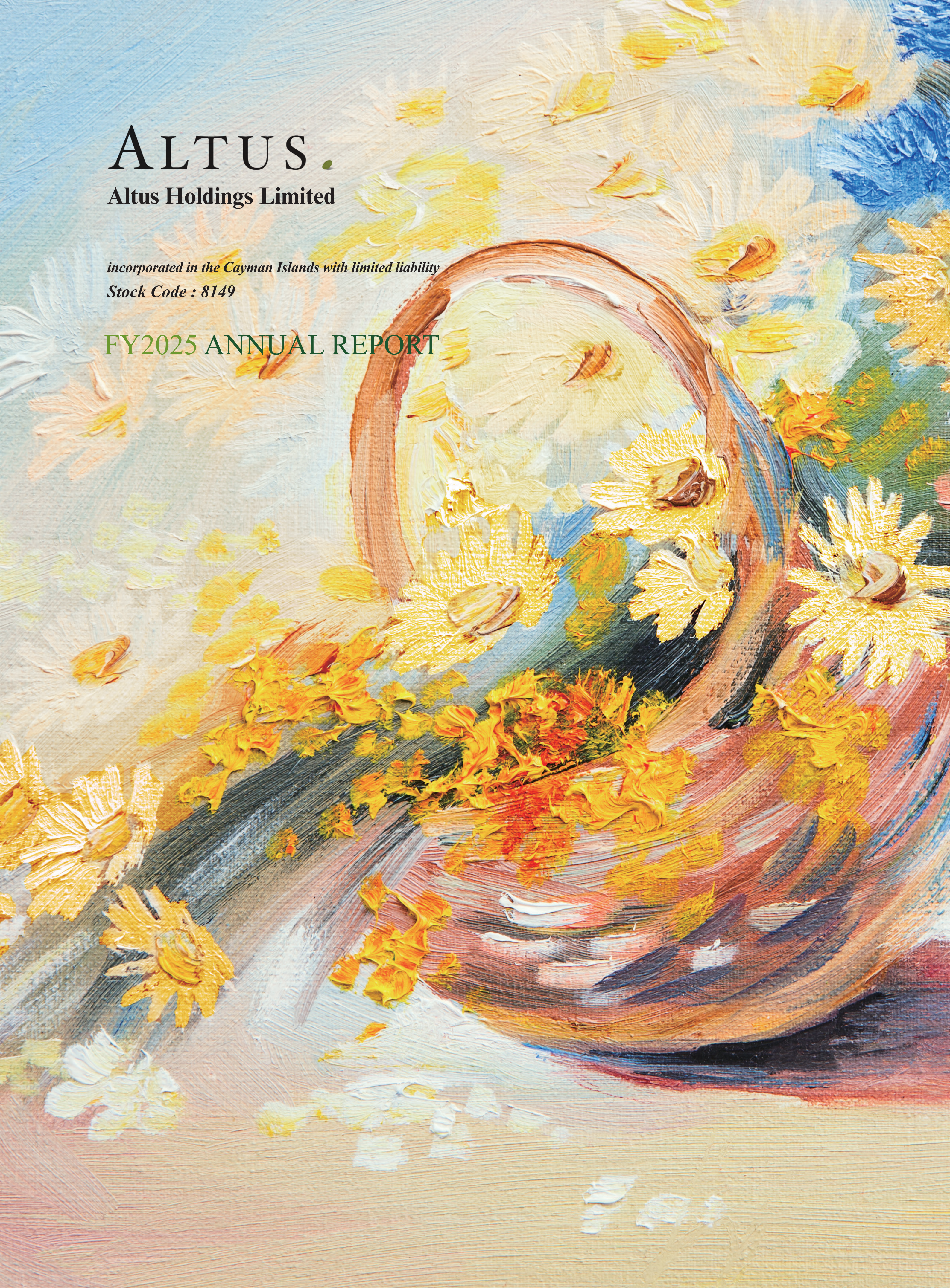
ALTUS.

Altus Holdings Limited

incorporated in the Cayman Islands with limited liability

Stock Code : 8149

FY2025 ANNUAL REPORT



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Contents

BOARD OF DIRECTORS

Executive Directors

Mr. Arnold Ip Tin Chee *(Chairman)*
Mr. Chang Sean Pey
Ms. Leung Churk Yin Jeanny

Independent non-executive Directors

Mr. Chao Tien Yo
Mr. Chan Sun Kwong
Mr. Lee Shu Yin

AUDIT COMMITTEE

Mr. Chan Sun Kwong *(Chairman)*
Mr. Chao Tien Yo
Mr. Lee Shu Yin

REMUNERATION COMMITTEE

Mr. Lee Shu Yin *(Chairman)*
Mr. Chao Tien Yo
Mr. Chan Sun Kwong
Mr. Arnold Ip Tin Chee

NOMINATION COMMITTEE

Mr. Chao Tien Yo *(Chairman)*
Mr. Chan Sun Kwong
Mr. Lee Shu Yin
Mr. Arnold Ip Tin Chee

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STOCK CODE

8149

CHAIRMAN'S STATEMENT

Dear Stakeholders,

The past year has seen our Group take meaningful steps towards a broader, more resilient foundation. Whilst headline financial results were impacted by revaluations across certain real estate assets, the underlying trajectory of our strategy remains intact and positive.

Our advisory and consulting work continued to show resilience. Regulatory driven assignments, in particular, have sustained activity levels despite broader market softness. We have also seen a continued demand for our special situations advisory capabilities, especially in navigating complex or cross-border matters. This year, we successfully launched our first self-managed fund in over a decade, a meaningful step forward to revitalise our asset management platform. Whilst contribution to revenue remains modest, we see this as a foundational move that positions us for longer term growth and deeper client engagement.

Our proprietary investment portfolio, a longstanding ballast to the Group, remains underpinned by stable fundamentals, even as market valuations fluctuate. The redevelopment of Tommy House Hiragishi in Sapporo is progressing on track and is expected to enhance future income streams upon completion. While revaluation adjustments on this and other assets affected reported performance, we view these as transitional and rooted in cautious standards rather than structural weakness.

We continue to hold our Hong Kong commercial asset with a long-term lens. The current vacancy reflects broader trends in the local commercial leasing market, but we believe the property's prime location will support eventual recovery in tenant demand.

Looking ahead, we are exploring ways to grow our asset management offerings, guided by a belief that as generational wealth, often represented by family offices, begins to shift, long term capital will seek clarity, conviction, and trusted stewardship. Our role, increasingly, is not confined to a single function. Whether as principal, co-investor, manager or adviser, we aim to be a thoughtful and adaptable partner to those navigating this changing financial landscape.

In the face of volatility, our strategy remains simple: stay adaptable, stay aligned with long-term fundamentals, and stay close to our clients and partners.

I am particularly proud of the work our team continues to do, often quietly, always persistently, and grateful for the enduring support of our stakeholders.

Yours sincerely,
Arnold Ip Tin Chee
Chairman

Hong Kong, 27 June 2025

FINANCIAL HIGHLIGHTS

A summary of the results and of the assets and liabilities of the Company and its subsidiaries (together, the "**Group**") for the last five financial years, as extracted from the audited consolidated financial statements in this annual report (the "**Annual Report**") for the year ended 31 March 2025 ("**FY2025**") and the annual report for the year ended 31 March 2024 ("**FY2024**") are as follows:

	For the year ended 31 March				
	2025	2024	2023	2022	2021
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Revenue	**48,314**	51,983	47,791	55,709	59,266
(Loss) profit before tax	**(5,893)**	19,782	15,524	12,148	11,790
(Loss) profit for the year attributable to owners of the Company					
– Reported	**(8,474)**	12,626	9,878	6,980	6,294
– Underlying*(Note 1)*	**5,892**	8,978	7,001	9,829	12,686

Note:

1. Underlying profit for the year attributable to owners of the Company excluded the net effect of fair value changes of investment properties, net of deferred taxation charged.

	As at 31 March				
	2025	2024	2023	2022	2021
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Total assets	**586,267**	586,300	630,020	663,240	713,478
Total liabilities	**202,277**	193,331	207,715	222,630	249,315
Net assets	**383,990**	392,969	422,305	440,610	464,163

REVIEW OF OPERATIONS

The Group focuses on corporate finance, asset management and other consultancy services and proprietary investments.

In respect of corporate finance, asset management and other consultancy services, the Group primarily offers financial advisory, compliance advisory, equity capital market consulting, initial public offering sponsorship, special situations consulting, asset management and investment consulting services to its clients. For proprietary investments, the Group invests in real estate in Japan and Hong Kong and derives rental income therefrom, as well as in securities to derive dividend income therefrom, and aims for capital gain. The Group's real estate investments are conducted via direct investments or through self-managed investment funds.

Underlying profit attributable to owners of the Company

The Group's underlying profit, which excludes fair value changes of investment properties, decreased to HK$5.9 million in FY2025, down from HK$9.0 million in FY2024. This reflects primarily the combined effects of the following:

- Positive contributions: the Group's advisory corporate finance, asset management, and consultancy services fee income has remained resilient and stable, despite broader market softness. Additionally, the acquisition of Rakuyukan Kitago, a new portfolio property in Sapporo, Japan, contributed to increased rental income. This property caters to tenants requiring nursing care and support services and provides a steady income stream.

- Vacancy impacts: the prolonged vacancy of the Group's Hong Kong investment property, which has been unoccupied since July 2024, reduced rental income.

- Currency impact: the continued weakening of the Japanese Yen (JPY) against the Hong Kong Dollar (HK$), the Group's reporting currency, further suppressed the underlying profit. The JPY/HK$ exchange rate decreased by approximately 5% in FY2025 compared to FY2024, reducing the value of income generated from Japanese investments.

- Redevelopment impact: the redevelopment of Tommy House Hiragishi in Sapporo, Japan, which commenced in mid-2024, led to a loss of rental income during the period. While the new building is expected to command higher rental upon completion, costs associated with the project comprising professional fees, demolition costs, and the temporary loss of income during the redevelopment phase negatively impacted underlying profit.

Reported loss attributable to owners of the Company

The Group recorded a net loss of HK$8.5 million in FY2025, compared to a net profit of HK$12.6 million in FY2024. This loss was primarily driven by significant fair value losses on the Group's investment properties totalling HK$15.1 million. This principally reflects the weak commercial property market in Hong Kong, which led to a significant revaluation loss of HK$11.0 million on our commercial unit. The Japanese portfolio has remained steady in valuation overall, with valuation adjustments on individual properties in line with prevailing market yields and rentals. Nonetheless, it recorded less than 1% of overall fair value decline, mainly attributable to Tommy House Hiragishi, which is currently under redevelopment. As construction is still underway and market conditions may change by the time leasing is conducted, the Management has adopted a cautious approach when estimating future rentals and the construction costs required to complete the project. Such an approach resulted in the recognition of a fair value loss.

The combined impact of the above, along with the factors affecting the underlying profit, led to the Group's overall net loss for FY2025.

Corporate finance, asset management, and other consultancy services

The Group's corporate finance services generally consist of provision of financial or independent financial advice, sponsorship and compliance advisory services, and acting as listing agent, to companies and funds listed or seeking listing on the Stock Exchange. These services typically involve transactions driven by requirements of rules and regulations such as the Rules Governing the Listing of Securities on the Stock Exchange ("**Listing Rules**") and the Code on Takeovers and Mergers and Share Buy-backs ("**Takeovers Code**"). The Group's other consultancy services generally consist of special situations work relating to litigation support, financial due diligence and valuation or merger and acquisition consulting. Asset management services involve management of funds investing in Japanese real estate and traditional Chinese medicine-related business.

A breakdown of revenue in FY2025 and FY2024 based on service nature such as regulatory-driven advisory, special situation consulting or asset management, is as follows:

	For the year ended 31 March					
	2025			2024		
	Revenue HK$'000	**%**	**Number of active engagements**	Revenue HK$'000	%	Number of active engagements
Regulatory-driven	**19,402**	**89%**	**99**	16,882	77%	85
Special situation consulting	**1,692**	**8%**	**7**	4,748	22%	4
Asset management and others	**781**	**3%**	**3**	246	1%	2
Total	**21,875**	**100%**	**109**	21,876	100%	91

Revenue from corporate finance, asset management and other consultancy services had remained stable in FY2025 as compared to the previous financial year. The Group was able to offset lower revenue from special situation consulting with higher level of activities for regulatory-driven financial advisory work. Asset management revenue increased as the Group acted as investment manager for two funds that were set up during FY2025, including the self-managed Nippon Fudosan Fund ("**NFF**") as further elaborated below. Altus Capital Limited ("**Altus Capital**"), an indirect wholly-owned subsidiary of the Company, acts as its fund manager and receives management fee and performance fee (if any) from NFF.

Overall, the Group's service income is recognised when the underlying services have been provided and/or relevant significant acts have been completed in accordance with the terms of the service agreement. Consequently, there would be fluctuations in their revenue contribution from period to period.

Proprietary investments

During FY2025, the Group had

(i) disposed of a residential property, namely Wisteria-S in Sapporo City, in April 2024,

(ii) commenced redevelopment of a residential property, namely Tommy House Hiragishi in Sapporo City, since August 2024 which is expected to be completed by end of 2025, and

(iii) acquired a residential property, namely Rakuyukan Kitago in Sapporo City, in November 2024.

As at 31 March 2025, the Group had a portfolio of 27 investment properties in Japan and one investment property in Hong Kong. They contributed rental income of HK$26.4 million in FY2025. The Group similarly had 27 investment properties in Japan and one investment property in Hong Kong as at 31 March 2024 and they contributed rental income of HK$30.1 million in FY2024.

The revenue decline from FY2024 to FY2025 was mainly due to (i) the Hong Kong investment property being vacant since July 2024; (ii) the loss of rental income from Tommy House Hiragishi during the period of redevelopment; (iii) sale of Wisteria-S in April 2024 at the beginning of FY2025 while Rakuyukan Kitago was only acquired in November 2024, and (iv) weakening of JPY relative to HK$ during the period.

Japan Properties

A summary of the investment properties in Japan as at 31 March 2025 and 31 March 2024 are as follows:

	Property name	Location	Net rentable area (sq.ft.)	Number of units	Appraised value as at 31 March 2025 JPY million	Appraised value as at 31 March 2024 JPY million	Average occupancy in FY2025 (by revenue)
1.	Ark Palace Hiragishi	Sapporo	14,485	54	439	436	97%
2.	Kitano Machikado GH	Sapporo	1,572	8	43	43	100%
3.	LC One	Sapporo	6,582	26	145	144	85%
4.	Liberty Hills GH	Sapporo	926	8	42	42	100%
5.	Libress Hiragishi	Sapporo	11,554	36	185	187	92%
6.	Rakuyukan 36	Sapporo	18,046	38	326	320	100%
7.	Relife GH	Sapporo	750	6	34	34	100%
8.	Shinoro House GH	Sapporo	918	6	48	38	100%
9.	South 1 West 18 Building	Sapporo	15,529	37	344	344	92%
10.	T House	Sapporo	6,751	24	154	151	92%
11.	Tommy House Hiragishi(Note 4)	Sapporo	N/A	N/A	151	163	N/A
12	Uruoi Kawanone	Sapporo	15,930	65	680	680	94%
13.	White Building A & B	Sapporo	13,523	55	247	244	94%
14.	Wisteria-S(Note 1)	Sapporo	5,997	19	N/A	172	N/A
15.	City Court Suginami	Hakodate	13,640	44	209	209	89%
16.	Azabu Sendaizaka Hills	Tokyo	12,046	7	1,531	1,530	100%
17.	Azabu Juban Crown Building	Tokyo	2,248	5	258	254	100%
18.	Residence Motoki	Fukuoka	11,992	12	341	341	99%
19.	Wealth Fujisaki	Fukuoka	7,390	10	200	198	98%
20.	KD Shinshigai Building	Kumamoto	4,463	3	236	283	65%
21.	Rise Shimodori EXE	Kumamoto	14,159	35	531	531	94%
22.	Rise Fujisakidai	Kumamoto	13,891	36	406	405	98%
23.	Rise Kumamoto Station South	Kumamoto	10,116	20	214	214	93%
24.	Rise Shimodori	Kumamoto	13,619	36	461	460	95%
25.	Kagoshima Tenmonkan Building	Kagoshima	6,541	1	565	565	100%
26.	Base 1st	Kagoshima	4,762	19	192	191	98%
27.	Yuinoie Shinkawanishi(Note 3)	Sapporo	2,248	10	56	56	100%
28.	Rakuyukan Kitago(Note 2)	Sapporo	1,996	33	242	N/A	100%

Notes:

1. This property was disposed of in April 2024.

2. This property was acquired in November 2024.

3. This property was acquired in February 2024 and leasing activities commenced in April 2024.

4. As part of the Group's portfolio optimisation plan, the entire building structure of this property was vacated and demolished in the second half of FY2025 for construction of a new building. The redevelopment is expected to be completed by the end of 2025 after which leasing activities will be carried out.

Save for Kagoshima Tenmonkan Building and KD Shinshigai Building which are solely used for retail purpose, the investment properties of the Group in Japan are generally for residential purposes.

Excluding Tommy House Hiragishi which had been vacated for redevelopment, average occupancy rate of the Group's real estate portfolio in Japan had remained stable at 94.9% in FY2025 compared with 95.4% in FY2024. This was despite leasing difficulties faced by KD Shinshigai Building in Kumamoto City which resulted in high vacancy at this property during the latter part of FY2025.

Rental income from the portfolio was lower during FY2025, following the disposal of Wisteria-S in April 2024, and there was also rental income loss as Tommy House Hiragishi was entirely vacated in August 2024 for redevelopment. This was mitigated by rental contribution from Rakuyukan Kitago which the Group acquired in November 2024.

During FY2025, no significant improvement works was conducted on the Group's investment properties.

Hong Kong Property

The investment property in Hong Kong is an office unit at Duddell Street, Central with saleable area of approximately 2,267 sq.ft.. It has been vacant since the lease ended in July 2024 and the Group has been in the process of identifying a suitable tenant. This property's appraised value as at 31 March 2025 was HK$58.0 million.

Hong Kong-listed Securities

The Group had an investment portfolio consisting of Hong Kong-listed securities with market value of HK$0.7 million and unlisted securities of HK$0.2 million as at 31 March 2025. Dividend income of HK$46,000 was received from this portfolio in FY2025.

Nippon Fudosan Fund ("NFF")

NFF is an investment fund formed in September 2024 with an investment objective to achieve medium-term capital appreciation through the investment in and disposal of commercial and residential real estate in Japan. NFF seeks to acquire properties that offer stable rental income and capital appreciation potential and will not engage in property development activities. The subscription payments of NFF were completed on 2 April 2025. Hence, as at the date of this report, NFF had total subscriptions of JPY818.2 million (HK$43.4 million), of which the Group had subscribed for JPY140.0 million (HK$7.4 million), representing 17.11% of participating shares in NFF. The Group's investment in NFF is recognised as interest in an associate at fair value through profit or loss in the Consolidated Statement of Financial Position with fair value of HK$7.1 million as at 31 March 2025, representing 1.2% of total assets of the Group at HK$586 million. During FY2025, the investment in NFF recorded a loss in fair value of HK$0.1 million and exchange loss of HK$0.2 million. Altus Capital, an indirect wholly-owned subsidiary of the Company, acts as the fund manager of NFF.

FINANCIAL REVIEW

Review of operating results

A review of certain items of the operating results of the Group are set out below.

Revenue

The Group recorded revenue of HK$48.3 million in FY2025 which was 7.0% lower than FY2024 due principally to lower revenue from proprietary investments segment, where rental revenue decreased by 12.2% from HK$30.1 million in FY2024 to HK$26.4 million in FY2025. Revenue for the corporate finance, asset management and other consultancy services business segment had remained at similar level.

Corporate finance, asset management and other consultancy services

Revenue from corporate finance, asset management and other consultancy services was stable in FY2025 as compared to the previous financial year. Lower revenue from special situation consulting was offset by higher level of activities for regulatory-driven financial advisory work which has increased in terms of number of transactions to 99 in FY2025 from 85 in FY2024, while fee per transaction had remained stable. The special situation consulting work undertaken during FY2025 were of lower value due to lower complexity and shorter project length.

The efforts towards expanding into other financial services such as fund management bore fruit during FY2025. Asset management revenue increased following the setting up of the NFF which invests in real estate in Japan where the Group acted as the investment manager of NFF.

Proprietary investments

Revenue from proprietary investments decreased to HK$26.4 million in FY2025 from HK$30.1 million in FY2024 as rental income was lower in both Hong Kong and Japan.

Rental income the Hong Kong office unit decreased to HK$0.4 million in FY2025 compared with HK$1.5 million in FY2024 as it had been vacant after the previous lease ended in July 2024. Rental income from Japan in JPY terms decreased by 4.2% from JPY533 million in FY2024 to JPY510 million in FY2025 while in HK$ terms it decreased by 9.4% from HK$28.7 million in FY2024 to HK$26.0 million in FY2025, owing to the impact of a weaker JPY relative to HK$. JPY had weakened by 5.0% in FY2025 with an average rate of JPY100:HK$5.11 compared with JPY100:HK$5.38 in FY2024.

Other income

Other income decreased from HK$0.6 million in FY2024 to HK$0.3 million in FY2025 in the absence of government grant previously reimbursed for setting up of a Hong Kong open-ended fund company (OFC).

Net decrease in fair value of investment properties

The Group recorded overall net decrease in fair value of investment properties of HK$15.1 million in FY2025 mainly due to the weak office market in Hong Kong which resulted in the office unit at Duddell Street, Central, Hong Kong recording a decrease in fair value of HK$11.0 million.

The Group's Japan real estate portfolio recorded net decrease in fair value of JPY82.0 million or HK$4.1 million which were principally related to two properties, being KD Shinshigai Building and Tommy House Hiragishi as discussed on page 7 of this Annual Report.

During the period of redevelopment and pending actual leasing activities upon completion of construction, Tommy House Hiragishi was cautiously valued. Consequently, after accounting for expected construction costs, the valuation of building to be built was lower by JPY12 million than the original book value of the previous property that had been demolished, giving rise to a valuation loss in FY2025.

Property expenses

Property expenses in HK$ terms had increased by 2.3% in FY2025 despite lower rental revenue. This was mainly due to expenses incurred for the redevelopment of Tommy House Hiragishi, which include compensation paid to tenants to vacate the property as well as building demolition costs. If such one-off costs were to be excluded, property expenses in Japan would have decreased by 11.0%, which would be in line with the 9.0% decrease in rental income of Japan investment properties.

Administrative and operating expenses

The Group recorded 3.9% higher administrative and operating expenses of HK$24.9 million in FY2025 compared with HK$24.0 million in FY2024 due to a combination of factors below:

(i) higher staff-related salary expenses due to payments of revenue-linked remuneration in line with higher revenue level from corporate finance, asset management and other consultancy services;

(ii) lower sundry and travelling expenses; and

(iii) exchange loss of HK$0.6 million being incurred in FY2025 compared with exchange gain of HK$0.3 million recorded in FY2024.

Finance costs

Finance costs were lower in FY2025 at HK$4.4 million compared with HK$5.1 million in FY2024 partly due to the Group's strategy of shifting those HK$ bank borrowings in Hong Kong of about HK$16 million to JPY-denominated bank borrowings which had lower interest rates.

In respect of the Group's JPY bank borrowings in Japan, a weaker JPY during FY2025 resulted in JPY-denominated finance costs to be lower when translated into HK$ reporting currency. This was in line with the Group's natural foreign currency hedging strategy of matching our JPY-rental income generating property assets with our JPY-denominated borrowings which finance them.

Loss for the year

Due principally to the lower revenue, higher administrative and operating expenses as well as revaluation losses of investment properties, the Group recorded loss after tax of HK$7.8 million in FY2025 compared with a profit of HK$13.5 million in FY2024. In FY2024, the Group recorded net fair value gain for its investment properties.

Underlying profit for the year

The table below sets out the profitability of the Group excluding the net effect of fair value changes in the valuation of investment properties and net of deferred taxation charged. Underlying net profit for FY2025 was lower when compared to FY2024 due mainly to lower rental income from proprietary investments segment and higher administrative and operating expenses.

	FY2025 **HK$'000**	FY2024 HK$'000
(Loss) profit for the year attributable to owners of the Company	**(8,474)**	12,626
Excluding:		
Net decrease (increase) in fair value of investment properties	**15,182**	(5,627)
Net of deferred taxation charged	**(816)**	1,979
Adjusted profit for the year attributable to owners of the Company	**5,892**	8,978

Liquidity, financial resources and capital structure

The operations of the Group are mainly financed by shareholders' equity, bank loans and cash generated from operations.

	As at 31 March 2025 HK$'000	As at 31 March 2024 HK$'000
Current assets	**54,752**	59,007
Current liabilities	**75,745**	74,363
Current ratio (times)(Note 1)	**0.7**	0.8
Total debt	**157,192**	146,700
Total equity	**383,990**	392,969
Gearing ratio (%)(Note 2)	**40.9**	37.3

Notes:

1. Current ratio is calculated by dividing current assets by current liabilities as at the end of the respective financial year.

2. Gearing ratio is calculated by dividing total debt by total equity as at the end of the respective financial year.

The Group recorded net current liabilities of HK$21.0 million as at 31 March 2025 as compared with HK$15.4 million as at 31 March 2024. Its current assets were lower as at 31 March 2025 as previously on 31 March 2024 an asset (being Wisteria-S) was classified as held for sale pending completion of sale of this property after the sale and purchase agreement was signed. This was offset by higher bank balances and cash proceeds from the disposal of Wisteria-S and the higher trade receivables in line with increased business volume. Current liabilities meanwhile were slightly higher as at 31 March 2025 due to slight increase in bank borrowings.

It is worthwhile to note that while certain bank borrowings of the Group (in particular those in Hong Kong) had contractual maturity of over 12 months as at 31 March 2024 and 2025, such bank borrowings are classified as current liabilities as their agreements contain repayment on demand clauses.

The Directors note that the Group's aggregate bank balances and cash as well as trade receivables as at 31 March 2025 of over HK$51.2 million (2024: HK$48.5 million) more than covered its total bank borrowing in Hong Kong of HK$48.3 million (2024: HK$48.0 million). Meanwhile, the Group's ongoing Japan rental operation generates cash flow which more than cover its current portion of bank borrowings in Japan.

The Directors are satisfied that the liquidity of the Group is sufficient. Details are set out in note 2 to the consolidated financial statements of this Annual Report.

The Group's total debt and total equity as at 31 March 2024 and 2025 are shown above, which translated into an higher gearing ratio of 37.3% as at 31 March 2024 to 40.9% as at 31 March 2025.

The depreciation of JPY from HK$5.17 per JPY100 as at 31 March 2024 to HK$5.16 per JPY100 as at 31 March 2025 had reduced slightly the Group's JPY-denominated assets and liabilities (including debt), and hence equity, in HK$ terms as at 31 March 2025. In particular, the reduction in debt was also due to the regular loan principal repayments conducted during FY2025.

Cash balance

As at 31 March 2025, the Group had cash and bank balances amounted to HK$47.5 million (31 March 2024: HK$45.4 million) of which HK$40.0 million (31 March 2024: HK$37.9 million) was held in JPY deposited in licenced banks in Hong Kong and Japan.

Foreign exchange and interest rate exposures

The Group manages its foreign exchange exposure by monitoring the matching of the currencies of its debts with (i) the collateral assets; and (ii) the debt servicing income derived from its business activities. In FY2025, loans to be serviced by rental income generated from or secured by properties in Japan were denominated in JPY and serviced by income from Japan denominated in JPY; meanwhile, loans secured by properties (for investment and self-occupation) in Hong Kong were serviced by income derived from Hong Kong denominated in HK$. Due to the continued relative weakness of JPY against HK$ over FY2025, a negative exchange difference arising on translation of foreign operations of HK$0.5 million was recorded during FY2025 (FY2024: negative exchange difference of HK$43.5 million).

Bank borrowings

Total interest bearing loans of the Group increased from HK$146.7 million as at 31 March 2024 to HK$157.2 million as at 31 March 2025 due mainly to new loans drawn in Japan which in aggregate amounted to JPY200.5 million. Of these, JPY140.0 million was for the acquisition of Rakuyukan Kitago, and JPY60.5 million was to partially finance the redevelopment of Tommy House Hiragishi which was in progress. They consisted of borrowings in Hong Kong of HK$48.2 million (31 March 2024: HK$48.0 million) and borrowings in Japan of HK$109.0 million (31 March 2024: HK$98.7 million). Save for the aforesaid new loans, the Group's borrowing had maintained stable.

During FY2025, these loans carried fixed and variable interest rates ranging from 0.93% to 6.75% per annum (FY2024: ranging from 1.09% to 7.60% per annum), comprising borrowings in Hong Kong with variable interest rates ranging from 1.85% to 6.75% per annum (FY2024: 1.80% to 7.60% per annum) and borrowings in Japan with fixed and variable interest rates ranging from 0.93% to 2.55% per annum (FY2024: 1.09% to 2.85% per annum). As at 31 March 2025, HK$86.9 million (31 March 2024: HK$78.6 million) of interest-bearing loans of the Group had variable interest rates.

Excluding the impact of net change in fair value of investment properties, the underlying interest coverage ratio (being profit before tax adding back finance costs and deducting net increase in fair value of investment properties and divided by finance costs) for FY2025 was 3.1 times (FY2024: 3.7 times).

Charges on the assets of the Group

As at 31 March 2025, (i) both properties in Hong Kong; and (ii) all the properties in Japan (save for Kitano Machikado GH, Liberty Hill GH, Rakuyukan 36, Relife GH, Shinoro House GH and Yuinoie Shinkawanishi), had been charged in favour of banks and financial institutions in Hong Kong and Japan for loans facilities granted to the Group.

Capital commitments

The Group had the following capital commitments contracted for but not provided for in the consolidated financial statements.

		As at 31 March 2025 HK$'000	As at 31 March 2024 HK$'000
(a)	Capital expenditure in respect of acquisition of investment properties	–	8,375
(b)	Capital expenditure in respect of construction of investment property under redevelopment	9,760	–

The capital expenditure in respect of construction of investment property as at 31 March 2025 was related to the redevelopment of Tommy House Hiragishi.

Contingent liabilities

As at 31 March 2025, the Group did not have any significant contingent liabilities (31 March 2024: nil).

Material acquisition and disposal of subsidiaries, associates and joint ventures

Saved as disclosed above and in this Annual Report, the Group did not conduct any material acquisition and disposal of subsidiaries, associates and joint ventures during FY2025.

Future plans for material investments and capital assets

Saved as disclosed above and in this Annual Report, the Group did not have any plan for material investments and capital assets as at 31 March 2025.

Events after the reporting period

Repurchase of own shares and cancellation of shares

Subsequent to the reporting period, the Company repurchased its own 590,000 ordinary shares in the Stock Exchange and paid aggregate consideration of HK$64,000. On 16 June 2025, the Company's 590,000 repurchased shares were cancelled and deducted from share capital and share premium accordingly. As such, the Company's number of issued and fully paid ordinary shares was reduced to 828,420,000 on 16 June 2025.

Principal risk and uncertainty

The key risks and uncertainties to which the Group is subject are set out in sections headed "Operation review and financial review", "Directors report" and in the notes to audited consolidated financial statements. A short summary is provided as follows:

I. Risks associated with the corporate finance, asset management and other consultancy activities, include amongst others,

(i) the business of the Group being subject to fluctuations in financial performance due to (i) corporate finance, asset management and other consultancy transactions being project-based in nature; and (ii) milestone payment arrangement;

(ii) the business of the Group depending on the continuing efforts of the executive and senior management;

(iii) the Group being exposed to risks associated with retention and recruitment of licensed personnel; and

(iv) the Group being subject to extensive regulatory requirements, non-compliance with which, or changes in these regulatory requirements, may affect the business operations and financial results.

II. Risks associated with the proprietary investments activities, include amongst others,

(i) income earned from, and the value of, the properties may be adversely affected by a number of factors, including general downturn of the economy and the timeliness of tenant's payment of rent etc.;

(ii) unforeseen ad-hoc maintenance and repairs in respect of physical damage to the properties may disrupt the operations of the properties and collection of rental income or otherwise result in an adverse impact on the financial condition of the Group;

(iii) investment performance being susceptible to fluctuations in the value of foreign currencies, in particular, the JPY;

(iv) the properties in Japan may be affected by the introduction of new laws and changes in the laws and regulations in Japan; and

(v) risks associated with the Japanese tokumei kumiai arrangement (the "**TK Arrangement**").

OUTLOOK AND STRATEGY

Advisory, consulting and asset management

Stock market sentiment has continued to improve after a momentary sharp drop in early April 2025 spooked by the uncertainty of trade war. Hang Seng Index was trading at around 24,300 level as at the date of this report, a level not reached since early 2022.

The IPO market has been buoyed by several successful large issues such the listing of H shares of Contemporary Amperex Technology Co., Limited (CATL) and Jiangsu Hengrui Pharmaceuticals Co., Ltd in the past months. We however expect the small-medium enterprise segment of IPOs, which is the Group's focus, to remain muted and do not foresee material pick up in our IPO sponsorship activities. Meanwhile with valuation of certain Hong Kong listed companies still low, we have observed parties such as their controlling shareholders and/or institutional investors taking advantage of the opportunity to privatise listed companies. We expect this trend to continue and will work towards leveraging on our track record as a leading independent financial adviser in this area to secure more regulatory-driven advisory mandates.

NFF, the Japan real estate fund managed by the Group, had its first closing in September 2024. NFF had completed two acquisitions and are continuing with its fund raising efforts. In addition, besides acting as the investment manager for another fund which focuses on investments in traditional Chinese medicine-related business, we are also in the process of setting up a credit fund.

The Group will continue to strengthen its capabilities in (i) regulatory-driven advisory services which the Group has an established track record; (ii) asset management services which provide more stable and recurring fee income; and (iii) special situation consulting work which typically commands higher profit margin due to its specific and complex nature.

Proprietary investments

Hong Kong

The Group's office unit in Central has been vacant since July 2024. The Directors expect the office market in Central district to remain difficult amidst abundant new supply and cautious leasing decisions of corporates and businesses. Considering this, the Group is adopting a flexible approach towards rental rates and rent-free periods with a view to attracting a suitable tenant for this office unit. Given its good location, the Group is confident of the long term prospect of this office unit and intends to hold it as long term investments.

Japan

In the near term, the Group will continue with its portfolio optimisation plan by conducting active leasing activities upon completion of construction of the new Tommy House Hiragishi in end of 2025.

The property specific tenant turnover issue faced by the Group's commercial property, KD Shinshigai Building in Kumamoto City, has progressively been resolved as this property has recently been fully leased following rental reductions to avoid prolonged vacancy.

Meanwhile, the residential investment property portfolio is expected to remain stable and with some room for rental increase amidst an inflationary environment.

CORPORATE GOVERNANCE REPORT

INTRODUCTION

The Board recognises the importance of good corporate governance, as well as corporate transparency and accountability. Therefore, the Company aims to establish and maintain good corporate governance practices and is committed to achieving high standard of corporate governance to maximise shareholders' interests while taking into account the interests of other stakeholders as a whole.

CORPORATE GOVERNANCE PRACTICES

The shares of the Company were listed on GEM on 17 October 2016 (the "**Listing Date**"). The Company has adopted the code provisions set out in the Corporate Governance Code (the "**CG Code**") as contained in Appendix C1 to the GEM Listing Rules during FY2025. During FY2025, the Company had, where applicable, complied with the applicable code provisions that were in force as set out in the CG Code.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions by the Directors in respect of the shares of the Company (the "**Code of Conduct**"). The Company had made specific enquiry with the Directors and all Directors confirmed that they had fully complied with the required standard of dealings set out in the Code of Conduct and there was no event of non-compliance during FY2025 and up to the date of this Annual Report (the "**Relevant Period**").

BOARD OF DIRECTORS

As at the date of this Annual Report, the Board comprises three executive Directors and three independent non-executive Directors. Details of their composition by category are as follows:

Executive Directors
Mr. Arnold Ip Tin Chee *(Chairman)*
Mr. Chang Sean Pey
Ms. Leung Churk Yin Jeanny

Independent non-executive Directors
Mr. Chao Tien Yo
Mr. Chan Sun Kwong
Mr. Lee Shu Yin

Biographical details of the Directors are set out in the section headed "Biographical details of directors and senior management" of this Annual Report. Save as disclosed the relationship between Directors and senior management as set out in section headed "Disclosure of relationship" of this Annual Report, there was no relationship (including financial, business, family or other material and relevant relationship(s)) between Board members.

RESPONSIBILITIES OF THE BOARD

The Board supervises the overall management and administration of the business of the Group and ensures that it acts in the best interests of the shareholders of the Company (the "**Shareholders**") while taking into account the interests of other stakeholders as a whole. The Board is primarily responsible for overall development, strategic planning, reviewing and monitoring the business performance, approving the financial statements and annual budgets, internal controls and risk management as well as supervising the management of the Group. Execution of operational matters and the powers thereof are delegated to the executive Directors and senior management by the Board. The Board is regularly provided with management update reports to give a balanced and understandable assessment of the performance, position, recent development and prospects of the Group.

According to the code provision D.1.2 of the CG Code, the management shall provide all members of the Board with monthly updates. During FY2025, the executive Directors have provided to all the other members of the Board updates on any material changes to the position and prospects of the Group, which are considered to be sufficient to provide general updates of the performance of the Group, position and prospects to the Board members and allow them to give a balanced and understandable assessment of the same for the purposes of code provision D.1.2 of the CG Code.

The Board is of the view that the various experiences and professional qualifications of both the executive Directors and the independent non-executive Directors have provided balanced skills, experience and expertise for the businesses of the Group.

The Company has taken out directors and officers liability insurance to cover liabilities arising from any legal action against the Directors.

CHAIRMAN AND CHIEF EXECUTIVE

Code provision C.2.1 of the CG Code states that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The Company currently has not appointed any chief executive.

The Board currently comprises three executive Directors and three independent non-executive Directors with diverse qualifications and experience which ensure that the Board has a strong element of independence in its composition for its decision making. The Board also considers the day-to-day management of business has been properly delegated to different individuals.

Mr. Arnold Ip Tin Chee is the chairman of the Company, who provides leadership and governance of the Board and ensures that all key and relevant issues are deliberated in a timely manner. He is responsible for the overall management and administration of the business and daily operations of the Group as executive Director. Mr. Chang Sean Pey and Ms. Leung Churk Yin Jeanny, the executive Directors, are responsible for the overall development, strategic planning and major business decisions of the Group. The Board is regularly provided with management updates to allow its members to give a balanced and understandable assessment of the performance, position, recent development and prospects of the Group. Therefore, the Board considers that there is sufficient balance of executive authority, and that executive authority is not concentrated in the hands of any one individual.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The independent non-executive Directors are mainly responsible for advising on issues such as corporate governance, audit, remuneration and nomination of Directors and senior management. In compliance with Rules 5.05A and 5.05(1) and (2) of the GEM Listing Rules, the Company has appointed three independent non-executive Directors, representing more than one-third of the Board, and appointment of an independent non-executive director with appropriate professional qualifications, or accounting or related of financial management expertise. The Group has received from each of the independent non-executive Directors an annual confirmation of independence pursuant to the requirements under Rule 5.09 of the GEM Listing Rules. Based on such confirmation, the Company is of the view that all the independent non-executive Directors have met the independence guidelines set out in Rule 5.09 of the GEM Listing Rules and considers that they are independent.

BOARD COMMITTEES

The Board has established three committees, namely the audit committee (the "**Audit Committee**"), remuneration committee (the "**Remuneration Committee**") and nomination committee (the "**Nomination Committee**") on 26 September 2016, to oversee particular aspects of the affairs of the Group. Each of the three committees has sufficient resources, and its specific terms of reference that are approved by the Board relating to its responsibilities, duties, powers and functions, are published on the respective websites of the Stock Exchange and the Company.

All Board committees are provided with sufficient resources to perform their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstance at the expenses of the Company. The Board committees will regularly report to the Board on decisions or recommendations made.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for the corporate governance functions under code provision A.2.1 of the CG Code. Its responsibilities include:

(i) developing and reviewing the policies and practices of the Group on corporate governance;

(ii) reviewing and monitoring the training and continuous professional development of Directors and senior management;

(iii) reviewing and monitoring the policies and practices of the Group on compliance with legal and regulatory requirements;

(iv) reviewing and monitoring the Code of Conduct and compliance manual applicable to employees and Directors; and

(v) reviewing the compliance with the CG Code and relevant disclosure of the Group.

The Board has reviewed and discussed the above matters and corporate governance policy and practice of the Group and is satisfied with its effectiveness during FY2025.

AUDIT COMMITTEE

The Company has established the Audit Committee pursuant to a resolution of the Board passed on 26 September 2016 with written terms of reference in compliance with the CG Code and Rule 5.28 of the GEM Listing Rules. The primary duties of the Audit Committee are (i) to review the relationship with external auditor and to make recommendations to the Board on the appointment and removal of external auditor; (ii) to review the financial statements and render advice in respect of financial reporting; (iii) to oversee internal control procedures and corporate governance of the Group; (iv) to supervise internal control and risk management systems of the Group; (v) to oversee climate-related and other environmental, social and governance ("**ESG**") reporting and disclosures; and (vi) to monitor continuing connected transactions (if any).

The Audit Committee currently consists of all of our three independent non-executive Directors, namely Mr. Chao Tien Yo, Mr. Chan Sun Kwong and Mr. Lee Shu Yin and the chairman is Mr. Chan Sun Kwong, who holds the appropriate professional qualifications as required under Rules 5.05(2) and 5.28 of the GEM Listing Rules.

The following is a summary of work performed by the Audit Committee during the Relevant Period:

(a) reviewed the unaudited financial statements for six months ended 30 September 2024;

(b) reviewed the audited financial statements for FY2024 and FY2025;

(c) monitored the financial reporting, internal control and risk management systems of the Group;

(d) reviewed the remuneration and the appointment and the terms of engagement of the external auditor and non-audit services;

(e) reviewed the audit scope proposed by the external auditor and its independence;

(f) reviewed the internal control consultant report as to the effectiveness of internal audit function; and

(g) reviewed the ESG report for FY2025.

The attendance record of the members of the Audit Committee at meetings during FY2025 is set out below:

Name of members	**Attendance/No. of Meetings**
Mr. Chan Sun Kwong *(Chairman)*	3/3
Mr. Chao Tien Yo	2/3
Mr. Lee Shu Yin	2/3

REMUNERATION COMMITTEE

The Company has established the Remuneration Committee pursuant to a resolution of the Board passed on 26 September 2016 with written terms of reference in compliance with the CG Code and Rules 5.34 and 5.35 of the GEM Listing Rules. The primary duties of the Remuneration Committee are (i) to review and make recommendations to the Board on the overall remuneration policy and structure relating to all Directors, senior management and the general staff of the Company; (ii) to determine other remuneration-related matters, including benefits in-kind and other compensation payable to the Directors; (iii) to determine the performance-based remunerations and to establish a formal and transparent procedure for developing policy in relation to remuneration; (iv) to ensure that no director or any of their associates is involved in deciding that director's own remuneration; and (v) to review and/or approve matters relating to share schemes under Chapter 23 of the GEM Listing Rules. The Remuneration Committee adopted the model described in code provision E.1.2(c)(i).

The Remuneration Committee currently consists of one executive Director, Mr. Arnold Ip Tin Chee, and all three independent non-executive Directors, namely Mr. Chao Tien Yo, Mr. Chan Sun Kwong and Mr. Lee Shu Yin. It is currently chaired by Mr. Lee Shu Yin.

In FY2025, the Remuneration Committee had performed the works (i) to consider the bonus payments and remuneration package for the Directors and senior management, (ii) to review the remuneration policy and structure of the Directors and senior management, (iii) to review the grant of share awards under the 2023 Share Scheme, and (iv) to determine remuneration package of the Directors and senior management.

Two Remuneration Committee meetings were held during FY2025. The attendance record of the members of the Remuneration Committee at meetings is set out below:

Name of members	Attendance/No. of meetings
Mr. Lee Shu Yin *(Chairman)*	2/2
Mr. Chao Tien Yo	1/2
Mr. Chan Sun Kwong	2/2
Mr. Arnold Ip Tin Chee	2/2

NOMINATION COMMITTEE

The Group has established the Nomination Committee pursuant to a resolution of the Board passed on 26 September 2016 with written terms of reference in compliance with the CG Code. The primary duties of the Nomination Committee are (i) to review the structure, size, composition and diversity of the Board on a regular basis; (ii) to identify individuals suitably qualified to become Board members; (iii) to assess the independence of independent non-executive Directors; (iv) to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors; and (v) to make recommendations to the Board regarding the candidates to fill vacancies on the Board.

The Nomination Committee currently consists of one executive Director, Mr. Arnold Ip Tin Chee, and all three independent non-executive Directors, namely Mr. Chao Tien Yo, Mr. Chan Sun Kwong and Mr. Lee Shu Yin. It is currently chaired by Mr. Chao Tien Yo.

One Nomination Committee meeting was held during FY2025 to consider the retirement and re-election of Directors, to review the annual confirmation and assess the independence of the independent non-executive Directors, the current structure, size and diversity of the Board, the board diversity policy and the contribution required from a director to perform his/her responsibility. The attendance record of the members of the Nomination Committee at meetings during FY2025 is set out below:

Name of members	Attendance/No. of Meeting
Mr. Chao Tien Yo *(Chairman)*	1/1
Mr. Chan Sun Kwong	1/1
Mr. Lee Shu Yin	1/1
Mr. Arnold Ip Tin Chee	1/1

NOMINATION POLICY

The nominations were made in accordance with objective criteria (including gender, age, cultural and education background, professional experience, reputation for integrity, accomplishment and experience in the business of the Group, commitment in respect of available time and relevant interest and other factors as considers appropriate) with due regard for the benefits of diversity, as set out in the board diversity policy. For re-election of existing Directors or proposing candidates to stand for election at a general meeting, the Nomination Committee would make recommendation of candidates for the Board's consideration and approval.

BOARD DIVERSITY

The Board has adopted a board diversity policy, which is published on the website of the Company and recognises the benefits of a Board that possesses a balance of skills set, experience, expertise and diversity of perspectives appropriate for the strategies of the Company. The Board's composition reflects a good use of differences in the skills, regional and industrial experience, background, gender and other qualities and contribute to the effectiveness of the Board. The Board is also satisfied with contributions from Directors during the Relevant Period.

For FY2025 and as at the date of this Annual Report, the Board consists of five (5) male members and one (1) female member. The Nomination Committee considered that the Board was sufficiently diverse in terms of gender, background and experience, thus the Board had not set any measurable objectives.

DIVERSITY IN WORKFORCE

During FY2025, among all the employees (including senior management) of the Group, male employees accounted for 44.4% and female employees accounted for 55.6%. The Group believes that the gender ratio of employees is within the reasonable range.

TERMS OF APPOINTMENT AND RE-ELECTION OF DIRECTORS

Each of our executive Directors has entered into a service agreement with the Company on 26 September 2016 for an initial term of three years commencing from the Listing Date which shall continue thereafter. Either party may terminate the service agreement by giving to the other not less than three months' prior notice in writing at any time during the initial term and thereafter.

Each of the independent non-executive Directors has signed a letter of appointment on 26 September 2016 for a term of three years commencing from the Listing Date which shall continue thereafter. The independent non-executive Directors may terminate their letter of appointment by giving a minimum of three months' notice in writing to the Company.

According to Article 84 of the articles of association of the Company (the "**Articles**"), one-third of the Directors for the time being (or, if the number of Directors is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation, provided that every Director shall be subject to retirement at an annual general meeting of the Company ("**AGM**") at least once every three years. In the upcoming AGM, two executive Directors, being Mr. Arnold Ip Tin Chee and Mr. Chang Sean Pey, would retire and be subject to re-election.

BOARD MEETINGS

Code provision C.5.1 of the CG Code states that Board meeting should be held at least four times each year at approximately quarterly intervals with active participation, either in person or through electronic means of communication by the majority of the Directors entitled to be present. The Board delegates necessary powers and authorities to the executive Directors to facilitate the efficient day-to-day management of the businesses of the Group. Directors who are considered having conflict of interests or material interests in proposed transactions or issues to be discussed would not be counted in the quorum of meeting and would abstain from voting on the relevant resolutions subject to certain exceptions set out in the Articles. The company secretary is responsible for facilitating the Board process as well as communications among Board members. Any Director, Audit Committee member, Remuneration Committee member and Nomination Committee member of the Company may take independent professional advice at the expense of the Company should they so wish.

The attendance record of each Director at Board meetings during FY2025 is set out below:

Name of Directors	Attendance/No. of Meetings
Mr. Arnold Ip Tin Chee *(Chairman)*	4/4
Mr. Chang Sean Pey	3/4
Ms. Leung Churk Yin Jeanny	4/4
Mr. Chao Tien Yo	2/4
Mr. Chan Sun Kwong	4/4
Mr. Lee Shu Yin	4/4

As stated in code provision C.5.3, notice of regular Board meetings will be given to all Directors at least 14 days prior to the scheduled Board meeting. For all other Board meetings, reasonable notice would be given.

GENERAL MEETINGS

The latest Shareholders' meeting of the Company was the annual general meeting held on 8 August 2024 at 2/F, 35-45B Bonham Strand, Sheung Wan, Hong Kong. The attendance record of each Directors at the above general meeting during FY2025 is set out below:

Name of Directors	Attendance/No. of Meetings
Mr. Arnold Ip Tin Chee *(Chairman)*	1/1
Mr. Chang Sean Pey	0/1
Ms. Leung Churk Yin Jeanny	1/1
Mr. Chao Tien Yo	0/1
Mr. Chan Sun Kwong	1/1
Mr. Lee Shu Yin	1/1

TRAINING FOR DIRECTORS AND COMPANY SECRETARY AND CONTINUING PROFESSIONAL DEVELOPMENT

According to code provision C.1.4 of the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. For FY2025, each Director attended training at courses, seminars or talks provided by professional, which covered amongst other topics, the CG Code, as well as the GEM listed company's and directors' continuing obligations. In addition, during the Relevant Period, each of the Directors has from time to time reviewed updates on laws, rules and regulations which might be relevant to their roles, duties and functions as a director of a listed company.

Mr. Tam Ho Kei Leo, the company secretary of the Company since 14 February 2025, has complied with the relevant training requirement under Rule 5.15 of the GEM Listing Rules during the Relevant Period.

AUDITOR'S REMUNERATION

The remuneration paid/payable to the auditor of the Group for FY2025 is set out as follows:

Services rendered	HK$
Audit service	680,000
Non-audit services *(Note)*	53,000
Total	733,000

Note: Non-audit services include taxation related services and other services.

COMPANY SECRETARY

Please refer to the section headed "Biographical details of directors and senior management" of this Annual Report for biographical details of the company secretary of the Company.

DIRECTORS' RESPONSIBILITY IN PREPARING THE FINANCIAL STATEMENTS

The Directors acknowledge that it is their responsibility to prepare the financial statements for FY2025 which give a true and fair view of the state of affairs of the Group. In preparing the consolidated financial statements for FY2025, the Board has selected suitable accounting policies and applied them consistently, and made judgments and estimates that are fair and reasonable.

As at 31 March 2025, the Board was not aware of any material uncertainties relating to events or conditions that might cast significant doubt upon the ability of the Group to continue as a going concern. Therefore, the Directors continue to adopt the going concern approach in preparing the consolidated financial statements.

The responsibility of the external auditors is to form an independent opinion, based on their audit, on those consolidated financial statements prepared by the Board and to report their opinion to the Shareholders. The independent auditor's report prepared by the external auditor, SHINEWING (HK) CPA LIMITED, about their reporting responsibility on the consolidated financial statements of the Group is set out in the independent auditor's report of this Annual Report.

REMUNERATION OF EXECUTIVE DIRECTORS AND SENIOR MANAGEMENT

Details of the Directors' remuneration and five highest paid individuals' emoluments are set out in note 15 to the audited consolidated financial statements of this Annual Report.

Details of the executive Director's and senior management's emoluments by band are set out as follows:

	Number of executive Directors and senior management
HK$0 – HK$1,000,000	2
HK$1,000,001 – HK$2,000,000	4
HK$2,000,001 – HK$2,500,000	1
Total	7

ESG REPORT

A separate ESG report is issued by the Company on the respective websites of the Stock Exchange and the Company at the same time as the publication of this Annual Report in compliance with the Appendix C2 of the GEM Listing Rules.

SHAREHOLDERS' RIGHTS AND INVESTOR RELATIONS

An annual general meeting shall be held each year and at the place as may be determined by the Board. Each general meeting, other than the annual general meeting, shall be called an extraordinary general meeting.

The annual general meeting will provide a forum for the Board and the Shareholders to communicate. The Board will answer questions raised by Shareholders at the annual general meeting. For the purpose of effective communication, the Company also includes the latest information relating to the Group on its website at www.altus.com.hk.

There are no provisions in the Articles for members to put forward new resolutions at general meetings. However, members of the Company who wish to propose resolutions are requested to follow Article 58 of the Articles to make a requisition for an extraordinary general meeting. According to Article 58 of the Articles, any one or more members of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition.

The requisition must be deposited for the attention of the Board or the company secretary of the Company via mail to the principal place of business of the Company in Hong Kong at 21 Wing Wo Street, Central, Hong Kong or via email (co.sec@altus.com.hk), requiring an extraordinary general meeting to be called by the Board and specifying the business that the shareholder(s) wish to discuss.

If within 21 days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

The procedures for proposing a person for election as a director of the Company is published on the website of the Company.

The dividend policy of the Company is to strike a balance between maintaining sufficient capital to grow its businesses and rewarding shareholders of the Company. According to the dividend policy, in deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account, inter alia, the following factors:

(i) the general financial condition of the Group;

(ii) the actual and future operations and liquidity positions of the Group;

(iii) the future cash requirements and availability;

(iv) any restrictions on payment of dividends that may be imposed by the lenders of the Group;

(v) the general market conditions; and

(vi) any other factor that the Board deems appropriate.

The Company has in place a shareholders communication policy to make available on the website of the Stock Exchange and the Company in respect of information published by the Company to and for the Shareholders and potential investors to communicate with the Company at general meetings or put forward enquiries, direct questions, and request for publicly available information.

During FY2025, the Board has reviewed the implementation and effectiveness of the shareholders' communication policy. Having considered the steps taken at the general meetings, the handling of queries received (if any) and the multiple channels of communication in place, the Board is of the view that the shareholders' communication policy has been properly implemented during FY2025 and is effective.

CONSTITUTIONAL DOCUMENTS

On 8 August 2023, the Company adopted the second amended and restated memorandum of association and articles of association of the Company. Saved as disclosed, during FY2025, there has been no change to the constitutional documents of the Company.

A copy of the second amended and restated memorandum of association and articles of association of the Company is posted on the respective websites of the Stock Exchange and the Company.

RISK MANAGEMENT AND INTERNAL CONTROLS

It is the responsibility of the Board to ensure that a sound and effective risk management and internal control system is in place for safeguarding the interests of the Shareholders. The Board has overall responsibility for the risk management and internal control system of the Group. However, such systems are designed to manage the risk of the Group within an acceptable risk profile, rather than to eliminate the risk of failure to achieve business objectives of the Group, and can only provide reasonable assurance and not absolute assurance against material misstatement or loss.

For FY2025, the Board conducted an annual review of the effectiveness of the risk management and internal control system, which covered the areas of financial, operational, compliance and risk management. The Board considered the system of the Group to be adequate and effective. As at the date of this Annual Report, the Group has engaged an independent internal control consultant to review the effectiveness of the internal control system and perform internal audit function of the Group. The internal control consultant has directly reported to the Audit Committee. Going forward, the Directors will continue to regularly assess and review the effectiveness of the risk management and internal control system of the Group.

The Group has also established a set of risk management policies and measures. The risk management process of the Group starts with identifying the major risks associated with its business, industry and market in the ordinary course of business. The Board and senior management are responsible for identifying and analysing the risks associated with their respective functions, preparing and measuring risk mitigation plans and reporting the status of risk management.

INSIDE INFORMATION

With respect to procedures and internal controls for handling and dissemination of inside information, the Company is required to disclose inside information as soon as reasonably practicable in accordance with the Securities and Futures Ordinance and the GEM Listing Rules, has included in compliance manual and ensures, through consideration of outcome by senior management, appropriate handling and dissemination of inside information.

PROCEDURES FOR RAISING ENQUIRIES

Written enquiries may be sent to the Company or the Board through the company secretary of the Company whose contact details are as follows:

Address: 21 Wing Wo Street, Central, Hong Kong
Fax: (852) 2522 6992
E-mail: co.sec@altus.com.hk

EXECUTIVE DIRECTORS

Mr. Arnold Ip Tin Chee (葉天賜) ("Mr. Ip"), aged 62, founded our Group in September 2000. Mr. Ip is responsible for providing leadership and direction to our management team to ensure alignment with the long term interests of our shareholders. Mr. Ip represents our Group in industry outreach and maintains strong relationships with our key stakeholders. Mr. Ip also serves as chairman of the investment committee and a member of Remuneration Committee and Nomination Committee of the Group.

Mr. Ip obtained a Bachelor of Arts degree and a Master of Arts degree from the University of Cambridge in the United Kingdom in June 1984 and November 1988 respectively. Subsequently, he joined Standard Chartered Asia Limited and had acted as a director. Mr. Ip later joined Yuanta Securities (Hong Kong) Company Limited and had been a director until January 2001. In September 2000, Mr. Ip founded our Group. Throughout the 2000s, he helped found and oversee the management teams of several funds as well as Saizen REIT, a real estate investment trust previously listed in Singapore, which focused on Japanese real estate investment property. Mr. Ip was the chairman and non-executive director of Japan Residential Assets Manager Limited, the manager of Saizen REIT, from July 2007 to August 2018.

Mr. Ip is currently licensed by the Securities and Futures Commission ("**SFC**") to act as a responsible officer to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance ("**SFO**"). He is also a principal of Altus Capital Limited ("**Altus Capital**"), a wholly-owned subsidiary of the Company for sponsorships. He was admitted to membership of The Institute of Chartered Accountants in England and Wales in July 1988. Mr. Ip is the spouse of Ms. Ho Shuk Yee Samantha, a member of our senior management.

Mr. Ip's directorships in other companies listed on the Stock Exchange are set out below:

Company	Principal business during tenure	Position	Period
Pioneer Global Group Limited (stock code: 0224)	Investment holdings	Independent non-executive director	23 June 1999 to present
Sam Woo Construction Group Limited (stock code: 3822)	Provision of foundation works and ancillary services	Independent non-executive director	15 September 2014 to present
SV Vision Limited (stock code: 8429)	Provision of marketing production and ancillary services	Independent non-executive director	16 November 2017 to present

Mr. Ip is also a director of a number of subsidiaries of the Group. He is also a director of, Flying Castle Limited and Kinley Hecico Holdings Limited ("**KHHL**"), substantial shareholders of the Company, which have interest in the shares of the Company as disclosed in the section of "Substantial shareholders' interests and short positions in the shares and underlying shares of the Company and other members of the Group".

Mr. Chang Sean Pey (曾憲沛) ("Mr. Chang"), aged 53, has been with our Group since February 2001. Mr. Chang assists our chairman on managing the company's relationship with investors. He is also responsible for origination of new projects and supervises the execution of fees generating projects. Mr. Chang is a member of the group's investment committee.

After graduating from the National University of Singapore in Singapore with a Degree of Bachelor of Engineering (Mechanical) in July 1996, Mr. Chang began his career as a management trainee, and thereafter worked in the corporate finance services division of the investment banking department at the Development Bank of Singapore Limited, specialising in fund raising activities in the equity capital markets from July 1996 to April 2000 where his last position was manager. In April 2000, he joined a former subsidiary of our Group in Hong Kong. Throughout the 2000s, he was also involved in overseeing the management teams of several funds as well as Saizen REIT, a real estate investment trust previously listed in Singapore, which focused on Japanese real estate investment property.

Mr. Chang is currently licensed by the SFC to act as a responsible officer to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO. He is also a principal of Altus Capital for sponsorships.

Mr. Chang is also a director of a number of subsidiaries of our Group.

Ms. Leung Churk Yin Jeanny (梁綽然) ("Ms. Leung"), aged 60, was appointed as a Director on 3 March 2016 and was redesignated as an executive Director on 8 April 2016. Ms. Leung oversees our compliance matters and is responsible for revenue generation through project origination and supervising fees generating project execution. Ms. Leung is a member of our investment committee.

Prior to joining the Group, Ms. Leung has garnered over 30 years of experience in the corporate finance advisory and commercial field in Greater China, having worked at Standard Chartered Asia Limited, JP Morgan Securities (Asia) Limited, Yuanta Securities (Hong Kong) Company Limited and Access Capital Limited. Ms. Leung had also participated in regulatory work at the Listing Division of The Stock Exchange of Hong Kong Limited for four years. She is also an experienced business executive and served as executive director for several main board listed companies in Hong Kong. She is a fellow member of the Hong Kong Securities and Investment Institute. Ms. Leung obtained a degree of Bachelor of Science from the University of Toronto in Canada.

Ms. Leung is currently licensed by the SFC to act as a responsible officer to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under SFO. She is also a principal of Altus Capital for sponsorships.

Ms. Leung also holds the position of director in another company listed on the Stock Exchange, as set out below:

Company	Principal business during tenure	Position	Period
Top Form International Limited (stock code: 333)	Design, manufacture and distribution of ladies' intimate apparel, principally brassieres	Independent non-executive director	19 September 2008 to present

Ms. Leung is also a director of a number of subsidiaries of our Group.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chao Tien Yo (趙天岳) ("Mr. Chao"), aged 70, joined the Company as an independent non-executive Director. He is chairman of the Nomination Committee and a member of the Audit Committee and the Remuneration Committee of the Company. Mr. Chao qualified as a solicitor in England and Wales in October 1983 and in Hong Kong in March 1984. After a legal career of over thirty years with international and Hong Kong law firms, he retired from professional private legal practice in 2015. Mr. Chao holds the degrees of Bachelor of Arts, Bachelor of Linguistics and Master of Arts from the University of Hong Kong, the University of Manchester and the University of Keele, respectively.

Mr. Chan Sun Kwong (陳晨光) ("Mr. Chan"), aged 58, joined the Company as an independent non-executive Director. He is the chairman of Audit Committee and member of Remuneration Committee and Nomination Committee of the Company. Mr. Chan obtained a diploma of business administration from the Hong Kong Shue Yan College (now known as Hong Kong Shue Yan University). He is a fellow member of the Hong Kong Chartered Governance Institute, the Chartered Governance Institute, the Institute of Chartered Accountants in England and Wales, the Association of Chartered Certified Accountants in the United Kingdom and the Hong Kong Institute of Certified Public Accountants. He is an accredited mediator of The Hong Kong Mediation Centre. Mr. Chan has over 30 years of experience in accounting, auditing, banking and company secretarial and corporate governance fields.

Mr. Lee Shu Yin (李樹賢) ("Mr. Lee"), aged 58, joined the Company as an independent non-executive Director. He is the chairman of Remuneration Committee and member of Nomination Committee and Audit Committee of the Company. Mr. Lee has over twenty years of experience in real estate, corporate finance, investment and management. He is currently the chief executive of Asiasec Properties Limited, prior to which he was an executive director of Tian An China Investments Limited. He was the chief investment officer of Grand River Properties (China) Ltd, a company he co-founded in 2003. Mr. Lee's experience includes serving as a vice president and director of JP Morgan Securities Limited/Robert Fleming Securities while based in London, New York and Boston and as an executive director of Goldman Sachs International in Hong Kong. He obtained a Degree of Master of Science in Finance in September 1999 from the London Business School of the University of London in the United Kingdom, and Bachelor of Arts Degree and Bachelor of Science Degree from Stanford University (officially the Leland Stanford Junior University) in the United States in June 1989. Mr. Lee was accredited as a chartered financial analyst by the Institute of Chartered Financial Analysts.

Mr. Lee also holds or held the position of director in another company listed on the Stock Exchange, as set out below:

Company	Principal business during tenure	Position	Period
Asiasec Properties Limited (stock code: 0271)	Investment in properties	Chief Executive and Executive director	4 January 2018 to present

DISCLOSURE OF RELATIONSHIPS

Save for Mr. Ip and Ms. Ho, an executive Director and a member of the senior management of the Group respectively, who are spouses, each of our Directors and senior management are independent from and not related to any of our Directors or senior management.

Save as disclosed above and elsewhere in this Annual Report, each of our Directors confirmed with respect to himself/herself that: (i) apart from our Company, he/she has not held directorships in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) save as disclosed in the section headed "Directors' Report" in this Annual Report, he/she does not have any interests in the shares within the meaning of Part XV of the SFO; (iii) there is no other information that should be disclosed for himself/herself pursuant to Rule 17.50(2) of the GEM Listing Rules; and (iv) to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, there are no other matters with respect to the Directors that need to be brought to the attention of the Shareholders as at the date of this Annual Report.

SENIOR MANAGEMENT

Ms. Ho Shuk Yee Samantha (何淑懿) ("Ms. Ho"), aged 61, joined our Group in May 2014. In her capacity as chief investment officer and a member of the investment committee, Ms. Ho supports our chairman in formulating our investment strategy. She advises the executive Directors on all aspects of investment management, including risk assessment, diversification and asset allocation. Ms. Ho has 31 years' of experience in the finance industry, specialising in fund management. Prior to joining our Group, she had served as a director of the board of Hong Kong Securities and Investment Institute from December 2008 to December 2014. She had acted as investment director at Invesco Hong Kong Limited from November 2004 to August 2012. From April 2003 to June 2004, she was a licensed representative for Manulife Asset Management (Hong Kong) Limited. Her other experience prior to this includes working at SEB Investment Management from January 1994 to March 2000 and Jardine Fleming Securities Limited from October 1989 to December 1993.

Ms. Ho obtained a degree of Master of Business Administration from UCLA Anderson School of Management in June 1988 and a degree of Bachelor of Arts from Bryn Mawr College in the United States in May 1985. She is a chartered financial analyst accredited by The Institute of Chartered Financial Analysts in September 1998 in addition to being licensed under the SFC to act as a responsible officer to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO. Ms. Ho has also been a senior fellow of the Hong Kong Securities and Investment Institute since September 2014. Ms. Ho is the spouse of Mr. Ip, our chairman and an executive Director.

Ms. Ho also holds the position of director in another company listed on the Stock Exchange, as set out below:

Company	Principal business during tenure	Position	Period
Anhui Conch Cement Company Limited (stock code: 914)	Manufacturing, sale and trading of clinker and cement products	Independent non-executive director	31 May 2022 to present

Ms. Khoo Wing Pui Charlotte (邱詠培) ("Ms. Khoo"), aged 36, joined our Group in September 2011 and serves as a partner of our Group. Ms. Khoo works with our chairman to formulate our overall strategy and drives strategic initiatives. She also leads deal origination and oversees the execution of fees generating projects.

Prior to joining our Group, Ms. Khoo worked at KPMG Tax Limited where her last position was as a tax consultant. She holds a Master degree of Business Administration from the Global EMBA programme by China Europe International Business School in Shanghai, China and obtained a degree of Bachelor of Science (Hons) in Economics from University College London in the United Kingdom in August 2010. Ms. Khoo is a certified public accountant of the Hong Kong Institute of Certified Public Accountants. She is licensed to carry out Type 6 (advising on corporate finance) regulated activity as a responsible officer and Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities as a licensed representative under the SFO.

Mr. Tam Ho Kei Leo (譚浩基) ("Mr. Tam"), aged 40, joined our Group in October 2014 and serves as a partner of our Group. He has acted as our company secretary since 14 February 2025. Mr. Tam provides support to our chairman on the implementation of our Japan real estate investment strategy and talent cultivation matters. He also leads project origination and oversees the execution work of transaction teams on fees generating projects. In May 2007, he obtained a degree of Bachelor of Commerce in Accounting and International Business from The University British Columbia in Canada. From September 2007 to April 2014, he worked at Ernst & Young where his last position was an audit manager. Mr. Tam is a certified public accountant of the Hong Kong Institute of Certified Public Accountants. He is licensed to carry out Type 6 (advising on corporate finance) regulated activity as a responsible officer and Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities as a licensed representative under the SFO.

Ms. Yeung Suet Ling (**楊雪玲**) ("**Ms. Yeung**"), aged 33, joined our Group in April 2025 as a financial controller. Ms. Yeung is responsible for overseeing the finance and accounting functions and support our company secretary on company secretarial matters of the Group. Ms. Yeung obtained a degree of Bachelor of Accountancy from The City University of Hong Kong in July 2015 and is a certified public accountant of the Hong Kong Institute of Certified Public Accountants. Prior to joining the Group, Ms. Yeung served as a finance manager for a licensed money lender corporation for three years and had over 9 years of experience in accounting, auditing and corporate governance.

COMPANY SECRETARY

Mr. Tam (譚浩基) is our company secretary. For details of his background, please refer to the paragraph headed "Senior Management" above.

AUTHORISED REPRESENTATIVES

Mr. Ip and Mr. Chang are the authorised representatives of our Company for the purpose of the GEM Listing Rules. Please refer to the paragraphs headed "Executive Directors" above for details about Mr. Ip's and Mr. Chang's qualifications and experience.

The Directors are pleased to present their report and the audited consolidated financial statements of the Company and the Group for FY2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The Group is principally engaged in the provision of corporate finance and other consultancy services and proprietary investments. Details of the principal activities of its subsidiaries are set out in note 33 to the audited consolidated financial statements. There were no significant changes in the nature of the principal activities of the Group during FY2025.

PRINCIPAL PLACE OF BUSINESS

The Company is a limited liability company incorporated in the Cayman Islands and its principal place of business is 21 Wing Wo Street, Central, Hong Kong.

BUSINESS REVIEW

Discussion and analysis of the business of the Group, outlook of the business and the analysis of the performance of the Group for FY2025, important events affecting the Group, principal risks and uncertainties and environmental policy and performance of the Group can be found out in the sections headed "Chairman's statement" and "Operation review and financial review" of this Annual Report.

RESULTS AND DIVIDEND

The results of the Group for FY2025 are set out in the section headed "Consolidated statement of profit or loss and other comprehensive income" of this Annual Report.

The Board had recommended an interim dividend of Hong Kong 0.08 cent per ordinary share for the six months ended 30 September 2024 (six months ended 30 September 2023: nil), which was paid on Friday, 17 January 2025.

Taking into account, amongst others, the distributable reserves of the Company and the need for a balance between maintaining sufficient capital to grow the business of the Group and rewarding the Shareholders, the Board also recommends the payment of a final dividend of Hong Kong 0.08 cent (FY2024: Hong Kong 0.08 cent) per ordinary share for FY2025 amounting to HK$663,000 (FY2024: HK$667,000). The final dividend proposed after the end of reporting period is not reflected as a dividend payable in these financial statements, but will be reflected in the movement of retained profits for the year ending 31 March 2026.

The proposed final dividend, if approved at the forthcoming AGM, will be payable on Thursday, 25 September 2025 to the shareholders of the Company whose names appear on the register of members of the Company on Thursday, 4 September 2025. Shares of the Company will be traded ex-dividend as from Thursday, 28 August 2025.

ANNUAL GENERAL MEETING AND CLOSURE OF THE REGISTER OF MEMBERS

The forthcoming AGM will be held at 11:00 a.m. on Friday, 8 August 2025. The register of members of the Company will be closed from Monday, 4 August 2025 to Friday, 8 August 2025 (the "**Closure Period**"), both days inclusive, for the purposes of determining the entitlements of the Shareholders to attend and vote at the forthcoming AGM. During this Closure Period, no transfer of the shares of the Company will be registered. In order to qualify for attending and voting at the AGM, all duly completed transfer forms, accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. on Friday, 1 August 2025.

The register of members of the Company will also be closed from Monday, 1 September 2025 to Thursday, 4 September 2025, both days inclusive, during which period no transfer of shares will be registered. Subject to the approval by the Shareholders of the proposed final dividend at the AGM, the final dividend will be paid on Thursday, 25 September 2025 to the Shareholders whose names appear on the register of members of the Company on Thursday, 4 September 2025. For the entitlement to the proposed final dividend, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on Friday, 29 August 2025.

KEY RELATIONSHIP WITH CUSTOMERS, SUPPLIERS AND EMPLOYEES

The Group maintains a good relationship with customers, suppliers and employees. If there is any complaint from customers and suppliers, it will be reported to the management. The Group also ensures that all remuneration of employees is regularly reviewed.

SUMMARY OF FINANCIAL INFORMATION

A summary of the results, assets and liabilities of the Group for the last five years is set out in the section headed "Financial highlights" of this Annual Report.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group during FY2025 are set out in note 18 to the audited consolidated financial statements of this Annual Report.

PROPERTIES

Particulars of properties held by the Group as at 31 March 2025 are set out on pages 141 to 144.

INVESTMENT PROPERTIES

The investment properties were revalued at 31 March 2025 and a fair value change of HK$15.1 million has been debited to the consolidated statement of profit or loss and other comprehensive income.

Details of the movements during the year in the investment properties of the Group are set out in note 19 to the audited consolidated financial statements of this Annual Report.

SHARE CAPITAL

Details of the movements in the share capital of the Company for FY2025 are set out in note 27 to the audited consolidated financial statements of this Annual Report.

RESERVES

Details of the movements in the reserves of the Company are set out in note 32 to the audited consolidated financial statements of this Annual Report.

DISTRIBUTABLE RESERVES

As at 31 March 2025, the distributable reserves of the Company amounted to HK$91.3 million (2024: HK$90.9 million).

PURCHASE, SALES OR REDEMPTION OF THE LISTED SHARES OF THE COMPANY

During FY2025, the Company repurchased its own 1,250,000 ordinary shares on the Stock Exchange as follows:

Month	Number of ordinary shares repurchased	Highest price paid per share HK$	Lowest price paid per share HK$	Aggregate consideration paid HK$'000
August 2024	390,000	0.11	0.105	42
September 2024	630,000	0.11	0.106	69
October 2024	230,000	0.11	0.109	25
	1,250,000			136

Such share repurchases during FY2025 were effected by the Directors, pursuant to the share buyback mandate from the Shareholders granted at the annual general meeting of the Company held on 8 August 2024, with a view to benefit the Company and the Shareholders as a whole by enhancing the net asset value and/or earnings per Share. The aggregate consideration paid on the repurchased shares of HK$136,000 was paid wholly out of reserves of the Company. Such repurchased shares had been cancelled by the Company on 31 October 2024.

Saved as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed shares of the Company.

DIRECTORS

The Directors during the Relevant Period were:

Executive Directors
Mr. Arnold Ip Tin Chee *(Chairman)*
Mr. Chang Sean Pey
Ms. Leung Churk Yin Jeanny

Independent non-executive Directors
Mr. Chao Tien Yo
Mr. Chan Sun Kwong
Mr. Lee Shu Yin

According to Article 84 of the Articles, one-third of the Directors for the time being (or, if the number of Directors is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation, provided that every Director shall be subject to retirement at an AGM at least once every three years. Any Director appointed to fill a casual vacancy shall, subject to Article 83, hold office only until the next following general meeting of the Company and such Director shall then be eligible for re-election at the relevant general meeting by the Shareholders. In the upcoming AGM, one executive Director and one independent non-executive Director, namely Ms. Leung Chuk Yin Jeanny and Mr. Chan Sun Kwong respectively, will retire by rotation and be subject to re-election at the AGM.

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules.

DIRECTORS' AND SENIOR MANAGEMENT MEMBERS' BIOGRAPHIES

Biographical details of the Directors and the senior management members of the Group are set out in the section headed "Biographical details of directors and senior management" of this Annual Report.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors, being Mr. Arnold Ip Tin Chee, Mr. Chang Sean Pey and Ms. Leung Churk Yin Jeanny, entered into a service agreement with the Company on 26 September 2016 for an initial term of three years commencing from the Listing Date which shall continue thereafter. Either party may terminate the service agreement by giving to the other not less than three months' prior notice in writing at any time during the initial term and thereafter.

Each of the independent non-executive Directors, being Mr. Chao Tien Yo, Mr. Chan Sun Kwong and Mr. Lee Shu Yin, entered into a letter of appointment with the Company on 26 September 2016 for a term of three years commencing from the Listing Date which shall continue thereafter and may terminate their letter of appointment by giving a minimum of three months' notice in writing to the Company.

None of the Directors who are proposed for re-election at the AGM has an unexpired service agreement with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

PERMITTED INDEMNITY PROVISION

According to Article 164 of the Articles, the Directors shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duties; provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of the Directors.

The Company has taken out insurance against the liability and costs associated with defending any proceedings which may be brought against the Directors during FY2025 and such permitted indemnity provision for the benefits of the Directors is currently in force.

CONTRACTS OF SIGNIFICANCE

Save as those disclosed in note 31 to the audited consolidated financial statement, there was no transaction, arrangement or contract of significance in relation to the business of the Group to which any member of the Group was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, during FY2025.

Save as those disclosed in note 31 to the audited consolidated financial statement, there was no contract of significance between the Company, or any of its subsidiaries, and a controlling Shareholder or any of its subsidiaries during FY2025.

Save as those disclosed in note 31 to the audited consolidated financial statement, there was no contract of significance for the provision of services to the Company or any of its subsidiaries by a controlling Shareholder or any of its subsidiaries during FY2025.

CONTRACTUAL ARRANGEMENT

Saved for the property "Rakuyukan 36", the Group has adopted tokumei kumiai structure (the "**TK Structure**") for its investments in Japan's properties.

A TK Arrangement is a contractual arrangement defined in the Commercial Code of Japan. As disclosed under the paragraph headed "Common Japanese real estate investment structures for foreigners" in the section headed "Regulatory overview" of the prospectus of the Company dated 30 September 2016 (the "**Prospectus**"), the TK Structure is one of the typical investment structures adopted by foreign investors when investing in Japan, utilised primarily for (i) tax benefits; (ii) non-recourse financing advantage; (iii) control over acquisition and disposal of properties; and (iv) limited legal liability.

For further details of the TK Arrangement, please refer to the section headed "Our TK Arrangements" of the Prospectus.

EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2025, the Group had 18 staff (31 March 2024: 18). The remuneration policy of the Group takes into consideration the relevant Director's or member of senior management's duties, responsibilities, experiences, skills, time commitment, performance of the Group and are made with reference to those paid by comparable companies. Its employees are remunerated with monthly salaries and discretionary bonuses based on individual performance, market performance, our profit of the Group as a whole and comparable market levels. Apart from salary payments, other staff benefits include share awards, provident fund contributions, medical insurance coverage, other allowances and benefits.

RETIREMENT BENEFITS PLAN

Details of the retirement benefits plan of the Group are set out in note 29 to the audited consolidated financial statements of this Annual Report.

DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID INDIVIDUALS AND REMUNERATION POLICY

Details of the Directors' remuneration and five highest paid individuals of the Group are set out in note 15 to the audited consolidated financial statements. The remuneration policy of the Company can be found in the above section headed "Employees and remuneration policy" in this Annual Report. The Remuneration Committee has reviewed the overall remuneration policy and structure relating to all Directors and senior management members of the Group with reference to the operating results and individual performance of the Group.

MANAGEMENT CONTRACTS

During FY2025 and up to the date of this Annual Report, other than the service contracts of the Directors, the Company did not enter into or have any management and administrative contracts in respect of the whole or any substantial part of the principal businesses of the Company.

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

As at 31 March 2025, interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) held by the Directors and chief executives of the Company which have been 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 were taken or deemed to have under such provisions of the SFO) or have been entered into the register maintained by the Company pursuant to section 352 of the SFO, or otherwise have been notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules are as follows:

Interest or short positions in the shares of the Company:

Name of Director	Capacity and nature of interest	Number of shares interested[(Note 2)]	Approximate percentage of the total issued share capital of the Company *(%)*
Mr. Ip[(Note 1)]	Beneficiary of a trust	557,200,000 (L)	67.21
	Beneficial owner	1,250,000 (L)	0.15
	Interest of a spouse	1,250,000 (L)	0.15
Mr. Chang	Beneficial owner	22,400,000 (L)	2.70
Ms. Leung	Beneficial owner	9,400,000 (L)	1.13

Notes:

1. KHHL is deemed to be interested in 557,200,000 shares of the Company in long position through its wholly-owned subsidiary, Flying Castle Limited. KHHL is owned as to 20.0% by Ms. Chan Kit Lai, Cecilia ("**Ms. Chan**") and as to 80.0% by Landmark Trust Switzerland SA (the "**Trustee**") on behalf of The Hecico 1985 Trust, of which Ms. Chan is the founder and Mr. Ip and Ms. Lam Ip Tin Wai Chyvette ("**Ms. Ip**") are beneficiaries. By virtue of the SFO, the Trustee, Ms. Chan, Mr. Ip and Ms. Ip are deemed to be interested in all the shares of the Company held by KHHL. Mr. Ip, the spouse of Ms. Ho, is deemed to be interested in 1,250,000 shares of the Company held by Ms. Ho by virtue of SFO.

2. The letter "L" denotes a long position in the shares of the Company.

Interests in associated corporations of the Company:

Name	Name of associated corporation	Capacity and nature of interest	Number of shares interested(Note 1)	Approximate percentage of shareholding (%)
Mr. Ip	KHHL(Note 2)	Beneficiary of a trust	204 (L)	80.0
	I Corporation(Note 3)	Interest of spouse	14 (L)	20.0
	Residence Motoki Investment Limited ("**Residence**")(Note 4)	Interest of spouse	648 (L)	10.8
Ms. Leung	Residence	Beneficial owner	20 (L)	0.33
Mr. Chang	Residence	Beneficial owner	10 (L)	0.17

Notes:

1. The letter "L" denotes a long position in the shares of these associated corporations of the Company.

2. KHHL is deemed to be interested in the Company in long position through its wholly-owned subsidiary, Flying Castle Limited. KHHL is owned as to 20% by Ms. Chan and as to 80% by the Trustee on behalf of The Hecico 1985 Trust, of which Mr. Ip is one of the beneficiaries. By virtue of the SFO, Mr. Ip is deemed to be interested in the shares of KHHL held by the Trustee.

3. Pursuant to the SFO, Mr. Ip, the spouse of Ms. Ho, is deemed to be interested in the shares of I Corporation held by Ms. Ho.

4. Pursuant to the SFO, Mr. Ip, the spouse of Ms. Ho, is deemed to be interested in the shares of Residence held by Ms. Ho.

Save as disclosed above, as at 31 March 2025, none of the Directors and chief executives of the Company and/or any of their respective associates had any interest and short position in the shares, underlying shares and debentures of the Company and/or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the GEM Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the sections headed "Directors' and chief executives' interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations" above and "Share Schemes" below, at no time during FY2025 was the Company, or any of its subsidiaries or associated corporations, a party to any arrangement to enable the Directors and chief executives of the Company (including their respective spouse and children under 18 years of age) to acquire benefits by means of the acquisition of the shares or underlying shares in, or debentures of, the Company or any of its associated corporations.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY AND INTEREST IN OTHER MEMBERS OF THE GROUP

As at 31 March 2025, substantial shareholders (not being the Directors or chief executives of the Company) had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO and other persons had interests in the other members of the Group as follows:

(a) Interests or short positions in the shares of the Company

Name of shareholder	Capacity and nature of interest	Number of shares interested*(Note 1)*	Approximate percentage of the total issued share capital of the Company *(%)*
Flying Castle Limited*(Note 2)*	Beneficial owner	557,200,000 (L)	67.21
KHHL*(Note 2)*	Interest in a controlled corporation	557,200,000 (L)	67.21
The Trustee*(Note 2)*	Trustee	557,200,000 (L)	67.21
Ms. Chan*(Note 2)*	Founder of a discretionary trust	557,200,000 (L)	67.21
	Beneficial owner	1,250,000 (L)	0.15
Mr. Ip*(Note 2)*	Beneficiary of a trust	557,200,000 (L)	67.21
	Beneficial owner	1,250,000 (L)	0.15
	Interest of spouse	1,250,000 (L)	0.15
Ms. Ip*(Note 2)*	Beneficiary of a trust	557,200,000 (L)	67.21
	Beneficial owner	1,250,000 (L)	0.15
Ms. Ho*(Note 3)*	Interest of spouse	558,450,000 (L)	67.36
	Beneficial owner	1,250,000 (L)	0.15
Yuanta Asia Investment Limited	Beneficial owner	44,250,000 (L)	5.34

Notes:

1. The letter "L" denotes a long position in the shares of the Company.

2. KHHL is deemed to be interested in the Company in long position through its wholly-owned subsidiary, Flying Castle Limited. KHHL is owned as to 20.0% by Ms. Chan and as to 80.0% by The Trustee on behalf of The Hecico 1985 Trust, of which Ms. Chan is the founder and Mr. Ip and Ms. Ip are beneficiaries. By virtue of the SFO, the Trustee, Ms. Chan, Mr. Ip and Ms. Ip are deemed to be interested in all the shares of the Company held by KHHL. By virtue of SFO, Mr. Ip, the spouse of Ms. Ho, is deemed to be interested in 1,250,000 shares of the Company held by Ms. Ho.

3. Pursuant to the SFO, Ms. Ho, the spouse of Mr. Ip, is deemed to be interested in all the shares of the Company in which Mr. Ip is interested or deemed to be interested.

(b) Interests or short positions in other members of the Group

Name of shareholder	Name of member of the Group	Capacity and nature of interest	Number of shares interested(Note)	Percentage of shareholding (%)
Ms. Ho	I Corporation	Beneficial owner	14 (L)	20.0
	Residence	Beneficial owner	648 (L)	10.8
Mr. Henry Shih	Smart Tact Property Investment Limited	Beneficial owner	922 (L)	10.0
	Residence	Beneficial owner	600 (L)	10.0
	Lynton Gate Limited	Beneficial owner	1 (L)	10.0
	EXE Rise Shimodori Investor Limited	Beneficial owner	12 (L)	10.0

Note: The letter "L" denotes a long position in the shares.

Save as disclosed above, the Directors and chief executives of the Company are not aware that there is any party who, as at 31 March 2025, had or deemed to have, an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

SHARE SCHEMES

2023 Share Scheme

A share scheme (the "**2023 Share Scheme**") was approved and adopted by the Company at the extraordinary general meeting held on 8 August 2023 (the "**Adoption Date**"). The purpose of the 2023 Share Scheme is to recognise and reward past contributions of, as well as to attract, retain and motivate any executive or non-executive director (excluding any independent non-executive director) or any employee of the Group (the "**Employee Participants**"), for their continual contribution to the growth and development of the Group, and to strengthen the many long-term relationships that the Employee Participants may have with the Group.

The maximum number of shares which may be issued pursuant to the vesting of the awarded shares and upon exercise of all share options may be granted at any time under the 2023 Share Scheme together with other options which may be granted under any other share option schemes for the time being of the Company shall not exceed 81,250,000 shares, representing 10% of the shares in issue as at the Adoption Date of the 2023 Share Scheme unless the Company obtains a fresh approval from the Shareholders. As at the date of this Annual Report, the total number of shares available for issue under the 2023 Share Scheme is 55,990,000 shares, representing approximately 6.8% of the issued shares of the Company.

The total number of shares issued and to be issued in respect of all share options and share awards granted to each Employee Participant (excluding any share options and sharer awards lapsed in accordance with the terms of the 2023 Share Scheme) in any 12-month period must not exceed 1% of the shares in issue. Where any further grant of share options or share awards to an Employee Participant would result in the shares issued and to be issued upon exercise of all share options and pursuant to the vesting of the awarded shares granted to such Employee Participant (excluding any share options and share awards lapsed in accordance with the terms of the 2023 Share Scheme) in the 12-month period up and including the date of such further grant representing in aggregate over 1% of the shares in issue, such further grant must be separately approved by the Shareholders in general meeting with such Employee Participant and his close associates (or his associates if the Employee Participants is a connected person) abstaining from voting.

The Board shall, subject to and in accordance with the provisions of the 2023 Share Scheme and the GEM Listing Rules, be entitled (but shall not be bound) at any time and from time to time on any business day within a period of ten (10) commencing on the Adoption Date: (a) to grant to the selected Employee Participants an award of new shares, credited as fully paid, as an incentive bonus; or (b) to make an offer to the selected Employee Participants as it may in its absolute discretion select, and subject such conditions as the Board may think fit, to subscribe for such number of shares (being a board lot for dealing in shares on GEM or an integral multiple thereof) as the Board may determine at the exercise price of share options. The 2023 Share Scheme shall be valid and effective until on the date which is ten (10) years after the Adoption Date on 8 August 2033.

Share options granted during the life of the 2023 Share Scheme shall continue to be exercisable in accordance with their terms of grant after the date of the 10-year period from the grant. Share awards granted during the life of the 2023 Share Scheme shall continue to be valid in accordance with their terms of grant after the date of the 10-year period from the grant.

The vesting period for share options or share awards shall normally not be less than 12 months. Share options or share awards granted to Employee Participants may be subject to a shorter vesting period under circumstances where they are grants that relate to past contributions that form part of a larger bonus package that takes into account such contributions made and potential contributions.

An offer of an option shall be deemed to have been accepted by an Employee Participant concerned in respect of all shares which are offered to such Employee Participant when the duplicate of the relevant offer letter comprising acceptance of the share option duly signed by the Employee Participant with the number of shares in respect of which the offer is accepted stated therein, together with a remittance in favour of our Company of HK$1.00 by way of consideration for the grant thereof is received by the Company within twenty-eight (28) days from the offer date.

A share award shall be deemed to have been accepted by an Employee Participant concerned in respect of all shares which are offered to such Employee Participant when the duplicate of the relevant award letter comprising acceptance of the share award duly signed by the Employee Participant with the number of awarded shares stated therein within twenty-eight (28) days from the date of granting the share award. No payment is required for the acceptance of the share award by the Employee Participants.

The exercise price of the share options shall, subject to any adjustments made, be determined at the discretion of the Board at its sole discretion, provided that it shall be no less than the highest of: (i) the closing price of the share on the Stock Exchange as shown in the daily quotations sheet on the Stock Exchange on the offer date, which must be a business day; (ii) the average of the closing prices of the shares on the Stock Exchange as shown in the daily quotations sheet of the Stock Exchange for the five business days immediately preceding the offer date; and (iii) the nominal value of the share on the offer date.

Share options

During FY2025, no share options were granted by the Company and there was no share option outstanding under the 2023 Share Scheme as at 1 April 2024 and 31 March 2025.

Share awards

During FY2025, the share awards granted by the Company under the 2023 Share Scheme and outstanding as at 1 April 2024 and 31 March 2025 are set out as follows:

					Number of respective shares awarded					
Date of Grant	Grantees	Notes	Vesting Date	Purchase Price and Performance Targets	Unvested as at 1 April 2024	Granted during FY2025	Vested during FY2025	Cancelled during FY2025	Lapsed During FY2025	Unvested as at 31 March 2025
8 August 2023	Seven Employee Participants	*1 and 4*	To be vested by part on 30 September 2023, 31 December 2023, and 31 December 2024	–	5,480,000	–	5,480,000	–	–	–
					(the "**August 2023 Selected Employees Grant**")					
22 December 2023	Eight Employee Participants	*1 and 4*	To be vested by part on 30 June 2024 and 31 December 2024	–	3,160,000	–	3,160,000	–	–	–
					(the "**December 2023 Selected Employees Grant**")					
8 August 2024	Four Employee Participants	*1, 2, 3 and 4*	To be vested by part on 31 October 2024, 31 December 2024, and 31 December 2025	–	–	5,160,000	2,320,000	–	420,000	2,420,000
					(the "**August 2024 Selected Employees Grant**")					
21 January 2025	Four Employee Participants	*1, 2, and 3*	To be vested by part on 31 August 2025 and 31 January 2026	–	–	3,580,000	–	–	200,000	3,380,000
					(the "**January 2025 Selected Employees Grant**")					
					8,640,000	8,740,000	10,960,000	–	620,000	5,800,000

Notes:

1. Grantees are employees of the Group. None of the Grantees is (i) a director, chief executive or substantial shareholder of the Company, or an associate (as defined under the GEM Listing Rules) of any of them; (ii) a participant with options and awards granted and to be granted exceeding 1% individual limit under the GEM Listing Rules; or (iii) a related entity participant or service provider of the Company.

2. The closing price of the shares immediately before the Date of Grant for the August 2024 Selected Employees Grant and the January 2025 Selected Employees Grant were HK$0.102 and HK$0.119 respectively.

3. The fair value of share awards at the Date of Grant for the August 2024 Selected Employees and the January 2025 Selected Employees Grant were HK$526,320 and HK$422,440 respectively. The accounting standard and policy adopted for the fair value was made in accordance with HKFRS 2 Share-based Payment issued by HKICPA.

4. For the August 2023 Selected Employees Grant, the weighted average closing price of the shares immediately before the vesting date of 31 December 2024 was HK$0.119. For the December 2023 Selected Employees Grant, the weighted average closing price of the shares immediately before the vesting date of 30 June 2024 and 31 December 2024 were HK$0.111 and HK$0.119 respectively. For the August 2024 Selected Employees Grant, the weighted average closing price of the shares immediately before the vesting date of 31 October 2024 and 31 December 2024 were HK$0.107 and HK$0.119 respectively.

The number of options and shares available for grant under the 2023 Share Scheme at the beginning and the end of FY2025 were 67,730,000 and 58,990,000 shares respectively, without taking into account of the proposed grant of share awards to two Executive Directors Grantees as announced by the Company on 21 January 2025.

The number of shares that may be issued in respect of options and awards granted under all schemes of the Company during FY2025 was 8,740,000 shares, representing approximately 1.1% of the weighted average number of shares of the relevant class in issue for FY2025 of 821,549,726 shares, without taking into account of the proposed grant of share awards to two Executive Directors Grantees as announced by the Company on 21 January 2025.

Proposed grant of share awards to Executive Directors Grantees pursuant to the 2023 Share Scheme

Reference is made to the Company's announcement dated 21 January 2025 pursuant to which the Company had proposed to award and grant an aggregate of 3,000,000 awarded shares, credited as fully paid at a price of HK$0.01 each, as an incentive bonus to the two executive directors of the Company, namely Mr. Chang Sean Pey and Ms. Leung Churk Yin Jeanny ("**Executive Director Grantees**"). The Executive Director Grantees are Employee Participants under the 2023 Share Scheme. The share awards are proposed to be granted in accordance with the terms of the 2023 Share Scheme for the purposes of rewarding their past contributions and to retain them to contribute and share the future growth of the Group. Details of the proposed grant and the vesting dates are as follows:

			Vesting date as at	
Name of grantee	**Position in the Company**	**Total awarded shares**	**31 August 2025**	**31 January 2026**
Mr. Chang Sean Pey	Executive Director	1,500,000	500,000	1,000,000
Ms. Leung Churk Yin Jeanny	Executive Director	1,500,000	500,000	1,000,000
	Total	**3,000,000**	**1,000,000**	**2,000,000**

The proposed grant to the Executive Director Grantees was approved by all the independent non-executive directors of the Company (the "**INEDs**") who are also members of the Remuneration Committee on 21 January 2025 but is subject to the approval of the shareholders other than the two Executive Director Grantees, his/her associates and all core connected persons (as defined under the GEM Listing Rules) of the Company ("**Independent Shareholders**") in the forthcoming AGM. The INEDs are of the view that the terms of the proposed grant to these two Executive Director Grantees are fair and reasonable and such proposed grant is in the interests of the Company and its shareholders as a whole and they will recommend to the Independent Shareholders to vote in favor of the relevant resolutions at the forthcoming AGM.

For illustration, if taking into account of the proposed grant of share awards to two Executive Directors Grantees approved by the Independent Shareholders at the forthcoming AGM, the number of options and shares available for grant under the 2023 Share Scheme at the beginning and the end of FY2025 were 67,730,000 and 55,990,000 shares respectively.

For illustration, if taking into account of the proposed grant of share awards to two Executive Directors Grantees approved by the Independent Shareholders at the forthcoming AGM, the number of shares that may be issued in respect of options and awards granted under all schemes of the Company during FY2025 was 11,740,000 shares, representing approximately 1.4% of the weighted average number of shares of the relevant class in issue for FY2025 of 821,549,726 shares.

EQUITY-LINKED AGREEMENTS

Save as "Share Schemes" disclosed above, no equity-linked agreements that will or may result in the Company issuing shares nor require the Company to enter into an agreement that will or may result in the Company issuing shares was entered into by the Company during FY2025.

CONNECTED TRANSACTIONS

During FY 2025, the Group had not entered into any transactions constituting connected transactions (including continuing connected transactions) which are subject to the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

A summary of the related party transactions entered into by the Group during FY2025 is contained in note 31 to the audited consolidated financial statements in this Annual Report. The transactions summarised in such note do not fall under the definition of "connected transactions" or "continuing connected transactions" under Chapter 20 of the GEM Listing Rules.

COMPETING INTERESTS

Save as disclosed in the section headed "Deed of non-competition" below and the Prospectus, none of the Directors, substantial shareholders and their respective associates (as defined in the GEM Listing Rules) has any interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group during FY2025 and the Relevant Period.

DEED OF NON-COMPETITION

On 26 September 2016, each of the controlling shareholders of the Company (the "**Controlling Shareholders**"), namely KHHL, Ms. Chan, Mr. Ip and Ms. Ip had entered into a deed of non-competition (the "**Deed of Non-Competition**") in favour of the Company (for itself and as trustee for each of its subsidiaries), pursuant to which the Controlling Shareholders had jointly and severally, irrevocably and unconditionally undertaken to and covenanted with the Company that during the continuation of the Deed of Non-Competition he/she/it would not, and would procure that his/her/its close associates (other than any member of the Group) would not, whether on his/her/its own account or in conjunction with or on behalf of any person, firm or company, whether directly or indirectly, carry on a business, or be interested or involved or engaged in or acquire or hold any right or interest, or otherwise involved in (in each case whether as a shareholder, partner, principal, agent, director, employee or otherwise and whether for profit, reward or otherwise) any business, which competes or is likely to compete directly or indirectly with the business currently and from time to time engaged in by the Group (including but not limited to (i) the provision of corporate finance services, and (ii) property investment activities in Japan, Hong Kong and any other country or jurisdiction). Further details of the Deed of Non-Competition are set out in the section headed "Relationship with our Controlling Shareholders" of the Prospectus.

The independent non-executive Directors have reviewed the status of compliance and confirmed that all the undertakings under the abovementioned Deed of Non-Competition have been complied with by the Controlling Shareholders up to the date of this Annual Report.

LOAN AGREEMENTS WITH COVENANTS RELATING TO SPECIFIC PERFORMANCE OF THE CONTROLLING SHAREHOLDER

On 2 July 2019, the Group entered into a bank facility letter (the "**Dah Sing Facility Letter**") under which Dah Sing Bank Limited agreed to make available to Starich a revolving loan facility in the amount of HK$60,000,000 for investment and working capital purposes.

Under the Dah Sing Facility Letter, the Company has undertaken that (i) Mr. Ip shall remain as chairman of the Board and maintain control over the management and business of the Company; and (ii) his beneficial interest in the Company, as required to be disclosed pursuant to the disclosure requirements under the GEM Listing Rules and the SFO, should be maintained at not less than 60.0%.

MAJOR CUSTOMERS

The top five customers of the Group for FY2025 were corporate finance, asset management and other consultancy services clients and they in aggregate accounted for HK$5.8 million (FY2024: HK$8.6 million), representing 12.1% (FY2024: approximately 16.6%) of the total revenue of the Group. The largest customer of the Group for FY2025 accounted for HK$2.0 million or 4.2% of total revenue.

As at the date of this Annual Report, as far as the Company is aware, none of the Directors, their close associates or any Shareholder, owning more than 5.0% of the share capital of the Company, had any interest in the customers of the Group as mentioned above.

NO CHANGE OF AUDITORS

There is no change in auditors of the Group for the preceding three years.

MAJOR TENANTS AND SUPPLIERS

The Group leases units of its properties to individuals and corporations in Japan and Hong Kong. The property portfolio of the Group accounts for an insignificant share of the overall Japanese real estate market. During FY2025, the Group had leased an office unit in Hong Kong to one independent third party under a lease agreement between April and June 2024, but ended in July 2024 and became vacant thereafter. During FY2025, the aggregate rental revenue received from this party accounted for approximately 0.7% of total revenue (FY2024: 2.8%).

The Group engages property and asset managers to assist with the management and maintenance of its properties in Japan. In this regard, the suppliers are all based in Japan. During FY2025, services obtained from the largest supplier and the five largest suppliers of the Group accounted for approximately 7.0% and 13.2% of property expenses respectively, as compared with approximately 5.7% and 13.5% for FY2024.

As at the date of this Annual Report, so far as the Company is aware, none of the Directors, their close associates or any Shareholder, owning more than 5.0% of the share capital of the Company, had any interest in the tenants and suppliers of the Group as mentioned above.

DONATIONS

During FY2025, nil donation (FY2024: nil) was made by the Group.

EVENTS AFTER THE REPORTING PERIOD

Repurchase of own shares and cancellation of shares

Subsequent to the reporting period, the Company repurchased its own 590,000 ordinary shares in the Stock Exchange and paid aggregate consideration of HK$64,000. On 16 June 2025, the Company's 590,000 repurchased shares were cancelled and deducted from share capital and share premium accordingly. As such, the Company's number of issued and fully paid ordinary shares was reduced to 828,420,000 on 16 June 2025.

SUFFICIENCY OF PUBLIC FLOAT

Based on public information available to the Company and to the best knowledge of the Directors as at the date of this Annual Report, the Company has maintained the public float as required under GEM Listing Rules since the Listing Date.

PRE-EMPTIVE RIGHTS

There are no provisions for the pre-emptive rights under the Articles or the laws of the Cayman Islands which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

A separate environmental, social and governance report is published on the Stock Exchange's website and the Company's website upon the publication of this Annual Report.

AUDITOR

The consolidated financial statements for FY2025 has been audited by SHINEWING (HK) CPA LIMITED. SHINEWING (HK) CPA LIMITED will retire and being eligible, offer themselves for re-appointment. A resolution for their re-appointment as auditor of the Company will be proposed at the forthcoming AGM.

Since the incorporation of the Company up to the date of this Annual Report, there has been no change in auditor of the Company.

By order of the Board
Arnold IP Tin Chee
Chairman and Executive Director

Hong Kong, 27 June 2025

INDEPENDENT AUDITOR'S REPORT

SHINEWING (HK) CPA Limited
17/F, Chubb Tower, Windsor House,
311 Gloucester Road,
Causeway Bay, Hong Kong

信永中和(香港)會計師事務所有限公司
香港銅鑼灣告士打道311號
皇室大廈安達人壽大樓17樓

TO THE SHAREHOLDERS OF ALTUS HOLDINGS LIMITED
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Altus Holdings Limited (the "**Company**") and its subsidiaries (hereinafter collectively referred to as the "**Group**") set out on pages 58 to 140, which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

Valuation of investment properties

Refer to note 19 to the consolidated financial statements and the accounting policies on page 71.

The key audit matter	How the matter was addressed in our audit
The directors of the Company have estimated the fair value of the Group’s investment properties amounted to approximately HK$484,673,000 as at 31 March 2025 with a net decrease in fair value of investment properties of approximately HK$15,107,000 recorded in the consolidated statement of profit or loss and other comprehensive income during the year ended 31 March 2025. Independent external valuations were obtained in respect of the entire portfolio in order to support management’s estimates. We consider valuation of investment properties as a key audit matter because of its significance to the consolidated financial statements and the valuations are dependent on certain key assumptions that require significant judgment including capitalisation rates and recent market transactions.	Our audit procedures in relation to the valuation of investments properties were designed to challenge the valuation process, including the reasonableness of the selection of valuation methodologies used and the appropriateness of the key assumptions and estimates adopted in the valuation models based on our knowledge of the property industry in Hong Kong and Japan. We have challenged the reasonableness of the methodologies and key assumptions used in the valuation models, including rents, occupancy rates and capitalisation rates, based on historical rates and other available market data, taking into account the expected future changes in economic and social conditions. We have also checked, on a sample basis, the accuracy and relevance of the input data used.

OTHER INFORMATION

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

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

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

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

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors of the Company 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 of the Company 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 of the Company either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

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

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

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

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

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

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

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

- Conclude on the appropriateness of the Company's 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 unit within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Pang Wai Hang.

SHINEWING (HK) CPA Limited
Certified Public Accountants
Pang Wai Hang
Practising Certificate Number: P05044

Hong Kong
27 June 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2025

	NOTES	2025 HK$'000	2024 HK$'000
Revenue	9	**48,314**	51,983
Other income	11	**348**	615
Net (decrease) increase in fair value of investment properties	19	**(15,107)**	6,093
Changes in fair value of derivative financial liabilities		**–**	(1)
Change in fair value of investment in an associate		**(126)**	–
Property expenses		**(10,078)**	(9,861)
Administrative and operating expenses		**(24,885)**	(23,968)
Share of results of an associate		**39**	57
Finance costs	12	**(4,398)**	(5,136)
(Loss) profit before tax		**(5,893)**	19,782
Income tax expense	13	**(1,903)**	(6,285)
(Loss) profit for the year	14	**(7,796)**	13,497
Other comprehensive (expense) income for the year			
Items that may be subsequently reclassified to profit or loss:			
Exchange differences arising on translation of foreign operations		**(453)**	(43,529)
Share of translation reserve of an associate		**(1)**	(45)
Item that will not be reclassified subsequently to profit or loss:			
Change in fair value of financial assets at fair value through other comprehensive income ("**FVTOCI**")		**134**	(432)
Other comprehensive expense for the year		**(320)**	(44,006)
Total comprehensive expense for the year		**(8,116)**	(30,509)
(Loss) profit for the year attributable to:			
Owners of the Company		**(8,474)**	12,626
Non-controlling interests		**678**	871
		(7,796)	13,497
Total comprehensive (expense) income for the year attributable to:			
Owners of the Company		**(8,764)**	(29,438)
Non-controlling interests		**648**	(1,071)
		(8,116)	(30,509)
(Loss) earnings per share based on profit attributable to owners of the Company (HK cent)	17		
– Basic		**(1.03)**	1.55
– Diluted		**(1.03)**	1.55

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	NOTES	**2025** **HK$'000**	2024 HK$'000
Non-current assets			
Property, plant and equipment	*18*	**36,416**	37,413
Investment properties	*19*	**484,673**	485,805
Interests in associates	*20*	**7,548**	407
Financial assets at fair value through other comprehensive income	*21*	**868**	727
Club memberships		**1,699**	1,699
Deferred tax asset	*26*	**170**	189
Deposit paid for acquisition of investment property		**–**	931
Prepayment	*22*	**141**	122
		531,515	527,293
Current assets			
Trade and other receivables	*22*	**7,164**	4,543
Deposits placed in financial institutions	*23*	**70**	164
Bank balances and cash	*23*	**47,518**	45,387
Assets classified as held for sale		**–**	8,913
		54,752	59,007
Current liabilities			
Trade and other payables	*24*	**9,014**	11,339
Tax payable		**7,717**	6,848
Secured bank borrowings	*25*	**59,014**	56,176
		75,745	74,363
Net current liabilities		**(20,993)**	(15,356)
Total assets less current liabilities		**510,522**	511,937

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	NOTES	2025 HK$'000	2024 HK$'000
Non-current liabilities			
Secured bank borrowings	*25*	**98,178**	90,524
Other payables – tenant deposits – over 1 year	*24*	**766**	835
Deferred tax liabilities	*26*	**27,588**	27,609
		126,532	118,968
		383,990	392,969
Capital and reserves			
Share capital	*27*	**8,290**	8,193
Reserves		**362,633**	371,843
Equity attributable to owners of the Company		**370,923**	380,036
Non-controlling interests		**13,067**	12,933
		383,990	392,969

The consolidated financial statements on pages 58 to 140 were approved and authorised for issue by the board of directors on 27 June 2025 and are signed on its behalf by:

Arnold Ip Tin Chee
Director

Chang Sean Pey
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

	Share capital HK$'000	Share premium (note i) HK$'000	Share repurchase reserve HK$'000	Other reserve (note ii) HK$'000	Investment revaluation reserve HK$'000	Shareholder contribution (note iii) HK$'000	Share awards reserve (note iv) HK$'000	Exchange reserve HK$'000	Retained profits HK$'000	Total HK$'000	Non-controlling interests HK$'000	Total HK$'000
At 1 April 2024	8,193	75,222	–	98,819	(1,389)	11,319	504	(122,302)	309,670	380,036	12,933	392,969
Loss for the year	–	–	–	–	–	–	–	–	(8,474)	(8,474)	678	(7,796)
Other comprehensive expense for the year												
– Change in fair value of financial assets at FVTOCI	–	–	–	–	134	–	–	–	–	134	–	134
– Share of translation reserve of an associate	–	–	–	–	–	–	–	(1)	–	(1)	–	(1)
– Exchange differences arising on translation of foreign operations	–	–	–	–	–	–	–	(423)	–	(423)	(30)	(453)
	–	–	–	–	134	–	–	(424)	–	(290)	(30)	(320)
Total comprehensive income (expense) for the year	–	–	–	–	134	–	–	(424)	(8,474)	(8,764)	648	(8,116)
Contribution from non-controlling shareholders	–	–	–	–	–	–	–	–	–	–	381	381
Share repurchase (note 27)	–	–	(136)	–	–	–	–	–	–	(136)	–	(136)
Cancellation of repurchased shares (note 27)	(13)	(123)	136	–	–	–	–	–	–	–	–	–
Vested shares for share awards (note 34)	110	1,288	–	–	–	–	(1,398)	–	–	–	–	–
Share based payments (note 34)	–	–	–	–	–	–	1,100	–	–	1,100	–	1,100
Final dividends approved in respect of the previous year and paid during the year (note 16)	–	–	–	–	–	–	–	–	(667)	(667)	–	(667)
Interim dividends declared and paid during the year (note 16)	–	–	–	–	–	–	–	–	(646)	(646)	–	(646)
Dividends paid to non-controlling shareholders by subsidiaries	–	–	–	–	–	–	–	–	–	–	(895)	(895)
At 31 March 2025	8,290	76,387	–	98,819	(1,255)	11,319	206	(122,726)	299,883	370,923	13,067	383,990

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

	Share capital HK$'000	Share premium (note i) HK$'000	Other reserve (note ii) HK$'000	Investment revaluation reserve HK$'000	Shareholder contribution (note iii) HK$'000	Share awards reserve (note iv) HK$'000	Exchange reserve HK$'000	Retained profits HK$'000	Total HK$'000	Non-controlling interests HK$'000	Total HK$'000
At 1 April 2023	8,125	74,302	98,819	(957)	11,319	151	(80,670)	297,044	408,133	14,172	422,305
Profit for the year	–	–	–	–	–	–	–	12,626	12,626	871	13,497
Other comprehensive expense for the year											
– Change in fair value of financial assets at FVTOCI	–	–	–	(432)	–	–	–	–	(432)	–	(432)
– Share of translation reserve of an associate	–	–	–	–	–	–	(45)	–	(45)	–	(45)
– Exchange differences arising on translation of foreign operations	–	–	–	–	–	–	(41,587)	–	(41,587)	(1,942)	(43,529)
	–	–	–	(432)	–	–	(41,632)	–	(42,064)	(1,942)	(44,006)
Total comprehensive (expense) income for the year	–	–	–	(432)	–	–	(41,632)	12,626	(29,438)	(1,071)	(30,509)
Vested shares for share awards (note 34)	68	920	–	–	–	(988)	–	–	–	–	–
Share based payments (note 34)	–	–	–	–	–	1,341	–	–	1,341	–	1,341
Dividends paid to non-controlling shareholders by subsidiaries	–	–	–	–	–	–	–	–	–	(168)	(168)
At 31 March 2024	8,193	75,222	98,819	(1,389)	11,319	504	(122,302)	309,670	380,036	12,933	392,969

Notes:

(i) Share premium represents (i) the difference between the shareholders' contribution and the issued capital; (ii) the difference between the consideration paid for repurchase of shares of the Company and the reduction of share capital; and (iii) the difference between the increase in share capital and the deduction of share awards reserve at the date of shares being vested. The share premium is distributable.

(ii) Other reserve mainly includes (i) the difference between the nominal value of the issued share capital of the Company and its subsidiaries and the net assets value of the subsidiaries of the Group, upon completion of the group reorganisation on 26 September 2016; and (ii) the difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received arising from changes in the Group's ownership interests in existing subsidiaries that do not result in the loss of or obtaining control and they are accounted for as equity transactions.

(iii) Amounts represent the employee benefits borne by the ultimate holding company, who entered into the option deeds with two executive directors of the Company, as the grantees ("Grantees"), on 4 March 2016. Pursuant to the option deeds, in consideration of HK$1.00 paid by each Grantee, the ultimate holding company granted share options to the Grantees, which would entitle the Grantees to purchase the Company's share in aggregate of 37,800,000 shares held by the ultimate holding company. The estimated fair value of the options granted on the grant date was approximately HK$11,319,000. As at 31 March 2020, all share options were exercised.

(iv) Amounts represent the employee benefits for the purposes of recognising and rewarding their contributions which were borne by the Company, details of which are set out in note 34.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	2025 HK$'000	2024 HK$'000
OPERATING ACTIVITIES		
(Loss) profit before tax	**(5,893)**	19,782
Adjustments for:		
Finance costs	**4,398**	5,136
Bank interest income	**(264)**	(240)
(Reversal of impairment loss) impairment loss of trade receivables, net	**(38)**	41
Depreciation of property, plant and equipment	**1,007**	1,027
Share based payments	**1,100**	1,341
Changes in fair value of derivative financial liabilities	**–**	1
Changes in fair value of investment in an associate	**126**	–
Share of results of an associate	**(39)**	(57)
Government grants	**–**	(280)
Net decrease (increase) in fair value of investment properties	**15,107**	(6,093)
Gain on disposal of an investment properties	**–**	(31)
Dividend income from financial assets at FVTOCI	**(46)**	(48)
Operating cash flows before movements in working capital	**15,458**	20,579
Increase in trade and other receivables	**(2,591)**	(1,568)
(Decrease) increase in trade and other payables	**(2,149)**	1,051
CASH GENERATED FROM OPERATIONS	**10,718**	20,062
Income tax paid	**(1,015)**	(1,404)
NET CASH FROM OPERATING ACTIVITIES	**9,703**	18,658
INVESTING ACTIVITIES		
Purchase of investment properties	**(13,757)**	(11,936)
Proceeds from disposal of investment property	**–**	12,387
Proceeds from disposal of asset classified as held for sale	**8,810**	–
Deposit paid for acquisition of investment property	**–**	(931)
Purchase of property, plant and equipment	**(10)**	(43)
Dividends received from financial assets at FVTOCI	**46**	48
Interest received	**266**	275
Purchase of financial assets at FVTOCI	**(7)**	–
Investment in an associate	**(7,343)**	–
Capital contribution from non-controlling shareholders of subsidiaries	**381**	–
NET CASH USED IN INVESTING ACTIVITIES	**(11,614)**	(200)

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	2025 HK$'000	2024 HK$'000
FINANCING ACTIVITIES		
Repayments of borrowings	**(43,290)**	(16,542)
Interest paid	**(4,591)**	(5,016)
Dividends paid	**(2,208)**	(168)
New borrowings raised	**53,871**	16,434
Government grants received	**–**	280
Payment on repurchase of own shares	**(136)**	–
NET CASH GENERATED FROM (USED IN) FINANCING ACTIVITIES	**3,646**	(5,012)
Net increase in cash and cash equivalents	**1,735**	13,446
Cash and cash equivalents at the beginning of the year	**45,551**	35,774
Effect of foreign exchange rate changes	**302**	(3,669)
Cash and cash equivalents at the end of the year	**47,588**	45,551
Analysis of components of cash and cash equivalents:		
Deposits placed in financial institutions	**70**	164
Bank balances and cash	**47,518**	45,387
	47,588	45,551

1. GENERAL

Altus Holdings Limited (the "**Company**") was incorporated as an exempted company with limited liability on 11 November 2015 in the Cayman Islands under the Companies Act, Chapter 22 (Law 3 of 1961, as combined and revised) of the Cayman Islands. The shares of the Company were listed on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 17 October 2016. The addresses of the registered office and the principal place of business of the Company are detailed in the section headed "Corporate Information" of the annual report.

The Company is engaged in investment holding and its subsidiaries (collectively referred to as the "**Group**") are mainly engaged in the provision of corporate finance, asset management and other consultancy services and proprietary investments. Its subsidiaries invest in Japan properties by entering into Japanese tokumei kumiai arrangements ("**TK Agreements**") as a tokumei kumiai investor ("**TK Investor**") with Japanese limited liability companies known as tokumei kumiai operators ("**TK Operators**"), which are the property holding companies.

The ultimate holding company is Kinley-Hecico Holdings Limited ("**KHHL**"), a company incorporated in the British Virgin Islands ("**BVI**") with limited liability. KHHL is deemed to be interested in the Company through its wholly-owned subsidiary, Flying Castle Limited. KHHL is ultimately controlled by two parties, Chan Kit Lai, Cecilia and Landmark Trust Switzerland SA, which the beneficiaries of the trust are Arnold Ip Tin Chee and Lam Ip Tin Wai Chyvette.

The consolidated financial statements are presented in Hong Kong dollars ("**HK$**") which is same as the functional currency of the Company. Other than those subsidiaries incorporating in Japan, whose functional currency is Japanese Yen ("**JPY**"), the functional currency of the Company and other subsidiaries is HK$.

2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

Going Concern

Notwithstanding that the Group has incurred net current liabilities of approximately HK$20,993,000 as at 31 March 2025, the consolidated financial statements as at 31 March 2025 have been prepared on a going concern basis as the directors of the Company are satisfied that the liquidity of the Group can be maintained in the coming year after taking into consideration that the Group has unutilised available banking facilities of approximately HK$51,536,000 as at 31 March 2025.

Accordingly, the directors of the Company consider that the Group will have sufficient working capital to meet its financial obligations as and when they fall due within the next twelve months from 31 March 2025. The directors of the Company are satisfied that it is appropriate to prepare these consolidated financial statements on a going concern basis. The consolidated financial statements as at 31 March 2025 do not include any adjustments relating to the carrying amount and reclassification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

3. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

In the current year, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") which are effective for the Group's financial year beginning 1 April 2024:

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

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

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

The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

Upon adoption of the amendments, the Group has reassessed the terms and conditions of its loan arrangements. The application of the amendments has no material impact on the classification of the Group's liabilities.

3. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS *(Continued)*

New and amendments to HKFRS Accounting Standards issued but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 18	Presentation and Disclosure in Financial Statements[3]
HKFRS 19	Subsidiaries without Public Accountability: Disclosures[3]
Amendments to HKAS 21	Lack of Exchangeability[1]
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]
Amendments to HKFRS 9 and HKFRS 7	Contract Referencing Nature-dependent Electricity[2]

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

The directors of the Company anticipate that the application of the new and amendments to HKFRS Accounting Standards will have no material impact on the results and the financial position of the Group.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments and investment properties that are measured at fair values at the end of each reporting date.

Historical cost is generally based on the fair value of the consideration given in exchange for 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. Details of fair value measurement are explained in the accounting policies set out below.

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

The material accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structure entity) controlled by the Company and its subsidiaries. Control is achieved where the Group has: (i) the power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the Group's returns.

The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of these elements of control stated above.

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

Income and expenses of subsidiaries are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

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

Investment in associates

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

The Group's investment in an associate is accounted for in the consolidated financial statements using the equity method. Under the equity method, investment in an associate is initially recognised at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. If the Group's share of losses of an associate equals or exceeds its interest in the associate, which includes any long-term interest that, in substance, form part of the Group's net investment in the associate, the Group discontinues recognising its share of further losses. Additional losses are provided for, and a liability is recognised, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Investment in associates *(Continued)*

The requirements of HKAS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment is tested for impairment 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. Any reversal of that impairment loss is recognised to the extent that the recoverable amount of the net investment subsequently increases.

The Group applies HKFRS 9, including the impairment requirements, to long-term interests in an associate to which the equity method is not applied and which form part of the net investment in the investee. In applying HKFRS 9 to long-term interests, the Group does not take into account adjustments to their carrying amount required by HKAS 28 (i.e. adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with HKAS 28).

Revenue from contracts with customers

Revenue is recognised to depict the transfer of promised services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those services. Specifically, the Group uses a 5-step approach to revenue recognition:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

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

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

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Revenue from contracts with customers *(Continued)*

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- The Group's performance creates and enhances an asset that the customer controls as the asset is created and enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct service.

Revenue is measured based on the consideration specific in a contract with a customer, excludes amounts collected on behalf of third parties.

The Group recognised revenue from the provision of corporate finance, asset management and other consultancy services.

Depending on the nature of the services and the contract terms, revenue from sponsorship services, financial advisory services and other corporate finance services are recognised over time. The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the services transferred to the customer to date relative to the remaining services promised under the contract, that best depict the Group's performance in transferring control of services.

Revenue from compliance advisory services is recognised over time as the customers simultaneously receive and consume the benefits provided by the Group's performance as the Group performs. The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on a straight-line basis during the service period, in which the Group bills a fixed amount on a monthly or quarterly basis.

Asset management services income is recognised over time when the relevant services have been rendered.

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Property, plant and equipment

Property, plant and equipment including leasehold land and building held 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.

Ownership interests in leasehold land and building

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented as "right-of-use asset" in the consolidated statement of financial position except for those that are classified and accounted for as investment properties under the fair value model. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

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

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation and are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

Investment properties under redevelopment are measured at fair value at the end of the reporting period. Construction costs incurred for investment properties under redevelopment are capitalised as part of the carrying amount of the investment properties under redevelopment. Any difference between the fair value of the investment properties under redevelopment and their carrying amounts is recognised in profit or loss in the period in which they arise.

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Taxation

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

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

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

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

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

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

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

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Taxation *(Continued)*

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The directors of the Company reviewed the Group's investment property portfolios and concluded that the Group's investment property located in Hong Kong is not held under a business model whose objective is to consume substantially all of the economic benefits embodied in investment properties over time, rather than through sale. Therefore, the directors of the Company have determined that the "sale" presumption set out in the amendments to HKAS 12 is not rebutted. As a result, the Group has not recognised any deferred taxes on changes in fair value of the investment property located in Hong Kong as the Group is not subject to any income taxes on the fair value changes of the investment properties on disposal. The Group has recognised deferred tax on changes in fair value of investment properties located in Japan as the Group is subject to Japanese corporate income tax on fair value changes on investment properties located in Japan on disposal.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle current tax liabilities and assets on a net basis.

Current and deferred taxes are recognised in profit or loss.

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 recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing at 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 at 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. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period.

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Foreign currencies *(Continued)*

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

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Club memberships

Club memberships with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on property, plant and equipment and intangible assets below).

Impairment losses on property, plant and equipment and intangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating unit, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Impairment losses on property, plant and equipment and intangible assets *(Continued)*

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated to the assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or the cash-generating unit) is increased to the revised estimate of its recoverable amount, but so 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 (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

Retirement benefits costs

Payments to the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Cash and cash equivalents

In the consolidated statement of financial position, bank balances and cash comprise cash (i.e. cash on hand and demand deposits) and cash equivalents. Cash equivalents are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents, as defined above.

Investments in subsidiaries

Investments in subsidiaries (including structure entity) are stated on the statement of financial position of the Company at cost less accumulated impairment loss.

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

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

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. The Group's financial assets are classified, at initial recognition, as subsequently measured at amortised cost and FVTOCI.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial assets at amortised cost (debt instruments)

The Group measures financial assets subsequently at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses ("**ECL**"), through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

Interest income is recognised in profit or loss and is included in the "other income" line item (note 11).

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial assets at amortised cost (debt instruments) *(Continued)*

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investment revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

Dividends from investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'other income' line item in profit or loss.

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9

The Group recognises a loss allowance for ECL on investments in debt instruments that are measured at amortised cost as well as lease receivables included in trade receivables. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables and lease receivables which are included in trade receivables. The ECL on these financial assets are estimated individually based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

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

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial assets at amortised cost (debt instruments) *(Continued)*

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate as well as consideration of various external sources of actual and forecast economic information that relate to the Group's operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial assets at amortised cost (debt instruments) *(Continued)*

Significant increase in credit risk (Continued)

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) the debt instrument has a low risk of default, ii) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or

- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

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

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial assets at amortised cost (debt instruments) *(Continued)*

Credit-impaired financial assets

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

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial assets at amortised cost (debt instruments) *(Continued)*

Measurement and recognition of expected credit losses (Continued)

For financial assets, the ECL is estimated 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, discounted at the original effective interest rate. For a lease receivables, the cash flows used for determining the ECL is consistent with the cash flows used in measuring the lease receivable in accordance with HKFRS 16 Leases.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets

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

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

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

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial liabilities and equity instruments *(Continued)*

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is 1) contingent consideration of an acquirer in a business combination to which HKFRS 3 applies, 2) held for trading, or 3) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKFRS 9 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship and are included in the 'derivative financial instruments' in the consolidated statement of financial position. The net gain or loss recognised in profit or loss is included in the 'changes in fair value of derivative financial liabilities' line item in profit or loss.

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial liabilities and equity instruments *(Continued)*

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not 1) contingent consideration of an acquirer in a business combination, 2) held for-trading, or 3) designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Share-based payment transactions

Equity-settled share-based payment transactions

Share awards granted to employees

Share awards granted to the employees are the amounts to be expensed as staff costs. The amounts are determined by reference to the fair value of the award shares granted, taking into account all non-vesting conditions associated with the grants. The total expense is recognised over the relevant vesting periods, with a corresponding credit to the share awards reserve under equity. When the awarded shares are allotted and transferred to the awardees upon vesting, the awarded shares vested are debited to share awards reserve and the allotted shares are credited to share capital and share premium.

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Fair value measurement

When measuring fair value except for the Group's share-based payment transactions, 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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the assets in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Specifically, the Group categorised the fair value measurements into three levels, based on the characteristics of inputs, as follow:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level inputs that is significant to the fair value measurement is unobservable.

At the end of the reporting period, the Group determines whether transfer occur between levels of the fair value hierarchy for assets or liabilities which are measured at fair value on recurring basis by reviewing their respective fair value measurement.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4 above, the directors of the Company are required to make judgements, estimates and assumptions about the amounts of assets, liabilities, revenue and expenses reported and disclosures made in the consolidated financial statements. 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 estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

Critical judgements in applying accounting policies

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

Control in the TK Operators

The Group invests in the certain investment properties located in Japan by entering into TK Agreements as a TK Investor with Japanese limited liability companies known as TK Operators, which are the property holding companies. The relationship between the TK Operators and TK Investors is governed by TK Agreements, whereby the TK Investors provide funds to the TK Operators in return for income derived from the investments properties held by the TK Operators. Under the TK Agreements, profits or losses generated from TK Operators will be returned to the Group periodically. Therefore, the Group is exposed to the substantial of risks and rewards from its agreements with the TK Operators and the underlying property holding business. Besides, the Group exercises its control over the TK Operators by making decisions to direct the relevant activities, e.g. investment decision making (including acquisition and disposal of the properties and financing activities), monitoring of the leasing status and rental return from the properties, etc. Based on the substances of the arrangement and the legal advice, the directors of the Company are of the view that the Group is able to exercise control in the TK Operators during the years ended 31 March 2025 and 2024.

Significant influence over associate

The Group held interests as investor and acted as investment manager in Nippon Fudosan Fund (the "**NFF Fund**"). The Group considered its power, arising from the rights entitled directly or indirectly, over the NFF Fund, and assessed whether the combination of investments it held together with its remuneration created exposure to variability of returns from the NFF Fund that are of such significance that it indicated the Group has significant influence over the NFF Fund and should recognised the NFF Fund as an associate.

Going concern and liquidity

The assessment of the going concern assumptions involves making judgement by the directors of the Company, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain. The directors of the Company consider that the Group has ability to continue as a going concern and the major events or conditions, which may give rise to business risks, that individually or collectively may cast significant doubt about the going concern assumptions are set out in note 2.

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

Critical judgements in applying accounting policies *(Continued)*

Deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities arising from investment properties that are measured using the fair value model, the directors of the Company have reviewed the Group's investment property portfolios and concluded that the Group's investment property located in Hong Kong is 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. Therefore, the directors of the Company have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale on the investment property located in Hong Kong is not rebutted. As a result, the Group has not recognised any deferred taxes on changes in fair value of investment property located in Hong Kong as the Group is not subject to any income taxes on disposal of its investment property located in Hong Kong. The Group has recognised deferred tax on changes in fair value of investment properties located in Japan in note 26 as the Group is subject to Japanese corporate income tax on fair value changes on investment properties located in Japan on disposal.

Key sources of estimation uncertainty

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

Fair value of investment properties

Investment properties are stated at fair value based on the valuation performed by independent professional valuers. In determining the fair value, the valuers have based on a method of valuation which involves certain estimates of market conditions. In relying on the valuation report, the directors of the Company have exercised their judgement and are satisfied that the assumptions used in valuation have reflected the current market conditions. Changes to these assumptions would result in changes in the fair values of the Group's investment properties being recognised in profit or loss. The carrying amount of investment properties measured at fair value at 31 March 2025 was approximately HK$484,673,000 (2024: HK$485,805,000). Details of assumptions used are disclosed in note 19.

6. 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 remained unchanged from prior year.

The capital structure of the Group consists of net debt, which includes the secured bank borrowings disclosed in note 25, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure periodically. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt.

For the wholly-owned subsidiaries of the Company, Altus Investments Limited ("**Altus Investments**") and Altus Capital Limited ("**Altus Capital**"), they are licensed entities under and regulated by Securities and Futures Commission (the "**SFC**") and are required to comply with certain minimum capital requirements according to the rules of the SFC. The directors of Altus Investments and Altus Capital monitor, on a daily basis, these subsidiaries' liquid capital level to ensure they meet the minimum liquid capital requirement in accordance with the Securities and Futures (Financial Resources) Rules. The minimum liquid capital requirements of Altus Investments and Altus Capital are HK$3,000,000 and HK$100,000 respectively or 5% of their own total adjusted liabilities, whichever is higher.

There is no non-compliance of the capital requirements of Altus Investments and Altus Capital imposed by the Securities and Futures (Financial Resources) Rules during the years ended 31 March 2025 and 2024.

7. FINANCIAL INSTRUMENTS

a. Categories of financial instruments

	2025 HK$'000	2024 HK$'000
Financial assets		
Financial assets at FVTOCI	**868**	727
Investment in an associate at fair value through profit or loss	**7,103**	–
Financial assets at amortised cost (including cash and cash equivalents)	**53,273**	48,943
Financial liabilities		
Financial liabilities at amortised cost	**165,207**	157,131

b. Financial risk management objectives and policies

The Group's major financial instruments include equity investments, trade and other receivables, deposits placed in financial institutions, bank balances and cash, trade and other payables and secured 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.

7. FINANCIAL INSTRUMENTS *(Continued)*

b. Financial risk management objectives and policies *(Continued)*

Market risk

(i) Currency risk

Apart from certain subsidiaries of the Group which are operated in Japan, whose functional currency are denominated in JPY and not subjected to any currency risk, the Group has certain foreign currency operations, which expose the Group to foreign currency risk. The currency giving rise to this risk is primarily JPY. The Group currently does not have a foreign currency hedging policy. However, management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's foreign currency denominated monetary assets at the end of the reporting period are as follows:

	2025	2024
	HK$'000	HK$'000
JPY	**10,229**	7,022

Sensitivity analysis

The Group is mainly exposed to the currency of JPY.

The following table details the Group's sensitivity to a 10% (2024: 10%) increase and decrease in HK$ against JPY. The 10% (2024: 10%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items, and adjusts their translation at the end of the reporting period for a 10% (2024: 10%) change in foreign currency rates.

A positive number below indicates a decrease in post-tax loss (2024: an increase in post-tax profit) where HK$ weakening 10% (2024: 10%) against the relevant currency. For a 10% (2024: 10%) strengthen of HK$ against the relevant currency, there would be an equal and opposite impact on the post-tax loss (2024: post-tax profit), and the balances below would be negative.

7. FINANCIAL INSTRUMENTS *(Continued)*

b. Financial risk management objectives and policies *(Continued)*

Market risk *(Continued)*

(i) Currency risk (Continued)

Sensitivity analysis *(Continued)*

	JPY	
	2025	2024
	HK$'000	HK$'000
Profit or loss	**1,023**	702

(ii) Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate secured bank borrowings (see note 25), deposits placed in financial institutions (see note 23) and bank balances (see note 23). The directors of the Company consider that the exposures of cash flow interest rate risk arising from variable-rate deposits placed in financial institutions and bank balances are insignificant, no sensitivity analysis is prepared.

The Group is also exposed to fair value interest rate risk in relation to fixed-rate secured bank borrowings (see note 25). The directors of the Company do not anticipate any significant interest rate exposure so that no sensitivity analysis is prepared for fair value interest rate risk.

The Group currently does not have an interest rate hedging policy. However, management monitors interest rate exposures and will consider hedging significant interest rate exposure should the need arise. The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Hong Kong Inter-bank Offered Rate ("**HIBOR**") arising from the Group's HK$ denominated bank borrowings and the fluctuation of Tokyo Inter-bank Offered Rate ("**TIBOR**") arising from the Group's JPY denominated bank borrowings.

7. FINANCIAL INSTRUMENTS *(Continued)*

b. Financial risk management objectives and policies *(Continued)*

Market risk *(Continued)*

(ii) Interest rate risk (Continued)

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for non-derivative financial instruments at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 100 basis point (2024: 100 basis point) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. If the interest rate on variable bank borrowings had been 100 basis points (2024: 100 basis points) higher or lower and all other variables held constant, the Group's post-tax loss (2024: post-tax profit) for the year ended 31 March 2025 would increase or decrease (2024: decrease or increase) by approximately HK$754,000 (2024: HK$503,000). This is mainly attributable to the Group's exposure to interest rates on its secured bank borrowings.

(iii) Other price risk

The Group is mainly exposed to equity price risk through its investments in listed equity securities measured at FVTOCI. The directors of the Company manage this exposure by maintaining the investments with appropriate risk level. The management of the Company monitors the price risk and considers hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period. For sensitivity analysis purpose, the sensitivity rate is remained as 10% with last year considering the stability of the financial market.

As at 31 March 2025 and 2024, if the price of the respective listed equity instruments held had been 10% higher/lower, investment revaluation reserve as at 31 March 2025 would increase/decrease by approximately HK$66,000 (2024: HK$73,000) as a result of the changes in fair values of financial assets at FVTOCI.

7. FINANCIAL INSTRUMENTS *(Continued)*

b. Financial risk management objectives and policies *(Continued)*

Credit risk

As at 31 March 2025 and 2024, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

The credit risk of the Group mainly arises from bank balances and cash, trade and other receivables and deposits placed in financial institutions. The carrying amounts of these balances represent the Group's maximum exposure to credit risk in relation to financial assets.

In order to minimise the credit risk, the operation management team determines credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

As at 31 March 2025 and 2024, for trade receivables and lease receivables (both included in trade receivables), the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the ECL on an individual basis, estimated based on historical credit loss experience, as well as the general economic conditions of the industry in which the debtors operate. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

For other receivables, the Group has assessed whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Group will measure the loss allowance based on lifetime rather than 12-month ECL.

The credit risk on liquid funds is limited because the counterparties are banks and financial institutions with high credit ratings assigned by international credit rating agencies.

7. FINANCIAL INSTRUMENTS *(Continued)*

b. Financial risk management objectives and policies *(Continued)*

***Credit risk** (Continued)*

The Group's exposure to credit risk

In order to minimise credit risk, the management of the Group develops and maintains the Group's credit risk grading to categorise exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, the operation management team uses other publicly available financial information and the Group's own trading records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising ECL
Performing	For financial assets where there has low risk of default or has not been a significant increase in credit risk since initial recognition and that are not credit impaired (refer to as Stage 1)	12-month ECL
Doubtful	For financial assets where there has been a significant increase in credit risk since initial recognition but that are not credit impaired (refer to as Stage 2)	Lifetime ECL – not credit impaired
Default	Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred (refer to as Stage 3)	Lifetime ECL – credit impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off

7. FINANCIAL INSTRUMENTS *(Continued)*

b. Financial risk management objectives and policies *(Continued)*

Credit risk *(Continued)*

The Group's exposure to credit risk (Continued)

The credit quality of the Group's trade and other receivables are disclosed in the respective notes.

As at 31 March 2025, the Group's concentration of credit risk by geographical locations is in Hong Kong, which accounted for 98% (2024: 97%) of total trade receivables.

As at 31 March 2025, the Group has concentration of credit risk as 43% (2024: 50%) of the total trade receivables was due from the five largest customers of the Group within the Advisory, consulting and asset management segment. As at 31 March 2025, approximately HK$1.1 million, representing 30% (2024: 35%) of the total trade receivables, was due from the Group's largest customer.

None of the Group's financial assets are secured by collateral or other credit enhancements.

Liquidity risk

As at 31 March 2025, the Group is exposed to liquidity risk as the Group has net current liabilities of approximately HK$20,993,000 (2024: HK$15,356,000). In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effect of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants. The Group did not breach any of loan covenants during the years ended 31 March 2025 and 2024.

The Group finances its working capital requirements through a combination of funds generated from operations, bank borrowings and banking facilities.

7. FINANCIAL INSTRUMENTS *(Continued)*

b. Financial risk management objectives and policies *(Continued)*

***Liquidity risk** (Continued)*

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank borrowings with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates. The table includes both interest and principal cash flows.

In addition, the following table details the Group's liquidity analysis for its derivative financial instruments. The tables have been drawn up based on the undiscounted contractual net cash (inflows) and outflows on derivative instruments that settle on a net basis. The liquidity analysis for the Group's derivative financial instruments are prepared based on the contractual maturities as the management consider that the contractual maturities are essential for an understanding of the timing of the cash flows of derivatives.

Liquidity tables

	On demand or within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total undiscounted cash flows	Carrying amount
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At 31 March 2025						
Non-derivative financial liabilities						
Trade and other payables	7,249	766	–	–	8,015	8,015
Secured bank borrowings	61,328	9,340	25,069	79,263	175,000	157,192
	68,577	10,106	25,069	79,263	183,015	165,207

7. FINANCIAL INSTRUMENTS *(Continued)*

b. Financial risk management objectives and policies *(Continued)*

Liquidity risk *(Continued)*

Liquidity tables (Continued)

	On demand or within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total undiscounted cash flows	Carrying amount
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At 31 March 2024						
Non-derivative financial liabilities						
Trade and other payables	9,596	835	–	–	10,431	10,431
Secured bank borrowings	57,932	9,269	24,327	70,829	162,357	146,700
	67,528	10,104	24,327	70,829	172,788	157,131

Secured bank borrowings with a repayment on demand clause are included in the "on demand or within 1 year" time band in the above maturity analysis. As at 31 March 2025, the aggregate undiscounted principal amounts of these secured bank borrowings amounted to approximately HK$48,261,000 (2024: HK$48,012,000). Taking into account the Group's financial position, the directors of the Company do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The directors of the Company believe that such secured bank borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements. At that time, the aggregate principal and interest cash outflows will amount to approximately HK$58,334,000 (2024: HK$60,501,000).

The amounts included above for variable interest rate instruments for non-derivative financial liabilities 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.

8. FAIR VALUE MEASUREMENTS RECOGNISED IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

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

The valuation techniques and inputs used in the fair value measurements of each financial instruments on a recurring basis are set out below:

	Fair value as at		Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs
	31 March 2025 HK$'000	31 March 2024 HK$'000			
Financial assets at FVTOCI					
Listed equity securities	**659**	727	Level 1	Quoted bid prices in active market	N/A
Unlisted equity investment (note i)	**209**	–	Level 3	By reference to the capitalised income/profit derived from existing operation	Income/profit
Investment in an associate (note ii)	**7,103**	–	Level 3	By reference to net asset value	Net asset value

Notes:

(i) The higher the unobservable inputs (i.e. income/profit) of the existing business, the higher the fair value of the financial asset.

(ii) The higher the unobservable inputs (i.e. net asset value), the higher the fair value of the financial asset.

8. FAIR VALUE MEASUREMENTS RECOGNISED IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

Fair value of financial assets and financial liabilities that are measured at fair value on a recurring basis *(Continued)*

Reconciliation of level 3 fair value measurement of unlisted equity investment and investment in an associate on recurring basis:

	Unlisted equity investment HK$'000	Investment in an associate HK$'000
At 1 April 2023	148	–
Decrease in fair value	(148)	–
At 31 March 2024 and 1 April 2024	–	–
Additions	7	7,434
Increase (decrease) in fair value	202	(126)
Exchange difference	–	(205)
At 31 March 2025	**209**	**7,103**

During the year ended 31 March 2025, the increase in fair value recognised in other comprehensive income of approximately HK$202,000 (2024: decrease in fair value of approximately HK$148,000) are included in change in fair value of financial assets at FVTOCI.

During the year ended 31 March 2025, the decrease in fair value recognised in profit or loss of approximately HK$126,000 (2024: nil) are included in change in fair value of investment in an associate.

There were no transfers between levels of fair value hierarchy during the years ended 31 March 2025 and 2024.

The directors of the Company consider that the carrying amounts of other current financial assets and liabilities recorded at amortised cost in the consolidated financial statements approximate to their corresponding fair values due to short-term maturities. The carrying amounts of non-current liabilities recorded at amortised cost in the consolidated financial statements approximate to their corresponding fair value due to the applicable interest rate are based on prevailing market interest rates or current interest rates offered for similar financial instruments appropriate for the remaining term to maturity. The carrying amounts of such financial instruments are not materially different from their fair values.

9. REVENUE

Revenue represents revenue arising from provision of corporate finance, asset management and other consultancy services and leasing of investment properties during the year. An analysis of the Group's revenue for the year is as follows:

	2025 **HK$'000**	2024 HK$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Corporate finance, asset management and other consultancy services income (note 10)	**21,875**	21,876
Revenue from other source		
Rental income for investment properties under operating leases – fixed lease payments (note)	**26,439**	30,107
	48,314	51,983

Revenue generated from provision of corporate finance, asset management and other consultancy services during the years ended 31 March 2025 and 2024 are recognised over time.

Note: An analysis of the Group's net rental income is as follows:

	2025 **HK$'000**	2024 HK$'000
Gross rental income from investment properties	**26,439**	30,107
Direct operating expenses incurred for investment properties that generated rental income during the year (included in property expenses)	**(10,078)**	(9,861)
Net rental income	**16,361**	20,246

Transaction price allocated to the remaining performance obligations for contracts with customers

The transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at 31 March 2025 and 2024 and the expected timing of recognition are, as follow:

	2025 **HK$'000**	2024 HK$'000
Within one year	**3,953**	1,955
More than one year	**509**	120
	4,462	2,075

The above amounts represent revenue expected to be recognised in the future from provision of corporate finance, asset management and other consultancy services.

10. SEGMENT INFORMATION

Information reported to the chief operating decision maker (the "**CODM**"), being the directors of the Company, for the purpose of resource allocation and assessment of segment performance focuses on type of services provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable segments are as follows:

(i) Advisory, consulting and asset management – provision of (i) regulatory-driven services under corporate finance including sponsorship, financial advisory, compliance advisory and equity capital market consulting; (ii) special situations consulting; and (iii) asset management, and other investment and consulting services; and

(ii) Proprietary investments – leasing of investment properties for residential and commercial use and derives rental income therefrom and holding of a portfolio of securities for dividend income and aims for capital gain.

Segment revenues and results

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

For the year ended 31 March 2025

	Advisory, consulting and asset management	Proprietary investments	Total
	HK$'000	HK$'000	HK$'000
REVENUE			
External revenue and segment revenue	21,875	26,439	48,314
RESULT			
Segment profit (loss)	12,370	(3,223)	9,147
Other income and expenses, net			(12,782)
Share of results of an associate			39
Change in fair value of investment in an associate			(126)
Finance costs			(2,171)
Loss before tax			(5,893)

10. SEGMENT INFORMATION *(Continued)*

Segment revenues and results *(Continued)*

For the year ended 31 March 2024

	Advisory, consulting and asset management	Proprietary investments	Total
	HK$'000	HK$'000	HK$'000
REVENUE			
External revenue and segment revenue	21,876	30,107	51,983
RESULT			
Segment profit	12,630	22,149	34,779
Other income and expenses, net			(12,154)
Share of results of an associate			57
Finance costs			(2,900)
Profit before tax			19,782

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 4. Segment profit (loss) represents the profit earned by (loss from) each segment without allocation of central administration costs, directors' emoluments, certain other income, share of results of an associate and certain finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

10. SEGMENT INFORMATION *(Continued)*

Segment assets and liabilities

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

Segment assets

	2025 **HK$'000**	2024 HK$'000
Advisory, consulting and asset management	**4,184**	3,292
Proprietary investments	**488,431**	497,531
Total segment assets	**492,615**	500,823
Unallocated	**93,652**	85,477
Total assets	**586,267**	586,300

Segment liabilities

	2025 **HK$'000**	2024 HK$'000
Advisory, consulting and asset management	**562**	1,193
Proprietary investments	**117,396**	115,305
Total segment liabilities	**117,958**	116,498
Unallocated	**84,319**	76,833
Total liabilities	**202,277**	193,331

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

- all assets are allocated to operating segments other than property, plant and equipment, deferred tax asset, unlisted equity investment at FVTOCI, club memberships, certain other receivables, interest in an associate, deposits placed in financial institutions, bank balances and cash and other corporate assets; and
- all liabilities are allocated to operating segments other than certain other payables, tax payable, certain secured bank borrowings, deferred tax liabilities and other corporate liabilities.

10. SEGMENT INFORMATION *(Continued)*

Other segment information

	Advisory, consulting and asset management		Proprietary investments		Unallocated		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
For the year ended 31 March								
Amounts included in the measure of segment profit or segment assets:								
Additions to non-current assets (note)	–	–	14,677	13,457	10	43	14,687	13,500
Gain on disposals from non-current assets	–	–	–	(31)	–	–	–	(31)
Net decrease (increase) in fair value of investment properties	–	–	15,107	(6,093)	–	–	15,107	(6,093)
(Reversal of impairment loss of trade receivables) impairment loss of trade receivable, net	–	–	(38)	41	–	–	(38)	41
Finance costs	–	–	2,227	2,236	2,171	2,900	4,398	5,136
Dividend income from financial assets at FVTOCI	–	–	(46)	(48)	–	–	(46)	(48)

	Advisory, consulting and asset management		Proprietary investments		Unallocated		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
For the year ended 31 March								
Amounts regularly provided to the CODM but not included in the measure of segment profit or segment assets:								
Bank interest income	–	–	–	–	(264)	(240)	(264)	(240)
Changes in fair value of derivative financial liabilities	–	–	–	–	–	(1)	–	(1)
Changes in fair value of investment in an associate	–	–	–	–	126	–	126	–
Depreciation of property, plant and equipment	–	–	–	–	1,007	1,027	1,007	1,027
Share of results of an associate	–	–	–	–	39	(57)	39	(57)
Interest in an associate	–	–	–	–	7,548	407	7,548	407
Income tax expense	–	–	–	–	1,903	6,285	1,903	6,285

Note: Non-current assets excluded financial assets at FVTOCI, club memberships, prepayment, deferred tax asset and interest in associates.

10. SEGMENT INFORMATION *(Continued)*

Breakdown of revenue by services

A breakdown of the Group's revenue by services under advisory, consulting and asset management and proprietary investments segments is as follows:

	2025	2024
	HK$'000	HK$'000
Advisory, consulting and asset management		
Regulatory-driven	**19,402**	16,882
Special situation consulting	**1,692**	4,748
Asset management and others	**781**	246
	21,875	21,876
Proprietary investments		
Rental income	**26,439**	30,107
	48,314	51,983

10. SEGMENT INFORMATION *(Continued)*

Geographic information

The Group's operations are mainly located in Hong Kong and Japan.

Information about the Group's revenue from external customers is presented based on the location of the operations. Information about the Group's non-current assets, excluding financial assets at FVTOCI, club memberships, deferred tax asset, prepayment and interest in associates, is presented based on the geographical location of the assets.

	Revenue from external customers		Non-current assets	
	2025	2024	**2025**	2024
	HK$'000	HK$'000	**HK$'000**	HK$'000
Hong Kong	**22,235**	23,316	**94,416**	106,413
Japan	**26,079**	28,667	**426,673**	417,736
	48,314	51,983	**521,089**	524,149

During the years ended 31 March 2025 and 2024, there was no single customer contributing over 10% of the Group's total revenue.

11. OTHER INCOME

	2025	2024
	HK$'000	HK$'000
Bank interest income	**264**	240
Gain on disposal of an investment property	**–**	31
Dividend income from financial assets at FVTOCI	**46**	48
Reversal of impairment loss of trade receivables (note 22)	**38**	–
Government grants (note i)	**–**	280
Other	**–**	16
	348	615

Note:

(i) During the year ended 31 March 2024, the government grants of HK$280,000 (2025: nil) represented the receipt from the grant scheme provided by the Government of the Hong Kong Special Administrative Region to provide subsidies for qualified open-ended fund companies to set up in Hong Kong. There are no unfulfilled conditions and other contingencies related to receipts of these grants.

12. FINANCE COSTS

	2025 HK$'000	2024 HK$'000
Interests on secured bank borrowings	**4,398**	5,136

13. INCOME TAX EXPENSE

	2025 HK$'000	2024 HK$'000
Current tax:		
Japanese Corporate Income Tax	**243**	271
Japanese Withholding Tax	**1,610**	2,724
	1,853	2,995
Deferred taxation (note 26)	**50**	3,290
	1,903	6,285

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. Hong Kong Profits Tax of the qualified entity of the Group is calculated in accordance with the two-tiered profits tax rates regime. The profits of other Group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%.

No provision for Hong Kong Profits Tax has been made as the Group did not have any assessable profits subject to Hong Kong Profits Tax for the years ended 31 March 2025 and 2024.

Under the Japan Corporate Income Tax Law, Japanese corporate income tax is calculated at 33.58% of the estimated assessable profits for the years ended 31 March 2025 and 2024. However, for certain Japanese subsidiaries under the TK Agreements, the applicable Japanese withholding tax rate of those Japanese subsidiaries was 20.42% for the years ended 31 March 2025 and 2024.

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.

13. INCOME TAX EXPENSE *(Continued)*

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

	2025 HK$'000	2024 HK$'000
(Loss) profit before tax	(5,893)	19,782
Tax at the domestic income tax rates in the respective jurisdictions	(589)	5,687
Tax effect of share of results of an associate	(6)	(9)
Tax effect of expenses not deductible for tax purpose	2,512	1,353
Tax effect of income not taxable for tax purpose	(53)	(35)
Income tax on concessionary rate	101	(1,406)
Tax effect of tax losses not recognised	681	695
Utilisation of tax losses previously not recognised	(743)	–
Income tax expense	1,903	6,285

Details of deferred taxation are set out in note 26.

14. (LOSS) PROFIT FOR THE YEAR

(Loss) profit for the year has been arrived at after charging (crediting):

	2025 HK$'000	2024 HK$'000
Staff cost, excluding directors' emoluments (note 15(a)):		
– Salaries, bonus and other benefits	10,530	9,648
– Contributions to retirement benefits scheme	221	207
– Share based payments – shares awards (note 34)	1,100	1,341
Total staff costs excluding directors' emoluments	11,851	11,196
Directors' remuneration	4,273	3,651
Auditors' remuneration	680	660
Depreciation of property, plant and equipment	1,007	1,027
(Reversal of impairment loss) impairment loss of trade receivables, net	(38)	41
Net exchange loss (gain)	679	(268)

15. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(a) Directors' emoluments

The emoluments paid or payable by the Group to each of the following directors of the Company were as follows:

For the year ended 31 March 2025

	Fees	Salaries, and other benefits	Discretionary bonus	Contributions to retirement benefits scheme	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Emoluments paid or receivable in respect of a person's services as a director, whether of the Company and its subsidiary undertakings					
Independent non-executive directors:					
Chao Tien Yo	120	–	–	–	120
Chan Sun Kwong	120	–	–	–	120
Lee Shu Yin	120	–	–	–	120
	360	–	–	–	360
Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company and its subsidiary undertakings					
Executive directors:					
Arnold Ip Tin Chee	–	600	175	18	793
Chang Sean Pey	–	965	560	18	1,543
Leung Churk Yin Jeanny	–	999	560	18	1,577
	–	2,564	1,295	54	3,913
Total emoluments	360	2,564	1,295	54	4,273

15. DIRECTORS' AND EMPLOYEES' EMOLUMENTS *(Continued)*

(a) Directors' emoluments *(Continued)*

For the year ended 31 March 2024

	Fees	Salaries, and other benefits	Discretionary bonus	Contributions to retirement benefits scheme	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Emoluments paid or receivable in respect of a person's services as a director, whether of the Company and its subsidiary undertakings					
Independent non-executive directors:					
Chao Tien Yo	120	–	–	–	120
Chan Sun Kwong	120	–	–	–	120
Lee Shu Yin	120	–	–	–	120
	360	–	–	–	360
Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company and its subsidiary undertakings					
Executive directors:					
Arnold Ip Tin Chee	–	400	175	13	588
Chang Sean Pey	–	916	450	15	1,381
Leung Churk Yin Jeanny	–	729	578	15	1,322
	–	2,045	1,203	43	3,291
Total emoluments	360	2,045	1,203	43	3,651

15. DIRECTORS' AND EMPLOYEES' EMOLUMENTS *(Continued)*

(a) Directors' emoluments *(Continued)*

During the years ended 31 March 2025 and 2024, no director has been appointed as chief executive of the Company.

During the years ended 31 March 2025 and 2024, none of the directors of the Company waived or agreed to waive any emoluments.

During the years ended 31 March 2025 and 2024, no emoluments were paid by the Group to the directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office.

The discretionary bonus is reviewed and approved by remuneration committee having regard to the performance of individuals and the Company's performance and profitability and the prevailing market conditions.

(b) Employees' emoluments

Of the five individuals with the highest emoluments in the Group, two (2024: two) were directors of the Company whose emoluments are included in the note 15(a) above. The emoluments of the remaining three (2024: three) individuals were as follows:

	2025	2024
	HK$'000	HK$'000
Salaries and other benefits	**4,116**	3,525
Discretionary bonus	**1,120**	720
Contributions to retirement benefits scheme	**53**	53
Share based payments	**760**	774
	6,049	5,072

15. DIRECTORS' AND EMPLOYEES' EMOLUMENTS *(Continued)*

(b) Employees' emoluments *(Continued)*

Their emoluments were within the following bands:

	2025 **No. of Employees**	2024 No. of Employees
Nil to HK$1,000,000	**–**	–
HK$1,000,001 to HK$1,500,000	**–**	–
HK$1,500,001 to HK$2,000,000	**2**	3
HK$2,000,001 to HK$2,500,000	**1**	–

During the years ended 31 March 2025 and 2024, no emoluments were paid by the Group to the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

16. DIVIDENDS

	2025 **HKD'000**	2024 HKD'000
Final dividend in respect of previous financial year of 0.08 cent per ordinary share, approved and paid during FY2025 (FY2024: nil)	**667**	–
Interim dividend for FY2025 of 0.08 cent (FY2024: nil) per ordinary share	**646**	–
	1,313	–

The board of directors (the "**Board**") recommends the payment of a final dividend of Hong Kong 0.08 cent (2024: Hong Kong 0.08 cent) per ordinary share for year ended 31 March 2025 amounting to HK$663,000 (2024: HK$667,000). The final dividend proposed after the end of reporting period is not reflected as a dividend payable in these financial statements, but will be reflected in the movement of retained profits for the year ending 31 March 2026.

17. (LOSS) EARNINGS PER SHARE

The calculation of the basic and diluted (loss) earnings per share attributable to owners of the Company is based on the following data:

(Loss) earnings

	2025 HKD'000	2024 HKD'000
(Loss) earnings for the purpose of basic and diluted (loss) earnings per share		
((Loss) profit for the year attributable to owners of the Company)	**(8,474)**	12,626

Number of shares

	2025 '000	2024 '000
Weighted average number of ordinary shares for the purpose of basic (loss) earnings per share (note)	**821,550**	814,131
Effect of dilutive potential ordinary shares:		
Share awards	**999**	1,766
Weighted average number of ordinary shares for the purpose of diluted (loss) earnings per share	**822,549**	815,897

Note: During the year ended 31 March 2025, the Company issued 10,960,000 (2024: 6,800,000) ordinary shares to the relevant employees upon vesting of share awards. Details are set out in note 34.

During the year ended 31 March 2025, the Company repurchased in aggregate 1,250,000 ordinary shares on the Stock Exchange and all repurchased shares had been cancelled. The total amount paid to repurchase these ordinary shares was approximately HK$136,000. Details are set out in note 27.

18. PROPERTY, PLANT AND EQUIPMENT

	Land and building HK$'000	Leasehold improvement HK$'000	Furniture, fixtures and equipment HK$'000	Total HK$'000
COST				
At 1 April 2023	49,184	9,168	3,290	61,642
Additions	–	–	43	43
Written off	–	–	(9)	(9)
At 31 March 2024 and 1 April 2024	49,184	9,168	3,324	61,676
Additions	–	–	10	10
At 31 March 2025	**49,184**	**9,168**	**3,334**	**61,686**
ACCUMULATED DEPRECIATION				
At 1 April 2023	10,826	9,168	3,251	23,245
Charged for the year	984	–	43	1,027
Eliminated on written off	–	–	(9)	(9)
At 31 March 2024 and 1 April 2024	11,810	9,168	3,285	24,263
Charged for the year	984	–	23	1,007
At 31 March 2025	**12,794**	**9,168**	**3,308**	**25,270**
CARRYING VALUES				
At 31 March 2025	**36,390**	**–**	**26**	**36,416**
At 31 March 2024	37,374	–	39	37,413

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

Land and building	Over the shorter of term of the lease or 50 years
Leasehold improvement	Over the shorter of term of the lease or 3 years
Furniture, fixtures and equipment	33%

The Group has pledged its land and building with a carrying value of approximately HK$36,390,000 (2024: HK$37,374,000) to secure bank borrowings of the Group as at 31 March 2025.

19. INVESTMENT PROPERTIES

	2025 HK$'000	2024 HK$'000
Investment properties stated at fair value (note a)	**484,673**	485,805

Note:

(a) Investment properties stated at fair value

	Investment properties HK$'000	Investment properties under redevelopment HK$'000	Total HK$'000
At 1 April 2023	547,567	–	547,567
Exchange realignment	(59,112)	–	(59,112)
Additions	12,526	–	12,526
Disposals	(12,356)	–	(12,356)
Reclassified as asset held for sale (Note)	(8,913)	–	(8,913)
Net increase in fair value recognised in profit or loss	6,093	–	6,093
At 31 March 2024 and 1 April 2024	485,805	–	485,805
Exchange realignment	(680)	(22)	(702)
Additions	11,102	3,575	14,677
Reclassified from investment property as investment property under redevelopment	(8,427)	8,427	–
Net decrease in fair value recognised in profit or loss	(10,911)	(4,196)	(15,107)
At 31 March 2025	**476,889**	**7,784**	**484,673**

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

The Group has pledged its investment properties with a carrying value of approximately HK$456,912,000 (2024: HK$467,214,000) to secure banking facilities granted to the Group as at 31 March 2025.

19. INVESTMENT PROPERTIES *(Continued)*

Note: *(Continued)*

(a) Investment properties stated at fair value *(Continued)*

Investment properties located in Hong Kong

For the investment property located in Hong Kong, the fair value of investment property at 31 March 2025 and 2024 has been arrived at on the basis of a valuation carried out by an independent qualified professional valuer, who is the member of The Hong Kong Institution of Surveyors with recent experience in the location and category of the investment property being valued. The valuation was arrived at by using capitalisation of rental receivable approach measures the fair value of the property by taking into account the rental receivable of the property, which is then capitalised into the value of appropriate market yield (2024: reference to market evidence of transaction prices for similar properties in the similar locations and conditions.) Details of the valuation techniques and assumptions are discussed below.

Investment properties located in Japan

For the investment properties located in Japan, the fair value of investment properties at 31 March 2025 and 2024 has been arrived at on the basis of valuations carried out by independent qualified professional valuers, who are the members of Japan Association of Real Estate Appraisers with recent experience in the location and category of the investment properties being valued. The valuations were arrived at by using income approach – discounted cash flow method which involves estimation of income and expenses, taking into account of expected future changes in economic and social conditions. Details of the valuation techniques and assumptions are discussed below.

There has been no change from valuation technique used during the years ended 31 March 2025 and 2024. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

For investment property under redevelopment located in Japan, the valuation had been arrived at by adopting residual approach – discounted cash flow method which involves estimation of income and expenses, taking into account of expected future changes in economic and social conditions and assuming that the investment property will be completed in accordance with the development proposal and the relevant approval for the proposal have been obtained. The valuation had also taken into account the relevant future cost of development, including construction costs and professional fees, which duly reflect the risks associated with the development of the property. Details of the valuation techniques and assumptions are discussed below.

Note:

As at 31 March 2024, the Group's asset held for sale is valued by reference to recent sale transaction. The fair value measurement for asset held for sale has been categorised as level 2 fair values.

19. INVESTMENT PROPERTIES *(Continued)*

An analysis of the Group's investment properties that are measured subsequent to initial recognition at fair value, grouped into fair value hierarchy Levels 1 to 3 based on the degree to which the inputs to fair value measurements is observable is as follows:

	Level 1	**Level 2**	**Level 3**	**Fair value as at 31 March 2025**
	HK$'000	**HK$'000**	**HK$'000**	**HK$'000**
Investment properties	**–**	**–**	**476,889**	**476,889**
Investment property under redevelopment	**–**	**–**	**7,784**	**7,784**

	Level 1	Level 2	Level 3	Fair value as at 31 March 2024
	HK$'000	HK$'000	HK$'000	HK$'000
Investment properties	–	69,000	416,805	485,805

During the year ended 31 March 2025, investment property located in Hong Kong were transferred from Level 2 to Level 3 of fair value hierarchy due to insufficient observed market evidence of transaction prices. The Group adopted the Level 3 categorisation based on capitalisation of rental receivable approach, which is considered appropriate given the significant reliance on unobservable inputs inherent in this valuation method.

There were no transfers between levels of fair value hierarchy during the year ended 31 March 2024.

19. INVESTMENT PROPERTIES *(Continued)*

The following table gives information about how the fair values of the investment properties as at 31 March 2025 and 2024 are determined (in particular, the valuation techniques and inputs used):

	Fair value hierarchy	**Fair value as at 31 March 2025 HK$'000**	Fair value as at 31 March 2024 HK$'000	Valuation technique and key inputs	Significant unobservable inputs	Range	Relationship key inputs and significant unobservable inputs to fair value
Investment property located in Hong Kong	Level 2	**–**	69,000	Market Comparison approach – by reference to recent sales price of comparable properties on a price per square feet basis using market data which is publicly available	N/A	N/A	N/A
	Level 3	**58,000**	–	Income approach – by reference to capitalisation of rental receivable approach	(i) Market yield	3.0%	The higher the market yield, the lower the market value
					(ii) Market unit rent per month (HK$/sq.ft.)	HK$63/sq.ft.	The higher the market unit rent per month, the higher the fair value
Investment properties located in Japan	Level 3	**418,889**	416,805	Income approach – by reference to capitalised income derived from exiting tenancies and the reversionary potential of the properties	(i) Capitalisation rate	Ranged from 3.2% to 7.0% (2024: 3.3% to 7.0%)	The higher the capitalisation rate, the lower the fair value
Investment property under redevelopment located in Japan	Level 3	**7,784**	–	Residual approach – by reference to capitalised income derived from the reversionary potential of the property and taken into account the relevant future cost of development which duly reflect the risks associated with the development of the property	(i) Capitalisation rate	3.9%	The higher the capitalisation rate, the lower the fair value
					(ii) Estimated cost to completion	HK$9,760,000	The higher the estimated costs, the lower the fair value

19. INVESTMENT PROPERTIES *(Continued)*

The reconciliation of Level 3 fair value measurements of investment properties on recurring basis is as follows:

	HK$'000
At 1 April 2023	474,567
Additions	12,526
Disposals	(12,356)
Reclassified as asset held for sale	(8,913)
Exchange adjustments	(59,112)
Net increase in fair value recognised in profit or loss	10,093
At 31 March 2024 and 1 April 2024	416,805
Additions	14,677
Transfer into level 3	69,000
Exchange adjustments	(702)
Net decrease in fair value recognised in profit or loss	(15,107)
At 31 March 2025	**484,673**

During the year ended 31 March 2025, the net decrease in fair value recognised in profit or loss of approximately HK$15,107,000 (2024: net increase in fair value of HK$10,093,000) are included in net decrease in fair value of investment properties (2024: net increase in fair value of investment properties). Included in the net decrease in fair value is amount of approximately HK$15,107,000 (2024: net increase in fair value of HK$10,093,000) that is attributable to the change in unrealised gains or losses relating to investment properties held at the end of the reporting period.

20. INTERESTS IN ASSOCIATES

	2025	2024
	HK$'000	HK$'000
Cost of investment in an associate, unlisted	**356**	356
Share of post-acquisition profits and other comprehensive income	**89**	51
	445	407
Investment in an associate at fair value through profit or loss (note)	**7,103**	–
	7,548	407

Note: The Group elects to measure its investment in NFF Fund of JPY140.0 million (equivalent to HK$7.4 million) held through Starich Resources Limited, an indirectly wholly-owned subsidiary, at fair value through profit or loss as management measured the performance of this associate on a fair value basis as at 31 March 2025. The valuation determinations, including valuation techniques, key inputs and fair value information, for the associate measured at fair value through profit or loss are set out in note 8.

As at 31 March 2025 and 2024, the Group had interest in the following material associate:

Name of entity	**Form of entity**	**Place of incorporation/ operation**	**Class of shares held**	**Proportion of nominal value of issued capital and voting right directly held by the Group**		**Principal activities**
				At 31 March 2025	At 31 March 2024	
NFF Fund (note i)	Incorporated	Hong Kong	Participating shares	**17.11%**	N/A	Property investment

As at 31 March 2025 and 2024, the Group had interest in the following immaterial associate:

Name of entity	**Form of entity**	**Place of incorporation/ operation**	**Class of shares held**	**Proportion of nominal value of issued capital and voting right directly held by the Group**		**Principal activities**
				At 31 March 2025	At 31 March 2024	
KK Ascent Plus (note ii)	Incorporated	Japan	Ordinary	**20%**	20%	Asset management

Notes:

(i) NFF Fund received services from the Group's subsidiary during the year ended 31 March 2025 (2024: nil). For the details, please refer to note 31(a).

(ii) KK Ascent Plus provided services to the Group's subsidiaries during the years ended 31 March 2025 and 2024. For the details, please refer to note 31(a).

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2025 HK$'000	2024 HK$'000
Equity instruments designated at FVTOCI		
– Listed	**659**	727
– Unlisted	**209**	–
Total	**868**	727

The fair value of these investments is disclosed in note 8.

The above unlisted equity investments represent investments in unlisted equity investment issued by private entities incorporated in Japan and Hong Kong. Investments in listed equity securities represent the Group's investment in companies listed in Hong Kong. These investments in equity instruments are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, the directors of the Company have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

22. TRADE AND OTHER RECEIVABLES AND PREPAYMENT

	2025 HK$'000	2024 HK$'000
Receivables at amortised cost comprise:		
Trade receivables (note)	**3,700**	3,174
Less: allowances for impairment of trade receivables	**(3)**	(41)
	3,697	3,133
Other receivables and prepayment	**3,608**	1,532
	7,305	4,665

Note: As at 31 March 2025, lease receivables amounting to approximately HK$63,000 (2024: HK$101,000) were included in trade receivables. The remaining balances of approximately HK$3,637,000 (2024: HK$3,073,000) represented the trade receivables arising from contracts with customers.

22. TRADE AND OTHER RECEIVABLES AND PREPAYMENT *(Continued)*

	2025 HK$'000	2024 HK$'000
Analysed for reporting purpose:		
Current portion	7,164	4,543
Non-current portion	141	122
	7,305	4,665

The trade receivables are due upon the issuance of the invoices. The Group does not hold any collateral over these balances. The following is an aged analysis of trade receivables net of allowances for impairment of trade receivables presented based on the invoice date which approximates the respective revenue recognition dates at the end of the reporting period. It also represented the ageing analysis of trade receivables which are past due but not impaired, at the end of the reporting period.

	2025 HK$'000	2024 HK$'000
Within 30 days	2,602	1,374
More than 30 but within 60 days	1,088	45
More than 60 but within 90 days	6	1,614
More than 90 but within 180 days	1	100
	3,697	3,133

The movement in the allowances for impairment of trade receivables is set out below.

	2025 HK$'000	2024 HK$'000
Balance at the beginning of the year	41	3
Impairment loss recognised	–	41
Reversal of impairment loss	(38)	–
Exchange realignment	–	(3)
Balance at the end of the year	3	41

22. TRADE AND OTHER RECEIVABLES AND PREPAYMENT *(Continued)*

The Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. The ECL on trade receivables and lease receivables are estimated individually by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

During the year ended 31 March 2025, approximately HK$38,000 had been recovered with the debtor having settled such amount in cash. During the year ended 31 March 2024, certain receivables were considered unrecoverable and in default, approximately HK$41,000 of lifetime ECL-credit impaired was recognised.

As at 31 March 2025, the allowances for impairment of trade receivables of approximately HK$nil (2024: HK$41,000) were made for trade receivables that are considered as credit impaired.

The following is an analysis of other receivables and prepayment at the end of the reporting period:

	2025 **HK$'000**	2024 HK$'000
Deposits	**77**	77
Prepayments	**1,720**	1,273
Other receivables	**1,811**	182
	3,608	1,532

The ECL on other receivables are estimated individually by reference to past experience of default and their financial position and general economic condition of the industry at the reporting date. The internal credit rating of the other receivables are considered to be performing as at 31 March 2025 and 2024 as there has not been a significant change in the credit risk since initial recognition.

23. DEPOSITS PLACED IN FINANCIAL INSTITUTIONS/BANK BALANCES AND CASH

At 31 March 2025 and 2024, the deposits placed in financial institutions and bank balances carried at variable interest rates based on daily bank deposit rates.

Included in deposits placed in financial institutions and bank balances and cash are the following amounts denominated in currencies other than the functional currency of the respective reporting entities of the Group:

	2025	2024
	HK$'000	HK$'000
JPY	**10,229**	7,022

24. TRADE AND OTHER PAYABLES

	2025	2024
	HK$'000	HK$'000
Trade payables	**78**	87
Other payables	**9,702**	12,087
	9,780	12,174
Analysed for reporting purposes:		
Current portion	**9,014**	11,339
Non-current portion	**766**	835
	9,780	12,174

The trade payables are due upon the receipt of the invoices. All trade payables are aged within 30 days which are based on the invoice date at the end of the reporting period. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

25. SECURED BANK BORROWINGS

	2025	2024
	HK$'000	HK$'000
Carrying amount repayable (based on scheduled repayment dates set out in the loan agreements):		
On demand or within one year	**45,558**	42,369
After one year but within two years	**7,564**	14,100
After two years but within five years	**21,450**	21,157
After five years	**82,620**	69,074
	157,192	146,700
Carrying amount of secured bank borrowings that are not repayable on demand or within one year from the end of the reporting period but contain a repayment on demand clause	**13,456**	13,807
Carrying amount repayable on demand or within one year	**45,558**	42,369
Amounts shown under current liabilities	**59,014**	56,176
Amounts shown under non-current liabilities	**98,178**	90,524
	157,192	146,700

The exposure of the Group's secured bank borrowings to interest rate risk is as follows:

	2025	2024
	HK$'000	HK$'000
Fixed-rate borrowings	**70,304**	68,128
Variable-rate borrowings	**86,888**	78,572
	157,192	146,700

25. SECURED BANK BORROWINGS *(Continued)*

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's secured bank borrowings are as follows:

	2025	2024
Effective interest rate:		
Fixed-rate borrowings	**1.65% to 2.55%**	1.11% to 2.85%
Variable-rate borrowings	**0.93% to 6.75%**	1.09% to 7.60%

The Group has variable-rate borrowings which carry interest at HIBOR or TIBOR. Interest is reset regularly.

As at the end of the reporting period, the Group has the following undrawn borrowing facilities:

	2025	2024
	HK$'000	HK$'000
Floating rate	**51,536**	52,988

During the year ended 31 March 2025, the Group obtained new loans in the amount of approximately HK$53,871,000 (2024: HK$16,434,000). The loans will be repayable from 2025 to 2046 (2024: 2024 to 2046). The proceeds were used for general working capital purpose and to finance the acquisition of investment properties and the construction of investment properties under redevelopment.

The bank borrowings are secured by the land and building and certain investment properties of the Group as disclosed in notes 18 and 19 respectively.

Certain bank borrowings are guaranteed by KK Ascent Plus, an associate of the Group, with guarantee fee paid during the years ended 31 March 2025 and 2024 as disclosed in notes 31(a) and 31(b).

26. DEFERRED TAX ASSET (LIABILITIES)

The following is the analysis of the deferred tax asset (liabilities), after set off certain deferred tax assets against deferred tax liabilities of the same taxable entity, for financial reporting purposes:

	2025	2024
	HK$'000	HK$'000
Deferred tax asset	**170**	189
Deferred tax liabilities	**(27,588)**	(27,609)
	(27,418)	(27,420)

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

	Accelerated tax depreciation	**Revaluation of investment properties and undistributable profits of subsidiaries**	**Unused tax losses**	**Total**
	HK$'000	**HK$'000**	**HK$'000**	**HK$'000**
At 1 April 2023	(371)	(28,521)	1,142	(27,750)
Credit (charged) to profit or loss for the year (note 13)	19	(2,356)	(953)	(3,290)
Exchange realignment	–	3,620	–	3,620
At 31 March 2024 and 1 April 2024	(352)	(27,257)	189	(27,420)
Credit (charged) to profit or loss for the year (note 13)	48	(79)	(19)	(50)
Exchange realignment	–	52	–	52
At 31 March 2025	**(304)**	**(27,284)**	**170**	**(27,418)**

At 31 March 2025, the Group has unused estimated tax losses of approximately HK$19,466,000 (2024: HK$20,466,000), available for offset against future profits. Deferred tax asset has been recognised in respect of the unused estimated tax losses of approximately HK$1,030,000 (2024: HK$1,145,000), such losses may be carried forward indefinitely. No deferred tax asset has been recognised in respect of the remaining approximately HK$18,436,000 (2024: HK$19,321,000) unused tax losses due to the unpredictability of future profit streams.

27. SHARE CAPITAL

	Number of ordinary shares	Share capital HK$'000
Ordinary shares of HK$0.01 each		
Authorised:		
At 1 April 2023, 31 March 2024, 1 April 2024 and 31 March 2025	**5,000,000,000**	**50,000**
Issued and fully paid:		
At 1 April 2023	812,500,000	8,125
Share allotted (note i) (note 34)	6,800,000	68
At 31 March 2024 and 1 April 2024	819,300,000	8,193
Share allotted (note i) (note 34)	10,960,000	110
Share repurchased and cancelled (note ii)	(1,250,000)	(13)
At 31 March 2025	**829,010,000**	**8,290**

Notes:

(i) These new shares rank pari passu with the existing shares in all respects.

(ii) During the year ended 31 March 2025, the Company had repurchased its own 1,250,000 ordinary shares on the Stock Exchange, which were cancelled and deducted from share capital and share premium on 31 October 2024. Details of the Company's repurchase are as follows:

Month	Number of ordinary shares repurchased	Highest price paid per share HK$	Lowest price paid per share HK$	Aggregate consideration paid HK$'000
August 2024	390,000	0.11	0.105	42
September 2024	630,000	0.11	0.106	69
October 2024	230,000	0.11	0.109	25
	1,250,000			136

None of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

28. OPERATING LEASE COMMITMENTS

The Group as lessor

During the years ended 31 March 2025 and 2024, the Group's properties held for rental purpose are expected to generate rental yields of 5.5% and 6.2% respectively, on an ongoing basis. All of the properties held have committed tenants for the next one to fifteen years (2024: one to fifteen years).

At the end of the reporting period, the Group had contracted with tenants under non-cancellable operating leases for the following future minimum lease payments:

	2025	2024
	HK$'000	HK$'000
Within one year	**2,058**	2,454

29. RETIREMENT BENEFITS PLAN

The Group operates a Mandatory Provident Fund Scheme (the "**MPF Scheme**") for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of the relevant payroll costs, capped at HK$1,500 per month, to the MPF Scheme, in which the contribution is matched by employees.

The total cost charged to profit or loss of approximately HK$275,000 (2024: HK$250,000) represents contributions payable to this scheme by the Group in respect of the current accounting period.

Long service payment ("LSP") Liabilities

Obligation to LSP under Hong Kong Employment Ordinance

Pursuant to the Employment Ordinance, Chapter 57, the Group has the obligation to pay LSP to employees in Hong Kong under certain circumstances, subject to a minimum of 5 years employment period, based on this formula: Last monthly wages (before termination of employment) × 2/3 × Years of service. Last monthly wages are capped at HK$22,500 while the amount of long service payment shall not exceed HK$390,000. This obligation is accounted for as a post-employment defined benefit plan. Furthermore, the Mandatory Provident Fund Schemes Ordinance passed in 1995 permits the Group to utilise the Group's Mandatory Provident Fund contributions, plus/minus any positive/negative returns thereof (collectively, the "**Eligible Offset Amount**"), for the purpose of offsetting LSP payable to an employee (the "**Offsetting Arrangement**").

29. RETIREMENT BENEFITS PLAN *(Continued)*

Long service payment ("LSP") Liabilities *(Continued)*

Obligation to LSP under Hong Kong Employment Ordinance *(Continued)*

The Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the "**Amendment Ordinance**") was gazetted on 17 June 2022, which will eventually abolish the Offsetting Arrangement. The Amendment Ordinance will come into effect prospectively from 1 May 2025 (the "**Transition Date**"). Under the Amendment Ordinance, the Eligible Offset Amount after the Transition Date can only be applied to offset the pre-Transition Date LSP obligation but no longer eligible to offset the post-Transition Date LSP obligation. Furthermore, the LSP obligations before the Transition Date will be grandfathered and calculated based on the last monthly wages immediately preceding the Transition Date.

30. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the consolidated statement of cash flow as cash flows from financing activities.

	Secured bank borrowings (note 25) HK$'000	Dividends payable (included in other payables) HK$'000	Interest payable (included in other payables) HK$'000	Total HK$'000
At 1 April 2024	146,700	–	479	147,179
Financing cash flows				
Addition	53,871	–	–	53,871
Repayment	(43,290)	(2,208)	(4,591)	(50,089)
Non-cash changes				
Exchange realignment	(89)	–	–	(89)
Finance costs incurred	–	–	4,398	4,398
Dividends declared	–	2,208	–	2,208
At 31 March 2025	**157,192**	**–**	**286**	**157,478**

30. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES *(Continued)*

	Secured bank borrowings (note 25) HK$'000	Dividends payable (included in other payables) HK$'000	Interest payable (included in other payables) HK$'000	Total HK$'000
At 1 April 2023	161,470	–	359	161,829
Financing cash flows				
Addition	16,434	–	–	16,434
Repayment	(16,542)	(168)	(5,016)	(21,726)
Non-cash changes				
Exchange realignment	(14,662)	–	–	(14,662)
Finance costs incurred	–	–	5,136	5,136
Dividends declared	–	168	–	168
At 31 March 2024	146,700	–	479	147,179

31. RELATED PARTY TRANSACTIONS

(a) Transactions

Except disclosed elsewhere in the consolidated financial statements, the Group entered into the following transactions with related parties:

Name of the related party	Relationship	Nature of transactions	2025 HK$'000	2024 HK$'000
KK Ascent Plus	Associate	Asset management fee paid	**704**	564
		Guarantee fee paid	**311**	309
Nippon Fudosan Fund	Associate	Asset management fee income	**311**	–

The above transactions were carried out at terms determined based on the prevailing market price and agreed between the Group and the relevant parties.

(b) Secured bank borrowings

As at 31 March 2025, the bank borrowings of HK$41,223,000 (2024: HK$34,618,000) were guaranteed by KK Ascent Plus, an associate of the Group.

(c) Related parties transactions with key management personnel

(i) Compensation of key management personnel

The remuneration of the directors of the Company and other members of key management during the year was as follows:

	2025 HK$'000	2024 HK$'000
Short-term benefits	**7,972**	6,755
Share based payments	**767**	779
Post-employment benefits	**113**	103
	8,852	7,637

The remuneration of the directors of the Company and key management is determined by the remuneration committee of the Company having regard to the performance of individuals and the Company's performance and profitability and the prevailing market conditions.

(ii) Investments of key management in investment fund managed by the Group

	2025 HK$'000	2024 HK$'000
Investment amount	**4,257**	–

32. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	2025 HK$'000	2024 HK$'000
Non-current assets		
Investments in subsidiaries	**299,510**	299,510
Investment in an associate	**356**	356
	299,866	299,866
Current assets		
Other receivables and prepayment	**285**	260
Amounts due from subsidiaries (note)	**69,393**	68,716
Bank balances and cash	**393**	402
	70,071	69,378
Current liabilities		
Accruals	**752**	660
Amounts due to subsidiaries (note)	**4,881**	4,437
	5,633	5,097
Net current assets	**64,438**	64,281
	364,304	364,147
Capital and reserves		
Share capital	**8,290**	8,193
Reserves	**356,014**	355,954
	364,304	364,147

Note: The amounts are unsecured, non-interest bearing and repayable on demand.

32. STATEMENT OF FINANCIAL POSITION OF THE COMPANY *(Continued)*

Movements of the reserves of the Company:

	Share Premium HK$'000	Share repurchase reserve HK$'000	Other reserve (note) HK$'000	Shareholder contribution HK$'000	Share awards reserve HK$'000	Retained profits HK$'000	Total HK$'000
At 1 April 2023	74,302	–	264,509	11,319	151	6,870	357,151
Loss for the year	–	–	–	–	–	(2,470)	(2,470)
Share based payments	–	–	–	–	1,341	–	1,341
Vested shares for share awards	920	–	–	–	(988)	–	(68)
At 31 March 2024 and 1 April 2024	75,222	–	264,509	11,319	504	4,400	355,954
Profit for the year	–	–	–	–	–	506	506
Share repurchase	–	(136)	–	–	–	–	(136)
Cancellation of repurchased shares	(123)	136	–	–	–	–	13
Share based payments	–	–	–	–	1,100	–	1,100
Vested shares for share awards	1,288	–	–	–	(1,398)	–	(110)
Final dividends approved in respect of the previous year and paid during the year	–	–	–	–	–	(667)	(667)
Interim dividends declared and paid during the year	–	–	–	–	–	(646)	(646)
At 31 March 2025	**76,387**	**–**	**264,509**	**11,319**	**206**	**3,593**	**356,014**

Note: Other reserve represents the difference between the nominal value of the shares issued for the acquisition of equity interests in the subsidiaries as part of the reorganisation and the consolidated equity of the subsidiaries acquired by the Company in prior years.

33. PARTICULARS OF SUBSIDIARIES OF THE GROUP

Details of the Company's subsidiaries as at 31 March 2025 and 2024 are set out below.

Name of subsidiary	Form of business	Place of incorporation/ operation	Issued and fully paid-up share capital	Percentage of effective equity interest attributable to the Company		Proportion of voting power held by the Company		Principal activity
				2025	2024	**2025**	2024	
Directly held:								
Pleasant Hilltop Limited	Incorporated	The BVI	US$1	**100%**	100%	**100%**	100%	Investment holding
Whalehunter Investments Limited	Incorporated	The BVI	US$2	**100%**	100%	**100%**	100%	Investment holding
Indirectly held:								
Altus Capital Limited	Incorporated	Hong Kong	HK$12,500,000	**100%**	100%	**100%**	100%	Financial advisory and consultancy services and investment holding
Altus Investments Limited	Incorporated	Hong Kong	HK$149,178,505	**100%**	100%	**100%**	100%	Investment holding
EXE Rise Shimodori Investor Limited	Incorporated	The BVI	JPY120,000	**90%**	90%	**90%**	90%	Investment holding
Galaxy Base Limited	Incorporated	Hong Kong	HK$50	**100%**	100%	**100%**	100%	Property investment
Godo Kaisha Bohol	Incorporated	Japan	JPY1,000,000	**90%**	90%	**90%**	90%	Property investment
Godo Kaisha Choun	Incorporated	Japan	JPY10,000	**100%**	100%	**100%**	100%	Property investment
Godo Kaisha Yuzuha	Incorporated	Japan	JPY10,000	**90%**	90%	**90%**	90%	Property investment
Godo Kaisha Hayama Shouten	Incorporated	Japan	JPY10,000	**90%**	90%	**90%**	90%	Property investment
Godo Kaisha Mameha	Incorporated	Japan	JPY210,000	**78.7%**	78.7%	**78.7%**	78.7%	Property investment
I Corporation	Incorporated	The BVI	US$70	**80%**	80%	**80%**	80%	Investment holding
Residence Motoki Investment Limited	Incorporated	The BVI	JPY6,000,000	**78.7%**	78.7%	**78.7%**	78.7%	Investment holding
Smart Tact Property Investment Limited	Incorporated	The BVI	HK$9,220	**90%**	90%	**90%**	90%	Investment holding
Starich Resources Limited	Incorporated	The BVI	US$8	**100%**	100%	**100%**	100%	Property investment, investment holding and providing administrative service
Yugen Kaisha Hourei	Incorporated	Japan	JPY3,000,000	**100%**	100%	**100%**	100%	Property investment
Yugen Kaisha Houten	Incorporated	Japan	JPY3,000,000	**100%**	100%	**100%**	100%	Property investment
Japan Special Situation Investment Limited	Incorporated	The BVI	US$3,700	**94.6%**	94.6%	**100%**	100%	Property investment
Lynton Gate Limited	Incorporated	The BVI	US$10	**90%**	90%	**90%**	90%	Property investment
Altus ST Limited	Incorporated	Hong Kong	HK$10,000	**100%**	100%	**100%**	100%	Inactive

Notes:

(i) None of the subsidiaries had any debt securities outstanding at the end of both years or during both years.

(ii) None of the subsidiaries have non-controlling interests that are material to the Group.

34. EQUITY SETTLED SHARE-BASED PAYMENTS TRANSACTIONS

Share awards to employees

On 4 January 2022 and 27 June 2022, the Board resolved to award conditionally an aggregate of 300,000 and 5,440,000 new shares of the Company (the "**2022 Shares Awards**") to three and twelve grantees. Two of the grantees, who were awarded with aggregate of 1,920,000 new shares of the Company, are executive directors of a wholly-owned subsidiary of the Group. Other grantees, who are awarded with aggregate of 3,820,000 new shares of the Company, are employees of the Group. Details were set out in the circular of the Company dated 22 July 2022. Prior to the date of approval of the deed of grant, one grantee ceased to be the employee of the Group, the deed of grant for 120,000 shares under the 2022 Shares Awards were cancelled accordingly. At an extraordinary general meeting of the Company held on 8 August 2022, the deed of grant of share awards was approved. The fair value of the awarded shares was calculated based on the market price of the Company's shares at the respective grant date. As such, the estimated fair value of the shares granted are approximately HK$877,000.

At the extraordinary general meeting of the Company held on 8 August 2023, a share scheme (the "**2023 Share Scheme**") was approved and adopted by the Company. On 21 July 2023, the Board resolved to award conditionally an aggregate of 10,360,000 new shares of the Company to seven grantees (the "**August 2023 Selected Employees Grant**"), who are employees of the Group. The conditional of grant of the August 2023 Selected Employees Grant was fulfilled upon the adoption of the 2023 Share Scheme on 8 August 2023. The fair value of the awarded shares was calculated based on the market price of the Company's shares at the respective grant date. As such, the estimated fair value of the shares granted are approximately HK$1,461,000.

On 22 December 2023, the Board resolved to award under the 2023 Share Scheme an aggregate of 3,160,000 new shares of the Company to eight grantees (the "**December 2023 Selected Employees Grant**"), who are employees of the Group. The fair value of the awarded shares was calculated based on the market price of the Company's shares at the respective grant date. As such, the estimated fair value of the shares granted are approximately HK$389,000.

On 8 August 2024, the Board resolved to award under the 2023 Share Scheme an aggregate of 5,160,000 new shares of the Company to four grantees (the "**August 2024 Selected Employees Grant**"), who are employees of the Group. The fair value of the awarded shares was calculated based on the market price of the Company's shares at the respective grant date. As such, the estimated fair value of the shares granted are approximately HK$526,000.

On 21 January 2025, the Board resolved to award under the 2023 Share Scheme an aggregate of 3,580,000 new shares of the Company to four grantees (the "**January 2025 Selected Employees Grant**"), who are employees of the Group. The fair value of the awarded shares was calculated based on the market price of the Company's shares at the respective grant date. As such, the estimated fair value of the shares granted are approximately HK$422,000.

34. EQUITY SETTLED SHARE-BASED PAYMENTS TRANSACTIONS *(Continued)*

Share awards to employees *(Continued)*

During the years ended 31 March 2025 and 2024, share based payments of approximately HK$1,100,000 and HK$1,341,000 was recognised in the profit or loss respectively.

The movement of the grant of share awards during the year was as follows:

	Number of shares award	
	2025	2024
Outstanding as at 1 April	**8,640,000**	2,080,000
Granted during the year	**8,740,000**	13,520,000
Vested during the year (note i)	**(10,960,000)**	(6,800,000)
Forfeited during the year (note ii)	**(620,000)**	(160,000)
Outstanding as at 31 March	**5,800,000**	8,640,000

Notes:

(i) During the year ended 31 March 2025, 5,480,000 shares of the August 2023 Selected Employees Grant, 3,160,000 shares of the December 2023 Selected Employees Grant and 2,320,000 shares of the August 2024 Selected Employees Grant were issued and allotted to the employees of the Group. As such, approximately HK$110,000 and HK$1,288,000 were transferred to share capital and share premium respectively from share awards reserve.

During the year ended 31 March 2024, 1,920,000 shares of the 2022 Shares Awards and 4,880,000 shares of the August 2023 Selected Employees Grant were issued and allotted to the employees of the Group. As such, approximately HK$68,000 and HK$920,000 were transferred to share capital and share premium respectively from share awards reserve.

(ii) During the year ended 31 March 2025, 420,000 shares of the August 2024 Selected Employees Grant and 200,000 shares of the January 2025 Selected Employees Grant were forfeited as the grantees ceased to be the employees of the Group.

During the year ended 31 March 2024, 160,000 shares of the 2022 Shares Awards were forfeited as the grantees ceased to be the employees of the Group.

34. EQUITY SETTLED SHARE-BASED PAYMENTS TRANSACTIONS *(Continued)*

Share awards to employees *(Continued)*

Details of the terms and conditions of the grant of share awards under the deeds and the 2023 Share Scheme are as follows:

		Fair value as at grant date		
	Number of shares	Per share	Aggregate amount	Vesting conditions
		HK$	HK$'000	
2022 Share Awards	5,620,000	0.156	877	Note (i)
August 2023 Selected Employees Grant	10,360,000	0.141	1,461	Note (ii)
December 2023 Selected Employees Grant	3,160,000	0.123	389	Note (iii)
August 2024 Selected Employees Grant	5,160,000	0.102	526	Note (iv)
January 2025 Selected Employees Grant	3,580,000	0.118	422	Note (v)
Total share awards granted	27,880,000			

Notes:

(i) The share awards granted have a vesting period shown as follows:

- 2,900,000 shares were vested for the year ended 31 March 2023.
- 2,720,000 shares were vested for the year ended 31 March 2024.

(ii) The share awards granted have a vesting period shown as follows:

- 4,880,000 shares were vested for the year ended 31 March 2024.
- 5,480,000 shares were vested for the year ended 31 March 2025.

(iii) The share awards granted have a vesting period shown as follows:

- 3,160,000 shares were vested for the year ended 31 March 2025.

(iv) The share awards granted have a vesting period shown as follows:

- 2,320,000 shares were vested for the year ended 31 March 2025.
- 2,840,000 shares were vested for the year ending 31 March 2026.

(v) The share awards granted have a vesting period shown as follows:

- 3,580,000 shares were vested for the year ending 31 March 2026.

35. CAPITAL COMMITMENTS

The Group had the following capital commitments contracted for but not provided for in the consolidated financial statements.

	2025	2024
	HK$'000	HK$'000
Capital expenditure in respect of acquisition of investment properties	**–**	8,375
Capital expenditure in respect of construction of investment property under redevelopment	**9,760**	–

36. EVENTS AFTER THE REPORTING PERIOD

Repurchase of own shares and cancellation of shares

Subsequent to the reporting period, the Company repurchased its own 590,000 ordinary shares in the Stock Exchange and paid aggregate consideration of HK$64,000. On 16 June 2025, the Company's 590,000 repurchased shares were cancelled and deducted from share capital and share premium accordingly. As such, the Company's number of issued and fully paid ordinary shares was reduced to 828,420,000 on 16 June 2025.

PARTICULARS OF PROPERTIES HELD BY THE GROUP

AT 31 MARCH 2025

	Particulars	Use	Lease term	Lot No.	Percentage of interest of the Group
	Land and buildings				
1.	No. 21 Wing Wo Street, Hong Kong	Commercial	Long-term	Sub-section 3 of Section C of Marine Lot No. 63 A	100.0%
	Investment properties				
	Hong Kong				
2.	8th Floor of Nos. 8-10 Duddell Street and No. 20 Ice House Street, Hong Kong	Commercial	Long-term	Inland Lot No. 339	100.0%
	Japan				
3.	Ark Palace Hiragishi	Residential	Freehold	Lot No. 31, Hiragishi 2-jo, 7-chome, Toyohira-ku, Sapporo City, Hokkaido Prefecture	90.0%
4.	Kitano Machikado GH	Residential	Freehold	Lot No. 365-301, Kitano 5-jo, 4-chome, Kiyota-ku, Sapporo City, Hokkaido Prefecture	100.0%
5.	LC One	Residential cum office	Freehold	Lot No. 2-19, Kita 1-jo, Nishi 19-chome, Chuo-ku, Sapporo City, Hokkaido Prefecture	90.0%
6.	Liberty Hills GH	Residential	Freehold	Lot No. 44-1, Hiraghishi 6-jo, 13-chome, Toyohira-ku, Sapporo City, Hokkaido Prefecture	100.0%
7.	Libress Hiragishi	Residential cum office	Freehold	Lot No. 3, Hiragishi 3-jo, 4-chome, Toyohira-ku, Sapporo City, Hokkaido Prefecture	100.0%

PARTICULARS OF PROPERTIES HELD BY THE GROUP

AT 31 MARCH 2025

	Particulars	Use	Lease term	Lot No.	Percentage of interest of the Group
8.	Rakuyukan 36	Residential	Freehold	Lot No. 250-47, Minami 36-jo, Nishi 10-chome, Minami-ku, Sapporo City, Hokkaido Prefecture	94.6%
9.	South 1 West 18 Building	Residential cum office	Freehold	Lot No. 1-2 and other lots, Minami 1-jo, Nishi 18-chome, Chuo-ku, Sapporo City, Hokkaido Prefecture	90.0%
10.	T House	Residential	Freehold	Lot No. 614-16 and other lot, Kotoni 3-jo, 3-chome, Nishi-ku, Sapporo City, Hokkaido Prefecture	100.0%
11.	Tommy House Hiragishi	Residential	Freehold	Lot No. 44, Hiragishi 3-jo, 12-chome, Toyohira-ku, Sapporo City, Hokkaido Prefecture	100.0%
12.	Uruoi Kawanone	Residential	Freehold	Lot No. 7-1 and other lot, Minami 8-jo, Nishi 3-chome, Chuo-ku, Sapporo City, Hokkaido Prefecture	100.0%
13.	White Building A & B	Residential	Freehold	Lot No. 18-316 and other lot, Kita 23-jo, Nishi 5-chome, Kita-ku, Sapporo City, Hokkaido Prefecture	90.0%
14.	Azabu Juban Crown Building	Residential	Freehold	Lot No. 2-12, Azabujuban 2-chome, Minato-ku, Tokyo	100.0%
15.	Azabu Sendaizaka Hills	Residential	Freehold	Lot No. 6-18 and other lot, Minamiazabu 1-chome, Minato-ku, Tokyo	100.0%
16.	City Court Suginami	Residential	Freehold	Lot No. 46-1 and other lots, Suginamicho, Hakodate City, Hokkaido Prefecture	100.0%

	Particulars	Use	Lease term	Lot No.	Percentage of interest of the Group
17.	Residence Motoki	Residential cum commercial	Freehold	Lot No. 563, Nishijin 5-chome, Sawara-ku, Fukuoka City, Fukuoka Prefecture	78.7%
18.	Wealth Fujisaki	Residential	Freehold	Lot No. 55-2 and other lot, Fujisaki 1-chome, Sawara-ku, Fukuoka City, Fukuoka Prefecture	100.0%
19.	Rise Shimodori EXE	Residential cum commercial	Freehold	Lot No. 2-2 and other lots, Chuogai, Chuo-ku, Kumamoto City, Kumamoto Prefecture	90.0%
20.	Rise Fujisakidai	Residential	Freehold	Lot No. 2-30 and other lots, Shinmachi 3-chome, Chuo-ku, Kumamoto City, Kumamoto Prefecture	90.0%
21.	Rise Kumamoto Station South	Residential	Freehold	Lot No. 130-1, Nihongi 4-chome, Nishi-ku, Kumamoto City, Kumamoto Prefecture	90.0%
22.	Rise Shimodori	Residential	Freehold	Lot No. 5-4 and other lots, Chuogai, Chuo-ku, Kumamoto City, Kumamoto Prefecture	90.0%
23.	Kagoshima Tenmonkan Building	Commercial	Freehold	Lot No. 5-2 Sennichicho, Kagoshima City, Kagoshima Prefecture	90.0%
24.	Shinoro House GH	Residential	Freehold	Lot No. 264-8, Sinoro 9-jo, 3-chome, Kita-ku, Sapporo City, Hokkaido Prefecture	100.0%
25.	Relife GH	Residential	Freehold	Lot No. 21-305, 7-jo, 3-chome, Kiyota, Kiyota ku, Sapporo City, Hokkaido Prefecture	100.0%

PARTICULARS OF PROPERTIES HELD BY THE GROUP

AT 31 MARCH 2025

	Particulars	Use	Lease term	Lot No.	Percentage of interest of the Group
26.	KD Shinshigai Building	Commercial	Freehold	Shinshigai 1-15, Chuo-ku, Kumamoto City, Kumamoto Prefecture	90.0%
27.	Base 1st	Residential	Freehold	1 Chome-10-21, Shimoarata, Kagoshima City, Kagoshima Prefecture	100.0%
28.	Yuinoie Shinkawanishi	Residential	Freehold	Lot No. 688-64 and 688-106, Shinkawa Nishi Sanjo 5-chome, Kita-ku, Sapporo	100.0%
29.	Rakuyukan Kitago	Residential	Freehold	Lot No. 2443-12 and 2443-60, Kitago 6-jo 4-chome, Shiroishi-ku, Sapporo (Postal Address: 3-37, Kitago 6-jo, 4-chome, Shiroishi-ku, Sapporo)	90.0%