates in a Mandatory Provident Fund Scheme ("MPF Scheme") for its employees in Hong Kong. The MPF Scheme is registered with the Mandatory Provident Fund Schemes Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rules of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rates specified in the rules, subject to a cap of monthly relevant income of HK$30,000 effective 1 June 2014 for the MPF Scheme, which contribution is matched by the employee. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions under the scheme. No forfeited contributions are available to reduce the contributions payables in the future years.

The Group also operates a defined contribution retirement scheme for all qualifying employees in Macau. The assets of the scheme are held separately from those of the Group in funds under control of independent trustees. The retirement scheme cost recognised in profit or loss represents contributions payable to funds by the Group at rates specified in the rules of the scheme. Where there are employees of the Group who leave the scheme prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

The employees of the Group's subsidiaries in the PRC are members of the state-managed retirement benefits schemes operated by the PRC government. The Group is required to contribute a certain percentage of its payroll to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the required contributions under the schemes.

35. RETIREMENT BENEFITS SCHEMES (Continued)

The retirement benefits scheme contributions relating to the MPF Scheme, stated-managed retirement benefits schemes and defined contribution retirement scheme in Macau charged to the current year's consolidated statement of profit or loss of HK$5,306,000 (2024: HK$6,063,000) represented contributions paid and payable to the schemes by the Group at rates specified in the rules of the schemes.

36. RELATED PARTY DISCLOSURES

Other than those elsewhere disclosed in the consolidated financial statements, the Group has following transactions with related parties.

(a) The amounts due to non-controlling shareholders of subsidiaries are unsecured, non-interest bearing and repayable on demand. Details of the amounts due from (to) joint ventures and associates are set out in the consolidated statement of financial position and on notes 19 and 20 respectively.

(b) The remuneration of directors and other members of key management during the year is as follows:

	2025 HK$'000	2024 HK$'000
Short-term benefits	35,136	40,758
Post-employment benefits	981	1,191
	36,117	41,949

The remuneration of executive directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

37. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debts, which includes the amounts due to joint ventures, amounts due to non-controlling shareholders of subsidiaries, bank borrowings and guaranteed notes disclosed in notes 19, 36(a), 27 and 29, net of cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued share capital, various reserves and retained profits.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendation of the directors of the Company, the Group will balance its overall capital structure through the payment of dividends and new share issues as well as the issue of new debt or the redemption of existing debt.

38. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	2025 HK$'000	2024 HK$'000
Financial assets		
Financial assets at FVTPL		
Financial assets mandatory measured at FVTPL	250,938	351,821
Financial assets at amortised cost	9,666,487	10,735,022
Financial liabilities		
At amortised cost	10,219,795	12,142,949
Financial guarantee contracts	12,618	23,003

(b) Financial risk management objectives and policies

The Group's management monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and equity and other price risks), credit risk and liquidity risk.

There has been no change to the types of the Group's exposure in respect of financial instruments or the manner in which it manages and measures the risks.

38. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risks

(i) Foreign currency risk management

The Group operates in Hong Kong with most of the transactions denominated and settled in HK$, the functional currency of relevant group entities.

The Group is mainly exposed to foreign currency risk in relation to RMB, US$, EUR, GBP and AUD arising from foreign currency denominated bank balances and cash, cash held by securities brokers and guaranteed notes as set out in notes 24 and 29 respectively.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	Assets		**Liabilities**	
	2025 HK$'000	2024 HK$'000	2025 HK$'000	2024 HK$'000
RMB	19,548	144,591	–	–
US$	426,558	885,334	2,307,731	2,301,660
EUR	2,521	2,531	–	–
GBP	322	316	–	–
AUD	114	27,811	–	–

Under the pegged exchange rate system, the financial impact on exchange difference between HK$ and US$ will be immaterial as most US$ denominated monetary assets are held by group entities having HK$ as their functional currency, and the other financial assets denominated EUR, GBP and AUD are not material, and therefore no sensitivity analysis has been prepared.

Foreign currency sensitivity analysis

The Company mainly exposes to material currency risk in RMB against HK$ in year ended 31 March 2025 (2024: material currency risk in RMB against HK$).

The following table details the Company's sensitivity to a 5% increase and decrease in RMB against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary item and adjusts its translation at the year end for a 5% change in foreign currency rate. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign currencies. The sensitivity analysis represents bank balances denominated in RMB. A positive number indicates a decrease in loss for the year where the RMB strengthens against the relevant currencies. For a 5% weakening of RMB against the relevant currencies, there would be an equal and opposite impact on the loss for the year.

38. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risks (Continued)

(i) Foreign currency risk management (Continued)

Foreign currency sensitivity analysis (Continued)

	2025 HK$'000
RMB	
Decrease in loss for the year	816

The Group monitors foreign currency exposure and will consider hedging significant currency exposure should the need arises.

(ii) Interest rate risk management

The Group is exposed to fair value interest rate risk in relation to financial assets at FVTPL, guaranteed notes issued by ESL as set out in notes 18 and 29 respectively. Besides, the Group is also exposed to the cash flow interest rate risk in relation to loan receivables, cash held by securities brokers, bank balances and bank borrowings as set out in notes 21, 24 and 27 respectively.

Sensitivity analysis for cash flow interest rate risk

The sensitivity analysis below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For variable-rate cash held by securities brokers, bank balances, loan receivables and bank borrowings, the analysis is prepared assuming the amounts outstanding at the end of the reporting period were outstanding for the whole year. An increase or decrease of 10 basis points (2024: 10 basis points) for cash held by securities brokers and bank balances and 50 basis points (2024: 50 basis points) for loan receivables and bank borrowings is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

For cash held by securities brokers and bank balances, if interest rates had been 10 basis points (2024: 10 basis points) higher/lower and all other variables were held constant, the Group's post-tax loss for the year ended 31 March 2025 would decrease/increase by HK$1,180,000 (2024: HK$2,107,000).

For loan receivables and bank borrowings, if interest rates had been 50 basis points (2024: 50 basis points) higher/lower and all other variables were held constant, the Group's post-tax loss for the year ended 31 March 2025 would increase/decrease by HK$26,308,000 (2024: HK$30,077,000).

In management's opinion, the sensitivity analysis is unrepresentative of inherent interest rate risk as the year end exposure does not reflect the exposure during the year.

38. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risks (Continued)

(iii) Equity and other price risks management

The Group is exposed to equity and other price risks through its financial assets at FVTPL. The management manages this exposure by maintaining a portfolio of investments with different risks. The Group's equity and other price risks are mainly concentrated on unlisted equity securities/limited partnership, listed equity securities, listed debt securities and unlisted debt securities quoted in the open markets. In addition, the Group has a designated team to monitor the price risks and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity and other price risks at the end of reporting period. In management's opinion, the sensitivity analysis is unrepresentative of inherent equity and other price risks as the year end exposure does not reflect the exposure during the year.

If the prices of the listed equity securities and the prices of underlying investment portfolio of the respective unlisted equity securities/limited partnership had been 5% (2024: 5%) higher/lower, post-tax loss for the year ended 31 March 2025 would decrease/increase by HK$5,544,000 (2024: HK$9,243,000) as a result of the changes in fair value of equity securities/limited partnership and mutual funds held by the Group.

If the prices of the respective debt securities had been 5% (2024: 5%) higher/lower, post-tax loss for the year ended 31 March 2025 would decrease/increase by HK$7,003,000 (2024: HK$8,348,000) as a result of the changes in fair value of debt securities.

The Group's sensitivity to equity and other price risks has increased during the year mainly due to the fluctuation of fair value of financial assets at FVTPL.

38. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment

As at 31 March 2025, other than those financial assets whose carrying amounts best represent the maximum exposure to credit risk, the Group is exposed to credit risk which will cause a financial loss to the Group arising from the amount of financial guarantees provided by the Group disclosed in note 32.

In order to minimise the credit risk, monitoring procedures are carried out to ensure that follow-up action is taken to recover overdue debts. In addition, before issuing financial guarantee to joint ventures and associates as part of the Group's investment decision, the management has considered the financial positions or the value of the properties held by respective investees. The Group also closely monitor the financial position, conducts regular reviews on the value of the properties and maintains regular communications with the joint ventures and associates in order to keep updated with the credit risk profile. The credit review process enables the Group to regularly assess the potential loss as a result of the credit risk it is exposed to and to take appropriate corrective actions promptly.

In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

Impairment assessment on trade receivables

Trade receivables arise from rental receivables from tenants for leasing the properties. In order to minimise the credit risk, credit checks are carried out before commencement of tenancies and ongoing credit evaluation ensures any doubtful receivables are provided for as required. The exposure to credit risk is limited because the trade receivables are secured by tenant deposits.

Management assessed the expected loss on trade receivables from customers individually, taking into account the historical default experience and forward-looking information that is reasonably and supportably available to the Group without undue cost or effect, including the use of forecasts of future economic information, as appropriate.

In addition, based on historical credit loss experience, the directors of the Company are of the opinion that there has been no default occurred for trade receivables aged over 90 days and the probability of default of trade receivables is low since the Group generally receives deposits from customers for leasing of properties. Given that the deposits can cover majority of trade receivables, the loss given default is considered insignificant.

Impairment assessment on bank balances/cash held by securities brokers

Credit risk on bank balance/cash held by securities brokers is limited because the counterparties are reputable banks and securities brokers with high credit ratings assigned by credit agencies. The Group assessed 12m ECL for bank balance/cash held by securities brokers by reference to information relating to probability of default and loss given default of the respective credit rating grades published by external credit rating agencies. The 12m ECL on bank balances/cash held by securities brokers is considered to be insignificant and therefore no loss allowance was recognised.

38. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Impairment assessment on loan receivables

The Group had a concentration of credit risk as the loan receivables are advanced to a few independent third parties. As at 31 March 2025, the loan receivables will be matured ranging from April 2025 to July 2038 (2024: June 2038 to July 2038). Loan receivables of HK$76,079,000 (2024: HK$78,191,000) are secured by properties mortgage, and HK$nil (2024: HK$110,000,000) is secured by the properties held by the borrower. In respect of loan receivables with gross carrying amount of HK$42,817,000 (2024: HK$110,000,000), the Group has changed the 12m ECL basis to lifetime ECL (credit-impaired) basis due to default during the current year but ECL had not been recognised on these loans because the fair values of the collateral provided were higher than the gross carrying amounts of the loan receivables, on an individual basis. For the remaining loan receivables with gross carrying amount of HK$33,262,000 (2024: HK$78,191,000), the Group considers there are no significant increase in credit risk since initial recognition taking into account the latest or valuation of the related property and therefore 12m ECL is applied and no ECL is recognised as the Group's exposure to credit losses is minimal considering the underlying value of the properties pledged to the Group.

Impairment assessment on other receivables

For other receivables, the management makes periodic individual assessment on the recoverability of other receivables based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The management believes that there is no significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on 12m ECL. For the years ended 31 March 2025 and 2024, the Group assessed the ECL for other receivables are insignificant and therefore no loss allowance is recognised.

Impairment assessment on amounts due from joint ventures

In determining the ECL for amounts due from joint ventures, the management of the Group has taken into account the operational update of the joint ventures, as well as the historical default experience and forward-looking information that is reasonably and supportably available to the Group without undue cost or effect, including information such as gross domestic product growth rate and unemployment rate. In respect of amounts due from joint ventures with gross carrying amount of HK$637,158,000 (2024: HK$553,979,000), the Group has recognised in lifetime ECL (credit-impaired) basis during the current year in order to reflect the latest status of the recovery of the property project held by the joint venture, and accordingly, an impairment of HK$637,158,000 (2024: HK$553,979,000) is recognised in respect of this amount. For the remaining amounts due from joint venture with gross carrying amount of HK$7,122,662,000 (2024: HK$6,844,731,000), the Group considers there is no significant increase in credit risk since initial recognition taking into account the latest or valuation of the related property and therefore 12m ECL is applied and an impairment of HK$33,980,000 (2024: HK$30,860,000) is recognised.

38. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Impairment assessment on amounts due from associates

In determining the ECL for amounts due from associates, the management of the Group has taken into account the operational update for the associates, as well as, historical default experience and forward-looking information, as appropriate. There had been no significant increase in credit risk since initial recognition. The Group has considered the consistently low historical default rate in connection with payments, and concluded that credit risk inherent in the Group's outstanding amounts due from associates is insignificant and therefore no loss allowance is recognised. The Group considers there are no significant increase in credit risk since initial recognition taking into account the latest or valuation of the related property and therefore 12m ECL is applied and no loss allowance is recognised.

Impairment assessment on financial guarantee contracts

The Group assessed the loss allowances for financial guarantee contracts of HK$8,611,628,000 (2024: HK$9,103,354,000) and HK$nil (2024: HK$240,000,000), representing the maximum amount the Group has guaranteed under the respective contracts, on 12m ECL basis and lifetime ECL basis respectively. During the year, loss allowance for credit-impaired financial guarantee contract of HK$240,000,000 (2024: HK$nil) was written off. When assessing the ECL, the directors of the Company taken into account the historical default experience and forward-looking information that is reasonably and supportably available to the Group without undue cost or effect, including information such as gross domestic product growth rate and unemployment rate. For the year ended 31 March 2025, the Group assessed the ECL for financial guarantee contracts and impairment of HK$3,300,000 (2024: impairment of HK$44,889,000) is recognised. As at 31 March 2025, except for the aggregate amount of outstanding financial guarantees issued to banks in respect of banking facilities granted to joint ventures of HK$731,500,000 (2024: HK$1,000,000,000) on which ECL of HK$26,030,000 (2024: HK$101,109,000) is provided, the Group assessed the ECL for the remaining financial guarantee contracts of HK$7,880,128,000 (2024: HK$8,343,354,000) are insignificant and no loss allowance is recognised. Details of the financial guarantee contracts with carrying amount of HK$12,618,000 as at 31 March 2025 (2024: HK$23,003,000) are set out in note 32.

38. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade receivables	Other financial assets/ other items
Low risk	The counterparty has a low risk of default and does not have any past-due amounts	Lifetime ECL – not credit-impaired	12m ECL
Watch list	Debtor frequently repays after due dates but usually settle in full	Lifetime ECL – not credit-impaired	12m ECL
Doubtful	There have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired
Loss	There is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off	Amount is written off

38. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The tables below detail the credit risk exposures of the Group's financial assets and financial guarantee contracts, which are subject to ECL assessment:

	Notes	External credit rating	Internal credit rating	12-month or lifetime ECL	2025 Loss provided HK$'000	2025 Gross carrying amount HK$'000	2024 Loss provided HK$'000	2024 Gross carrying amount HK$'000
Financial assets at amortised cost								
Trade receivables	22	N/A	note a	Lifetime ECL – not credit-impaired	–	10,276	–	9,443
Other receivables*	22	N/A	Low risk	12m ECL	–	150,821	–	252,015
Loan receivables	21	N/A	Low risk	12m ECL	–	33,262	–	78,191
Loan receivables	21	N/A	Loss	Lifetime ECL – credit-impaired	–	42,817	–	110,000
Amounts due from joint ventures	19	N/A	Low risk	12m ECL	33,980	7,122,662	30,860	6,844,731
Amounts due from joint ventures	19	N/A	Loss	Lifetime ECL – credit-impaired	637,158	637,158	553,979	553,979
Amounts due from associates	20	N/A	Low risk	12m ECL	–	927,127	–	940,018
Cash held by securities brokers	24	A to AA+	Low risk	12m ECL	–	1,584	–	3,399
Bank balances	24	A to AA+	N/A	12m ECL	–	1,411,918	–	2,520,518
Other item								
Financial guarantee contracts *(note b)*	32	N/A	Low risk	12m ECL	26,030	8,611,628	22,730	9,103,354
Financial guarantee contracts *(note b)*	32	N/A	Loss	Lifetime ECL – credit-impaired	–	–	78,379	240,000

* The gross carrying amounts disclosed above include the relevant interest receivables which are presented in other receivables.

Notes:

a. For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the ECL on trade receivables individually by past due status of each debtor and the loss allowance is not material.

b. For financial guarantee contracts, the gross carrying amount represents the maximum amount the Group has guaranteed under the respective contracts.

38. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

As at 31 March 2025, the loss allowance for financial guarantee contracts issued by the Group of HK$26,030,000 (2024: loss allowance of HK$22,730,000) and loss allowance for amounts due from joint ventures of HK$33,980,000 (2024: HK$30,860,000) are measured at an amount equal to 12m ECL and impairment of HK$3,300,000 and HK$3,120,000 are recognised respectively during the year. The loss allowance for financial guarantee contracts issued by the Group of HK$nil (2024: HK$78,379,000) and loss allowance for amounts due from joint ventures of HK$637,158,000 (2024: HK$553,979,000) are measured at an amount equal to lifetime ECL and are credit impaired and an impairment of HK$4,800,000 (2024: HK$nil) are recognised during the year.

Investments in listed and unlisted debt securities

The Group determines whether the investments in listed debt securities have suffered from significant increase in credit risk since initial recognition by checking if there is any indication of deterioration of the repayment ability of the issuer at the end of the reporting period. The Group closely monitors the changes in the credit ratings of the issuer, and follows its market news for taking immediate actions if there is any indication of deterioration of the repayment ability of the issuer.

The Group monitors the external credit rating to provide early identification of possible changes in the creditworthiness of counterparties regularly to update the credit risk of issuers of debt securities. This enables the Group to assess the potential loss as a result of the risk to which it is exposed. The Group will closely follow the external credit rating of counterparties and the price movement of the listed debt securities, and will formulate appropriate exit strategy accordingly subject to market conditions prevailing from time to time.

The Group also invested in unlisted debt securities which is exposed to credit risk. The management of the Group reviews and monitors on a regular basis the portfolio of the unlisted debt securities. The unlisted debt securities are entered with reputable financial institutions with credit rating of Baa1 or above issued by Moody's or issued by credit worthy issuers in the market. In this regard, the directors of the Company consider that the credit risk relating to the unlisted debt securities is closely monitored.

38. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework to meet the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures the compliance with loan covenants.

Liquidity tables

The following table details of the Group's remaining contractual maturity for financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise the rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of reporting period.

38. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk management (Continued)

Liquidity tables (Continued)

In addition, the following table details the Group's liquidity analysis for its derivative financial instruments. The tables have been drawn up based on the undiscounted contractual net cash (inflows) outflows on derivative instruments that settle on a net basis. When the amount payable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the end of the reporting period. The liquidity analysis for the Group's derivative financial instruments are prepared based on the contractual settlement dates as the management of the Group consider that the settlement dates are essential for an understanding of the timing of the cash flows of derivatives.

	Weighted average interest rate %	On demand HK$'000	1 – 3 months HK$'000	3 months to 1 year HK$'000	1 – 2 years HK$'000	2 – 5 years HK$'0000	Over 5 years HK$'000	Total undiscounted cash flows HK$'000	Total carrying amount at 31 March 2025 HK$'000
31 March 2025									
Non-derivative financial liabilities									
Other payables	–	126,495	–	–	–	–	–	126,495	126,495
Amounts due to joint ventures	–	741,178	–	–	–	–	–	741,178	741,178
Amounts due to non-controlling shareholders of subsidiaries	–	119,731	–	–	–	–	–	119,731	119,731
Guaranteed notes	5.45	10,481	31,443	2,440,653	–	–	–	2,482,577	2,307,731
Bank borrowings	5.64	58,135	391,062	1,056,915	2,797,151	3,173,220	458,358	7,934,841	6,924,660
		1,056,020	422,505	3,497,568	2,797,151	3,173,220	458,358	11,404,822	10,219,795
Financial guarantee contracts		8,611,628	–	–	–	–	–	8,611,628	12,618

	Weighted average interest rate %	On demand HK$'000	1 – 3 months HK$'000	3 months to 1 year HK$'000	1 – 2 years HK$'000	2 – 5 years HK$'0000	Total undiscounted cash flows HK$'000	Total carrying amount at 31 March 2024 HK$'000
31 March 2024								
Non-derivative financial liabilities								
Other payables	–	135,371	–	–	–	–	135,371	135,371
Amounts due to joint ventures	–	1,699,816	–	–	–	–	1,699,816	1,699,816
Amounts due to non-controlling shareholders of subsidiaries	–	123,254	–	–	–	–	123,254	123,254
Guaranteed notes	5.45	10,453	31,360	41,814	94,080	2,340,151	2,517,858	2,301,660
Bank borrowings	6.19	62,035	1,074,666	3,223,998	692,487	3,781,534	8,834,720	7,882,848
		2,030,929	1,106,026	3,265,812	786,567	6,121,685	13,311,019	12,142,949
Financial guarantee contracts		9,343,354	–	–	–	–	9,343,354	23,003

38. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk management (Continued)

Liquidity tables (Continued)

Bank borrowings with a repayment on demand clause are included in the "on demand" time band in the above maturity analysis. As at 31 March 2025, the aggregate carrying amounts of these bank borrowings amounted to HK$58,135,000 (2024: HK$62,035,000). Taking into account the Group's financial position, the directors do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The directors believe that such bank borrowings will be repayable, together with interest, in accordance with the scheduled repayment dates set out in the loan agreements as follows:

	1 – 3 months HK$'000	3 months to 1 year HK$'000	1 – 2 years HK$'000	2 – 5 years HK$'000	Total undiscounted cash flows HK$'000	Total carrying amounts HK$'000
31 March 2025	891	2,673	3,779	60,574	67,917	58,135
31 March 2024	2,700	59,400	–	–	62,100	62,035

The amounts included above for financial guarantee contracts are the maximum amounts that the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantees. The financial guarantee contracts represent the guarantee given by the Group for banking facilities granted to joint ventures and associates. Based on expectations at the end of the reporting period, the Group does not consider that it is probable that a claim will be made against the Group under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

The amount included above for variable-rate bank borrowings is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

38. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value measurements recognised in the consolidated statement of financial position

This note provides information about how the Group determines fair values of various financial assets.

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

Some of the Group's financial assets and liabilities 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 and liabilities 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 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities;

- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

38. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value measurements recognised in the consolidated statement of financial position (Continued)

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

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable inputs	Relationship of unobservable inputs to fair value
	31 March 2025 HK$'000	31 March 2024 HK$'000				
Financial assets at FVTPL	Listed equity securities in: – Hong Kong: 6,928 – Elsewhere: 5	Listed equity securities in: – Hong Kong: 8,944 – Elsewhere: 5	Level 1	Quoted market closing prices in an active market	N/A	N/A
	Listed debt securities in: – Hong Kong: 21,934 – Singapore: 2,132 – Elsewhere: 29,889	Listed debt securities in: – Hong Kong: 19,732 – Singapore: 2,166 – Elsewhere: 40,096	Level 1	Quoted market closing prices in an active market	N/A	N/A
	Listed debt securities in: – Hong Kong: 33,680	Listed debt securities in: – Hong Kong: 35,240	Level 2	Quoted market closing prices in active market and adjustment of management fee	N/A	N/A
	Unlisted debt security: 7,800	Unlisted debt security: nil	Level 1	Quoted market closing prices in an OTC market	N/A	N/A
	Unlisted debt security: 44,626	Unlisted debt security: 69,720	Level 3	Discount cash flow method was used to capture the present value of the expected future economic benefits to be derived, based on an appropriate discount rate	N/A	N/A
	Unlisted equity securities/ limited partnership: – Financial asset A/B: 87,318	Unlisted equity securities/ limited partnership: – Financial asset A/B: 160,226	Level 3	Adjusted net asset value, determined based on net asset value ("NAV") adjusted for NAV discount	N/A	N/A
	– Financial asset C: 16,626	– Financial asset C: 15,692	Level 2	Market approach, determined with reference to the fair value of the underlying investment i.e. quoted prices in active market and adjustment of operating expenses	N/A	N/A

38. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value measurements recognised in the consolidated statement of financial position (Continued)

Reconciliation of Level 3 fair value measurements

	Financial assets at FVTPL HK$'000
At 1 April 2023	213,877
Fair value gains in profit or loss	8,844
Purchases	7,225
At 31 March 2024	229,946
Fair value gains in profit or loss	(103,716)
Purchases	5,714
At 31 March 2025	131,944

There were no transfers between Level 1 and Level 2 measurements in the current year.

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

39. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Interest payables HK$'000 *(note 25)*	Dividend payables HK$'000 *(note 14)*	Amounts due to joint ventures HK$'000 *(note 19)*	Bank borrowings HK$'000 *(note 27)*	Guaranteed notes HK$'000 *(note 29)*	Amounts due to non-controlling shareholders of subsidiaries HK$'000 *(note 36(a))*	Total HK$'000
At 1 April 2023	45,439	–	1,142,594	8,855,992	2,295,909	164,728	12,504,662
Financing cash flows	(660,807)	(40,950)	478,843	(963,311)	–	(41,474)	(1,227,699)
Exchange adjustment	–	–	–	(9,833)	–	–	(9,833)
Dividend declared	–	40,950	–	–	–	–	40,950
Interest expenses	663,740	–	–	–	–	–	663,740
Amortisation of guaranteed notes	–	–	–	–	5,751	–	5,751
Impairment loss recognised on financial guarantee contracts	–	–	78,379	–	–	–	78,379
At 31 March 2024	48,372	–	1,699,816	7,882,848	2,301,660	123,254	12,055,950
Financing cash flows	(588,969)	(35,513)	500,241	(947,948)	–	(3,523)	(1,075,712)
Exchange adjustment	–	–	–	(10,240)	–	–	(10,240)
Dividend declared	–	35,513	(1,380,500)	–	–	–	(1,344,987)
Interest expenses	577,418	–	–	–	–	–	577,418
Reversal of impairment loss on financial guarantee contracts	–	–	(78,379)	–	–	–	(78,379)
Amortisation of guaranteed notes	–	–	–	–	6,071	–	6,071
At 31 March 2025	36,821	–	741,178	6,924,660	2,307,731	119,731	10,130,121

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	2025 HK$'000	2024 HK$'000
Non-current assets		
Investments in subsidiaries	466,921	457,586
Amounts due from subsidiaries	10,506,299	12,931,213
Loan to a subsidiary	–	80,000
Interests in joint ventures and associates	31,902	35,178
Club memberships	5,200	5,200
Deferred tax assets	566	566
	11,010,888	13,509,743
Current assets		
Other receivables and deposits	8,733	4,033
Bank balances and cash	303,618	170,221
	312,351	174,254
Current liability		
Other payables and accruals	16,191	20,018
Net current assets	296,160	154,236
	11,307,048	13,663,979
Capital and reserves		
Share capital	73,678	73,678
Reserves *(note)*	11,233,370	13,590,301
Total Equity	11,307,048	13,663,979

Note:

Reserves

	Share premium HK$'000	**Capital redemption reserve** HK$'000	**Contributed surplus** HK$'000 *(note)*	**Retained profits** HK$'000	**Total** HK$'000
At 1 April 2023	2,052,135	6,620	134,931	14,364,028	16,557,714
Loss and other comprehensive expense for the year	–	–	–	(2,928,063)	(2,928,063)
Dividends recognised as distribution	–	–	–	(39,350)	(39,350)
At 31 March 2024	2,052,135	6,620	134,931	11,396,615	13,590,301
Loss and other comprehensive expense for the year	–	–	–	(2,356,931)	(2,356,931)
At 31 March 2025	2,052,135	6,620	134,931	9,039,684	11,233,370

Note: The contributed surplus of the Company represents the amount arising from capital reorganisation carried out by the Company during the year ended 31 March 2003.

41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Particulars of the principal subsidiaries at 31 March 2025 and 2024 are as follows:

Name of subsidiary	Place of incorporation/ operation	Issued and fully paid ordinary share capital	Proportion of nominal value of issued share capital held by the Company Directly		Indirectly		Principal activities
			2025 %	2024 %	2025 %	2024 %	
2 Shelley Street Management Limited	Hong Kong	HK$1	–	–	100	100	Provision of property management services
46 Lyndhurst Management Limited	Hong Kong	HK$1	–	–	100	100	Provision of property management services
Able Market Limited	Hong Kong	HK$1	–	–	100	100	Property holding and leasing of property
Able Wealth Enterprise Limited	Hong Kong	HK$10	–	–	100	100	Property holding and leasing of property
Capital Strategic Property (Shanghai) Limited *(note i)* 資地置業(上海)有限公司	PRC	Registered and paid-up capital RMB300,000,000	–	–	100	100	Property holding and leasing of property
Castle Pacific Limited	Hong Kong	HK$1	100	100	–	–	Treasury management
CH Property Services Limited	Hong Kong	HK$1	–	–	100	100	Provision of management services
Clear Luck Group Limited	BVI	US$1	–	–	100	100	Property holding
Couture Homes Limited	BVI	US$1	100	100	–	–	Investment holding
CSI China Limited	Hong Kong	HK$2	–	–	100	100	Investment holding
CSI Financial Holdings Limited	Hong Kong	HK$100	100	100	–	–	Sales of securities and investment holding
CSI Property Services Limited	Hong Kong	HK$2	100	100	–	–	Provision of management services

41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

Name of subsidiary	Place of incorporation/ operation	Issued and fully paid ordinary share capital	Proportion of nominal value of issued share capital held by the Company Directly		Indirectly		Principal activities
			2025 %	2024 %	2025 %	2024 %	
Embrace Success Limited	BVI	US$1	–	–	100	–	Property holding
Estate Sky Limited	BVI	US$1	100	100	–	–	Bond issuer
Ever Label Limited	BVI	US$1	–	–	100	100	Property holding
Forum East Limited	Hong Kong	HK$1	100	100	–	–	Treasury management
Go Clear Investments Limited	Hong Kong	HK$6	–	–	100	100	Property holding and leasing of property
Group East Limited	Hong Kong	HK$1	100	100	–	–	Treasury management
Highland Management Services Limited	Hong Kong	HK$1	–	–	100	100	Provision of property management services
Hoyden Holdings Limited *(note ii)*	BVI	US$1	–	–	–	100	Property holding and leasing of property
Inbest Limited	Hong Kong	HK$2	–	–	100	100	Sales of securities and investment holding
Knight Basin Limited	Hong Kong	HK$1	100	100	–	–	Treasury management
Linking Plus Investments Limited	BVI	US$1	–	–	100	100	Property holding and leasing of property
Mark Well Investment Limited	Hong Kong	HK$100	100	100	–	–	Sale of securities and investment holding
Modern Value Limited	BVI	US$1	–	–	100	100	Property holding and leasing of property
Shanghai Huajian Business Management Company Limited *(note i)* 上海華建商業管理有限公司	PRC	Registered and paid-up capital RMB350,195,250	–	–	100	100	Property holding and leasing of property

41. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

Name of subsidiary	Place of incorporation/ operation	Issued and fully paid ordinary share capital	Proportion of nominal value of issued share capital held by the Company Directly		Indirectly		Principal activities
			2025 %	2024 %	2025 %	2024 %	
Spring Wonder Limited	Hong Kong	HK$100	–	–	92	92	Property holding
Well Clever International Limited	BVI	US$1	–	–	100	100	Sale of securities and investment holding

Notes:

(i) These companies are wholly foreign owned enterprises established in the PRC. The English name of companies established in the PRC are directly translated from their Chinese names and are furnished for identification purpose only.

(ii) During the year, the Group disposed of the entire interests in the 2025 Disposed Subsidiary – Hoyden. Details are set out in note 31.

None of the subsidiaries had issued any debt securities or any other securities (other than ordinary/ registered share capital) during the year and at the end of the year except for ESL which had issued guaranteed notes as detailed in note 29.

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

At the end of the reporting period, the Company has other subsidiaries that are not material to the Group. The principal activities of these subsidiaries are summarised as follows:

Principal activities of business	Principal place of business	Number of subsidiaries 2025	2024
Corporate services	Hong Kong	4	4
Investment holding	Hong Kong/Macau/PRC	186	229
Inactive	Hong Kong	18	18
Securities investment	Hong Kong	3	3
		211	254

42. EVENTS AFTER REPORTING PERIOD

On 2 February 2025, the Company announced the strategic funding & partnership proposal under which, Gaw Capital Partners ("Gaw Capital"), an exempted company incorporated in the Cayman Islands with limited liability, at the invitation of the controlling shareholder of the Company, will through its managed funds, become a new long-term strategic investor in the Company. Gaw Capital is a well-regarded institutional real estate investor with a strong track record of investing in Asia and other major international markets.

To facilitate the introduction of Gaw Capital as a strategic investor through its managed funds, the Company has agreed to the strategic funding & partnership proposal with a view to raising aggregate proceeds of approximately HK$1,992 million involving:

(i) The rights issue, being the offer by way of rights of new shares to be allotted and issued 8,288,810,694 rights shares at the subscription price of HK$0.18 per rights share on the basis of 18 rights shares for every 10 Consolidated Shares held on 20 March 2025 ("Record Date") so as to raise HK$1,492 million and the net proceeds from the rights issue, after deducting all relevant expenses for the rights issue, are estimated to be approximately HK$1,463 million ("Rights Issue").

(ii) The senior unsecured note, being a 4-year senior unsecured note to be issued to a company incorporated in the Cayman Islands with limited liability owned by a consortium of institutional investors led by a subsidiary of Gaw Capital, by a subsidiary of the Company in principal amount of HK$500 million on normal commercial terms with an interest rate of 8.22% per annum ("Senior Unsecured Note").

In addition to the Rights Issue and the Senior Unsecured Note, the Board of the Company also proposes the bonus warrants issue with the aim to further enhance shareholders' participation in the Company's future development. Under the proposed bonus warrants on the basis of 1 bonus warrant for every 10 Consolidated Shares held on the Record Date, holders of the bonus warrants will be entitled to subscribe for Consolidated Shares at an initial warrant subscription price of HK$0.22 before 7 April 2027.

Subsequent to 31 March 2025, the Rights Issue became unconditional on 11 April 2025 and was completed shortly afterwards.

On 14 May 2025, ESL offered the issuance of guaranteed notes, which the Company is the guarantor, in the aggregate principal amount of US$150,000,000 (equivalent to approximately HK$1,170,000,000) ("Guaranteed Notes due 2028"), with precedent conditions. The Guaranteed Notes due 2028 bear interest at a rate of 10.50 per cent. per annum and are payable semi-annually in arrears.

Subsequent to 31 March 2025, the precedent conditions are satisfied and the offer of Guaranteed Notes due 2028 is completed on 27 May 2025.

Financial Summary

Summary of the consolidated results and of the assets and liabilities of the Group for each of the five years ended 31 March 2025 is set out below:

(A) RESULTS

	Year ended 31 March				
	2021 HK$'000	2022 HK$'000	2023 HK$'000	2024 HK$'000	2025 HK$'000
Revenue	368,712	420,462	804,270	1,579,132	520,623
Profit (loss) before taxation	444,487	1,335,154	383,427	(497,414)	(1,765,401)
Income tax (expense) credit					
– Current tax and deferred tax	(25,982)	(97,096)	(18,327)	41,462	54,550
Profit (loss) for the year	418,505	1,238,058	365,100	(455,952)	(1,710,851)
Attributable to:					
Owners of the Company	330,809	1,156,180	335,654	(425,605)	(1,691,529)
Holders of perpetual capital securities	89,700	73,422	34,300	–	–
Non-controlling interests	(2,004)	8,456	(4,854)	(30,347)	(19,322)
	418,505	1,238,058	365,100	(455,952)	(1,710,851)

(B) ASSETS AND LIABILITIES

	As at 31 March				
	2021 HK$'000	2022 HK$'000	2023 HK$'000	2024 HK$'000	2025 HK$'000
Total assets	28,643,947	28,993,194	27,766,505	26,238,348	22,438,841
Total liabilities	13,772,722	13,186,376	13,366,733	12,502,230	10,509,314
	14,871,225	15,806,818	14,399,772	13,736,118	11,929,527
Equity attributable to:					
Owners of the Company	13,297,903	14,507,557	14,364,292	13,732,585	11,980,829
Holders of perpetual capital securities	1,539,443	1,257,327	–	–	–
Non-controlling interests	33,879	41,934	35,480	3,533	(51,302)
	14,871,225	15,806,818	14,399,772	13,736,118	11,929,527

Schedule of Major Properties held by the Group

As at 31 March 2025

MAJOR PROPERTIES

Particulars of major properties held by the Group as at 31 March 2025 are as follows:

Location	Usage	Group's interest	Approximate site area (sq.ft.)	Approximate gross floor area (sq.ft.)	Land lease expiry
PROPERTIES HELD FOR SALE					
(i) Hong Kong					
G/F. and 11 car parks of Capital Centre, No. 151 Gloucester Road, Wan Chai, Hong Kong	Commercial	100%	N/A	16,606	2027
Retail portions on G/F and 2-3/F., LL Tower, No. 2 Shelley Street, Central, Hong Kong	Commercial	100%	N/A	4,107	2843
Shop 24, G/F., Duke Wellington House, No. 24 Wellington Street, Central, Hong Kong	Commercial	100%	N/A	432	2843
Cadenza (exclude 333C), No. 333 Fan Kam Road, Sheung Shui, New Territories	Residential	92%	68,986	27,417	2065
House B, "8-12 Peak Road", No. 10 Peak Road, The Peak, Hong Kong	Residential	100%	N/A	5,083	2084

MAJOR PROPERTIES (Continued)

Location	Usage	Group's interest	Approximate site area (sq.ft.)	Approximate gross floor area (sq.ft.)	Land lease expiry
PROPERTIES HELD FOR SALE (Continued)					
(i) Hong Kong (Continued)					
FOCO, 48 Cochrane Street, Central, Hong Kong	Commercial	100%	2,118	31,762	2843
Nos. 152-164 Wellington Street and Nos. 1-2 Wa On Lane, Central, Hong Kong	Commercial	100%	6,618	99,185	2842
Hong Kong Health Check Tower Nos. 241 and 243 Nathan Road, Jordan, Kowloon	Commercial	100%	4,908	61,800	2070
(ii) Macau					
2 floors of Broadway Centre and various carparking spaces	Commercial	60%	N/A	4,203	Freehold
INVESTMENT PROPERTIES					
The PRC					
In Point Shopping Mall, Levels 1-2, Level 7 (Corridor), No. 169 Wujiang Road and basement level 1 at No. 1, Lane 333, Shimen 1st Road, Jing'an District, Shanghai, PRC	Commercial	100%	149,017	122,444	2041
Richgate Plaza, Level 1, Level 2 and Basement level 1, Nos. 1-6, Lane 222 Madang Road, Huangpu District, Shanghai, PRC	Commercial	100%	157,703	121,959	2042


352 NATHAN ROAD
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SUMMER FASHION SALE
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