



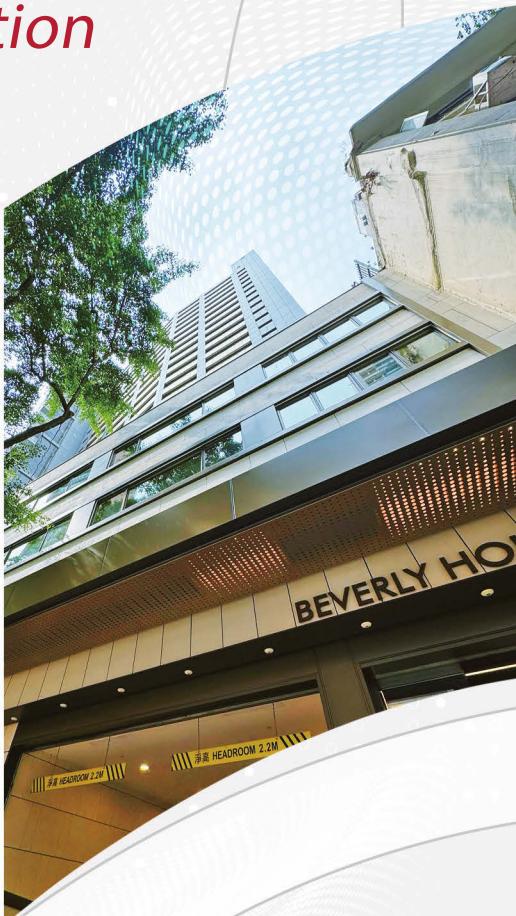
博富臨置業有限公司

Pokfulam Development Company Limited

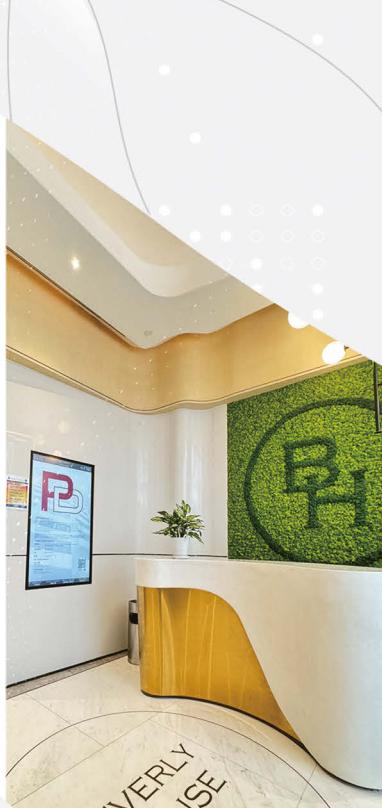
Stock Code : 225

Property Leasing | Management | Development

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Annual Report
2024/2025



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CORPORATE INFORMATION

DIRECTORS

Executive Directors

Wong Tat Chang, Abraham
(Chairman and Managing Director)
Wong Tat Kee, David
Wong Tat Sum, Samuel
Sung Kwan Yuk, Katherine

Independent Non-executive Directors

Li Kwok Sing, Aubrey
Sit Hoi Wah, Kenneth
Seto Gin Chung, John

BOARD COMMITTEES

Audit Committee

Li Kwok Sing, Aubrey (Chairman)
Sit Hoi Wah, Kenneth
Seto Gin Chung, John

Remuneration Committee

Sit Hoi Wah, Kenneth (Chairman)
Wong Tat Chang, Abraham
Li Kwok Sing, Aubrey

Nomination Committee

Wong Tat Chang, Abraham (Chairman)
Sung Kwan Yuk, Katherine
Li Kwok Sing, Aubrey
Sit Hoi Wah, Kenneth
Seto Gin Chung, John

AUTHORISED REPRESENTATIVES

Wong Tat Chang, Abraham
Hui Sui Yuen

COMPANY SECRETARY

Hui Sui Yuen

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

23rd Floor, Beverly House
93-107 Lockhart Road
Wanchai
Hong Kong
Tel: (852) 2520 1010
Fax: (852) 2865 0804
E-mail: pdcl@pokfulam.com.hk

PRINCIPAL BANKERS

The Bank of East Asia, Limited
The Hongkong and Shanghai Banking Corporation Limited
OCBC Bank (Hong Kong) Limited
Bank of Communications Co., Ltd.
Industrial and Commercial Bank of China (Asia) Limited

SOLICITORS

Howse Williams
Tony Kan & Co.
Huen & Partners, Solicitors

INDEPENDENT AUDITOR

BDO Limited
Certified Public Accountants
Registered Public Interest Entity Auditors

SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre,
16 Harcourt Road,
Hong Kong
Tel: (852) 2980 1333
Fax: (852) 2810 8185

WEBSITE

<https://www.pokfulam.com.hk>

SHARE INFORMATION

Place of Listing
Main Board of
The Stock Exchange of Hong Kong Limited

Stock Code

225

Board Lot

2,000 shares

CHAIRMAN'S STATEMENT

RESULTS FOR THE YEAR

Pokfulam Development Company Limited (the "Company") and its subsidiaries (the "Group") reported a consolidated net loss attributable to shareholders of approximately HK\$215.7 million (2024: HK\$597.1 million) for the year ended 30 September 2025 (the "Year", or "FY2025"). This result was primarily driven by significant fair value revaluation and other non-cash adjustments, including:

- A revaluation deficit of approximately HK\$263.6 million (2024: HK\$626.5 million) on investment properties;
- A net revaluation gain of approximately HK\$4.6 million (2024: loss of HK\$11.0 million) on securities investments and equity instruments;
- Share of loss in a joint venture of approximately HK\$9.8 million (2024: HK\$5.8 million);
- Exchange loss on amounts due from a joint venture of approximately HK\$1.2 million (2024: HK\$0.2 million); and
- Net provision for impairment losses on financial assets of approximately HK\$1.8 million (2024: HK\$6.9 million).

Excluding these items and their related tax effect of approximately HK\$1.9 million (2024: HK\$4.1 million), the Group's underlying profit attributable to shareholders for FY2025 would have been approximately HK\$58.0 million (2024: HK\$57.4 million).

DIVIDEND

The board of directors of the Company (the "Board") has recommended the payment of a final dividend of HK32 cents per share in respect of the Year (the "Final Dividend") to the shareholders of the Company (the "Shareholders") whose names appear on the register of members of the Company on Friday, 13 February 2026. This proposed pay-out, together with the interim dividend of HK4 cents per share paid on Thursday, 26 June 2025, would give a total dividend of HK36 cents per share for the whole financial year (2024: HK36 cents). Subject to the Shareholders' approval at the annual general meeting of the Company to be held on Thursday, 5 February 2026, it is expected that the Final Dividend would be paid to the Shareholders on Friday, 6 March 2026.



CHAIRMAN'S STATEMENT

BUSINESS REVIEW

A. Hong Kong

Rental business –

Rental income from investment properties in Hong Kong, from which the major portion of the Group's operating profit was derived, was 2.6% less than that of last year, reflecting the continued pressure faced by the property leasing markets of Hong Kong and mainland China.

Thankfully, rental income from the Group's residential properties, supported by recovering demand from expatriate tenants and incoming talent from mainland China, increased modestly by 1.7%.

Meanwhile, rental income from the Group's commercial and industrial properties declined by 11.4%, underscoring a tenant-driven market environment focused on lease renewals and cost containment. Office and industrial tenants continued to prioritize flexibility and rental efficiency, contributing to downward pressure on the rental values of commercial and industrial spaces.

Elephant Holdings Limited ("EHL") –

EHL is a provider of audio-visual, CCTV security, digital signage, public address, and video wall solutions, as well as high-end high-fidelity audio systems to both government and private end-users. Sales in FY2025 saw a significant boost following the completion of the Shenzhen Bay Border Control Point PA project, and the rebuilt Mariners' Club in Tsim Sha Tsui, which contributed to a strong first-half performance.

However, new sales orders slowed down in the second half of the Year, as private sector clients adopted a more cautious stance amid persistent high interest rates and global economic uncertainties. Retail and commercial clients, in particular, delayed capital expenditure, leading to tightened profit margins and increased competition in tendering for similar projects.

For the Year, EHL accounted for approximately 28.3% of the Group's total revenue, reflecting its continued strategic importance despite prevailing market headwinds.

Fund Investments

The Group maintains a portfolio of stocks and other investment products that yield a satisfactory return. The Group employs the following criteria when evaluating investment and trading opportunities: 1. The potential for return on investment, considering both capital appreciation and dividend payment, for the intended holding period. 2. The level of risk exposure, taking into account the Group's risk tolerance at the current time. 3. The diversification of the current investment portfolio. We remain focused on maintaining a balanced and resilient investment strategy to generate long-term value for stakeholders. To diversify the sources of income and risks of the Group's investment portfolio, we have to date invested in one real estate investment trust (REIT) and three private asset funds.

CHAIRMAN'S STATEMENT

i. Property-related Fund Investment – TKO Fund

The investment in the TKO Fund aligns with the Group's long-term vision by supporting co-investment in retail and parking properties in Tseung Kwan O. While Hong Kong's property market continued to face headwinds during the Year, primarily due to elevated interest rates and cautious consumer sentiment, it is anticipated rate cuts in late 2025 have begun to improve leasing momentum and sale prospects for the properties concerned.

As of 30 September 2025, the Group contributed HK\$34.9 million to the TKO Fund, with the investment valued at HK\$34.8 million, reflecting a stable outlook and the potential for medium-term capital appreciation. The Fund remains strategically positioned to benefit from localized demand recovery and infrastructure-led growth in the Tseung Kwan O district.

ii. Senior secured loans – related Fund Investments

Adams Street Private Income LP ("Adams Street Fund")

The Adams Street Fund, focused on senior secured loans for middle-market companies in the United States of America (the "U.S."), continued to provide stable income and downside protection. Our full commitment of USD7.5 million has been fulfilled, with the investment valued at USD5.3 million as of 30 September 2025. Returns are received via periodic distributions, and the Group remains a passive investor in the Fund.

ALPS Private Credit Feeder Fund ("ALPS Fund")

In January 2025, the Group subscribed to Participating Shares of the ALPS Fund with a total commitment of USD5.0 million. The Fund possesses high potential for steady income generation and aims to deliver current income through global credit market investments, primarily first lien senior secured loans of U.S. middle-market companies supported by strong maintenance covenants.

As of 30 September 2025, the Group has fulfilled its commitment, with the investment valued at USD4.5 million. The Fund remains well-positioned to benefit from a gradual recovery in credit markets and anticipated rate normalization, offering stable distributions and downside protection. The Group continues to participate passively in the Fund's performance through periodic income distributions.

iii. China Technology – related Fund – Hundreds SH Fund LP ("Hundreds Fund")

Our participation in the Hundreds Fund offers equity exposure to high-growth opportunities via the Tencent Plus Partners II Fund, which invests primarily in technology-enabled businesses with a China nexus. The Year was marked by heightened volatility, with early gains in AI-driven sectors offset by escalating U.S.-China trade tensions, fluctuating tariffs, and muted consumer confidence in the domestic market. The Fund's strategy remains focused on identifying scalable platforms and resilient business models capable of navigating cyclical disruptions.

Our commitment to this investment is USD2 million with a 10-year lockup period. As of 30 September 2025, we have contributed USD0.9 million, with the investment valued at USD1.0 million. The Group maintains a long-term view on this exposure, recognizing the structural potential of China's digital economy despite short-term market fluctuations.

CHAIRMAN'S STATEMENT

B. Property Projects in Mainland China

Silver Gain Plaza in Guangzhou (in which the Group has a one-third interest) –

The three shareholders of Silver Gain Development Limited (the "Joint Venture Company") have agreed to realize the accumulated profit from this project through the disposal of their equity interests in the Joint Venture Company (the "Disposal"). The Disposal was required to undergo an open tendering process via the United Assets and Equity Exchange in Shanghai. However, the tendering period ended in 2023 without the execution of any sales and purchase agreement, rendering the process expired. As the tender has terminated, the three shareholders will proceed with re-tendering when favourable opportunities and timing arise.

Residential units in Vivaldi Court of Manhattan Garden, Chao Yang District, Beijing –

The rental income of this project showed a decrease of 13.7% in comparison to that of last year.

C. Finance cost

The finance cost totalled approximately HK\$17.2 million for the Year (2024: HK\$22.4 million), representing a year-on-year decrease. While interest rates in Hong Kong remained elevated relative to the pre-2022 years, they were adjusted downwards midway through the period by the Hong Kong Monetary Authority, which led to the lessening of the Group's overall interest expenses.

D. Fair value change of Investment properties

The valuation of the Group's investment properties across all sectors declined by approximately HK\$263.6 million in FY2025. This reflects a broader market trend in Hong Kong, where transaction volumes remained subdued and capital values softened across most property types, particularly in the commercial and retail sectors.

The decline was mainly attributable to a slump in transaction prices and a rise in rental yields of comparable properties, as valuation benchmarks adjusted to reflect higher financing costs and cautious investor sentiment. This represents a decrease of the value of the Group's investment properties by 5.6% as at 30 September 2025 compared to the assessed value as of 30 September 2024.

PROSPECTS

Amidst continued geopolitical headwinds and a volatile global environment, FY2025 had been a mixed year for Hong Kong's economy and property rental market. Leasing performance in the office sector especially languished under sustained pressures from shifting global political and trade alignments and constrained corporate liquidity. With demand unlikely to reach pre-pandemic levels in the short to medium terms, landlords have resorted to offering competitive concessions to secure new tenants and to retain existing ones. Meanwhile, increased retail traffic offered modest glimpses of optimism as inbound tourism continued to grow and targeted monetary easing measures helped improve consumer sentiment. Recovery of Hong Kong's retail sector, however, remains vulnerable to fluctuations in the broader economy and the persistent trend of residents choosing to spend their off-time north of the border.

The residential sector of Hong Kong's property leasing market performed the strongest throughout FY2025, as reflected in the Group's year-end results. While the room for growth in rental yield remains limited, strengthening business ties between the city and the mainland coupled with a net inflow of overseas talent, have helped sustain the rental demand and occupancy at healthy levels.

CHAIRMAN'S STATEMENT

Reflecting these market dynamics, the Group's rental performance for FY2025 remained resilient. Occupancy and rental income across our office, retail and residential properties held steady throughout the Year, with selective rent renewals and new lettings demonstrating pockets of recovery. Looking into 2026, we shall remain vigilant of near-term volatility and continue to prioritise the maintenance of healthy occupancy levels. We will also seek to enhance the Group's income by optimising our financial investment strategies in a prudent manner. In all, we are cautiously optimistic about the prospects of economic recovery in Hong Kong and Mainland China and will be ready to capture opportunities of sustainable growth when they emerge.

Finally, I would like to thank our Board and staff members for their devotion and hard work. I would also like to thank the Shareholders for their longstanding support.

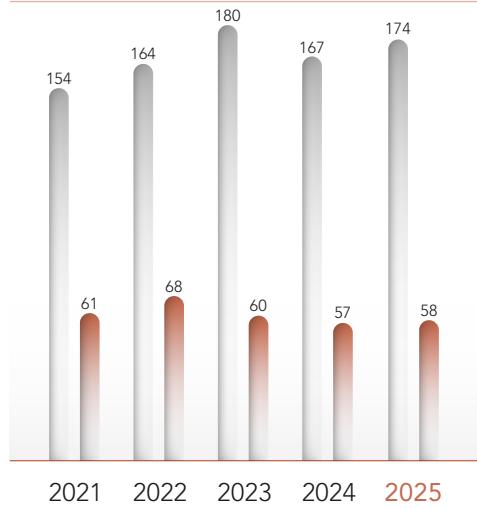
Wong Tat Chang, Abraham
Chairman and Managing Director

Hong Kong, 17 December 2025



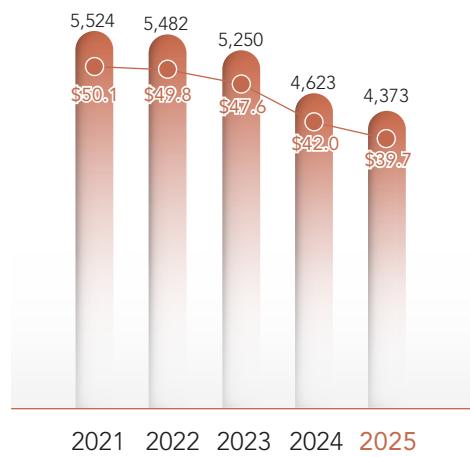
FINANCIAL HIGHLIGHTS

REVENUE/NET OPERATING PROFIT HK\$ Million



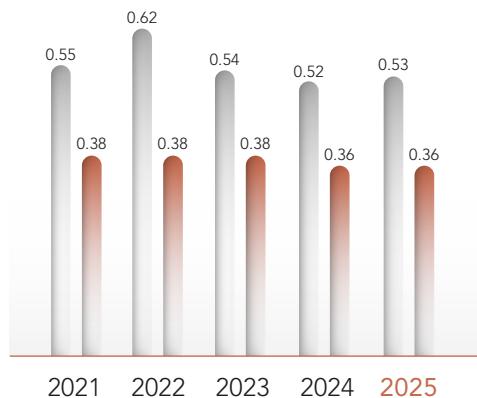
- Revenue
- Net operating profit attributable to shareholders*

SHAREHOLDERS' FUNDS/NET ASSETS PER SHARE HK\$ Million/HK\$



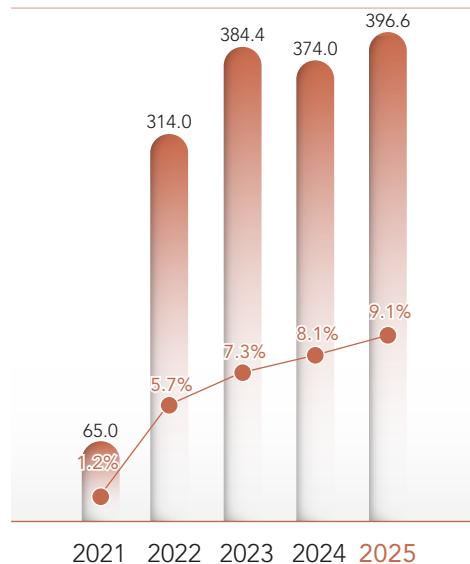
- Shareholders' funds
- Net assets per share (HK\$)

OPERATING EARNINGS/DIVIDEND PER SHARE HK\$



- Operating Earnings per share*
- Dividend per share

GEARING/BORROWINGS



- Gearing ratio
- Borrowings (HK\$ Million)

* Excluding the impacts of major non-operating items (net of taxation)

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS

WONG TAT CHANG, ABRAHAM

B.Sc. (Cornell), Ph.D. (Calif. Berkeley)

Executive Director (Chairman and Managing Director) (Age: 74)

Mr. Wong has been with the Group since 1981. Mr. Wong is the chairman of the nomination committee of the board of directors of the Company (the "Directors", the "Board" and the "Nomination Committee", respectively) and a member of the remuneration committee of the Board (the "Remuneration Committee"). He graduated from Cornell University, the United States of America ("USA") with a Bachelor of Science degree in mechanical engineering and holds a Master and a Doctor of Philosophy degrees in mechanical engineering from the University of California at Berkeley, USA. He is a director of certain subsidiaries of the Company and a number of other private companies. He is the elder brother of Mr. Wong Tat Kee, David and Mr. Wong Tat Sum, Samuel, both executive Directors ("EDs").

WONG TAT KEE, DAVID

B.Sc., M.Sc. (Stanford), MBA (Western Ontario)

ED (Age: 73)

Mr. Wong has been a Director since 1981. He graduated from Stanford University, USA with a Bachelor's degree and a Master's degree in mechanical engineering and also holds a Master of Business Administration degree from the University of Western Ontario, Canada. He has been actively involved in the building construction business in Hong Kong and is a director of B L Wong (Holdings) Limited and a number of other private companies. He is also a director of certain subsidiaries of the Company. He is the younger brother of Mr. Wong Tat Chang, Abraham, an ED, the chairman of the Board (the "Chairman") and the managing Director and the elder brother of Mr. Wong Tat Sum, Samuel, an ED.

WONG TAT SUM, SAMUEL

B.Sc., B.A. (Tufts)

ED (Age: 70)

Mr. Wong has been a Director since 1981. He holds a Bachelor of Science degree in mechanical engineering and a Bachelor of Arts degree in economics from Tufts University, USA. He has been actively involved in the building construction industry and property investment, development and management. He is a director of B L Wong (Holdings) Limited and a number of other private companies. He is also a director of certain subsidiaries of the Company. He is the younger brother of Mr. Wong Tat Chang, Abraham, an ED, the Chairman and the managing Director and Mr. Wong Tat Kee, David, an ED.

SUNG KWAN YUK, KATHERINE

ED (Age: 57)

Ms. Sung was appointed as an ED on 11 December 2024 and as a member of the Nomination Committee on 30 June 2025. Ms. Sung has over 25 years of experience in the property leasing, administration and management. Ms. Sung has been serving in our Group since March 1998. She is currently the leasing manager of the Company and a director of Pokfulam Property Management Limited, a wholly-owned subsidiary of the Company. She is mainly responsible for overseeing the property leasing business of the Group. Prior to joining our Group, Ms. Sung has worked in various companies taking up executive secretary, business administration and project management roles. Ms. Sung is currently a member of the Hong Kong Institute of Housing. She obtained a degree of Bachelor of Arts in Accounting and Financial Management and Economics from The University of Sheffield, the United Kingdom, in July 1990, a Postgraduate Diploma in Corporate Administration from City University of Hong Kong in November 2000, and a Professional Diploma in Housing Management from the School of Professional and Continuing Education of The University of Hong Kong in August 2017.



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

LI KWOK SING, AUBREY

ScB, MBA

Independent Non-executive Director ("INED") (Age: 75)

Mr. Li was appointed as an INED on 30 September 2004. He is the chairman of the audit committee of the Board (the "Audit Committee") and a member of each of the Remuneration Committee and the Nomination Committee. He holds a Master's degree of Business Administration from Columbia University, USA and a Bachelor of Science degree in Civil Engineering from Brown University, USA. He is a director of IAM Family Office Limited, a Hong Kong-based investment firm. He has over 50 years' experience in merchant banking and commercial banking. He is currently non-executive directors of The Bank of East Asia, Limited and Kowloon Development Company Limited, both being companies listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Mr. Li was an independent non-executive director of Cafe' de Coral Holdings Limited (a company listed on the Main Board of the Stock Exchange).

SIT HOI WAH, KENNETH

LLB (Hons.)

INED (Age: 67)

Mr. Sit was appointed as an INED on 10 October 2005. He is the chairman of the Remuneration Committee and a member of each of the Audit Committee and the Nomination Committee. A holder of a Bachelor of Laws (Hons.) degree from the University of Hong Kong, he is a practising solicitor and notary public in Hong Kong with over 40 years' experience in the legal profession. He is a partner of Messrs. Kenneth Sit, Solicitors. He is currently an independent non-executive director of ZXZN Qi-House Holdings Limited (a company listed on GEM of the Stock Exchange).

SETO GIN CHUNG, JOHN

INED (Age: 77)

Mr. Seto was appointed as an INED on 1 July 2019 and is a member of each of the Audit Committee and the Nomination Committee. Mr. Seto was appointed as member of the Nomination Committee on 30 June 2025. He is an independent non-executive director of MS Group Holdings Limited (a company listed on the Main Board of the Stock Exchange). Mr. Seto obtained a Master's degree in business administration from the New York University, USA in 1973. Mr. Seto has over 50 years of experience in the securities and futures industry, which includes his services as the chief executive officer in HSBC Broking Services (Asia) Limited, a non-executive director of Hong Kong Exchanges and Clearing Limited, a council member of the Stock Exchange and the first vice chairman of the Stock Exchange.

SENIOR MANAGEMENT

WONG CHIN YEE

General Manager (Age: 43)

Mr. Wong has been appointed as the general manager of the Company since January 2016. He is also a director of certain subsidiaries of the Company. He holds Master Degrees in Urban Planning and Public Administration from the University of Southern California, USA. He has about 10 years of experience of international development, sustainable development and urban planning before joining the Group. He resided and worked in the People's Republic of China, the Socialist Republic of Vietnam and USA prior to returning to Hong Kong. He is a son of Mr. Wong Tat Chang, Abraham, an ED, the Chairman and the managing Director, and a nephew of each of Mr. Wong Tat Kee, David and Mr. Wong Tat Sum, Samuel, both EDs.

HUI SUI YUEN

FCPA, ACA

Company Secretary and Financial Controller (Age: 46)

Mr. Hui joined the Group in 2012 and is now the company secretary and financial controller of the Company, responsible for the company secretarial, and finance and accounting matters of the Group. He is a director of certain subsidiaries of the Company. He holds a Bachelor of Arts in Accountancy from The Hong Kong Polytechnic University. He has over 20 years' finance and accounting working experience.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THIS REPORT

Pokfulam Development Company Limited (the "Company") and its subsidiaries (collectively as the "Group", "Pokfulam" or "We") is delighted to present our Environmental, Social and Governance ("ESG") Report (the "Report"). The Report aims to demonstrate the Group's commitment on sustainable development and present transparently the Group's material sustainability performance to our stakeholders.

Reporting Scope and Reporting Period

Unless otherwise stated, the Report covers our business segments of (i) property investment and management; and (ii) trading of goods, which account for approximately 95% of the Group's total revenue for the period from 1 October 2024 to 30 September 2025 (the "Reporting Period").

The reporting boundary is primarily determined by the financial significance and the Group's operational influence, as well as on the ESG significance to the Group and its stakeholders. There were no significant changes in the scope of the Report from that of the 2023/2024 ESG Report published by the Group.

Reporting Standards

The Report has been prepared in compliance with disclosure requirements set out in the ESG Reporting Code (the "ESG Reporting Code") in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "HKEx"). A content index is provided at the end of the Report to enhance readability. Further details of our corporate governance are detailed in the Corporate Governance Report section of our Annual Report.

Reporting Principles

In the preparation of the Report, the Group followed the "Reporting Principles" stipulated in the ESG Reporting Code, as shown below.

Reporting Principles	Definition	Response from the Group
Materiality	The Report should report ESG issues that are sufficiently important to investors and other stakeholders.	We identify material sustainability topics that are important to the Group's business and our stakeholders through regular stakeholder engagement and materiality assessment. Please refer the section headed "Materiality Assessment" for details.
Quantitative	The Report should disclose key performance indicators ("KPIs") in a way that is measurable. Comparative data should be provided where appropriate.	The Report discloses quantitative environmental and social KPIs, as well as historical data of KPIs to facilitate comparability over time, as far as practicable. Please refer to "Performance Data Summary" for more details.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Reporting Principles	Definition	Response from the Group
Balance	This ESG Report should present an unbiased picture of the Group's sustainability performance, avoiding selections, omissions, or presentation formats that may inappropriately influence readers' decisions or judgments.	The Report provides our stakeholders with fair disclosures on material aspects related to the Group's business. It covers the Group's sustainability-related progress, achievements and challenges.
Consistency	Consistent methodologies should be employed in the Report to facilitate meaningful comparisons of ESG data over time.	Unless otherwise specified, consistent methodologies were applied when compiling the data disclosed in the Report. Necessary explanations are provided on any changes to the methodology used as compared to the previous year in the Report.

Feedback

We welcome your comments and suggestions on our sustainability performance and disclosure. Please share your feedback with us at pdcl@pokfulam.com.hk.

ABOUT POKFULAM DEVELOPMENT

Overview

Founded in 1970 and listed on the Main Board of the HKEx since 1972, the Company (Stock Code: 225) stands as a respectable property investment and investment holding company, with a focus on three major business segments:

<p>Property Investment and Management</p> <ul style="list-style-type: none">Letting and management of commercial, industrial and residential properties	<p>Trading of Goods</p> <ul style="list-style-type: none">Trading of visual and sound equipment
<p>Securities Investment</p> <ul style="list-style-type: none">Investment in securities	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Our Vision, Properties and Services

Providing You with the Ideal Living and Work Environment

With over five decades of expertise, the Company specialises in property development and management in Hong Kong and beyond. Our exceptional property portfolio comprises luxurious residential developments in prestigious Hong Kong neighbourhoods, as well as commercial and industrial buildings strategically located in key business districts. Our dedicated in-house property management team ensures the highest standards of property operation, creating the ideal living and working environment for our tenants.

RECOGNISED FOR SUSTAINABILITY

During the Reporting Period, the Group was pleased to receive recognitions from various prestigious organisations for our commitment to sustainability and achievements.



Good MPF Employer
by Mandatory Provident
Fund Schemes Authority



Silver Member of the
World-Wide-Fund
("WWF") – Hong Kong



Participant in the ESG
Pledge Scheme by the
Chinese Manufacturers'
Association of Hong Kong
("CMA")



Caring Company by
Hong Kong Council of
Social Service ("HKCSS")



Participant in the
Integrity Charter by
Independent Commission
Against Corruption
("ICAC")

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

OUR SUSTAINABILITY HIGHLIGHTS



SMART

- Implemented UpKeep, SleekFlow and Snapinspect digital platforms to enhance operational efficiency across managed properties
- Maintained high service standards with 0 work – and service-related material complaints recorded



WELLNESS

- Female to male: 1:2
- Delivered a total of 88.5 hours of professional development and upskilling programmes
- Achieved 100% participation in anti-corruption training among the Board and employees
- Maintained 0 reportable work-related accidents and 0 fatality
- Introduced flexible work arrangements and family-friendly benefits for eligible staff



GREEN

- 10,762 kWh of solar energy consumed through on-site renewable energy
- 10,822 kWh of renewable energy certificates ("RECs") purchased
- ↓5.86% total non-hazardous waste intensity per number of working days



COMMUNITY

- Contributed HK\$15,000 to support community programmes covering 3 key focus areas
- Supported the WWF-Hong Kong as the Silver Member for environmental conservation for present and future generations
- Advanced sustainability in business and public sectors through our participation in the ESG+ Pledge Scheme
- Recognised as a Caring Company by HKCSS

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

OUR MANAGEMENT APPROACH TO SUSTAINABILITY

Sustainability Strategy

Guided by our corporate sustainability vision To Make Our Properties Healthier to the Environment and More Responsive to Present and Future Tenant Needs, our sustainability strategy revolves around four sustainability pillars: (i) Smart, (ii) Wellness, (iii) Green and (iv) Community, which guide our specific directions, goals, targets and our actions. We are dedicated to leveraging technology in our properties and services to create healthy, hygienic and environmental-friendly working and living spaces, with a focus on long-term value creation. The Board has approved our sustainability strategy.

Pokfulam's Sustainability Strategy

 SMART	 WELLNESS	 GREEN*	 COMMUNITY
<p>Direction: Utilising technology to provide products and services of the highest quality</p> <p>Goal: We are committed to delivering premium products and services of excellent quality to add value to customers.</p> <p>Our Actions:</p> <ul style="list-style-type: none">• Integrate network-based technologies in our buildings to enhance energy efficiency and tenant comfort• Implement digitalized platform that enable tenants to monitor, control and automate home and office environments via mobile devices• Utilize a cloud-based smart property management platform to ensure timely maintenance and deliver high-quality service	<p>Direction: Providing a healthy work environment for employees</p> <p>Goal: We create and protect a fair, mutually beneficial, safe, and inclusive work environment to create value for our employees.</p> <p>Our Actions:</p> <ul style="list-style-type: none">• Embed a safe, inclusive and respectful workplace in line with local labour standards• Promote diversity, equal opportunity and fair employment practices across the employment lifecycle• Provide diverse training on occupational safety and professional skills, alongside staff engagement and well-being activities• Retrofit residential units with sustainable building materials, such as volatile organic compound ("VOC")-free paint and Forest Stewardship Council ("FSC") certified tile floor tiles	<p>Direction: Building a smart and green environment</p> <p>Goal: We pursue sustainability by enhancing energy efficiency and better use of resource.</p> <p>Our Actions:</p> <ul style="list-style-type: none">• Advance lower-carbon and climate-resilient properties through energy-saving upgrades and renewable-ready infrastructure• Collaborate with recognised environmental organisations, including the WWF Hong Kong, to support environmental initiatives• Enhance connectivity and digitized tenant access to green amenities, such as recycling points and EV charging across managed properties	<p>Direction: Orientating towards the community</p> <p>Goal: We fulfil social responsibility and bring positive impacts to the community so as to cultivate a caring and supportive culture.</p> <p>Our Actions:</p> <ul style="list-style-type: none">• Foster thriving and resilient communities by enhancing living quality through active support for health and wellness initiatives• Drive community investments focused on promoting a climate-resilient future• Connect sustainability efforts with wider community impacts, creating meaningful change across diverse areas

* Please refer the section headed "Green" for details on our green targets.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG Governance Structure and Board's Oversight

Ensuring a resilient framework for sustainability governance is crucial for the Group's long-term growth. The board (the "Board") of directors (the "Directors"), as the highest governance body, has overall responsibility for the Group's ESG strategy and reporting. To seamlessly integrate ESG principles into our day-to-day business activities, the Board provides strategic directions and advice on our sustainability management.

Appointed by the Board and led by the General Manager, the ESG Working Group is responsible for regularly overseeing and advising the Board on matters related to the Group's sustainability management, development and implementation. Our sustainability governance structure is outlined as follows:

Roles and Responsibilities

The Board	<ul style="list-style-type: none">• Assume overall responsibility for overseeing the Group's ESG-related issues• Supervise the Group's ESG vision, mission, strategy, priorities and management approach• Provide strategic directions and advice on sustainability management of the Group• Oversee the process to identify, evaluate, prioritise and manage material ESG-related issues (including risks to our businesses, such as climate-related risks as well as environmental and social risks along the supply chain)• Establish an internal control mechanism for monitoring and overseeing the management of ESG-related issues• Review progress made against ESG-related goals and targets• Review and approve updates to ESG policies and procedures
ESG Working Group	<ul style="list-style-type: none">• Formulate the Group's sustainability strategy, work plans, as well as goals and targets• Identify, evaluate, prioritise and manage material ESG-related issues and risks (including climate-related risks as well as environmental and social risks along the supply chain)• Establish an effective risk management and internal control mechanism• Monitor the Group's ESG performance and progress made against ESG-related goals and targets• Ensure the effective implementation of ESG-related policies and initiatives• Review compliance with relevant laws, rules and regulations related to ESG• Prepare an annual ESG report on its activities for the Board's approval

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ESG-related Risk Management

We are committed to advancing sustainability through effective ESG risk management. The Board is responsible for overseeing our ESG risk management process, while the ESG Working Group is responsible for managing and monitoring the Group's risk management activities. The details of our ESG-related risk management process are as follows:

- 1. Identification** We identify relevant ESG-related risks (including climate related risks and ESG risks along the supply chain) by referencing the latest market and industry trends, with the support of an independent third-party sustainability consultant.
- 2. Evaluation** We assess the potential impacts and likelihood of the relevant ESG-related risks to identify those with the most significant impact, which are then addressed for appropriate mitigation.
- 3. Prioritisation** We prioritise material ESG-related risks based on assessments of their risk levels in terms of potential impact and likelihood of occurrence. During the Reporting Period, the Board reviewed and confirmed the ESG-related risk assessment results.
- 4. Mitigation** We formulate mitigation measures for identified ESG-related risks and delegate their implementation to relevant units.

For further details on our corporate governance and risk management approach, please refer to the Corporate Governance Report section.



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Stakeholder Engagement

The Group endeavours to maintain open communication with our stakeholders to gain a deeper understanding of their expectations. This, in turn, allows us to develop strategies that cater to their needs and promote sustainable business growth. Below are the communication channels we use to regularly engage our diverse stakeholder groups.

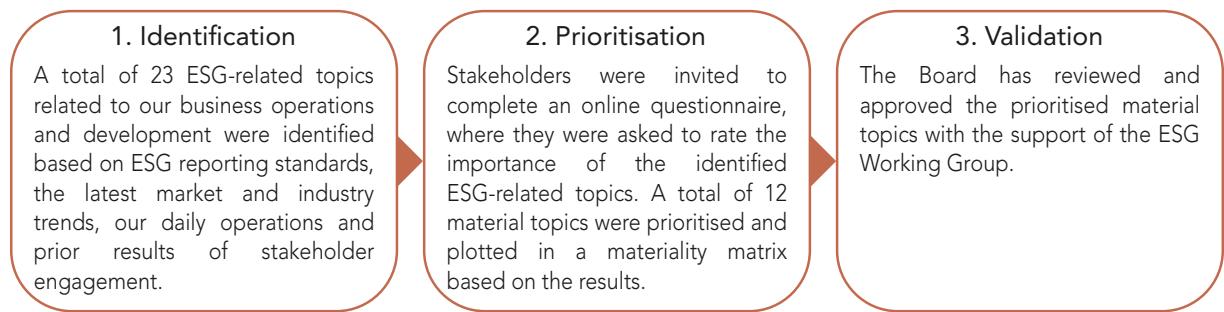
Stakeholder Group	Engagement Channels
Employees	<ul style="list-style-type: none">• Staff meetings• Internal communication platforms• Staff trainings
Customers	<ul style="list-style-type: none">• Company website• Daily operations• Customer service support• Customer satisfaction surveys
Shareholders and Investors	<ul style="list-style-type: none">• Shareholders' meetings and annual general meetings• Company website• Investor conferences• Financial reports
Suppliers and Business Partners	<ul style="list-style-type: none">• Company website• Site visits• Regular reviews
Government and Regulatory Bodies	<ul style="list-style-type: none">• Meetings and interviews• Policy consultations• Disclosures and announcements
The Community and the General Public	<ul style="list-style-type: none">• Company website• Media• Community events• Charity activities

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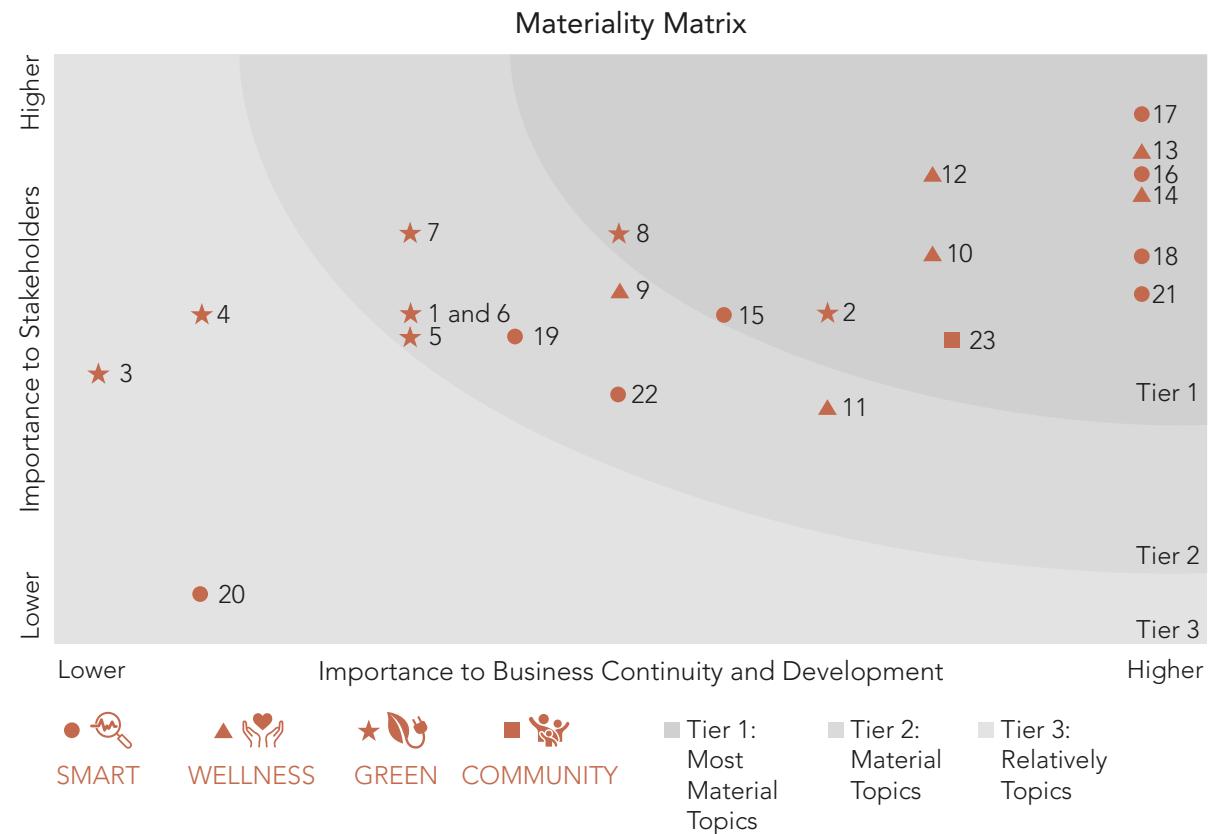
Materiality Assessment

To pinpoint ESG-related topics of significance to both the Group's business continuity and development as well as its stakeholders, we conducted a materiality assessment during the Reporting Period. With the assistance of an independent third-party sustainability consultant, we invited input from internal and external stakeholders through an online questionnaire where they rated the importance of various ESG topics. Additionally, stakeholders were also encouraged to share their insights regarding the Group's sustainability performance.

Our materiality assessment involved multiple steps: identification, prioritisation and validation, which formed our sustainability strategy and facilitated the preparation of this Report.



The materiality matrix below summarises the relative importance of the 23 ESG-related topics to stakeholders (Y-axis) and our business continuity and development (X-axis) based on the aggregated scores obtained from our internal and external stakeholders through an online questionnaire. A total of 12 topics (most material topics) located in Tier 1 of the matrix were prioritised as the most significant for us to address and report on during the Reporting Period.



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GREEN	WELLNESS	SMART	COMMUNITY
1. Energy management and decarbonization	9. Equal opportunities, diversity and inclusion	15. Responsible supply chain management	23. Community investment
2. Waste management	10. Labour practices and human rights	16. Customer wellbeing, health and safety	
3. Water management	11. Talent development and attraction	17. Product assurance and quality	
4. Air emissions	12. Employee wellbeing	18. Customer engagement and satisfaction	
5. Climate resilience and adaptation	13. Occupational health and safety	19. Intellectual property right protection	
6. Green procurement	14. Ethics and integrity	20. Marketing and advertising	
7. Opportunities in green building and clean technology		21. Data privacy and cybersecurity	
8. Product design and lifecycle management		22. Technology and innovation	

List of Most Material Topics Identified

Most Material Topics	Relevant Chapters
2. Waste management	Waste Management
8. Product design and lifecycle management	Sustainable Properties
10. Labour practices and human rights	Respect for Labour Standards
12. Employee wellbeing	Attracting and Retaining Talent
13. Occupational health and safety	Occupational Health and Safety
14. Ethics and integrity	Business Ethics and Integrity
15. Responsible supply chain management	Supply Chain Management
16. Customer wellbeing, health and safety	Product and Service Quality Management
17. Product assurance and quality	Product and Service Quality Management
18. Customer engagement and satisfaction	Customer Feedback
21. Data privacy and cybersecurity	Data Privacy and Intellectual Property Rights
23. Community investment	Community

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SMART

Utilising technology to provide products and services of the highest quality

Goal:	Most material topics covered in this chapter:
We are committed to delivering premium products and services of excellent quality to add value to customers.	<ul style="list-style-type: none">• Responsible supply chain management• Customer wellbeing, health and safety• Product assurance and quality• Customer engagement and satisfaction• Data privacy and cybersecurity

We are committed to delivering premium products and services of excellent quality to add value to customers. The Group is committed to prioritising customers' interests and cater to their individual needs. We maintain strict adherence to relevant laws and regulations¹ in relation to product responsibility. To guarantee the provision of high-quality products and services, the Group has obtained the ISO 9001 Quality Management System certification². We have in place comprehensive quality management policies to govern our quality management procedures and measures.

During the Reporting Period, the Group was not aware of any material non-compliance with relevant laws and regulations relating to health and safety, advertising, labelling and privacy matters relating to products and services provided, as well as methods of redress.

Product and Service Quality Management

In our efforts to foster and cultivate long-term relationships with our tenants, we have integrated technology into the provision of our tenancy services.

UpKeep

UpKeep serves as an internal work process monitoring system that seamlessly integrates maintenance and operations. It efficiently streamlines work requests and communication between departments, guaranteeing the timely delivery of high-quality services for both leased and common areas, both before property handover and during tenancy.

SleekFlow

In collaboration with Upkeep, SleekFlow centralises both internal and external information received from diverse communication channels, including WhatsApp, WeChat, email and more, onto a unified platform. Tenants have direct access to our customer service for inquiries related to property management, billing, and leasing matters. Upon receiving these inquiries, our employees can promptly create work requests and schedule maintenance tasks through UpKeep. This seamless integration between UpKeep and SleekFlow enables us to respond promptly to tenants' immediate requests.

Snapinspect

Snapinspect streamlines our property inspection process, offering comprehensive solutions for our employees to document essential details, comments, and photographs during inspections, and to create inspection checklists. These inspection records serve as valuable references for both management and tenants for evaluating future property conditions.

¹ Please refer to the "Significant Laws and Regulations" section for the list of product responsibility-related laws and regulations significant to the Group's business operations.

² Our Elephant Holdings Limited ("EHL"), a subsidiary of the Company, has obtained the ISO 9001 Quality Management System certification.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Elevating Property Management Excellence

Prioritizing customer and tenant satisfaction with high-quality property management services, we have enhanced our Property Management Services Guideline and Policy, covering aspects such as:

- General management services;
- Security and safety management;
- Cleaning service management;
- Building maintenance and repair management; and
- Customer feedback and complaint handling.

In addition, we have in place clear standardised procedures to ensure the delivery of high-quality services to our tenants before, during and after the tenancy.

1. Setting of Rental	The saleable area mentioned in the vacancy listing is official information sourced directly from the Rating and Valuation Department.
2. Marketing of Property	The tenancy agreement incorporates a clause that allows for property viewings at a mutually agreed upon and reasonable time. This provision enables interested customers to inspect the units, ensuring they acquire an accurate understanding of the current interior conditions, thus mitigating potential disputes or confusion in the future.
3. Negotiation	Negotiations are conducted through a licensed estate agent or via direct communication between leasing managers and tenants, adhering to the Company's established practices and standards.
4. Documentation	Upon reaching a binding agreement, follow-up documentation, including the draft tenancy agreement and signed offer letter, is handled in strict accordance with the Company's pre-established legal and detailed manner.
5. Handover	The handover procedure is facilitated by the use of the Snapinspect app, which generates an inspection report for the reference of both parties involved.
6. Maintenance and Support	Our Property Management and Technical Departments uphold a rigorous standard of post-sale service to guarantee the health and safety of our tenants and customers.

Property Management Company License

As a responsible property management service provider, we ensure that we obtain all necessary licenses required to operate our business. We have obtained the Property Management Company License issued by the Property Management Services Authority, and are committed to ensuring quality, integrity and advancement for our property management services.



Customer Feedback

The Group genuinely appreciates the valuable insights and feedback shared by our tenants, which consistently guides us in our commitment to improving our services. Leveraging SleekFlow and Upkeep, our robust complaint handling procedures to address customer feedback thoroughly:

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1. Tenants are encouraged to share their requests or complaints through easily accessible channels such as WhatsApp, WeChat, email, etc., which are consolidated and managed in SleekFlow and UpKeep.
2. Our dedicated in-house technicians conduct thorough inspections to determine if the issues can be resolved internally or if outsourcing is necessary.
3. In cases requiring immediate attention, our Technical Department representatives promptly visit the site on the same day as the complaint or the following day to assess the extent and scope of the necessary rectification work.
4. To prevent any situation from deteriorating, we swiftly implement a range of temporary measures, ensuring the utmost care and safety.
5. We follow a structured process to obtain management approval for the necessary work, which is then scheduled and completed at a mutually agreed-upon date and time, guaranteeing efficiency and satisfaction.

During the Reporting Period, the Group did not receive any material complaints³ related to the works and services provided (2023/24: 0)

Data Privacy and Intellectual Property Rights

The Group holds customer privacy and information security in the highest regard. We ensure that customer data is handled with strict adherence to all relevant laws and regulations⁴, always maintaining the utmost confidentiality in our tenant information collection process. Comprehensive guidelines and protocols are provided to our employees, ensuring the proper handling of data from collection to storage, processing and disposal. We transparently communicate the purposes of data collection and obtain customer consent, when necessary, before using the data.

In our commitment to safeguarding the Group's information security and data privacy, we strictly prohibit our employees from engaging in any unauthorised access or copying of company data. Additionally, we prohibit the use of illegal software, effectively minimising the risk of information security breaches.

To safeguard the Group's intellectual property rights, we provide guidelines and consistently remind our employees to refrain from infringing upon third parties' intellectual property rights, which may include but are not limited to copyrights, patents, and trademarks.

Supply Chain Management

The Group is committed to collaborating with suppliers who meet high quality and sustainability standards, and continually working to enhance the sustainability of our supply chain. Our comprehensive supplier engagement procedures are established to address and manage our environmental and social risks of the supply chain effectively.

³ Material complaints refer to complaints that have a significant long-term impact on our customers or are related to the failure to deliver the agreed product and service requirements.

⁴ Please refer to the "Significant Laws and Regulations" section for the list of laws and regulations significant to the Group's business operations.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

1. Selecting Suppliers	<ul style="list-style-type: none"> When screening suppliers, we consider factors including the following as our tendering criteria: <ul style="list-style-type: none"> ➤ Price ➤ Product and service quality ➤ Use of sustainable construction materials ➤ Environmental and safety-related qualifications and performance (e.g., noise control) ➤ Adequate insurance coverage
2. Supplier Evaluation and Ensuring Suppliers' Sustainability Performance	<ul style="list-style-type: none"> Apart from the above selection criteria, the supplier evaluation is assessed and/or taken into consideration the criteria, including: <ul style="list-style-type: none"> ➤ Track record ➤ Possession of valid licenses and certificates ➤ History of workplace injuries and legal disputes ➤ Environmental protection ➤ Occupational health and safety management ➤ Product and service quality ➤ Conduct and ethics ➤ Compliance with laws and regulations
3. Monitoring Suppliers' Performance	<ul style="list-style-type: none"> We monitor the performance of suppliers through on-site inspections to ensure that they meet all necessary requirements. In the event of identifying issues, including any adverse environmental or social impacts, during these inspections, we will respond with appropriate measures, which may, if required, involve a reconsideration of our partnership relationships. We continuously review our supply chain management practices where applicable. Our Occupational Health Code for Contractors ensures their health and safety, covering various aspects, including but not limited to: <ul style="list-style-type: none"> ➤ Working safely at height ➤ Handling hazardous and chemical substances ➤ Operating machinery and equipment safely ➤ Complying with health and safety laws and regulations ➤ Using all required safety equipment as mandated ➤ Ensuring all workers have received necessary training and relevant certifications

In our efforts to mitigate environmental and social risks, we conducted an ESG-related risk assessment for our suppliers along the supply chain during the Reporting Period. The Board and ESG Working Group continually oversee the environmental and social risks along the supply chain and assess control measure effectiveness on a regular basis. We will continue to look for areas for improvement to further strengthen our supplier management approach. According to our findings, none of these suppliers were considered "high risk" in the assessment.

During the Reporting Period, the Group engaged a total of 222 suppliers (2023/24: 207), all of whom implemented the practices related to engaging suppliers.

Responsible Advertising and Marketing

With our primary focus on property management and investment, we collaborate with licensed estate agents who employ their marketing strategies to connect our properties with potential tenants. All marketing materials shared with agents or featured on our company website undergo thorough review and approval by designated staff to prevent the publication of misleading information.

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WELLNESS

Providing a Healthy Work Environment for Employees

Goal:

Most material topics covered in this chapter:

We create and protect a fair, mutually beneficial, safe, and inclusive work environment to create value for our employees.

- Labour practices and human rights
- Employee wellbeing
- Occupational health and safety
- Ethics and integrity

The Group is deeply committed to creating a safe, diverse and inclusive working environment for our employees. We prioritise their wellness and wellbeing by providing ample benefits and training opportunities, all while upholding a strong commitment to ethical and fair operations.

In this regard, we are in strict compliance with applicable laws and regulations⁵ relating to employment, health and safety, labour standards and anti-corruption. Our Employees' Handbook and other human resources policies detail our expectations and arrangements on various aspects, including compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare, as well as labour standards, health and safety and anti-corruption.

During the Reporting Period, we were not aware of any material non-compliance with laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare, as well as preventing child and forced labour.

Attracting and Retaining Talent

We provide competitive packages to attract and retain diverse talents, and maintain our competitiveness. Our employees are entitled to comprehensive benefits and welfare, such as medical, various kinds of paid leaves, allowances and retirement benefits, including but not limited to:

Medical benefits	Family leaves	Study leaves	Compensation leaves	Exam leaves
				
Flexible working locations	Flexible working hours	Family insurance plans	Retirement plans	Allowances
				

⁵ Please refer to the "Significant Laws and Regulations" section for the list of laws and regulations significant to the Group's business operations.



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We seek to promote an open feedback culture and value the voices of our people. Through various communication channels, including notices, circulars and team briefings, we collect their opinions on a regular basis to address concerns.

We also organise various employee activities, such as company lunches and mental health sessions to enhance employees' well-being.

Good MPF Employer Award 2024-25	
	During the Reporting Period, the Group was awarded with the Good MPF Employer Award, e-Contribution Award and the MPF Support Award by the Mandatory Provident Fund Schemes Authority, as a recognition of our efforts to support the retirement protection for employees.
Cultivating Sustainability: Kokedama Workshop with WWF-Hong Kong	
	To promote environmental awareness and encourage employees to embrace sustainable living, we participated in the Urban Oasis DIY Kokedama Workshop organized by WWF-Hong Kong during the Reporting Period. During the workshop, employees learned about different plant species and sustainable gardening techniques and created their own Kokedama (moss balls) using natural materials. Through this initiative, we aim to inspire staff to adopt greener habits and contribute to a more sustainable future.

Diversity, Inclusiveness and Equal Opportunities

The Group is dedicated to advancing workplace diversity, inclusiveness and equal opportunities. Guided by our Employees' Handbook and Employee Code of Conduct, we strictly prohibit any forms of harassment and discrimination in our workplace. Throughout recruitment, internal transfer, promotions and benefits provision, we extend equal opportunities to both candidates and employees, regardless of their gender, nationality, marital status, physical abilities, or religious belief.

To promote inclusiveness in the workplace, we have launched family-friendly arrangement and support programmes, such as paid family leaves and flexible working hours for employees with special needs.

Occupational Health and Safety

The Group strives to provide a healthy, safe, and congenial work environment for our employees. To further strengthen this commitment and improve the well-being, we enhanced our occupational health and safety guidelines for security personnel and technicians during the Reporting Period. Under a set of policies and guidelines, we continuously monitor the implementation of our safety management system and relevant measures to safeguard employee health and safety, including but not limited to:

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- Ensuring all employees have access to the Health and Safety Policy and first-aid kit(s)
- Providing job safety training
- Conducting job hazard analysis, particularly mandatory hazard identification and risk assessment in the workplace for security personnel and technicians
- Arranging regular safety meetings at jobsites
- Requiring workers to wear personal protective equipment (PPE) and appropriate clothing, where necessary, such as safety belts and safety gloves, masks and glasses, etc.
- Reporting all accidents and incidents immediately
- Inspecting fire extinguishers, emergency exits, smoke detectors, and other safety-related facilities and equipment used during technical construction work
- Promoting health and well-being by providing access to medical facilities and encouraging security guards and technicians at each property to seek medical assistance when needed
- Encouraging regular breaks for both security personnel and technicians to help prevent fatigue and stress-related issues
- Establishing emergency preparedness procedures to prevent accidents and promote safety
- Installing AEDs at each site and at the head office to strengthen emergency preparedness and enable timely medical response
- Repainting site floors with anti-slip materials to prevent slipping hazards and enhance workplace safety

Enhancing Health and Safety Through Training

During the Reporting Period, the Group conducted a comprehensive series of occupational health and safety training courses covering key topics such as major safety and health regulations for industrial accident prevention, recent amendments, construction site safety, and working at height with scaffolding and suspended platforms. By providing these safety training sessions to our employees, we are dedicated to protecting the health, safety and wellbeing of our employees.

During the Reporting Period, we were not aware of any material non-compliance with applicable laws and regulations in relation to the occupational health and safety of employees. In addition, there were no reportable lost days due to work injury (2023/24: 0 lost days). There were no work-related fatalities occurred in each of the past three years including the Reporting Period.

Professional Development and Training

The Group is dedicated to enhancing employees' capabilities and expertise in the ever-evolving business landscape. We provide a wide range of training opportunities, including on-the-job training, seminars, workshops, site visits and formal training programmes, to help our employees improve their knowledge and skills relevant to their work. To incentivise employee participation in training and development, we provide corporate subsidies for continuous professional development.

Providing employees with rewarding career paths is essential for retaining and motivating talent. The Group focuses on enhancing career development and promotion opportunities, conducting regular formal performance appraisals to evaluate employee performance.

During the Reporting Period, we delivered a total of 88.5 hours of training to employees (2023/24: 155.0 hours), covering areas such as occupational health and safety, professional knowledge, etc.



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Respect for Labour Standards

The Group seeks to build an ideal and respectful work environment where human rights are upheld. We maintain a zero-tolerance approach towards child and forced labour.

During the recruitment process, candidates are required to present identification documents as a preventive measure to ensure they are of legal working age. Moreover, to avoid forced labour, we have developed an Employee's Handbook and other policies which detail our terms and conditions regarding overtime compensation, dismissal procedures, working hours and rest period, etc. If any child or forced labour is discovered at the workplace, we will immediately escort them out of the workplace, terminate the labour relationship, and conduct all necessary follow-up actions as required by relevant laws and regulations.

Our Human Resources Department continually reviews our employment practices to ensure the effectiveness of our existing measures in preventing child or forced labour.

Business Ethics and Integrity

Anti-Corruption

The Group observes strict ethical standards and maintains a zero-tolerance stance against any forms of bribery, extortion, fraud, and money laundering. These expectations are clearly articulated in our Employee Code of Conduct, which provides our staff with guidelines on anti-corruption practices, as detailed below.

- Employees are prohibited from offering, soliciting or accepting anything of material value to or from their colleagues, customers, suppliers or other business partner without prior consent.
- Employees must promptly declare any actual or potential conflicts of interest that may arise during the course of their official duties.
- Employees are expected to avoid any conflicts between their personal interest and the interest of the Company when dealing with suppliers, consumers and other organisations.

To raise employees' understanding of ethical business practices, all employees and directors are required to complete anti-bribery and anti-corruption training upon joining the Group. During the Reporting Period, we provided anti-corruption training to directors and staff, focusing on practices specific to the property management industry, ethical standards, internal control and risk management. In addition, we conduct regular internal control reviews that incorporate anti-corruption elements to reinforce compliance in day-to-day operations. These measures aim to elevate employees' understanding of business ethics and foster a heightened awareness of anti-corruption practices.

During the Reporting Period, we were not aware of any material non-compliance with relevant laws and regulations relating to bribery, extortion, fraud and money laundering. In addition, there were no concluded legal cases regarding corrupt practices brought against the Group or our employees (2023/24: 0).

Fostering a Clean Business Environment

To demonstrate our commitment to business integrity, the Group joined the "Business Sector Integrity Charter" championed by the Independent Commission Against Corruption ("ICAC") of Hong Kong during the Reporting Period. The Group has fulfilled all requirements of the Charter, which encourages companies to adopt an Integrity Management System ("IMS") to promote professionalism and uphold Hong Kong's reputation as an integrity hub. The IMS includes:

- **Integrity Officer:** Appoints an officer to oversee integrity practices and governance
- **Integrity Policy:** Implements a policy with 10 core integrity elements
- **Annual Training:** Requires annual ICAC training for the Integrity Officer or a senior manager

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Whistleblowing Mechanism

The Group encourages our staff and those who deal with the Group to raise any concerns regarding potential misconduct. Our whistleblowing policy states our commitment to whistle-blower protection as well as our complaint initiation and investigation procedures. The Board has the overall responsibility for the mechanism, whereas the Audit Committee is responsible for overseeing and implementing the mechanism.

Reporting	Investigation	Outcome
<ul style="list-style-type: none">An employee and those who deal with the Group with a concern about malpractice are encouraged to report it verbally or in writing.	<ul style="list-style-type: none">Concerns are escalated directly to the respective division or department head, and if necessary, to the Managing Director or the Chairman of the Board, the Audit Committee in the event if the concern involves the Managing Director or the Chairman of the Board.Whistleblower identities will remain confidential.	<ul style="list-style-type: none">Following an investigation, appropriate follow-up actions will be taken, and recommendations for improvement will be made.



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GREEN

Building a smart and green environment

Goal: Most material topics covered in this chapter:

We pursue sustainability by enhancing energy efficiency and better use of resource.

- Waste management
- Product design and lifecycle management

The Group is dedicated to strengthening climate resilience and implementing environmental protection and conservation across our operations. Apart from ensuring compliance with relevant environmental laws and regulations⁶, during the Reporting Period, we have introduced additional policies and procedures, including our Environmental Policy, Climate-Related Issues Policy, Extreme Weather Property Management Policy, and treatment and recycling procedures for hazardous and non-hazardous waste to drive climate actions and mitigate environmental impacts.

To protect the environment and natural resources, we identify, assess and manage potential adverse environmental impacts when necessary. Furthermore, we consistently integrate environmental protection and conservation of natural resources into our business strategies and plans.

During the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations relating to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

Our Green Targets

As part of our commitment to climate action and sustainability, we have established and monitored our green targets, as outlined below.

Green Targets		Progress in FY2025
Emissions 	Reducing our air emissions and greenhouse gas emissions by improving energy efficiency and incorporating energy-saving measures and automation technologies	In progress 
Energy 	Reducing our energy consumption by implementing energy conservation measures and automation technologies	In progress 
Waste 	Minimising our waste generation by promoting recycling	Achieved 
Water 	Improving water efficiency by implementing water conservation measures	In progress 

⁶ Please refer to the "Significant Laws and Regulations" section for the list of environmental laws and regulations significant to the Group's business operations.

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Climate Resilience and Management

In recognition of the climate emergency, we have stepped up efforts to strengthen our climate resilience and management. The Group conducted an ESG-related risk assessment during the Reporting Period to identify the potential impact of climate change on our business, and formulated control measures to mitigate these climate-related risks. Below are the identified material climate-related risks, potential impacts and our corresponding mitigation measures:

Climate Risks		Potential Impacts	Our Mitigation Measures
Acute physical risk	Increased severity and frequency of extreme weather events	<ul style="list-style-type: none"> Increased capital expenditures for maintenance and implementation of preventative measures Capital loss and the interruption of business operations due to repairs 	<ul style="list-style-type: none"> Implement precautionary measures across our property projects Protect our properties with relevant insurances, subject to periodic review for adequacy Preferably invest in assets located outside of areas prone to natural hazards, where applicable, such as floods and landslides
Chronic physical risk	Increase in global average temperature	<ul style="list-style-type: none"> Rise in energy consumption expenditure 	<ul style="list-style-type: none"> Integrate green building measures into our property projects, where suitable, including the installation of smart electrical systems, such as automated air-conditioning systems and lighting and incorporating designs that utilises natural light and wind to help regulate building temperature
Transition risk – policy and legal risks	Enhanced building regulations and reporting obligations	<ul style="list-style-type: none"> Higher capital expenditures in the procurement of energy efficient equipment during construction and operation Increased risks of non-compliance with the regulatory requirements 	<ul style="list-style-type: none"> Periodically review the latest laws and policy documents Integrate green building and renewable energy measures into our property projects, such as installing solar panels and purchasing RECs
Transition risk – market risks	Shift in consumer preferences in low-carbon measures	<ul style="list-style-type: none"> Increased spending on construction materials to meet market demands Reduced demand for goods and services that adopt traditional methods 	<ul style="list-style-type: none"> Prioritise the purchase of low-carbon construction materials, such as reflective glass to reduce temperatures Closely monitor customer preferences, market trends, as well as regularly review business plans



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Sustainable Properties

We have introduced various initiatives across our properties to promote sustainability and facilitate the transition to green building practices, including but not limited to:

- Implementing network-based smart-home systems for monitoring, controlling and automating lighting, air conditioning, shading and other systems
- Installing real-time sensors to monitor and regulate indoor air quality (IAQ)
- Installing solar photovoltaic (PV) panels to generate electricity at our properties
- Purchasing RECs
- Retrofitting our residential units with VOC-free paint and FSC-certified floor tiles
- Utilising Solar Chimney to enhance natural ventilation and reduce reliance on air conditioning systems

Promoting the Use of Renewable Energy

Onsite Renewable Energy Generation

We are pleased to share that our property at No. 4 Headland Road is equipped with solar PV panels, marking a significant leap in our adoption of renewable energy. Through the feed-in tariff scheme introduced by Hong Kong Electric in 2019, the renewable energy generated by our solar panels is integrated into the electric grid.

During the Reporting Period, we generated approximately 10,822 kWh of solar energy (2023/24: 9,822 kWh).

Renewable Energy Certificates

In line with our ongoing commitment to reducing our carbon emissions associated with purchased electricity, we have harnessed renewable electricity generated from local solar PV and wind power systems by purchasing RECs from Hong Kong Electric. During the Reporting Period, we obtained approximately 10,822 kWh of electricity through these RECs (2023/24: 9,822 kWh).

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GHG Reduction and Energy Conservation

Our primary sources of GHG and energy consumption include the usage of purchased electricity for offices and properties, and the consumption of fuel for our vehicles. We strive to reduce our GHG emissions and energy consumption by adopting various measures to improve energy efficiency and raise awareness of environmental protection, including but not limited to:

- Giving priority to products with better energy-efficiency when replacing electrical equipment
- Redesigning the air conditioning system by relocating the air vents at office to maximise energy efficiency and improve the apparent temperature perceived by employees
- Maintaining a room temperature of 25.5°C
- Installing time control devices in some electrical equipment for automatic shutdown during non-office hours to avoid unnecessary energy consumption
- Putting up conspicuous signs by the switches of air conditioners
- Reminding employees to close doors and windows when turning on air conditioners
- Cleaning air conditioners regularly to improve operational efficiency
- Using natural light as much as possible during daytime to reduce the use of lighting
- Ensure that all fleet are properly maintained to maximise efficiency

Waste Management

The Group does not generate a significant amount of hazardous waste in our daily operation. Whereas our non-hazardous waste generation is mainly attributed to office paper usage. We are dedicated to minimising the waste generation by our business activities employing technology and behavioural encouragement measures:

- Adopting electronic systems for daily operations
- Introducing recycling bins to our properties
- Using environmentally friendly paper for bulk print of annual reports
- Advocating double-side printing, recycling and reuse of office supplies and paper
- Recycling and reusing printing and copying consumables
- Encouraging our tenants and employees to use the facilities for waste separation
- Developing waste guidelines for our trading business to support the producer responsibility scheme on waste electrical and electronic equipment

Reducing Office Paper Usage in Daily Operations

The Group utilises a Purchase Order System to reduce the use of office paper. The system enables our employees to issue and approve work orders and process invoice submissions online, significantly reducing our paper consumption in our daily operations.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Water Management

Water used in our business operations is sourced from municipal water supply, hence we did not experience any issues in sourcing water that was fit for purpose during the Reporting Period. The Group is devoted to improving water efficiency by adopting water-saving measures and educating our employees on water saving. To accomplish this objective, we have undertaken the following measures:

- Providing inspection and timely repairs on worn-out water supply facilities and defective pipes
- Providing water-saving tips at workplace and encourage employees to follow
- Installing smart water metering and automatic sensor faucets in our properties

Green Procurement

The Group strives to minimise adverse environmental impact arising from our procurement activities. To address environmental risk along the supply chain, we have adopted a series of measures to promote environmentally preferable products and services when selecting suppliers during our procurement process, including but not limited to the following:

- Prioritise energy-saving lighting solutions with lux and motion sensors
- Consider sun control window films as a faster and easily-installed option to enhance heat management
- Minimise unnecessary purchase, when necessary
- Prioritise local suppliers to minimise carbon emissions during transportation
- Prioritise goods with higher energy efficiency and less environmental impact in our trading of goods business

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

COMMUNITY

Orientating towards the community

Goal:

We fulfil social responsibility and bring positive impacts to the community so as to cultivate a caring and supportive culture.

Most material topics covered in this chapter:

- Community investment

The Group, as a socially responsible corporate, is in the constant pursuit of driving positive change in the communities where we operate. Through continuous community engagement and investment in various initiatives, we aim to actively collaborate with non-profit organisations and social enterprises. We also encourage our employees to participate in volunteer services.

During the Reporting Period, we extended our support in three focus areas – environmental protection, connecting sustainability efforts as well as community health and wellness with charitable donations of a total of HK\$15,000.

Environmental Protection

WWF Corporate Membership Programme

In line with our dedication to advancing smart and green building practices within our community and beyond, the Group has partnered with WWF-Hong Kong in the Corporate Membership Programme (CMP) since 2019. As a Silver Member, our ongoing collaboration with WWF-Hong Kong during the Reporting Period, reflects our strong commitment to environmental conservation, sustainability, and the promotion of a more connected, greener future for present and future generations.



Earth Hour 2025

As part of our commitment to addressing climate change and promoting a sustainable lifestyle, we actively supported Earth Hour 2025, organized by WWF-Hong Kong during the Reporting Period. Through our enthusiastic participation, we encouraged our employees to join millions worldwide in turning off lights in our offices and homes from 8:30 to 9:30 p.m. This symbolic act extended beyond the hour, inspiring deeper awareness and commitment to sustainability.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Connecting Sustainability Efforts

ESG+ Pledge Scheme
<p>We take pride in our active participation in the ESG+ Pledge Scheme, a collaborative effort between CMA Hong Kong and the Hong Kong Brand Development Council, during the Reporting Period. By joining this initiative, we demonstrate our commitment to sustainable development and environmental stewardship. Our engagement in this programme has provided us with valuable insights into practical solutions and best practices, enhancing our ESG management efforts with the wider business community.</p> 

Community Health and Wellness

Skip Lunch Day 2025
<p>During the Reporting Period, the Group made charitable donations to support the Corporate and Employee Contribution Programme organized by the Community Chest. This major fundraising initiative provides a direct channel for corporations and employees to contribute through direct donations. As part of the programme, Skip Lunch Day was held to raise funds for street sleepers and residents in cage homes and cubicles. Through the collective efforts of the Group and other participating organisations, nearly 13,300 Skip Lunch Day coupons were distributed, raising approximately HK\$800,000 to support community health and welfare services.</p> 

Pass-it-On Campaign 2025
<p>During the Reporting Period, the Group participated in the Hong Kong Red Cross's "Pass-it-On Campaign", supporting its theme, "SOU FAR SOU GOOD," which encourages emotional expression and positive action. The Group contributed by purchasing charity items, demonstrating its commitment to social responsibility and fostering a compassionate society. This engagement furthered the Group's ESG objectives and highlighted its dedication to creating a positive impact in the community.</p> 

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

PERFORMANCE DATA SUMMARY

Environmental⁷

Indicator	Unit	2024/25	2023/24
GHG Emissions⁸			
Total GHG emissions (Scopes 1 and 2)	t-CO ₂ e	622.86	623.24
– Direct GHG emissions (Scope 1)	t-CO ₂ e	34.04	28.50
– Indirect GHG emissions (Scope 2)	t-CO ₂ e	588.82	594.74
Total GHG (Scopes 1 and 2) intensity – per working days	t-CO ₂ e/days	2.52	2.53
Total GHG (Scopes 1 and 2) intensity – per gross floor area	t-CO ₂ e/m ²	0.04	0.04
Air Emissions			
Nitrogen oxides (NO _x)	kg	21.30	31.89
Sulphur oxides (SO _x)	kg	0.19	0.16
Particulate matter (PM)	kg	1.94	2.88
Energy Consumption			
Total energy consumption	MWh	1,114.69	1,034.05
– Unleaded petrol	MWh	61.66	54.80
– Diesel	MWh	59.15	46.52
– Non-renewable electricity purchased	MWh	972.29	913.26
– Off-site renewable electricity purchased (via RECs)	MWh	10.82	9.82
– On-site renewable electricity consumed	MWh	10.76	9.65
Total energy consumption intensity – per working days	MWh/days	4.51	4.20
Total energy consumption intensity – per gross floor area	MWh/m ²	0.07	0.06
Waste⁹			
Total non-hazardous waste generated	Tonnes	1.19	1.26
– Total non-hazardous waste disposed	Tonnes	0.70	0.57
– Total non-hazardous waste recycled	Tonnes	0.49	0.69
Total non-hazardous waste intensity – per working days	kg/days	4.82	5.12
Total non-hazardous waste intensity – per gross floor area	kg/m ²	0.07	0.07
Water			
Total water consumption	m ³	9,496.88	9,389.86
Total water consumption intensity – per working days	m ³ /days	38.45	38.17
Total water consumption intensity – per gross floor area	m ³ /m ²	0.56	0.56

⁷ Totals may not be the exact sum of numbers shown here due to rounding.

⁸ In accordance with The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard (Revised Edition) published by World Business Council for Sustainable Development and World Resources Institute, Scope 1 direct emissions are resulted from operations that are owned or controlled by the Group, while Scope 2 indirect emissions are resulted from the generation of purchased or acquired electricity, heating, cooling and steam consumed within the Group.

⁹ There was no significant generation of hazardous waste during the respective Reporting Period.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Social

Indicator	Unit	2024/25	2023/24
Workforce			
Total workforce	Number of People	74	76
By Gender			
Male	Number of People	50	51
Female		24	25
By Employment Type			
Full-time	Number of People	74	76
Part-time		0	0
By Employee Category			
Senior management	Number of People	10	10
Middle management		10	10
General employees		54	56
By Age Group			
18-30	Number of People	2	2
31-45		22	24
46-60		35	31
61 or above		15	19
By Geographical Region			
Hong Kong	Number of People	74	76
Employee Turnover			
Total turnover rate	%	3	3
By Gender			
Male	%	4	2
Female		0	4
By Age Group			
18-30	%	0	0
31-45		0	0
46-60		3	0
61 or above		0	11
By Geographical Region			
Hong Kong	%	3	3
Health and Safety			
Lost days due to work injury	Day(s)	0	0
Work-related fatality	Number	0	0
Employee Training¹⁰			
Percentage of Employees Trained			
Total	%	13	22
By Gender			
Male	%	50	53
Female		50	47
By Employee Category			
Senior management	%	30	23
Middle management		0	6
General employees		70	71

¹⁰ The calculation of employee training data includes the relevant training data of employees who left the Group during the respective year, reflecting the resources invested in training by the Group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Indicator	Unit	2024/25	2023/24
Average Training Hours			
Total	Hour(s)	1.2	2.0
By Gender			
Male	Hour(s)	0.8	1.3
Female		1.9	3.5
By Employee Category			
Senior management	Hour(s)	6.1	7.5
Middle management		0.0	0.4
General employees		0.5	1.3
Supply Chain			
Number of suppliers by geographical region			
Hong Kong	Number of Supplier	197	187
Mainland China		9	7
Other region(s) ¹¹		16	13
Community Investment			
Donations	HK\$	15,000	18,000

¹¹ Other regions include Germany, USA, Taiwan, UK, and Singapore.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SIGNIFICANT LAWS AND REGULATIONS

Aspect	Significant Laws and Regulations
Aspect A: Environmental	<ul style="list-style-type: none">• Air Pollution Control Ordinance (Cap. 311 of the laws of Hong Kong)• Water Pollution Control Ordinance (Cap. 358 of the laws of Hong Kong)• Waste Control Ordinance (Cap. 354 of the laws of Hong Kong)
Aspect B1: Employment	<ul style="list-style-type: none">• Employment Ordinance (Cap. 57 of the laws of Hong Kong)• Employees' Compensation Ordinance (Cap. 282 of the laws of Hong Kong)• Sex Discrimination Ordinance (Cap. 480 of the laws of Hong Kong)• Disability Discrimination Ordinance (Cap. 487 of the laws of Hong Kong)• Family Status Discrimination Ordinance (Cap. 527 of the laws of Hong Kong)• Race Discrimination Ordinance (Cap. 602 of the laws of Hong Kong)
Aspect B2: Health and Safety	<ul style="list-style-type: none">• Occupational Safety and Health Ordinance (Cap. 509 of the laws of Hong Kong)
Aspect B4: Labour Standards	<ul style="list-style-type: none">• Employment Ordinance (Cap. 57 of the laws of Hong Kong)
Aspect B6: Product Responsibility	<ul style="list-style-type: none">• Trade Descriptions Ordinance (Cap. 362 of the laws of Hong Kong)• Personal Data (Privacy) Ordinance (Cap. 486 of the laws of Hong Kong)• Copyright Ordinance (Cap. 528 of the laws of Hong Kong)• Property Management Services Ordinance (Cap. 626 of the laws of Hong Kong)
Aspect B7: Anti-corruption	<ul style="list-style-type: none">• Prevention of Bribery Ordinance (Cap. 201 of the laws of Hong Kong)

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ESG REPORTING CODE CONTENT INDEX

Indicator	Chapter/Disclosure	Page
A. Environmental		
Aspect A1: Emissions		
General Disclosure	Green Significant Laws and Regulations	30-34 40
Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer		
relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.		
KPI A1.1 The types of emissions and respective emissions data.	Performance Data Summary – Environmental	37
KPI A1.2 Greenhouse gas emissions in total (in tonnes) and intensity.	Performance Data Summary – Environmental	37
KPI A1.3 Total hazardous waste produced (in tonnes) and intensity.	Due to our business nature, there was no significant generation of hazardous waste during the Reporting Period.	N/A
KPI A1.4 Total non-hazardous waste produced (in tonnes) and intensity.	Performance Data Summary – Environmental	37
KPI A1.5 Description of emissions target(s) set and steps taken to achieve them	Green GHG Reduction and Energy Conservation	30-34 33
KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Green Waste Management	30-34 33



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Indicator	Chapter/Disclosure	Page
Aspect A2: Use of Resources		
General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials	Green	30-34
KPI A2.1 Direct and/or indirect energy consumption by type in total (kWh in '000s) and intensity.	Performance Data Summary – Environmental	37
KPI A2.2 Water consumption in total and intensity.	Performance Data Summary – Environmental	37
KPI A2.3 Description of energy use efficiency target and steps taken to achieve them.	Green GHG Reduction and Energy Conservation	30-34 33
KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Green Water Management	30-34 34
KPI A2.5 Total packaging material used for finished products (in tonnes), and if applicable, with reference to per unit produced.	The use of packaging material for finished products is not applicable to the Group's business.	N/A
Aspect A3: The Environment and Natural Resources		
General Disclosure Policies on minimizing the issuer's significant impact on the environment and natural resources.	Green	30-34
KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Green	30-34

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Indicator	Chapter/Disclosure	Page
Aspect A4: Climate Change		
General Disclosure	Climate Resilience and Management	31
Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.		
KPI A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Resilience and Management	31
B. Social		
<i>Employment and Labour Practices</i>		
Aspect B1: Employment		
General Disclosure	Wellness	25-29
Information on:	Significant Laws and Regulations	40
(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer		
relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.		
KPI B1.1 Total workforce by gender, employment type, age group and geographical region.	Performance Data Summary – Social	38-39
KPI B1.2 Employee turnover rate by gender, age group and geographical region.	Performance Data Summary – Social	38-39



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Indicator	Chapter/Disclosure	Page
Aspect B2: Health and Safety		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. relating to providing a safe working environment and protecting employees from occupational hazards.	Wellness Occupational Health and Safety Significant Laws and Regulations	25-29 26-27 40
KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	Occupational Health and Safety	26-27
KPI B2.2 Lost days due to work injury.	Occupational Health and Safety Performance Data Summary – Social	26-27 38-39
KPI B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored.	Occupational Health and Safety	26-27
Aspect B3: Development and Training		
General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Professional Development and Training	27
KPI B3.1 The percentage of employees trained by gender and employee category.	Performance Data Summary – Social	38-39
KPI B3.2 The average training hours completed per employee by gender and employee category.	Performance Data Summary – Social	38-39

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Indicator	Chapter/Disclosure	Page
Aspect B4: Labour Standards		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Wellness Respect for Labour Standards Significant Laws and Regulations	25-29 28 40
KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.	Respect for Labour Standards	28
KPI B4.2 Description of steps taken to eliminate such practices when discovered.	Respect for Labour Standards	28
<i>Operating Practices</i>		
Aspect B5: Supply Chain Management		
General Disclosure Policies on managing environmental and social risks of the supply chain.	Supply Chain Management	23-24
KPI B5.1 Number of suppliers by geographical region.	Supply Chain Management Performance Data Summary – Social	23-24 38-39
KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Supply Chain Management	23-24
KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management	23-24
KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Green Procurement	34



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Indicator	Chapter/Disclosure	Page
Aspect B6: Product Responsibility		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Smart Significant Laws and Regulations	21-24 40
KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	During the Reporting Period, we were not aware of any recall concerning the provision and use of products and services for safety and health reasons that had a significant impact on us.	N/A
KPI B6.2 Number of products and service-related complaints received and how they are dealt with.	Customer Feedback	22-23
KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.	Data Privacy and Intellectual Property Rights	23
KPI B6.4 Description of quality assurance process and recall procedures.	Recall procedures are not considered material to our operations.	N/A
KPI B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.	Data Privacy and Intellectual Property Rights	23

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Indicator	Chapter/Disclosure	Page
Aspect B7: Anti-corruption		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Wellness Significant Laws and Regulations	25-29 40
KPI B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Anti-corruption	28
KPI B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Business Ethics and Integrity	28-29
KPI B7.3 Description of anti-corruption training provided to directors and staff.	Whistleblowing Mechanism	29
Community		
Aspect B8: Community Investment		
General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community	35-36
KPI B8.1 Focus areas of contribution.	Community	35-36
KPI B8.2 Resources contributed to the focus area.	Community Performance Data Summary – Social	35-36 38-39



CORPORATE GOVERNANCE REPORT

The board of directors of Pokfulam Development Company Limited (the "Company", the "Directors" and the "Board", respectively) is pleased to present this corporate governance report for the year ended 30 September 2025 (the "Year").

CORPORATE GOVERNANCE PRACTICES

The Board considers good corporate governance practices to be essential to the promotion of the value of the Company's shareholders (the "Shareholders") and the confidence of the investors.

The Board has adopted all the code provisions (the "Code Provisions") as set out in the Corporate Governance Code contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange", the "Listing Rules" and the "Code", respectively) as the corporate governance code of the Company.

During the Year, the Company has applied all the principles and complied with all the Code Provisions as set out in the Code, except for deviation from certain Code Provisions, which are explained in this report. The Company has been committed to maintaining high corporate governance standards. The Company devotes considerable efforts to identify and formalize the best corporate governance practices suitable for the Company's needs. In addition, the Company reviews regularly its organizational structure to ensure that its operations are done in compliance with good corporate governance practices as set out in the Code.

The key corporate governance principles and practices of the Company are summarized as follows:

THE BOARD

Responsibilities

The Board is responsible for leadership and control of the Company and oversees the businesses, strategic decisions and performance of the Company and its subsidiaries (the "Group"). The Board has also established Board committees and has delegated to these Board committees various responsibilities as set out in their respective terms of reference.

The Board reserves for its decisions all major matters of the Company, including approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial reports, appointment of Directors and other significant financial and operational matters.

All Directors are committed to carrying out their duties in good faith and in compliance with the applicable laws, rules, regulations and codes and in the best interests of the Company and the Shareholders at all times.

The day-to-day management, administration and operations of the Company are delegated to the managing director of the Company (the "Managing Director") (who is also the chief executive within the meaning of the Listing Rules) and the senior management of the Company (the "Senior Management"). The delegated functions and responsibilities are formalized and adopted in written terms, and they are periodically reviewed by the Board. The Managing Director and the Senior Management are required to obtain prior approval from the Board for any significant transactions.

CORPORATE GOVERNANCE REPORT

Directors have full and timely access to all the relevant information as well as advice and services of the company secretary of the Company (the "Company Secretary"), with a view to ensuring that Board procedures and all applicable laws, rules, regulations and codes are followed. Each Director is normally able to seek independent professional advice in appropriate circumstances at the Company's expense, upon making a reasonable request to the Board. Directors make decisions objectively in the interests of the Company and the Shareholders as a whole.

Board Composition

The Board currently comprises seven members, namely four executive Directors (the "EDs") and three independent non-executive Directors (the "INEDs"). The number of INEDs exceeds the one-third of the Board members requirement of Rule 3.10A of the Listing Rules.

The Board comprises the following Directors:

EDs

Mr. Wong Tat Chang, Abraham ("Mr. Abraham Wong") (*chairman of the Board (the "Chairman"), Managing Director, chairman of the Nomination Committee and member of the Remuneration Committee*)

Mr. Wong Tat Kee, David ("Mr. David Wong")

Mr. Wong Tat Sum, Samuel ("Mr. Samuel Wong")

Ms. Sung Kwan Yuk ("Ms. Sung") (*member of the Nomination Committee*)

INEDs

Mr. Li Kwok Sing, Aubrey ("Mr. Li") (*chairman of the Audit Committee and members of the Remuneration Committee and the Nomination Committee*)

Mr. Sit Hoi Wah, Kenneth ("Mr. Sit") (*chairman of the Remuneration Committee and members of the Audit Committee and the Nomination Committee*)

Mr. Seto Gin Chung, John ("Mr. Seto") (*members of the Audit Committee and the Nomination Committee*)

Ms. Sung was appointed as an ED on 11 December 2024. Ms. Sung and Mr. Seto were appointed as members of the Nomination Committee on 30 June 2025.

Ms. Sung has confirmed that she obtained the legal advice referred to Rule 3.09 of the Listing Rules and understood her obligation as a director of a listed issuer before her appointment as an ED.

A list of the Directors (by category) is also disclosed in all corporate communications issued by the Company from time to time pursuant to the Listing Rules and is available on the respective websites of the Company and the Stock Exchange.

The biographical information of the Directors, and the relationships amongst them, if any, are set out in the section headed "Biographical Details of Directors and Senior Management" on pages 9 and 10 of this annual report.

Mr. Abraham Wong is the elder brother of Mr. David Wong and Mr. Samuel Wong, who are younger brothers of Mr. Abraham Wong. Save as disclosed above, there is no financial, business or family relationship amongst the Directors.

CORPORATE GOVERNANCE REPORT

All Directors, including the INEDs, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. The INEDs have been appointed to serve on the Board's nomination committee (the "Nomination Committee"), audit committee (the "Audit Committee") as well as remuneration committee (the "Remuneration Committee"). All these Committees provide appropriate advice to the Board.

Board Independence

The Company has established the following mechanisms to ensure that independent views and input are available to the Board, which have been reviewed by the Board and considered to be effective:

- (a) As at the date of this report, three out of the seven Directors are INEDs, which meets the requirement of the Listing Rules that at least one-third of the Board members are independent non-executive directors.
- (b) All INEDs are appointed to the Board committees and continue to contribute actively in Board and Board committees' meetings to bring independent judgement on the development, performance and risk management of the Group.
- (c) The Nomination Committee strictly adheres to the independence assessment criteria as set out in the Listing Rules with regard to the nomination and appointment of the INEDs, and is mandated to assess annually the independence of the INEDs to ensure that they can continually exercise independent judgement. The Company has received from each INED a written confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. With the assessment conducted by the Nomination Committee, the Board still considers that each INED is independent in character and judgement.
- (d) The Chairman encourages enquiries and challenges from all Directors in particular of the INEDs and their comments and concerns will be closely followed up and addressed. All Directors are given an opportunity to include matters in the agenda for the Board meetings.
- (e) If a Director has a conflict of interest in a matter that is determined to be material, the matter should be dealt with by a physical Board meeting. INEDs and other Directors who have no material interest in the matter should be present at or participating in that Board meeting to express their views and input on the matter.
- (f) No equity-based remuneration with performance-related elements will be granted to INEDs, as this may lead to bias in their decision-making and compromise their objectivity and independence.

CORPORATE GOVERNANCE REPORT

Appointment, Re-election and Succession Planning of Directors

The procedures for the Shareholders to propose a person for election as a Director are available and accessible on the Company's website at <https://www.pokfulam.com.hk>.

The procedures and process of appointment, re-election and removal of Directors are laid down in the Company's articles of association (the "Articles of Association"). The Nomination Committee aims to review the structure, size and composition of the Board by considering the benefits of all aspects of diversity in order to maintain an appropriate range and balance of talents, skills, experience and background on the Board, identify suitable candidates to the Board and make recommendations on any matters in relation to the appointment or re-appointment of members of the Board by considering candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board. Appointment of new Directors is reserved for the Board's approval.

The Nomination Committee ensures that the Board comprises members with a balance of gender, age, cultural and educational background, race, professional experience, skills, knowledge, length of service, independence and the diversity to oversee the Group's business development, strategies, operations, challenges and opportunities. The Nomination Committee considers candidates on merit, against objective criteria and with due regard to the nomination policy and the board diversity policy adopted by the Company (the "Nomination Policy" and the "Board Diversity Policy", respectively), and assess the independence of the proposed INEDs as appropriate before making any recommendations to the Board in relation to the appointment or re-appointment of members of the Board.

Where a vacancy on the Board exists as a result of filling a causal vacancy or appointing an additional Director, the Board will carry out the selection process, with the advice provided by the Nomination Committee, by making reference to the selection criteria stated in the Nomination Policy, the Company's needs and other relevant statutory requirements and regulations. An external recruitment agency may be engaged to carry out the recruitment and selection process when necessary.

Pursuant to article 128 of the Articles of Association, any Director appointed by the Board shall hold office only until the next following general meeting of the Company (in case of filling of a casual vacancy) or the next following annual general meeting of the Company (the "AGM") (in case of appointment of an additional Director), and shall then be eligible for re-election. Ms. Sung who had been appointed by the Board as an ED effective 11 December 2024 held office until the AGM held on 22 January 2025, and being eligible, offered herself for re-election and was re-elected as an ED thereat.

In accordance with article 123 of the Articles of Association, at each AGM, one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third), including those appointed for a specific term or holding office as Chairman or Managing Director, shall retire from office by rotation at least once every three years. Accordingly, Mr. David Wong, Mr Seto and Mr. Sit (the "Retiring Directors") shall retire by rotation and being eligible, offer themselves for re-election at the forthcoming AGM. Pursuant to Code Provision B.2.3 of the Code, the re-election of an INED will be subject to a separate resolution to be approved by the Shareholders at the forthcoming AGM if he has served on the Board for more than 9 years.

The INEDs are not appointed for a specific term, but are subject to retirement by rotation and re-election at the AGM in accordance with the Articles of Association.

CORPORATE GOVERNANCE REPORT

Each of Mr. Li and Mr. Sit has served the Company as an INED for more than nine years and does not have any executive or management role in the Company nor has he been under the employment of any member of the Group. The Board considers that they have made considerable contributions to the Company with their relevant experience and knowledge throughout their years of service and they have maintained an independent view in relation to the Company's affairs.

The Board has taken the recommendation of the Nomination Committee and proposed the Retiring Directors to stand for re-election as Director at the forthcoming AGM. In the context of re-appointment of any existing member(s) of the Board, the Nomination Committee will also review the overall contribution and service to the Company of each retiring director, including his/her attendance of Board meetings and, where applicable, general meetings, and the level of participation and performance of the Board and shall then make recommendations to the Board for its consideration and recommendation for the proposed candidate(s) to stand for re-election at the AGM.

The Company's circular to be dated 24 December 2025 contains detailed information of the Retiring Directors standing for re-election.

Induction and Continuous Professional Development

The Company Secretary updates all Directors on the latest developments of and changes to the Listing Rules and the applicable legal and regulatory requirements as well as the business environment regarding subjects necessary for the discharge of their duties. All Directors are encouraged to participate in continuous professional development (the "CPD") to develop and refresh their knowledge and skills.

Directors are required to submit to the Company annually details of training sessions undertaken by them in each financial year so that the Company can maintain records for the Director's training. According to the training records maintained by the Company, the trainings received by each of the Directors during the Year is summarised as follows:

Name of Directors	Type of trainings
EDs	
Mr. Abraham Wong	A and B
Mr. David Wong	A and B
Mr. Samuel Wong	A and B
Ms. Sung	A and B
INEDs	
Mr. Li	A and B
Mr. Sit	A and B
Mr. Seto	A and B

A: attending seminars/webinars/conferences/forums (including anti-bribery and corruption training)
B: reading newspapers, journals and updates relating to the economy, general business, real estate, corporate governance and director's duties and responsibilities

Insurance Cover for Directors

During the Year, the Company has arranged appropriate insurance cover in respect of legal actions against its Directors to comply with the requirement of the Code.

CORPORATE GOVERNANCE REPORT

DIVERSITY OF THE BOARD AND OF THE WORKFORCE

The Company has adopted a Board Diversity Policy. It recognizes and embraces the benefits of having a diverse Board, and sees diversity at board level as an essential element in maintaining a competitive advantage. A truly diverse board will include and make good use of the broad array of gender, age, cultural and educational background, race, professional experience, skills, knowledge, length of service and other qualities of the members of the Board. These different qualities and, if appropriate, independence will be considered in determining the optimum composition of the Board and, when possible, should be balanced appropriately. All appointments of the members of the Board are made on merit, and contribution that the selected candidates will bring to the Board.

The Nomination Committee will monitor the implementation of the Board Diversity Policy and will from time to time review the Board Diversity Policy, as appropriate, and recommend revisions to the Board for consideration and approval.

The Board values gender diversity. The terms of reference of the Nomination Committee were revised on 30 June 2025 to the effect that the Nomination Committee shall, amongst others, maintain gender diversity. The Board and the Nomination Committee are composed of members representing different genders.

The Board places emphasis on diversity (including gender diversity) across all levels of the Group. As at 30 September 2025, the total workforce of the Group was 64% male and 36% female. When hiring employees, the Group considers a number of factors, including gender, age, cultural and education background, qualification, ethnicity, professional experience, skills and knowledge etc. The Group adopted a Workforce Diversity Policy on 30 June 2025.

CHAIRMAN AND MANAGING DIRECTOR

Code Provision C.2.1 of the Code stipulates that the roles of chairman and chief executive should be separated and should not be performed by the same individual.

Although Mr. Abraham Wong holds both the positions of the Chairman and the Managing Director, the Board considers that vesting the roles of both Chairman and Managing Director in the same person provides the Company with strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies. The Board also considers that the current Board composition, where more than one-third of the Board members are INEDs, and the corporate governance structure of the Group ensure effective oversight of management.

The Board will continue to review the effectiveness of the Group's corporate governance structure and consider whether any changes, including the separation of the roles of Chairman and Managing Director, are necessary.

CORPORATE GOVERNANCE REPORT

BOARD COMMITTEES

The Board has established three committees, namely the Remuneration Committee, the Audit Committee and the Nomination Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference. The terms of reference of the Board committees are posted on the Company's website at <https://www.pokfulam.com.hk> and the Stock Exchange's website at <http://www.hkexnews.hk> and are available to the Shareholders upon request. Board committees report to the Board on their work, findings, recommendations and decisions pursuant to their respective terms of reference.

Board committees are provided with sufficient resources to discharge their duties and upon reasonable request, are able to seek independent professional advice in appropriate circumstances at the Company's expense.

Draft minutes of the Board committee meetings are circulated to the respective members of the Board committee concerned for comments and the signed minutes are kept by the Company Secretary.

Remuneration Committee

The Remuneration Committee comprises three members, namely Mr. Sit (chairman), Mr. Abraham Wong and Mr. Li. The majority of the members of the Remuneration Committee are INEDs with an INED being the chairman.

The main duties and responsibilities of the Remuneration Committee are to make recommendations to the Board on the remuneration packages of the EDs, INEDs and the Senior Management for the Board's approval, make recommendations to the Board to improve the transparency of the Company's overall remuneration policy and review and recommend the compensation arrangements relating to any loss or termination of office of the Directors and the Senior Management.

The primary functions of the Remuneration Committee include the following:

- To make recommendations on the establishment of procedures for developing the remuneration policy and structure for all Directors and the Senior Management, which policy and structure shall ensure, amongst other matters, that no Director or any of his/her associates (as defined in the Listing Rules) will participate in deciding his/her own remuneration.
- To review and recommend remuneration proposals of the Company's management (the "Management") by reference to the Board's corporate goals and objectives.
- To review and recommend to the Board the remuneration packages of all EDs and the Senior Management by reference to their time commitment and responsibilities, the salaries paid by comparable companies as well as the employment terms and conditions offered by other member companies within the Group.
- To make recommendation to the Board on the remuneration of non-executive directors.
- To review and recommend the compensation arrangements for all Directors and the Senior Management.

The Remuneration Committee met once during the Year and reviewed the remuneration policy and structure of the Company and the remuneration packages of all Directors and the Senior Management for the Year. The Remuneration Committee recommended the remuneration package of Ms. Sung as an ED designate to the Board by written resolutions.

CORPORATE GOVERNANCE REPORT

Audit Committee

The Audit Committee comprises three members, namely Mr. Li (chairman), Mr. Sit and Mr. Seto. All the members of the Audit Committee are INEDs, including at least one member who possesses the appropriate professional qualifications or accounting or related financial management expertise. None of the members of the Audit Committee is a former partner of the Company's existing external auditor.

The main duties of the Audit Committee include the following:

- To review the financial statements and reports and consider any significant or unusual items raised by the Management or the external auditors before submission to the Board.
- To review the relationship with the external auditors by reference to the work performed by the external auditors, as well as their independence, fees and terms of engagement, and make recommendations to the Board on the appointment, re-appointment and removal of external auditors.
- To review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures, as well as those relating to the Company's environmental, social and governance (the "ESG") performance and reporting.
- To develop and implement a policy on engaging an external auditor to supply non-audit services.
- To review arrangements that employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Group (the "Employees' Arrangements"), and to ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action.

The Audit Committee held two meetings during the Year to review the annual and interim financial results of the Group for the year ended 30 September 2024 and the six months ended 31 March 2025, respectively (the "Annual and Interim Results") and their accompanying reports, financial reporting and compliance procedures, financial control system, internal control system, risk management system, the adequacy of resources, accounting staff's qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function, the re-appointment of the external auditor and the Employees' Arrangements, as well as those relating to the Company's ESG performance and reporting.

The Audit Committee met the external auditor once during the Year in the absence of the Management, to discuss matters relating to any issues arising from the audit and any other matters that the external auditor may wish to raise.

The Audit Committee regularly reviews the internal control system and the risk management system (which includes the system to manage the risks relating to ESG) of the Company and reports to the Board on any variance or risks identified by the Management and makes recommendations to the Board in respect of any actions, as appropriate.

The Audit Committee regularly reviews the relationship with the external auditors and recommends to the Board the appointment, re-appointment and removal of external auditors.

On 17 December 2025, the Company's draft annual consolidated results for the Year have been reviewed by the Audit Committee.

CORPORATE GOVERNANCE REPORT

Nomination Committee

The Nomination Committee has been established by the Board with written terms of reference in compliance with the Code.

The primary functions of the Nomination Committee include the following:

- To determine the Nomination Policy.
- To review the structure, size and composition (including the gender, age, cultural and educational background, race, professional experience, skills, knowledge, length of service and other qualities of the members of the Board) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy and the requirement of Board diversity.
- To identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships.
- To assess the independence of the INEDs.
- To make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for the Directors, in particular the Chairman and the Managing Director.
- To review the Board Diversity Policy, as appropriate, and the measurable objectives that the Board has set for implementing such Policy, and the progress of achieving the objectives and make recommendations to the Board on any proposed change to the same and to exercise such other powers and authorities, and to perform such other duties, as set out in the Board Diversity Policy or delegated by the Board from time to time.
- To oversee the Company's Workforce Diversity Policy, including its implementation, monitoring, periodic review, and recommendations for improvements to the Board.
- To consider gender and broader diversity metrics.
- To support the Company's regular evaluation of the Board's performance.

The Nomination Committee comprises two EDs, namely Mr. Abraham Wong (chairman) and Ms. Sung, and three INEDs, namely Mr. Li, Mr. Seto and Mr. Sit. Where the chairman is not an INED, the Board shall ensure that independent leadership is preserved through INEDs on the Nomination Committee. The majority of the members of the Nomination Committee are INEDs.

The Nomination Committee met once during the Year and reviewed the diversity, structure, size and composition of the Board and the independence of the INEDs, considered the qualifications, experience and performance of the retiring Directors and recommended to the Board their re-election at the AGM for 2023/2024 (the "2023/2024 AGM").

CORPORATE GOVERNANCE REPORT

Number of Meetings and Directors' Attendance

Code Provision C.5.1 of the Code stipulates that the board of directors should meet regularly and board meetings should be held at least four times a year at approximately quarterly intervals. During the Year, the Board held four regular meetings. During these meetings, the Directors discussed and approved overall strategies and policies of the Group, reviewed and monitored the financial and operational performance, and approved the Annual and Interim Results.

During the Year, the attendance records of the Directors at the respective meetings of the Board, the Remuneration Committee, the Audit Committee, the Nomination Committee and the 2023/2024 AGM are set out below:

Name of Directors	Attendance/Number of Meetings Entitled to Attend				
	Regular Board Meetings	Remuneration Committee Meeting	Audit Committee Meetings	Nomination Committee Meeting	2023/2024 AGM
<i>EDs</i>					
Mr. Abraham Wong <i>(Chairman, Managing Director, chairman of the Nomination Committee and member of the Remuneration Committee)</i>	4/4	1/1	N/A	1/1	1/1
Mr. David Wong	4/4	N/A	N/A	N/A	1/1
Mr. Samuel Wong	4/4	N/A	N/A	N/A	1/1
Ms. Sung* <i>(member of the Nomination Committee)</i>	2/3	N/A	N/A	N/A	1/1
<i>INEDs</i>					
Mr. Li <i>(chairman of the Audit Committee and members of the Remuneration Committee and the Nomination Committee)</i>	4/4	1/1	2/2	1/1	1/1
Mr. Sit <i>(chairman of the Remuneration Committee and members of the Audit Committee and the Nomination Committee)</i>	4/4	1/1	2/2	1/1	1/1
Mr. Seto** <i>(members of the Audit Committee and the Nomination Committee)</i>	4/4	N/A	2/2	N/A	1/1

* Appointed as an ED on 11 December 2024 and a member of the Nomination Committee on 30 June 2025

** Appointed as a member of the Nomination Committee on 30 June 2025

Apart from the above-mentioned Board meetings, the Chairman held a meeting with all the INEDs without the presence of other EDs during the Year for, amongst other matters, discussing the Directors' time commitments and contribution in performing their responsibilities to the Company and the Group's strategy.

Practices and Conduct of Meetings

The schedules for annual regular Board meetings and draft agenda of each meeting are normally made available to the Directors in advance in order to allow the Directors to include any other matters in the agenda that is required for discussion and resolution at each meeting.



CORPORATE GOVERNANCE REPORT

Notices of regular Board meetings are served on all Directors at least 14 days before the meetings. Notices of meetings of the Audit Committee, the Remuneration Committee and the Nomination Committee are served on the Committee members at least three days before the meetings in accordance with their respective terms of reference. For other Board meetings and Board committee meetings, reasonable notice is generally given.

Board papers are sent to all Directors to keep the Directors apprised of the latest developments and financial position of the Company and enable them to make informed decisions in accordance with the Code Provisions as stipulated in the Code. The Board and each Director also have separate and independent access to the Senior Management whenever necessary.

The Management has provided all Board members with monthly updates, giving a balanced and understandable assessment of the Company's performance, position and prospects in sufficient details to enable the Board as a whole and each Director to discharge their duties.

Members of the Senior Management are invited to attend Board and Board committees' meetings to report on business developments, financial and accounting matters, statutory compliance, corporate governance and other major aspects of the Company.

The Company Secretary is responsible for taking and keeping minutes of all Board meetings and Board committees' meetings. Minutes of meetings of the Board and the Board committees record in reasonable detail the matters considered and the decisions reached, including any concerns raised by the Directors or dissenting views expressed. Draft minutes are normally circulated for comment within a reasonable time after each meeting and the final version is open for the Directors' inspection.

According to current Board practice, any material transaction, which involves a conflict of interests for a substantial/controlling Shareholder (within the meaning of the Listing Rules) or a Director, will be considered and dealt with by the Board at a duly convened Board meeting. The Articles of Association also contain provisions requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates (as defined in the Listing Rules) have a material interest.

SECURITIES TRANSACTIONS BY DIRECTORS AND EMPLOYEES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "Model Code") as its own code of conduct for Directors' securities transactions.

In response to a specific enquiry made by the Company on each of the Directors, all the Directors have confirmed that they had complied with the required standards as set out in the Model Code throughout the Year and the period thereafter up to the date of this annual report.

The Company has also established written guidelines on no less exacting terms than the Model Code for securities transactions by employees who are likely to be in possession of unpublished inside information of the Company (the "Employees' Written Guidelines"). The Employees' Written Guidelines includes the anti-corruption policy.

No incident of non-compliance with the Employees' Written Guidelines by the employees for the Year was noted by the Company.

CORPORATE GOVERNANCE REPORT

DIRECTORS' AND AUDITOR'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the Year with the assistance of the finance department of the Group.

The Directors are responsible for overseeing the preparation of financial statements of the Company with a view to ensuring that such financial statements give a true and fair view of the state of affairs of the Group and that relevant statutory and regulatory requirements and applicable financial reporting standards are complied with.

The Board has received from the Management explanations and relevant information which enable the Board to make an informed assessment for approving the financial statements.

The statement of the external auditor of the Company about its reporting responsibilities on the consolidated financial statements of the Group for the Year is set out in the "Independent Auditor's Report" on pages 81 to 85 of this annual report.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Particulars of the Directors' remuneration for the Year are set out in note 11 to the Consolidated Financial Statements.

Pursuant to Code Provision E.1.5 of the Code, the remuneration of the members of the Senior Management (other than the Directors) whose particulars are contained in the section headed "Biographical Details of Directors and Senior Management" in this annual report for the Year by band is set out below:

Remuneration band (in HK\$)	Number of individuals
Nil to 1,000,000	-
1,000,001 to 2,000,000	1
2,000,001 to 3,000,000	1

REMUNERATION POLICY FOR DIRECTORS

The remuneration payable to the Directors will depend on the contractual terms under their respective letters of appointment or service contracts. The remuneration of the EDs is determined by the Board by reference to the recommendation of the Remuneration Committee and the remuneration of the INEDs is determined by the Board, having regard to a number of factors, including the remuneration paid by comparable companies in the local industry, the time commitment, job duties and responsibilities in respect of the relevant positions as well as the qualifications and experience of the EDs and the INEDs. Authorisation is to be granted by the Shareholders at each AGM to determine Directors' remuneration for each financial year. No Director can be involved in deciding his/her own remuneration.

CORPORATE GOVERNANCE REPORT

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall 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 appropriate and effective risk management and internal control systems for the Group. The systems are designed to manage the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Management has established a set of comprehensive policies, standards and procedures in areas of operational, financial and risk controls for (i) safeguarding assets against unauthorised use or disposition; (ii) maintaining proper accounting records; (iii) ensuring the reliability of financial information to achieve a satisfactory level of assurance against the likelihood of the occurrence of fraud and errors; and (iv) monitoring material risk relating to ESG.

The Board, through the Audit Committee, has overseen the Company's risk management and internal control systems on an ongoing basis. The Company does not have a formal internal audit function but has been engaging an independent professional internal audit consultant (the "IA Consultant") to conduct a year-end review of the effectiveness of the Group's risk management and internal control systems annually and the systems are considered to be effective and adequate. The IA Consultant has also performed the internal audit function to carry out an analysis and independent appraisal of the adequacy and effectiveness of the systems, and the Company has procedures in place to keep information confidential and manage actual or potential conflict of interests. Stringent internal structures have been designed to prevent the misuse of inside information and avoid conflict of interests.

The Board is of the view that in light of the scale and complexity of the business of the Group, it would be more cost effective to appoint such an IA Consultant to perform the Group's internal audit function in order to meet its needs. It will continue to review on an annual basis the need for an internal audit function.

INSIDE INFORMATION POLICY AND PROCEDURES

The Group acknowledges its responsibilities under the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong and the Listing Rules and the overriding principle that inside information should be announced as soon as reasonably possible when it is the subject of a decision. The procedures and internal controls for the handling and dissemination of inside information are as follows:

- the Group conducts its affairs with close regard to the disclosure requirement under the Listing Rules as well as the "Guidelines on Disclosure of Inside Information" published by the Securities and Futures Commission of Hong Kong in June 2012;
- the Group has implemented and disclosed its policy on fair disclosure by pursuing broad, non-exclusive distribution of information to the public through channels such as financial reporting, public announcements and its website;
- the Group has strictly prohibited unauthorised dissemination or use of confidential or inside information; and
- the Group has established and implemented procedures for responding to external enquiries about the Group's affairs, so that only the EDs and the Company Secretary are authorised to communicate with parties outside the Group.

CORPORATE GOVERNANCE REPORT

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Company considers that effective communication with the Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company endeavours to maintain an on-going dialogue with the Shareholders and in particular, through AGMs and other general meetings. The Chairman, both other EDs, INEDs, and the chairmen of all Board committees (or their delegates) will continue to make themselves available at the AGMs to meet the Shareholders and answer their enquiries. Likewise, the Chairman and other Directors will do so at other general meetings of the Company.

The Shareholders' communication policy of the Company sets out the Company's procedures in providing the Shareholders with prompt and equal access to information about the Company, in order to enable the Shareholders to assess the Company's overall performance, exercise their rights in an informed manner and engage actively with the Company.

The 2023/2024 AGM was held on 22 January 2025. The notice of 2023/2024 AGM was sent to the Shareholders at least 20 clear business days (as defined in the Listing Rules) (longer than the days of notice as required by the Articles of Association) before the 2023/2024 AGM.

The Chairman as well as the chairman of each of the Remuneration Committee, the Nomination Committee and the Audit Committee or, in their absence, other members of the respective committees, and the Company's independent auditor attended the 2023/2024 AGM to answer the Shareholders' questions.

At the AGMs and other general meetings, each substantially separate issue has been/will be considered by a separate resolution, including the election of individual Director, and the poll procedures have been/will be clearly explained.

To promote effective communication, the Company maintains its website at <https://www.pokfulam.com.hk>, where up-to-date information and updates on the Company's financial information, corporate governance practices and other information are posted.

The Company continues to enhance communication and relationships with its investors. The Senior Management has undertaken the role of establishing an effective communication system. They are responsible for responding to the enquiries from the Shareholders/investing public or the media from time to time.

The Board has reviewed the implementation and effectiveness of the Shareholders' communication policy. Having considered the multiple channels of communication and engagement in place, it is satisfied that the Shareholder's communication policy has been implemented during the Year and is effective.

CORPORATE GOVERNANCE REPORT

SHAREHOLDERS' RIGHTS

1. Convening of a general meeting on requisition by Shareholders

Pursuant to Section 566 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "CO"), Shareholders representing at least 5% of the total voting rights of all the Shareholders having a right to vote at general meetings are entitled to send a request to the Company to convene a general meeting.

Such request must state the general nature of the business to be dealt with at the meeting and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. A request may be sent to the Company in hard copy form or in electronic form and must be authenticated by the person or persons making it.

2. Procedures for sending enquiries to the Board

Shareholders may send their enquiries and concerns in writing to the Board by addressing them to the Company Secretary at the registered office of the Company and the Company Secretary shall then forward the same to the appropriate executives of the Company or members of the Board for further handling.

3. Procedures for putting forward proposals at AGM by Shareholders

Pursuant to Section 615 of the CO, Shareholders representing at least 2.5% of the total voting rights of all the Shareholders or at least 50 Shareholders who have a right to vote on the resolution at the AGM to which the request relates can request the Company to give notice of a resolution that may properly be moved and is intended to be moved at an AGM. A request may be sent to the Company in hard copy form or in electronic form and must identify the resolution of which notice is to be given. It must be authenticated by the person or persons making it and be received by the Company not later than 6 weeks before the AGM to which the request relates; or if later, the time at which notice is given of that meeting.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE FUNCTIONS

The Board should establish the Company's purpose, values and strategy and ensure its alignment with the Company's culture in accordance with Code Provision A.1.1 of the Code. It is responsible for performing the corporate governance functions set out in Code Provision A.1.1 and A.2.1 of the Code, including the following:

- To develop, monitor and evaluate a healthy and sustainable Company's culture to support the pursuit of success while adhering to core values of integrity, honesty, fairness, impartiality and ethical business practices.
- To develop, review and update the Company's policies and practices on corporate governance.
- To review and monitor the training and CPD of the Directors and the Senior Management.
- To review and monitor the Company's policies and practices in compliance with legal and regulatory requirements.
- To develop, review and monitor the code of conduct and compliance manual applicable to employees, the Directors and third-parties.
- To review the Company's compliance with the Code and disclosure in the corporate governance report for inclusion in its annual report.
- To perform such other corporate governance duties and functions set out in the Code for which the Board is responsible.

The Board has reviewed the Company's corporate governance policies and practices, training and CPD of the Directors and the Senior Management, policies and practices on compliance with legal and regulatory requirements, compliance with the Model Code, the Employees' Written Guidelines (including the Anti-Corruption Code of Conduct (as defined below)) and the Code as well as disclosure in this corporate governance report.

COMPANY SECRETARY

The Company Secretary is responsible for advising the Board through the Chairman on corporate governance matters and also facilitates induction and professional development of the Directors. The Company Secretary reports to the Chairman. All Directors have access to the advice and services of the Company Secretary to ensure that Board procedures as well as all applicable laws, rules, regulations and codes are followed.

During the Year, Mr. Hui Sui Yuen, the Company Secretary, has undertaken sufficient hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

CORPORATE GOVERNANCE REPORT

CORPORATE SOCIAL RESPONSIBILITY

The Group is conscious of its role as a socially responsible group of companies. It has made donations for community well-being from time to time and encourages its employees to participate in charitable events.

DIVIDEND POLICY

The Company has adopted a dividend policy (the "Dividend Policy"). Pursuant to the Dividend Policy, in considering the declaration and payment of dividends, the Board will take into account, amongst other matters:

- (a) the Group's business strategies, business cycle, operations, earnings, financial condition, cash requirements and availability as well as capital expenditure and future development requirements and the dividend received by the Company from its subsidiaries;
- (b) the possible effects of the Group's credit-worthiness, the financial covenants to which the Group is subject and any restrictions on the payment of dividends that may be imposed by the Group's lenders;
- (c) the interests of the Shareholders and the taxation consideration;
- (d) the general economic and political conditions and other internal and external factors that may have an impact on the business and financial performance of the Group;
- (e) any restrictions under all applicable laws, the Listing Rules, the Code and other corporate governance regulations, the Hong Kong Financial Reporting Standards that the Group has adopted as well as the Articles of Association; and
- (f) other factors that the Board may consider relevant.

Depending on the conditions and factors as set out above, the Board may propose, recommend and/or declare dividends with respect to the Company's ordinary shares in issue on a per share basis for a financial year or period as interim dividend, final dividend, special dividend and any distribution of net profit that the Board may consider appropriate. Dividends must be paid out of the distributable reserve of the Company and the payment of any final dividend for a financial year will be subject to the Shareholders' approval at AGMs. Dividend may be paid up in the form of cash or scrip or by distribution in any form. Any dividend unclaimed will be forfeited and will revert to the Company in accordance with the Articles of Association.

CORPORATE GOVERNANCE REPORT

WHISTLEBLOWING POLICY AND ANTI-CORRUPTION CODE OF CONDUCT

The Company is committed to achieving and maintaining the highest standards of openness, probity and accountability. In line with this commitment, the whistleblowing policy of the Company (the "Whistleblowing Policy") provides reporting channels and guidance for its employees and the third parties who/which deal with the Group (e.g. customers, tenants, contractors and suppliers) to report any suspected impropriety, misconduct or malpractice within the Group. The Company aims to cultivate a "speak up" culture and encourage employees and all relevant parties to report improprieties to enhance corporate governance. The Audit Committee will review and investigate the reported matters and determine the subsequent corrective action. All information received from a whistleblower and his/her identity will be kept confidential.

The Audit Committee is empowered to take any further appropriate course of action and report to the Board that requires its attention and approval. The Audit Committee will review the Whistleblowing Policy to ensure its effectiveness from time to time and make recommendation of any revisions to the Board for its approval.

The Company is also committed to conducting business honestly, ethically and with integrity. In line with this commitment, the anti-corruption code of conduct of the Company (the "Anti-Corruption Code of Conduct") sets out the minimum standards of conduct of directors, officers and employees of the Group when dealing with business under the applicable anti-corruption laws, rules and regulations. Every employee has a duty to timely report any actual or suspected breach of the policy through the procedures as stated in the Whistleblowing Policy. The Board is responsible for monitoring the implementation of this policy and will from time to time review this policy as appropriate to ensure the effectiveness thereof.

INDEPENDENT AUDITOR'S REMUNERATION

The Company's independent external auditor is BDO Limited. The Audit Committee is responsible for considering the appointment of the external auditor and also reviews any non-audit functions performed by the external auditor for the Group. In particular, the Audit Committee will consider, in advance of them being contracted for and performing their duties, whether such non-audit functions could lead to any potential material conflict of interest.

Particulars of the remuneration paid/payable to BDO Limited in respect of the Year are set out below:

Category of Services	Fee paid/payable HK\$'000
Audit services	797
Non-audit services (including review of interim results, taxation and other services)	211
	1,008

CONSTITUTIONAL DOCUMENTS

There was no change in the Company's constitutional documents during the Year.

REPORT OF THE DIRECTORS

The directors of Pokfulam Development Company Limited (the "Company" and the "Directors", respectively) present their annual report and the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 30 September 2025 (the "Year" and the "Consolidated Financial Statements", respectively).

PRINCIPAL PLACE OF BUSINESS

The Company is a public limited liability company incorporated in Hong Kong and its issued ordinary shares (the "Shares") are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of the registered office and principal place of business of the Company is 23rd Floor, Beverly House, 93-107 Lockhart Road, Wanchai, Hong Kong.

PRINCIPAL ACTIVITIES

The principal activities of the Company are property investment and investment holding. The principal activities of the Company's subsidiaries and joint venture entity are set out in notes 27 and 16 to the Consolidated Financial Statements, respectively.

RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated statement of profit or loss and other comprehensive income on page 86 of this annual report.

An interim dividend of HK4 cents per Share amounting to HK\$4,407,000 was paid to the shareholders of the Company (the "Shareholders") during the Year. The Directors now recommend the payment of a final dividend of HK32 cents per Share, amounting to HK\$35,257,000 (the "Proposed Final Dividend"), to the Shareholders whose names will appear on the register of members of the Company (the "Register of Members") on Friday, 6 March 2026.

BUSINESS REVIEW

The Group is principally engaged in the businesses of property investment in Hong Kong and trading of visual and sound equipment. The strategy of the Group is twofold: to generate recurring income sufficient to cover its operating overheads, including administration expenses and finance costs, as well as dividends, and to achieve capital appreciation. Please refer to the "Chairman's Statement" and "Management Discussion and Analysis" of this annual report for business review of the Group in detail.

One of the principal risks faced by the Group lies in the adverse changes in the market value of its investment properties. The Group consistently maintains the asset-backed borrowings at reasonable loan- to-value ratios to weather any hard time during an economic downturn. For details of management of capital and financial risks of the Group, please refer to notes 32 and 33 to the Consolidated Financial Statements, respectively.

In the years ahead, the Group is prepared to further enhance its investment property portfolios for generating recurring rental income through acquisition of completed properties should appropriate opportunities arise.

Discussions on the Group's environmental policies and performance, relationships with its key stakeholders, and compliance with the relevant laws and regulations that have a significant impact on the Group are provided in the Chairman's Statement, the Environmental, Social and Governance ("ESG") Report and the Corporate Governance Report of this annual report and this report.

REPORT OF THE DIRECTORS

Information about a fair review of, and an indication of likely future development in, the Group's business is set out in the "Chairman's Statement" and "Management Discussion and Analysis" of this annual report.

COMPLIANCE WITH LAWS AND REGULATIONS

In relation to human resources, the Group is committed to complying with the requirements of the Personal Data (Privacy) Ordinance, Cap. 486 of the Laws of Hong Kong, and ordinances relating to disability, sex, family status and race discrimination, as well as the Employment Ordinance, Cap. 57 of the Laws of Hong Kong, the Minimum Wage Ordinance, Cap. 608 of the Laws of Hong Kong and ordinances relating to occupational safety of employees of the Group, so as to safeguard the interests and well-being of its employees.

The Group is also committed to safeguarding the security of personal data. When collecting and processing such data, the Group complies with the above Personal Data (Privacy) Ordinance and the guidelines issued by the Office of the Privacy Commissioner for Personal Data, with a view to protecting the privacy of its employees, tenants and owners of properties under its management.

The Group complies with applicable rules and regulations promulgated by the Lands Department, the Buildings Department and the Planning Department governing property development and property investment in Hong Kong and holds relevant required licences for the provision of services.

The Group establishes and protects its intellectual property rights and has registered its domain name. The Group takes all appropriate actions to enforce its intellectual property rights.

It is the policy of the Group to strictly prohibit bribery and corrupt practices to ensure that the conduct of the Group and its directors and employees are in compliance with laws, rules, regulations and codes. All of them are required to adhere strictly to the provisions of the Prevention of Bribery Ordinance, Cap. 201 of the Laws of Hong Kong and may not solicit or accept from or offer to any business partners (including suppliers and contractors) of the Group for his/her personal benefit any advantage which includes benefits in money or in any kind. Any changes in the applicable laws, rules, regulations and codes are brought to the attention of relevant directors and employees and relevant operation units from time to time.

On the corporate level, the Group complies with the requirements under the Companies Ordinance, Cap. 622 of the Laws of Hong Kong (the "CO"), the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong (the "SFO") for, among other things, the disclosure of information and corporate governance, and the Group has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the "Model Code") as its own code of conduct for Directors' securities transactions.

ENVIRONMENTAL PROTECTION

The Group is committed to building an environmental-friendly group with the aim of conserving natural resources. The Group has taken initiatives to reduce energy consumption and encourage recycle of office supplies and other materials. The Directors consider that environmental protection is essential to the long-term development of the Group and will constantly improve management practices so as to minimise waste, maximise efficiencies and reduce the Group's negative environmental impact on the environment.

For details, please refer to the ESG Report of this annual report.



REPORT OF THE DIRECTORS

KEY RISK FACTORS

The following lists out the key risks and uncertainties faced by the Group.

Impact of Local and International Regulations

The business operation of the Group is also subject to government policies, relevant regulations and guidelines established by the legal and regulatory authorities. Failure to comply with the rules and requirements may lead to penalties, amendments or suspension of the business operation by the authorities. The Group closely monitors changes in government policies, regulations, laws and property development and investment markets as well as conducts studies and analyses to assess the impact of such changes.

Third-Party Risks

The Group has been relying on third-party service providers in certain parts of its business to improve the performance and efficiency of the Group. While gaining the benefits from external service providers, management of the Group (the "Management") realises that such operational dependency may pose a threat of vulnerability to unexpected poor or cessation of service, including reputation damage, business disruption and monetary losses. To address such uncertainties, the Group engages only reputable third-party providers and closely monitors their performance.

Risks Pertaining to the Property Market in Hong Kong

A substantial portion of the Group's investment property portfolio is located in Hong Kong, earning rental and management income. Therefore, the Group is susceptible to changes in economic conditions, consumer consumption and the tourist market in Hong Kong. Besides, the local government may adjust constantly regulatory measures on the property market, thus affecting the local business environment.

Interest Rate Risks

The Group's bank borrowings mainly bear floating rates. The Group's finance and treasury operation is affected by the change in interest rates and market condition. To reduce its exposure due to volatility in interest rates, the Group has closely monitored the interest rate movements and refinanced existing banking facilities when favourable pricing opportunities arise.

REPORT OF THE DIRECTORS

Key Relationships with Employees, Customers and Suppliers

The Group recognises the accomplishment of the employees by providing comprehensive benefit package, career development opportunities and internal training appropriate to individual needs. The Group provides a healthy and safe workplace for all employees. No strikes and cases of fatality due to workplace accidents were found in the Year.

The Group encompasses working relationships with suppliers to meet its customers' needs in an effective and efficient manner. The departments work closely to make sure that the tendering and procurement process is conducted in an open, fair and just manner. The Group's requirements and standards are also communicated well to the suppliers before the commencement of a project.

The Group values the views and opinions of all customers through various means and channels, including usage of business intelligence to understand customer trends and needs and regular analysis of customers' feedbacks. The Group also conducts comprehensive tests and checks to ensure that only quality products and services are offered to the customers.

OPERATING SEGMENTS INFORMATION

The Group's revenue and contribution to profit for the Year from operations analysed by principal activities are set out in note 5 to the Consolidated Financial Statements.

SUBSIDIARIES AND JOINT VENTURE

Particulars of the Company's principal subsidiaries and joint venture entity as at 30 September 2025 are set out in notes 27 and 16 to the Consolidated Financial Statements, respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

Liquidity and financial resources

As at 30 September 2025, the Group's total bank borrowings, which were denominated in HK\$, were HK\$396.6 million (2024: HK\$374.0 million). Since all the bank borrowings contain repayment on demand clauses at the discretion of the relevant banks and the Group, as a borrower, has no right to defer the settlement of the relevant bank borrowings. Accordingly, all the bank borrowings are classified as under current liabilities.

The Group's total time deposits, bank balances and cash amounted to HK\$62.4 million as at 30 September 2025 (2024: HK\$83.2 million). A portion of them was denominated in RMB of approximately HK\$14.3 million (approximately RMB13.0 million) (2024: HK\$13.0 million) and remittance of these funds out of the mainland China was subject to the exchange control restrictions imposed by the mainland China government. As at 30 September 2025, the Group had unutilised banking facilities of HK\$1,140.5 million, which will provide adequate funding for the Group's operational and capital expenditure requirements.

REPORT OF THE DIRECTORS

The maturity profile of the Group's total bank borrowings, which is based on the scheduled repayment dates set out in the respective loan agreements, is set out as follows:

	2025	2024
	HK\$ Million	HK\$ Million
Repayable:		
Within one year	155.9	192.9
After one year but within two years	8.4	5.6
After two years but within five years	222.2	163.9
After five years	10.1	11.6
	<hr/>	<hr/>
	396.6	374.0

The bank borrowings carry interest at the Hong Kong Interbank Offer Rate ("HIBOR") plus a margin.

Financial Investments

Financial investments mainly represent return earned on the Group's holdings of time deposits, as well as financial instruments. Further information about the performances of financial investments can be found in notes 5 and 6 to the Consolidated Financial Statements.

Gearing and Charge on Assets

As at 30 September 2025, the debt to equity ratio, based on the Group's total borrowings of HK\$396.6 million and the consolidated equity attributable to owners of the Company of HK\$4,373.0 million, was 9.1%, as compared with 8.1% as at 30 September 2024.

As at 30 September 2025, (i) investment properties of the Group with a carrying amount of approximately HK\$4,138.5 million (2024: approximately HK\$4,385.5 million); and (ii) ownership interests in leasehold land held for own use and building of the Group with a carrying amount of approximately HK\$1.6 million (2024: approximately HK\$1.8 million) were pledged to banks to secure the general banking facilities granted to the Group.

REPORT OF THE DIRECTORS

Treasury Policies

During the Year, there were no significant changes in the Group's treasury policies.

The principal investment objectives of the Company are to seek capital appreciation with a view to enhancing the application of the Group's surplus funds in accordance with its policies for financial investments and for hedging purpose. For short-term cash investments with horizon of not more than one year, the surplus cash is intended to place as time deposits in licensed banks in Hong Kong or investment in debt or similar financial instruments with an investment credit rating. Any other longer term investments made by the Group from its surplus funds are intended to be financial investments with horizon of over one year, with no fixed cut-off period for equities, and up to 7 years for debt instruments, private equity and private equity funds.

To mitigate foreign exchange risk associated with the Group's RMB financial assets and to manage funding costs linked to HIBOR interest rate exposure, the Group engaged in a suitable hedging product with a financial institution, in accordance with its treasury policies during the Year. As at 30 September 2025, the notional principal amount of the cross currency interest rate swap contracts was approximately HK\$160 million.

Commitments

Particulars of the commitments of the Group are set out in note 29 to the Consolidated Financial Statements.

Employees and Remuneration Policies

As at 30 September 2025, the Group had 114 (2024: 115) employees. The staff remuneration, including Directors' emoluments and other employee expenses for the Year amounted to approximately HK\$31.6 million (2024: HK\$31.6 million). There has been no change in the employment and remuneration policies of the Group and the Company does not have any share option scheme for the Group's employees (including the Directors).

The Group recognises the importance of maintaining a stable staff force for its continued success. Under the Group's existing policies, the employee pay rates are maintained at competitive levels whilst promotion and salary increments are assessed on a performance-related basis. Discretionary bonuses are granted to the employees based on their merit and in accordance with the industry practice. Other benefits, including free hospitalisation insurance plan, subsidised medical care, training programmes and long-service awards are offered to the eligible employees.

RESERVES

Details of movements in the reserves of the Group and the Company during the Year are set out on page 88 of this annual report and in note 27 to the Consolidated Financial Statements, respectively.

As at 30 September 2025, the Company's reserves available for distribution to the Shareholders represented the retained profits of HK\$956.0 million (2024: HK\$952.4 million).

After the end of the reporting period, the Directors proposed a final dividend of HK32 cents per Share (2024: HK32 cents per Share), amounting to HK\$35,257,000 (2024: HK\$35,257,000). This dividend has not been recognized as a liability at the end of the reporting period.

REPORT OF THE DIRECTORS

SHARE CAPITAL

Details of movements in the share capital of the Company during the Year are set out in note 24 to the Consolidated Financial Statements.

PRINCIPAL PROPERTIES

Details of the principal properties of the Group as at 30 September 2025 are set out on pages 169 and 170 of this annual report.

INVESTMENT PROPERTIES

Details of movements in the investment properties of the Group are set out in note 13 to the Consolidated Financial Statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group are set out in note 14 to the Consolidated Financial Statements.

GROUP BORROWING AND INTEREST CAPITALISED

Details of repayable on demand and secured bank loans are shown in note 25 to the Consolidated Financial Statements.

There was no interest capitalised during the Year by the Group (2024: Nil).

FIVE YEARS' FINANCIAL SUMMARY

A summary of the results as well as the assets and liabilities of the Group for the past five financial years, as extracted from the published audited financial statements, is set out on page 168 of this annual report.

MAJOR CUSTOMERS AND SUPPLIERS

For the Year, the five largest customers of the Group accounted for less than 30% of the Group's revenue. The five largest suppliers of the Group accounted for approximately 52% of the Group's total purchases for the Year and purchases from the largest supplier included therein accounted for approximately 19%.

At no time during the Year did a Director, a close associate (as defined in the Listing Rules) of a Director or any Shareholder (who/which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) have an interest in any of the Group's five largest suppliers.

REPORT OF THE DIRECTORS

DIRECTORS

The Directors during the Year and up to the date of this report are:

Executive Directors

Mr. Wong Tat Chang, Abraham ("Mr. Abraham Wong") (*Chairman and Managing Director*)
Mr. Wong Tat Kee, David ("Mr. David Wong")
Mr. Wong Tat Sum, Samuel ("Mr. Samuel Wong")
Ms. Sung Kwan Yuk, Katherine ("Ms. Sung") (Appointed on 11 December 2024)

Independent Non-executive Directors (the "INEDs")

Mr. Li Kwok Sing, Aubrey ("Mr. Li")
Mr. Sit Hoi Wah, Kenneth ("Mr. Sit")
Mr. Seto Gin Chung, John ("Mr. Seto")

In accordance with article 123 of the Company's articles of association (the "Articles of Association"), Mr. David Wong, Mr. Seto and Mr. Sit (the "Retiring Directors") will retire by rotation from the office at the forthcoming annual general meeting of the Company (the "AGM") and, being eligible, offer themselves for re-election.

The Company has received from each of the INEDs an annual written confirmation of independence in accordance with Rule 3.13 of the Listing Rules. Notwithstanding that Mr. Li and Mr. Sit have served as INEDs for more than nine years, both INEDs meet the independence guidelines set out in such Rule 3.13 and have never been involved in the daily management of the Company nor are they in any relationships or circumstance which would interfere with the exercise of their independent judgment. The nomination committee of the board of Directors (the "Board") has assessed and is satisfied with the independence of Mr. Li, Mr. Sit and Mr. Seto. Hence, the Board is of the opinion that all the INEDs remain independent within the definition of the Listing Rules by reference to the factors stated therein.

The proposed re-election of the Retiring Directors as Directors was made in accordance with the nomination policy of the Company and took into account a wide range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of services, with due regard of the benefits of diversity as set out under the board diversity policy of the Company.

In addition, the Board has evaluated the performance of Mr. Sit and Mr. Seto and is of the view that they had provided valuable contributions to the Company and had demonstrated their abilities to provide independent, balanced and objective view to the Company's affairs. The Board is also of the view that each of them would bring to the Board his own perspective, skills and experience, as further described in his biography as set out on page 10 of this annual report, and can contribute to the diversity of the Board taking into account his educational background and professional experience.

The Board has taken the recommendation of the Board's nomination committee (the "Nomination Committee") for the re-election of all the Retiring Directors and believes that the re-election of each of them as Directors would be in the best interests of the Company and the Shareholders as a whole.

The biographical details of the Directors and the senior management of the Company (the "Senior Management") are set out on pages 9 and 10 of this annual report.

REPORT OF THE DIRECTORS

DIRECTORS OF SUBSIDIARIES

The names of all directors who have served on the board of the subsidiaries of the Company during the Year and up to the date of this report are as follows:

- Mr. Abraham Wong
- Mr. David Wong
- Mr. Samuel Wong
- Ms. Sung
- Mr. Wong Chin Yee
- Ms. Wong Chin Yan
- Mr. Wong Chin Shiong
- Mr. Hui Sui Yuen
- Mr. Yu Tsz Hang

PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance cover for directors' and officers' liabilities in respect of legal actions against the Directors and the Senior Management arising out of corporate activities. The permitted indemnity provision is in force for the benefit of the Directors as required for disclosure by section 470 of the CO when this report prepared by the Directors is approved in accordance with section 391(1)(a) of the CO.

REPORT OF THE DIRECTORS

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 September 2025, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which were required to be: (a) 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 (b) pursuant to section 352 of the SFO, recorded in the register referred to therein; or (c) pursuant to the Model Code, notified to the Company and the Stock Exchange, were as follows:

(a) Long position interests in the Shares

Name of Directors/ Chief executive	Number of Shares held			Total	Approximate percentage of the Company's issued Shares*
	Personal interests	Family interests	Other interests		
	(note 1)	(note 2)			
Mr. Abraham Wong	450,800	–	80,633,866	81,084,666	73.6%
Mr. David Wong	–	–	80,633,866	80,633,866	73.2%
Mr. Samuel Wong	556,000	28,800	80,633,866	81,218,666	73.7%

(b) Long position in the shares of Elephant Holdings Limited ("EHL"), a subsidiary of the Company

Name of Directors/ Chief executive	Number of ordinary shares held		Total	Approximate percentage of interest in the issued shares of EHL
	Personal interests	Total		
Mr. Abraham Wong	10	10	10	0.1%

Notes:

- (1) Mr. Samuel Wong, an executive Director ("ED"), is deemed to be interested in 28,800 ordinary Shares, being the interest held beneficially by his wife.
- (2) Shares included in other interests are beneficially owned by the discretionary trusts, of which Mr. Abraham Wong, Mr. David Wong and Mr. Samuel Wong are beneficiaries and the number of Shares in each of the above companies are duplicated for each of these three EDs.

* The percentage represents the total number of the Shares and the underlying Shares, if any, interested divided by the number of issued Shares of 110,179,385 as at 30 September 2025.

REPORT OF THE DIRECTORS

Save as disclosed above, as at 30 September 2025, none of the Directors nor the chief executive of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be: (a) 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 (b) pursuant to section 352 of the SFO, recorded in the register referred to therein; or (c) pursuant to the Model Code, notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

As at 30 September 2025, other than the interests which would be required to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO in respect of the Directors or the chief executive of the Company, the Company had not been notified by any person or entity, not being a Director or the chief executive of the Company, of interests and short positions in the Shares and underlying Shares as required to be recorded in the register pursuant to section 336 of the SFO.

RELATED PARTY TRANSACTIONS

Details of the related party transactions are set out in note 34 to the Consolidated Financial Statements.

CONNECTED TRANSACTION

On 15 October 2025, Pokfulam Property Management Limited, a wholly-owned subsidiary of the Company, entered into a construction contract with B.L. Wong & Co., Ltd (the "Contractor") to engage the Contractor to perform certain renovation works for an industrial building (the "Building") at a contract sum of HK\$3,560,000 (the "Contract Sum" and the "Construction Contract", respectively). The Building is situated at China Paint Building, No. 1163 Canton Road, No. 5B Arran Street, Mong Kok, Kowloon, Hong Kong and is partially owned by Metrocenter Holdings Limited, another wholly-owned subsidiary of the Company. The Contractor is beneficially owned by two sons of Mr. Samuel Wong, in equal shares. Accordingly, the Contractor is an associate of Mr. Samuel Wong and a connected person of the Company pursuant to Chapter 14A of the Listing Rules. The Construction Contract, therefore, constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

Since the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of Contract Sum of the transaction contemplated under the Construction Contract was more than 0.1% but less than 5%, the Construction Contract was subject to the reporting and announcement requirements but was exempt from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. The Construction Contract was approved by the Board (including the INEDs). In view of the interests in the Contractor, Mr. Samuel Wong was considered to have a material interest in the Construction Contract and, therefore, he abstained from voting at the meeting of the Board convened for considering and approving the Construction Contract. Further details regarding the Construction Contract were set out in the Company's announcement dated 15 October 2025.

Save as disclosed above, there were no discloseable non-exempted connected transaction or non-exempted continuing connected transaction of the Company under the Listing Rules during the Year and up to the date of this report. None of the "Related Party Transactions" as disclosed in note 34 to the Consolidated Financial Statements constituted discloseable non-exempted connected transaction or non-exempted continuing connected transaction under the Listing Rules and the Company had complied with the relevant requirements of Chapters 14 and 14A of the Listing Rules during the Year.

REPORT OF THE DIRECTORS

DISCLOSURE PURSUANT TO RULE 13.18 OF THE LISTING RULES

- (a) Pursuant to a facility agreement dated 15 November 2022 and a supplemental facility agreement dated 11 September 2024 entered into amongst Patricus Limited, a wholly-owned subsidiary of the Company, as borrower, the Company as guarantor and The Hongkong and Shanghai Banking Corporation Limited as lender (the "HSBC Facility Agreement"), a property mortgaged loan facility as at 30 September 2025 of HK\$68.1 million (the "HSBC Facility") was made available by the lender to Patricus Limited on the terms contained therein. Under the terms of the HSBC Facility Agreement, if Mr. Abraham Wong, Mr. David Wong and Mr. Samuel Wong, in aggregate, cease to beneficially own (directly or indirectly) at least 51% of the issued share capital of the Company and/or cease to be entitled to exercise management control on the Company, the commitments under the HSBC Facility may be cancelled and the amounts outstanding, together with accrued interest and other amounts (if any) payable, under the HSBC Facility may become immediately due and repayable.
- (b) Pursuant to a facility agreement dated 17 March 2023 entered into amongst the Company and/or Patricus Limited, as borrowers, the Company as guarantor and Industrial and Commercial Bank of China (Asia) Limited as lender (the "ICBC Facility Agreement"). Pursuant to the ICBC Facility Agreement, loan facilities as at 30 September 2025 with an aggregate amount of HK\$216.9 million (the "ICBC Facility") were made available by the lender to the Company and/or Patricus Limited on the terms contained therein. Under the terms of the ICBC Facility Agreement, if Mr. Abraham Wong, Mr. David Wong and Mr. Samuel Wong, in aggregate, maintain beneficial ownership (directly or indirectly) of less than 50% of the issued share capital of the Company, the commitments under the ICBC Facility may be cancelled and amounts outstanding, together with accrued interest and other amounts (if any) payable, under the ICBC Facility may become immediately due and repayable.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in the "Related Party Transactions" as disclosed in note 34 to the Consolidated Financial Statements, no transaction, arrangement or contract of significance to which the Company or any of its subsidiaries was a party, and in which a Director or an entity connected with him had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

SERVICE AND MANAGEMENT CONTRACTS

No Director proposed for re-election at the forthcoming AGM has an unexpired service contract with the Company or any of its subsidiaries, which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

Except for the EDs' service contracts, no contracts of significance concerning management and administration of the whole or any substantial part of the business of the Company or any of its subsidiaries were entered into during the Year or subsisted at the end of the Year.



REPORT OF THE DIRECTORS

ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the Year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the Year, Mr. Li had been an independent non-executive director of Kowloon Development Company Limited ("KDCL") (a company whose issued shares are listed and traded on the Stock Exchange). KDCL and its subsidiaries were engaged in property investment and property development businesses. As such, Mr. Li was regarded as being interested in such businesses which competed or was likely to compete with the Group. However, such businesses were managed by a separate publicly listed company with independent management and its board composition is different and separate from the Company.

SHAREHOLDERS' INTEREST IN CONTRACTS OF SIGNIFICANCE

No Shareholder had a material interest, either directly or indirectly, in any contract of significance to the business of the Group, to which the Company or any of its subsidiaries was a party during the Year.

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

During the Year, the Company did not redeem any of its listed securities (including treasury shares, of which there was none), nor did the Company or any of its subsidiaries purchase or sell such securities.

RETIREMENT BENEFIT SCHEME

The Group operates a mandatory provident fund scheme (the "MPF Scheme") for all qualifying employees in accordance with the Mandatory Provident Fund Schemes Ordinance, Cap. 485 of the Laws of Hong Kong (the "MPF Ordinance"). The assets of the MPF Scheme are held separately from those of the Group, and in funds under the control of the trustees.

The Group's contributions to the MPF Scheme were calculated at 5% of the employee's monthly relevant income. Any contributions which exceed the contributions required under the MPF Ordinance are paid to the MPF Scheme as voluntary contribution.

Contributions to the MPF Scheme for the Year made by the Group amounted to HK\$947,000 (2024: HK\$934,000).

Save as aforementioned, no retirement benefits were paid or are payable by the Group in respect of the Year.

CHANGES IN DIRECTORS' INFORMATION

On 30 June 2025, the Group appointed Ms. Sung and Mr. Seto as members of the Nomination Committee.

Save as disclosed above, in accordance with Rule 13.51B(1) of the Listing Rules, there was no other change of information required to be disclosed pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules during the course of the Directors' terms of office for the period from the date of publication of the Company's last interim report up to the date of this annual report.

REPORT OF THE DIRECTORS

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group has no plan authorised by the Board for other material investments or additions of capital assets as at the date of this report.

EQUITY-LINKED AGREEMENTS

No equity-linked agreements that (i) will or may result in the Company issuing Shares or (ii) require the Company to enter into any agreements that will or may result in the Company issuing Shares were entered into by the Company during the Year or subsisted at the end of the Year.

CORPORATE GOVERNANCE

The Company's key corporate governance practices are set out in the Corporate Governance Report on pages 48 to 65 of this annual report.

MATERIAL ACQUISITIONS OR DISPOSALS

There were no material acquisitions or disposals during the Year.

REVIEW OF ANNUAL RESULTS

The audit committee of the Board (the "Audit Committee") comprises all the three INEDs. The Audit Committee has reviewed with the Management the Group's draft audited Consolidated Financial Statements and this annual report, including the accounting principles and practices adopted by the Group. It has also considered selected accounting, risk management, internal control and financial reporting matters of the Group, in conjunction with the Company's external auditor.

EMOLUMENT POLICY/TRAINING

The Company has established a remuneration committee of the Board (the "Remuneration Committee") with written terms of reference pursuant to the code provisions set out in the Corporate Governance Code contained in Part 2 of Appendix C1 to the Listing Rules. The Remuneration Committee is principally responsible for formulating and making recommendations to the Board on all remuneration of the Directors and the Senior Management on the Group's emolument policy.

The emoluments of employees of the Group are determined on the basis of their performance, experience and prevailing industry practices.

The Company determines the emoluments of the Directors on the basis of their time commitment and duties, the market competitiveness, the employment conditions elsewhere in the Group as well as the Company's corporate goals and objectives. No Director or any of his/her associates (as defined in the Listing Rules) is involved in deciding his/her own remuneration.

Details of the emoluments of the Directors and the five individuals with the highest emoluments for the Year are set out in notes 11 and 12 to the Consolidated Financial Statements, respectively.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Board confirms that the Company has maintained a sufficient public float (i.e. at least 25% of the issued Shares were held by the public) throughout the Year and up to the date of this report as required under the Listing Rules.

REPORT OF THE DIRECTORS

TAX RELIEF

The Company is not aware of any relief on taxation available to the Shareholders by reason of their holding of the Shares. If the Shareholders are unsure about the taxation implications of purchasing, holding, disposing of, dealing in, or exercising any rights in relation to, the Shares, they are advised to consult their professional advisors.

CLOSURE OF REGISTER OF MEMBERS

For AGM

The forthcoming AGM is scheduled to be held on Thursday, 5 February 2026. For determining the Shareholders' entitlement to attend, speak and vote at the forthcoming AGM, the Register of Members will be closed from Monday, 2 February 2026 to Thursday, 5 February 2026 (both days inclusive), during which period no transfer of Shares will be effected. In order to be eligible to attend, speak and vote at the forthcoming AGM, non-registered Shareholders must lodge all completed and stamped transfer documents accompanied by the relevant share certificates with the Company's share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, 30 January 2026. Shareholders whose names appear on the Register of Members on Thursday, 5 February 2026 (i.e. record date) will be entitled to attend, speak and vote at the forthcoming AGM.

For Proposed Final Dividend

The Proposed Final Dividend is subject to the approval of the Shareholders at the forthcoming AGM. For determining the Shareholders' entitlement to the Proposed Final Dividend, the Register of Members will be closed from Wednesday, 11 February 2026 to Friday, 13 February 2026 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify for the Proposed Final Dividend, non-registered Shareholders must lodge all completed and stamped transfer documents accompanied by the relevant share certificates with the Company's share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Tuesday, 10 February 2026.

CHARITABLE DONATIONS

Charitable donations made by the Group during the Year amounted to HK\$15,000 (2024: HK\$18,000).

INDEPENDENT AUDITOR

The Consolidated Financial Statements have been audited by BDO Limited ("BDO") which will retire at the conclusion of the forthcoming AGM and, being eligible, offer themselves for re-appointment. The Board has taken the recommendation of the Audit Committee that a resolution will be proposed to the Shareholders at the forthcoming AGM to re-appoint BDO as the independent auditor of the Company.

By Order of the Board

Wong Tat Chang, Abraham
Chairman and Managing Director

Hong Kong, 17 December 2025

INDEPENDENT AUDITOR'S REPORT



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TO THE MEMBERS OF POKFULAM DEVELOPMENT COMPANY LIMITED

博富臨置業有限公司

(incorporated in Hong Kong with *limited liability*)

OPINION

We have audited the consolidated financial statements of Pokfulam Development Company Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 86 to 167, which comprise the consolidated statement of financial position as at 30 September 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 September 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKAs") 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.

INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, 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.

Valuation of investment properties

(refer to notes 3 and 4(ii)(c) for the material accounting policies and disclosure for the estimation of fair value of investment properties respectively, and note 13 to the consolidated financial statements)

Management estimated the fair value of the Group's investment properties to be approximately HK\$4,424,355,000 as at 30 September 2025, with a fair value loss of approximately HK\$263,623,000 recognised in the profit or loss for the year then ended. The fair value of the investment properties was arrived at on the basis of the valuation carried out by an independent qualified professional valuer using property valuation techniques which involve certain assumptions of prevailing market conditions. Favourable or unfavourable changes to these assumptions may result in changes in the fair value of the Group's investment properties and corresponding adjustments to the changes in fair value reported in the consolidated statement of profit or loss and other comprehensive income and the carrying amount of these properties included in the consolidated statement of financial position. The valuations of the Group's investment properties are dependent on valuation models used by management, certain key assumptions and estimations that require significant management judgement.

Our responses

Our procedures in relation to this key audit matter included:

- Involving an auditor's expert to assist us in evaluating the appropriateness of the valuation methodologies and the reasonableness of the key assumptions and estimations used in the valuation of the fair value of the major investment properties;
- Evaluating the competence, capabilities and objectivity of the management's expert and the auditor's expert;
- Evaluating the reliability of the sources of inputs used in the valuation prepared by the management's expert; and
- Checking, on a sample basis, the accuracy and relevance of the input data used and the resultant calculation.

INDEPENDENT AUDITOR'S REPORT

OTHER INFORMATION IN THE ANNUAL REPORT

The directors are responsible for the other information. The other information comprises the information included in the Company's 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.

DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and 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.

The directors are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibility in this regard.

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. This report is made solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance, 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 HKASs 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.

INDEPENDENT AUDITOR'S REPORT

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

As part of an audit in accordance with HKSAs, we exercise professional judgement 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.
- 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 work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

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

We communicate with the Audit Committee 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 the Audit Committee 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 the directors, 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.

BDO Limited
Certified Public Accountants
Cheung Or Ping
Practising Certificate Number P05412

Hong Kong, 17 December 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2025

NOTES			2025	2024
			HK\$'000	HK\$'000
Revenue	5		173,787	167,398
Other income and gains	6		13,607	17,792
Costs:				
Property and related costs				
– property investment			(16,155)	(16,860)
– property management			(8,479)	(10,154)
Trading of goods costs			(38,816)	(31,196)
Staff costs			(31,552)	(31,632)
Other expenses			(12,148)	(9,713)
			(107,150)	(99,555)
Profit before changes in fair value of financial assets at fair value through profit or loss and investment properties			80,244	85,635
Increase/(decrease) in fair value of financial assets at fair value through profit or loss			4,617	(10,978)
Decrease in fair value of investment properties	13		(263,623)	(626,462)
			(178,762)	(551,805)
Impairment losses on financial assets, net			(1,754)	(6,874)
Finance costs on bank borrowings			(17,184)	(22,359)
Share of loss of a joint venture			(9,762)	(5,822)
Loss before income tax	7		(207,462)	(586,860)
Income tax expense	8		(8,210)	(10,254)
Loss for the year			(215,672)	(597,114)
Other comprehensive income/(loss)				
<i>Item that will not be reclassified subsequently to profit or loss:</i>				
Change in fair value on equity instruments designated at fair value through other comprehensive income, net of tax			2,966	8,093
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Exchange gain arising on translation of financial statements of foreign operations			691	2,868
Exchange (loss)/gain arising from long term advances to a joint venture			(1,974)	856
Other comprehensive income for the year, net of tax			1,683	11,817
Total comprehensive loss for the year			(213,989)	(585,297)
Loss for the year attributable to:				
Owners of the Company			(215,673)	(597,104)
Non-controlling interests		1		(10)
			(215,672)	(597,114)
Total comprehensive loss for the year attributable to:				
Owners of the Company			(213,990)	(585,287)
Non-controlling interests		1		(10)
			(213,989)	(585,297)
Loss per share	10		HK\$ (1.96)	HK\$ (5.42)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2025

NOTES	2025		2024	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Non-current Assets				
Investment properties	13	4,424,355	4,685,989	
Property, plant and equipment	14	13,789	13,992	
Interest in joint venture	16	29,647	32,431	
Amount due from a joint venture	16	114,315	115,580	
Financial assets at fair value through profit or loss	19	119,207	77,456	
Equity instrument designated at fair value through other comprehensive income	17	20,134	17,168	
		4,721,447	4,942,616	
Current Assets				
Inventories	18	14,942	16,750	
Financial assets at fair value through profit or loss	19	75,135	55,123	
Trade and other receivables	20	9,696	11,234	
Deposits and prepayments		3,483	7,911	
Time deposits with maturity over three months	21	10,970	44,827	
Bank balances and cash	21	51,474	38,373	
		165,700	174,218	
Current Liabilities				
Trade and other payables	22	20,374	21,877	
Contract liabilities	23	3,162	6,731	
Rental and management fee deposits		26,445	25,308	
Provision for taxation		2,288	2,853	
Bank borrowings, secured	25	396,628	374,048	
		448,897	430,817	
Net Current Liabilities		(283,197)	(256,599)	
Total Assets less Current Liabilities		4,438,250	4,686,017	
Capital and Reserves				
Share capital		146,134	146,134	
Reserves	24	4,226,907	4,476,965	
		4,373,041	4,623,099	
Equity attributable to owners of the Company		17	16	
Non-controlling interests				
Total Equity		4,373,058	4,623,115	
Non-current Liability				
Deferred taxation	26	65,192	62,902	
		4,438,250	4,686,017	

The consolidated financial statements on pages 86 to 167 were approved and authorised for issue by the Board of Directors on 17 December 2025 and are signed on its behalf by:

Wong Tat Chang, Abraham
DIRECTOR

Wong Tat Sum, Samuel
DIRECTOR



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2025

Attributable to owners of the Company							
	Share capital	Translation reserve*	Investment revaluation reserves* (non-recycling)	Retained profits*	Subtotal	Non-controlling interests	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
As at 1 October 2023	146,134	919	1,075	5,102,126	5,250,254	26	5,250,280
Loss for the year	-	-	-	(597,104)	(597,104)	(10)	(597,114)
Other comprehensive loss for the year:							
Changes in fair value on:							
- Equity instruments designated at fair value through other comprehensive income	-	-	8,093	-	8,093	-	8,093
Exchange gain arising on translation of foreign operations	-	2,868	-	-	2,868	-	2,868
Exchange gain arising from long-term advances to a joint venture	-	856	-	-	856	-	856
Total comprehensive loss for the year	-	3,724	8,093	(597,104)	(585,287)	(10)	(585,297)
Final dividend for 2023 paid (Note 9)	-	-	-	(37,461)	(37,461)	-	(37,461)
Interim dividend for 2024 paid (Note 9)	-	-	-	(4,407)	(4,407)	-	(4,407)
As at 30 September 2024 and 1 October 2024	146,134	4,643	9,168	4,463,154	4,623,099	16	4,623,115
Loss for the year	-	-	-	(215,673)	(215,673)	1	(215,672)
Other comprehensive loss for the year:							
Changes in fair value on:							
- Equity instruments designated at fair value through other comprehensive income	-	-	2,966	-	2,966	-	2,966
Exchange gain arising on translation of foreign operations	-	691	-	-	691	-	691
Exchange loss arising from long-term advances to a joint venture	-	(1,974)	-	-	(1,974)	-	(1,974)
Total comprehensive loss for the year	-	(1,283)	2,966	(215,673)	(213,990)	1	(213,989)
Forfeiture of unclaimed dividend	-	-	-	3,596	3,596	-	3,596
Final dividend for 2024 paid (Note 9)	-	-	-	(35,257)	(35,257)	-	(35,257)
Interim dividend for 2025 paid (Note 9)	-	-	-	(4,407)	(4,407)	-	(4,407)
As at 30 September 2025	146,134	3,360	12,134	4,211,413	4,373,041	17	4,373,058

* These reserve accounts comprise the consolidated reserves of approximately HK\$4,226,907,000 in the consolidated statement of financial position as at 30 September 2025 (2024: HK\$4,476,965,000).

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

	NOTES	2025 HK\$'000	2024 HK\$'000
Operating activities			
Loss before income tax		(207,462)	(586,860)
Adjustments for:			
Decrease in fair value of investment properties	13	263,623	626,462
(Increase)/decrease in fair value of financial assets at fair value through profit or loss ("FVTPL")		(4,617)	10,978
Loss/(gain) on disposal of property, plant and equipment	7	82	(102)
Depreciation on owned property, plant and equipment	7	1,289	1,426
Depreciation on right-of-use assets	7	8	8
Dividend income from equity instrument designated at fair value through other comprehensive income ("FVOCI")	6	(2,083)	(2,091)
Imputed interest income on amount due from a joint venture	6	(9,190)	(9,570)
Interest income		(1,167)	(2,901)
Dividend income from financial assets at FVTPL	5	(8,958)	(9,884)
Finance costs on bank borrowings		17,184	22,359
Share of loss of a joint venture		9,762	5,822
Provision for/(reversal of) impairment loss on trade and other receivables	7	562	(391)
Provision for impairment loss on amount due from a joint venture	7	1,192	7,265
Exchange loss/(gain), net		2,486	(2,076)
Operating cash flows before working capital changes		62,711	60,445
Decrease in inventories		1,808	2,162
Decrease in trade and other receivables, deposits and prepayments		5,404	1,458
Increase/(decrease) in trade and other payables and rental and management fee deposits		3,230	(394)
Decrease in contract liabilities		(3,569)	(1,744)
Cash generated from operations		69,584	61,927
Interest received		1,167	2,901
Dividend received		8,958	9,884
Income tax paid		(6,485)	(2,827)
Net cash generated from operating activities		73,224	71,885

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

NOTES	2025		2024	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Investing activities				
Placement of time deposits with maturity over three months		(11,460)		(31,102)
Release of time deposits with maturity over three months		45,324		25,650
Purchase of property, plant and equipment	14	(1,511)		(2,492)
Addition of investment properties		(3,229)		(5,091)
Proceed from disposal of financial assets at FVTPL		75,218		45,007
Proceeds on disposal of property, plant and equipment		335		169
Dividend received from equity instrument designated at FVOCI		2,083		2,091
Investment made in financial assets at FVTPL		(132,487)		(54,556)
Net cash used in investing activities		(25,727)		(20,324)
Financing activities				
Bank borrowings raised	28	115,000		25,000
Repayment of bank borrowings	28	(92,420)		(35,390)
Dividends paid		(39,664)		(41,868)
Interest paid	28	(17,184)		(22,359)
Net cash use in financing activities		(34,268)		(74,617)
Net increase/(decrease) in cash and cash equivalents		13,229		(23,056)
Cash and cash equivalents at the beginning of the financial year		38,373		61,110
Effect of foreign exchange rate changes		(128)		319
Cash and cash equivalents at the end of the financial year, represented by bank balances and cash		51,474		38,373
Analysis of the balances of cash and cash equivalents				
Bank balances and cash		36,402		28,831
Time deposit with an original maturity of less than three months		15,072		9,542
		51,474		38,373

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

1. GENERAL

Pokfulam Development Company Limited (the "Company") is a public limited liability company incorporated in Hong Kong and its issued Shares (the "Shares") are listed and traded on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Company and its subsidiaries are together referred to as the Group.

The principal activities of the Company are property investment and investment holding. The principal activities of the Group are property investment and management, trading of visual and sound equipment, and securities investment.

The address of the registered office and the principal place of business of the Company is 23rd Floor, Beverly House, 93-107 Lockhart Road, Wanchai, Hong Kong.

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

2. ADOPTION OF HKFRS ACCOUNTING STANDARDS

2.1 Adoption of new and revised HKFRS Accounting Standards

In the current year, the Group has applied for the first time the following amendments to HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are relevant to and effective for the Group's consolidated financial statements for the annual period beginning on 1 October 2024:

Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current (the "2020 Amendments")
Amendments to Hong Kong Interpretation 5 (Revised)	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback

None of these amended HKFRS Accounting Standards has a material impact on the Group's results and financial position for the current or prior period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

2. ADOPTION OF HKFRS ACCOUNTING STANDARDS (CONTINUED)

2.2 New or revised HKFRS Accounting Standards that have been issued but are not yet effective

The following new or revised HKFRS Accounting Standards, potentially relevant to the Group's consolidated financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability ²
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 Accounting Standards	Annual Improvements to HKFRS Accounting Standards ³
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.

Other than HKFRS 18, the directors of the Company anticipate that the application of these new standards, amendments and improvement to HKFRS Accounting Standards will have no material impact on the Group's accounting policies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

2. ADOPTION OF HKFRS ACCOUNTING STANDARDS (CONTINUED)

2.2 New or revised HKFRS Accounting Standards that have been issued but are not yet effective (Continued)

Presentation and Disclosure in Financial Statements (HKFRS 18)

In July 2024, the HKICPA issued HKFRS 18, which replaces HKAS 1 Presentation of Financial Statements. HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

In addition, narrow-scope amendments have been made to HKAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

HKFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. HKFRS 18 will apply retrospectively.

The Group has no intention to early adopt HKFRS 18, which is effective for annual periods beginning on or after 1 January 2027. The adoption of HKFRS 18 will primarily affect the presentation and disclosure requirements in the Group's financial statements, including the structure of the statement of profit or loss, classification and aggregation/disaggregation of items, and related disclosures. The standard is not expected to have a significant impact on the recognition or measurement of items, nor on the Group's financial performance or financial position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

The Group's consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations (hereinafter collectively referred to as the "HKFRS Accounting Standards") and the provisions of the Hong Kong Companies Ordinance which concern the preparation of financial statements. In addition, the financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange.

Basis of assumption and going concern assumption

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair value, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance with HKFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

The Group recorded a loss of HK\$215,672,000 for the year ended 30 September 2025 and had net current liabilities of approximately HK\$283,197,000 as of that date. Included in the Group's current liabilities as at 30 September 2025 were interest-bearing bank borrowings of HK\$396,628,000, which are subject to repayment on demand at the discretion of the relevant banks, as set out in note 25 to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Basis of assumption and going concern assumption (Continued)

The consolidated financial statements of the Group have been prepared on a going concern basis on the assumption that the Group will be able to operate as a going concern for the foreseeable future, taking into account the unutilised banking facilities of approximately HK\$1,140,539,000 (Note 25) as at 30 September 2025. The directors of the Company believe that the Group has adequate resources to continue operation for the foreseeable future for not less than twelve months from the end of the reporting period. They do not consider it probable that the bank borrowings will be fully called within 12 months and expect that the borrowings will be repaid in accordance with the scheduled repayment dates set out in the facility letters. In making this assessment, the directors consider the Group's financial position at the date of approval of these consolidated financial statements, its compliance with loan covenants, and the timely settlement of scheduled repayments of loan principals and interest. Therefore, the directors are of the opinion that it is appropriate to adopt the going concern basis in preparing the consolidated financial statements.

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.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Investment in joint venture

The results and assets and liabilities of a joint venture are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of 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 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 joint venture. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the 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 joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in 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 investment in 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 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.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Property, plant and equipment

Property, plant and equipment including land and buildings held for use in the production or supply of goods or services, or for administrative purposes, 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 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.

Property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Leasehold Land in Hong Kong under long-term lease	Over the term of the lease
Buildings	Over the shorter of the term of the lease of the land, or 50 years
Leasehold improvement	Over the shorter of the term of the lease of the land, or 50 years
Furniture, fixtures and equipment	12%-20%
Motor vehicles	15%-25%

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.

Leasing

Definition of a lease

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

Accounting as a lessor

The Group has leased out its investment properties to a number of tenants. 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 recognised as an expense on the straight-line basis over the lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Impairment of assets (other than goodwill and financial assets)

At the end of the reporting period, the Group reviews the carrying amounts of the following assets to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may be decreased:

- Property, plant and equipment; and
- Interest in joint venture.

If the recoverable amount (i.e. the greater of the fair value less costs to sell and value in use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Value in use is based on the estimated future cash flows expected to be derived from the asset or cash generating unit, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and short-term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired and form an integral part of the Group's cash management.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Cash and cash equivalents (Continued)

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including short term deposits (generally with original maturity of three months or less), and assets similar in nature to cash, which are not restricted as to use.

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 exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the Group's interests.

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. Hong Kong dollars) 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).

Income taxes

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Income taxes (Continued)

Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates expected to apply in the period when the liability is settled or the asset is realised based on tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and jointly controlled entities, 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.

An exception to the general requirement on determining the appropriate tax rate used in measuring deferred tax amount is when an investment property is carried at fair value under HKAS 40 Investment Property. Unless the presumption is rebutted, the deferred tax amount on these investment properties are measured using the tax rates that would apply on sale of these investment properties at their carrying amount at the reporting date. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all the economic benefits embodies in the property overtime, rather than through sale.

Deferred tax assets or 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 tax levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income.

Financial Instruments

(i) *Financial assets*

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial Instruments (Continued)

(i) *Financial assets (Continued)*

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

FVTPL: Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial Instruments (Continued)

(i) *Financial assets (Continued)*

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Equity investments at FVOCI are measured at fair value. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as FVTPL, whereby changes in fair value, dividends and interest income are recognised in profit or loss.

(ii) *Impairment loss on financial assets*

The Group recognises loss allowances for expected credit loss ("ECL") on trade receivables, financial assets measured at amortised cost. The ECLs are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group has elected to measure loss allowances for trade receivables using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets, the ECLs are based on the 12-months ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial Instruments (Continued)

(ii) *Impairment loss on financial assets (Continued)*

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be credit-impaired when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non credit-impaired financial assets interest income is calculated based on the gross carrying amount.

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, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. 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.

(iii) *Financial liabilities*

Financial liabilities at amortised cost including trade and other payables, rental and management fee deposits and borrowings are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial Instruments (Continued)

(iv) *Equity instruments*

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(v) *Derecognition*

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Revenue recognition

(i) *Sales of goods (i.e. visual and sound equipments)*

Customers obtain control of the goods when the visual and sound equipment are delivered to and has been accepted. Revenue is thus recognised upon when the customers accepted the visual and sound equipment. There is generally only one performance obligation. Invoices are usually payable within 30 days. Customers are normally required to pay deposit in advance. The advances received is recognised as contract liabilities.

Warranty is generally offered to customers in accordance with agreed-upon specification with the customers to maintain the specified performance as stated in the original contracts, therefore it is considered that the warranty is an assurance-type.

(ii) *Building management services*

Building management fees income is recognised over the period under the output method when services are provided.

(iii) *Contract liabilities*

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

If the considerations (including advances received from customers) exceeds the revenue recognised to date then the Group recognises a contract liability for the difference.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Revenue from other sources

(iv) *Rental income*

Rental income under operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

(v) *Dividend income*

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

(vi) *Interest income*

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Retirement benefit scheme

Payments to defined contribution retirement benefit plans (i.e. the Mandatory Provident Fund Scheme) are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term and other long-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS Accounting Standard requires or permits the inclusion of the benefit in the cost of an asset. A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Liabilities recognised in respect of other long-term employee benefits (e.g. long service payments ("LSP")) are measured at present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Any changes in the liabilities' carrying amounts resulting from service cost, interest and remeasurements are recognised in profit or loss except to the extent that another HKFRS Accounting Standard requires or permits their inclusion in the cost of an asset.

The Group measures LSP obligations on a net basis. The estimated amount of future benefit is determined after deducting the negative service cost arising from the accrued benefits derived from the Group's MPF contributions that have been vested with employees, which are deemed to be contributions from the relevant employees.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

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 associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The following is the critical judgement, apart from those involving estimations (which are dealt with separately below), that management has 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.

The estimates and underlying assumptions are reviewed on an ongoing 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

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

(i) Critical judgements in applying accounting policies

Going concern assumption

The directors of the Company believe that the Group will have sufficient funds to finance its current working capital requirements in the next twelve months from the end of the reporting date and these consolidated financial statements have been prepared on a going concern basis. The assessment of the going concern assumption, as disclosed in note 3, involves making judgements by the directors of the Company, at a particular point of the time, about the future outcome of events or conditions which are inherently uncertain. These include the availability of the banking facilities and the timely renewal of the banking facility upon expiry as well as the banks would not exercise its rights regarding the repayment on demand clause as disclosed in Note 33(b).

(ii) Key sources of estimation uncertainty

In addition to information disclosed elsewhere in these consolidated financial statements, other key sources estimation uncertainty that have significant risk of resulting in a material adjustment to the carrying amounts of the assets and liabilities within next financial period are as follows:

(a) *Deferred taxation on investment properties*

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties that are 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 situated in Hong Kong 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 rather than through sale whereas those situated in the People's Republic of China ("PRC") are held under such a business model. Therefore, the presumption that the carrying amounts of investment properties are recovered entirely through sale is rebutted for properties situated in the PRC but is not rebutted for properties situated in Hong Kong. However, the Group has not recognised any deferred taxes on changes in fair value of these investment properties located in Hong Kong as the Group is not subject to any income tax on disposal of these investment properties. The presumption that the carrying amount of the Group's investment properties in the PRC is to recover through sale rather than through use has been rebutted and deferred tax on the changes in fair value is recognised according to the relevant tax rules.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

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

(ii) Key sources of estimation uncertainty (Continued)

(b) *Fair value measurement*

A number of assets and liabilities included in the Group's consolidated financial statements require measurement at and/or disclosure of fair value.

The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the "fair value hierarchy"):

- Level 1: Quoted prices in active markets for identical items (unadjusted);
- Level 2: Observable direct or indirect inputs other than Level 1 inputs;
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Group measures a number of items at fair value:

- Investment properties (Note 13);
- Financial assets at fair value through other comprehensive income (Note 17); and
- Financial assets at fair value through profit or loss (Note 19).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

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

(ii) Key sources of estimation uncertainty (Continued)

(c) *Fair value of investment properties*

Investment properties are carried at their fair value in the consolidated statement of financial position at the end of the reporting period, details of which are disclosed in note 13. The fair value of the investment properties was determined by reference to valuations conducted on these properties by an independent qualified external valuer using property valuation techniques which involve certain assumptions of prevailing market conditions. Favourable or unfavourable changes to these assumptions may result in changes in the fair value of the Group's investment properties and corresponding adjustments to the changes in fair value reported in the consolidated statement of profit or loss and other comprehensive income and the carrying amount of these properties included in the consolidated statement of financial position. The valuations of the Group's investment properties are dependent on valuation models used by management, certain key assumptions and estimations that require significant management judgement. The carrying amount of investment properties at 30 September 2025 is approximately HK\$4,424,355,000 (2024: HK\$4,685,989,000).

(d) *Impairment of trade receivables, other receivables and amount due from a joint venture*

The Group's management determines the provision for impairment of receivables on a forward-looking basis. In making the judgement, management considers available reasonable and supportive forward-looking information such as actual or expected significant changes in the operating results of debtors, actual or expected significant adverse changes in business and debtors' financial position.

At the end of each reporting periods, the historical observed default rates would be reassessed and changes in the forward-looking estimates are analysed. The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs and the Group's trade receivables, other receivables and amount due from a joint venture are disclosed in note 33(b) to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

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

(ii) Key sources of estimation uncertainty (Continued)

(e) *Income taxes*

Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences, of course, will impact upon the income tax and deferred tax provision in the period in which such determination is made.

(f) *Impairment of interest in joint venture*

The Group assesses at the end of each reporting period whether there is an indication that the interest of joint venture may be impaired. If any such indication exists, the Group makes an estimate of the recoverable amount of the interest of joint venture. This requires an estimation of the value-in-use of the asset. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the asset and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

5. REVENUE AND SEGMENT INFORMATION

An analysis of revenue is as follows:

	2025 HK\$'000	2024 HK\$'000
Revenue from contracts with customers		
Sales of goods	49,259	38,519
Building management services	<u>12,564</u>	<u>10,529</u>
	61,823	49,048
Revenue from other sources		
– Rental income for operating leases with fixed lease payments	103,006	108,466
– Dividend income	<u>8,958</u>	<u>9,884</u>
	<u>111,964</u>	<u>118,350</u>
Total revenue	<u>173,787</u>	<u>167,398</u>

The following table provides information about timing of revenue recognition:

	Property investment and management		Trading of goods		Securities investment		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At a point in time	–	–	49,259	38,519	–	–	49,259	38,519
Over time	12,564	10,529	–	–	–	–	12,564	10,529
	12,564	10,529	49,259	38,519	–	–	61,823	49,048
Revenue from other sources	103,006	108,466	–	–	8,958	9,884	111,964	118,350
	115,570	118,995	49,259	38,519	8,958	9,884	173,787	167,398

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

The Group's operating segments based on information reported to the chief operating decision maker (the "CODM") (i.e. the managing director of the Company) for the purpose of resource allocation and performance assessment are as follows:

Property investment and management	– letting and management of commercial, industrial and residential properties
Trading of goods	– trading of visual and sound equipment
Securities investment	– investment in securities

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

Year ended 30 September 2025

	Property investment and management	Trading of goods	Securities investment	Segment total	Eliminations	Consolidated
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
REVENUE						
External	115,570	49,259	8,958	173,787	–	173,787
Inter-segment	1,839	193	–	2,032	(2,032)	–
	117,409	49,452	8,958	175,819	(2,032)	173,787
Segment (loss)/profit (<i>Notes i and ii</i>)	(190,664)	2,756	10,044	(177,864)	–	(177,864)
Unallocated other income and gains					13,607	
Corporate expenses					(16,259)	
Finance costs on bank borrowings					(17,184)	
Share of loss of a joint venture					<u>(9,762)</u>	
Loss before income tax						<u>(207,462)</u>

Notes: i. Segment loss of property investment and management business included a decrease in fair value of investment properties of approximately HK\$263,623,000.

ii. Segment profit of securities investment business included an increase in fair value of financial assets at FVTPL of approximately HK\$4,617,000.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Year ended 30 September 2024

	Property investment and management HK\$'000	Trading of goods HK\$'000	Securities investment HK\$'000	Segment total HK\$'000	Eliminations HK\$'000	Consolidated HK\$'000
REVENUE						
External	118,995	38,519	9,884	167,398	-	167,398
Inter-segment	1,967	267	-	2,234	(2,234)	-
	120,962	38,786	9,884	169,632	(2,234)	167,398
Segment loss (<i>Notes i and ii</i>)	(547,757)	(2,079)	(4,289)	(554,125)	-	(554,125)
Unallocated other income and gains						17,792
Corporate expenses						(22,346)
Finance costs on bank borrowings						(22,359)
Share of loss of a joint venture						(5,822)
Loss before income tax						(586,860)

Notes:

- i. Segment loss of property investment and management business included a decrease in fair value of investment properties of approximately HK\$626,462,000.
- ii. Segment loss of securities investment business included a decrease in fair value of financial assets at FVTPL of approximately HK\$10,978,000.

Inter-segment revenue is charged at mutually agreed terms.

Segment profit/(loss) represents the profit earned/(loss incurred) by each segment without allocation of certain other income and gains (mainly including interest income, dividend income from equity instrument at FVOCI and exchange gain), corporate expenses, finance costs, share of loss of a joint ventures. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

No segment assets and liabilities are presented as the information is not regularly reported to the CODM in the resource allocation and assessment of performance processes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Other segment information

Amounts included in the measurement of segment (loss)/profit:

Year ended 30 September 2025

	Property investment and management	Trading of goods	Securities investment
	HK\$'000	HK\$'000	HK\$'000
Property investment costs	16,145	–	10
Property management costs	8,479	–	–
Trading of goods costs	–	38,816	–
Staff costs	22,150	9,124	278
Provision for impairment on trade and other receivables	483	79	–
Depreciation on property, plant and equipment	1,018	271	–
Depreciation on right-of-use assets	8	–	–
Loss on disposal of property, plant and equipment	82	–	–
Capital expenditure	1,500	11	–

Year ended 30 September 2024

	Property investment and management	Trading of goods	Securities investment
	HK\$'000	HK\$'000	HK\$'000
Property investment costs	16,851	–	9
Property management costs	10,154	–	–
Trading of goods costs	–	31,196	–
Staff costs	20,733	10,899	–
Reversal of impairment on trade and other receivables	(355)	(36)	–
Depreciation on property, plant and equipment	1,152	274	–
Depreciation on right-of-use assets	8	–	–
Gain on disposal of property, plant and equipment	(102)	–	–
Capital expenditure	1,684	808	–

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Geographical information

Substantially all of the Group's non-current assets (based on the location of assets) and revenue attributable to customers (based on the location of goods delivered and services provided) are located in Hong Kong in both years. In regards to the investment properties located in the PRC, details are disclosed in note 13.

Information about major customers

The Group's customer base is diversified and includes only the following customer with whom transactions have exceeded 10% of the Group's revenue for the year ended 30 September 2025 and 2024. Revenue derived from this customer is as follows:

	Revenue from external customer	
	2025	2024
	HK\$'000	HK\$'000
Customer A [#]	n/a*	18,955

Attributable to segment of trading of goods

* The corresponding revenue did not constitute over 10% of the Group's revenue

6 OTHER INCOME AND GAINS

	2025	2024
	HK\$'000	HK\$'000
Dividend income from equity instruments designated at FVOCI	2,083	2,091
Imputed interest income on amount due from a joint venture	9,190	9,570
Interest income – Bank deposits	1,029	2,783
– Listed debt securities at FVTPL	138	118
Exchange gain	–	2,076
Gain on disposal of property, plant and equipment	–	102
Sundry income	1,167	1,052
	13,607	17,792

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

7. LOSS BEFORE INCOME TAX

	2025	2024
	HK\$'000	HK\$'000
Loss before income tax has been arrived at after charging/(crediting):		
Auditor's remuneration	797	787
Loss/(gain) on disposal of property, plant and equipment	82	(102)
Depreciation on property, plant and equipment		
– owned property, plant and equipment	1,289	1,426
– right-of-use-assets including within leasehold land in Hong Kong under long-term lease	8	8
Provision for impairment loss on amount due from a joint venture	1,192	7,265
Provision for/(reversal of) impairment loss on trade and other receivables	562	(391)
Exchange loss/(gain), net	2,486	(2,076)
Gross rental income from investment properties	(103,006)	(108,466)
Less: Direct operating expenses arising from investment properties that generated rental income	<u>16,155</u>	<u>16,860</u>
	<u>(86,851)</u>	<u>(91,606)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

8. INCOME TAX EXPENSE

Income tax has been recognised in profit or loss as following:

	2025	2024
	HK\$'000	HK\$'000
Current tax		
– Hong Kong profits tax	5,754	4,909
– PRC Enterprise Income Tax	122	142
Under/(over) provision in prior years	<u>44</u>	<u>(49)</u>
	5,920	5,002
Deferred tax (<i>Note 26</i>)	2,290	5,252
	8,210	10,254

Hong Kong profits tax is calculated at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong, except for the first HK\$2,000,000 of qualified group entity's assessable profit is calculated at 8.25%, which is in accordance with the two-tiered profits tax rates regime.

The Company's subsidiaries in the PRC are subject to the PRC enterprise income tax. The applicable PRC enterprise income tax rate for the PRC subsidiaries is 25% (2024: 25%) for the years ended 30 September 2025 and 2024.

The income tax expense can be reconciled to the loss before income tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	2025	2024
	HK\$'000	HK\$'000
Loss before income tax	<u>(207,462)</u>	<u>(586,860)</u>
Tax calculated at the statutory rate of 16.5% (2024: 16.5%) in Hong Kong	(34,231)	(96,832)
Tax effect of non-deductible expenses	45,608	109,420
Tax effect of non-taxable income	(5,062)	(5,347)
Tax effect of share of losses of joint ventures	1,611	961
Tax effect of tax losses not recognised	1,018	2,346
Tax loss utilised	(464)	(1,013)
Under/(over) provision in prior years	44	(49)
Others	<u>(314)</u>	<u>768</u>
Income tax expense	8,210	10,254

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

9. DIVIDENDS

	2025 HK\$'000	2024 HK\$'000
Dividend recognised as distributions during the year:		
Final dividend for the year ended 30 September 2024 of HK32 cents per ordinary share (2024: for the year ended 30 September 2023 of HK34 cents per ordinary share)	35,257	37,461
Interim dividend for the year ended 30 September 2025 of HK4 cents per ordinary share (2024: for the year ended 30 September 2024 of HK4 cents per ordinary share)	4,407	4,407
	<hr/> 39,664	<hr/> 41,868
Dividend proposed:		
Final dividend for the year ended 30 September 2025 of HK32 cents per ordinary share (2024: for the year ended 30 September 2024 of HK32 cents per ordinary share)	35,257	35,257

The final dividend of HK32 cents (2024: HK32 cents) per share has been proposed by the Board of Directors of the Company and is subject to approval by the shareholders at the forthcoming annual general meeting.

10. LOSS PER SHARE

The calculation of the basic loss per share is based on the loss for the year attributable to the owners of the Company of approximately HK\$215,673,000 (2024: HK\$597,104,000) and on 110,179,385 (2024: 110,179,385) ordinary shares in issue during the year.

There were no potential ordinary shares in issue during both years and at the end of both reporting periods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

The emoluments paid or payable to the seven (2024: six) directors of the Company are as follows:

	Fees HK\$'000	Basic salaries, allowances and benefits- in-kind HK\$'000	Contributions to retirement benefit scheme HK\$'000	Total HK\$'000
Year ended 30 September 2025				
<i>Executive Directors:</i>				
Wong Tat Chang, Abraham	120	2,382	–	2,502
Wong Tat Kee, David	120	–	–	120
Wong Tat Sum, Samuel	120	–	–	120
Sung Kwan Yuk, Katherine ¹	96	705	22	823
<i>Independent non-executive Directors:</i>				
Li Kwok Sing, Aubrey	120	150	–	270
Sit Hoi Wah, Kenneth	120	120	–	240
Seto Gin Chung, John	120	60	–	180
	816	3,417	22	4,255
Year ended 30 September 2024				
<i>Executive Directors:</i>				
Wong Tat Chang, Abraham	120	2,334	–	2,454
Wong Tat Kee, David	120	–	–	120
Wong Tat Sum, Samuel	120	–	–	120
<i>Independent non-executive Directors:</i>				
Li Kwok Sing, Aubrey	120	150	–	270
Sit Hoi Wah, Kenneth	120	120	–	240
Seto Gin Chung, John	120	60	–	180
	720	2,664	–	3,384

¹ Appointed on 11 December 2024

Mr. Wong Tat Chang, Abraham is also the Chairman and Managing Director of the Company and his emoluments disclosed above include those for services rendered by him as the Chairman and Managing Director in connection with management of affairs of the Company and the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (CONTINUED)

Ms. Sung Kwan Yuk, Katherine is also the leasing manager of the Group and her emoluments disclosed above include those for services rendered by her as the leasing manager.

The other emoluments shown above related to services rendered in their capacity as Directors of the Company.

There was no arrangement under which a director or the Chairman and Managing Director waived or agreed to waive any remuneration during the years ended 30 September 2025 and 2024.

12. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group during the year ended 30 September 2025, one (2024: one) was a director of the Company whose emoluments have been included in note 11 above. The emoluments of the remaining four (2024: four) individuals were as follows:

	2025	2024
	HK\$'000	HK\$'000
Basic salaries, allowances and benefits-in-kind	4,590	4,457
Performance related bonus	803	849
Contributions to retirement benefit scheme	79	79
	<hr/>	<hr/>
	5,472	5,385

Their emoluments were within the following bands:

	2025	2024
	No. of employees	No. of employees
Nil to HK\$1,000,000	1	1
HK\$1,000,001 to HK\$1,500,000	2	2
HK\$1,500,001 to HK\$2,000,000	–	–
HK\$2,000,001 to HK\$2,500,000	1	1

The emoluments paid or payable to members of senior management were within the following bands:

	2025	2024
	No. of employees	No. of employees
Nil to HK\$1,000,000	–	–
HK\$1,000,001 to HK\$1,500,000	1	1
HK\$1,500,001 to HK\$2,000,000	–	–
HK\$2,000,001 to HK\$2,500,000	1	1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

13. INVESTMENT PROPERTIES

	HK\$'000
FAIR VALUE	
At 1 October 2023	5,304,494
Addition during the year	5,091
Decrease in fair value recognised in the profit or loss	(626,462)
Exchange gain	<u>2,866</u>
At 30 September 2024 and 1 October 2024	<u>4,685,989</u>
Addition during the year	3,229
Decrease in fair value recognised in the profit or loss	(263,623)
Exchange loss	<u>(1,240)</u>
At 30 September 2025	<u>4,424,355</u>

(a) All of the Group's property interests in land held under operating leases to earn rentals are classified and accounted for as investment properties and measured using the fair value model.

(b) An analysis of the decrease in fair value of investment properties is set out below:

	2025	2024
	HK\$'000	HK\$'000
Properties located in Hong Kong:		
Residential	(115,400)	(436,900)
Commercial	(110,221)	(136,346)
Industrial	(35,808)	(50,545)
Properties located in the PRC:		
Residential (Note)	<u>(2,194)</u>	<u>(2,671)</u>
	<u>(263,623)</u>	<u>(626,462)</u>

Note: Revenue contributed by the investment properties with fair value of approximately HK\$82,275,000 (2024: HK\$85,709,000) as at 30 September 2025 located in the PRC is approximately HK\$1,312,000 (2024: HK\$1,520,000) for the year ended 30 September 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

13. INVESTMENT PROPERTIES (CONTINUED)

(c) Fair value measurements and valuation processes

In estimating the fair value of the Group's investment properties, the Group used market observable data to the extent it is available. Where level 1 inputs are not available, the Group engages third party qualified valuer to perform the valuation of the Group's investment properties. At the end of each reporting period, the Group works closely with the qualified external valuer to establish and determine the appropriate valuation techniques and inputs for Level 2 and Level 3 fair value measurements. The Group will first consider and adopt Level 2 inputs where inputs can be derived from observable quoted prices in the active market. When level 2 inputs are not available, the Group will adopt valuation techniques that include Level 3 inputs. Where there is a material change in the fair value of the assets, the causes of the fluctuations will be reported to the Directors of the Company.

The Group's investment properties at 30 September 2025 and 2024 were stated at fair value which had been arrived at on the basis of a valuation carried out as at those dates by a firm of independent qualified external valuers not connected with the Group, a member of the Hong Kong Institute of Surveyors and has appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations.

The valuations have been arrived at using direct comparison method or income capitalisation method, where appropriate. In the valuation, the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighbourhood. The capitalisation rate adopted, being the reversion yield, is made by reference to the yield rates observed by the valuer for the similar properties in the locality and adjusted based on the valuer's knowledge of the factors specific to the respective properties.

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

The following table gives information about how the fair values of these investment properties are determined (in particular, the valuation techniques and inputs used), as well as 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

13. INVESTMENT PROPERTIES (CONTINUED)

(c) Fair value measurements and valuation processes (Continued)

As at 30 September 2025

Investment properties held by the Group in the consolidated statement of financial position	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
Investment properties in Hong Kong (Residential and industrial)	Level 3	Direct comparison method The key input is	(1) Unit sale rate Unit sale rate, taking into account the location, and individual factors, such as frontage and size, between the comparable and the property, of ranging from HK\$833,000 to HK\$1,200,000 per unit for car park spaces	An increase in the unit sale rate used would result in an increase in the fair value measurement of the investment properties by the same percentage increase, and vice versa.
Investment properties in Hong Kong (Commercial)	Level 3	Income capitalisation method The key input are	(1) Reversion yield Reversion yield, taking into account of the capitalisation of rental income potential, nature of the property and prevailing market condition, of ranging from 2.0% to 7.0%	A slight increase in the reversion yield used would result in a significant decrease in the fair value measurement of the investment properties, and vice versa.
		(2) Monthly market rent	Monthly market rents, taking into account of location and individual factors such as frontage and size, between the comparable and the property, of ranging from HK\$10.6 to HK\$88.0 per square feet per month on lettable area basis.	An increase in the monthly market rent used would result in an increase in the fair value measurement of the investment properties by the same percentage, and vice versa.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

13. INVESTMENT PROPERTIES (CONTINUED)

(c) Fair value measurements and valuation processes (Continued)

As at 30 September 2025 (Continued)

Investment properties held by the Group in the consolidated statement of financial position	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
Investment properties in the PRC (Residential)	Level 3	Income capitalisation method		
		The key input are		
		(1) Reversion yield	Reversion yield, taking into account of the capitalisation of rental income potential, nature of the property and prevailing market condition, of 1.5%.	A slight increase in the reversion yield used would result in a significant decrease in the fair value measurement of the investment properties, and vice versa.
		(2) Monthly market rent	Monthly market rents, taking into account of time, location and individual factors such as frontage and size, between the comparable and the property, of RMB98 per square meter per month on lettable area basis.	An increase in the monthly market rent used would result in an increase in the fair value measurement of the investment properties by the same percentage, and vice versa.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

13. INVESTMENT PROPERTIES (CONTINUED)

(c) Fair value measurements and valuation processes (Continued)

As at 30 September 2024

Investment properties held by the Group in the consolidated statement of financial position	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
Investment properties in Hong Kong	Level 3	Direct comparison method	The key input is	
		(1) Unit sale rate	Unit sale rate, taking into account the location, and individual factors, such as frontage and size, between the comparable and the property, of ranging from HK\$833,000 to HK\$1,200,000 per unit for car park spaces.	An increase in the unit sale rate used would result in an increase in the fair value measurement of the investment properties by the same percentage increase, and vice versa.
Investment properties in Hong Kong	Level 3	Income capitalisation method	The key inputs are	
		(1) Reversion yield	Reversion yield, taking into account of the capitalisation of rental income potential, nature of the property and prevailing market condition, of ranging from 1.9% to 7.0%.	A slight increase in the reversion yield used would result in a significant decrease in the fair value measurement of the investment properties, and vice versa.
		(2) Monthly market rent	Monthly market rents, taking into account of location and individual factors such as frontage and size, between the comparable and the property, of ranging from HK\$10.6 to HK\$104.0 per square feet per month on lettable area basis.	An increase in the monthly market rent used would result in an increase in the fair value measurement of the investment properties by the same percentage, and vice versa.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

13. INVESTMENT PROPERTIES (CONTINUED)

(c) Fair value measurements and valuation processes (Continued)

As at 30 September 2024 (Continued)

Investment properties held by the Group in the consolidated statement of financial position	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
Investment properties in the PRC	Level 3	Income capitalisation method		
The key inputs are				
	(1) Reversion yield	Reversion yield, taking into account of the capitalisation of rental income potential, nature of the property and prevailing market condition, of 1.5%.	An slight increase in the reversion yield used would result in a significant decrease in the fair value measurement of the investment properties, and vice versa.	
	(2) Monthly market rent	Monthly market rents, taking into account of time, location and individual factors such as frontage and size, between the comparable and the property, of RMB99 per square meter per month on lettable area basis.	An increase in the monthly market rent used would result in an increase in the fair value measurement of the investment properties by the same percentage, and vice versa.	

The fair values of all investment properties were measured using valuation techniques with significant unobservable inputs and hence were classified as Level 3 of the fair value hierarchy throughout the year. There were no transfers between levels during the year ended 30 September 2024 and 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

13. INVESTMENT PROPERTIES (CONTINUED)

(d) The fair value of investment properties is a level 3 recurring fair value measurement

A reconciliation of the opening and closing fair value balance is provided below.

	2025	2024
	HK\$'000	HK\$'000
Opening balance (level 3 recurring fair value)	4,685,989	5,304,494
Addition during the year	3,229	5,091
Decrease in fair value of investment properties	(263,623)	(626,462)
Exchange (loss)/gain	(1,240)	2,866
 Closing balance (level 3 recurring fair value)	 4,424,355	 4,685,989

(e) The Group's certain investment properties are pledged to secure the general banking facilities granted to the Group (Note 15).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

14. PROPERTY, PLANT AND EQUIPMENT

	Leasehold land in Hong Kong under long- term lease	Buildings	Leasehold improvement, furniture, fixtures and equipment	Motor vehicles	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
COST					
At 1 October 2023	1,172	5,269	34,719	3,417	44,577
Additions	–	–	1,991	501	2,492
Disposals	–	–	(419)	(417)	(836)
At 30 September 2024 and 1 October 2024	1,172	5,269	36,291	3,501	46,233
Additions	–	–	412	1,099	1,511
Disposals	–	–	(251)	(501)	(752)
At 30 September 2025	1,172	5,269	36,452	4,099	46,992
ACCUMULATED DEPRECIATION					
At 1 October 2023	362	4,216	24,093	2,905	31,576
Provided for the year	8	104	1,094	228	1,434
Eliminated on disposals	–	–	(413)	(356)	(769)
At 30 September 2024 and 1 October 2024	370	4,320	24,774	2,777	32,241
Provided for the year	8	104	929	256	1,297
Eliminated on disposals	–	–	(251)	(84)	(335)
At 30 September 2025	378	4,424	25,452	2,949	33,203
NET CARRYING VALUES					
At 30 September 2025	794	845	11,000	1,150	13,789
At 30 September 2024	802	949	11,517	724	13,992

The Group's leasehold land and buildings are pledged to secure the general banking facilities granted to the Group (Note 15).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The carrying value of the Group's right-of-use assets included in property, plant and equipment as at 30 September 2025 and 2024 represented the leasehold land in Hong Kong under long lease and carried at depreciated cost.

Right-of-use assets

The analysis of the carrying amount of right-of-use assets by class of underlying asset is as follows:

	2025	2024
	HK\$'000	HK\$'000
Ownership interests in leasehold land held for own use, carried at depreciated cost in Hong Kong*	794	802

* The Group had an ownership interest in leasehold land held for own use as head office in Hong Kong. The lease term is long lease. Lump sum payments were made upfront to lease the land, and there are no ongoing payments to be made under the terms of the land lease.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Right-of-use assets (Continued)

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

	2025	2024
	HK\$'000	HK\$'000
Depreciation of right-of-use assets by class of underlying asset:		
Ownership interests in leasehold land	8	8

15. PLEDGED ASSETS

As at 30 September 2025, (i) investment properties of the Group with a carrying amount of approximately HK\$4,138,500,000 (2024: approximately HK\$4,385,500,000); and (ii) ownership interests in leasehold land held for own use and building of the Group with a carrying amount of approximately HK\$1,639,000 (2024: approximately HK\$1,751,000) were pledged to banks to secure the general banking facilities granted to the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

16. INTEREST IN JOINT VENTURE/AMOUNT DUE FROM A JOINT VENTURE

	2025	2024
	HK\$'000	HK\$'000
Cost of unlisted investment (<i>Note i</i>)	3	3
Fair value adjustments on non-current interest-free amount due from a joint venture	115,378	107,349
Dividend declared	(62,200)	(62,200)
Share of losses	(28,036)	(18,274)
Cumulative share of exchange gain recognised in other comprehensive income by the joint venture	5,553	2,350
Exchange realignment	(1,051)	3,203
	<hr/> 29,647	<hr/> 32,431
Amount due from a joint venture – non-current, net (<i>Note ii</i>)	<hr/> 114,315	<hr/> 115,580

Notes:

i. As at 30 September 2025, the cost of investment comprised of one investment in a joint venture of HK\$3,000 (2024: HK\$3,000). The investment in a joint venture of HK\$3,000 (2024: HK\$3,000) represents a 33⅓% interest in the issued share capital of Silver Gain Development Limited ("Silver Gain"), a company incorporated in Hong Kong. Silver Gain is principally engaged in the development of a commercial/residential complex in Guangzhou, Silver Gain Plaza, the PRC, through a subsidiary established in the PRC named Guangzhou Garden Plaza Development Company Limited.

ii. The amount due from a joint venture is unsecured, interest free, and is not expected to be repaid within twelve months from the end of the reporting period. The fair value adjustment on the amount due from a joint venture recognised during the year amounted to HK\$8,029,000 (2024: HK\$9,190,000) recognised upon revision of estimated repayment date which affected the estimates of timing of cash flows of repayment. The effective interest rate as at 30 September 2025 was 6.125% per annum.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

16. INTEREST IN JOINT VENTURE/AMOUNT DUE FROM A JOINT VENTURE (CONTINUED)

Notes: (Continued)

iii. Movements on the provision for impairment of amount due from a joint venture is as follows:

	HK\$'000
At 1 October 2023	33,581
Provision for impairment	<u>7,265</u>
At 30 September 2024 and 1 October 2024	40,846
Provision for impairment	<u>1,192</u>
At 30 September 2025	<u>42,038</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

16. INTEREST IN JOINT VENTURE/AMOUNT DUE FROM A JOINT VENTURE (CONTINUED)

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

Consolidated financial information regarding Silver Gain and its subsidiary is set out below:

	2025	2024
	HK\$'000	HK\$'000
Revenue	10,020	15,801
Expenses	(39,307)	(33,267)
 Loss for the year	 (29,287)	 (17,466)
	2025	2024
	HK\$'000	HK\$'000
 Financial position		
Non-current assets	1,129	1,224
Current assets	560,641	568,440
Current liabilities	(2,792)	(2,885)
Non-current liabilities	(470,038)	(469,486)
 Net assets	 88,940	 97,293

Reconciliation of the above consolidated financial information to the carrying amount of the interest in Silver Gain and its subsidiary recognised in the Company's consolidated financial statements:

	2025	2024
	HK\$'000	HK\$'000
Net assets	88,940	97,293
Proportion of the Group's ownership interest in Silver Gain	33 ^{1/3} %	33 ^{1/3} %
	29,647	32,431

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

17. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2025 HK\$'000	2024 HK\$'000
Equity instrument designated at FVOCI		
– Unlisted equity investment, at fair value and classified as non-current asset	20,134	17,168

The equity investment was irrevocably designated at FVOCI and classified as non-current as the Group considers the investment to be long-term strategic capital investment in nature.

Changes in fair value of the above equity instrument are recognised in other comprehensive income and accumulated within the financial assets at FVOCI reserves within equity. The Group transfers amounts from investment revaluation reserve (non-recycling) to retained profits when the relevant equity instrument is derecognised.

18. INVENTORIES

	2025 HK\$'000	2024 HK\$'000
Trading inventories	19,295	21,103
Less: Write-down of inventories	(4,353)	(4,353)
	14,942	16,750

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025	2024
	HK\$'000	HK\$'000
Non-current portion (Note)		
– Unlisted fund instrument in Hong Kong, at fair value	34,787	32,956
– Unlisted fund instruments outside Hong Kong, at fair value	84,420	44,500
	119,207	77,456
Current portion		
– Listed equity securities, at fair value	69,562	52,061
– Listed debt securities at fair value	5,573	3,062
	75,135	55,123

Note:

The Group intends to hold the unlisted fund instruments for long term strategic capital investment purpose.

20. TRADE AND OTHER RECEIVABLES

For sales of goods, the Group allows a credit period of 30 days to its trade customers. Rentals receivable from tenants are payable on presentation of invoices.

	2025	2024
	HK\$'000	HK\$'000
Trade receivables	6,454	4,088
Less: Provision for impairment	(590)	(458)
Trade receivables, net	5,864	3,630
Other receivables	5,154	8,496
Less: Provision for impairment	(1,322)	(892)
Other receivables, net	3,832	7,604
Total trade and other receivables	9,696	11,234

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

20. TRADE AND OTHER RECEIVABLES (CONTINUED)

The following is an aged analysis of trade receivables, net of provision, presented based on the invoice date at the end of the reporting periods:

	2025	2024
	HK\$'000	HK\$'000
0 – 30 days	4,671	2,758
31 – 60 days	646	184
61 – 90 days	153	48
Over 90 days	394	640
	<hr/>	<hr/>
	5,864	3,630

Before accepting any new customer, the Group will assess the potential customer's credit quality. Limits attributed to customers are reviewed once a year. The Group's trade receivables that are neither past due nor impaired have the best credit quality with reference to respective settlement history.

Movements on the provision for impairment on trade and other receivables are as follows:

	HK\$'000
At 1 October 2023	1,741
Reversal of impairment	<hr/> (391)
At 30 September 2024 and 1 October 2024	1,350
Provision for impairment	<hr/> 562
At 30 September 2025	<hr/> 1,912

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

21. BANK BALANCES AND CASH AND TIME DEPOSITS WITH MATURITY OVER THREE MONTHS

Bank balances and time deposits carry interest rates at prevailing rates which range from 0.05% to 4.11% (2024: 0.05% to 5.14%) per annum.

	2025	2024
	HK\$'000	HK\$'000
Bank balances and cash	36,402	28,831
Time deposit with an original maturity of less than three months	15,072	9,542
Cash and cash equivalents	51,474	38,373
Time deposit with an original maturity of more than three months	10,970	44,827
	62,444	83,200

The currency in which bank balances and cash are denominated is analysed as follows:

	2025	2024
	HK\$'000	HK\$'000
HKD	26,758	32,165
RMB	14,545	14,737
USD	18,939	36,191
Others	2,202	107
	62,444	83,200

The Group had cash and bank balances denominated in RMB of approximately RMB13,004,000 (2024: RMB13,030,000) and the remittance of these funds out of the PRC was subject to the exchange control restrictions imposed by the PRC government.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

22. TRADE AND OTHER PAYABLES

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting periods, and the total balances of trade and other payables comprise:

	2025	2024
	HK\$'000	HK\$'000
0 – 30 days	122	532
31 – 60 days	65	241
61 – 90 days	28	292
Over 90 days	86	441
	<hr/>	<hr/>
	301	1,506
	<hr/>	<hr/>
Other payables	14,523	18,525
Renovation fee and retention payable	1,130	1,129
Receipt in advance	4,420	717
	<hr/>	<hr/>
	20,073	20,371
	<hr/>	<hr/>
	20,374	21,877

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

23. CONTRACT LIABILITIES

	2025	2024
	HK\$'000	HK\$'000
Contract liabilities (<i>Note</i>)	3,162	6,731

Note:

Contract liabilities primarily relate to the advances received from customers for sale of goods. The advances remain as contract liabilities until they are recognised as revenue when control of goods is transferred to the customers. Contract liabilities amounted to HK\$5,574,000 as at 1 October 2024 were recognised as revenue (2024: HK\$5,845,000) in the current reporting period.

As at 30 September 2025, the transaction price allocated to performance obligation that are unsatisfied (or partially unsatisfied) in relation to sale of goods was approximately HK\$3,941,000 (2024: HK\$10,040,000). The directors expect that the unsatisfied performance obligation will be recognised as revenue according to the contract period.

	2025	2024
	HK\$'000	HK\$'000
Year ended/ending 30 September		
– 2025:	–	10,040
– 2026:	3,941	–
	3,941	10,040

24. SHARE CAPITAL

	Number of shares	Share capital
	HK\$'000	HK\$'000
Issued and fully paid		
At 1 October 2023, 30 September 2024,		
1 October 2024 and 30 September 2025		
– Ordinary shares with no par value	110,179,385	146,134

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

25. BANK BORROWINGS, SECURED

	2025 HK\$'000	2024 HK\$'000
Secured bank loans repayable based on scheduled repayment date set out in the loan agreements		
– Within one year	155,852	192,958
– After one year but not exceeding two years	8,444	5,552
– After two years but not exceeding five years	222,187	163,900
– After five years	10,145	11,638
	<hr/>	<hr/>
	396,628	374,048

In accordance with relevant terms and clauses as stipulated in the banking facilities letters, the Group's bank borrowings of HK\$396,628,000 (2024: HK\$374,048,000) contain repayment on demand clauses at the discretion of the relevant banks and the Group, as a borrower, has no right to defer the settlement of the relevant bank borrowings as at 30 September 2025. Accordingly, the bank borrowings are shown under current liabilities at the end of the reporting period.

The bank borrowings carry interests at Hong Kong Interbank offered Rate (HIBOR) plus certain basis points and are denominated in HK\$, which is the functional currency of the relevant group entities.

The effective interest rates of the bank borrowings are ranged from 1.67% to 5.99% (2024: ranged from 4.11% to 7.15%) per annum.

The bank borrowings are secured by the Group's certain investment properties amounted to approximately HK\$3,642,000,000 as at 30 September 2025 (2024: HK\$3,873,500,000).

At 30 September 2025, the Group had unutilised bank facilities of HK\$1,140,539,000 (2024: HK\$1,170,539,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

26. DEFERRED TAXATION

The deferred tax liabilities/(assets) recognised during both years and at the end of the reporting periods in respect of temporary differences are attributable to the following:

	Investment properties	Property, plant and equipment	Trading securities	Tax losses	Other	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 October 2023	57,303	230	2,079	(1,477)	(485)	57,650
Charge to profit or loss <i>(note 8)</i>	2,041	174	2,024	1,013	–	5,252
At 30 September 2024 and 1 October 2024	59,344	404	4,103	(464)	(485)	62,902
Charge/(credited) to profit or loss <i>(note 8)</i>	1,615	(103)	314	464	–	2,290
At 30 September 2025	60,959	301	4,417	–	(485)	65,192

At the end of the reporting period, the Group had unused tax losses of HK\$24,586,000 (2024: HK\$28,936,000) available for offset against future profits. No deferred tax asset has been recognised on the tax losses of HK\$24,586,000 (2024: HK\$26,124,000) due to the unpredictability of future profit streams. The tax losses available may be carried forward indefinitely. A deferred tax asset has been recognised in respect of such tax losses of HK\$2,812,000 as at 30 September 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

27. FINANCIAL POSITION OF THE COMPANY

Below is the financial position of the Company at the end of the reporting period:

	2025	2024
	HK\$'000	HK\$'000
Non-current Assets		
Investment properties	3,448,980	3,656,980
Property, plant and equipment	7,553	7,492
Investments in subsidiaries	132,513	123,312
Amounts due from subsidiaries	850,516	822,535
Equity instrument designated at FVOCI	20,134	17,168
	4,459,696	4,627,487
Current Assets		
Trade and other receivables	3,154	3,317
Deposits and prepayments	909	1,038
Bank balances and cash	10,830	10,785
	14,893	15,140
Current Liabilities		
Trade and other payables	11,291	13,222
Rental and management fee deposits	18,652	18,145
Amounts due to subsidiaries	7,210	1,980
Tax payable	358	511
Bank borrowings, secured	297,336	271,836
	334,847	305,694
Net Current Liabilities	(319,954)	(290,554)
Total Assets less Current Liabilities	4,139,742	4,336,933
Capital and Reserves		
Share capital	146,134	146,134
Reserves	3,954,630	4,153,676
Total Equity	4,100,764	4,299,810
Non-current Liability		
Deferred taxation	38,978	37,123
	4,139,742	4,336,933

The financial statements were approved by the board of directors on 17 December 2025 and were signed on its behalf.

Wong Tat Chang, Abraham
DIRECTOR

Wong Tat Sum, Samuel
DIRECTOR

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

27. FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Below is the reserves of the Company at the end of the reporting period:

	Investment revaluation reserve (non- recycling)	Retained profits	Total
	HK\$'000	HK\$'000	HK\$'000
At 1 October 2023	1,075	4,669,022	4,670,097
Loss for the year	–	(482,646)	(482,646)
Other comprehensive income for the year:			
Changes in fair value on:			
– Equity instrument designated at FVOCI	8,093	–	8,093
Final dividend for 2023 paid	–	(37,461)	(37,461)
Interim dividend for 2024 paid	–	(4,407)	(4,407)
At 30 September 2024 and 1 October 2024	9,168	4,144,508	4,153,676
Loss for the year	–	(165,944)	(165,944)
Other comprehensive income for the year:			
Changes in fair value on:			
– Equity instrument designated at FVOCI	2,966	–	2,966
Forfeiture of unclaimed dividend	–	3,596	3,596
Final dividend for 2024 paid	–	(35,257)	(35,257)
Interim dividend for 2025 paid	–	(4,407)	(4,407)
At 30 September 2025	12,134	3,942,496	3,954,630

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

27. FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Particulars of the subsidiaries at 30 September 2025 and 2024, which are incorporated and operating principally in Hong Kong unless otherwise stated, are as follows:

Name of subsidiaries	Issued share capital/ registered capital	Proportion of nominal value of paid-up issued share capital/ registered capital held by the Company				Principal activities	
		Directly		Indirectly			
		2025	2024	2025	2024		
		%	%	%	%		
Avery Limited	HK\$10,000	100	100	–	–	Property investment	
Avery Property Limited	HK\$10,000	100	100	–	–	Investment holding	
Beverly Investment Company Limited	HK\$3,600,000	100	100	–	–	Property management	
Dragon World Corporation Limited	HK\$10,000	100	100	–	–	Investment holding	
Double Mark Enterprises Limited (ii)	HK\$2	–	–	100	100	Property investment	
Dynabest Development Inc. (i)	USD10	–	–	100	100	Investment holding	
Elephant Holdings Limited	HK\$3,100,000	99.80	99.80	–	–	Trading of visual and sound equipment and investment holding	
Elephant Radio (China) Company Limited	HK\$2	–	–	99.80	99.80	Inactive	
Elevant-Garde Limited	HK\$2,000,400	–	–	99.80	99.80	Inactive	
First Madison Holdings Limited (i)	USD10	100	100	–	–	Investment holding	
Gold Channel Investments Limited	HK\$1	100	100	–	–	Investment holding	
Marsbury Base Limited	HK\$10	100	100	–	–	Provision of trustee and nominee services	
Metrocenter Holdings Limited	HK\$10,000	100	100	–	–	Investment holding	
Metroinvest Holdings Limited	HK\$10,000	100	100	–	–	Investment holding (2024: Inactive)	
Metropoint Holdings Limited	HK\$10,000	100	100	–	–	Investment holding	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

27. FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Name of subsidiaries	Issued share capital/ registered capital	Proportion of nominal value of paid-up issued share capital/ registered capital held by the Company				Principal activities	
		Directly		Indirectly			
		2025	2024	2025	2024		
		%	%	%	%		
Metrowealth Limited	HK\$10,000	100	100	–	–	Investment holding	
Monte Bella International Holdings Limited (i)	USD10	100	100	–	–	Investment holding	
Pacific Limited	HK\$100,000	100	100	–	–	Property investment	
Patricus Limited	HK\$10,000	100	100	–	–	Property investment and securities dealing	
Pokfulam Property Management Limited	HK\$10,000	100	100	–	–	Property management	
Premium Wealth Company Limited	HK\$2	100	100	–	–	Investment holding	
Supreme Universal Limited	HK\$2	–	–	100	100	Investment holding	
Well Vantage Company Limited (ii)	HK\$2	–	–	100	100	Property investment	
Wellmake Holdings Limited	HK\$10,000	100	100	–	–	Property investment	
Welshston Limited	HK\$10,000	100	100	–	–	Property investment	
Worldwide Music Limited	HK\$200,000	–	–	99.80	99.80	Trading of visual and sound equipment	
廣州市寶臨置業有限公司 (ii) & (iii)	USD1,000,000	–	–	100	100	Property investment and management	
深圳利臨投資顧問有限公司 (ii) & (iii)	RMB100,000	–	–	100	100	Inactive	

Notes:

- (i) Incorporated in the British Virgin Islands
- (ii) Operating principally in the PRC
- (iii) Registered in the PRC as wholly foreign owned enterprise

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

28. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Reconciliation of liabilities arising from financing activities:

	Bank borrowings, secured (Note 25)
	HK\$'000
At 1 October 2023	384,438
Changes from financing cash flows:	
Bank borrowings raised	25,000
Repayment of bank borrowings	(35,390)
Interest paid	(22,359)
Other changes:	
Interest expense recognised	22,359
At 30 September 2024 and 1 October 2024	374,048
Changes from financing cash flows:	
Bank borrowings raised	115,000
Repayment of bank borrowings	(92,420)
Interest paid	(17,184)
Other changes:	
Interest expense recognised	17,184
At 30 September 2025	<u>396,628</u>

29. COMMITMENTS

At the end of the reporting period, the Group had the following commitments:

	2025	2024
	HK\$'000	HK\$'000
Contracted, but not provided for:		
Property renovation costs	996	1,934
Investment in unlisted fund instruments	10,883	11,068
	<u>11,879</u>	<u>13,002</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

30. LEASE ARRANGEMENTS

At the end of the reporting period, the Group's investment properties with an aggregate carrying amount of HK\$4,007,730,000 (2024: HK\$4,173,731,000) was leased out under operating leases for periods ranging from one to six years (2024: one to seven years), a substantial portion of which does not have renewal options granted to the lessees. At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments under non-cancellable operating leases:

	2025	2024
	HK\$'000	HK\$'000
Within one year	98,912	89,551
In more than one year but not more than two years	40,340	39,048
In more than two years but not more than five years	6,936	903
More than five years	1,068	—
	<hr/>	<hr/>
	147,256	129,502

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

31. RETIREMENT BENEFIT PLANS

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the plan are held separately from those of the Group in funds under the control of trustees.

The total expense recognised in the consolidated statement of profit or loss and other comprehensive income of HK\$947,000 (2024: HK\$934,000) represents contributions paid and payable to the plan by the Group at rates specified in the rules of the plan.

32. 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 include the bank borrowings disclosed in note 25, and equity attributable to owners of the Company, comprising issued share capital, retained profits, translation reserve and investment revaluation reserves.

The management of the Group reviews the capital structure on a regular basis. As a part of this review, management of the Group considers the cost of capital and the risks associated with each class of capital and will adjust its overall capital structure through dividend payments, issuing new shares as well as issue of new debts or repayment of existing debt, if necessary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

33. FINANCIAL INSTRUMENTS

a. Categories of financial instruments

	2025	2024
	HK\$'000	HK\$'000
Financial assets		
Measured at fair value		
– Equity instrument designated at FVOCI	20,134	17,168
– Financial assets at FVTPL	194,342	132,579
Measured at amortised cost		
– Trade and other receivables	9,696	11,234
– Deposits	1,091	3,686
– Amount due from a joint venture	114,315	115,580
– Time deposits with maturity over three months	10,970	44,827
– Bank balances and cash	51,474	38,373
	<hr/> 402,022	<hr/> 363,447
Financial liabilities		
Measured at amortised cost		
– Trade and other payables	15,954	21,160
– Rental and management fee deposits	26,445	25,308
– Bank borrowings, secured	396,628	374,048
	<hr/> 439,027	<hr/> 420,516



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

33. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objective and policies

The Group's financial instruments include financial assets at FVTPL, equity instrument designated at FVOCI, trade and other receivables, bank balances and cash, time deposits with maturity over three months, amount due from a joint venture, trade and other payables, rental and management fee deposits and bank borrowings. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

(i) Currency risk

Certain loans and receivables are denominated in foreign currencies of the relevant group entities. They expose the Group to foreign currency risk. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

At the end of reporting periods, the carrying amounts of the Group's monetary assets denominated in currencies other than respective functional currencies of the relevant group entities are as follows:

	2025	2024
	HK\$'000	HK\$'000
USD	103,359	80,691
RMB	66,510	67,465

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

33. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objective and policies (Continued)

Market risk (Continued)

(i) Currency risk (Continued)

Sensitivity analysis

The Group is mainly exposed to a foreign currency risk arising from monetary assets that are denominated in USD and RMB.

The following table details the Group's sensitivity to a 5% increase and decrease in HK\$ against USD and RMB. 5% (2024: 5%) is the sensitivity rate used in management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding USD and RMB denominated monetary items at the end of the reporting periods for a 5% (2024: 5%) change in USD and RMB. A negative number below indicates an increase in post-tax loss or a decrease in post-tax profit where HK\$ strengthen 5% (2024: 5%) against USD and RMB. For a 5% (2024: 5%) weakening of the HK\$ against USD and RMB, there would be an equal and opposite impact on the losses or profits.

	2025 HK\$'000	2024 HK\$'000
USD	(4,316)	(3,369)
RMB	(2,777)	(2,817)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

33. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objective and policies (Continued)

Market risk (Continued)

(ii) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates.

The Group's cash flow interest rate risk relates primarily to a floating-rate bank borrowings (note 25) and bank balances (note 21) and mainly concentrated on the fluctuation of HIBOR. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments (variable rate bank borrowings) at the end of the reporting period. No sensitivity analysis for bank balances is prepared as the directors of the Company consider that the Group's exposure is not significant as these interest-bearing bank balances are within a short maturity period.

The analysis is prepared assuming the amount of the bank borrowings outstanding at the end of the reporting period were outstanding for the whole year. 50 (2024: 50) basis points increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible changes in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's loss for the year ended 30 September 2025 would increase/decrease by approximately HK\$1,656,000 (2024: increase/decrease by approximately HK\$1,562,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

33. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objective and policies (Continued)

Market risk (Continued)

(iii) Other price risk

Price risk relates to the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group is exposed to change in market prices of listed equity securities, in respect of its investments classified as financial assets at FVTPL.

To manage its market price risk arising from these investments, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the board of directors. The policies to manage the price risk have been followed by the Group since prior years and are considered to be effective.

For those equity and debt investments at FVTPL, the sensitivity analyses below have been determined based on the exposure to price risk at the end of the reporting period. If the price had been 20% higher/lower, loss for the year ended 30 September 2025 would decrease/increase by approximately HK\$12,548,000 (2024: HK\$9,207,000) due to the change in fair value of financial assets at FVTPL.

The increase and decrease of 20% in market price of investment represents management's assessment of a reasonably possible change in market price of investments over the period until the next annual reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

33. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objective and policies (Continued)

Credit risk

The objective of the Group's measures to manage credit risk is to control potential exposure to recoverability problem.

In order to minimise credit risk, the Group has policies in place for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. There was no significant concentration of credit risk as at 30 September 2024 and 2025.

The Group considers whether there has been a significant increase in credit risk of financial assets on an ongoing basis throughout each reporting period by comparing the risk of a default occurring as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following information is used:

- internal credit rating;
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;
- actual or expected significant changes in the operating results of the borrower;
- significant changes in the value of the collateral or in the quality of guarantees or credit enhancements; and
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrower.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

33. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objective and policies (Continued)

Credit risk (Continued)

Most of the Group's bank balances are held in major financial institutions in Hong Kong and the PRC, which management believes are of high credit quality. In this regard, the Group does not expect to incur material credit losses on managing these financial assets. Accordingly, the ECLs for bank balances and cash were expected to be minimal.

The carrying amounts of trade and other receivables, deposits and amount due from a joint venture included in the consolidated statement of financial position represent the Group's maximum exposure to credit risk in relation to its financial assets which carry significant exposure to credit risk.

(i) Impairment of trade receivables

The following tables provide information about the Group's exposure to credit risk and ECLs for the trade receivables as at 30 September 2024 and 2025:

	2025			2024		
	Expected loss rate	Gross		Expected loss rate	Gross	
		carrying amount	Loss allowance		carrying amount	Loss allowance
	(%)	HK\$'000	HK\$'000	(%)	HK\$'000	HK\$'000
Neither past due nor impaired	0.00%	2,228	–	0.69%	582	4
1-30 days past due	1.37%	2,477	34	1.49%	2,213	33
31-60 days past due	1.52%	656	10	1.08%	186	2
61-90 days past due	5.56%	162	9	2.00%	50	1
Over 90 days past due	57.68%	931	537	39.55%	1,057	418
		<u>6,454</u>	<u>590</u>		<u>4,088</u>	<u>458</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

33. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objective and policies (Continued)

Credit risk (Continued)

(i) Impairment of trade receivables (Continued)

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix based on days past due for groupings of customer segments that have similar loss patterns.

Expected loss rates are based on actual loss experience over the past three years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

(ii) Impairment of other receivables and amount due from a joint venture

The Group measures loss allowances for other receivables and amount due from a joint venture using the general approach under HKFRS 9. Impairment of these receivables and loan was provided based on the "three-stage" model by referring to the changes in credit quality since initial recognition.

Other receivables that are not credit-impaired on initial recognition are classified in "Stage 1" and have their credit risk continuously monitored by the Group.

If a significant increase in credit risk (as defined in accounting policy at Note 3) since initial recognition is identified, the financial asset is moved to "Stage 2" but it not yet deemed to be credit-impaired. The ECL is measured on lifetime basis. The directors consider that there is a significant increase in credit risk for the amount due from a joint venture after considering the financial background and condition of the counterparty as at 30 September 2025.

If the financial asset is credit-impaired (as defined in accounting policy at Note 3), the financial asset is then moved to "Stage 3". The ECL is measured on lifetime basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

33. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objective and policies (Continued)

Credit risk (Continued)

(ii) Impairment of other receivables and amount due from a joint venture (Continued)

At Stages 1 and 2, interest income is calculated on the gross carrying amount (without deducting the loss allowance). If a financial asset subsequently becomes credit-impaired (Stage 3), the Group is required to calculate the interest income by applying the effective interest method in subsequent reporting periods to the amortised cost of the financial asset (the gross carrying amount net of loss allowance) rather than the gross carrying amount.

The following table provides information about the Group's exposure to credit risk and ECLs for other receivables and loan as at 30 September 2024 and 2025:

	2025			2024			
	Expected loss rate	Gross carrying amount	Loss allowance	Expected loss rate	Gross carrying amount	Loss allowance	
	(%)	HK\$'000	HK\$'000		(%)	HK\$'000	HK\$'000
Other receivables							
-12 month ECL	2.90%-51.87%	5,154	1,322	2.92%-47.93%	8,496	892	
Amount due from a joint venture	25.57%	156,353	42,038	24.66%	156,426	40,846	
		161,507	43,360		164,922	41,738	

Change in gross carrying amounts of other receivables and amount due from a joint venture during the year did not result in significant change in the loss allowance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

33. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objective and policies (Continued)

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and the flexibility through the use of bank borrowings. The Group also monitors the current and expected liquidity requirements and its compliance with lending covenants regularly to ensure sufficient working capital are maintained and adequate committed lines of funding from reputable financial institutions to meet its liquidity requirement.

The following table details the Group's remaining contractual maturity for its 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.

Liquidity tables

	Weighted average effective interest rate	Carrying amount	Total undiscounted cash flows		Within 1 year or on demand
			HK\$'000	HK\$'000	
2025					
Trade and other payables	–	15,954	15,954	15,954	
Rental and management fee deposits	–	26,445	26,445	26,445	
Bank borrowings at variable rates	1.67%-5.99%	396,628	396,628	396,628	
		439,027	439,027	439,027	

	Weighted average effective interest rate	Carrying amount	Total undiscounted cash flows		Within 1 year or on demand
			HK\$'000	HK\$'000	
2024					
Trade and other payables	–	21,160	21,160	21,160	
Rental and management fee deposits	–	25,308	25,308	25,308	
Bank borrowings at variable rates	4.11%-7.15%	374,048	374,048	374,048	
		420,516	420,516	420,516	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

33. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objective and policies (Continued)

Liquidity risk (Continued)

Bank borrowings with a repayment on demand clause is included in the "within 1 year or on demand" time band in the above maturity analysis. As at 30 September 2025, the principal amount of such bank borrowings amounted to HK\$396,628,000 (2024: HK\$374,048,000). Taking into account the Group's consolidated financial position, the directors of the Company do not believe that it is probable that the bank will exercise its discretionary rights to demand immediate repayment. On this basis, the aggregate principal and interest for the bank borrowings would be as follows:

	Weighted average effective interest rate	Total					Carrying amount
		Within one year	1 to 2 years	2 to 5 years	After five years	undiscounted cash flows	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
2025							
Bank borrowings at variable rates	1.67%-5.99%	167,853	19,433	229,068	11,799	428,153	396,628
2024							
Bank borrowings at variable rates	4.11% - 7.15%	204,140	14,819	178,949	14,180	412,088	374,048

The amounts included above for variable rate bank borrowings are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

33. FINANCIAL INSTRUMENTS (CONTINUED)

c. Fair value measurement of financial instruments

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

The following table provides an analysis of financial instruments carried at fair value by level of the fair value hierarchy:

Level 1: Fair value measurements are 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).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

33. FINANCIAL INSTRUMENTS (CONTINUED)

c. Fair value measurement of financial instruments (Continued)

Financial assets	Fair value as at 30 September 2025	Fair value measurement as at 30 September 2025 categorised into		
		Level 1	Level 2	Level 3
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		(note)		
Financial assets measured at FVTPL:				
– Listed equity securities	69,562	69,562	–	–
– Listed debt securities	5,573	5,573	–	–
– Unlisted fund instruments	119,207	–	–	119,207
Equity instruments designated at FVOCI:				
– Unlisted equity investment	20,134	–	–	20,134

Financial assets	Fair value as at 30 September 2024	Fair value measurement as at 30 September 2024 categorised into		
		Level 1	Level 2	Level 3
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		(note)		
Financial assets measured at FVTPL:				
– Listed equity securities	52,061	52,061	–	–
– Listed debt securities	3,062	3,062	–	–
– Unlisted fund instruments	77,456	–	–	77,456
Equity instruments designated at FVOCI:				
– Unlisted equity investment	17,168	–	–	17,168

Note:

Fair values of these investments have been determined by reference to their quoted bid prices as at the end of the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

33. FINANCIAL INSTRUMENTS (CONTINUED)

c. Fair value measurement of financial instruments (Continued)

Reconciliation of Level 3 fair value measurement of financial assets

	Unlisted equity securities classified as equity instruments designated at FVOCI	Unlisted fund instruments classified as financial asset at FVTPL
	HK\$'000	HK\$'000
At 1 October 2023	9,075	94,805
Addition during the year	–	941
Change in fair value, recognised in other comprehensive income	8,093	–
Change in fair value, recognised in profit or loss	–	(18,290)
At 30 September 2024 and 1 October 2024	17,168	77,456
Addition during the year	–	39,161
Change in fair value, recognised in other comprehensive income	2,966	–
Change in fair value, recognised in profit or loss	–	2,590
At 30 September 2025	20,134	119,207

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

33. FINANCIAL INSTRUMENTS (CONTINUED)

c. Fair value measurement of financial instruments (Continued)

Below is the table setting out quantitative information about fair value measurements using significant unobservable inputs (Level 3).

Description	Fair value at			Unobservable input	Range		Relationship of unobservable inputs to fair value
	30 September 2025	Valuation technique(s)	2024		2025	2024	
	HK\$'000	HK\$'000					
Financial asset measured at FVTPL							
Unlisted fund instrument	34,787	32,956	Adjusted asset-based approach	Discount rate for lack of control	Discount rate for lack of control	25.65%	26.09% A slight increase in the discount rate would result in an insignificant decrease in the fair value, and vice versa
Unlisted fund instruments	84,420	44,500	Market approach	Discount rate for lack of marketability	Discount rate for lack of marketability	11.40% to 15.60%	11.40% to 15.70% A slight increase in the discount rate would result in an insignificant decrease in the fair value, and vice versa
Equity instrument designated at FVOCI							
Unlisted equity investment	20,134	17,168	Market approach	Discount rate for lack of marketability	Discount rate for lack of marketability	13.20%	13.20% A slight increase in the discount rate would result in an insignificant decrease in the fair value, and vice versa

There were no transfers between levels during the year ended 30 September 2024 and 2025.

The fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

34. RELATED PARTY TRANSACTIONS

In addition to those disclosed elsewhere in these consolidated financial statements, the following transactions were carried out by the Group with the related parties during the year. The terms of the below transactions (a), (b) and (c) were mutually agreed by the Group and the related companies.

(a) Related party transactions with B.L. Wong & Company Limited ("B.L. Wong")

	2025	2024
	HK\$'000	HK\$'000
Renovation fee paid to B.L. Wong	1,741	2,971
Rental income received from B.L. Wong	1,080	1,080
Property management fee received from B.L. Wong	235	235

Note: During the year ended 30 September 2024, Mr Wong Tat Chang, Abraham, Mr Wong Tat Kee, David, and Mr Wong Tat Sum, Samuel ("Mr Samuel Wong"), who serve as Executive Directors of the Company (the "Executive Directors"), held interests in the Company and in B.L. Wong. In the year ended 30 September 2025, the ownership of B.L. Wong was restructured and is now beneficially owned in equal shares by two sons of Mr Samuel Wong.

(b) Related party transactions with Bowen Capital Limited ("Bowen")

	2025	2024
	HK\$'000	HK\$'000
Rental income received from Bowen	972	886
Property management fee received from Bowen	203	203

Note: Mr. Samuel Wong is the common director of the Company and Bowen. Bowen is beneficially owned by a close family member of Mr. Samuel Wong.

(c) Related party transactions with Bowen Capital (HK) Limited ("Bowen HK")

	2025	2024
	HK\$'000	HK\$'000
Investment management fee paid to Bowen HK	589	894

Note: Bowen HK is beneficially owned by a close family member of Mr. Samuel Wong.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

34. RELATED PARTY TRANSACTIONS (CONTINUED)

(d) Compensation of key management personnel

The remuneration of the Directors and other members of key management personnel of the Group during the year was as follows:

	2025 HK\$'000	2024 HK\$'000
Short-term employee benefits	9,626	8,690
Retirement scheme contributions	101	79
	9,727	8,769

The remuneration of directors of the Company and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

35. EVENTS AFTER THE REPORTING PERIOD

On 15 October 2025, Pokfulam Property Management Limited ("Pokfulam Property"), a wholly-owned subsidiary of the Company, entered into the construction contract with B. L. Wong, which beneficially owned by two sons of Mr. Samuel Wong, in equal shares, pursuant to which, Pokfulam Property engaged the B. L. Wong to perform certain renovation works for a property at a contract sum of HK\$3,560,000. This transaction constitutes a connected transaction of the Company under Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange. Details of the transaction is disclosed in the Company's announcement dated 15 October 2025.

FIVE YEARS FINANCIAL SUMMARY

(A) CONSOLIDATED RESULTS

	2021 HK\$'000	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000	2025 HK\$'000
Revenue	154,139	163,550	180,022	167,398	173,787
Profit/(loss) for the year	137,072	13,394	(181,736)	(597,114)	(215,672)
Profit/(loss) for the year attributable to:					
Owners of the Company	137,121	14,795	(181,785)	(597,104)	(215,673)
Non-controlling interests	(49)	(1,401)	49	(10)	1
	137,072	13,394	(181,736)	(597,114)	(215,672)

(B) CONSOLIDATED NET ASSETS

	2021 HK\$'000	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000	2025 HK\$'000
Total assets	5,704,458	5,908,025	5,749,100	5,116,834	4,887,147
Total liabilities	(181,518)	(428,539)	(498,820)	(493,719)	(514,089)
Net assets	5,522,940	5,479,486	5,250,280	4,623,115	4,373,058
Equity attributable to owners of the Company	5,523,932	5,481,879	5,250,254	4,623,099	4,373,041
Non-controlling interests	(992)	(2,393)	26	16	17
Total	5,522,940	5,479,486	5,250,280	4,623,115	4,373,058

PARTICULARS OF PROPERTIES HELD FOR INVESTMENT

Particulars of investment properties which are wholly owned by the Group are as follows:

Property	Existing use	Lease term	Number of car parking spaces	Approximate floor area (square meters)
<i>In Hong Kong</i>				
Beverly House 93-107 Lockhart Road Hong Kong	Commercial	Long lease	43	9,778*
Scenic Villas Apartments K and L on Ground to 14th Floor of Block A-4 2-28 Scenic Villa Drive Hong Kong	Residential	Long lease	30	6,410*
Scenic Villas Apartments D on Ground to 13th Floor of Block B-2 2-28 Scenic Villa Drive Hong Kong	Residential	Long lease	14	2,510*
Scenic Villas The Lower Ground Floor of Block A-3 and part of Car Port Area under Block A-4 2-28 Scenic Villa Drive Hong Kong	Residential	Long lease	25	314*

PARTICULARS OF PROPERTIES HELD FOR INVESTMENT

Property	Existing use	Lease term	Number of car parking spaces	Approximate floor area (square meters)
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In Hong Kong (Continued)

3-4 Headland Road Hong Kong	Residential	Long lease	27	3,391 [#]
Wyler Centre Phase 2 13/F and 14/F Nos. 192 - 200 Tai Lin Pai Road Kwai Chung New Territories	Industrial	Medium lease	5	4,760 [*]
1/F, 88A Pok Fu Lam Road Hong Kong	Residential	Medium lease	1	155 [*]
Kennedy Court No. 7A Shiu Fai Terrace Nos. 134-136 Kennedy Road Hong Kong	Residential	Medium lease	30	4,102 [*]
1/F – 9/F and Flat Roof, China Paint Building 1163 Canton Road, 5B Arran Street, Mong Kok, Kowloon	Industrial	Long lease	–	5,134 [#]

In the People's Republic of China

Units E and F on 1/F to 3/F and 5/F to 9/F, Vivaldi Court Manhattan Garden Chao Yang District Beijing	Residential	Medium lease	–	1,987 [*]
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* Approximate gross floor area (square meters)

Approximate saleable floor area (square meters)