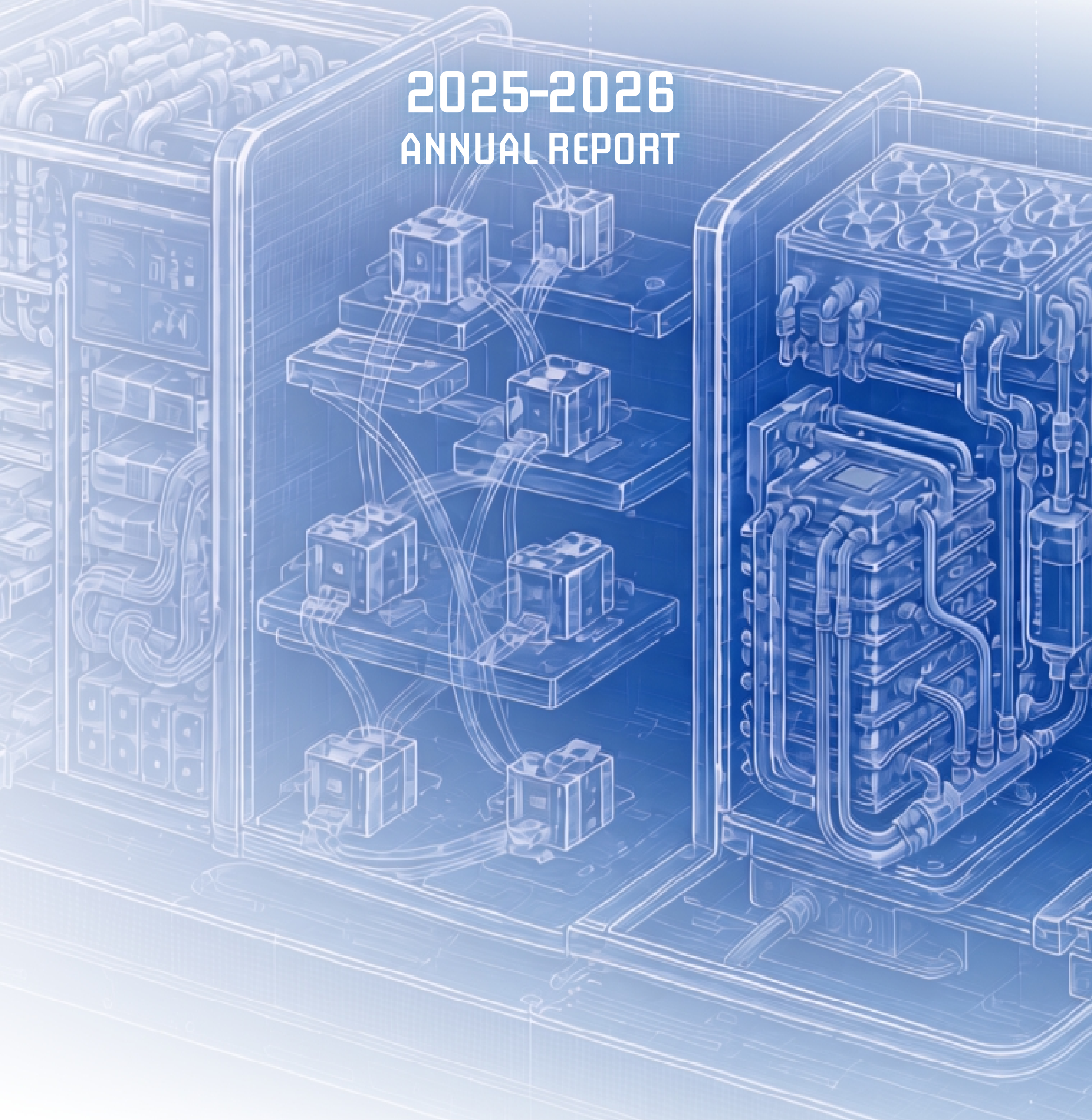
德祥地產集團有限公司*

ITC PROPERTIES GROUP LIMITED

(Incorporated in Bermuda with limited liability)
Stock Code: 199

2025-2026 ANNUAL REPORT



* For identification purpose

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Cheung Hon Kit *(Joint Chairman)* note1

Mr. He Xuechu *(Joint Chairman) (appointed on 15 July 2026)*note1

Dr. Chan Kwok Keung, Charles *(Joint Vice Chairman)*

Mr. Chan Yiu Lun, Alan

Mr. Law Hon Wa, William *(Chief Financial Officer)*

Mr. Wu Yao *(appointed on 20 January 2026)* note2

Mr. Cao Xinwei *(appointed on 15 May 2026)* note3

Non-executive Director

Ms. Chau Mei Wah

Independent Non-executive Directors

Hon. Shek Lai Him, Abraham, *GBS, JP (Joint Vice Chairman)*

Mr. Ip Hon Wah

Mr. Pang, Anthony Ming-tung

Mr. Chan Chun Hung, Vincent (*appointed on 26 November 2025*)

BOARD COMMITTEES

Audit Committee

Mr. Pang, Anthony Ming-tung *(chairman)*

Hon. Shek Lai Him, Abraham, *GBS, JP*

Mr. Ip Hon Wah

Remuneration Committee

Mr. Pang, Anthony Ming-tung *(chairman)*

Hon. Shek Lai Him, Abraham, *GBS, JP*

Mr. Ip Hon Wah

Mr. He Xuechu note1

Nomination Committee

Hon. Shek Lai Him, Abraham, *GBS, JP (chairman)*

Mr. Cheung Hon Kit

Mr. Ip Hon Wah

Mr. Pang, Anthony Ming-tung

Ms. Chau Mei Wahnote5

Corporate Governance Committee

Mr. Cheung Hon Kit *(chairman)*

Mr. Ip Hon Wah

Mr. Law Hon Wa, William

Mr. Wu Yao note2

Mr. He Xuechu note1

Investment Committee

Mr. Cheung Hon Kit

Dr. Chan Kwok Keung, Charles

Mr. Chan Yiu Lun, Alan

Mr. Law Hon Wa, William

Mr. Wu Yao note2

Mr. Cao Xinwei note3

Mr. He Xuechu note1

Environmental, Social and Governance Committee

Mr. Ip Hon Wah (*chairman*)

Mr. Law Hon Wa, William

Mr. Pang, Anthony Ming-tung

Mr. Chan Chun Hung, Vincentnote4

Mr. Cao Xinwei note3

Notes:

1. Mr. He Xuechu was appointed as an executive Director and a Joint Chairman of the Board and a member of each of the Investment Committee, the Corporate Governance Committee and the Remuneration Committee with effect from 15 July 2026. Following Mr. He's appointment, the Board has been jointly led by Mr. Cheung Hon Kit and Mr. He Xuechu as Joint Chairmen with effect from the same date.
2. Mr. Wu Yao was appointed as an executive Director and a member of each of the Investment Committee and the Corporate Governance Committee with effect from 20 January 2026.
3. Mr. Cao Xinwei was appointed as an executive Director and a member of each of the Investment Committee and the Environmental, Social and Governance Committee with effect from 15 May 2026.
4. Mr. Chan Chun Hung, Vincent was appointed as an independent non-executive Director and a member of the Environmental, Social and Governance Committee with effect from 26 November 2025.
5. Ms. Chau Mei Wah was appointed as a member of the Nomination Committee with effect from 1 July 2025.

CORPORATE INFORMATION

COMPANY SECRETARY

Ms. Wong Siu Mun *(resigned on 20 May 2026)*
Ms. Chan Ching Yi *(appointed on 20 May 2026 and resigned on 8 July 2026)*
Ms. Wu Di *(appointed on 8 July 2026)*

AUTHORISED REPRESENTATIVES

Mr. Cheung Hon Kit (*Alternate: Ms. Chuk Wai Yin*)
Mr. Law Hon Wa, William (*Alternate: Ms. Gong Hong Min*)

LEGAL ADVISORS

Conyers Dill & Pearman (*as to Bermuda law*)
Li & Partners (*as to Hong Kong law*)
Iu, Lai & Li (*as to Hong Kong law*)
Vincent T. K. Cheung, Yap & Co. (*as to Hong Kong law*)
Leong Hon Man, Advogado (*as to Macau law*)

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
Registered Public Interest Entity Auditors

PRINCIPAL BANKERS

Bank of China Limited, Macau Branch
Hang Seng Bank Limited
Industrial and Commercial Bank of China (Asia) Limited

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Investor Services Limited
17/F., Far East Finance Centre
16 Harcourt Road
Hong Kong

WEBSITE

www.itcproperties.com

STOCK CODE

Hong Kong Stock Exchange 199

INFORMATION FOR SHAREHOLDERS

FINANCIAL CALENDAR

Announcement of 2025-2026 Annual Results	29 June 2026
Ex-Dividend Date for Dividend	N/A
Book Closure Dates for Dividend	N/A
Record Date for Dividend Entitlement	N/A
Payment Date of Dividend	N/A
Book Closure Dates for Annual General Meeting	18 August 2026 to 21 August 2026
Record Date for Annual General Meeting	21 August 2026
Annual General Meeting	21 August 2026
Announcement of 2026-2027 Interim Results	November 2026

CORPORATE COMMUNICATIONS

The English and Chinese versions of this annual report are now available in printed form and in accessible format on the website of the Company at www.itcproperties.com, and the website of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at www.hkexnews.hk.

If shareholders and non-registered shareholders of the Company, who have selected to receive corporate communications of the Company in printed form, wish to change their elected language of all future corporate communications, they may at any time notify the Company by prior notice of at least seven days in writing to the branch share registrar of the Company in Hong Kong (the "Branch Share Registrar"), Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong or by e-mail to itcproperties-ecom@vistra.com or by completing and returning the change request form which could be downloaded from the websites of the Company and the Stock Exchange.

SHAREHOLDER ENQUIRIES

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EXECUTIVE DIRECTORS

Mr. Cheung Hon Kit *(age: 72)*

Mr. Cheung joined the Company as an executive Director and the Chairman in April 2005 and is also a director of various members of the Group. He is also the chairman of the Corporate Governance Committee, and a member of each of the Nomination Committee and the Investment Committee of the Company. He was re-designated as a Joint Chairman of the Board with effect from 15 July 2026. Mr. Cheung graduated from the University of London with a Bachelor of Arts Degree. He has over 48 years of experience in real estate development, property investment and corporate finance, holding key executive positions in various leading property development companies in Hong Kong. Mr. Cheung is an independent non-executive director of Road King Infrastructure Limited, a listed company in Hong Kong.

Mr. He Xuechu *(age: 63)*

Mr. He was appointed as an executive Director and a Joint Chairman of the Board with effect from 15 July 2026. He is also a member of each of the Remuneration Committee, Corporate Governance Committee and Investment Committee of the Company. Mr. He graduated from Anhui University of Finance and Economics (安徽財經大學) (formerly known as Anhui Finance and Trade College* (安徽財貿學院)), the PRC, in 1983. From 1983 to 1997, he worked in the Domestic Trade Ministry of the PRC (中華人民共和國商業部) and China Resources (Holdings) Co. Ltd. From 2002 to 2005, he was an executive director and chairman of the board of directors of Geely Automobile Holdings Limited (stock code: 175). He also served as an executive director and chairman of the board of directors of Honbridge Holdings Limited (stock code: 8137) from 2007 to 2024. Mr. He has over 30 years of experience in corporate governance, financial management and investment, covering sectors including internet information technology, real estate, publishing, industrial manufacturing and mining. He is principally responsible for the Group's strategic planning and positioning.

Dr. Chan Kwok Keung, Charles *(age: 71)*

Dr. Chan joined the Company as an executive Director and Joint Vice Chairman in November 2021 and is a member of the Investment Committee of the Company. He is also a director of various members of the Group. Before joining the Board, Dr. Chan was a senior consultant of the Group. He has over 45 years of international corporate management experience in the construction and the property sectors, as well as in strategic investments. Dr. Chan holds an Honorary Degree of Doctor of Laws and a Bachelor's Degree in Civil Engineering. He had been the chairman and an executive director of a number of listed companies over the years. Dr. Chan is a substantial shareholder of the Company. He is the spouse of Ms. Ng Yuen Lan, Macy, a substantial shareholder of the Company and the father of Mr. Chan Yiu Lun, Alan, an executive Director.

BIOGRAPHIES OF DIRECTORS

Mr. Chan Yiu Lun, Alan *(age: 42)*

Mr. Chan joined the Company as an executive Director in March 2010 and is also a director of various members of the Group. He is also a member of the Investment Committee of the Company. He graduated from Trinity College of Arts and Sciences of Duke University, United States of America, with a Bachelor of Arts Degree in Political Science – International Relations. Mr. Chan previously worked in the investment banking division of The Goldman Sachs Group, Inc. He is a director of Burcon NutraScience Corporation whose issued shares are listed on the Toronto Stock Exchange and the Frankfurt Stock Exchange. Mr. Chan is the son of Dr. Chan Kwok Keung, Charles, an executive Director and Joint Vice Chairman and Ms. Ng Yuen Lan, Macy, both of whom are the substantial shareholders of the Company.

Mr. Law Hon Wa, William *(age: 61)*

Mr. Law joined the Company as an executive Director and the Chief Financial Officer of the Company in April 2023 responsible for the finance and accounting functions of the Group. He is a member of each of the Corporate Governance Committee, the Investment Committee and the Environmental, Social and Governance Committee of the Company. He is also a director of various members of the Group. Mr. Law was the chief financial officer (executive director) and a member of the executive committee of one of the leading construction and engineering groups in Hong Kong and Macau for 15 years. He has over 33 years of experience in auditing, accounting and financial management. Mr. Law holds a Bachelor of Business Administration and a Master of Applied Finance. He is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.

Mr. Wu Yao *(age: 58)*

Mr. Wu was appointed as an executive Director and a member of each of the Investment Committee and the Corporate Governance Committee with effect from 20 January 2026. He is also a director of certain members of the Group. Mr. Wu graduated with a bachelor's degree in Technical Economics from Xi'an Jiaotong University in 1989 and obtained a postgraduate degree in Systems Engineering from University of Shanghai for Science and Technology in 1991. Mr. Wu has over 30 years of experience in retail operations, commercial real estate development and industrial investment and financing management. From 1991 to 2002, Mr. Wu worked in several large-scale retail enterprises. From 2003 to 2014, Mr. Wu served in senior management roles in a number of major real estate companies, including Xinyuan Real Estate Co., Ltd., whose American depositary shares were formerly listed on the New York Stock Exchange under stock code XIN, and Yang Guang Co., Ltd. (listed on the Shenzhen Stock Exchange, stock code: 000608). During this period, he led the development of more than 30 commercial real estate projects across more than ten cities in the Chinese Mainland, with a total managed gross floor area exceeding two million square metres. Since 2014, Mr. Wu has been focusing on angel investments in the retail sector, real estate development fund investments, and industrial investments in the healthcare and wellness sector.

Mr. Cao Xinwei *(age: 53)*

(alias: Steven)

Mr. Cao was appointed as an executive Director with effect from 15 May 2026. Mr. Cao has been appointed as a member of each of the Investment Committee and the Environmental, Social and Governance Committee of the Company with effect from 15 May 2026 and shall, subject to the issuance of working visa permission by the Hong Kong Immigration Department to Mr. Cao, be appointed as the general manager of ITC Strategic Management Limited, a wholly-owned subsidiary of the Company. Mr. Cao obtained a master's degree in publishing studies from University of Stirling in June 2005 and a bachelor's degree in engineering from North China Electric Power University (華北電力大學)(formerly known as North China Electric Power College* (華北電力學院)) in July 1994. He qualified as a senior electrical engineer in China in December 2004.

Mr. Cao is currently the chairman of the board of directors of Beijing Qiyuan Xinda Technology Development Co., Ltd.* (北京啟源信達科技發展有限公司), the principal business of which is the operation of an internet data center. He served as the chairman of Chayora Holdings Limited in China region from 2011 to 2023. Prior to that, Mr. Cao had extensive experience in China's electric power sector and worked at Mott MacDonald and State Grid Corporation of China.

NON-EXECUTIVE DIRECTOR

Ms. Chau Mei Wah *(age: 71)*

(alias: Rosanna)

Ms. Chau joined the Company as an executive Director in November 2021. She retired as an executive Director and was re-designated as a non-executive Director in April 2023. She has been a member of the Nomination Committee of the Company since 1 July 2025. Before joining the Board, Ms. Chau was a consultant of the Group. She has over 47 years' experience in international corporate management and finance. She had served on the board of directors of a number of listed companies over the years. She holds a Bachelor's Degree and a Master's Degree in Commerce.

BIOGRAPHIES OF DIRECTORS

INDEPENDENT NON-EXECUTIVE DIRECTORS

Hon. Shek Lai Him, Abraham, *GBS, JP* *(age: 81)*

(alias: Abraham Razack)

Mr. Abraham Shek joined the Company as an independent non-executive Director and a Joint Vice Chairman in September 2010. He is also the chairman of the Nomination Committee and a member of each of the Audit Committee and the Remuneration Committee of the Company. Mr. Abraham Shek graduated from the University of Sydney, Australia with a Bachelor of Arts Degree and a Diploma in Education. He holds a Juris Doctor Degree. He was a member of the Legislative Council of Hong Kong representing the real estate and construction functional constituency from 2000 to 2021. He was appointed as a Justice of the Peace in 1995. He was awarded Silver Bauhinia Star in 2007 and was further awarded the Gold Bauhinia Star in 2013.

Mr. Abraham Shek is the honorary chairman and an independent non-executive director of Chuang's China Investments Limited, being a listed company in Hong Kong. Mr. Abraham Shek is also an independent non-executive director of Chuang's Consortium International Limited, Cosmopolitan International Holdings Limited, CSI Properties Limited, Everbright Grand China Assets Limited, Far East Consortium International Limited, Hao Tian International Construction Investment Group Limited, Lai Fung Holdings Limited, CTF Services Limited (formerly known as NWS Holdings Limited), Paliburg Holdings Limited and Shin Hwa World Limited, all being listed companies in Hong Kong. He is also an independent non-executive director of Eagle Asset Management (CP) Limited – the manager of Champion Real Estate Investment Trust, the trust being listed in Hong Kong. In addition, he is the chairman and an executive director of Goldin Financial Holdings Limited (In Liquidation), shares of which were delisted on 31 October 2023, and an independent non-executive director of Lifestyle International Holdings Limited, shares of which were delisted on 20 December 2022. Mr. Abraham Shek is also the chairman and a non-executive director of JY Grandmark Holdings Limited, a company listed in Hong Kong. Mr. Abraham Shek resigned as an independent non-executive director of Country Garden Holdings Company Limited, a listed company in Hong Kong, on 15 March 2024, and resigned as an independent non-executive director of China Resources Building Materials Technology Holdings Limited, a listed company in Hong Kong, on 24 October 2025. Mr. Abraham Shek also resigned as an independent non-executive director of Alliance International Education Leasing Holdings Limited, a listed company in Hong Kong, on 30 April 2026, and retired as an independent non-executive director of Regal Portfolio Management Limited – the manager of Regal Real Estate Investment Trust, the trust being listed in Hong Kong, on 19 May 2026. Mr. Abraham Shek is an honorary member of the Court of The Hong Kong University of Science and Technology, a member of the Court of City University of Hong Kong and a member of the Court of Hong Kong Metropolitan University.

Mr. Ip Hon Wah *(age: 44)*

Mr. Ip joined the Company as an independent non-executive Director in February 2021. He is also a member of each of the Audit Committee, the Remuneration Committee, the Nomination Committee and the Corporate Governance Committee of the Company and the chairman of the Environmental, Social and Governance Committee of the Company. Mr. Ip graduated from the University of Cambridge with a Bachelor of Arts Degree and a Master of Arts in Economics. He also obtained a Graduate Diploma in Law (Distinction) from the College of Law, England and a Postgraduate Certificate in Laws from the University of Hong Kong. Since joining the Company, Mr. Ip has been practicing as a barrister in Hong Kong, but has recently ceased his practice in January 2026 to pursue admission as a solicitor. He is currently working at a law firm and is also a partner of a real estate investment and asset management firm, responsible for Hong Kong capital markets and business development. He previously worked in a global management consultancy firm where he specialised in real estate and public sectors in Hong Kong and Mainland China.

Mr. Pang, Anthony Ming-tung *(age: 60)*

(former name: Pang Ming Tung)

Mr. Pang joined the Company as an independent non-executive Director in September 2023. He is also the chairman of each of the Audit Committee and the Remuneration Committee and a member of each of the Nomination Committee and the Environmental, Social and Governance Committee of the Company. Mr. Pang is the head of talent and finance department of the Travel Industry Council of Hong Kong responsible for the talent management, finance, and accounting functions. He was the country manager or managing director of the leading travel-related companies in Hong Kong and Macau for more than 26 years. He has over 33 years of experience in strategic management, sales management and accounting and financial management. Mr. Pang holds a Bachelor of Business Administration, a Master of Commerce and a Master of Science. He is a fellow member of the Association of Chartered Certified Accountants and a member of CPA (Australia).

Mr. Chan Chun Hung, Vincent *(age: 62)*

Mr. Chan was appointed as an independent non-executive Director with effect from 26 November 2025. He has also been appointed as a member of the Environmental, Social and Governance Committee of the Company with effect from 26 November 2025. Mr. Chan holds a Bachelor of Arts degree from The University of Hong Kong and a Master of Business Administration degree from Alliance Manchester Business School in the United Kingdom. He is a CFA (Chartered Financial Analyst) charterholder. Mr. Chan has over 30 years of experience in private equity management. He has been a venture partner at Beyond Ventures in Hong Kong since August 2024 and was a partner from October 2023 to July 2024. From 1991 to 2021, he served several private equity investment companies, including HSBC Private Equity Management Limited, Suez Asia Holdings (Hong Kong) Limited, JAFCO Investment (Asia Pacific) Ltd, Spring Capital Asia, Limited and Samena Capital Hong Kong Ltd. Mr. Chan is currently an independent non-executive director of both CN Logistics International Holdings Limited, a listed company in Hong Kong, and IceCure Medical Ltd., a company listed in the United States. He was an independent non-executive director of Santech Holdings Limited, a company listed in the United States, from June 2022 to August 2024 and a non-executive director of Memories Group Limited, a company formerly listed in Singapore, from February 2019 to January 2023.

Mr. Chan is currently a non-executive director of the Securities and Futures Commission and the treasurer and an executive director of the Hong Kong Venture Capital and Private Equity Association. He is also a committee member of the 16th election of the Chinese People's Political Consultative Conference in Chengdu (**中國人民政治協商會議成都市委員會**). Mr. Chan served as a member of both the Listing Committee and the Listing Review Committee of the Main Board and GEM of the Stock Exchange.

There is no proposed length of service of directorship of the directors of the Company. In accordance with the Bye-Laws of the Company and the relevant code provisions in the CG Code as set out in Appendix C1 to the Listing Rules, each director of the Company shall hold office until the next following annual general meeting of the Company and then be eligible for re-election at that meeting, and is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company.

The executive Directors are regarded as members of the Group's senior management.

JOINT CHAIRMAN'S STATEMENT: A TURNING POINT FOR FINANCIAL RECOVERY AND REBUILDING CONFIDENCE

TO OUR SHAREHOLDERS

Looking back on the Year, the real estate and property markets in Hong Kong, Macau and Mainland China remained in a stage of deep adjustment and confidence rebuilding. However, it is precisely at the trough of a cycle that the asset quality, management capabilities and financial discipline of an enterprise become most evident. The Group was not constrained by market volatility. Instead, it proactively advanced the optimisation of its asset portfolio, sales and destocking, and improvement of its financial structure, and achieved clear progress during the Year. As a Joint Chairman of the Board, I am even more firmly convinced that the real estate industry remains an important pillar of the regional economy, urban development and asset value system. Quality assets with genuine locational advantages, scarcity attributes and a long-term demand foundation will continue to possess value resilience through cycles.

During the Year, the Group's revenue increased, mainly attributable to the disposal of certain stock of properties. Although this improvement was achieved amid a prudent market environment, it further demonstrated that the sales execution capability, asset realisation capability and market responsiveness of the Group's traditional business are recovering. In particular, High Peak, the deluxe residential project located at No. 23 Po Shan Road, Mid-levels, Hong Kong, sold a total of eight deluxe residential units during the Year, generating contracted sale of HK$1.6 billion, of which six units were delivered to the ultimate purchasers and a further four deluxe residential units were sold subsequent to the end of the Year. Such sales progress fully demonstrates that quality projects do not lose their appeal as a result of short-term market adjustments. So long as the asset itself possesses scarcity, product strength and long-term value, it can still be recognised by purchasers and be among the first to unlock value as the market stabilises.

Loss attributable to owners of the Company for the Year narrowed substantially by approximately 35.1% compared to last year, which represents a very important positive signal in the Group's financial performance for the Year. To the Board, this indicates that the Group's operating condition is being restored, pressure from asset impairment is easing and the cost structure is improving. The real estate markets in Hong Kong, Macau and Mainland China are undergoing structural adjustment, but such adjustment is also reshaping the industry landscape, creating greater room for development for enterprises with stronger financial strength, more outstanding project quality and greater execution capability. The Group will continue to pursue market-oriented, flexible and execution-driven strategies to promote the sale of its existing property projects, enhance asset turnover efficiency, and capture structural opportunities as the market gradually recovers.

In respect of its financial structure, the Group achieved landmark restoration results during the Year. The Group's total bank and other borrowings as at the end of the Year decreased significantly by approximately 85.4% as compared with the corresponding period last year. After netting off cash and cash equivalents, the net gearing ratio decreased to 0.002, as compared with 0.41 for the corresponding period last year. More importantly, the Group fully repaid the overdue bank borrowings during the Year. This series of results fully demonstrates that the Group has not been passively waiting for the operating environment to improve, but has proactively repaired its balance sheet with clear objectives, strict discipline and concrete actions.

JOINT CHAIRMAN'S STATEMENT: A TURNING POINT FOR FINANCIAL RECOVERY AND REBUILDING CONFIDENCE

The Group also achieved encouraging improvement in its liquidity. The Group's cash and cash equivalents as at the end of the Year increased by approximately 177.8% as compared with the corresponding period last year, and the current asset position also improved from net current liabilities as at the end of last year to a positive current asset surplus as at the end of the Year. The Board has reviewed and considered the Group's current financial position, cash flow projections and available financial resources, and is of the view that the Group will have sufficient resources to continue its operations for the foreseeable future. Accordingly, the consolidated financial statements for the Year have been prepared on a going concern basis. To me, this change represents the establishment by the Group of a healthier funding position, a more stable cash flow foundation and greater financial flexibility.

In respect of legacy matters, the Group has also moved forward in a clear, decisive and responsible manner. In March 2026, the Group entered into a sale and purchase agreement for the disposal of all its interests in Rosedale Hotel Beijing Co., Ltd., ("Rosedale Beijing") and disclosed in detail in the financial reporting that the matters giving rise to the qualified opinion in prior-year audit reports had been resolved. The auditor's qualified opinion for the Year mainly represents a corresponding modification carried forward from prior years, relating to the audit evidence for the carrying amount of the interests in Rosedale Beijing and the comparability of the corresponding figures. The handling of this matter marks a further step by the Group in clearing historical burdens, resulting in a clearer asset structure, a lighter financial position and a more defined direction for future development.

Overall, the Year was a year in which the Group made substantive progress in financial restoration, operational restructuring and confidence rebuilding. Improvements in sales of the traditional business, recovery in gross profit performance, substantial narrowing of loss, significant reduction in debt level, full settlement of overdue bank borrowings, marked improvement in cash and liquidity position, and further handling of historical audit matters did not occur in isolation. Together, they point to a clearer trend: the Group is rebuilding its strength amid cyclical challenges and is gradually forming a more stable, clearer and more action-oriented foundation for development.

More importantly, while the traditional business is gradually recovering and the financial foundation has become more stable, the Group is also moving towards a new stage of development. Artificial intelligence infrastructure is becoming a critical underlying platform for global competition in the technology industry and for the development of the digital economy. The Board believes that, while preserving the value of its existing assets and continuing to optimise its financial structure, the Group must proactively embrace this major opportunity of the era. To this end, the Group has actively explored the strategic direction of artificial intelligence infrastructure, and has further strengthened its resource integration, industry judgement and execution capabilities in new strategic areas through the appointment of a new joint chairman and executive directors and the introduction of a senior management team with extensive industry experience. I believe that the steady restoration of the traditional business will provide a more solid foundation for the implementation of the new strategy, while the advancement of the new strategy will also open up broader room for development for the Group, thereby generating greater synergy across the Group's businesses.

Cheung Hon Kit
Joint Chairman

Hong Kong, 28 July 2026

JOINT CHAIRMAN'S STATEMENT: ADVANCING THE AI INFRASTRUCTURE STRATEGY AROUND THE GROUP'S GLOBAL NEOCLOUD POSITIONING

TO OUR SHAREHOLDERS

Artificial intelligence (AI) is changing the way the world operates. This is not an ordinary technological upgrade, but an era-defining transformation that is reshaping the global industrial order, the landscape of technological competition, capital flows and infrastructure systems. In the past, the market focused more on models, algorithms and chips. Today, as AI moves from training to application and from experimentation to production, the key factor determining whether the AI industry can continue to expand is shifting towards more fundamental, longer-term and scarcer infrastructure capabilities. Power, land, networks, cooling, GPU clusters and high-performance computing resources, computing power scheduling, inference efficiency and cross-region delivery capabilities are becoming core strategic resources in the AI era. Competition in the AI era is moving from the technological frontier to the depth of infrastructure.

Over the next three to five years, the Group will focus on its core strategic objective of becoming a global NeoCloud company, and build a next-generation global AI infrastructure and cloud services platform. This is a long-term strategic decision made by the Group in response to the transformation of the era, industrial restructuring and global resource reallocation. We believe that AI infrastructure will become one of the most important underlying platforms for the next round of global industrial competition. The Group must participate in the construction of this era-defining infrastructure with a global perspective, long-term commitment and firm execution.

Over the past six months, the Group will continue to advance strategic understanding, project layout, ecosystem connectivity and platform capability building around its core strategic objective of becoming a global NeoCloud company. Through its participation in the relevant investment in Nscale, the Group has begun to connect more deeply with the international NeoCloud ecosystem. The cooperation between Nscale and leading global technology ecosystem participants such as NVIDIA and Microsoft has enabled the Group to gain a more direct understanding of the development model of international AI infrastructure and cloud services platforms in terms of GPU resource organisation, customer demand, cloud service delivery and capital structure. The more important value of this investment lies in strategic connectivity, industry understanding and ecosystem resources, which has enabled the Group to see more clearly that a truly valuable AI infrastructure company in the future will not merely be an operator owning data centre assets, but a platform-based enterprise capable of organising computing power, energy, customers, capital and cloud service capabilities on a global basis.

On this foundation, the Group is actively pursuing global artificial intelligence data centre (AIDC) project opportunities, including but not limited to regions such as Europe, Southeast Asia and the Middle East. Different markets have different energy structures, customer demands, capital conditions, regulatory environments and local cooperation ecosystems. The construction of global AI infrastructure will not have only one model, nor should it be confined to a single region or a single path. The Group will allocate resources from a global perspective, work with long-term partners possessing infrastructure, energy, capital or customer resources to jointly advance AI infrastructure opportunities, and participate by leveraging its professional strengths in project organisation, resource integration, operational management and cloud service capabilities. As the core market of the global AI value chain and computing power ecosystem, the United States of America will also be an important direction for the Group's attention to strategic investment, technology cooperation and ecosystem resource connectivity.

JOINT CHAIRMAN'S STATEMENT: ADVANCING THE AI INFRASTRUCTURE STRATEGY AROUND THE GROUP'S GLOBAL NEOCLOUD POSITIONING

AIDC will serve as an important heavy-asset carrier for the Group's global AI infrastructure layout, but the Group's strategic objective is not limited to the construction or operation of a single data centre project. The NeoCloud as defined by the Group is an integrated platform built upon heavy-asset infrastructure such as AIDC, and layered with cloud services, computing power scheduling, inference optimisation, model deployment and operation, AI workload management and cross-region resource organisation capabilities. AI workload management means assisting customers to deploy, operate, schedule and optimise AI model tasks more efficiently, so that computing power resources are genuinely converted into stable, usable and scalable productivity. What the Group intends to build is not a set of isolated infrastructure assets, but a platform capability that can continuously serve global AI customers, undertake training and inference demand, and support the long-term operation of models.

In Mainland China, the Group is in the process of acquiring a minority equity interest in PYI Investment Holdings Limited. Through its subsidiaries, PYI Investment Holdings Limited holds a number of parcels of land in Rudong County, Nantong City, Jiangsu Province, together with the relevant licences and qualifications and geothermal resource endowments. The land covers an extensive area of approximately 11 million square metres, thereby laying the foundation for the development of an artificial intelligence computing centre in the region. At the same time, the Group has recently entered into a strategic cooperation memorandum with the government of Rudong County, Nantong City in relation to the proposed development of a 1-gigawatt (GW) green-powered artificial intelligence computing centre at Yangkou Port. Construction of the first phase, comprising an AIDC with a load capacity of 200 MW, is expected to commence in the near term. The proposed development of an ultra-large-scale AI computing centre in the Yangtze River Delta is intended to serve as an important showcase for the Group's expansion into asset-intensive AI infrastructure. This project, if materialised, represents an important step in the Group's AI infrastructure from international understanding, global resource connectivity and project opportunity advancement towards concrete heavy-asset implementation. It will also become an important node for the Group to advance green, low-carbon and high-efficiency AI infrastructure operations in Mainland China. As training and inference demand continues to grow, competition in AI infrastructure is not only about the scale of computing power, but also about power access, energy efficiency, cooling conditions, low-carbon operations and sustainable delivery capabilities. Green capability is not an add-on condition, but part of the long-term competitiveness of future AI infrastructure. The establishment of Rudong, Nantong Yangtze River Delta Green AI Computing Centre will provide an important practical foundation for the Group to develop replicable and scalable AI infrastructure operating capabilities, and will become one of the key nodes in the Group's global NeoCloud map.

The Group is fully aware that competition in AI infrastructure also depends on whether underlying resources can be transformed into computing power services and cloud service capabilities that customers can use on a sustainable basis. As AI moves from model training to large-scale application deployment, inference demand will bring about longer-term, more distributed computing power service needs that place greater emphasis on low latency, high stability, cost efficiency and cross-region delivery capabilities. Accordingly, the Group will focus on building computing power scheduling, inference optimisation, model deployment and operation, AI workload management and cross-region resource organisation capabilities, promote mutual support between heavy-asset infrastructure and cloud service capabilities, and gradually form platform capabilities and long-term competitive barriers that distinguish it from a single data centre operation model.

JOINT CHAIRMAN'S STATEMENT: ADVANCING THE AI INFRASTRUCTURE STRATEGY AROUND THE GROUP'S GLOBAL NEOCLOUD POSITIONING

The Group may explore stable, efficient and scalable AI infrastructure and cloud service capabilities for AI enterprises, large model customers and other customers with high-performance computing demand, supporting their needs for training, inference, model deployment and long-term operation. A true NeoCloud company must possess global resource organisation capability, heavy-asset project implementation capability, cloud service delivery capability, customer demand understanding capability and continuous technological iteration capability at the same time. In the future, the Group will not be satisfied with becoming an asset holder in the AI era, but will seek to become an organiser of AI infrastructure resources, a builder of cloud service capabilities and a long-term service provider for global computing power demand.

To support this strategy, the Group will continue to introduce top-tier industry and technical talent and gradually estabilish a global and professional team in line with actual business model. The execution of the AI infrastructure and cloud services platform strategy ultimately depends on organisational capability. Capital can build assets and technology can enhance efficiency, but what truly determines long-term success or failure is whether the Group can form a team that understands the global AI industry, infrastructure, cloud services and capital discipline, and possesses sustained execution capability. Only by connecting global resources through a global team and undertaking long-term strategy through professional capabilities can the vision of AI infrastructure be converted into truly sustainable platform capability.

Global capital markets are reassessing the long-term value of AI infrastructure. We believe that the Group's long-term value will be redefined by its global AI infrastructure and cloud services platform capabilities. What will determine the Company's future value is not merely the scale of any single asset, but whether it can continuously organise power, land, networks, cooling, GPU clusters and high-performance computing resources, cloud service capabilities, customer demand and cross-region resources, and transform them into sustainable, scalable and globally coordinated platform capabilities.

With a healthier balance sheet, a clearer strategic direction and stronger execution determination, the Group is entering a new stage of development centred on AI infrastructure and cloud services platforms. AI infrastructure is a long-term, capital-intensive undertaking characterised by rapid technological evolution and a high degree of reliance on execution capability. It is also an undertaking that truly belongs to the future. The Group has made its choice. The AI era has arrived, and the global infrastructure system is being restructured. The Group is determined to participate in the construction of infrastructure for the AI era and become an important construction force in the restructuring of global AI infrastructure.

He Xuechu
Joint Chairman

Hong Kong, 28 July 2026

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The ongoing geopolitical tensions and persistent inflation have led to a slowdown in the global economy and business activities. Furthermore, due to the financial pressures and downturn of the real estate market, the Group continues to review its business model and enhance its agility. As disclosed in the announcement dated 30 May 2025 of the Company, the Group has implemented various plans and measures to improve its liquidity and secure funds to meet its financial obligations and commitments. The measures included disposal of the Group's stock of properties and joint ventures holding properties.

Geopolitical and macroeconomic conditions remained complex and challenging, while the global industrial landscape continued to evolve amid technological innovation. The rapid development of artificial intelligence is driving the global technology industry into a new stage. As demand for AI model training and inference continues to grow, demand for computing power, data centres, network connectivity, power supply and cloud service capabilities is also increasing. The Group believes that AI infrastructure will become an important component of the future digital economy.

Against the background of the rapid development of AI and increasing demand for AI computing resources, the Group has identified AI infrastructure as an important strategic development area. At the same time, the Group will continue to manage its existing property development and investment business prudently, while actively optimising its business structure, asset portfolio and cash flow profile on the premise of maintaining financial soundness and controllable risks. The Group will also gradually advance opportunities relating to AI computing power, AI data centres and digital infrastructure, with a view to cultivating new business growth drivers and potential sources of cash flow.

Since March 2026, the Group has taken substantive exploratory steps and implemented measures in relation to its AI infrastructure strategy. The Group participated in a strategic investment in relation to Nscale with an investment amount of approximately US$2 million. Nscale is a UK-based AI infrastructure and neocloud platform backed by NVIDIA and other globally recognised investors, enabling the Group to gain exposure to overseas AI computing infrastructure business models and a deeper understanding of the global AI computing ecosystem, including NVIDIA-related industry resources.

Based on publicly available information, Nscale has established cooperation or investment relationships with a number of international technology and infrastructure ecosystem participants, including Microsoft, OpenAI and Dell. The Group considers that such publicly disclosed global cooperation network and large-scale AI infrastructure projects reflect Nscale's ability to connect with leading international technology companies, cloud service providers and data centre resources, and are consistent with the development direction of global artificial intelligence data centres ("AIDC") and neocloud infrastructure. Through participating in this strategic investment, the Group is able to gain exposure to overseas AI computing infrastructure business models, the global AI computing ecosystem and NVIDIA-related industry resources, laying a foundation for the Group to study potential deployment opportunities in the global AIDC and cloud computing infrastructure sectors in the future, subject to prudent assessment of market conditions, risk control requirements and resource allocation.

For Mainland China and Hong Kong markets, the Group has engaged an experienced AI intelligent computing centre construction and technical operations team, led by Mr. Cao Xinwei ("Mr. Cao"), the Group's newly appointed executive Director on 15 May 2026. Mr. Cao previously served as China Chairman of Chayora Holdings Ltd and has more than 15 years of experience in the investment, development, operation and management of the AI computing power industry, data centre clusters and green computing power networks. Chayora's business covers AI computing power and high-density customised IDC areas, principally engaging in the investment, development and operation of hyperscale data centres, with major shareholders including Actis, EQT Infrastructure portfolio company EdgeConneX and the real estate business of Standard Chartered Bank.

Mr. Cao has also been responsible for and led a number of data centre and AI facility-related projects operated by Chayora in Tianjin and Taicang, China. With his extensive experience in data centre development, power infrastructure, project implementation and investment advisory, Mr. Cao will be responsible for leading the Group's strategic planning and execution of AI data centre and computing power infrastructure-related businesses. The core team also includes Chief Operating Officer of ITC Strategic Management Limited, a wholly-owned subsidiary of the Company. Mr. Sun Wenzheng ("Mr. Sun"), who has over 25 years of experience in the telecommunications and data centre industries and is familiar with data centre business strategic planning, project delivery, operational management and compliance control. Mr. Sun has been responsible for multiple full-cycle development and acquisition projects for data centre parks, currently also serves as a project expert of the Shanghai Municipal Commission of Economy and Informatization and an expert of the China Data Center Working Group, and previously served as China Chairman of Chayora Holdings Ltd. and Senior Project Manager of Data Center Professional Services, Asia Pacific, at Panduit.

The Board believes that the experience of Mr. Cao and Mr. Sun in data centre development, operational management, power and network infrastructure, project delivery and industry resource integration will help the Group establish technical and operational capabilities for AI data centres and enhance its execution capability and market development capability in the AI infrastructure sector.

In terms of commercial development relating to computing power services, the Group has entered into a memorandum of understanding with Beijing Qiyuan Intelligent Computing Data Technology Co., Ltd. *(北京啟源智算數據科技有限公司)("Qiyuan Zhisuan"). Through contractual arrangements and the establishment of a variable interest entity (VIE) structure, the Group intends to obtain the economic interests and/or operational control of Qiyuan Zhisuan, which holds value-added telecommunications business operation licences (VATS) for internet data centre services (IDC) and internet access services (ISP), and to explore cooperation opportunities in AI infrastructure, computing power services and related digital infrastructure in the PRC, thereby further expanding the Group's development layout in the relevant sectors.

As at the date of publication of this report, the Group has commenced the provision of artificial intelligence computing power technical services and has been progressively developing business capabilities covering GPU computing resources, high-bandwidth network resources, large-scale data storage resources, as well as computing power operations and IT operation and maintenance services. This marks encouraging progress by the Group in the field of artificial intelligence computing power services, opens up a new source of revenue for the Group, and lays the foundation for the future exploration and development of data centre properties and artificial intelligence infrastructure-related businesses.

At the same time, the Group is in discussions with major telecommunications operators regarding potential cooperation opportunities in areas such as the integration of IDC resources, the creation of synergies through network advantages, and the enhancement of the artificial intelligence infrastructure value chain. These efforts reflect the Group’s proactive approach to capturing opportunities arising from the development of the artificial intelligence industry and cultivating new growth drivers.

In terms of strategic cooperation with upstream and downstream participants in the computing power industry, the Group has also entered into a memorandum of understanding with China Unicom (Hong Kong) Operations Limited ("China Unicom Hong Kong”) in relation to the proposed cooperation on IDC resources, network connectivity and AI computing infrastructure services in Hong Kong. The memorandum is generally non-legally binding, subject to the parties entering into definitive agreements, the proposed cooperation contemplates that China Unicom Hong Kong may provide not less than 2 MW of IDC resources within three months, a further amount of not less than 4 MW of IDC resources within six to nine months, and approximately 8 MW to 10 MW of IDC resources in newly built data centres. During the same period, the Group also entered into a strategic cooperation framework agreement with Ronglian Group Ltd. (stock code: 002642.SZ). The framework agreement sets out proposed cooperation only and no legally binding operator agreement had been reached as at the date of this annual report. The parties will cooperate around the full life cycle of AI computing infrastructure, with a focus on short-term light-asset front-loaded deployment, medium-term asset connection and portfolio arrangements and long-term heavy-asset co-construction, covering GPU server deployment, computing power scheduling platform connection, acquisition and renovation of existing data centre assets, and future system integration and EPC cooperation for self-built intelligent computing centres.

**For identification purposes only*

In respect of self-built and self-operated hyperscale AI computing clusters, computing power parks and computing power infrastructure, the Group entered into an agreement on 2 July 2026 for the conditional acquisition of a 20% equity interest in PYI Investment Holdings Limited ("PYI Investment"). Upon completion of the agreement, the Group will nominate an executive Director with extensive experience in the development and operation of computing centres to join the board of PYI Investment. In addition, the Group will enter into a shareholders' agreement with PYI Investment and its other existing shareholder, pursuant to which the development of artificial intelligence computing centres and related businesses through the utilisation of the assets and resources held by PYI Investment will be incorporated into its business plan.

These arrangements will enable the Group, through its participation at board level and the governance and collaboration mechanisms provided under the shareholders' agreement, to facilitate the gradual transformation of PYI Investment's existing land, energy, network and other resources into an industrial foundation for the development of artificial intelligence computing centres and related businesses.

The area is located on the northern wing of the Yangtze River Delta, close to Shanghai and the core computing power demand markets in southern Jiangsu, and has significant locational advantages. It has been included in the expansion area of the Yangtze River Delta computing power network hub node and connected to the Yangtze River Delta backbone optical cable network system, enabling low-latency data interaction with a relatively short physical transmission distance and providing locational and network conditions to undertake spillover high-end computing power demand from core Yangtze River Delta cities. The area has built a multi-energy complementary zero-carbon energy supply system comprising geothermal energy, photovoltaic power, offshore wind power and LNG, and has potential conditions for the integrated application of geothermal power generation and cooling in AI computing centres. Through the acquisition of PYI Investment, the Group will capture the growth in demand for AI computing resources in the Yangtze River Delta and opportunities in green computing power infrastructure, laying a resource foundation for future green AI data centre and computing-power-and-electricity synergy projects. As a further extension of the abovementioned investment arrangement and the Group's business presence in the region, on 21 July 2026, the Group entered into the Memorandum of Cooperation on the Investment in and Construction of the Yangkou Port Green Artificial Intelligent Computing Centre (the "Strategic Cooperation Memorandum") with the government of Rudong County, Nantong City, Jiangsu Province. Pursuant to the Strategic Cooperation Memorandum, the parties intend to fully leverage the integrated advantages of the Yangkou Port Economic Development Zone in respect of land, port facilities, energy, network connectivity and supporting industries to plan and construct a green artificial intelligence computing centre with an aggregate IT load of approximately 1 gigawatt (GW), and to develop, in phases, ultra-large-scale computing clusters, a computing resource operation platform and related supporting industries. This marks an important step forward in the Group's business development in the field of artificial intelligence computing infrastructure, and is expected to support the Group in establishing a scalable and sustainable green computing platform and capturing the opportunities arising from the growing demand for computing power and the development of green computing infrastructure in the Yangtze River Delta region.

During the Year, the Group sold certain of its stock of properties, resulting in a slightly increase of approximately 3.8% in revenue to HK$413.4 million for the Year (2025: HK$398.1 million). The Group also recorded a gross profit of HK$2.6 million for the Year as compared to a gross loss of HK$346.3 million for the year ended 31 March 2025 ("*FY2025*") as no impairment loss on stock of properties was recognised in cost of sales.

The property market remained subdued during the Year, in particular within the commercial segment. Accordingly, the Group recognised a decrease in fair value of its investment property of HK$64.0 million (2025: HK$52.0 million) and the share of decrease in fair value and write-down of properties held by joint ventures of the Group of HK$233.9 million (2025: HK$64.6 million) for the Year.

Notwithstanding the above, given the non-recurrence of (i) an aggregate loss of HK$322.0 million arising from the disposal of interests in certain joint ventures recorded in FY2025; and (ii) gain on compensation of approximately HK$223.5 million in relation to the resumption of a parcel of land situated in Sanya City, Hainan Province, the People's Republic of China (*the "PRC"*) recorded in FY2025, the net loss attributable to owners of the Company for the Year decreased substantially to HK$527.7 million, as compared with that of HK$813.0 million in FY2025.

The Board has resolved not to pay any dividend for the Year. Accordingly, no dividend is paid or payable for the whole Year (2025: nil).

Property

Segment loss for the Year of HK$433.3 million was recorded, as compared to that of HK$463.7 million for FY2025. As disclosed above, the loss was mainly attributable to (i) decrease in fair value of investment properties of HK$64.0 million, (ii) impairment loss of property, plant and equipment of HK$58.8 million, (iii) share of decrease in fair value and write-down of properties held by joint ventures of the Group of HK$233.9 million, and (iv) loss on disposal of a subsidiary of the Company of HK$5.1 million for the Year.

Macau

Grand Oasis in Cotai South is a luxury residential project developed by an associate of the Group. While the demand in the property market in Macau remains sluggish, the transaction volume for residential units of the project declined during the Year as compared with that for FY2025. The contribution from this project to the Group decreased to HK$5.9 million for the Year (2025: HK$113.0 million).

Hong Kong

During the Year, the Group entered into a sale and purchase agreement for disposing of its entire 67% interests in the project located at Nos. 21, 23, 25, 27, 29 and 31 Sheung Heung Road, To Kwa Wan to an independent third party at a consideration of HK$361.8 million. Such disposal was completed in October 2025 and was recorded a gross profit on this disposal of HK$0.8 million for the Year.

High Peak is a deluxe residential project located at No. 23 Po Shan Road, Mid-levels, in which the Group has 20% interests. During the Year, a total of eight deluxe residential units were sold, of which six units were handed over to the end buyers. This project continues to launch for sale and four deluxe residential units were sold subsequent to the end of the Year.

High Peak

The PRC

Dabiao International Centre is a composite tower comprising a commercial podium, offices and a hotel, situated in Guangzhou City and conveniently connected to Changgang Metro Station. During the Year, the Group's share of loss of this joint venture, including the decrease in fair value of its property, amounted to HK$90.6 million.

Vancouver, Canada

The residential redevelopment project at Alberni Street, in which the Group has 18% interests, is still in the course of obtaining the development and building permits from the local authority. During the Year, the Group's share of loss of this joint venture, including decrease in fair value of its property, amounted to HK$54.5 million.

Hotel and Leisure

In March 2026, the Group entered into a sale and purchase agreement for disposing of its entire 20% interests in Rosedale Hotel Beijing Co., Ltd. (**北京珀麗酒店有限責任公司**) ("*Rosedale Beijing*"), a sino-foreign joint venture company established in the PRC, which held a piece of land located at No. 8, Jiang Tai Road West, Chaoyang District, Beijing, the PRC, to an independent third party.

Outlined below is a summary of the Group's interests in properties which are significant to the operations of the Group as at the date of this annual report:

Location	Usage	Group's interests (%)	Attributable gross floor area (note) (sq. ft.)
Macau One Oasis, Sky Oasis and Grand Oasis situated at Estrada de Seac Pai Van, Coloane	Residential/Commercial	35.5	301,200
Hong Kong High Peak situated at No. 23 Po Shan Road, Mid-levels	Residential	20	8,300
The PRC Portions of Dabiao International Centre situated at No. 362 Jiangnan Avenue South and No. 238 Changgang Zhong Road, Haizhu District, Guangzhou City	Commercial/Office/ Hotel/Car parks	45	282,600
Canada Redevelopment project situated at 1444 Alberni Street, 711 Broughton Street and 740 Nicola Street, Vancouver, British Columbia, Canada	Residential/Commercial	18	110,000
Total			**702,100**

Note: This represented the area under the existing use.

Securities Investments

During the Year, the investment markets were volatile. As at 31 March 2026, market levels were higher than that as at 31 March 2025, and the Group recorded segment profit of HK$2.0 million for the Year (2025: loss of HK$12.4 million), mainly reflecting the net unrealised gain from the change in market prices of certain securities.

As at 31 March 2026, the Group had equity and fund investments in aggregate of HK$73.3 million, 56% being unlisted investment funds denominated in United States dollars and the remaining 44% being listed securities denominated in Hong Kong dollars.

During the Year, the Group participated in a strategic investment in relation to Nscale with an investment amount of approximately US$2.0 million. Nscale is a UK-based AI infrastructure and neocloud platform backed by NVIDIA and other globally recognised investors. The Board considers that the investment not only provides the Group with exposure to a high-quality globally recognised AI infrastructure investment opportunity, but also enables the Group to gain a deeper understanding of overseas AI computing infrastructure business models, neocloud operations and the global AI computing ecosystem, including NVIDIA-related industry resources. The investment is in line with the Group's prudent approach to exploring AI infrastructure and related opportunities while maintaining discipline in capital allocation.

Save as disclosed above, as at 31 March 2026, the Group did not have any significant investments.

Finance

As at 31 March 2026, other loan receivables of the Group amounted to HK$55.3 million (2025: HK$79.1 million).

For the Year, the Group saw a segment loss of HK$11.8 million (2025: HK$41.2 million), which was mainly attributable to an interest income of HK$6.9 million (2025: HK$8.5 million) which was offset by a loss allowance for expected credit loss of HK$18.7 million (2025: HK$49.7 million) provided on loan receivables (together with the outstanding interest accrued thereon) in accordance with the accounting policies adopted by the Group.

FINANCIAL REVIEW

Liquidity, financial resources and capital structure

The Group maintains a prudent funding and treasury policy with regard to its overall business operations.

As at 31 March 2026, the Group had total bank and other borrowings of HK$135.5 million. After netting off cash and cash equivalents of HK$132.4 million and comparing with the shareholders' funds of the Group of HK$1,742.2 million, the Group's net gearing ratio as at 31 March 2026 was 0.002 (2025: 0.41). Bank borrowings of HK$125.5 million carried interest at floating rate and the other borrowings of HK$10.0 million carried interest at fixed rate and due within twelve months. The Group will closely monitor and manage its exposure to the interest rate fluctuations and will consider engaging hedging instruments as and when appropriate.

For overseas subsidiaries, associates, joint ventures and other investments with cash flows denominated in foreign currencies, the Group endeavours to establish a natural hedge for debt financing with an appropriate level of borrowings in the same currencies. In this respect, the borrowings of the Group and its associates and joint ventures, to which the Group has provided guarantees, are denominated in Hong Kong dollars and Canadian dollars. For the Year, an unrealised gain on exchange differences of HK$44.0 million was credited as other comprehensive income, mainly arising from translations of operations in Canada and the PRC due to the appreciation of Canadian dollars and Renminbi. A majority of the Group's cash and cash equivalents are denominated in Hong Kong dollars while the Group's other assets and liabilities are denominated in Hong Kong dollars, Renminbi, Macau Pataca and Canadian dollars. Though no hedging instruments have been engaged, the Group will closely monitor its foreign exchange risk exposure.

Pledge of Assets

As at 31 March 2026, the Group's general credit facilities granted by a bank were secured by interests in associates and amounts due from associates of HK$855.5 million.

Contingent Liabilities

As at 31 March 2026, the Group provided corporate guarantees on a several basis with maximum liabilities of (i) HK$84.6 million (2025: HK$84.6 million) and HK$87.0 million (2025: HK$137.0 million) in respect of the banking facilities granted to two joint ventures (which were owned as to 50% and 18% (2025: 50% and 18%) by the Group respectively) with the outstanding amounts attributable to the Group's interests of HK$41.3 million (2025: HK$41.3 million) and HK$87.0 million (2025: HK$84.1 million); and (ii) HK$87.0 million (2025: HK$218.2 million) in respect of the banking facilities granted to an associate (which was owned as to 20% (2025: 20%) by the Group) with the outstanding amount attributable to the Group's interest of HK$87.0 million (2025: HK$218.2 million).

Capital Expenditure and Commitments

The Group did not incur any material capital expenditure during the Year. As at 31 March 2026, the Group had no material capital commitments.

Future Plans for Material Investments and Capital Assets

As at 31 March 2026, the Group did not have any future plans for material investments or capital assets.

Issues and Placing of New Shares under General Mandate and Capital Structure

During the Year and up to the date of this annual report, the Company completed three issues and/or placings of new Shares under general mandate, including two during the Year and one subsequent to the end of the Year and before the date of this annual report. During the Year, 112,300,000 new Shares were issued. Subsequent to the end of the Year, 69,139,682 new Shares were placed on 13 May 2026. The three transactions raised aggregate gross proceeds of approximately HK$139.0 million.

The relevant proceeds are intended to strengthen the Group's working capital position and support its business transformation and upgrade, AI and digital infrastructure-related initiatives, RWA-related exploration, selective investments, strategic cooperation and geographical market expansion, as disclosed in the relevant announcements of the Company. In light of the Group's current strategic exploration in the AI infrastructure sector, the Board considers that the strengthened capital base and available proceeds provide the Group with financial flexibility to support technical team build-up, resource access, commercial cooperation and the accumulation of quality strategic resources at the current stage.

For details, please refer to the section headed "Equity Fund Raising Activities and Use of Proceeds" of the Directors' Report below.

Events After the Year

After the end of the Year, on 2 July 2026, ITC Strategic Holding Limited, a wholly-owned subsidiary of the Company, as purchaser entered into a conditional sale and purchase agreement with Profit Tycoon Holdings Limited as vendor for the acquisition of 20% equity interests in PYI Investment Holdings Limited, together with the assignment of the corresponding sale loan, at a consideration of HK$336,680,000. The consideration is to be settled as to (i) HK$170,000,000 by way of issuance of the one-year floating coupon note to the vendor (or its nominee); (ii) HK$114,130,000 by way of disposal of 100% issued share capital of ITC Properties Finance Limited ("ITC Finance"), together with the assignment of the corresponding sale loan, by ITC Properties Management Group Limited ("ITC Properties Management"), a wholly-owned subsidiary of the Company, as vendor and Finest Edge Limited ("Finest Edge") as purchaser; and (iii) HK$52,550,000 by cash. On 2 July 2026, ITC Properties Management entered into a conditional sale and purchase agreement with Finest Edge for the disposal of 100% issued share capital of ITC Finance, together with the assignment of the corresponding sale loan, at a total consideration of HK$114,130,000. Completion of the said acquisition and the disposal have not taken place as at the date of this annual report. For details, please refer to the announcement of the Company dated 2 July 2026.

Save as disclosed in this annual report (including but not limited to the placing as disclosed under the section headed "Equity Fund Raising Activities and Use of Proceeds" in the Directors' Report), the Directors are not aware of any significant event that had a material effect on the Group subsequent to 31 March 2026 and up to the date of this annual report.

PROSPECTS

Looking ahead, the macroeconomic environment and the property market are expected to remain complex and challenging. The Group will continue to manage its existing property development and investment business in a prudent manner, while actively reviewing opportunities to optimise its business structure, asset portfolio and cash flow profile. Against the background of the rapid development of artificial intelligence and increasing demand for AI computing resources, the Group has identified AI infrastructure as an important area for strategic exploration.

Since March 2026, the Group has made progressive steps in exploring the AI infrastructure sector. The Group participated in a strategic investment in relation to Nscale, a UK-based AI infrastructure and neocloud platform supported by NVIDIA and other globally recognised investors, which provides the Group with exposure to overseas AI computing infrastructure business models and the global AI computing ecosystem, including NVIDIA-related industry resources. In the PRC market, the Group has engaged an experienced AIDC technical and operational team led by Mr. Cao Xinwei, an executive Director newly appointed subsequent to the end of the Year. In addition, the Group entered into a memorandum of understanding with Beijing Qiyuan Intelligent Computing Data Technology Co., Ltd.* (北京啟源智算數據科技有限公司) to explore cooperation opportunities in AI infrastructure, computing power services and related digital infrastructure in the PRC, further expanding the Group's strategic presence in these areas.

In terms of commercial delivery and industry cooperation, the Group commenced delivery of its first AI computing power technical services contract in June 2026. The Group has established AI computing power operating capabilities with a theoretical peak AI computing performance of approximately 1,960 PFLOPS, comprising GPU computing resources, high bandwidth network resources, mass storage resources and IT operation and maintenance services. The Group has also established strategic cooperation with China Unicom Hong Kong in respect of IDC resources, network connectivity, AI computing resources and related infrastructure services, and with Ronglian Group (stock code: 002642.SZ) to explore cooperation opportunities in AI computing infrastructure, system integration and related customer resources.

At the same time, the Group has continued to optimise its asset and liability structure. The Group's gearing level has been substantially reduced, all matured bank borrowings have been settled, and the relevant impairments and fair value adjustments in respect of the Group's existing property development and investment business have been substantially reflected. Together with the proceeds from the three issues and/or placings of new Shares under general mandate, the Board believes that the Group has enhanced financial flexibility to support its strategic exploration in AI infrastructure, resource acquisition and cooperation with quality strategic partners. The Group will continue to proceed actively, focus on opportunities with clear commercial potential and resource synergies, and seek to broaden its business base, develop new sources of cash flow and gradually improve its financial position over the longer term.

MANAGEMENT DISCUSSION AND ANALYSIS

Number of Employees

As at 31 March 2026, the total number of employees of the Group was 118 (2025: 119). Employees are remunerated according to their qualifications and experience, job nature and performance, and under the pay scales aligned with market conditions. Other benefits to employees include discretionary bonus, medical scheme, insurance coverage, share options and retirement benefit schemes.

Movement in Issued Shares

During the Year, the Company allotted and issued an aggregate of 112,300,000 new Shares under general mandate. Subsequent to the end of the Year, the Company completed a placing of 69,139,682 new Shares on 13 May 2026. Save as disclosed above, the Company did not issue or cancel any Shares during the Year. As at 31 March 2026, there were 1,019,498,410 Shares and no treasury shares of the Company.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's business, financial condition and results of operations are subject to various risks and uncertainties. The principal factors have been identified and are set out below:

Principal Risks	Key Controls and Risk Mitigations	Risk Trend
1. Global economic uncertainties The outlook for the global economy and financial markets remains uncertain as affected by the high interest rates, soaring inflation and intensifying geopolitical tensions. The ongoing Russia-Ukraine war and the Israel-Iran conflict also cast additional uncertainties on the global business environment which may potentially slow the economic growth. In Hong Kong and Macau, housing market woes persisted, tourism was not returned to pre-pandemic level, and tourist spending reduced. The economy of the PRC has been facing downward pressure due to the aftermath of the COVID-19 pandemic, sluggish foreign demand, bursting of the housing bubble and deteriorating China-the United States relations which has triggered Trade War 2.0 with increased tariff. The Brexit has continually casted deep uncertainties over the future of the United Kingdom. These global economic uncertainties could adversely affect the business activities and the economic and market conditions globally.	• Submit monthly updates of financial information of the Group to the Directors to facilitate them to manage the businesses in a volatile market • Set up investment strategy and undertake structured analyses of business opportunities • Closely monitor the Group's liquidity and working capital to ensure its sustainability in adverse environment	Remains stable

Principal Risks	Key Controls and Risk Mitigations	Risk Trend
2. Financing uncertainties The Group's capital requirements primarily depend on the amount of capital expenditure required on its property investment and development projects. The Group may need to raise additional funds to meet these requirements. However, there is no assurance that additional financing will be made available, or if available, such financing will be obtained on terms favourable to the Group. Prolonged economic downturn and unfavourable market condition could adversely affect property valuation and the Group's borrowing capabilities. If the Group fails to obtain necessary funding on acceptable terms, it may be forced to delay capital development projects, potential acquisitions and investments or otherwise curtail or cease operations.	• Maintain close communication with banks • Review financial risk exposure in accordance with the covenants of the bank borrowings • Manage the maturity profile of deposits and loans to minimise banking facilities renewal and refinancing risk and cost • Establish and maintain diversified channels of financing • Crystalise certain investments to realise the tied-up capital and obtain adequate cash to meet matured debts	Remains stable
3. Disasters Climate change poses different risks to the Group's businesses. Apart from physical risks such as extreme weather condition which could result in severe personal injury, property damage and adverse impact on property valuation, transitioning to a lower carbon economy may entail extensive policy, legal, technological and market changes to curtail the Group's business operations and rise the operating costs. In addition, the pandemic could cause business disruption and impact the sustainability around the globe.	• Monitor and reduce carbon emissions from day-to-day operations • Pursue green building certifications • Strengthen the governance of the environmental, social and governance performance • Review and update business continuity plans and crisis management procedures • Arrange sufficient insurance package • Maintain standard operating procedures and guidelines in response to the pandemic	Remains stable

Principal Risks	Key Controls and Risk Mitigations	Risk Trend
4. Associates and joint ventures A large proportion of the Group's project development and investment activities are carried out by associates and joint ventures, so it may expose to risks of having business partners who may withdraw from the joint ventures due to the change of their business strategies, take some unfavourable actions to the Group, fail to perform their duties and fulfill their obligations in accordance with the joint venture agreements, undergo a change of ownership and control or experience material business and financial difficulties hindering their contributions to the joint venture projects.	• Select business partners with long-term established relationship carefully • Maintain ongoing communications with the business partners to understand their business strategies and their change of structures • Incorporate contractual terms and conditions in the agreements to safeguard the Group's interests • Monitor the fulfilment of contractual obligations and legal proceedings through internal policies and compliance checklists	Remains stable
5. Highly competitive industries Competition risks faced by the Group may include: (i) numerous developers undertaking property investment and development in the markets, including Hong Kong, where the Group's property business conducts; (ii) keen competition and pricing pressure from other developers; (iii) challenges in delivering projects on budget, on time and in line with the required quality under tight deadlines and the increase in construction costs; and (iv) appeals for rent relief and rising vacancy rates as affected by the weak economy adding pressure on landlords.	• Directors and management to discuss business performance and formulate various operation and marketing strategies to maintain the Group's competitiveness • Teams of good calibre and experience to closely monitor performance by segments • Closely monitor the price fluctuations and supply of construction materials, conduct careful tender analysis, tighten controls on price variation claims, extension of time and final accounts	Remains stable

Principal Risks	Key Controls and Risk Mitigations	Risk Trend
6. Housing policy on property markets Due to the introduction of the government's housing policy on property markets in regions where the Group conducts its business, the Group may experience market pressures to reduce effective prices for property sales or rentals.	• Have ongoing update and assessment of the government policies • Conduct market study and demand analysis timely to formulate the appropriate strategies • Geographical diversification	Remains stable
7. Laws and regulations Development projects require government approvals or permits, and some of such approvals and permits may require an unexpected long period of time to be granted and issued, which may lead to a delay in completion of the project. The authorities may also from time to time impose new regulations on property owners or change policies without sufficient consultation and guidelines requiring the Group to increase manpower and incur additional costs and expenses to comply with such requirements. In some cases, it may adversely affect the Group's property sales performance.	• Continue monitoring and assessing the impact of the regulatory changes • Seek for professional advice on regulatory changes if necessary • Monitor the compliance with laws and regulations through internal policies and compliance checklists • Maintain proper documentation	Remains stable
8. Currency and interest rate fluctuations The results of the Group are recorded in Hong Kong dollars but its various subsidiaries, associates and joint ventures may receive revenue and incur expenses in other currencies, including Renminbi, Canadian dollars and Pound Sterling. Any significant currency fluctuations on translation of the overseas accounts may therefore impact on the Group's results of operations, financial position and cash flow. Besides, the Group's bank borrowings are subject to floating interest rates which could expose to rising interest rates and increase the finance costs.	• Assess and monitor the foreign exchange and interest rate exposure continuously • Consider the use of hedging devices when appropriate	Remains stable

DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company is an investment holding company. During the Year, the principal activities of the Group were development of, selling of and investment in properties in Macau, Hong Kong, the PRC and Canada; securities investments and provision of loan financing services. The principal activities of the Company's principal subsidiaries are set out in Note 43 to the consolidated financial statements.

Further discussion and analysis of the above activities as required by Schedule 5 to the Hong Kong Companies Ordinance, including a fair review of the business of the Group, a description of the principal risks and uncertainties facing the Group and an indication of likely future development in the Group's business, are set out in the "Joint Chairman's Statements", "Management Discussion and Analysis", "Corporate Governance Report", "Environmental, Social and Governance Report" and "Financial Summary" sections of this annual report. The relevant discussions in these sections form part of this report.

RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated statement of profit or loss on page 109.

The Board has resolved not to pay any dividend for the Year. Accordingly, no dividend is paid or payable for the whole Year (2025: nil).

CLOSURE OF REGISTER OF MEMBERS AND RECORD DATE

For the purpose of ascertaining the entitlement of Shareholders (except for holders of treasury shares of the Company, if any) to attend, speak and vote at the annual general meeting of the Company (the "Annual General Meeting"), which is scheduled to be held on Friday, 21 August 2026, the register of members of the Company will be closed from Tuesday, 18 August 2026 to Friday, 21 August 2026 (both dates inclusive), during which period no transfer of Shares will be registered, and the record date is Friday, 21 August 2026. In order to be eligible to attend, speak and vote at the Annual General Meeting, Shareholders must lodge all transfer documents accompanied by the relevant share certificates with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration by no later than 4:30pm on Monday, 17 August 2026.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 208.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the Year are set out in Note 15 to the consolidated financial statements.

PRINCIPAL PROPERTIES

Particulars of the Group's principal properties as at 31 March 2026 are set out on page 209.

SHARE CAPITAL

Details of movements in the share capital of the Company during the Year are set out in Note 30 to the consolidated financial statements.

MOVEMENT IN ISSUED SHARES

During the Year, the number of issued Shares increased from 907,198,410 Shares as at 1 April 2025 to 1,019,498,410 Shares as at 31 March 2026, mainly due to (i) the allotment and issue of 100,800,000 new Shares to The Reynold Lemkins Group (Asia) Limited at HK$0.70 per Share under the general mandate on 22 December 2025; and (ii) the allotment and issue of 11,500,000 new Shares to Dr. Hon Ng Kit Chong （"Dr. Ng") at HK$1.14 per Share under the general mandate on 4 March 2026. Save as aforesaid, there was no other change in the issued Shares during the Year.

Subsequent to the end of the Year, the Company completed the placing of 69,139,682 new Shares at HK$0.80 per Share under the general mandate on 13 May 2026. The number of issued Shares therefore increased to 1,088,638,092 Shares.

EQUITY FUND RAISING ACTIVITIES AND USE OF PROCEEDS

During the Year, the Company completed the following equity fund raising activities. The tables below set out the intended use of proceeds, actual utilisation as at 31 March 2026, further utilisation after the end of the Year and up to the date of this annual report, unutilised balance as at the date of this annual report, and the expected timeline for full utilisation of the unutilised proceeds:

RL Subscription

In order to enhance value to the Group through multifaceted strategic initiatives, on 24 November 2025, the Company entered into a subscription agreement (the "RL subscription agreement") with The Reynold Lemkins Group (Asia) Limited ("RL"), an investment holding company incorporated in Hong Kong in 2020 which is ultimately owned by Mr. Liu Haoran, pursuant to which the Company agreed to issue, and RL agreed to subscribe for, an aggregate of 100,800,000 new ordinary Shares at a subscription price of HK$0.7 per Share (the "RL Subscription").

The subscription price of HK$0.7 per Share represented a discount of approximately 16.67% to the closing price of HK$0.84 per share as quoted on the Stock Exchange on the date of the RL subscription agreement.

Completion of RL Subscription took place on 22 December 2025, upon which 100,800,000 new Shares were allotted and issued to RL at the subscription price of HK$0.7 per Share, representing approximately 11.11% of the total number of Shares in issue immediately before completion and approximately 10.00% of the total number of Shares in issue as enlarged by the allotment and issue of the subscription shares. The aggregate nominal value of all the subscription shares was HK$1,008,000 and the net price was approximately HK$0.68 per Share.

The gross proceeds and net proceeds (after deducting the professional fees and all related expenses borne by the Company) from the RL Subscription amounted to approximately HK$70.56 million and HK$68.76 million, respectively.

The intended use of the net proceeds from the RL Subscription is as follows:

Intended use	Approximate percentage of net proceeds	Allocated amount (approximately HK$ million)	Amount utilised as at 31 March 2026 (approximately HK$ million)	Unutilised amount as at 31 March 2026 (approximately HK$ million)	Further amount utilised from 1 April 2026 to the date of this report (approximately HK$ million)	Unutilised amount as at the date of this report (approximately HK$ million)	Expected timeline for full utilisation
Support the Group's transition into a technology enabled real estate platform	30%	20.63	10.43	10.20	0.4	9.80	2026 fourth quarter
Selective acquisitions or investments in enterprises and projects that are highly synergistic with the Group's strategic transformation	25%	17.19	17.19	–	–	–	Not applicable (fully utilised)
The expansion of strategic partnerships and geographical market coverage	25%	17.19	10.40	6.79	3.75	3.04	2026 fourth quarter
General working capital of the Group	20%	13.75	3.11	10.64	10.64	–	Not applicable (fully utilised)
Total	100%	68.76	41.13	27.63	14.79	12.84	–

General Mandate Subscription

In order to transform and upgrade the Group's traditional real estate business through integration into the Hong Kong and global Web3.0 ecosystem, and to explore the implementation of real-world asset (RWA) tokenization as well as development of a Web3-based real estate ecosystem, on 19 January 2026, the Company entered into a share subscription agreement (the "share subscription agreement") with Dr. Hon Ng Kit Chong ("Dr. Ng"), pursuant to which the Company agreed to issue, and Dr. Ng agreed to subscribe for, an aggregate of 11,500,000 new Shares at a subscription price of HK$1.14 per Share under the general mandate (the "General Mandate Subscription").

The subscription price of HK$1.14 per Share represented a discount of approximately 19.72% to the closing price of HK$1.42 per Share on the date of the share subscription agreement.

Completion of the General Mandate Subscription took place on 4 March 2026, upon which 11,500,000 new Shares were allotted and issued to Dr. Ng at HK$1.14 per Share, representing approximately 1.14% of the total number of Shares in issue immediately before Completion and approximately 1.13% of the total number of Shares in issue as enlarged by the allotment and issue of the subscription shares. The aggregate nominal value of all the subscription shares was HK$115,000 and the net price was approximately HK$1.14 per Share.

The gross proceeds from the General Mandate Subscription amounted to approximately HK$13.11 million (there being no significant costs incurred). The intended use of the gross proceeds from the General Mandate Subscription is as follows:

Intended use	Approximate percentage of gross proceeds	Allocated amount (approximately HK$ million)	Amount utilised as at 31 March 2026 (approximately HK$ million)	Unutilised amount as at 31 March 2026 (approximately HK$ million)	Further amount utilised from 1 April 2026 to the date of this report (approximately HK$ million)	Unutilised amount as at the date of this report (approximately HK$ million)	Expected timeline for full utilisation
Support the strategic transformation of the Group's traditional real estate business through its integration into Web 3.0 ecosystem	50%	6.55	–	6.55	–	6.55	2026 fourth quarter
General working capital of the Group	50%	6.56	–	6.56	5.33	1.23	2026 fourth quarter
Total	100%	13.11	–	13.11	5.33	7.78	–

Details of the RL Subscription and the General Mandate Subscription (including the reasons and intended use of their proceeds) are set out in the announcements of the Company dated 25 November 2025, 8 December 2025, 11 December 2025 and 22 December 2025, and 20 January 2026, 3 February 2026, 23 February 2026 and 4 March 2026, respectively. The Company subsequently published an announcement on 22 April 2026 in relation to the Placing (as defined below) disclosing the status of utilisation of such proceeds as at the date of that announcement.

As at the date of this report, the above unutilised proceeds were placed as bank deposits with licensed banks in Hong Kong. The Company intends to utilise the unutilised proceeds in accordance with the original intended uses as disclosed in the relevant announcements and the expected timelines set out in the tables above.

Placing after the end of the Year

In order to strengthen the Group's capital base and enhance financial flexibility to support the Group's long-term development, on 21 April 2026, the Company entered into a placing agreement (the "placing agreement") with four placing agents (collectively, the "Placing Agents"), pursuant to which the Placing Agents conditionally agreed, as agents of the Company, to procure, on a best effort basis, not less than six placees, who and whose ultimate beneficial owners were independent third parties, to subscribe for up to 69,139,682 new Shares at a placing price of HK$0.8 per Share, pursuant to the general mandate (the "Placing").

The placing price of HK$0.8 per Share represented a discount of approximately 12.09% to the closing price of HK$0.91 per share on the date of the placing agreement.

Completion of the Placing took place on 13 May 2026, upon which an aggregate of 69,139,682 new Shares were successfully placed to not less than six placees at the placing price of HK$0.8 per Share, representing approximately 6.78% of the total number of Shares in issue immediately before completion and approximately 6.35% of the total number of Shares in issue as enlarged by the allotment and issue of the placing shares. None of the placees or their associates became a substantial shareholder of the Company as a result of the Placing. The aggregate nominal value of all the subscription shares was HK$691,396.82 and the net price was approximately HK$0.76 per Share.

The gross proceeds and net proceeds (after deducting the placing commission, professional fees and all related expenses borne by the Company) from the Placing amounted to approximately HK$55.31 million and HK$52.87 million, respectively. The intended use of the net proceeds from the Placing is as follows:

Intended use	Approximate percentage of net proceeds	Allocated amount (approximately HK$ million)	Amount utilised as at the date of this report (approximately HK$ million)	Unutilised amount as at the date of this report (approximately HK$ million)	Expected timeline for full utilisation
Investment-related initiatives under the Group's existing strategic framework, focusing on opportunities and projects in artificial intelligence, computing infrastructure, Web3-related technology applications and related industry resources	70%	37.01	14.14	22.87	Expected to be fully utilised by the first quarter of 2027
Expanding and strengthening strategic cooperation arrangements relating to the Group's ongoing business development and strategic initiatives, and supporting the Group's business development and market expansion in major overseas markets	30%	15.86	–	15.86	Expected to be fully utilised during the second to fourth quarters of 2026
Total	100%	52.87	14.14	38.73	–

Details of the Placing (including the reasons and intended use of its proceeds) are set out in the announcements of the Company dated 22 April 2026, 7 May 2026 and 13 May 2026, respectively.

As at the date of this report, the above unutilised proceeds were placed as bank deposits with licensed banks in Hong Kong. The Company intends to utilise the unutilised proceeds in accordance with the original intended uses as disclosed in the relevant announcements and the expected timeline set out in the table above.

Save as disclosed above, the Company did not conduct any other equity fund raising activities during the Year and up to the date of this report.

RESERVES

Details of movements in the reserves of the Group and the Company during the Year are set out in the consolidated statement of changes in equity on page 113 and the Note 42 to the consolidated financial statements respectively.

DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's reserves available for distribution to its Shareholders as at 31 March 2026 was HK$113,020,000 (2025: HK$113,020,000).

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus of the Company is available for distribution. However, the Company cannot declare or pay any dividend, or make a distribution out of its contributed surplus if the Company is, or would after the payment be, unable to pay its liabilities as they become due or the realizable value of the assets of the Company would thereby be less than its liabilities.

DIRECTORS' REPORT

DIRECTORS

The Directors during the Year and up to the date of this report (i.e. 29 June 2026) are:

Executive Directors:

Mr. Cheung Hon Kit *(Chairman)*

Dr. Chan Kwok Keung, Charles *(Joint Vice Chairman)*

Mr. Chan Yiu Lun, Alan

Mr. Law Hon Wa, William *(Chief Financial Officer)*

Mr. Wu Yao *(appointed on 20 January 2026)*

Mr. Cao Xinwei *(appointed on 15 May 2026)*

Non-executive Director:

Ms. Chau Mei Wah

Independent Non-executive Directors:

Hon. Shek Lai Him, Abraham, GBS, JP *(Joint Vice Chairman)*

Mr. Ip Hon Wah

Mr. Pang, Anthony Ming-tung

Mr. Chan Chun Hung, Vincent *(appointed on 26 November 2025)*

The latest composition of the Board is set out on page 2 of this annual report. The biographical details of the Directors are set out on pages 5 to 10 of this annual report. Dr. Chan Kwok Keung, Charles ("Dr. Charles Chan") is the spouse of Ms. Ng Yuen Lan, Macy ("Ms. Macy Ng") and both of them are the substantial shareholders of the Company. Mr. Chan Yiu Lun, Alan ("Mr. Alan Chan") is their son. Other than the aforesaid, none of the Directors has any relationship with the substantial shareholders of the Company as at the date of this report.

Pursuant to bye-law 84 of the Bye-Laws and the CG Code, Hon. Shek Lai Him, Abraham, GBS, JP ("Mr. Abraham Shek"), Ms. Chau Mei Wah ("Ms. Rosanna Chau") and Mr. Chan Yiu Lun, Alan ("Mr. Alan Chan") shall retire from office at the Annual General Meeting by rotation. Mr. Abraham Shek and Ms. Rosanna Chau have decided not to offer themselves for re-election and will therefore retire upon the conclusion of the Annual General Meeting. Mr. Alan Chan, being eligible, has offered himself for re-election at the Annual General Meeting.

In addition, pursuant to bye-law 83(2) of the Bye-Laws, Directors (including Mr. Wu Yao, Mr. Cao Xinwei and Mr. Chan Chun Hung, Vincent), who were appointed by the Board after the last annual general meeting, shall hold office until the Annual General Meeting. They are eligible and have offered themselves for re-election at the Annual General Meeting.

None of the Directors being proposed for re-election at the Annual General Meeting has a service contract with the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

After reviewing the independent non-executive Directors' written confirmations of the factors set out in Rule 3.13 of the Listing Rules concerning directors' independence, the Board considers that all the independent non-executive Directors are independent.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2026, the interests and short positions of the Directors and chief executive of the Company and/or their respective close associates in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required to be recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Name of Director	Number of Shares held	Number of underlying Shares held	Total	Percentage (Note 2)
Mr. Cheung Hon Kit	48,800,000	–	48,800,000	4.79%
Dr. Charles Chan	452,203,012 (Note 3)	–	452,203,012	44.36%
Mr. Alan Chan	4,075,781	–	4,075,781	0.40%
Ms. Rosanna Chau	11,952,564	–	11,952,564	1.17%
Mr. Abraham Shek	322,347	–	322,347	0.03%

1. Except Dr. Charles Chan, all the Directors were the beneficial owners having personal interests in the Shares and/or underlying Shares disclosed above. All the interests disclosed above were long positions.

2. This represented the approximate percentage of 1,019,498,410 issued Shares as at 31 March 2026.

3. By virtue of Part XV of the SFO, Dr. Charles Chan was interested in and deemed to be interested in a total of 452,203,012 Shares as follows:

   (i) he was the beneficial owner having personal interests in 162,986,814 Shares;
   (ii) he was deemed to have corporate interests in 28,043,279 Shares which were owned by the companies wholly owned by him; and
   (iii) he was deemed to have family interests in 261,172,919 Shares which were owned by the companies wholly owned by his spouse, Ms. Macy Ng. Details are disclosed in the section headed "Interests of Substantial Shareholders and Other Persons" below.

Save as disclosed above, as at 31 March 2026, none of the Directors or chief executive of the Company and/or their respective close associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required to be recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEME

On 10 September 2021, the Share Option Scheme was approved and adopted by the Shareholders pursuant to an ordinary resolution passed at the annual general meeting. The primary purpose of the Share Option Scheme is to retain, reward, motivate and give incentives to eligible persons. The Share Option Scheme shall be valid and effective for a period of 10 years commencing from 10 September 2021 to 9 September 2031, with a remaining life of approximately five years and one month as at the date of this annual report.

Under the Share Option Scheme, the Directors may grant share options to the following eligible persons to subscribe for the new shares of the Company:

(i) any employee or proposed employee (whether full-time or part-time) or executive, including executive director, of any member of the Group; or

(ii) any non-executive director (including independent non-executive director) of any member of the Group; or

(iii) any consultant, adviser or agent (legal, financial or professional) engaged by any member of the Group, who, under the terms of the relevant engagement with the Group, is eligible to participate in a share option scheme of the Company; or

(iv) any executive, including executive director, of any entity in which any member of the Group, directly or indirectly, holds 30% or more equity interests.

Under the Share Option Scheme, share options granted should be accepted within 21 days after the date of grant, upon payment of HK$1.0 per each grant of the share options. The exercise price shall be determined by the Board and shall be at least the highest of (i) the closing price of the Shares on the date of grant of the share options; or (ii) the average closing price of Shares for the five business days immediately preceding the date of grant; or (iii) the nominal value of a Share on the date of grant.

There is no specific requirement that an option must be held for any minimum period before it can be exercised but the Board is empowered to impose at its discretion any such minimum period at the time of grant of any particular option. The period during which an option may be exercised is determined by the Board at its absolute discretion, save that no option may be exercised more than 10 years from the date of grant.

The total number of Shares which may be issued upon exercise of all the share options to be granted under the Share Option Scheme and any other share schemes of the Company must not in aggregate exceed 10% of the total number of Shares in issue as at the adoption date (the "Scheme Limit"). The Scheme Limit may be refreshed by an ordinary resolution of the Shareholders in general meeting provided that the Scheme Limit so refreshed shall not exceed 10% of the total number of Shares in issue as at the date of such Shareholders' approval. Furthermore, the maximum aggregate number of Shares which may be issued upon the exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme and any other share schemes of the Company must not in aggregate exceed 30% of the total number of Shares in issue from time to time. The numbers of share options available for grant under the Share Option Scheme at the beginning and the end of the Year were 86,297,541 and 96,017,541 respectively. As at the date of this annual report, the number of share options available for grant under the Share Option Scheme was 96,017,541, representing approximately 8.82% of the total number of issued Shares (excluding treasury shares) as at the date of this annual report.

No outstanding share options were granted under the Share Option Scheme during the Year. Accordingly, the number of Shares that may be issued in respect of share options granted under the Share Option Scheme during the Year divided by the weighted average number of issued Shares (excluding treasury shares) of 935,697,040 Shares for the Year was nil.

The maximum number of Shares issued and to be issued upon exercise of the share options granted under the Share Option Scheme and any other share schemes of the Company (including options exercised, cancelled or outstanding) to each eligible person in any 12-month period shall not exceed 1% of the total number of Shares in issue unless approval of the Shareholders is obtained. Any grant of share options to a Director, the chief executive of the Company, a substantial shareholder of the Company, or a controlling shareholder or any of their respective associates (as defined in the Listing Rules) is subject to approval by the independent non-executive Directors (excluding independent non-executive Director who is the grantee of the share options). In addition, where the Board proposes to grant any share options to a substantial shareholder of the Company or an independent non-executive Director or any of their respective associates (as defined in the Listing Rules), and such share options, if exercised in full, would result in the total number of Shares issued and to be issued upon exercise of all the share options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the past 12-month period up to and including the date of grant in excess of 0.1% of the total number of Shares in issue on the date of grant and with an aggregate value (based on the closing price of the Shares on the date of grant) in excess of HK$5,000,000, such grant of share options is subject to the Shareholders' approval in general meeting.

On 28 September 2021, the Company granted share options, of which a total of 16,320,000 share options were duly accepted by the grantees, under the Share Option Scheme with an exercise price of HK$1.03 per share option. The period during which these share options can be exercised is from 1 April 2022 to 30 September 2025 (both dates inclusive), provided that 25% of the share options shall be exercisable during each of the periods:

(i) from 1 April 2022 to 30 September 2025 (both dates inclusive);
(ii) from 1 October 2022 to 30 September 2025 (both dates inclusive);
(iii) from 1 April 2023 to 30 September 2025 (both dates inclusive); and
(iv) from 1 October 2023 to 30 September 2025 (both dates inclusive).

The vesting period of the share options is from the date of the grant until the commencement of the exercise period.

The movements of the share options during the Year were as follows:

	Number of share options					
Category and name of participant	Outstanding as at 1 April 2025	Granted during the Year	Exercised during the Year	Lapsed during the Year	Cancelled during the Year	Outstanding as at 31 March 2026
Directors						
Mr. Cheung Hon Kit	2,600,000	–	–	(2,600,000)	–	–
Mr. Alan Chan (Note 1)	1,000,000	–	–	(1,000,000)	–	–
Mr. Abraham Shek	500,000	–	–	(500,000)	–	–
Mr. Ip Hon Wah	300,000	–	–	(300,000)	–	–
Sub-total	**4,400,000**	**–**	**–**	**(4,400,000)**	**–**	**–**
Employees (Note 2)	**4,220,000**	**–**	**–**	**(4,220,000)**	**–**	**–**
Other participants						
Service provider (Note 3(i))	800,000	–	–	(800,000)	–	–
Related entity participant (Note 3(ii))	300,000	–	–	(300,000)	–	–
Sub-total	**1,100,000**	**–**	**–**	**(1,100,000)**	**–**	**–**
Total	**9,720,000**	**–**	**–**	**(9,720,000)**	**–**	**–**

Notes:

1. Mr. Alan Chan is also an associate (as defined in the Listing Rules) of Dr. Charles Chan and Ms. Macy Ng, being the substantial shareholders of the Company.
2. This represented the aggregate number of share options held by former employees and existing employees at the beginning of the Year.
3. These other participants are:
   (i) a consultant of the Group, who held 800,000 share options as at the beginning of the Year; and
   (ii) a senior executive of a principal associate of the Company, who held 300,000 share options as at the beginning of the Year. He is also a director of certain associates of the Company.

All the 9,720,000 share options outstanding as at the beginning of the Year lapsed on 1 October 2025 after the expiry of the exercise period ending on 30 September 2025. Save as disclosed above, there were no share options granted, exercised, lapsed or cancelled under the Share Option Scheme during the Year and there were no outstanding share options as at 31 March 2026.

EQUITY-LINKED AGREEMENT

Save for (i) the Share Option Scheme adopted by the Company under which share options are granted to the eligible participants to subscribe for the Shares, (ii) the RL share subscription agreement dated 24 November 2025 and share subscription agreement relating to the General Mandate Subscription dated 19 January 2026 entered into by the Company as disclosed in the section headed "Equity Fund Raising Activities and Use of Proceeds" above; and (iii) the share subscription agreement and a warrant subscription agreement both dated 19 January 2026 entered into by the Company which were subsequently terminated on 1 April 2026 as disclosed in the section headed "Connected Transaction" below, no equity-linked agreements were entered into by the Company during the Year or subsisted at the end of the Year.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than the Share Option Scheme as disclosed above, at no time during the Year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

Pursuant to Rule 8.10 of the Listing Rules, the interests of the relevant Directors in businesses which competed or were likely to compete, either directly or indirectly, with the businesses of the Group during the Year, were as follows:

(i) Mr. Cheung Hon Kit, an executive Director and the Chairman of the Board, had personal interests and/or held directorships in companies which were engaged in property investment in Macau, Hong Kong, the PRC and Canada.

(ii) A close associate of Dr. Charles Chan, an executive Director and a Joint Vice Chairman of the Company, had personal interests and/or held directorships in companies which were engaged in property investment in Hong Kong and/or securities investments.

(iii) Mr. Alan Chan, an executive Director, had personal interests and/or held directorships in companies which were engaged in securities investments.

(iv) Ms. Rosanna Chau, a non-executive Director, held directorship in a company which was engaged in securities investments.

The Directors are aware of their fiduciary duties to the Company and understand that they must, in the performance of their duties as Directors, avoid actual and potential conflicts of interest and duty in order to ensure that they act in the best interests of the Shareholders and the Company as a whole. In addition, any significant business decisions of the Group are determined by the Board. Any Director who has material interest in any matter being resolved will abstain from voting. In view of the above, the Board considers that the interests of each of the above Directors in other companies neither prejudice his/her capacity as a Director nor compromise the interests of the Group and the Shareholders. Also, the Board opines that coupled with the diligence of the independent non-executive Directors, the Group is capable of carrying on its businesses independently of, and at arm's length from, such businesses in which the above Directors are regarded as being interested in.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in Note 40 to the consolidated financial statements, no transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

CHANGES IN INFORMATION ON DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, changes in information on the Directors since the date of the 2025-2026 interim report of the Company and up to the date of this report were set out below:

(i) In January 2026, Mr. Ip Hon Wah ceased practising as a barrister in Hong Kong and is currently working at a law firm while pursuing admission as a solicitor;

(ii) With effect from 30 April 2026, Mr. Abraham Shek resigned as an independent non-executive director of Alliance International Education Leasing Holdings Limited. He subsequently retired as an independent non-executive director of Regal Portfolio Management Limited, the manager of Regal Real Estate Investment Trust, with effect from the conclusion of its annual general meeting held on 19 May 2026; and

(iii) There were changes to the directorships of each of Mr. Cheung Hon Kit, Dr. Charles Chan and Mr. Law Hon Wa, William in certain members of the Group.

Save as disclosed above, there are no other changes in information on the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

CONNECTED TRANSACTION

On 19 January 2026, the Company entered into a share subscription agreement and a warrant subscription agreement with The Reynold Lemkins Group (Asia) Limited ("RL", a substantial shareholder and connected person of the Company at the relevant time), pursuant to which the Company conditionally agreed to allot and issue 130,000,000 new Shares to RL and issue unlisted warrants entitling RL to subscribe for 180,000,000 warrant Shares, respectively. These transactions constituted connected transactions of the Company under Chapter 14A of the Listing Rules and were subject to the reporting, announcement, circular and independent shareholders' approval requirements. On 1 April 2026, the Company and RL entered into two sets of deed of termination to terminate the aforesaid agreements, and therefore such shares and warrants subscriptions did not proceed. Details are set out in the announcements of the Company dated 20 January 2026, 23 February 2026, 20 March 2026 and 1 April 2026.

Save as disclosed above, there was no connected transaction or continuing connected transaction undertaken by the Company during the Year and up to the date of this report which was required to be disclosed pursuant to Chapter 14A of the Listing Rules. The related party transactions disclosed in Note 40 to the consolidated financial statements did not constitute connected transactions or continuing connected transactions of the Company, or were either disclosed previously pursuant to the Listing Rules or exempt from reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. The Directors confirm that the Company has complied with the applicable disclosure requirements under Chapter 14A of the Listing Rules.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

As at 31 March 2026, so far as being known to the Directors or chief executive of the Company, the interests and short positions of the substantial shareholders of the Company or other persons (other than the Directors or chief executive of the Company) in the Shares and underlying Shares, which have been disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO and have been recorded in the register required to be kept by the Company pursuant to section 336 of the SFO were as follows:

	Name	Nature of interests	Capacity	Number of Shares held	Percentage (Note 2)
(I)	**Substantial shareholders**				
	Ms. Macy Ng	Corporate interests	Interest of controlled corporation	261,172,919	25.62%
		Family interests	Interest of spouse	191,030,093	18.74%
				452,203,012 (Note 3)	44.36%
	Record High Enterprises Limited ("Record High")	Corporate interests	Interest of controlled corporation	261,172,919 (Note 3)	25.62%
	Fortune Crystal Holdings Limited ("Fortune Crystal")	Personal interests	Beneficial owner	261,172,919 (Note 3)	25.62%
(II)	**Other persons**				
	Mr. Liu Haoran	Corporate interests	Interest of controlled corporation	100,800,000 Shares and 310,000,000 underlying Shares (totalling 410,800,000 Shares) (Note 4))	40.29%
	Reynold Lemkins Holding CO., LTD	Corporate interests	Interest of controlled corporation	100,800,000 Shares and 310,000,000 underlying Shares (totalling 410,800,000 Shares) (Note 4)	40.29%
	The Reynold Lemkins Group	Corporate interests	Interest of controlled corporation	100,800,000 Shares and 310,000,000 underlying Shares (totalling 410,800,000 Shares) (Note 4)	40.29%
	The Reynold Lemkins Group (Asia) Limited ("RL")	Personal interests	Beneficial owner	100,800,000 Shares and 310,000,000 underlying Shares (totalling 410,800,000 Shares) (Note 4)	40.29%

Notes:

1. All the interests in the Shares and underlying Shares disclosed above were long positions.

2. This represented the approximate percentage of the relevant Shares and underlying Shares to the total number of 1,019,498,410 issued Shares (excluding treasury shares) as at 31 March 2026.

3. Fortune Crystal owned 261,172,919 Shares and was a wholly-owned subsidiary of Record High which in turn was wholly owned by Ms. Macy Ng. As such, Record High and Ms. Macy Ng were deemed to be interested in the 261,172,919 Shares owned by Fortune Crystal by virtue of Part XV of the SFO.

   In addition, by virtue of Part XV of the SFO, Ms. Macy Ng was deemed to have family interests in 162,986,814 Shares beneficially owned by Dr. Charles Chan, an executive Director and Joint Vice Chairman of the Company and the spouse of Ms. Macy Ng, and 28,043,279 Shares owned by a company which was indirectly wholly owned by Dr. Charles Chan.

   Accordingly, Ms. Macy Ng was deemed to be interested in a total of 452,203,012 Shares by virtue of Part XV of the SFO.

4. As at 31 March 2026, RL beneficially owned 100,800,000 issued Shares and was interested in 130,000,000 underlying Shares under the RL share subscription agreement and 180,000,000 underlying Shares under the warrant subscription agreement, totalling 410,800,000 Shares and underlying Shares. RL is wholly owned by The Reynold Lemkins Group which in turn is wholly owned by Reynold Lemkins Holding CO., LTD; Mr. Liu Haoran is the sole shareholder of Reynold Lemkins Holding CO., LTD. As such, by virtue of Part XV of the SFO, Mr. Liu Haoran, Reynold Lemkins Holding CO., LTD and The Reynold Lemkins Group were each deemed to be interested in the 410,800,000 Shares and underlying Shares held by RL. On 1 April 2026 (after trading hours), the RL share subscription agreement and the warrant subscription agreement were terminated, and the interests in such 310,000,000 underlying Shares ceased accordingly. Accordingly, Mr. Liu Haoran, Reynold Lemkins Holding CO., LTD and The Reynold Lemkins Group were each deemed to be interested in only 100,800,000 Shares as at 1 April 2026.

Save as disclosed above, as at 31 March 2026, the Company had not been notified of any other interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company pursuant to 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 pursuant to section 336 of the SFO.

MANAGEMENT CONTRACTS

Save for employment contracts, no other contracts relating to the management and administration of the whole or any substantial part of the businesses of the Company were entered into or subsisted during the Year.

MAJOR CUSTOMERS AND SUPPLIERS

For the Year, the aggregate revenue attributable to the five largest customers of the Group was approximately 98% of the total revenue of the Group, and the largest customer accounted for approximately 88% of the Group's total revenue. The aggregate purchases attributable to the five largest suppliers of the Group were approximately 38% of the total purchases of the Group, and the largest supplier accounted for approximately 11% of the Group's total purchases.

RELATIONSHIP WITH CUSTOMERS, SUPPLIERS, SUBCONTRACTORS AND EMPLOYEES

The Group maintains good relationships with its employees and certain policies have been implemented to ensure that its employees are provided with competitive remuneration, good welfare benefits and continuous professional training. The Group also maintains good relationships with its customers, suppliers and subcontractors, without whom the success in the Group's operation would be at risk.

None of the Directors and their respective close associates or any Shareholders (who to the knowledge of the Directors owned more than 5% of the Company's issued share capital) had any interest in any of the Group's five largest customers or five largest suppliers as at 31 March 2026.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES OR JOINT VENTURES

On 10 March 2026, Westfountain Co. Ltd., an indirect wholly-owned subsidiary of the Company, as vendor, and the Company, as the vendor's guarantor, entered into a conditional sale and purchase agreement with Fortune Premier Management Limited, an independent third party, in relation to the disposal of all the issued shares in Success Well Investment Limited (成康投資有限公司), together with the relevant shareholder's loan, at an aggregate cash consideration of HK$167,539,000. The disposal was completed on 31 March 2026, following which Success Well Investment Limited ceased to be a subsidiary of the Company. The Group recognised a loss on the disposal of approximately HK$5,062,000. For details, please refer to the announcement of the Company dated 10 March 2026 and Note 35 to the consolidated financial statements.

Save as disclosed above, the Group did not have any material acquisition or disposal of subsidiaries, associates or joint ventures for the Year.

CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

Save as disclosed in the section headed "Share Option Scheme" above and except for the warrant subscription agreement entered into by the Company on 19 January 2026 which was subsequently terminated on 1 April 2026 disclosed in the section headed "Connected Transaction" above, during the Year, the Company and its subsidiaries did not issue or grant any convertible securities, options, warrants or other similar rights, and there were no convertible securities, options, warrants or other similar rights, conversion rights or subscription rights issued or granted by the Company or its subsidiaries at any time before.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the Year. As at 31 March 2026, the Company did not hold any treasury shares.

COMPLIANCE WITH LAWS AND REGULATIONS

As far as the Company is aware, there was no material breach of or non-compliance with the applicable laws and regulations that had a significant impact on the businesses and operations of the Group during the Year.

REMUNERATION POLICY

The remuneration policy regarding the Directors, top management and other employees of the Group was formulated and will be reviewed by the Remuneration Committee of the Company from time to time. Directors, top management and employees are remunerated according to their qualifications and experience, job nature and performance and under the pay scales aligned with market conditions. In addition to the contractual remuneration, other benefits including discretionary bonus, medical scheme, insurance coverage, retirement benefits schemes and share options may also be offered upon the determination of the Group. Details of the Group's retirement benefits schemes and the Share Option Scheme are set out in Note 39 to the consolidated financial statements and the section headed "Share Option Scheme" above respectively.

RETIREMENT BENEFITS SCHEMES

The Group operates a defined contribution retirement benefits scheme which is registered under the Occupational Retirement Scheme Ordinance (the "ORSO Scheme") for eligible employees. The assets of the scheme are separately held in funds under the control of trustees.

With effect from 1 December 2000, the Group has also joined the Mandatory Provident Fund ("MPF") scheme for employees in Hong Kong. The MPF Scheme is registered with the Mandatory Provident Fund Schemes Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee.

Under the rules of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rates specified in the rules. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions under the scheme.

The Group contributes 5% to 10% of the employee's monthly salary to the ORSO Scheme and either (i) 5% on the lower of the employee's monthly salary or HK$30,000 or (ii) 5% of the employee's monthly salary to the MPF Scheme. Where there are employees who leave the ORSO Scheme prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

The employees of the subsidiaries in the PRC are members of state-managed retirement benefits schemes operated by the PRC government. The subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefits schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefits schemes is to make the required contributions under the schemes.

The Group had no forfeited contributions under the ORSO Scheme, the MPF Scheme and its retirement benefits schemes in the PRC which may be used to reduce the existing level of contributions during the Year and at the end of the Year (2025: nil).

DIVIDEND POLICY

The dividend policy of the Company aims at providing stable and sustainable returns to the Shareholders whilst preserving the liquidity of the Group to capture future growth opportunities. The Company intends to provide the Shareholders with regular dividends and to declare special dividend from time to time, and whenever appropriate, to offer a scrip dividend alternative to the Shareholders. In deciding whether to propose a dividend and determining the dividend amount, the Board will consider the earnings performance, financial and liquidity position, investment requirements and future prospects of the Group, and any other factors that the Board may deem appropriate.

The Group has not declared or paid any interim and final dividends during the years ended 31 March 2026 and 2025.

There were no arrangements under which any dividends are waived or agreed to be waived by the Shareholders.

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision for the benefit of the Directors is currently in force and was in force throughout the Year. The Company has arranged insurance coverage in respect of legal action against its Directors and officers.

RELIEF OF TAXATION

The Company is not aware of any relief from taxation available to the Shareholders by reason of their holding of the Company's securities.

PRE-EMPTIVE RIGHTS

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

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float of its Shares as required under the Listing Rules throughout the Year and as at the date of this report. As at the date of this report, the public holds no less than 25% of the issued share capital of the Company, which complies with the requirements of Rule 13.32B of the Listing Rules.

AUDITOR

A resolution will be proposed at the Annual General Meeting to re-appoint Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board

Cheung Hon Kit
Chairman

Hong Kong, 29 June 2026

The Company is committed to maintaining high standards of corporate governance practices and procedures and complying with the statutory and regulatory requirements with an aim to maximising the values and interests of the Shareholders as well as enhancing the transparency and accountability to the stakeholders.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions of the CG code as its own code of corporate governance. Throughout the Year, the Company has complied with all the code provisions of the CG Code as set out in Part 2 of Appendix C1 to the Listing Rules and applied the principles contained therein, except that the role of the "chief executive" is vacant. The responsibilities for the operations and business development of the Group are shared by the executive Directors. The Board is of the view that as there is a clear division of responsibilities amongst the executive Directors, the current structure is effective in facilitating the operations and business development of the Group and enabling the Board to discharge its responsibilities satisfactorily. In addition, the independent non-executive Directors contribute valuable views and proposals independently for the Board's deliberation and decisions.

CORPORATE CULTURE, STRATEGY AND LONG-TERM BUSINESS MODEL

The Company embeds with a strong corporate culture for compliance, corporate governance and corporate social responsibilities, and at the same time, keeps a close eye on opportunities of property markets in different locations and revisits and restructures the property investment portfolio of the Group. The corporate objective of the Group is to maximize returns for the Company and its Shareholders. To achieve this corporate objective, the business strategies of the Group are to maintain continuous growth and profitability by acquiring property sites with good locations at relatively low costs for redevelopment, while sale of property upon completion of development is the primary profit driver. The Group also builds a property investment portfolio with appreciation potential in order to secure a recurring and reliable source of income. Other businesses, including the securities investments and the provision of loan financing services, are part of the Group's treasury management for utilising surplus cash, and supplement to the Group's core businesses of property development and investment. Forming joint ventures with business partners having similar investment philosophy is a preferred mode of holding structure for the Group's investment as it can on one hand diversify the business risks, and on the other hand share the expertise of business partners. The Group also maintains professional teams and grasps timely information to meet the market changes.

In addition to its existing core businesses of property development and investment, the Group is also cautiously exploring opportunities in artificial intelligence computing power services, data centre properties and related infrastructure businesses. These initiatives remain at an exploratory or preliminary stage and include, among other things, evaluating potential artificial intelligence data centre projects, establishing industry partnerships, enhancing its understanding of international artificial intelligence infrastructure and cloud service models, and assessing the resources and operational capabilities required for future development.

The Group intends to pursue such development in a prudent and phased manner, taking into account market conditions, funding requirements, regulatory developments, the availability of suitable resources and partners, and whether the Group can successfully establish the relevant technical, operational and service capabilities. At this stage, these initiatives are intended to complement rather than replace the Group's existing property business.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct for Directors in their dealings in the securities of the Company. In response to specific enquiries made by the Company, all the Directors confirmed that they complied with the required standards set out in the Model Code throughout the Year. The Company has also adopted the Model Code to regulate the dealings in the securities of the Company by its employees and directors of the subsidiaries who are likely to possess inside information relating to the Company or its securities.

CORPORATE GOVERNANCE REPORT

BOARD OF DIRECTORS

Members of the Board are individually and collectively responsible for the leadership and control, and for the promotion of the success, of the Company by operating and developing the Group's business operations, implementing the Group's business strategies, and performing the corporate governance duties. The Board currently has twelve members, comprising seven executive Directors, one non-executive Director and four independent non-executive Directors. Details of the composition of the Board are set out on page 2 of this annual report. A list containing the names of all the Directors and their role and function is available on the websites of the Stock Exchange and the Company, and will be updated from time to time as and when there are any changes.

The biographical details of the Directors are set out on pages 5 to 10 of this annual report. Except that Dr. Charles Chan, an executive Director and Joint Vice Chairman of the Company, is the father of Mr. Alan Chan, an executive Director, there is no financial, business, family or other material relationship among the members of the Board.

The Company has maintained a sufficient number of independent non-executive Directors representing at least one-third of the Board as required under the Listing Rules throughout the Year. With four independent non-executive Directors possessing professional expertise and a diverse range of experience, the Board effectively and efficiently exercises independent judgment, gives independent advice to the management of the Company and makes decisions objectively for the benefits and in the interests of the Company and the Shareholders as a whole.

The Board has delegated the executive Board or other committees with authority and responsibility for handling the management functions and operations of the day-to-day business of the Group while specifically reserving important matters and decisions to the Board for approval, such as annual and interim financial reporting and control, equity fund-raising, declaration of interim dividend, recommendation of final dividend or other distributions, decisions regarding notifiable transactions and connected transactions under Chapter 14 and Chapter 14A of the Listing Rules respectively and making recommendation for capital reorganisation or scheme of arrangement of the Company. The Board has also established the Audit Committee, the Remuneration Committee, the Nomination Committee, the Corporate Governance Committee, the Investment Committee and the Environmental, Social and Governance Committee each with specific written terms of reference which clearly define their respective roles, authorities and functions. The members of the said committees have full access to minutes, records and materials as well as the personnel of the Company to enable them to fulfil their responsibilities. Further information on each of the committees is set out below in this report.

Regular Board meetings are held at least four times a year with at least 14 days' prior notice being given to all Directors. Additional Board meetings will be arranged and held as and when necessary. The Directors may attend the Board meetings either in person or through electronic means of communication. During the Year, a total of five Board meetings, including four regular meetings, were held and written resolutions of Directors were circulated and passed for approving significant matters. Also, resolutions were passed by the executive Board during the Year for normal course of business and matters under authorisation and/or delegation by the Board.

The Directors are provided with all relevant information in advance to enable them to make informed decisions, and appropriate arrangements are in place to ensure that they are given an opportunity to include matters in the agendas for the regular Board meetings. All Directors have separate and independent access to the advice and services of the Group's senior management and consultants with a view to ensuring that the Board procedures and all applicable laws, rules and regulations are observed and complied with. During the Year, the chairman of the Board (the "Chairman") meets at least annually with the independent non-executive Directors without the presence of other Directors.

A tentative schedule for regular Board meetings, committee meetings and annual general meeting of each financial year is made available to all Directors prior to the beginning of the year. The attendance records of each Board member, on a named basis, at the meetings held during the Year are as follows:

	Number of Meetings Attended/Eligible to Attend						
Name of Director	Board	Audit Committee	Remuneration Committee	Nomination Committee	Corporate Governance Committee	ESG Committee	2025 Annual General Meeting
Executive Directors:							
Mr. Cheung Hon Kit	5/5	–	–	1/1	1/1	–	1/1
Mr. He Xuechu (Note)	0/0	–	0/0	–	0/0	–	0/0
Dr. Charles Chan	5/5	–	–	–	–	–	1/1
Mr. Alan Chan	5/5	–	–	–	–	–	1/1
Mr. Law Hon Wa, William	5/5	–	–	–	1/1	2/2	1/1
Mr. Wu Yao (Note)	1/1	–	–	–	1/1	–	0/0
Mr. Cao Xinwei (Note)	0/0	–	–	–	–	0/0	0/0
Non-executive Director:							
Ms. Rosanna Chau (Note)	5/5	–	–	1/1	–	–	1/1
Independent Non-executive Directors:							
Mr. Abraham Shek	5/5	4/4	1/1	1/1	–	–	1/1
Mr. Ip Hon Wah	5/5	4/4	1/1	1/1	1/1	2/2	1/1
Mr. Pang, Anthony Ming-tung	5/5	4/4	1/1	1/1	–	2/2	1/1
Mr. Vincent Chan (Note)	1/1	–	–	–	–	2/2	0/0

Note: Mr. He Xuechu has been appointed as a member of the Remuneration Committee, the Investment Committee and the Corporate Governance Committee with effect from 15 July 2026. Mr. Wu was appointed as a member of both the Investment Committee and the Corporate Governance Committee with effect from 20 January 2026. Mr. Cao Xinwei was appointed as a member of each of the Investment Committee and the Environmental, Social and Governance Committee with effect from 15 May 2026. Mr. Vincent Chan has been appointed as a member of the Environmental, Social and Governance Committee with effect from 26 November 2025. Ms. Rosanna Chau was appointed as a member of the Nomination Committee with effect from 1 July 2025.

Directors have disclosed to the Company periodically their directorships and offices held in other organisations as well as other significant commitments, and also their time commitments to the Company. In line with the recommended best practice set out in the CG Code, the Board reviewed the performance of the Directors and their contributions to the Company, and is satisfied that the Directors have firm commitments to the Company. Also, the Board is of the view that the Directors have made positive contributions to the Board through active participation in the Company's affairs and the Board's discussion and decisions, as reflected in their attendance rate at the meetings of the Board and committees as well as the annual general meeting held during the Year. The Company has arranged insurance coverage in respect of legal actions against the Directors and officers arising out of their duties. Such insurance coverage is reviewed periodically to ensure the adequacy of its coverage.

Joint Chairmen and Managing Director

The Board is jointly led by Mr. Cheung Hon Kit and Mr. He Xuechu as Joint Chairmen following the appointment of Mr. He as an executive Director with effect from 15 July 2026 and is principally responsible for the strategic planning of the Group and the management of the operations of the Board. The position of the Managing Director is vacant and the responsibilities for the operations and business development of the Group are shared by the executive Directors. The Board is of the view that as there is a clear division of responsibilities amongst the executive Directors, the current structure is effective in facilitating the operations and business development of Group and enabling the Board to discharge its responsibilities satisfactorily. In addition, the independent non-executive Directors contribute valuable views and proposals independently for the Board's deliberation and decisions.

Independent Non-executive Directors

Pursuant to the Bye-Laws and the CG Code, every Director is subject to retirement by rotation and re-election at least once every three years. All the independent non-executive Directors are subject to the aforesaid retirement requirements. As at the date of this report, the Board has four independent non-executive Directors, and at least one of them has the appropriate professional qualifications or accounting or related financial management expertise as required under the Listing Rules. After reviewing the independent non-executive Directors' written confirmations of the factors set out in Rule 3.13 of the Listing Rules concerning directors' independence, the Board considered that all the independent non-executive Directors are independent.

In order to ensure that independent views and input of the independent non-executive Directors are made available to the Board, the Nomination Committee and the Board are committed to assess the Directors' independence annually with regard to all relevant factors related to the independent non-executive Directors including the following:

- required character, integrity, expertise, experience and stability to fulfill their roles;
- time commitment and attention to the Company's affairs;
- firm commitment to their independent roles and to the Board;
- declaration of conflicts of interest in their roles as independent non-executive Directors;
- no involvement in the daily management of the Company nor in any relationship or circumstances which would affect the exercise of their independent judgement; and
- the chairman meets with the independent non-executive Directors regularly without the presence of the executive Directors.

The Board has reviewed the above mechanism and considers the same has been effectively implemented for the Year.

Directors' Continuous Professional Development

In order to uphold good corporate governance, every newly appointed Director will be briefed on the Group's businesses and provided with professional development materials to ensure that he/she has sufficient understanding of the Group's businesses and awareness of duties under the Listing Rules and the relevant statutory and regulatory requirements.

In addition, the Company encourages the Directors to enroll in professional development courses and seminars relating to the Listing Rules, the Hong Kong Companies Ordinance and corporate governance practices organised by professional bodies or chambers. Briefings on specific topics of significance and interests with the relevant reading materials are also arranged for the Directors so as to provide continuous professional development (the "CPD") training as required by the CG Code. During the Year, the Company continued to provide the Directors with materials on updates on rules and regulations, market developments, and other relevant topics which enhanced greater awareness and understanding of the Group's businesses and the compliance with regulatory development.

All Directors have provided their training records to the Company and confirmed that during the Year, they had participated in the CPD training on the following topics:

Name of Director	The Group's businesses	Corporate governance and/or others[note1]
Mr. Cheung Hon Kit ("Mr. HK Cheung")	✓	✓
Mr. He Xuechu (*appointed on 15 July 2026*)[note2]	**N/A**	**N/A**
Dr. Charles Chan	✓	✓
Mr. Alan Chan	✓	✓
Mr. Law Hon Wa, William ("Mr. William Law")	✓	✓
Mr. Wu Yao	✓	✓
Mr. Cao Xinwei (*appointed on 15 May 2026*) [note3]	**N/A**	**N/A**
Ms. Rosanna Chau	✓	✓
Mr. Abraham Shek	✓	✓
Mr. Ip Hon Wah ("Mr. HW Ip")	✓	✓
Mr. Pang, Anthony Ming-tung ("Mr. Anthony Pang")	✓	✓
Mr. Vincent Chan	✓	✓

Notes:

1. It includes topics on directors' duties and responsibilities, corporate governance, continuing obligations, continuing disclosure obligations, suspension-related requirements and environmental, social and governance issues (including climate strategy and scenario analysis).
2. Mr. He Xuechu was appointed as an executive Director with effect from 15 July 2026; accordingly, no CPD training during the Year is reported for him.
3. Mr. Cao Xinwei was appointed as an executive Director with effect from 15 May 2026; accordingly, no CPD training during the Year is reported for him.

Each of Mr. He Xuechu, Mr. Wu Yao, Mr. Cao Xinwei and Mr. Vincent Chan has confirmed that he (i) has obtained the legal advice referred to under Rule 3.09D of the Listing Rules on 5 June 2026, 24 December 2025, 6 May 2026, 21 November 2025, and (ii) understands his obligations as a director of a listed issuer under the Listing Rules.

Nomination, Appointment and Re-election of Directors and Diversity

The Board has delegated its authority to the Nomination Committee for the nomination and appointment of new Directors and the nomination of Directors for re-election by the Shareholders at the annual general meeting. Pursuant to the Bye-Laws, the Directors shall have the power from time to time and at any time to appoint any person as a Director, either to fill a casual vacancy on the Board or as an addition to the existing Board, who will be subject to retirement and re-election at the next following annual general meeting.

The Board has expanded its board diversity policy (the "Board Diversity Policy") by including diversity of workforce of the Group and renamed the policy as the "Board and Workforce Diversity Policy" in June 2026. The Board and Workforce Diversity Policy shall be reviewed annually for ensuring a balance of skills, experience and diversity of perspectives appropriate to the requirements of the businesses and strategies of the Group and to the succession planning and development of the Board; and upholding the Group's commitment to a work environment free of harassment or discrimination and to the development of the workforce's potential to build competent, committed and successful teams. The Group believes that the concept of diversity incorporates a number of different aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional and industrial experience, business perspectives, skills, knowledge and length of service. All Board appointments and employment-related decisions shall be based on merit and contribution on an equal-opportunity principle, and selected candidates shall be considered against objective criteria, having due regard to the benefits of diversity on the Board or the workforce as well as the needs of the Board or the workforce without focusing on one single diversity aspect.

At the Board level, there shall be a mixed gender Board with at least one Director of a different gender. For succession planning of the Board, there shall be at least 20% of senior executives of a different gender. Furthermore, there shall be at least 20% of the total workforce of a different gender. As at 31 March 2026, both the senior executive team (excluding Directors) and the overall workforce comprise 50% male and 50% female employees.

In addition, a candidate to be appointed as an independent non-executive Director must satisfy the independence criteria set out in the Listing Rules and is expected to have independent views and exercise independent judgement and should not solely rely on professional advisers or what is volunteered by the management.

During the Year, no Director was involved in fixing his/her own terms of re-appointment and no independent non-executive Director participated in assessing his own independence. The Board reviewed the implementation and effectiveness of the Board Diversity Policy and measurable objectives set out therein during the Year and is satisfied that all the measurable objectives have been achieved. Each of the Directors was given a formal letter of appointment setting out the key terms and conditions of his/her appointment. Every Director shall be subject to retirement by rotation at least once every three years at the annual general meeting. Also, pursuant to the Bye-Laws, not less than one-third of the Directors for the time being shall retire from office by rotation at each annual general meeting.

NOMINATION COMMITTEE

The Nomination Committee currently comprises five members, namely Mr. Abraham Shek (committee chairman), Mr. HK Cheung, Ms. Rosanna Chau, Mr. HW Ip and Mr. Anthony Pang. Except Mr. HK Cheung, an executive Director, and Ms. Rosanna Chau, a non-executive Director, all the other members are independent non-executive Directors.

The main responsibilities of the Nomination Committee include making recommendations to the Board on matters relating to the appointment or re-appointment of the Directors and succession planning for the Directors; assessing the independence of the independent non-executive Directors; reviewing the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy; assisting the Board in maintaining a board skill matrix; supporting the Company's regular evaluation of the Board's performance and reviewing the nomination policy of the Company (the "Nomination Policy") to ensure its effectiveness and regulatory compliance. The terms of reference of the Nomination Committee have been updated in June 2025 and are available on the websites of the Stock Exchange and the Company. For effective functioning in the course of the Director's nomination process, the Board has also adopted the procedures for the Shareholders to propose a person for election as a Director in accordance with the Bye-Laws, the Nomination Policy and the Board and Workforce Diversity Policy. The Nomination Committee has been provided with sufficient resources to perform its duties. Under the Nomination Policy, the Nomination Committee shall apply the following selection criteria after identifying and shortlisting the suitable candidates for appointment of Director:

(i) the attributes to complement the Company's corporate strategies;

(ii) the business experience and board expertise and skills;

(iii) the time commitment and attention in the businesses of the Group;

(iv) the integrity, personal ethics, honesty and good reputation;

(v) in case of appointment of independent non-executive Director, the compliance with the independence requirements under the Listing Rules and the possession of independent views and the exercise of independent judgement without solely reliance on professional advisers or what is volunteered by the management; and

(vi) the benefits towards a diversified Board with regards to the Board and Workforce Diversity Policy.

The recommendation of the Nomination Committee on appointment of a new Director shall then be put to the Board for consideration and approval.

For re-election of a retiring Director, the Nomination Committee shall also apply the selection criteria to assess the retiring Director and make recommendations to the Board. A circular containing the requisite information on the Directors standing for re-election shall be sent to the Shareholders. If a retiring independent non-executive Director (i) has served on the Board for more than nine years or (ii) has held directorship in six or more other listed companies, the Board shall explain in the circular the reasons why (i) he is still believed as independent and should be re-elected, including the factors considered, the process and the discussion in arriving at such determination or (ii) he is able to devote sufficient time to the Board, respectively.

During the Year, the Nomination Committee held one meeting and passed resolutions. The work performed by the Nomination Committee during the Year included the following:

(i) reviewed the structure, size and composition of the Board, including the skills, knowledge, experience and diversity of perspectives of its members;

(ii) assessed the independence of each of the independent non-executive Directors;

(iii) considered and recommended to the Board the nomination of the retiring Directors for re-election at the 2025 annual general meeting of the Company (the "2025 AGM");

(iv) considered and recommended to the Board the appointment of Mr. Chan Chun Hung, Vincent as an independent non-executive Director with effect from 26 November 2025 and the appointment of Mr. Wu Yao as an executive Director with effect from 20 January 2026, having regard to the selection criteria set out in the Nomination Policy and, in the case of Mr. Chan, his independence under Rule 3.13 of the Listing Rules;

(v) reviewed and recommended to the Board the proposed amendments to the terms of reference of the Nomination Committee and the Nomination Policy, which were approved by the Board in June 2025; and

(vi) reviewed the implementation and effectiveness of the Board and Workforce Diversity Policy, including the measurable objectives and the progress made towards achieving those objectives.

CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee currently comprises five members, comprising (i) four executive Directors, namely Mr. HK Cheung (committee chairman), Mr. He Xuechu, Mr. William Law and Mr. Wu Yao; and (ii) one independent non-executive Director, namely Mr. HW Ip. Mr. He Xuechu was appointed as a member of the Corporate Governance Committee with effect from 15 July 2026.

The Board has delegated its corporate governance functions set out in the code provisions of the CG Code to the Corporate Governance Committee. The principal duties of the Corporate Governance Committee include making recommendations to the Board on the Company's policies and practices on corporate governance; and developing, reviewing and monitoring:

(i) the training and CPD of the Directors and the senior management of the Company,
(ii) the Company's policies and practices on compliance with the legal and regulatory requirements,
(iii) the code of conduct and compliance manual (if any) applicable to the Company's employees and the Directors, and
(iv) the Company's compliance with the CG Code and disclosure in the corporate governance report.

During the Year, the Corporate Governance Committee held one meeting and reviewed and monitored (i) the training and CPD of the Directors and senior management of the Company; (ii) the Company's policies and practices on compliance with legal and regulatory requirements; and (iii) the Company's compliance with the CG Code and the disclosure in the 2024-2025 corporate governance report.

REMUNERATION COMMITTEE

The Remuneration Committee currently comprises four members, namely Mr. Anthony Pang (committee chairman), Mr. He Xuechu, Mr. Abraham Shek and Mr. HW Ip. Except Mr. He Xuechu, an executive Director, all the other members are independent non-executive Directors. Mr. He Xuechu was appointed as a member of the Remuneration Committee with effect from 15 July 2026. The main responsibilities of the Remuneration Committee include (i) making recommendations to the Board on the Company's remuneration policy and structure for all the Directors and senior management of the Company and on the establishment of a formal and transparent procedure for developing remuneration policy, (ii) determining the remuneration packages of the executive Directors and senior management of the Company; and (iii) reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules. The terms of reference are available on the websites of the Stock Exchange and the Company. The Remuneration Committee has been provided with sufficient resources to perform its duties. During the Year, the Remuneration Committee held one meeting and passed resolutions. The Remuneration Committee during the Year (i) reviewed the terms of reference of the Remuneration Committee and the remuneration policy for the Directors and employees of the Group; (ii) considered and recommended to the Board the annual Director's fee payable to Mr. Wu Yao upon his appointment as an executive Director; and (iii) considered and recommended to the Board the annual Director's fee payable to Mr. Chan Chun Hung, Vincent upon his appointment as an independent non-executive Director. Details of the remuneration packages of the Directors are set out in Note 12(a) to the consolidated financial statements in this annual report. During the Year, no Director or any of his/her associates (as defined in the Listing Rules) was involved in deciding the remuneration package of such Director, and no service contract of any executive Directors or senior management of the Company is required to be approved by the Remuneration Committee.

AUDIT COMMITTEE

The Audit Committee currently comprises three members, all being independent non-executive Directors, namely Mr. Anthony Pang (committee chairman), Mr. Abraham Shek and Mr. HW Ip. Mr. Anthony Pang is a qualified accountant with extensive experience in financial reporting and controls as required by the Listing Rules. The principal duties of the Audit Committee include reviewing the Group's interim and annual results prior to recommending them to the Board for approval; making recommendation on the appointment of external auditor of the Company (the "Auditor") and acting as the key representative body for overseeing the Company's relations with the Auditor; and reviewing the Group's financial information and financial reporting system. The Audit Committee is also responsible for reviewing the adequacy and effectiveness of the Group's risk management and internal control systems, and the effectiveness of the internal audit function of the Company. Its terms of reference are available on the websites of the Stock Exchange and the Company. The Board has also adopted the risk management and internal control policy and the whistle-blowing policy, and has delegated the Audit Committee with the responsibility for reviewing such policies and related arrangements. The Audit Committee has been provided with sufficient resources to perform its duties.

During the Year, the Audit Committee held four meetings and dealt with certain matters by way of passing written resolutions. The work performed by the Audit Committee during the Year included, without limitation, the following:

(i) discussed and reviewed the audit planning report for the Year;

(ii) endorsed the following matters for the Board's approval:
- the audited consolidated financial statements for the year ended 31 March 2025, including the 2024-2025 Going Concern Issue and the qualification on investment in an associate;
- the unaudited consolidated interim financial statements for the six months ended 30 September 2025;
- the re-appointment of the Auditor for Shareholders' approval at the 2025 AGM;
- the internal audit checklist and timetable;
- the cash flows forecast for the periods from 1 April 2025 to 30 June 2026 and from 1 October 2025 to 30 November 2026; and
- the internal audit reports;

(iii) approved the terms of engagement of the Auditor, including the fee basis, in respect of the consolidated financial statements for the Year;

(iv) discussed and reviewed with the management and the Auditor on the changes in accounting standards and requirements which might affect the Group; and

(v) reviewed the terms of reference of the Audit Committee, the risk management and internal control policy and the whistle-blowing policy.

The Board and the members of the Audit Committee did not have any differences in opinion during the Year.

INVESTMENT COMMITTEE

The Investment Committee comprises seven members and all of them are executive Directors. The main responsibilities of the Investment Committee include (i) making recommendations to the Board on strategies and risk control policies for the Group's investments and reviewing the efficiency and effectiveness of their implementation, and relevant matters relating to acquisitions and disposals of, investments in assets, companies, businesses or projects, and their funding requirements; (ii) conducting necessary research and gathering necessary information before making any investment decisions; (iii) reviewing financial performance of the investment portfolio of the Group; (iv) reviewing the appropriateness of the investment portfolio and making recommendations to the Board on treasury management and investment of surplus funds; and (v) reviewing the investment policy to ensure its effectiveness and making recommendations to the Board on any proposed changes. The Investment Committee has been provided with sufficient resources to perform its duties. During the Year, the Investment Committee reviewed the terms of reference of the Investment Committee and the investment policy.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

The ESG Committee currently comprises five members, namely Mr. HW Ip (committee chairman), Mr. William Law, Mr. Anthony Pang, Mr. Cao Xinwei and Mr. Vincent Chan. Except Mr. William Law and Mr. Cao Xinwei who are executive Directors, all the members are independent non-executive Directors.

The principal duties of the ESG Committee include (i) reviewing and making recommendations to the Board on the Company's ESG and climate-related policies, strategies, and performance; (ii) assessing the adequacy, progress, and allocation of resources dedicated to ESG initiatives; (iii) overseeing the preparation and accuracy of the Company's annual ESG report; (iv) ensuring appropriate risk management and internal control systems are in place; and (v) overseeing the establishment of targets related to climate-related risks and opportunities, monitoring progress toward these targets. During the Year, the ESG Committee held two meetings. The work performed by the ESG Committee during the Year included (i) reviewing the Company's ESG and climate-related policies, strategies, performance and progress towards the relevant targets; (ii) assessing the allocation of resources for ESG initiatives and reviewing the effectiveness of the climate-related risk management and internal control systems; and (iii) reviewing the Company's annual ESG report and recommending it to the Board for approval. The ESG Committee was provided with sufficient resources to perform its duties.

COMPANY SECRETARY

The company secretary of the Company (the "Company Secretary") is responsible for ensuring that Board procedures are followed and Board activities are effectively and efficiently conducted, and the Company complies with the Listing Rules and the other relevant rules and regulations, including but not limited to the preparation, publication and despatch of the Company's annual and interim reports within the prescribed time limit as required by the Listing Rules and the arrangement of Directors' CPD training as required by the CG Code.

In addition, the Company Secretary advises the Directors on their obligations for the disclosure of interests and dealings in the Company's securities, connected transactions and inside information, and ensures that the standards and disclosures as required by the Listing Rules and all other relevant rules and regulations are fulfilled and, if required, disclosures are made in the annual and/or interim reports of the Company.

Ms. Wong Siu Mun served as the Company Secretary during the Year and resigned with effect from 20 May 2026. Ms. Chan Ching Yi was appointed as the Company Secretary with effect from 20 May 2026 and resigned with effect from 8 July 2026. Ms. Wu Di ("Ms. Wu") was appointed as the Company Secretary with effect from 8 July 2026 and is the current Company Secretary. Ms. Wu is employed by Zhong Lun Law Firm LLP and is responsible for advising the Board on corporate governance matters and ensuring compliance with the Board's policies and procedures and the applicable laws, rules and regulations.

Ms. Wu's primary corporate contact person at the Company is Ms. Chen Yannuo, the Operation Manager of the Company, who is primarily responsible for the internal coordination of corporate governance and company secretarial matters of the Group.

Ms. Wong Siu Mun, who served as the Company Secretary throughout the Year, confirmed that she had undertaken not less than 15 hours of relevant professional training during the Year in compliance with Rule 3.29 of the Listing Rules.

FINANCIAL REPORTING

The Directors acknowledge their responsibilities for preparing the financial statements for each financial period to give a true and fair view of the state of affairs of the Group and of the results and cash flows of the Group for that period. In preparing the financial statements, the Directors have selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent, fair and reasonable and prepared the financial statements on a going concern basis. The statement of the Auditor regarding its reporting responsibilities on the financial statements of the Group is set out in the Independent Auditor's Report of this annual report.

The Group has maintained a team of qualified accountants to oversee its financial reporting and other accounting related issues in accordance with the relevant laws, rules and regulations. The management of the Company provides all members of the Board with monthly updates, giving a balanced and understandable assessment of the Company's performance, position and prospects in sufficient details to enable the Board as a whole and the Directors to discharge their duties under Rule 3.08 and Chapter 13 of the Listing Rules.

The Auditor issued a qualified opinion (the "Qualified Opinion") in the Independent Auditor's Report on the Company's consolidated financial statements for the Year in respect of the accounting treatment in prior years relating to the Group's interest in Rosedale Hotel Beijing Co., Ltd. (defined as 'Rosedale Beijing'). Details are set out in the section headed "Basis for Qualified Opinion" in the Independent Auditor's Report of this annual report.

Management's Views on the Qualified Opinion

The qualified opinion for the Year arose from the absence of sufficient appropriate audit evidence to support the accounting treatment of Rosedale Beijing in the previous year. The Auditor's opinion for the current year was modified solely due to the possible effect of this matter on the comparability between the current year's figures and the corresponding figures presented in the consolidated statement of profit or loss.

As Rosedale Beijing was disposed of by the Group during the Year, the Group no longer holds any interest in Rosedale Beijing. Accordingly, the Group considers that this matter will have no further impact on the Group's consolidated financial statements in future years.

Audit Committee's Views on the Qualified Opinion

The Audit Committee has reviewed the Qualified Opinion, the management's position and the Group's handling of the Rosedale Beijing matter. The Audit Committee confirmed and concurred with the management's views on the Qualified Opinion and noted that the Group disposed of its entire 20% equity interest in Rosedale Beijing during the Year. Accordingly, the management considers that this matter will have no further impact on the Group's consolidated financial statements in future years.

AUDITOR'S REMUNERATION

The total remuneration paid or payable to the Auditor for the Year amounted to approximately HK$4,911,000 of which HK$4,860,000 was for audit services and HK$51,000 for non-audit services, including tax-related services and ad hoc projects.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board believes that good governance reflects the values and culture of an organisation. It has the overall responsibility for acting with integrity, promoting a strong culture for compliance and corporate governance of the Group, and maintaining a sound and effective system of risk management and internal control for reviewing its effectiveness, particularly in respect of the key controls on finance, operations and compliance through risk management assessment, to integrate into the Group's strategies and business operations, and safeguard the Group's assets and stakeholders' interests.

The Board oversees the Group's risk management process which comprises the identification and assessment of the key risks exposure of the Group, including material environmental, social and governance risks, based on their estimated impact and likelihood of occurrence and formulation of corresponding mitigating controls by the management. The Group's identified risks and associated mitigating controls are recorded in a risk register and are reviewed at least annually in light of internal and external changes. An open and interactive communication channel is maintained to enable timely reporting and ongoing supervision of the identified risks within the Group. The principal risks and uncertainties encountered by the Group and the corresponding mitigating controls are set out in the section headed "Management Discussion and Analysis" of this annual report.

The foundation of strong risk management and internal control systems is dependent on the values and culture developed by the organisation, the direction provided by the Board and compliance with the policies and procedures by the personnel. The Group's risk management and internal control systems include a well-established organisation structure, comprehensive policies and standards, and the Board's periodic reviews on the implementation of the internal control systems by the functional departments in respect of operation, financial function and compliance of all the businesses of the Group, including the corporate transactions and provision of financial assistance, if any, in order to manage the Group's identified risks effectively. The risk management and internal control policy of the Group has been developed with a primary objective of providing general guidance and recommendations on a basic framework of risk management and internal control and for achievement of the Group's purpose. The whistle-blowing mechanism is in place for the employees of the Group and those who deal with the Group to raise concerns in confidence and anonymity about any suspected impropriety, misconducts or malpractices within the Group. The Company has established an anti-corruption policy that promotes and supports all applicable anti-corruption laws and regulations.

The Company has also established and maintained appropriate and effective systems and procedures for handling and dissemination of inside information. The Board has adopted the policy on disclosure of inside information, pursuant to which an internal committee has been established to review and assess any material information which requires to be escalated for the attention of the Board and to be disclosed. Procedures have also been implemented for responding to external and Shareholders' communications so that only designated personnel can respond to enquiries about the Group's affairs.

The internal audit function of the Group is an independent function that reports directly to the Audit Committee. The internal audit team from time to time reviews the Group's business operations, risk management and internal control systems in accordance with the risk-based internal audit work plan, internal audit checklist and timetable as approved by the Audit Committee. Internal audit reports with internal control effectiveness conclusions are also prepared periodically for the Audit Committee's review and the Board's consideration and approval.

The Board is responsible for the design, implementation and monitoring of the Group's risk management and internal control systems on an ongoing basis and a cyclical review has been conducted on their effectiveness. Furthermore, the Board has performed annual review and ensured that adequate resources and budget have been spent on the Company's accounting and financial reporting, internal audit, compliance, and environmental, social and governance performance and reporting functions which are carried out by professional staff with appropriate qualifications, experience and training.

During the Year, the Group's risk management and internal control systems remain unchanged from the prior year. No significant irregularity, deficiency or areas of concern in risk management and internal control systems was required to draw the attention of the Audit Committee. The Board, based on the periodical assessment and confirmation from the management, the internal audit function and the Audit Committee, has reviewed the Group's risk management and internal control systems and considered them to be effective and adequate.

Taking into account the Qualified Opinion for the comparative figure for this year's annual results, the Group will continue to enhance the internal controls through closely monitoring the reporting of financial and operational information by its associates, periodically reviewing the shareholders' agreements and constitutional documents, and taking timely action in response to any non-compliance or significant area of concern noted, in order to avoid similar situations happening again.

COMMUNICATION WITH SHAREHOLDERS

The Board has adopted, and reviews from time to time, the Shareholders' communication policy which was designed with the objective of ensuring that the Shareholders are provided with ready, equal and timely access to balanced and understandable information about the Company in order to enable them to exercise their rights in an informed manner. During the Year, a review on the implementation and effectiveness of the Shareholders' communication policy was conducted and the policy was considered effective to the Company.

The Company communicates with the Shareholders through the publication of annual and interim reports, announcements and circulars as well as the dissemination of additional information about the Group's activities, business strategies and developments. All such information and the manner adopted by the Company for the dissemination of corporate communications as well as the arrangements for Shareholders to make requests for printed copies of corporate communications of the Company are available on the Company's website at www.itcproperties.com.

The Board strives to maintain an ongoing and transparent communication with all the Shareholders, including posting the contact details of Shareholders' communication channels on the Company's website and, in particular, holding general meeting as a means to communicate with the Shareholders and encourage their participation. An open forum session is always arranged after the conclusion of the annual general meeting in order to provide a face-to-face opportunity for the Shareholders to express their views and for the Company to solicit and get feedback from the Shareholders.

Pursuant to the Bye-Laws, notice of the 2025 AGM was sent to the Shareholders not less than 21 clear days before the meeting. Directors and the representatives from the Auditor attended the 2025 AGM in person or by electronic means, and were available to answer questions raised by the Shareholders at the meeting. At the 2025 AGM, a separate resolution in respect of each substantially separate issue put forward for consideration was proposed by the chairman of the meeting, and voting on each resolution was conducted by poll. An explanation of the detailed procedures of conducting a poll was provided to the Shareholders prior to the commencement of the 2025 AGM. The results of the poll were published on the websites of the Stock Exchange and the Company pursuant to the Listing Rules.

At the 2025 AGM, a special resolution was passed for approving the amendments to the preceding Bye-Laws and adopting the amended and re-stated Bye-Laws so as to (i) bring the Bye-Laws in line with the latest regulatory requirement in relation to (a) the expanded paperless listing regime and the electronic dissemination of corporate communications by listed issuers and the relevant amendments made to the Listing Rules and (b) the amendments to the Listing Rules relating to treasury shares; (ii) to provide flexibility to the Company in relation to the conduct of general meetings; and (iii) to make other housekeeping amendments to the Bye-Laws. The updated Bye-Laws are available on the websites of the Stock Exchange and the Company.

SHAREHOLDERS' RIGHTS

Proposing a Person for Election as a Director

Pursuant to bye-law 85 of the Bye-Laws, if a Shareholder wishes to propose a person other than a retiring Director for election as a Director at a general meeting, he/she/it can deposit a written notice at the Company's principal place of business in Hong Kong for the attention of the Board or the Company Secretary or at the Branch Share Registrar. The period for lodgment of such notice will commence no earlier than the day after the despatch of the notice of the general meeting and end no later than seven days prior to the date of such general meeting. The procedures for a Shareholder to propose a person for election as a Director at a general meeting are set out in the "Corporate Governance" section of the Company's website.

Convening a Special General Meeting

Pursuant to bye-law 58 of the Bye-Laws, Shareholder(s) holding at the date of deposit of the requisition not less than 10% of the paid up capital of the Company (excluding treasury shares) 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, to require a special general meeting to be called by the Board. The requisition must state the purpose(s) of the meeting, and must be signed by the requisitionist(s) and deposited at the registered office of the Company. Such meeting shall be held within two months after the deposit of such requisition. If the Board does not, within 21 days from the date of the deposit of the requisition, proceed duly to convene a meeting, the requisitionist(s), or any of them representing more than one-half of the total voting rights of all of them, may themselves convene a special general meeting, but any meeting so convened shall not be held after the expiration of three months from the said date of the deposit of the requisition. Any reasonable expenses incurred by the requisitionist(s) by reason of the failure of the Board duly to convene a special general meeting shall be repaid to the requisitionist(s) by the Company.

Putting Forward Proposals at General Meetings

Pursuant to sections 79 and 80 of the Companies Act 1981 of Bermuda (as amended), (i) any number of Shareholders representing not less than 5% of the total voting rights of all the Shareholders having at the date of the requisition a right to vote at the general meeting to which the requisition relates; or (ii) not less than 100 Shareholders, can submit a requisition in writing to the Company:

(a) to give to the Shareholders entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and

(b) to circulate to the Shareholders entitled to have notice of any general meeting sent to them any statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

The written requisition must be signed by the requisitionist(s) and deposited at the registered office of the Company with a sum reasonably sufficient to meet the Company's relevant expenses and not less than six weeks before the general meeting in case of a requisition requiring notice of a resolution and not less than one week before the general meeting in case of any other requisition.

Enquiries to the Board

Shareholders may at any time send their enquiries and comments to the Board by addressing them to the Company Secretary by post to the Company's principal place of business in Hong Kong, or by e-mail to info@itcproperties.com , or by fax at (852) 2858 2697.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Company is delighted to present its annual Environmental, Social, and Governance ("ESG") Report (the "ESG Report") for the Year which has been reviewed and approved by the Board.

With its mission of "be well-positioned as to location, timing and strategy to maximise returns for the Company and its Shareholders" and "be persistent in excellent development design and execution" as its guiding discipline, the Group is embedded with a strong corporate culture for compliance, corporate governance, and corporate social responsibilities that forms an integral part of its values and strategies. The Group endeavours to create a harmonious and sustainable community through cultivating its responsible corporate citizenship and integrating ESG concerns into the businesses and operations with the aim of aligning the interests and benefits of its valuable stakeholders, the society at large and the environment as a whole.

REPORTING FRAMEWORK AND SCOPE

This ESG Report summarises the ESG-related policies, initiatives and performances of the core operations in the property business across its key markets in Hong Kong, the PRC and Canada. It also covers operations over which the Group had major financial and operational controls as well as those with significant ESG implications to the Group and its stakeholders during the Year.

PRINCIPLE PREPARATION BASIS OF THE REPORT

This ESG Report was prepared in align with the Environmental, Social and Governance Reporting Code ("ESG Reporting Code") set out in Appendix C2 to the Listing Rules on the Stock Exchange. It also complies with all the requirements of "Comply or Explain" as well as other reporting principles, as shown below:

Materiality: This ESG Report provides a comprehensive overview of the materiality assessment conducted to identify and prioritise ESG issues most significant to the Group's business during the Year. The Group has engaged extensively with the Group's key stakeholders and incorporated their perspectives through various channels to ensure transparent disclosure of material ESG topics.

Quantitative: This ESG Report presents quantitative data and key performance indicators ("KPIs") relevant to the Group's environmental and social performance. Each KPI is supported by detailed explanations of measurement standards, methodologies, assumptions, and calculation tools employed. The Group provides transparent disclosure regarding the sources of conversion factors and other relevant data used in the Group's reporting.

Balance: This ESG Report provides an impartial and comprehensive assessment of the Group's ESG performance during the Year, presenting both achievements and areas for improvement through balanced disclosure of positive and negative information. This approach ensures stakeholders receive an objective view of the Group's sustainability performance.

Consistency: This ESG Report maintains consistency in disclosure methodology and presentation format to facilitate meaningful year-on-year comparisons. Where applicable, the Group employs consistent statistical methods and KPIs to ensure data comparability. Any changes in methodology or KPIs are clearly explained to enable stakeholders to track the Group's performance trends over time.

The Group considers this ESG Report an important communication channel with the Group's stakeholders and recognises the significance of ESG disclosure in supporting informed decision-making.

GOVERNANCE

Referring to the keystones of its corporate philosophy, the Group consistently believes that the value of ESG should be embedded in its core businesses and operations. Its sound, systematic corporate governance system and professional working team have enabled the Group to lay a solid foundation for its ESG initiatives, enhancing accountability, integrity, transparency, and honesty, which drives the Group forward.

The Board is strongly committed to upholding high standards of corporate governance to drive sustainable growth and create long-term value for stakeholders. It takes overall responsibility for continuously overseeing the Group's risk management and internal control systems, particularly concerning ESG and climate-related risks and opportunities. These risks are integrated into the Group's annual risk assessment and are managed alongside other business and operational risks.

The Board ensures that ESG and climate considerations are embedded in the Group's governance and business decision-making processes, including regular reviews of the ESG and climate risk management framework to align with both local and international standards. The impact of ESG and climate-related risks on the Group's financial position, operations, and supply chain management is closely monitored, and ESG risk management is closely coordinated with corporate financial planning.

In addition, the Board is responsible for reviewing the progress and outcomes of ESG initiatives, KPIs, targets, and actions taken to address sustainability issues, thereby supporting strategy development and effective business decisions. The Board also reviews governance practices, policies, and procedures to ensure compliance with legal and regulatory requirements and has conducted an annual review to confirm the adequacy of resources, staff qualifications and experience, training programmes, and budget for ESG performance and reporting functions.

More information on corporate governance is set out in the "Corporate Governance Report" section of this annual report.

ESG Governance Structure

The Group is committed to maintaining high standards of corporate governance practices and procedures and is embedded with a strong corporate culture of compliance. In this respect, the Group's ESG reporting structure is shown below:

Roles	Responsibilities and Authorities
The Board	The Board holds ultimate responsibility for managing the Group's ESG and climate-related risks, ensuring these are integrated into overall governance and business decision-making. It oversees the formulation and implementation of ESG and sustainability strategies aligned with the Group's long-term objectives, regularly reviewing and approving ESG targets, KPIs, and action plans. The Board conducts annual risk assessments, monitors the impact of ESG and climate risks on the Group's financial position, operations, and supply chain management, and ensures effective alignment with both local and international standards. By developing and supervising relevant policies, including climate adaptation, environmental compliance, energy management, and carbon reduction, the Board ensures the Group addresses climate challenges, meets regulatory requirements, and enhances sustainable competitiveness.
ESG Committee	The ESG Committee is responsible for implementing the ESG strategies set by the Board and ensuring that ESG-related policies and measures are effectively integrated into daily operations. Its key responsibilities include assisting the Board in identifying and managing significant ESG and climate-related risks and opportunities, developing response plans, and monitoring progress. The ESG Committee regularly reports ESG progress, performance against key targets, and the execution of ESG initiatives to the Board, ensuring alignment with the Group's overall strategy. The ESG Committee establishes mechanisms for risk monitoring and data management, covering areas such as energy use, carbon emissions reporting, waste management, and supply chain sustainability assessments to ensure transparency and measurability of ESG objectives. It also oversees the implementation of ESG policies across functional departments and submits risk management reports and improvement recommendations to the Board. In addition, the Group facilitates internal and external stakeholder engagement, maintaining close communication with functional departments, investors, regulators, suppliers, and business partners. It ensures the effective execution and continuous improvement of ESG risk management mechanisms, the transparency and disclosure of ESG and climate-related information in line with international standards, and the preparation of the annual ESG report. These efforts support regulatory compliance and ensure that ESG objectives remain aligned with the Group's long-term development strategy.
Compliance Department	Compliance Department within the Group is responsible for executing ESG policies and measures, ensuring that ESG objectives are effectively embedded in daily operations and is directly accountable for their achievement. Key responsibilities include environmental management, talent development, supply chain management, and corporate social responsibility, all aimed at aligning ESG risk management with the Group's overall operational strategy. In addition, the Compliance Department is required to regularly review ESG performance data to the ESG Committee to ensure the effectiveness and measurability of ESG risk management and to report on ESG matters to the ESG Committee as needed.

Climate-related Governance

Climate-related risks and opportunities are governed under the Group's integrated ESG governance framework, which is overseen by the Board and supported by the ESG Committee.

The Board has ultimate responsibility for the oversight of climate-related risks and opportunities and for ensuring that appropriate governance structures, competencies and management processes are in place to support the Group's climate-related strategies. The composition of the ESG Committee is reviewed annually by the Board to ensure an appropriate balance of expertise and experience to oversee ESG and climate-related matters. Where necessary, the ESG Committee may invite external experts or consultants to attend meetings to provide professional advice on climate-related issues and emerging regulatory developments.

The ESG Committee meets at least twice annually, with additional meetings convened where required, to review climate-related risks and opportunities identified through the Group's materiality assessment and risk management processes. Through these meetings, the ESG Committee is regularly informed of:

- the Group's exposure to physical and transition climate risks;
- progress towards climate-related targets and initiatives;
- regulatory and market developments relevant to decarbonisation; and
- the effectiveness of mitigation and adaptation measures implemented across operations.

In overseeing the Group's strategy and major operational decisions, the ESG Committee takes into account climate-related risks and opportunities, including potential trade-offs associated with resource allocation, technological upgrades and energy transition initiatives. The ESG Committee is also responsible for reviewing and recommending to the Board the Group's climate-related strategies, policies and objectives, and for monitoring ESG performance to ensure compliance with applicable governance frameworks and regulatory requirements.

The ESG Committee oversees the setting of climate-related targets, including the greenhouse gas ("GHG") emissions reduction goals and monitors progress against these targets through periodic performance reviews. Where material climate-related risks or performance gaps are identified, such matters are escalated to the Board for further consideration and action.

The Group acknowledges the importance of aligning management incentives with climate-related objectives. During the Year, climate-related performance metrics have not yet been incorporated into the Group's remuneration policies. The Board and ESG Committee will continue to evaluate the feasibility of integrating ESG-related performance indicators, including GHG emissions reduction targets and energy efficiency improvements, into management performance assessments and incentive structures in future reporting years, taking into account the Group's operational priorities and strategic development.

The Compliance Department is responsible for the day-to-day monitoring and implementation of climate-related initiatives and supports the governance of climate-related risks and opportunities by:

- conducting materiality assessments to identify climate-related risks and opportunities;
- coordinating data collection and performance monitoring across operational units;
- implementing climate mitigation and adaptation measures; and
- integrating climate-related considerations into operational risk management and internal control processes.

Through this governance arrangement, climate-related risks and opportunities are incorporated into the Group's broader risk management framework, enabling management to monitor and manage such risks alongside other strategic and operational risks, and to support informed decision-making across internal functions.

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

Stakeholder Engagement

The Group is committed to maintaining open and transparent dialogue with the Group's stakeholders to understand their perspectives and integrate their feedback into the Group's business strategies and operations. The Group's stakeholder engagement approach is designed to foster meaningful relationships and ensure the Group address the issues that matter most to its businesses and stakeholders.

The Group regularly engages with a diverse range of stakeholders, including shareholders and investors, customers, employees, suppliers and contractors, business partners, and local communities. Through various engagement channels such as interviews and meetings, the Group gathers valuable insights that help shape the Group's strategic priorities and operational decisions. The Group continuously reviews and enhances the Group's engagement methods to ensure they remain effective and responsive to evolving stakeholder expectations. This ongoing dialogue enables the Group to identify emerging trends, address concerns proactively, and create shared value for all the Group's stakeholders while driving sustainable business growth.

Key Stakeholder Groups Identified

The Group has identified and prioritised the Group's key stakeholder groups which shown are as follows:

Key Stakeholder Group	Engagement Methods	Key ESG Topics of Concern
Shareholders and Investors	• Annual and interim reports • Announcements and circulars • General meetings • Meetings and interviews • Website • Events	• Financial performance • Corporate transparency • Future growth potential and sustainable development • Crisis management • Social investment
Customers	• Daily operations • Events • Brochures and leaflets	• Quality products and services • Data privacy and information security • Business integrity and conduct
Employees	• Training programmes, seminars and briefing sessions • New hire orientation • Regular performance reviews • Exit interviews • Memos, noticeboard, intranet, WeChat group, meetings and discussions	• Health and safety • Remuneration and benefits • Career development • Talent retention • Gender diversity and equal opportunities • Corporate culture

Key Stakeholder Group	Engagement Methods	Key ESG Topics of Concern
Suppliers and contractors	• Quotations and tendering processes • Periodic performance evaluation • After-sale services • Site inspections, meetings and work review • Industrial seminars and workshops	• Product quality and safety • Corporate reputation • Fair and ethical business practice • Long-term relationship • Supply chain responsibilities
Business partners	• Mutual development and sharing of resources • Joint projects	• Mutual trust and synergies • Long-term partnership relationship • Return on investment
Community	• Community investment • Volunteering activities	• Social contribution • Environmental responsibilities • Community participation
Regulatory bodies and government authorities	• Compliance management • Consultation • Meetings • Seminars	• Compliance • Corporate governance • Laws, regulations and practices • Business ethics

Materiality Assessment

The Group conducts periodic materiality assessments to identify ESG issues that may have a significant impact on its business operations, stakeholders and sustainable development. In the previous reporting year, the Group conducted a materiality assessment through stakeholder engagement and internal evaluation. ESG issues were identified with reference to the Group's operational characteristics, stakeholder expectations, industry practices and internationally recognised frameworks, including the Sustainability Accounting Standards Board's ("SASB") Materiality Map.

During the Year, the Group reviewed the material ESG issues identified in the previous reporting year. As there were no significant changes in the Group's business operations, risk exposure or stakeholder expectations, the Board and ESG Committee concluded that the previously identified material ESG issues remained relevant and applicable to the Group's current operations. Accordingly, no changes were made to the materiality matrix during the Year.

The Group's materiality assessment follows a systematic four-step process with reference to the Stock Exchange's "How to Prepare an ESG Report" and "ESG Reporting Code" requirements:

Step 1: Issue Identification

The Group conducted a comprehensive review of industry trends, peer benchmarking, regulatory requirements, and global sustainability standards to compile an extensive list of potentially material ESG issues relevant to the Group's property operations in Hong Kong and the PRC.

Step 2: Stakeholder Consultation

Through interviews and feedback analysis, the Group gathered insights from both internal and external stakeholders on the importance of identified ESG issues. Some of the stakeholders participated in this consultation process, providing valuable input on their priorities and concerns.

Step 3: Impact Assessment

Each ESG issue was evaluated based on two dimensions:

- **Importance to stakeholders:** the level of concern expressed by stakeholders and the potential impact on their decision-making

- **Importance to business:** the potential impact on the Group's financial performance, operational efficiency, reputation, and long-term value creation

Step 4: Validation and Prioritisation

The material ESG issues were reviewed and validated by the Board and its ESG Committee to ensure alignment with the Group's business strategies and stakeholder expectations.

Material ESG Issues Identified

The assessment results were analysed and mapped to a materiality matrix to prioritise ESG issues based on their relative significance. ESG issues were categorised into two priority levels:

High Priority Issues (ESG issues with high operational impact and high stakeholder concern):

- Physical Impacts of Climate Change
- Opportunities in Green Building
- Health and Safety
- Anti-corruption

Medium Priority Issues (ESG issues requiring continuous monitoring and management):

- Product Safety and Quality
- Human Capital Development
- Privacy and Data Security
- Supplier Management

The materiality assessment results have been integrated into the Group's ESG strategies formulation, risk management processes, and performance monitoring systems. These material issues guide the Group's resource allocation, target setting, and disclosure priorities throughout this ESG Report.

ENVIRONMENTAL

As a property developer and investor, the Group faces environmental risks, including, but not limited to emissions and waste generation, energy conservation, water shortages and pollution, and climate change. Ever since the Group began to collect the environmental data and developed its first ESG report, it has been seeking ways to make improvement in emissions reduction, waste minimisation, energy and water saving, and proactively managing climate change through the Group's environmental policies. No confirmed non-compliance or grievance cases were identified during the Year. The Group strives to:

- Ensure compliance with all applicable environmental and related legislations and encourage employees, business partners, and other stakeholders to meet their environmental obligations
- Identify environmental impacts associated with its operations, and continually improve the environmental performance
- Provide good indoor environmental quality in its buildings to ensure that the work and living environments are healthy
- Minimise waste generation whenever practical in daily operations through source reduction and recycling
- Measure and report the GHG emissions, and actively encourage the stakeholders to reduce their carbon footprint
- Improve energy and water efficiency by adopting the best practicable designs and technologies without compromising service
- Embrace green purchasing practices to conserve natural resources
- Adapt to climate change by embedding the physical and transition of climate change risks into the Group's risk management process

Emissions

Air Emissions

During the Year, the Group's operations involved petrol and diesel consumption for its vehicles and the diesel-driven equipment. The material air pollutants emitted were mainly composed of Nitrogen Oxides ("NOx"), Sulphur Oxides ("SOx"), and Particulate Matter ("PM"). The breakdown of air emissions generated by the Group's vehicle fleet and the diesel-driven equipment is shown below:

Air emissions[1]	Unit	2026	2025
NOx emission	kg	**19.88**	18.82
SOx emission	kg	**0.52**	0.41
PM emission	kg	**1.46**	1.39

Regular maintenance is conducted on all the Group's vehicles to ensure optimal efficiency and environmental performance, and vehicles deemed unsuitable are promptly phased out.

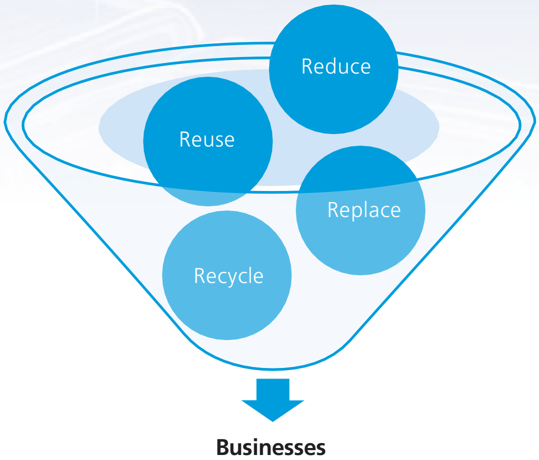
Due to more frequent use of petrol-powered vehicles and a new diesel-driven equipment due to increased business activities, the Group did not achieve the target set last year. To uphold sustainable development and fulfil corporate social responsibility, the Group aims to minimise air emissions and set the Year as the baseline year and is committed to achieving the target of reducing each air pollutant by 5% compared to the baseline year by 31 March 2027.

[1] The air emission calculation is based on the emission factor from "How to prepare an ESG Report Appendix 2: Reporting Guidance on Environmental KPIs" by the Stock Exchange.

Waste Management

Waste Policy and Management

The Group has established an Emissions Policy that demonstrates the Group's commitment to environmental stewardship through the implementation of circular economy principles: "reduce", "reuse", "recycle", and "replace". This policy framework ensures systematic minimisation of waste generation across the Group's operational portfolio while maintaining strict compliance with all applicable environmental regulations, including the Waste Disposal Ordinance.



The policy's strategic objectives encompass:

- Minimising adverse environmental impacts through the implementation of environmentally responsible waste handling and disposal protocols
- Fostering a culture of resource conservation through comprehensive stakeholder engagement initiatives
- Transitioning from single-use disposables to durable alternatives across all operations
- Integrating waste prevention criteria into the Group's sustainable procurement framework
- Establishing robust waste segregation infrastructure to maximise resource recovery opportunities

The Board conducts periodic reviews to ensure policy effectiveness and alignment with evolving regulatory requirements and industry best practices. The Group generates both hazardous and non-hazardous waste during its operations. The Group has engaged third-party contractors to handle waste streams in strict accordance with the Waste Disposal Ordinance and relevant environmental regulations. During the Year, the hazardous and non-hazardous waste produced by the Group was disclosed below:

	Unit	2026	2025
Hazardous Waste			
• Ink Cartridge[2]	kg	**-**	1.23
• Battery	kg	**1.01**	1.96
Total Hazardous Waste	**kg**	**1.01**	3.19
Hazardous Waste Intensity	**kg/gross floor area[3]**	**0.0002**	0.0006
Non-hazardous Waste			
• Paper	kg	**1,700.50**	2,210.21
• Plastic Bottles	kg	**77.12**	51.45
Total Non-hazardous Waste	**kg**	**1,777.62**	2,261.66
Non-hazardous Waste Intensity	**kg/gross floor area[3]**	**0.35**	0.40

2 The weight of hazardous and non-hazardous waste generated during the Year is calculated based on the Group's purchase records. No ink cartridges were purchased during the Year due to the use of existing stock and the promotion of sustainable paper usage. Therefore, no waste of ink cartridges was recorded.

3 The gross floor area during the Year is 5,105 m^2, which will be adapted to other related intensity calculations as well. The slight reduction is due to the completion of property projects and operational adjustments to leased office spaces.

Regular Recycling Practices

During the Year, the Group achieved significant recycling milestones across multiple waste streams. Electronic waste management included recycling toner cartridge units from copiers and fax machines, with systematic return of used toner cartridges to manufacturers. The Group maintained robust paper recycling programs across all offices, segregating confidential and non-confidential paper for appropriate disposal through secure destruction services and building-management recycling facilities, with some paper reused for internal drafts and notes. Additional recycling initiatives encompassed systematic collection of plastic bottles through weekly building management partnerships, and weekly battery recycling through building management offices, demonstrating the Group's comprehensive approach to waste minimisation and resource recovery.

Waste Reduction Initiative

The Group has successfully implemented a comprehensive digital infrastructure across all operations to minimise paper consumption. The Group's operational improvements include the replacement of paper-based communications with electronic alternatives, the elimination of fax cover sheets through stick-on labels, and the provision of meeting room technology to facilitate digital presentations. These initiatives have resulted in a reduction in paper consumption during the Year.

Resource Conservation and Infrastructure Enhancement

The Group has invested in sustainable infrastructure to minimise disposable waste generation. Key installations include hand dryers replacing paper towels, water fountain systems with reusable bottle programs, and Passive Infra-Red controlled lighting across facilities. The Group has established "guest-only" protocols for disposable items, with staff utilising personal cups and reusable containers for daily operations. While the Group achieved a notable reduction in paper consumption, this was counterbalanced by an increase in the amount of purchased plastic bottles for general office use.

Sustainable Procurement Excellence

Environmental criteria are integrated throughout the Group's procurement processes, mandating Forest Stewardship Council ("FSC") certified paper from sustainable sources and requiring ISO accreditations from suppliers per the Building Research Establishment Environmental Assessment Method ("BREEAM") requirements. The Group prioritises bulk purchasing of concentrate products to minimise packaging waste, maintains existing products to extend lifecycles, and selects suppliers based on environmental credentials. Regional offices have optimised inventory management, prioritising consumption of existing supplies before new procurement, resulting in efficient resource utilisation and reduced storage requirements. This approach has achieved measurable reductions in packaging waste while enhancing the Group's corporate sustainability profile.

Employee Engagement

Strategic awareness campaigns featuring "Save Paper, Cherish Resources" signage at printer locations and clear operational instructions have fostered strong environmental consciousness. The majority of employees actively participate in waste-reduction initiatives, demonstrating high engagement rates and successful adoption of sustainable practices. This cultural transformation has been instrumental in achieving the Group's waste reduction objectives.

Performance Monitoring and Strategic Outcomes

The Group maintains robust monitoring systems, including supply chain compliance reviews and regular operational assessments. This data-driven approach enables continuous improvement and ensures regulatory compliance across all operations. The Group's comprehensive waste management strategy has delivered substantial results: significant reductions in paper consumption and disposable waste generation, enhanced recycling management across all waste streams, optimised inventory management, and strengthened corporate reputation. These achievements contribute to circular economy principles while generating operational cost savings and maintaining exemplary regulatory compliance.

The Group remains committed to advancing waste management performance through continued investment in infrastructure, technology, and stakeholder engagement. Due to the promotion of sustainable initiatives and optimised operational management, the Group achieved the target set last year. To uphold sustainable development and fulfil corporate social responsibility, the Group set the Year as the baseline year and is committed to achieving the target of reducing total hazardous and non-hazardous waste intensity by 5% compared to the baseline year by 31 March 2027.

Use of Resources

The Group is committed to responsible environmental management, leading to sustainable use of resources in building a green environment, ensuring that activities are conducted in an energy-conservative and water-saving manner, and complying with the environmental laws, regulations and codes of practice through the following measures:

- Integrate energy and water consumption efficiency considerations into the planning, design, construction, operation and maintenance of all buildings, facilities and services;
- Utilise energy, water and resources effectively through technology, processes and a green management system;
- Enhance energy conservation and water saving awareness through engagement of those it works with and ongoing communications, including employees, customers, suppliers and contractors; and
- Implement environment-friendly approaches through responsible supply chain management and sustainable working practices, including regular reporting of resource usage, turning off all electrical appliances, office equipment and lights when not in use.

Energy Consumption

The Group's energy consumption consists mainly of direct energy use for its vehicles and equipment, and indirect energy from purchased electricity. The performance of the Group's energy consumption during the Year was summarised as follows:

	Unit[4]	2026	2025
Direct Energy Consumption			
• Petrol	kWh	**312,029.55**	268,593.08
• Diesel	kWh	**31,235.45**	-
Indirect Energy Consumption			
• Purchased electricity	kWh	**183,327.00**	204,082.00
Total energy consumption	**kWh**	**526,610.00**	427,675.08
Energy consumption intensity	**kWh/gross floor area[5]**	**103.16**	83.35

4 The unit conversion method of energy consumption data is formulated according to the "Energy Statistics Manual" released by the International Energy Agency ("IEA").

5 The gross floor area during the Year is 5,105 m^2, which will be adapted to other related intensity calculations as well. The slight reduction is due to the completion of property projects and operational adjustments to leased office spaces.

The Group is dedicated to reducing energy consumption across its offices and property projects through targeted measures and employee engagement initiatives. These include:

- Deploying high-efficiency fans, pumps, and chillers with automated sequencing for optimal performance;
- Conduct inspections regularly and periodic reporting of energy and resource usage to ensure compliance with national emission standards;
- Procuring energy-efficient appliances certified by Energy Star or the Electronic Product Environmental Assessment Tool ("EPEAT");
- Promoting energy-saving practices, such as turning off lights and appliances during non-operational hours, installing light emitting diode ("LED") lighting, and using low-emissivity window film with regular air conditioner maintenance;
- Encouraging sustainable habits through green signage, energy-saving tips, duplex printing, paper recycling, and scrap paper use for notepads; and
- Adopting telephone conferences to minimise travel for meetings.

These efforts reflect the Group's commitment to environmental stewardship and operational efficiency. Due to more frequent use of vehicles and the diesel-driven equipment for the increasing business activities, the Group did not achieve the target set last year. To uphold sustainable development and fulfil corporate social responsibility, the Group set the Year as the baseline year and is committed to achieving the target of reducing total energy consumption intensity by 5% compared to the baseline year by 31 March 2027.

Water Consumption

The Group's water consumption is mainly for daily offices use. Given the geographical location of the Group's operations, the Group is not aware of any issue in sourcing water that is fit for purpose. The performance of the Group's water consumption during the Year was summarised as follows:

	Unit	2026	2025
Water consumption	m^3	**375.00**	339.00
Water consumption intensity	m^3/gross floor area[6]	**0.07**	0.06

The moderate increase in water consumption fell within a reasonable operational range. However, the Group has not achieved the target set last year. To uphold sustainable development and fulfil corporate social responsibility, the Group set the Year as the baseline year and is committed to achieving the target of reducing water consumption intensity by 5% compared to the baseline year by 31 March 2027.

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6 The gross floor area during the Year is 5,105 m^2, which will be adapted to other related intensity calculations as well. The slight reduction is due to the completion of property projects and operational adjustments to leased office spaces.

To consume water responsibly throughout its operations and align with industry's best practices, the Group has formulated the following water conservation strategies across its offices and property projects:

- Conducted regular repair and maintenance of water pipes to prevent water leakage;
- Reused water to maximise utilisation;
- Conduct inspections regularly and periodic reporting of water consumption and saving measures; and
- Promoted water-saving awareness and best practices by signage.

The Environment and Natural Resources

The Group aims at constantly improving operational efficiencies and reducing adverse operational impacts on the environment through its Environment and Natural Resources Policy with various initiatives, including the introduction of eco-friendly low-carbon measures to minimise wastage as well as promotion of resource-efficient and environmentally responsible green building design.

The Group advocates a corporate social responsibility to preserve the Group's environment and conserve natural resources that are important for sustainably maintaining biological diversity for the benefit and enjoyment of the present and future generations of the community.

Regular evaluations have been conducted to identify potential environmental risks, and timely mitigating actions are implemented. During the Year, the Group has dedicated its efforts to improving the following environmental issues:

Emissions, Waste, Energy, Water and Materials

The Group is aware that construction work has a huge impact on the environment and natural resources and strives to reduce the delivery distance of construction materials to minimise the environmental impacts resulting from transportation.

Indoor Air Quality

The Group has recognised the importance of indoor air quality to human health:

- Used ventilating systems with a ventilation rate, which was 30% higher than the standard set by the American Society of Heating, Refrigerating and Air-Conditioning Engineers, in the Group's property projects;
- Committed to using materials with minimal or no Volatile Organic Compound ("VOC") to maintain high air quality;
- Engaged building managers to perform regular cleaning for dust filters, humidifiers and fans in offices;
- Applied photocatalyst and air purifiers to control airborne allergens, viruses, bacteria and odours; and
- Prohibited smoking at the workplace.

Noise Management

Construction activities may generate a significant level of noise, and therefore, the Group's contractors have been required to strictly follow the requirements of relevant regulations, in particular, the Noise Control Ordinance (Chapter 400 of the Laws of Hong Kong) and the Law of the PRC on the Prevention and Control of Noise Pollution.

Climate Change

Climate Change Management

The Group has established climate strategies to address the escalating climate-related risks while leveraging opportunities that foster long-term sustainability and business resilience.

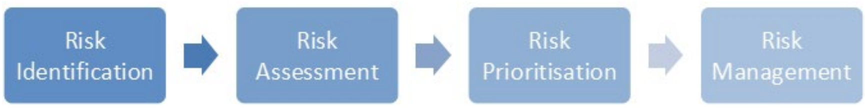
To strengthen the approach, the Group conducted scenario analysis and risk prioritisation exercises to identify climate-related risks and opportunities that are critical to its business and value chain. This assessment encompassed both financial and non-financial impacts, enabling the Group to respond to climate challenges in a structured and informed manner.

Strategy

The Group conducts climate scenario analysis to identify and assess potential climate-related physical and transition risks as well as opportunities across its operations, asset portfolios and value chain over short- to medium-term horizons (2030 and 2035) and long-term horizons (2050). These timeframes align with the global objective of reducing emissions and achieving net zero by 2050. While projections beyond 2050 involve significant uncertainty due to underlying assumptions, the approach ensures a balance between data reliability and the need to address long-term risks.

For physical risks, the assessment begins with a high-level screening of asset types to understand their inherent exposure to acute and chronic climate-related hazards. This is followed by an evaluation of geographical markets in which the Group operates, considering spatial and temporal variations in climate hazards under different climate scenarios. The analysis considers the proportion of assets exposed to climate-related risks by asset characteristics and geographic location, without accounting for existing adaptation or mitigation measures. Changes in physical risks exposure over time are assessed by combining projected climate conditions under selected scenarios and expected changes in the Group's asset portfolio, providing insight into how physical climate risks may evolve over the long term.

For transition risks, the Group assesses potential impacts arising from the transition to a low-carbon economy, including changes in climate-related policies and regulations, market dynamics, technological developments, and stakeholder expectations. The assessment evaluates the sensitivity of key business activities to transition drivers under different climate scenarios. Potential financial and operational impacts are analysed across defined time horizons with reference to the Group's strategic direction and decarbonisation plans. The outcomes of the climate scenario analysis are used to inform risk management, strategic planning, capital allocation, and to enhance the Group's resilience across a range of plausible climate futures.



Steps in the Risk Integration Process

To evaluate the potential implications of climate change in the Group's business, the Group utilised climate pathways developed by globally recognised institutions, including the Intergovernmental Panel on Climate Change ("IPCC") and IEA. These scenarios incorporate a broad range of factors – political, environmental, economic, and social indicators. Key variables include projected shifts in population, economic activity, weather patterns, energy usage, land-use patterns, technology, and climate policy. Separate sets of scenarios were applied to physical and transition risks to reflect distinct risk drivers. Insights from this analysis inform the Group's climate strategy by identifying risk hotspots and guiding actions to strengthen long-term resilience.

Inputs and Approach of Scenario Analysis

Scope of Analysis

- Hong Kong and· the PRC, excluding Canada, based on the operation materiality

Scenario Used

Time Horizons	• Short to medium-term horizons (2030 and 2035) • Long-term horizons (2050)	
Rationale	• The scenarios developed take reference from IPCC (physical risks) and IEA (transition risks) • The selected sources model most severe climate futures, enabling the Group to inform risk mitigation planning, guide capital investment decisions and strengthen operational resilience • The scenarios chosen will help the Group assess the level of exposure from physical and transition risks, and support future strategic planning	
Climate Risks	**Physical Risks**	**Transition Risks**
Scenario	**IPCC SSP5-8.5 Scenario**	**IEA Current Policies Scenario ("CPS")**
Scenario Description	A high GHG emissions scenario driven by rapid economic growth and heavy fossil fuel use, leading to severe climate change with warming of about 4°C by 2100.	An energy future based solely on policies already enacted into law, projecting continued growth in fossil-fuel demand and a resulting global temperature rise of roughly 2.9°C by 2100.
Risks Assessed	Acute risk: • Heavy precipitation • Typhoon Chronic risk: • Rising average temperature	• Increasing cost from carbon offsets • Increasing electricity costs

Key Assumptions for Scenario Analysis and Asset Location Identification

- Expect asset locations to remain the same over the time horizons
- No existing adaptation or mitigation measures

Risk Management

To proactively model the most severe possible climate futures, the analysis applied the IPCC SSP5-8.5 scenario which representing a high-emissions pathway to evaluate projected impacts on operation units and assets in Hong Kong and the PRC at the 2030 and 2050 horizons.

The assessment utilised advanced climate modelling methodologies that integrate historical records with future projections of key climate variables. Geospatial analysis incorporating satellite imagery, topography, vegetation, and building-related emissions was also employed to assess the likelihood and impact of physical risks to the Group's assets. This science-based, data-driven approach enables the Group with better anticipate climate risks and design informed resilience strategies.

Three physical risks assessed as having low impact under the selected climate scenarios are summarised in the table below. While the supplementary table provides an overview of their potential business and value chain and financial implications together with the Group's response and opportunities.

Risk Exposure Level Low Low to medium Medium High

	Physical Risk	Heavy Precipitation	Typhoon	Rising Average Temperature
	Scenario Used	IPCC SSP5-8.5		
	Selected Year	2030		2050
Locations	The PRC			
	Hong Kong			

Risk Type	Acute Physical Risks	Chronic Physical Risks
Description	• Heavy precipitation and typhoons may affect the Group's offices and transportation routes across its operating locations, potentially causing short-term but disruptive operational interruptions.	• Rising average temperature may affect the Group's operations, employee welfare over the medium to long term.
Potential Financial Impact on Business Model and Value Chain	• Revenue loss arising from temporary business interruption. • Additional repair, maintenance and reinstatement costs for damaged facilities. • Higher logistics, emergency response and site protection costs during extreme weather events.	• Increased operating costs due to higher electricity consumption for cooling and ventilation. • Additional expenditure on employee protection measures and workplace adaptation.

Responses	• Develop and regularly review emergency response and business continuity plans for extreme weather events. • Strengthen physical protection measures, including flood prevention facilities, drainage management, wind barriers and backup pumping/generator arrangements where necessary. • Enhance weather monitoring, internal communication, and emergency coordination, alongside formulating the Typhoon & Rainstorm Policy, to minimise disruption to employees and operations. • Deploy the Uninterruptible Power Supply ("UPS") to guarantee up to 30 minutes of continuous emergency power for critical infrastructure during unexpected grid outages. • Establish routine inspection and maintenance protocols executed by the IT Department, ensuring the UPS infrastructure undergoes regular performance checks and testing proper functionality. • Implement heat stress prevention measures, including ventilation improvement, rest arrangements, hydration reminders and employee awareness programmes. • Periodically assess exposure of operating locations and suppliers to long-term climate-related heat risks.

To assess transition risks associated with the shift toward a low-carbon economy, the Group focused on the core business operations in Hong Kong and the PRC. To proactively model the most severe possible climate futures, the analysis applied the IEA CPS continued growth in fossil-fuel demand and high transition risks through 2035.

To complement this analysis, the Group conducted a qualitative review of local policy trends and regulatory developments and recognised that global scenarios may lack regional specificity. The Group also distributed internal surveys to assess operational resilience and transition risks driven by policy, economic, and market factors. Additionally, the analysis acknowledges inherent uncertainties from climate modelling assumptions, evolving regulatory environments and market-driven expert judgments.

The findings are summarised in the following table, detailing the identified transition risks, their potential impacts on business and the value chain, financial impacts, and the Group's corresponding responses and opportunities.

Risk Exposure Level — Low — Low to medium — Medium — High

	Transition Risk	**Increasing Cost from Carbon Offsets**	**Increasing Electricity Costs**
	Scenario Used	**IEA CPS**	
	Selected Year	**2035**	
Locations	**The PRC**		
	Hong Kong		

Transition Risk	
Risk Type	**Increasing Cost from Carbon Offsets**
Description	Increasing cost from carbon offsets may arise as climate-related regulations, market expectations and decarbonisation requirements continue to evolve, potentially increasing the Group's exposure to carbon-related compliance costs across its supply chain operations.
Potential Financial Impact on Business Model and Value Chain	• Increased pressure to invest in energy-efficient and low-carbon technologies to reduce future carbon-related cost exposure. • Increased business uncertainty arising from evolving regulations, customer expectations and global decarbonisation trends. • Increased capital expenditure on low-carbon technologies and operational improvement initiatives. • Additional compliance, training and internal implementation costs relating to climate-related policy and regulatory developments. • Increased expenditure associated with carbon pricing, offset procurement or other decarbonisation-related measures.
Response and Opportunities	• Assess the Group's potential exposure to carbon pricing and carbon-related compliance costs, and explore practical pathways for emissions reduction. • Identify opportunities to invest in energy-efficient or low-carbon technologies that reduce long-term offset requirements and improve operational resilience. • Strengthen energy management and renewable electricity adoption to lower the Group's GHG emissions over time. • Explore government incentives, green financing or other external support mechanisms to facilitate decarbonisation investments.
Risk Type	**Increasing Electricity Costs**
Description	Increasing electricity costs may affect the Group's daily operations, as electricity is consumed across offices and other operational areas, and future tariff increases or power market changes may raise the cost base of day-to-day operations.

Potential Financial Impact on Business Model and Value Chain	• Direct increases in utility expenditure across operating sites. • Pressure to upgrade systems to more energy-efficient or lower-carbon alternatives. • Higher operating costs arising from increased electricity tariffs, grid decarbonisation measures or changes in the energy mix. • Increased margin pressure and potential competitiveness loss relative to peers that have already invested in energy efficiency or renewable electricity sourcing. • Greater price volatility may complicate budgeting, long-term planning and investment appraisal, resulting in increased forecasting uncertainty.
Response and Opportunities	• Conduct energy audits and strengthen energy monitoring to identify efficiency improvement opportunities across operational sites. • Continue replacing conventional lighting and equipment with more energy-efficient alternatives, and optimise the operation of lighting, and air-conditioning. • Explore long-term renewable electricity procurement arrangements, including power purchase agreements where appropriate, to improve price stability and reduce emissions exposure. • Increase the share of renewable or green electricity in the purchased electricity mix where feasible. • Consider electrification or operational optimisation measures that improve efficiency and support long-term low-carbon competitiveness.

Metrics and Targets

During the Year, the Group's GHG emissions were primarily attributable to the following key sources:

I. Scope 1 (Direct) GHG emissions mainly arose from the combustion of fuels utilised in the Group's operational activities. These included unleaded petrol consumed by Group-owned vehicles and diesel consumed by the diesel-driven equipment.

II. Scope 2 (Indirect) GHG emissions were primarily generated from purchased electricity consumed across offices and other operational premises located in the PRC, Hong Kong, and Canada.

III. Scope 3 (Other Indirect) GHG emissions were generated from upstream and downstream value chain activities in accordance with the GHG Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard, including Category 1 (Purchased Goods and Services) and Category 5 (Waste Generated in Operations).

GHG Emissions	Source of Emission Factors	Unit	2026	2025
Scope 1： Direct GHG Emissions	• "How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" published by the Stock Exchange	tCO_2e	**86.74**	73.96
• Petrol		tCO_2e	78.13	73.96
• Diesel		tCO_2e	8.61	-
Scope 2: Indirect GHG Emissions • Purchased Electricity	• The grid emission factors included in "Announcement on the Release of 2024 Electricity Carbon Emission Factor Data"(《關於發佈2024年電力碳足跡因子數據的公告》) issued by the Ministry of Ecology and Environment of the PRC（中國生態環境部） • The "Sustainability Report 2025" published by the HK Electric Investments Limited	tCO_2e	**107.94**	123.03
Scope 3: Other Indirect GHG Emissions	• Please refer to "Scope 3 Reporting Boundary"	tCO_2e	**16.52**	11.72
• Category 1: Purchased Goods and Services		tCO_2e	8.27[7]	1.02
• Category 5: Waste Generated in Operations		tCO_2e	8.25	10.70
Total GHG Emissions		tCO_2e	**211.20**	208.71
GHG Emissions Intensity		tCO_2e/gross floor area[8]	**0.04**	0.04

7 The Group refined and expanded the reporting scope of Category 1: purchased goods and services during the Year to ensure higher data transparency and granularity.

8 The gross floor area during the Year is 5,105 m^2, which will be adapted to other related intensity calculations as well. The slight reduction is due to the completion of property projects and operational adjustments to leased office spaces.

The Group's Approaches

Principles of Approaches	
Standards	• The "GHG Protocol: A Corporate Accounting and Reporting Standard (2004)" 《(溫室氣體核算體系：企業核算與報告標準(2004 年)》) issued by the World Resources Institute and the World Business Council for Sustainable Development • The "Global Warming Potential Values" from the Sixth Assessment Report issued by the Intergovernmental Panel on Climate Change (AR6) • "How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" published by the Stock Exchange
Measurement Method	Using operational control, as operational information is accessible
Operational Boundary	Please refer to the "Reporting Framework and Scope"

Socpe 3 Reporting Boundary

Scope 3 Category	Relationships with the Group	Calculation and Emission Factors
Category 1: Purchased Goods and Services		
Upstream emissions from the production of products purchased or acquired by the Group	Upstream emissions, including the use of freshwater consumed and general office products purchased by the Group	• Assessed using supplier-specific and average-data methods. • Freshwater emissions are calculated by multiplying the volume of freshwater consumed by the relevant emission factor. • General office products (e.g., paper, plastic bottles, batteries, and toner) emissions are calculated using mass-based activity data multiplied by the corresponding life-cycle emission factor. • The source of emission factors: "How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" published by the Stock Exchange, China Products Carbon Footprint Factors Database (中國產品全生命周期溫室氣體排放係數庫), and the Annual Report 2024/25 by the Water Supplies Department.

Category 5: Waste Generated in Operations		
Emissions from the disposal and treatment of waste generated from the Group's operations.	Among the waste produced, the most significant sources of emissions arise from the disposal and treatment of toner, batteries, plastics, paper, and wastewater.	• Assessed using a waste-type- and treatment-route-specific method. • Wastes are calculated by multiplying the amount of batteries, plastics, paper, and toner by the corresponding emission factor. • Wastewater-related emissions are calculated by multiplying the freshwater purchased volume by the applicable emission factor. • The source of emission factors: "How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" published by the Stock Exchange, the "2025 UK Government GHG Conversion Factors for Company Reporting" published by the United Kingdom ('UK') government, and the Environmental, Social and Governance Report 2024-25: Pioneering Innovation, Converging for a New Journey by the Drainage Services Department.

GHG Emissions Targets

The Group's current target-setting approach has taken into account the progressive expansion of its Scope 3 emissions inventory and the ongoing enhancement of internal data collection and management systems. However, as the Group is at an early stage of developing a comprehensive Scope 3 emissions baseline, the current GHG emissions reduction targets primarily focus on Scope 1 and Scope 2 emissions, for which more robust operational data and direct management control are presently available. At present, the Group does not utilise Renewable Energy Certificates ("RECs") to offset its Scope 2 GHG emissions. Moving forward, the Group will actively explore the feasibility and market availability of RECs as a complementary mechanism to enhance transition towards carbon mitigation and support long-term climate-related targets.

In a steadfast demonstration of the unwavering commitment to sustainable development and corporate social responsibility, the Group has set the Year as the baseline year and is resolutely dedicated to achieving an 8.22% reduction in total GHG emissions by 31 March, 2030, compared to the Year. This target reflects the Group's proactive stance in addressing climate challenges, aligning with global decarbonisation imperatives, and embedding emission reduction strategies into its core business operations. By fostering a culture of environmental accountability, the Group reinforces its leadership in driving long-term sustainability and delivering on its promise to balance economic growth with planetary stewardship.

Target Information	
Target Setting	By 2030, the Group's near-term target is to reduce Scope 1 and 2 GHG emissions by approximately 8.22% compared to the Year
Type of Target (Absolute/ Intensity)	Absolute
Aim of Target	In line with the Stock Exchange Practical Net-Zero Guide for Business, the target has been established after the Group analysed the GHG reduction potential of the business operations and identified all practical actions, both currently and in the future.
Progress Monitoring	The Board reviews the target and performance of Scope 1 and 2 GHG emissions and evaluates whether any revisions are needed.
Target Scope	Please refer to the "Reporting Framework and Scope"

Target Setting	Scope 1 and 2 GHG emissions (tCO_2e)	Decrease compared to the baseline year (%)
Total emissions – baseline year (2026)	194.68	/
Total emissions – target year (2030)	178.68	▼8.22%

Current Progresses	Scope 1 and 2: GHG emissions (tCO_2e)	Decrease compared to the baseline year (%)
2026	**194.68**	/

Climate-related Transition Plan

Currently, the Group has not developed a climate-related transition plan, but the Group remains actively engaged in fortifying its underlying climate capabilities. At this stage, the Group's focus centres on embedding sustainability principles into day-to-day operations and driving energy efficiency enhancements across its business activities, which ensures the cultivation of a robust foundation and operational resilience, which are decisive for any future transition planning.

The Group intends to keep monitoring evolving climate disclosure requirements, international frameworks, and emerging market practices. The Group remains dedicated to evaluating the viability, strategic pathways, and optimal timeline for formulating and executing a structured climate-related transition plan, which aligns harmoniously with its operational characteristics whilst fulfilling escalating regulatory expectations.

Climate-related Transition and Physical Risks

Given that the financial quantification of climate-related transition risks, physical risks, and opportunities involves highly complex factors such as scenario analysis, asset risk attribution, time horizon assumptions, and methodological judgments, the Group is currently in the process of progressively establishing relevant data collection, internal assessment models, and management processes. Taking into account the Group's property-focused business nature, the financial impact of the relevant climate risks and opportunities on assets and business activities still requires further quantitative assessment under a more mature and consistent methodological framework. Therefore, during the Year, the Group was only able to provide qualitative descriptions of climate-related transition risks, physical risks, climate-related opportunities, and related capital deployment, and was unable to reliably disclose the amounts and percentages involved. The Group will continue to enhance its climate risk identification, assessment, and quantification capabilities and, with improved data quality and refined internal management, consider disclosing more comparable and meaningful quantitative information for decision-making in due course.

Internal Carbon Pricing

The Group has not yet applied an internal carbon pricing mechanism in its decision-making processes during the Year, including investment appraisal, capital allocation, transfer pricing, or scenario analysis, and no price per metric tonne of GHG emissions was used to assess the cost of the Group's emissions.

Nevertheless, the Group recognises that internal carbon pricing may, over time, become a useful management tool to support climate-related decision-making, risk assessment and the evaluation of decarbonisation opportunities. As part of its evolving climate-related management approach, the Group will continue to assess the potential applicability of internal carbon pricing with reference to, among other factors, regulatory developments, industry trends, market practices, stakeholder expectations and the operational characteristics of its business.

The Group will continue to monitor developments in climate-related disclosure requirements and broader market practice and will consider whether and how an internal carbon pricing mechanism may be developed and applied in the future where appropriate.

Carbon Offset

During the Year, the Group did not use carbon credits to offset GHG emissions to achieve any net GHG emissions target. The Group's current climate-related approach remains primarily focused on monitoring emissions, operational efficiency, and emissions reduction at source.

The Group recognises that carbon credits may play a complementary role in corporate climate strategies as carbon markets continue to develop. Accordingly, the Group will continue to assess the potential role of carbon credits within its longer-term climate strategy with reference to evolving regulatory expectations, market developments, industry trends and recognised market resources, including relevant guidance and market developments associated with the Stock Exchange's Core Climate and other recognised carbon market frameworks. The Group will continue to review relevant developments and, where appropriate, enhance its disclosures in future reporting years.

Industry-based Metrics

The Group has conducted a preliminary assessment of the applicability of the relevant indicators to its business nature. Taking into account the operation model, carbon emission structure, and risk characteristics of the property industry, as well as the fact that the collection of relevant data and internal management processes are still at a stage of gradual enhancement, the Group was not yet in a position to disclose the relevant industry-specific indicators during the Year.

SOCIAL

As a socially responsible corporate citizen, the Group aims to build mutually beneficial relationships with its key stakeholders.

EMPLOYMENT AND LABOUR PRACTICES

Employment

Employment Practices and Relations

The Group values high-quality talent as an important asset. A comprehensive Employee Handbook and Employment Policy have been developed, covering various human resources aspects, including recruitment, compensation, promotion, working hours, rest periods, and equal opportunity, as a guiding principle for reinforcing satisfaction, loyalty, and commitment of its employees. No confirmed non-compliance or grievance cases were identified during the Year.

The following practices have been continuously adopted by the Group during the Year:

- Offered attractive and competitive remuneration packages to employees and reviewed at least annually with reference to individual performance, contribution, development, inflation and economic or market conditions; aiming at not only reinforcing satisfaction, loyalty and commitment of human capital, but also enhancing financial performance and reputation of the Group;
- Regularly reviewed the annual leave policy with reference to the number of years of employment;
  Offered other fringe benefits to staff, including a preventive check-up scheme, comprehensive medical and life insurance coverage, and retirement fund contribution;
- Administered the procedures to enable the Directors and employees to exercise the granted share options as a motivation and to build a direct correlation between their rewards and the Group's performance;
  Presented long service awards as a token to appreciate the dedication and contribution of the loyal staff members serving the Group;
- Provided seasonal presents to staff members on special days and organised festive luncheons, such as during Chinese New Year;
- Advocated for a good work-life balance through working 5 days a week; and
- Closed the office early on festive occasions.

The Group is an equal opportunity employer and explicitly against any kind of discrimination on age, gender, marital status, race, nationality, religion, disability, or family status. In addition, the Group's Board and Workforce Diversity Policy highlights its commitment to increasing diversity in order to support the attainment of its strategic objectives and sustainable development. In particular, gender diversity targets are set at the Board level (including the potential successors to the Board) and across the workforce. The progress of targets achievement is closely monitored by the Board and management, who will take immediate remedial actions if the targets could not be reached.

The Group encourages its staff to maintain a well-balanced life and supports its staff to actively pursue their personal development by participating in different roles and activities in the community. Moreover, the Group is devoted to strengthening a sense of belonging of its staff by demonstrating care and support in all aspects.

As at 31 March 2026, the total number of employees of the Group was 118[9] (2025: 119). During the year, the total employee turnover rate was 9% (2025: 25%). Besides, the Group has achieved the target of having a mixed gender Board with at least one Director of a different gender on the Board and at least 20% of senior executives and the total workforce of a different gender, respectively.

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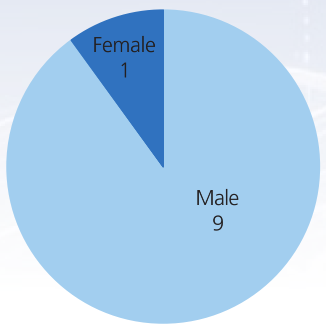
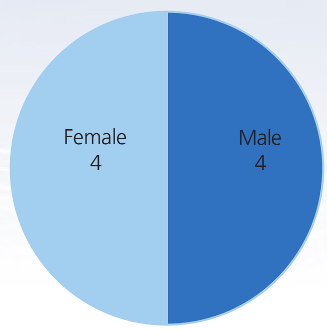
9 The total employees only comprise executive directors, senior executives, and general staff and apply consistency to all other employee-related metrics calculations in the ESG Report.

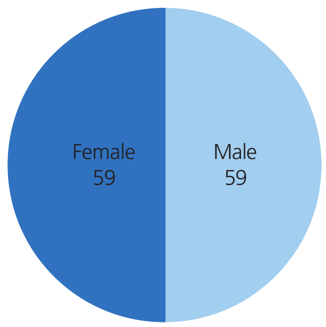
Total Number of Directors by Gender



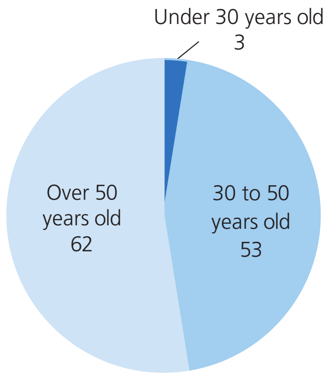
Total Number of Senior Executives by Gender (excluding Directors)



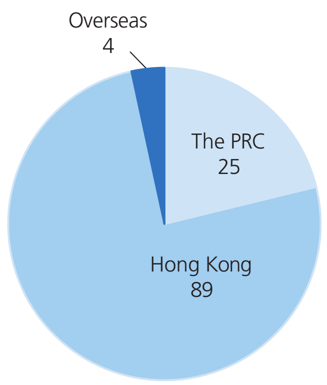
Total Number of Employees by Gender



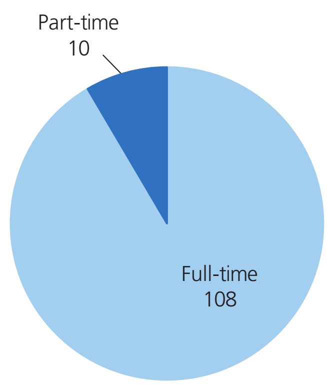
Total Number of Employees by Age Group



Total Number of Employees by Region



Total Number of Employees by Employment Type



During the Year, the detailed turnover information is as follows:

	Unit	2026
Employee Turnover Rates		
Total employee turnover rate	%	**9**
Employees Turnover Rate by Gender		
Male	%	**8**
Female	%	**10**
Employees Turnover Rate by Age Group		
Under 30 years old	%	**0**
30 to 50 years	%	**8**
Over 50 years old	%	**11**
Employees Turnover Rate by Geographical Region		
Hong Kong	%	**11**
The PRC	%	**4**
Overseas	%	**0**

Health and Safety

Workplace Health and Safety

The Group promotes a high degree of awareness and accountability of health and safety at work through its Health and Safety Policy, which consists of regular training, standard codes of practice, and various health and safety measures to promote an injury-free culture.

The Group is committed to providing and maintaining a healthy and safe workplace for its staff and other people likely to be affected by its business activities and operations through the new or continuous implementation of the following measures:

- Offered adjustable sit-stand converters that allow the staff to work in a flexible position, with reference to medical advice;
- Applied photocatalyst and air purifiers, carried out periodic air-conditioning systems cleaning, floor care maintenance, pest control, carpet disinfection treatment, and engaged a professional service provider to conduct periodic office residual sanitation coating service for killing of viruses and bacteria to ensure a hygienic working environment;
- Participated in the annual fire and evacuation drill organised by the respective building managers to familiarise with the fire evacuation route and strengthen awareness of fire precaution; and
- Conducted regular inspections of the facilities and safety measures at its workplace.

The occupational safety and health-related policies and practices are regularly reviewed by the Group so that preventive and corrective measures are implemented to minimise occupational health and safety hazards. During the Year, the Group achieved zero work-related fatalities (2023, 2024, and 2025: 0) and had zero lost working days due to work injury (2023, 2024, and 2025: 0 day).

Development and Training

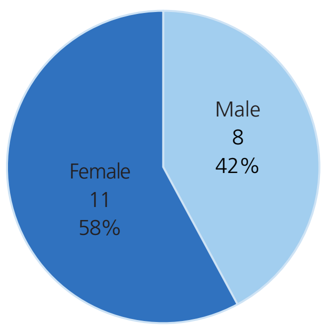
Talent Development

Employee development is an important investment in human capital. The Group has established its Development and Training Policy to reinforce its manpower and develop its human capital by providing in-house and external training and development courses, seminars, workshops and conferences to equip its staff members with knowledge, skills and experience in performing their job duties effectively and efficiently.

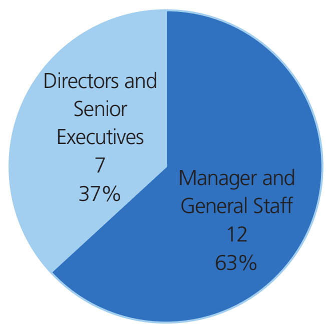
Corporate orientation programmes and briefings have been introduced to new staff to help them to familiarise themselves with the corporate culture and practices. Continuous professional development training programmes and briefings have been provided to the Directors and management of the Group whereas regular internal and external technical training sessions have been offered to the staff to facilitate their work.

During the Year, the total number of employees who attended training courses and webinars provided by the Group directly and indirectly was 19 (2025: 8) and the total percentage of employees trained by the Group was 16.10%. The total number of training hours completed was 113.00 hours (2025: 82.55 hours), and the total average training hours completed per employee was 0.96 hours.

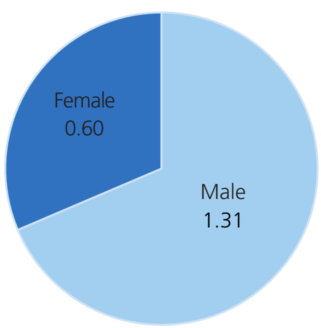
Total Number of Employees Trained by Gender



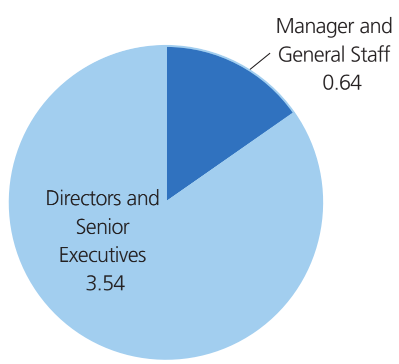
Total Number of Employees Trained by Employment Category



Total Average Training Hours by Gender



Total Average Training Hours by Employment Category



Labour Standards

No Child and Forced Labour

The Group respects human rights and strictly prohibits child and forced labour. A Labour Standards Policy has been established to ensure that no abuse, physical punishment, and assignment of tasks with extremely high risks of all kinds are allowed in its workplace and business operations.

To ensure the Group is legally compliant with local laws and regulations, it has implemented effective controls in the recruitment process, for example, the applicant's identity is checked, including but not limited to his or her age and eligibility for employment. The Group also ensures that employees are given enough rest days and compensated for any overtime work, as required by local regulators. The Group was not aware of any operation or supplier having a significant risk of child labour, young workers exposed to hazardous work, or forced or compulsory labour during the Year.

OPERATING PRACTICES

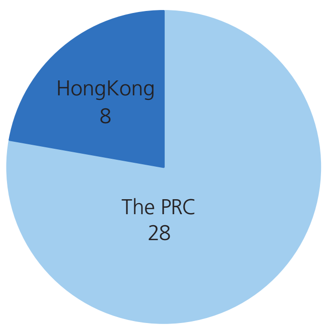
Supply Chain Management

Fair and Green Procurement Practices

The Group believes it is important to work with suppliers who demonstrate sound, ethical business practices and work toward the same sustainability targets. Through its Supply Chain Management Policy, the Group continues to work closely with its supply chain partners to facilitate its effective governance of supply chain practices as well as to execute green procurement for maintaining a high quality for its property projects and customer services, and to enhance responsibilities with its supply chain management system.

With the goals of adopting sustainable purchasing best practices, promoting responsible sourcing, and managing environmental and social risks along the supply chain effectively, the Group has diversified its procurement through different suppliers, and has established stringent procedures and consistent criteria such as cost, quality and life cycle impacts for the selection of suppliers with regular monitoring and review as key assessments of sustainability performance of all the suppliers. Periodic site visits of various suppliers are arranged and key contractors are required to submit site supervision plans, safety management, and quality monitoring proposals for the Group's review of performance. The Group gives priority in the selection process to products and services certified by recognised authorities such as FSC. It has further assured that the Group does not engage suppliers and contractors with known non-compliance with applicable laws and regulations, including child and forced labour, discrimination, bribery, corruption or other unethical practices and environmental pollution.

Number of Suppliers by Region



Product Responsibility

Products and Services Standards

The Group has established its Product Responsibility Policy to offer socially responsible products and services to the public and utmost business ethics when serving the public through its businesses and operations. During the Year, the recall procedures were not applicable to the Group's business and operations.

Customer Services

According to its Customer Services Policy, the Group strives to enhance customer experience by demonstrating professionalism, responsiveness, and caring for its customers and stipulates the principle of delivering a high standard of customer services.

Adhering to its "Consistent, Comfort and Care" motto, the Group has placed customer satisfaction as a priority by enhancing customer satisfaction through various communication channels. There were no substantiated complaints received relating to the provision and use of products and services that have had a significant impact on the Group during the Year.

Data Privacy and Information Security

In view of high public concern over data privacy, especially in recent years, and according to the Data Privacy Policy, the Group strictly adheres to legal requirements relating to data privacy protection to fulfil its key stakeholders' expectations on information security and confidentiality.

The Group has ensured a high standard of security and confidentiality of personal data throughout its businesses and operations. The importance of data protection is emphasised on all employees in the Employee Handbook. The Group requires its staff to fully comply with the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong) and similar overseas regulations in handling information of its Shareholders, business partners, customers, and employees in the collection, processing, use, and keeping of their data. All personal data collected through marketing activities or online platforms is handled appropriately following local regulatory requirements and can only be accessed by authorised people within the Group on a need-to-know and need-to-use basis. There were no complaints concerning breaches of customer privacy and losses of customer data during the Year.

Fair Marketing

The Group has strictly followed the Residential Properties (First-hand Sales) Ordinance (Chapter 621 of the Laws of Hong Kong) and similar overseas regulations, which require provision of true and accurate information in marketing materials of properties, including sales brochures and leaflets, price lists, show flats, promotion advertisements, and registers of sales transactions, etc.

Protection of Intellectual Property Rights

The Group observes and protects its intellectual property rights by prolonged use and registration of domain names and trademarks. It has applied and/or registered trademarks in various classes in Hong Kong, the PRC and other relevant jurisdictions. Such domain names and trademarks have been constantly reviewed and renewed upon their expiration. The Group has also maintained proper records of software applications and renewed the corresponding licenses before expiry during the Year. In addition, all employees must respect, not infringe, copyright work, and comply with all applicable laws and regulations stipulated in the Employee Handbook.

Anti-corruption

Anti-bribery and Anti-corruption

In order to cultivate an ethical corporate culture and maintain a fair and equitable business environment, the Group has established its Code of Conduct, Anti-corruption Policy, and Anti-Money Laundering and Counter-Terrorist Financing Policy to promote and support the anti-bribery and anti-corruption related laws and regulations in order to counter bribery, corruption, extortion, money-laundering, terrorist financing, competitive activities and other fraudulent activities. Under these policies, the Group is committed to preventing, detecting and reporting any actual or suspected case of fraud, irregularity, misconduct, or malpractice, with zero tolerance for any case of corruption and related malpractice.

The Group has required its staff to possess a high ethical standard and demonstrate professional conduct in its businesses and operations. Employees have been reminded not to have any form of corruption including but not limited to request or accept of benefits of material value from any parties having business transactions with the Group. All staff members are required to sign the Code of Conduct Declaration Form upon recruitment to demonstrate their full understanding and compliance with the Group's ethical standards. To further reinforce this message, the Group has provided relevant reference information including anti–fraud, anti-bribery, anti-corruption and anti-money laundering topics to the Directors and employees. The Group also keeps all Directors updated with the latest anti-corruption information, regulatory changes, and best practices. In addition, the Group will provide anti-corruption training to its employees and Directors, actively sourcing materials and sessions to enhance awareness and compliance with these standards.

A Whistle-blowing Policy and mechanism have been established to provide formal channels and guidance to the employees and other parties who deal with the Group on reporting about any possible impropriety, misconduct or malpractice. The Group respects that whistleblowers may wish to file their concerns in confidence and anonymity. It is committed to protecting individuals who make complaints in good-faith from any unfair treatment. All whistleblowing cases will be sent to the Group's Compliance Department who will send the reported matters to the Audit Committee when and where appropriate. The Audit Committee will decide appropriate course of action in consequence of the investigation and further report to the Board. There were no cases of bribery or corruption reported, nor were any legal cases regarding corrupt practices brought against the Group or its employees during the Year.

COMMUNITY

Community Investment

Corporate Citizenship

As a long-standing supporter of a number of charity groups, the Group has established its Community Investment Policy, which sets out its mission of leveraging its resources to improve the community in which it operates.

The Group is strongly committed to various charitable services, donations, fundraising, sponsorships and volunteering services, for example, it participated in Dress Casual Day organised by the Community Chest where staff members voluntarily made donations of HK$13,400.

STOCK EXCHANGE ESG REPORTING CODE CONTENT INDEX

ESG indicator		Disclosure	Location in the ESG Report
A1 General disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Disclosed	• Emissions
A1.1	The types of emissions and respective emissions data.	Disclosed	• Air Emissions • Greenhouse Gas Emissions
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	• Waste Management
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	• Waste Management
A1.5	Description of emissions target(s) set and steps taken to achieve them.	Disclosed	• Emissions • Waste Management
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Disclosed	• Waste Management
A2 General disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Disclosed	• Use of Resources
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Disclosed	• Energy Consumption
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Disclosed	• Water Consumption
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Disclosed	• Energy Consumption
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Disclosed	• Water Consumption
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Disclosed	• The Group did not use packaging materials during the Year due to its business nature.

ESG indicator		Disclosure	Location in the ESG Report
A3 General disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Disclosed	• The Environment and Natural Resources
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Disclosed	• Emissions • Waste Management • Use of Resources • The Environment and Natural Resources
B1 General disclosure	Policies on remuneration and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare and compliance with relevant laws and regulations that have a significant impact on issuers.	Disclosed	• Employment
B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	Disclosed	• Employment Practices and Relations
B1.2	Employee turnover rate by gender, age group and geographical region.	Disclosed	• Employment Practices and Relations
B2 General disclosure	Policies on providing a safe working environment and protecting employees from occupational hazards and compliance with relevant laws and regulations that have a significant impact on issuers.	Disclosed	• Health and Safety
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Disclosed	• Workplace Health and Safety
B2.2	Lost days due to work injury.	Disclosed	• Workplace Health and Safety
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Disclosed	• Workplace Health and Safety
B3 General disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Disclosed	• Development and Training
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Disclosed	• Talent Development
B3.2	The average training hours completed per employee by gender and employee category.	Disclosed	• Talent Development

ESG indicator		Disclosure	Location in the ESG Report
B4 General disclosure	Policies on preventing child and forced labour and compliance with relevant laws and regulations that have a significant impact on issuers.	Disclosed	• Labour Standards
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Disclosed	• No Child and Forced Labour
B4.2	Description of steps taken to eliminate such practices when discovered.	Disclosed	• No Child and Forced Labour
B5 General disclosure	Policies on managing environmental and social risks of the supply chain.	Disclosed	• Supply Chain Management
B5.1	Number of suppliers by geographical regions.	Disclosed	• Fair and Green Procurement Practices
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Disclosed	• Fair and Green Procurement Practices
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Disclosed	• Fair and Green Procurement Practices
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Disclosed	• Fair and Green Procurement Practices
B6 General disclosure	Policies on health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress and compliance with relevant laws and regulations that have a significant impact on issuers.	Disclosed	• Product Responsibility
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Disclosed	• Products and Services Standards
B6.2	Number of products and service related complaints received and how they are dealt with.	Disclosed	• Customer Services
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Disclosed	• Protection of Intellectual Property Rights
B6.4	Description of quality assurance process and recall procedures.	Disclosed	• Products and Services Standards • Customer Services • Fair Marketing
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Disclosed	• Data Privacy and Information Security

ESG indicator		Disclosure	Location in the ESG Report
B7 General disclosure	Policies on bribery, extortion, fraud and money laundering and compliance with relevant laws and regulations that have a significant impact on issuers.	Disclosed	• Anti-corruption
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Disclosed	• Anti-bribery and Anti-corruption
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Disclosed	• Anti-bribery and Anti-corruption
B7.3	Description of anti-corruption training provided to directors and staff.	Disclosed	• Anti-bribery and Anti-corruption
B8 General disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Disclosed	• Community Investment
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Disclosed	• Corporate Citizenship
B8.2	Resources contributed (e.g. money or time) to the focus area.	Disclosed	• Corporate Citizenship

Climate-related Disclosures		Disclosure	Location in the ESG Report
I. Governance **19.** An issuer shall disclose information about:			
(a)	the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about;	Disclosed	• Governance • ESG Governance Structure • Climate-related Governance
(i)	how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;		
(ii)	how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;		

Climate-related Disclosures		Disclosure	Location in the ESG Report
(iii)	how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;	Disclosed	• Governance • ESG Governance Structure • Climate-related Governance
(iv)	how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities, including whether and how related performance metrics are included in remuneration policies; and		
(b)	management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about;		
(i)	whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and		
(ii)	whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.		
II. Strategy **20.** An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:			
(a)	describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	Disclosed	• Strategy • Inputs and Approach of Scenario Analysis • Risk Management
(b)	explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;		
(c)	specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and		
(d)	explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.		

Climate-related Disclosures		Disclosure	Location in the ESG Report
Business model and value chain **21.** An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose:			
(a)	a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and	Disclosed	• Input and Approach of Scenario Analysis
(b)	a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).		
Strategy and decision making **22.** An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:			
(a)	information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about:	Disclosed	• Risk Management
(i)	current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities;		
(ii)	current and anticipated adaptation and mitigation efforts (whether direct or indirect);		
(iii)	any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and		
(iv)	how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; and	Disclosed	• Risk Management • GHG Emissions Targets
(b)	information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	Disclosed	• Risk Management

Climate-related Disclosures		Disclosure	Location in the ESG Report
23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).		Disclosed	• Risk Management
Financial position, financial performance and cash flows **24.** An issuer shall disclose qualitative and quantitative information about:			
(a)	how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and	Disclosed	• Risk Management
(b)	the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.		
25. The issuer shall provide qualitative and quantitative disclosures about:			
(a)	how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration;	Disclosed	• Risk Management
(i)	its investment and disposal plans; and		
(ii)	its planned sources of funding to implement its strategy; and		
(b)	how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.		

Climate-related Disclosures		Disclosure	Location in the ESG Report
Climate resilience **26.** An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose:			
(a)	the issuer's assessment of its climate resilience at the reporting date, which shall enable an understanding of:	Disclosed	• Risk Management
(i)	the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis;		
(ii)	the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and		
(iii)	the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term; and		
(b)	how and when the climate-related scenario analysis was carried out, including:		
(i)	information about the inputs used, including:		
(1)	which climate-related scenarios the issuer used for the analysis and the sources of such scenarios;		
(2)	whether the analysis included a diverse range of climate-related scenarios;		
(3)	whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks;		
(4)	whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change;		
(5)	why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties;		
(6)	time horizons the issuer used in the analysis; and		

Climate-related Disclosures		Disclosure	Location in the ESG Report
(7)	what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis);	Disclosed	• Risk Management
(ii)	the key assumptions the issuer made in the analysis; and		
(iii)	the reporting period in which the climate-related scenario analysis was carried out.		
III. Risk Management **27.** An issuer shall disclose information about:			
(a)	the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about;	Disclosed	• Inputs and Approach of Scenario Analysis
(i)	the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);		
(ii)	whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks;		
(iii)	how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria);		
(iv)	whether and how the issuer prioritises climate-related risks relative to other types of risks;		
(v)	how the issuer monitors climate-related risks; and		
(vi)	whether and how the issuer has changed the processes it uses compared with the previous reporting period;		
(b)	the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and		
(c)	the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.		

Climate-related Disclosures		Disclosure	Location in the ESG Report
IV. Metrics and Targets			
Greenhouse gas emissions			
28. An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO_2 equivalent, classified as:			
(a)	Scope 1 greenhouse gas emissions;	Disclosed	• Metrics and Targets
(b)	Scope 2 greenhouse gas emissions; and		
(c)	Scope 3 greenhouse gas emissions.		
29. An issuer shall:			
(a)	measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;	Disclosed	• Metrics and Targets • The Group's Approaches • Scope 3 Reporting Boundary
(b)	disclose the approach it uses to measure its greenhouse gas emissions including:		
(i)	the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions;		
(ii)	the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and		
(iii)	any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;		
(c)	for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and		
(d)	for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).		

Climate-related Disclosures		Disclosure	Location in the ESG Report
Climate-related transition risks **30.** An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.		Disclosed	• Climate-related Transition and Physical Risks
Climate-related physical risks **31.** An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.			
Climate-related opportunities **32.** An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.			
Capital deployment **33.** An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.			
Internal Carbon prices **34.** An issuer shall disclose:			
(a)	an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and	Disclosed	• Internal Carbon Pricing
(b)	the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions;		
Remuneration **35.** An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).		Disclosed	• Climate-related Governance
Industry-based metrics **36.** An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.		Disclosed	• Industry-based Metrics

Climate-related Disclosures		Disclosure	Location in the ESG Report
Climate-related targets **37.** An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose:		Disclosed	• GHG Emissions Target
(a)	the metric used to set the target;		
(b)	the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);		
(c)	the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region);		
(d)	the period over which the target applies;		
(e)	the base period from which progress is measured;		
(f)	milestones or interim targets (if any);		
(g)	if the target is quantitative, whether the target is an absolute target or an intensity target; and		
(h)	how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.		
38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:		Disclosed	• GHG Emissions Target
(a)	whether the target and the methodology for setting the target has been validated by a third party;		
(b)	the issuer's processes for reviewing the target;		
(c)	the metrics used to monitor progress towards reaching the target; and		
(d)	any revisions to the target and an explanation for those revisions.		
39. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.		Disclosed	• GHG Emissions Target

Climate-related Disclosures		Disclosure	Location in the ESG Report
40. For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose:			
(a)	which greenhouse gases are covered by the target;	Disclosed	• GHG Emissions Target
(b)	whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;		
(c)	whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target;		
(d)	whether the target was derived using a sectoral decarbonisation approach; and		
(e)	the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose:	Disclosed	• Carbon Offset
(i)	the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;		
(ii)	which third-party scheme(s) will verify or certify the carbon credits;		
(iii)	the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and		
(iv)	any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).		
Applicability of cross-industry metrics and industry-based metrics **41.** In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of (i) cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).		Disclosed	• Industry-based metrics

Deloitte. 德勤

TO THE MEMBERS OF ITC PROPERTIES GROUP LIMITED
德祥地產集團有限公司
(incorporated in Bermuda with limited liability)

QUALIFIED OPINION

We have audited the consolidated financial statements of ITC Properties Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 109 to 207, which comprise the consolidated statement of financial position as at 31 March 2026, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2026 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Qualified Opinion

As explained in Note 17(b) to the consolidated financial statements, the Group held a 20% equity interests in Rosedale Hotel Beijing Co., Ltd. ("Rosedale Beijing") as at 31 March 2024 and 2025.

The Group's interest in Rosedale Beijing was classified as an associate until the date when the Group ceased to have significant influence over Rosedale Beijing (the "Date of Derecognition") during the year ended 31 March 2025, and then accounted for Rosedale Beijing as an equity investment measured at fair value through profit or loss, in which the details are set out in the consolidated financial statements of the Group for the year ended 31 March 2025 As set out in our auditor's report dated 27 June 2025 on the consolidated financial statements of the Group for the year ended 31 March 2025, given the lack of sufficient appropriate audit evidence to support the carrying amount of the Group's interest in Rosedale Beijing classified as an associate as at 31 March 2024 in management's assessment of the previous year and as at that date of our auditor's report, we were unable to determine whether any adjustments were necessary to the opening balance of the Group's interests in associates as at 1 April 2024, which would consequentially impact whether (a) share of results of Rosedale Beijing during the period from 1 April 2024 to the Date of Derecognition or (b) any gain or loss arising on derecognition of Rosedale Beijing as an associate or (c) any fair value change on Rosedale Beijing accounted for as financial assets measured at fair value through profit or loss for the period from the Date of Derecognition to the year ended 31 March 2025 should be recognised in the consolidated financial statements of the Group for the year ended 31 March 2025. Our audit opinion on the current year's consolidated financial statements is also modified because of the possible effect of this matter on the comparability of the current year's figures and the corresponding figures.

Basis for Qualified Opinion *(Continued)*

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") as 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"), as applicable to audits of the financial statements of public interest entities. We have also 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 qualified opinion.

KEY AUDIT MATTERS

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

Key audit matter	How our audit addressed the key audit matter
Valuation of investment properties held by a joint venture We identified the valuation of investment properties of a joint venture as a key audit matter due to the significant management estimates involved in the valuation of investment properties. As at 31 March 2026, the investment properties of the joint venture were carried at their fair values amounting to RMB501,000,000 (equivalent to HK$568,027,000). Referring to Notes 4 and 18 to the consolidated financial statements, the fair values of the investment properties were determined based on valuation on these properties conducted by an independent professional valuer engaged by the Group using direct comparison method.	Our procedures in relation to valuation of investment properties included: • Evaluating the competence, capabilities and objectivity of the independent professional valuer; • Understanding management's process for reviewing the work of the independent professional valuer; and • Evaluating the valuation techniques and assessing the reasonableness of key inputs used in the valuation by checking to relevant information of market sale transactions of comparable properties and other market data with the involvement of our internal valuation specialists.

OTHER INFORMATION

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

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

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

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

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

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

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

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

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

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

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.

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

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

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

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

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

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

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 WONG, Kuen (practising certificate number: P05742).

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
29 June 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 March 2026

	NOTES	2026 *HK$'000*	2025 *HK$'000*
Revenue	5 & 6	**413,361**	398,064
Property income	6	**406,442**	389,527
Direct cost for property income		**(403,879)**	(735,820)
Gross profit (loss) for property income		**2,563**	(346,293)
Interest revenue from loan financing	6	**6,919**	8,537
Net fair value gain (loss) on financial instruments	7	**3,134**	(11,185)
Other income, gains and losses	8	**17,778**	(41,570)
Gain on compensation on resumption of land use rights	22	**–**	223,544
Impairment losses under expected credit loss model ("ECL"), net	33(b)	**(28,166)**	(28,093)
Loss on disposal of a subsidiary	35	**(5,062)**	–
Loss on disposal of interest in a joint venture	18	**–**	(220,073)
Loss on partial disposal of interests in joint ventures	18	**–**	(101,899)
Decrease in fair value of investment properties	16	**(64,000)**	(52,000)
Administrative and general expenses		**(188,642)**	(186,740)
Finance costs	9	**(81,870)**	(126,159)
Share of results of associates		**617**	99,896
Share of results of joint ventures		**(222,884)**	(68,595)
Loss before taxation		**(559,613)**	(850,630)
Taxation	10	**(3,508)**	(59,138)
Loss for the year	11	**(563,121)**	(909,768)
Loss for the year attributable to:			
Owners of the Company		**(527,727)**	(812,982)
Non-controlling interests		**(35,394)**	(96,786)
		(563,121)	(909,768)
Loss per share	14		
– Basic (HK dollar)		**(0.56)**	(0.90)
– Diluted (HK dollar)		**N/A**	(0.90)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2026

	2026 HK$'000	2025 HK$'000
Loss for the year	**(563,121)**	(909,768)
Other comprehensive income (expense)		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of foreign operations	**44,017**	(25,322)
Exchange differences arising on translation for associates and joint ventures	**(7,210)**	2,160
Reclassification of cumulative translation reserve upon disposal of foreign operations	**–**	30,535
Reclassification of cumulative translation reserve upon reduction of capital of a foreign operation	**–**	49,387
Other comprehensive income for the year	**36,807**	56,760
Total comprehensive expense for the year	**(526,314)**	(853,008)
Total comprehensive expense for the year attributable to:		
Owners of the Company	**(498,205)**	(754,599)
Non-controlling interests	**(28,109)**	(98,409)
	(526,314)	(853,008)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2026

	NOTES	2026 HK$'000	2025 HK$'000
Non-current assets			
Property, plant and equipment	15	**13,641**	133,812
Investment properties	16	**–**	417,000
Equity and fund investments	17	**40,700**	28,486
Interests in joint ventures	18	**24,933**	56,885
Amounts due from joint ventures	18	**570,551**	718,548
Interests in associates	19	**1,008,533**	1,007,916
Amount due from an associate	19	**56,892**	46,002
Other non-current assets	21	**18,153**	18,260
		1,733,403	2,426,909
Current assets			
Stock of properties	23	**10,600**	390,300
Other loan receivables	20	**55,323**	79,105
Debtors, deposits and prepayments	24	**108,820**	566,228
Amounts due from associates	19	**35,657**	35,657
Equity and fund investments	17	**32,601**	19,463
Restricted bank balance	25	**6,148**	–
Cash and cash equivalents	25	**132,391**	47,652
		381,540	1,138,405
Current liabilities			
Creditors, deposits and accrued charges	26	**138,130**	288,752
Amount due to a joint venture	18	**–**	20,773
Tax payables		**77,242**	117,278
Lease liabilities	27	**6,044**	8,513
Bank and other borrowings	28	**10,000**	759,571
		231,416	1,194,887
Net current assets (liabilities)		**150,124**	(56,482)
Total assets less current liabilities		**1,883,527**	2,370,427

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2026

	NOTES	2026 HK$'000	2025 HK$'000
Non-current liabilities			
Lease liabilities	27	**849**	2,251
Bank and other borrowings	28	**125,468**	166,670
		126,317	168,921
		1,757,210	2,201,506
Capital and reserves			
Share capital	30	**10,195**	9,072
Reserves		**1,732,052**	2,149,362
Equity attributable to owners of the Company		**1,742,247**	2,158,434
Non-controlling interests		**14,963**	43,072
		1,757,210	2,201,506

The consolidated financial statements on pages 109 to 207 were approved and authorised for issue by the board of directors on 29 June 2026 and are signed on its behalf by:

CAO XINWEI
DIRECTOR

LAW HON WA, WILLIAM
DIRECTOR

For the year ended 31 March 2026

	Attributable to owners of the Company												
	Share capital HK$'000	Share premium HK$'000	Contributed surplus HK$'000 (note i)	Capital redemption reserve HK$'000	Share-based payment reserve HK$'000	Investment revaluation reserve HK$'000	Other reserve HK$'000	Special reserve HK$'000 (note ii)	Translation reserve HK$'000	Accumulated losses HK$'000	Sub-total HK$'000	Non-controlling interests HK$'000	Total HK$'000
At 1 April 2024	9,072	3,322,578	113,020	9,899	1,546	(323,235)	3,348	(8,908)	(105,233)	(91,981)	2,930,106	138,654	3,068,760
Loss for the year	–	–	–	–	–	–	–	–	–	(812,982)	(812,982)	(96,786)	(909,768)
Exchange differences arising on translation of foreign operations	–	–	–	–	–	–	–	–	(23,699)	–	(23,699)	(1,623)	(25,322)
Exchange differences arising on translation for associates and joint ventures	–	–	–	–	–	–	–	–	2,160	–	2,160	–	2,160
Reclassification of cumulative translation reserve upon disposal of foreign operations	–	–	–	–	–	–	–	–	30,535	–	30,535	–	30,535
Reclassification of cumulative translation reserve upon reduction of capital of a foreign operation (Note 8)	–	–	–	–	–	–	–	–	49,387	–	49,387	–	49,387
Total comprehensive income (expense) for the year	–	–	–	–	–	–	–	–	58,383	(812,982)	(754,599)	(98,409)	(853,008)
Transfer on lapse of share options	–	–	–	–	(196)	–	–	–	–	196	–	–	–
Acquisition of additional interest in a subsidiary	–	–	–	–	–	–	(3,348)	–	–	–	(3,348)	2,947	(401)
Partial disposal of a subsidiary without loss of control	–	–	–	–	–	–	(13,725)	–	–	–	(13,725)	(120)	(13,845)
At 31 March 2025	**9,072**	**3,322,578**	**113,020**	**9,899**	**1,350**	**(323,235)**	**(13,725)**	**(8,908)**	**(46,850)**	**(904,767)**	**2,158,434**	**43,072**	**2,201,506**
Loss for the year	–	–	–	–	–	–	–	–	–	**(527,727)**	**(527,727)**	**(35,394)**	**(563,121)**
Exchange differences arising on translation of foreign operations	–	–	–	–	–	–	–	–	**36,732**	–	**36,732**	**7,285**	**44,017**
Exchange differences arising on translation for associates and joint ventures	–	–	–	–	–	–	–	–	**(7,210)**	–	**(7,210)**	–	**(7,210)**
Total comprehensive income (expense) for the year	–	–	–	–	–	–	–	–	**29,522**	**(527,727)**	**(498,205)**	**(28,109)**	**(526,314)**
Transfer on lapse of share options	–	–	–	–	**(1,350)**	–	–	–	–	**1,350**	–	–	–
Issue of shares, net of transaction costs (Note 30)	**1,123**	**80,895**	–	–	–	–	–	–	–	–	**82,018**	–	**82,018**
At 31 March 2026	**10,195**	**3,403,473**	**113,020**	**9,899**	–	**(323,235)**	**(13,725)**	**(8,908)**	**(17,328)**	**(1,431,144)**	**1,742,247**	**14,963**	**1,757,210**

Notes:

(i) The contributed surplus of ITC Properties Group Limited (the "Company") and its subsidiaries (collectively the "Group") represents the credit arising from capital reduction pursuant to the capital reorganisation on 13 March 2010.

(ii) Special reserve of the Group represents the difference between the nominal value of the share capital of the subsidiaries acquired and the nominal amount of the share capital of the Company issued as consideration under the group reorganisation in prior years.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2026

	NOTES	2026 HK$'000	2025 HK$'000
OPERATING ACTIVITIES			
Loss before taxation		**(559,613)**	(850,630)
Adjustments for:			
Net decrease in fair values of financial assets at fair value through profit or loss ("FVTPL")		**28**	6,263
Decrease in fair value of investment properties		**64,000**	52,000
Depreciation of property, plant and equipment		**14,686**	16,028
Finance costs		**81,870**	126,159
Interest income		**(22,954)**	(27,031)
Loss on disposal of property, plant and equipment		**–**	302
Loss on disposal of subsidiaries	35	**5,062**	4,556
Loss on disposal of interest in a joint venture	18	**–**	220,073
Loss on partial disposal of interests in joint ventures	18	**–**	101,899
Gain on compensation on resumption of land use rights		**–**	(223,544)
Decrease in fair value of an amount due from a joint venture		**748**	6,415
Net foreign exchange (gain) loss		**(1,880)**	55,666
Impairment loss of property, plant and equipment		**59,660**	34,305
Impairment losses under expected credit loss model, net		**28,166**	28,093
Share of results of associates		**(617)**	(99,896)
Share of results of joint ventures		**222,884**	68,595
Gain on lease modification		**(230)**	–
Operating cash flows before movements in working capital		**(108,190)**	(480,747)
Decrease in stock of properties		**390,300**	620,042
Decrease in other loan receivables		**4,012**	–
Increase in debtors, deposits and prepayments		**(13,351)**	(36,447)
(Increase) decrease in equity investments held for trading		**(13,138)**	4,922
(Decrease) increase in creditors, deposits and accrued charges		**(19,559)**	18,768
Cash from operations		**240,074**	126,538
Interest received		**8,407**	8,537
Income tax paid		**(45,963)**	(70)
NET CASH FROM OPERATING ACTIVITIES		**202,518**	135,005

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2026

	NOTE	2026 HK$'000	2025 HK$'000
INVESTING ACTIVITIES			
Compensation on resumption of land use rights		**411,505**	106,054
Proceeds from disposal of subsidiaries	35	**164,039**	15,000
Proceeds from settlement of consideration receivable for disposal of a joint venture		**32,597**	–
Withdrawal of restricted bank balance		**13,852**	10,090
Proceeds from settlement of consideration receivable for disposal of a subsidiary		**11,976**	–
Proceeds from redemption of an unlisted investment fund		**3,649**	–
Interest received		**437**	749
Repayment from joint ventures		**4**	19,491
Proceeds from disposal of property, plant and equipment		**–**	261,065
Proceeds from disposal of a joint venture		**–**	34,482
Proceeds from partial disposal of joint ventures		**–**	28,053
Refund of refundable earnest money		**–**	21,598
Dividend received from a joint venture		**–**	8,270
Distribution from an associate		**–**	7
Investments in joint ventures		**(2,466)**	(2,344)
Purchase of property, plant and equipment		**(6,022)**	(120)
Advances to associates		**(10,890)**	(9,227)
Purchase of financial assets at FVTPL of an unlisted investments fund		**(15,701)**	–
Placement of restricted bank balance		**(20,000)**	(19,959)
Advances to joint ventures		**(20,556)**	(21,949)
NET CASH FROM INVESTING ACTIVITIES		**562,424**	451,260
FINANCING ACTIVITIES			
Repayment of bank and other borrowings		**(810,795)**	(747,720)
Repayment to non-controlling interests		**(116,577)**	(7,738)
Interest paid		**(93,686)**	(107,465)
Repayment of lease liabilities, including related interests		**(9,152)**	(8,570)
Net cash outflow on acquisition of non-controlling interests		**–**	(20,159)
Advances from joint ventures		**–**	450
Proceeds from partial disposal of a subsidiary without loss of control		**–**	8,000
Advances from non-controlling interests		**–**	28,809
Proceeds from issue of shares, net of transaction costs		**82,018**	–
New bank and other borrowings raised		**260,300**	293,673
NET CASH USED IN FINANCING ACTIVITIES		**(687,892)**	(560,720)
NET INCREASE IN CASH AND CASH EQUIVALENTS		**77,050**	25,545
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**47,652**	24,743
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		**7,689**	(2,636)
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR, represented by bank balances and cash		**132,391**	47,652

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

1. GENERAL INFORMATION AND BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The Company was incorporated in Bermuda with limited liability and its issued shares are listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (Stock Code: 199). The ultimate controlling shareholders (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules")) of the Company (the "Controlling Shareholders") are Dr. Chan Kwok Keung, Charles ("Dr. Chan") and his associates (as defined in the listing Rules). The addresses of the registered office and the principal place of business in Hong Kong of the Company are disclosed in the "Corporate Information" section of this annual report.

The consolidated financial statements have been presented in Hong Kong dollars ("HK$"), which is also the functional currency of the Company.

The Company is an investment holding company. The Company and its subsidiaries (collectively the "Group") together with joint ventures and associates are principally engaged in development of, selling of and investment in properties in Macau Special Administrative Region of the PRC (as defined below) ("Macau"), Hong Kong Special Administrative Region of the PRC ("Hong Kong"), the People's Republic of China (the "PRC") and Canada, securities investments and provision of loan financing services. The principal activities of the Company's principal subsidiaries are set out in Note 43.

In preparing the consolidated financial statements, the directors of the Company (the "Directors") have reviewed and considered the Group's current financial position, cash flow forecasts and available financial resources in assessing the Group's ability to continue as a going concern.

During the year ended 31 March 2026, the Group recorded a loss of HK$563,121,000. Notwithstanding this, the Group successfully completed two share subscriptions during the year, resulting in a net current assets position of HK$150,124,000 as at 31 March 2026. During the year ended 31 March 2026, the Group fully settled the bank borrowings that had been overdue as at 31 March 2025.

The Directors have also taken into account a number of measures that have been implemented, or will continue to be implemented, by the Group, including:

– maintaining prudent control over operating expenses and capital expenditure;
– closely monitoring the Group's liquidity position and working capital requirements; and
– actively exploring opportunities in AI infrastructure, computing power services and related artificial intelligence businesses with a view to broadening the Group's future sources of revenue.

Having regard to the above, the Directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis at the time of approving the consolidated financial statements.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability

The application of the amendments to an HKFRS Accounting Standard in the current year has had no material impact on the Group's financial position and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

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

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

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

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

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

HKFRS 18 "Presentation and Disclosure in Financial Statements" ("HKFRS 18")

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

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. HKFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

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

Basis of preparation of consolidated financial statements

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

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset 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.

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

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

- Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Lowest level inputs are significant and unobservable inputs for the asset or liability.

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

Material accounting policy information

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

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

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

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

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

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

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

Investments in associates and joint ventures

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

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

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

Material accounting policy information *(Continued)*

Investments in associates and joint ventures *(Continued)*

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Changes in net assets of the associate/joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are 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 or joint venture.

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

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

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate or joint venture.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

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

Material accounting policy information *(Continued)*

Investments in associates and joint ventures *(Continued)*

Changes in the Group's interests in associates and joint ventures

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

Revenue from contracts with customers

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

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

Details of accounting policy information for revenue recognition set out in Note 6(ii).

Leases

The Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

Sale and leaseback transactions

The Group applies the requirements of HKFRS 15 "*Revenue from Contracts with Customers*" ("HKFRS 15") to assess whether sale and leaseback transaction constitutes a sale by the Group.

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

Material accounting policy information *(Continued)*

Leases *(Continued)*

Sale and leaseback transactions (Continued)

The Group as a seller-lessee

For a transfer that satisfies the requirements as a sale, the Group as a seller-lessee measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the seller-lessee, and recognises any gain or loss that relates to the rights transferred to the buyer-lessor only. Right-of-use asset and lease liability with fixed payments are subsequently measured in accordance with the general requirements under HKFRS 16. In measuring the lease liability, the Group determines "lease payments" or "revised lease payments" (including both lease payments that are fixed or variable) in a way that the Group would not recognise any amount of the gain or loss that relates to the right-of-use assets retained by the Group.

If the fair value of the consideration for the sale does not equal the fair value of the asset, or if the payments for the lease are not at market rates, the Group makes the following adjustments to measure the sale proceeds at fair value:

(a) any below-market terms is accounted for as a prepayment of lease payments; and
(b) any above-market terms is accounted for as additional financing provided by the buyer-lessor to the seller-lessee.

The Group as a lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as operating leases.

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

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

Allocation of consideration to components of a contract

When a contract includes both leases and non-lease components, the Group applies HKFRS 15 to allocate consideration in a contract to lease and non-lease components. Non-lease components are separated from lease component on the basis of their relative stand-alone selling prices.

For the year ended 31 March 2026

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

Material accounting policy information *(Continued)*

Leases *(Continued)*

The Group as a lessor (Continued)

Refundable rental deposits

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

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. When a fair value gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is also recognised in profit or loss. 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.

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

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

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

Material accounting policy information *(Continued)*

Borrowing costs

Borrowing costs not qualified for capitalisation are recognised in profit or loss in the period in which they are incurred.

Employee benefits

Retirement benefit costs

Payments to defined contribution retirement benefit plans, state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme (the "MPF Scheme") are recognised as an expense when employees have rendered service entitling them to the contributions.

Termination benefits

A liability for a termination benefit is recognised at the earlier of when the Group entity can no longer withdraw the offer of the termination benefit and when it recognises any related restructuring costs.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS Accounting Standard requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages, salaries and annual leave) after deducting any amount already paid.

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

Material accounting policy information *(Continued)*

Share-based payment transactions

Equity-settled share-based payment transactions

Share options granted to employees
Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based payment reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payment reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share-based payment reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payment reserve will be transferred to accumulated losses.

Taxation

Income tax expense represents the sum of current and deferred income tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from loss before taxation as reported in the consolidated statement of profit or loss because of income or expense that are taxable or deductible in other years and 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 bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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

Material accounting policy information *(Continued)*

Taxation *(Continued)*

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax 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.

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

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

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

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

Material accounting policy information *(Continued)*

Property, plant and equipment

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

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

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

Investment properties

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

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

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

Construction costs incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under construction.

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

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

Material accounting policy information *(Continued)*

Impairment losses on property, plant and equipment (including right-of-use assets) and intangible asset other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment (included in right-of-use 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 relevant asset is estimated in order to determine the extent of the impairment loss, if any. Intangible asset with indefinite useful life is tested for impairment at least annually, and whenever there is an indication that it may be impaired.

The recoverable amount of property, plant and equipment (included in right-of-use assets) are estimated individually.

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 is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. 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. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset 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 in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statement of financial position include:

(a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and

(b) cash equivalents, which comprises of 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 than for investment or other purposes.

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

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

Material accounting policy information *(Continued)*

Stock of properties

Properties under development which are intended to be sold upon completion of development and properties for sale are classified as current assets. Except for the leasehold land element which is measured at cost model in accordance with the accounting policies of right-of-use assets, properties under development/properties for sale are carried at the lower of cost and net realisable value. Cost is determined on a specific identification basis including allocation of the related development expenditure incurred and where appropriate, borrowing costs capitalised. Net realisable value represents the estimated selling price for the properties less estimated cost to completion and costs necessary to make the sales. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

Properties under development for sale are transferred to properties for sale upon completion.

Financial instruments

Financial assets and financial liabilities are recognised 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 assets or financial liabilities at 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.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and 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 asset or financial liability or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised in profit or loss and is included in other income, gains and losses except for interest income on other loan receivables, which is derived from the Group's ordinary course of business are presented as interest revenue from loan financing.

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

Material accounting policy information *(Continued)*

Financial instruments *(Continued)*

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 generally by regulation or convention in the market place concerned.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and subsequent measurement of financial assets

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

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

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

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a 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 designated and effective hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or fair value through other comprehensive income ("FVTOCI") as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) *Amortised cost and interest income*

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. 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 from the next reporting period. If 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 from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

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

Material accounting policy information *(Continued)*

Financial instruments *(Continued)*

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

(ii) *Equity instruments designated as at FVTOCI*

Investments in equity instruments at FVTOCI are subsequently 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; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will be transferred to accumulated losses.

Dividends from these 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.

(iii) *Financial assets at FVTPL*

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

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the net fair value loss on financial instruments line item in profit or loss.

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

The Group performs impairment assessment under ECL model on financial assets (including debtors and deposits, amounts due from joint ventures, amounts due from associates, other loan receivables, restricted bank balance and bank balances), and other item (financial guarantee contracts) which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within twelve months after the reporting date. Assessments are done 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 past events and current conditions at the reporting date as well as the forecast of future economic conditions.

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

Material accounting policy information *(Continued)*

Financial instruments *(Continued)*

Financial assets (Continued)

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

The Group always recognises lifetime ECL for trade debtors. The ECL on the trade debtors are assessed collectively using a provision matrix with appropriate groupings.

For all other instruments, the Group measures the loss allowance equal to 12m 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 increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

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

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

- an actual or expected significant deterioration in the financial instrument’s external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- 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.

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

For the year ended 31 March 2026

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

Material accounting policy information *(Continued)*

Financial instruments *(Continued)*

Financial assets (Continued)

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

(i) 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) it has a low risk of default, (ii) the borrower 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 fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definitions.

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

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.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when 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, 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.

For the year ended 31 March 2026

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

Material accounting policy information *(Continued)*

Financial instruments *(Continued)*

Financial assets (Continued)

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

(iii) Credit-impaired financial assets

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

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

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

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

(iv) Write-off policy

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

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group uses a practical expedient in estimating ECL on trade receivables using a provision matrix taking into consideration historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and forward-looking information, including time value of money where appropriate, that is available without undue cost or effort.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

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

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

Material accounting policy information *(Continued)*

Financial instruments *(Continued)*

Financial assets (Continued)

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

(v) Measurement and recognition of ECL *(Continued)*

For ECL on financial guarantee contracts for which the effective interest rate cannot be determined, the Group will apply a discount rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows but only if, and to the extent that, the risks are taken into account by adjusting the discount rate instead of adjusting the cash shortfalls being discounted.

Lifetime ECL for trade debtors are considered on a collective basis taking into consideration past due information and relevant credit information such as forward-looking macroeconomic information.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Except for financial guarantee contracts, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade debtors, amount(s) due from joint venture(s)/associate(s) and other loan receivables where the corresponding adjustment is recognised through a loss allowance account.

Derecognition of financial assets

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

On derecognition of a financial asset 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 investments revaluation reserve is not reclassified to profit or loss, but is transferred to accumulated losses.

For the year ended 31 March 2026

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

Material accounting policy information *(Continued)*

Financial instruments *(Continued)*

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments 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 the Company are recognised at the proceeds received, net of direct issue costs.

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

Financial liabilities at amortised cost

Financial liabilities (including creditors and deposits, amount due to a joint venture, and bank and other borrowings) are subsequently measured at amortised cost, using the effective interest method.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee contract liabilities are initially measured at their fair values. It is subsequently measured at the higher of:

(i) the amount of loss allowance as determined in accordance with HKFRS 9; and

(ii) the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

Derecognition of financial liabilities

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

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

Critical judgements in applying accounting policies

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

Deferred taxation on investment properties

For the purposes of measuring deferred tax arising from investment properties that are measured using the fair value model, the Directors have reviewed the Group's investment properties portfolios and concluded that the Group's investment properties in Hong Kong are not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time. Therefore, in determining the deferred taxation on the Group's investment properties in Hong Kong, the Directors have determined the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is not rebutted. The Group has not recognised any deferred tax on changes in fair value of investment properties in Hong Kong as the Group is not subject to any income taxes on the fair value changes of the investment properties in Hong Kong on disposal.

Revenue from sales of properties through disposal of subsidiaries

When the Group sells properties through disposal of subsidiaries which contain stock of properties as the predominate assets, the Group considers several factors in determining whether the contracts fall into the scope of HKFRS 15 and recognise the consideration from such disposal as revenue of the Group. Factors considered include:

- The Group contracts with a customer for goods or services that are an output of the Group's ordinary activities in exchange for consideration;
- The subsidiary contains only inventory as defined in HKAS 2 and any related income tax asset or liability as defined in HKAS 12 *"Income Taxes"*; and
- The entity retains no interest in the inventory transferred to the customer.

The management of the Group considered that disposal of subsidiaries set out in Note 6 has met all characteristics and account for revenue from sales of properties.

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

Critical judgements in applying accounting policies *(Continued)*

Significant influence over Rosedale Hotel Beijing Co., Ltd. ("Rosedale Beijing")

The Group achieves significant influence of its associates through board representation and by having the power to participate in the investee's operating and financial policy decisions. During the year ended 31 March 2025, the Group re-assessed its ability to exercise significant influence over Rosedale Beijing in which the Group has 20% equity interests. After re-assessment, the Directors are of the opinion that the Group has lost significant influence as its repeated requests to receive financial information of Rosedale Beijing have been ignored by Rosedale Beijing and the other shareholder holding 80% interest in Rosedale Beijing (the "Major Shareholder"), and a lawsuit has been initiated by the Company as detailed in Note 17(b), therefore the Group considered its significant influence over Rosedale Beijing has been constrained. The management of the Company considered it can no longer exercise significant influence. As a result, Rosedale Beijing is accounted for as an equity investment measured at FVTPL upon derecognition of Rosedale Beijing as an associate and as at 31 March 2025 in accordance with HKFRS 9.

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 may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment loss on other loan receivables

The Group recognises impairment loss on other loan receivables by applying the ECL model to individual exposures by considering the financial background of the debtors and measuring the impairment loss based on the probability of default and loss given default with reference to international credit-rating agencies' data adjusted for forward-looking factors. The measurement of ECL is a function of the exposure at default, probability of default and loss given default, which involves key estimates from the management. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

The provision of ECL is sensitive to changes in estimates. Due to greater financial uncertainty in the macroeconomic environment, there is a higher degree of uncertainty in terms of estimation in term of how forward looking factors affect the probability of default. The information about the ECL on other loan receivables and the key estimation uncertainty are disclosed in Note 33(b).

As at 31 March 2026, the carrying amount of the Group's other loan receivables was HK$55,323,000 (2025: HK$79,105,000), net of credit loss allowance of HK$408,920,000 (2025: HK$398,156,000) and out of which, the carrying amount of nil (2025: HK$9,025,000), net of credit loss allowance of HK$366,914,000 (2025: HK$366,895,000) was credit-impaired.

For the year ended 31 March 2026

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

Key sources of estimation uncertainty *(Continued)*

Valuation of investment properties

As at 31 March 2025, the carrying amount of the Group's investment properties was HK$417,000,000 (2026: nil).

As at 31 March 2026, the major non-current assets of a joint venture represented investment properties in the PRC amounting to Renminbi ("RMB") 501,000,000 (equivalent to HK$568,027,000) (2025: RMB625,000,000 (equivalent to HK$669,165,000)).

The valuations of investment properties were based on valuation of these properties conducted by independent professional valuers using property valuation techniques which involve certain assumptions of market conditions and significant unobservable inputs as disclosed in Notes 16 and 18. Favourable or unfavourable changes to these assumptions would result in changes in the valuations of the Group's investment properties and corresponding adjustments to the fair value changes reported in the consolidated statement of profit or loss.

5. SEGMENT INFORMATION

The segment information reported externally was analysed on the basis of the goods and services delivered or provided by the Group's operating divisions and is consistent with the internal information that is regularly reviewed by the executive Directors, the chief operating decision maker (the "CODM"), for the purposes of resource allocation and assessment of performance. This is also the basis of organisation in the Group, whereby the management has chosen to organise the Group around differences in products and services.

The Group’s reportable and operating segments are as follows:

Property	–	development of, selling of and investment in properties
Hotel and leisure	–	investment in hotels
Securities investments	–	trading and investment of securities
Finance	–	provision of loan financing services

5. SEGMENT INFORMATION *(Continued)*

Information regarding these segments is reported below:

For the year ended 31 March 2026

	Segment revenue HK$'000 (note (a))	Operating (loss) profit HK$'000	Loss on disposal of a subsidiary HK$'000	Share of results of associates HK$'000	Share of results of joint ventures HK$'000	Finance costs HK$'000	Segment results: (loss) profit before taxation HK$'000 (note (b))
Property (note (c))	406,442	(141,031)	(5,062)	617	(220,512)	(67,279)	(433,267)
Securities investments	–	2,011	–	–	–	–	2,011
Finance	6,919	(11,831)	–	–	–	–	(11,831)
SEGMENT TOTAL	413,361	(150,851)	(5,062)	617	(220,512)	(67,279)	(443,087)
Unallocated	–	(99,563)	–	–	(2,372)	(14,591)	(116,526)
GROUP TOTAL	413,361	(250,414)	(5,062)	617	(222,884)	(81,870)	(559,613)

For the year ended 31 March 2025

	Segment revenue HK$'000 (note (a))	Operating loss HK$'000	Gain on compensation on resumption of land use rights HK$'000	Loss on disposal of interest in a joint venture HK$'000	Loss on partial disposal of interests in joint ventures HK$'000	Share of results of associates HK$'000	Share of results of joint ventures HK$'000	Finance costs HK$'000	Segment results: loss before taxation HK$'000 (note (b))
Property (note (c))	389,527	(526,791)	223,544	–	(101,899)	99,896	(56,922)	(101,536)	(463,708)
Hotel and leisure	–	(11)	–	(220,073)	–	–	(5,203)	–	(225,287)
Securities investments	–	(12,374)	–	–	–	–	–	–	(12,374)
Finance	8,537	(41,226)	–	–	–	–	–	–	(41,226)
SEGMENT TOTAL	398,064	(580,402)	223,544	(220,073)	(101,899)	99,896	(62,125)	(101,536)	(742,595)
Unallocated	–	(76,942)	–	–	–	–	(6,470)	(24,623)	(108,035)
GROUP TOTAL	398,064	(657,344)	223,544	(220,073)	(101,899)	99,896	(68,595)	(126,159)	(850,630)

For the year ended 31 March 2026

5. SEGMENT INFORMATION *(Continued)*

Notes:

(a) Segment revenue as set out above comprised income from leases, income from sales of properties, properties commission income, building management fee income and loan financing income. All segment revenue is from external customers.

(b) The aggregate of the segment results as set out above comprised the (loss) profit before taxation from each segment without allocation of certain other income, gains and losses, certain administrative and general expenses, share of results of certain joint ventures and certain finance costs.

(c) The segment revenue of property segment included income from leases, income from sales of properties, properties commission income and building management fee income. During the year ended 31 March 2026, the segment result of property segment included decrease in fair value of investment properties of HK$64,000,000 (2025: HK$52,000,000), impairment loss of certain property, plant and equipment of HK$58,752,000 (2025: HK$34,305,000), share of decrease in fair value of investment properties, net of tax, of RMB96,256,000 (equivalent to HK$106,126,000) of a joint venture and share of write-down of stock of properties amounting to HK$127,752,000 from joint ventures (2025: share of decrease in fair value of investment properties, net of tax, of RMB59,813,000 (equivalent to HK$64,592,000) of a joint venture) included in share of results of joint ventures.

The accounting policies of the operating segments are the same as the Group's accounting policies. The CODM assesses the performance of the operating segments based on the (loss) profit before taxation of the group entities engaged in the respective segment activities which represents the segment results. Segment results are analysed before taxation whereas tax payable is allocated to operating segment liabilities. This is the measure reported to the CODM for the purpose of resource allocation and performance assessment. Financial information provided to the CODM is measured in a manner consistent with the accounting policies adopted in the preparation of the consolidated financial statements.

Segment assets and liabilities

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

	Segment assets		Segment liabilities	
	2026	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Property	**1,752,718**	3,255,597	**198,538**	963,248
Hotel and leisure	**29,598**	67,938	**1,500**	1,993
Securities investments	**73,301**	47,953	**476**	951
Finance	**83,858**	111,683	**73**	48
Segment total	**1,939,475**	3,483,171	**200,587**	966,240
Unallocated:				
Cash and cash equivalents	**132,391**	47,652	**–**	–
Restricted bank balance	**6,148**	–	**–**	–
Bank and other borrowings	**–**	–	**135,468**	364,351
Others	**36,929**	34,491	**21,678**	33,217
Total	**2,114,943**	3,565,314	**357,733**	1,363,808

5. SEGMENT INFORMATION *(Continued)*

Segment assets and liabilities *(Continued)*

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

- all assets are allocated to operating segments other than certain property, plant and equipment, certain other non-current assets, certain debtors, deposits and prepayments of the corporate offices, interests in certain joint ventures, restricted bank balance and cash and cash equivalents; and
- all liabilities, including tax payables, are allocated to operating segments other than certain lease liabilities, certain bank and other borrowings, certain creditors, deposits and accrued charges and certain tax payables.

Other segment information

	Additions to property, plant and equipment		Depreciation of property, plant and equipment		Impairment loss of property, plant and equipment		Decrease in fair value of investment properties		Interest income	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Property	**9,097**	16,575	**(4,995)**	(7,618)	**(58,752)**	(34,305)	**(64,000)**	(52,000)	**15,598**	**17,745**
Finance	**–**	–	**–**	–	**–**	–	**–**	–	**6,919**	**8,537**
	9,097	16,575	**(4,995)**	(7,618)	**(58,752)**	(34,305)	**(64,000)**	(52,000)	**22,517**	**26,282**
Unallocated	**5,500**	120	**(9,691)**	(8,410)	**(908)**	–	**–**	–	**437**	**749**
Total	**14,597**	16,695	**(14,686)**	(16,028)	**(59,660)**	(34,305)	**(64,000)**	(52,000)	**22,954**	**27,031**

Geographical information

The Group's revenue from external customers based on location of properties and/or goods delivered or services delivered, and information about its non-current assets, excluding financial assets, by physical location of the assets are detailed as below:

	Revenue from external customers		Carrying amount of non-current assets	
	2026	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**412,024**	23,280	**226,184**	799,781
Macau	**–**	–	**827,867**	821,548
United Kingdom	**–**	372,763	**–**	–
PRC	**–**	–	**11,207**	10,610
Canada	**1,337**	2,021	**2**	1,934
	413,361	398,064	**1,065,260**	1,633,873

For the year ended 31 March 2026

5. SEGMENT INFORMATION *(Continued)*

Information about major customers

During the year ended 31 March 2026, the Group had one (2025: one) customer with whom transactions have exceeded 10% of the Group's total revenue.

	2026	2025
	HK$'000	*HK$'000*
Customer A – Property	**361,800**	–
Customer B – Property	**–**	369,424

6. REVENUE

(i) Disaggregation of revenue

	2026	2025
	HK$'000	*HK$'000*
Revenue from contracts with customers:		
Property		
Revenue from building management fee income		
– recognised over time	**1,466**	752
Revenue from properties commission income		
– recognised at a point in time	**1,549**	2,490
Revenue from sales of properties		
– recognised at a point in time	**397,800**	377,424
	400,815	380,666
Revenue from other sources:		
Fixed lease income	**5,627**	8,861
Interest revenue from loan financing	**6,919**	8,537
Total revenue	**413,361**	398,064

Revenue from contracts with customers of HK$400,815,000 (2025: HK$380,666,000) for the year ended 31 March 2026 includes property commission income of HK$1,337,000 (2025: HK$2,021,000) deriving from Canada, sales of properties of nil (2025: HK$369,424,000) deriving from the United Kingdom and the remaining of HK$399,478,000 (2025: HK$9,221,000) was derived in Hong Kong.

6. REVENUE *(Continued)*

(ii) Performance obligations for contracts with customers

Revenue from building management fee income

The Group provides building management services to customers. Such services are recognised as a performance obligation satisfied over time as the customers simultaneously receive and consume the benefits provided by the Group's performance as the Group performs.

The Group receives payment of building management fee at the beginning of each month according to contract terms.

Revenue from properties commission income

Revenue from properties commission income is recognised at a point in time and the Group has the right for receipt of payment when the related sale and purchase agreements are signed.

The Group applies the practical expedient of expensing all incremental costs to obtain a contract if these costs would otherwise have been fully amortised to profit or loss within one year.

Revenue from sales of properties

Revenue is recognised at a point in time when the control of the properties are transferred to the customers.

The Group sells properties directly to customers or through disposal of subsidiaries which contain stock of properties as the predominate assets.

The Group receives certain percentage of the contract value as deposits from customers when they sign the sale and purchase agreements for the sales of properties. Full payment of the remaining consideration is collected prior to the transfer of control of the properties to the customers.

During the years ended 31 March 2026 and 2025, the Group disposed of the entire interests in certain subsidiaries which were principally engaged in development of properties held for sale. In these transactions, the Group was principally selling and the buyers were principally acquiring the properties held for sale which were the single predominant asset of the subsidiaries. Accordingly, the Group had accounted for the disposal of the entire interests in these subsidiaries as disposal of the underlying properties held for sale. The consideration from the sale of the entire equity interests were recognised as revenue generated from sales of properties by the Group.

The revenue is recognised at a point in time when the control of disposed subsidiaries are transferred to customers.

(iii) Transaction price allocated to the remaining performance obligation for contracts with customers

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

For the year ended 31 March 2026

7. NET FAIR VALUE GAIN (LOSS) ON FINANCIAL INSTRUMENTS

	2026	2025
	HK$'000	*HK$'000*
Net increase(decrease) in fair values of financial assets at FVTPL held at the end of the reporting period	**3,134**	(11,185)

8. OTHER INCOME, GAINS AND LOSSES

	2026	2025
	HK$'000	*HK$'000*
Other income:		
Bank interest income	**437**	749
Interest income on amounts due from joint ventures (Note 40(i))	**15,598**	17,745
Others	**926**	1,538
	16,961	20,032
Other gains and losses:		
Decrease in fair value of an amount due from a joint venture (note (a))	**(748)**	(6,415)
Net foreign exchange gain (loss)	**1,335**	(5,800)
Exchange loss upon reduction of capital of a foreign operation (note (b))	**–**	(49,387)
Gain on lease modification	**230**	–
	817	(61,602)
	17,778	(41,570)

Notes:

(a) During the year ended 31 March 2026, a decrease in fair value of HK$748,000 (2025: HK$6,415,000) has been recognised on an amount due from a joint venture and the fair value of such amount has been measured with reference to a quoted price of the underlying asset held by the joint venture in a market that is not active.

(b) The amount represented the proportionate share of exchange losses previously recognised in the translation reserve and reclassified to profit or loss by the Group upon reduction of registered capital of a PRC subsidiary during the year ended 31 March 2025.

9. FINANCE COSTS

	2026 HK$'000	2025 HK$'000
Interest on bank and other borrowings	**81,498**	125,342
Interest on lease liabilities	**372**	817
	81,870	126,159

10. TAXATION

	2026 HK$'000	2025 HK$'000
Hong Kong Profits Tax:		
Current tax	**–**	–
PRC Enterprise Income Tax:		
Current tax	**–**	59,114
Withholding tax	**3,696**	–
	3,696	59,114
Canadian Corporate Tax:		
Current tax	**–**	24
Overprovision in prior years	**(188)**	–
	(188)	24
	3,508	59,138

For the year ended 31 March 2026

10. TAXATION *(Continued)*

Hong Kong Profits Tax of the qualified entity of the Group was calculated in accordance with the two-tiered profits tax rates regime (i.e. the first HK$2 million of profits of a qualifying group entity to be taxed at 8.25%, and profits above HK$2 million to be taxed at 16.5%), while the profits of group entities not qualifying for the two-tiered profits tax rates regime continued to be taxed at a flat rate of 16.5%.

Taxation arising in other jurisdictions was calculated at the rates prevailing in the relevant jurisdictions.

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

	2026 ***HK$'000***	2025 *HK$'000*
Loss before taxation	**(559,613)**	(850,630)
Tax at the Hong Kong Profits Tax rate at 16.5%	**(92,336)**	(140,354)
Tax effect of share of results of joint ventures and associates	**36,674**	(5,165)
Tax effect of expenses not deductible for tax purpose	**26,449**	126,224
Tax effect of deductible temporary difference not recognised	**9,844**	45,449
Tax effect of income not taxable for tax purpose	**(3,724)**	(7,856)
Tax effect of tax losses not recognised	**23,843**	26,686
Utilisation of tax losses previously not recognised	**(45)**	(5,327)
Effect of different tax rates of subsidiaries operating in other jurisdictions	**(705)**	19,481
Effect of withholding tax at 5% on the distributable profit of PRC subsidiary	**3,696**	–
Overprovision in prior years	**(188)**	–
Tax charge for the year	**3,508**	59,138

Details of deferred taxation are set out in Note 29.

During the year ended 31 March 2025, a tax provision of HK$59,114,000 (2026: nil) was recognised arising from taxation in the PRC in relation to the gain on compensation on resumption of land use rights.

11. LOSS FOR THE YEAR

	2026 HK$'000	2025 HK$'000
Loss for the year has been arrived at after charging (crediting):		
Auditors' remuneration		
– current year	**4,821**	4,501
– underprovision in prior years	**84**	92
	4,905	4,593
Directors' emoluments (Note 12(a))	**13,830**	13,702
Other staff costs:		
Salaries and other benefits	**40,884**	42,876
Retirement benefits scheme contributions	**1,970**	2,046
Total staff costs	**56,684**	58,624
Gross rental income	**(5,627)**	(8,861)
Less: direct operating expenses that generated rental income during the year	**4,358**	4,023
	(1,269)	(4,838)
Cost of inventories recognised as an expense (including write-down of stock of properties of nil (2025: HK$170,527,000))	**390,300**	720,607
Depreciation of property, plant and equipment	**14,686**	16,028
Impairment loss of property, plant and equipment (included in administrative and general expenses)	**59,660**	34,305
Loss on disposal of property, plant and equipment	**–**	302

For the year ended 31 March 2026

12. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND HIGHEST PAID INDIVIDUALS

(a) Directors' and chief executive's emoluments

Details of the emoluments paid or payable to each of the ten (2025: eight) Directors including chief executive for their services rendered for the Group are as follows:

		Other emoluments			
	Fees *HK$'000*	Salaries and other benefits *HK$'000*	Equity-settled share-based payment expense *HK$'000*	Retirement benefits scheme contributions *HK$'000*	Total emoluments *HK$'000*
2026					
Executive Directors					
Cheung Hon Kit	10	3,480	–	–	3,490
Dr. Chan	10	3,480	–	–	3,490
Chan Yiu Lun, Alan	10	2,640	–	18	2,668
Law Hon Wa, William	10	2,880	–	144	3,034
Wu Yao (note (i))	24	–	–	–	24
Non-executive Director					
Chau Mei Wah	120	–	–	–	120
Independent Non-executive Directors					
Shek Lai Him, Abraham	300	–	–	–	300
Ip Hon Wah	300	–	–	–	300
Pang, Anthony Ming-tung	300	–	–	–	300
Chan Chun Hung, Vincent (note (ii))	104	–	–	–	104
	1,188	12,480	–	162	13,830

12. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND HIGHEST PAID INDIVIDUALS (Continued)

(a) Directors' and chief executive's emoluments *(Continued)*

		Other emoluments			
	Fees	Salaries and other benefits	Equity-settled share-based payment expense	Retirement benefits scheme contributions	Total emoluments
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
2025					
Executive Directors					
Cheung Hon Kit	10	3,480	–	–	3,490
Dr. Chan	10	3,480	–	–	3,490
Chan Yiu Lun, Alan	10	2,640	–	18	2,668
Law Hon Wa, William	10	2,880	–	144	3,034
Non-executive Director					
Chau Mei Wah	120	–	–	–	120
Independent Non-executive Directors					
Shek Lai Him, Abraham	300	–	–	–	300
Ip Hon Wah	300	–	–	–	300
Pang, Anthony Ming-tung	300	–	–	–	300
	1,060	12,480	–	162	13,702

Notes:

(i) Mr. Wu Yao was appointed as an executive Director with effect from 20 January 2026.

(ii) Mr. Chan Chun Hung, Vincent was appointed as an independent non-executive Director with effect from 26 November 2025.

The executive Directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.

The emoluments of the non-executive Director and independent non-executive Direcctors shown above were for their services as directors of the Company.

There was no arrangement under which a Director or the chief executive waived or agreed to waive any remuneration during both years.

For the year ended 31 March 2026

12. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND HIGHEST PAID INDIVIDUALS *(Continued)*

(b) Employees' emoluments

The employees' emoluments are based on their qualifications and experience, job nature and performance, and under the pay scales aligned with market conditions.

The five highest paid individuals of the Group for the year ended 31 March 2026 included four (2025: four) Directors, whose emoluments are disclosed above, and the remaining one (2025: one) is an employee of the Group, details of whose emolument are as follows:

	2026	2025
	HK$'000	*HK$'000*
Employee:		
Salaries and other benefits	**2,016**	1,931
Retirement benefits scheme contribution	**18**	–
	2,034	1,931

Their emoluments were within the following bands:

	Number of employees	
	2026	2025
HK$1,500,001 to HK$2,000,000	**–**	1
HK$2,000,001 to HK$2,500,000	**1**	–

During both years, 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.

As at 31 March 2026, no loan, quasi-loan or other dealing was entered into by the Company or any of its subsidiaries in favour of any director of the Company, any controlled body corporate by or connected entity with any director of the Company.

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

For the year ended 31 March 2026, no termination benefit was paid or payable to any director of the Company. No consideration was paid or payable to any third party for making available any director's services.

13. DISTRIBUTION

The Group has not declared or paid any interim and final dividends during the years ended 31 March 2026 and 2025.

The board of Directors (the "Board") decided not to declare a dividend for the year ended 31 March 2026.

14. LOSS PER SHARE

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

	2026	2025
	HK$'000	*HK$'000*
Loss:		
Loss for the year attributable to owners of the Company for the purpose of basic and diluted loss per share	**(527,727)**	(812,982)

	2026	2025
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	**935,697,040**	907,198,410

The effect of the exercise of the Company's share options was not taken into consideration for computing the diluted loss per share for the year ended 31 March 2025 as the exercise price of those share options was higher than the average market price for shares. No diluted loss per share is presented for the year ended 31 March 2026 as there was no potential ordinary share in issue.

15. PROPERTY, PLANT AND EQUIPMENT

	Leasehold land and buildings *HK$'000*	Leasehold improvements *HK$'000*	Furniture, fixtures and equipment *HK$'000*	Motor vehicles *HK$'000*	Total *HK$'000*
COST					
At 1 April 2024	649,431	2,823	9,164	12,228	673,646
Exchange adjustments	(22)	(28)	(24)	(13)	(87)
Additions	15,583	–	992	120	16,695
Disposals/written off	(399,133)	(728)	(2,837)	(5,968)	(408,666)
At 31 March 2025	**265,859**	**2,067**	**7,295**	**6,367**	**281,588**
Exchange adjustments	**66**	**46**	**86**	**66**	**264**
Additions	**9,097**	**–**	**5,500**	**–**	**14,597**
Disposal of a subsidiary (Note 35)	**(241,466)**	**–**	**–**	**–**	**(241,466)**
Disposals/written off	**(1,381)**	**–**	**(221)**	**–**	**(1,602)**
Adjustment arising from lease modification	**(10,784)**	**–**	**–**	**–**	**(10,784)**
At 31 March 2026	**21,391**	**2,113**	**12,660**	**6,433**	**42,597**
DEPRECIATION AND IMPAIRMENT					
At 1 April 2024	223,560	2,617	7,757	9,623	243,557
Exchange adjustments	(4)	(25)	(19)	(11)	(59)
Charge for the year	14,691	2	368	967	16,028
Impairment loss recognised in profit or loss	34,305	–	–	–	34,305
Eliminated on disposals/written off	(137,889)	(527)	(1,741)	(5,898)	(146,055)
At 31 March 2025	**134,663**	**2,067**	**6,365**	**4,681**	**147,776**
Exchange adjustments	**28**	**46**	**80**	**59**	**213**
Charge for the year	**13,596**	**–**	**674**	**416**	**14,686**
Impairment loss recognised in profit or loss	**58,752**	**–**	**–**	**908**	**59,660**
Disposal of a subsidiary (Note 35)	**(184,466)**	**–**	**–**	**–**	**(184,466)**
Eliminated on disposals/written off	**(1,381)**	**–**	**(221)**	**–**	**(1,602)**
Adjustment arising from lease modification	**(7,311)**	**–**	**–**	**–**	**(7,311)**
At 31 March 2026	**13,881**	**2,113**	**6,898**	**6,064**	**28,956**
CARRYING VALUES					
At 31 March 2026	**7,510**	**–**	**5,762**	**369**	**13,641**
At 31 March 2025	131,196	–	930	1,686	133,812

15. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

The above items of property, plant and equipment are depreciated on a straight-line basis, taking into account their residual values, as follows:

Leasehold land and buildings	50 years or the remaining term of the relevant lease, if shorter
Leasehold improvements	3 years or the remaining term of the relevant lease, if shorter
Furniture, fixtures and equipment	3 to 5 years
Motor vehicles	5 years

During the year ended 31 March 2026, the Group recognised impairment loss of HK$58,752,000 (2025: HK$34,305,000) for a leasehold land and building by considering their recoverable amounts having regard to the change in the property market conditions in Hong Kong.

The recoverable amounts of leasehold land and buildings are estimated individually.

As at 31 March 2026 and 2025, the recoverable amounts of leasehold land and buildings have been determined based on their fair value less costs of disposal and the valuations of leasehold land and buildings were performed by independent professional valuers. The independent professional valuers use direct comparison to estimate the fair value less costs of disposal of the assets which is based on comparable market transactions of similar properties with adjustments to reflect the conditions and locations of the subject properties. The fair value measurement is categorised into Level 3 fair value hierarchy.

During the year ended 31 March 2025, the Group entered into an agreement to dispose of a leasehold land and building to an independent third party at the consideration of HK$260,000,000. Pursuant to the terms of the agreement, the purchaser agrees to let, upon completion date, the leasehold land and building to the Group at the rent of HK$650,000 per calendar month for an initial term of one year commencing from the completion date with an option for renewal for a further term of one year at the same rent. The Group as a seller-lessee measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the leasehold land and building of HK$260,000,000 that relates to the right retained by the Group and there is no gain or loss being recognised. Right-of-use asset and lease liability of HK$14,621,000 and HK$14,621,000, respectively have been recognised upon completion date.

As at 31 March 2025, the Group has pledged certain leasehold land and buildings with carrying values of HK$120,000,000 to secure general banking facilities granted to the Group. During the year ended 31 March 2026, the pledged assets were released following the settlement of the relevant bank borrowings.

15. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

The Group as lessee

Right-of-use assets (included in the property, plant and equipment)

	Leasehold land and buildings *HK$'000*	Furniture, fixtures and equipment *HK$'000*	Total *HK$'000*
As at 31 March 2026			
Carrying amounts	**6,200**	**595**	**6,795**
As at 31 March 2025			
Carrying amounts	9,701	794	10,495
For the year ended 31 March 2026			
Depreciation charge	**8,640**	**199**	**8,839**
Expense relating to short-term leases	**1,191**	**–**	**1,191**
Exchange adjustments	**37**	**–**	**37**
Total cash outflow for leases	**10,111**	**232**	**10,343**
Additions to right-of-use assets	**8,575**	**–**	**8,575**
Adjustments arising from lease modification	**(3,473)**	**–**	**(3,473)**
For the year ended 31 March 2025			
Depreciation charge	7,811	198	8,009
Expense relating to short-term leases	1,214	–	1,214
Exchange adjustments	(18)	–	(18)
Total cash outflow for leases	9,552	232	9,784
Addition to right-of-use assets	15,583	992	16,575
Adjustments arising from lease modification	(1,244)	–	(1,244)

For both years, the Group leased various offices and equipment for its operations. Lease contracts were entered into for fixed term of 1 year to 5 years. Lease terms were negotiated on an individual basis and contained a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applied the definition of a contract and determined the period for which the contract is enforceable.

The Group regularly enters into short-term leases for office premises. As at 31 March 2026 and 2025, the portfolio of short-term leases was similar to the portfolio of short-term leases to which the short-term lease expense is disclosed above.

In respect of the entire balance of right-of-use assets and the associated lease liabilities, the lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

16. INVESTMENT PROPERTIES

	HK$'000
FAIR VALUE	
At 1 April 2024	469,000
Decrease in fair value recognised in profit or loss	(52,000)
At 31 March 2025	**417,000**
Decrease in fair value recognised in profit or loss	**(64,000)**
Derecognised on disposal of a subsidiary (Note 35)	**(353,000)**
At 31 March 2026	**–**

Notes:

(a) The investment properties shown above are located in Hong Kong and held under a long lease.

The valuations of investment properties as at 31 March 2025 were performed by Asset Appraisal Limited, an independent professional valuer.

(b) At 31 March 2025, all of the Group's investment properties had been pledged to secure banking facilities granted to the Group.

The Group leases out various commercial properties under operating leases with rentals payable monthly. The leases typically run for an initial period of 2 years.

During the year ended 31 March 2026, the investment properties were derecognised upon the disposal of a subsidiary to an independent third party. Details of the disposal of a subsidiary are set out in Note 35.

The key inputs used in valuing the investment properties as at 31 March 2025 is as follows:

Category	Fair value hierarchy	Fair value as at		Valuation techniques	Key unobservable inputs	Range	Relationship of unobservable inputs to fair value
		31.3.2026	31.3.2025				
		HK$'000	*HK$'000*				
Commercial properties in Hong Kong	Level 3	**N/A**	417,000	Direct Comparison Method based on comparable market transactions of similar properties with adjustments to reflect the conditions and locations of the subject properties	Adjusted price per square foot taking into account of conditions and locations of the subject properties	31.3.2025: HK$7,639 to HK$9,397	The higher the adjusted price per square foot, the higher the fair value

Management has determined the appropriate valuation techniques and inputs for fair value measurements and based on the highest and best use of the properties is their current use.

There were no transfers into or out of Level 3 during the year.

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17. EQUITY AND FUND INVESTMENTS

	2026 HK$'000	2025 HK$'000
Listed equity securities in Hong Kong (note (a))	**32,601**	19,463
Unlisted investment in the PRC (note (b))	**–**	–
Unlisted investment funds in overseas	**40,700**	28,486
	73,301	47,949
Analysed as:		
Current	**32,601**	19,463
Non-current	**40,700**	28,486
	73,301	47,949
Classified as:		
FVTPL	**73,301**	47,949

Notes:

(a) The fair values of the listed securities are determined based on the closing prices quoted in active markets in Hong Kong except for the suspended listed securities as disclosed in Note 33(c)(iii).

(b) The unlisted investment represented the Group's 20% equity interests in Rosedale Beijing.

The Group's interest in Rosedale Beijing was classified as an associate in the consolidated financial statements as at 31 March 2024. The Group was unable to obtain financial information of Rosedale Beijing to assess the financial performance of Rosedale Beijing during the year ended 31 March 2024 and financial position of Rosedale Beijing as at 31 March 2024. Therefore the Group did not account for any results of Rosedale Beijing shared by the Group for the year ended 31 March 2024.

In addition, given the situations including (i) a prolonged property market slowdown together with the uncertainties surrounding the assets of Rosedale Beijing which may no longer be utilised efficiently or effectively and (ii) the ongoing material issues in relation to the Major Shareholder and management of Rosedale Beijing, the Group determined that a full impairment of HK$136,223,000 should be recognised in relation to the Group's interest in Rosedale Beijing during the year ended 31 March 2024 with this resulting in the carrying amount of its interest in Rosedale Beijing being reduced to nil in the consolidated statement of financial position as at 31 March 2024, and a full impairment loss of HK$136,223,000 being recognised in profit or loss for the year ended 31 March 2024.

During the year ended 31 March 2025, the Group has issued a legal letter but no response was received. Thus, the Group has formally initiated a legal proceeding against Rosedale Beijing and the Major Shareholder and submitted the relevant documents to the Chaoyang District Court in Beijing (the "PRC Court") for breach of the relevant provisions of the Company Law of the PRC, and demanded for all statutory documents and accounting records. The legal proceeding was duly filed and a case in the PRC Court has been established subsequent to 31 March 2025. The Group re-assessed its ability to exercise influence over Rosedale Beijing. After re-assessment, it was concluded that the Group has lost significant influence as it repeated requests to receive financial information from Rosedale Beijing have been ignored by both Rosedale Beijing and its Major Shareholder. Therefore the Group considered its significant influence over Rosedale Beijing has been constrained and considered the Group can no longer exercise significant influence. As a result, Rosedale Beijing ceased to be classified as an associate. Instead, it is accounted for as an equity investment measured at FVTPL. As the situations of Rosedale Beijing have not improved, the Group determined that the carrying amount of its investment in Rosedale Beijing remained as nil as at the date of derecognition when the Group ceased to have significant influence over Rosedale Beijing.

During the year ended 31 March 2026, the Group disposed of its entire 20% equity interests in Rosedale Beijing at a consideration of HK$500,000.

Details of the fair value measurement of Rosedale Beijing as at 31 March 2025 are set out in Note 33(c)(iv).

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

	2026	2025
	HK$'000	*HK$'000*
Cost of unlisted investment in joint ventures	**591,224**	645,111
Share of post-acquisition results and other comprehensive expense, net of dividend	**(566,291)**	(588,226)
	24,933	56,885
Amounts due from joint ventures at amortised cost (note (a))	**862,322**	793,574
Less: Allowance for credit loss	**(13,517)**	(11,022)
Less: Share of post-acquisition losses that are in excess of cost of investment	**(278,254)**	(64,004)
	570,551	718,548
Amounts due from joint ventures measured at FVTPL	**–**	67,076
Less: Share of post-acquisition losses that are in excess of cost of investment	**–**	(67,076)
	–	–
	570,551	718,548
Amount due to a joint venture (note (b))	**–**	(20,773)

Notes:

(a) The amounts were non-trade in nature, unsecured, interest-free and repayable on demand, except for an amount of Canadian dollars ("CAD") 23,742,000 (equivalent to HK$133,550,000) (2025: CAD22,108,000 (equivalent to HK$120,157,000)) which carried interest at a fixed rate of 15% (2025: 15%) per annum, and would be repayable on 1 March 2028. The Directors are of the view that the Group will not demand for repayment within the next twelve months from the end of the current reporting period. Thus, the amount is classified as non-current.

(b) The amount was non-trade in nature, unsecured, non-interest bearing and repayable on demand. During the year ended 31 March 2026, the joint venture of the Group distributed dividends of HK$20,773,000 and was offset with the amount due to a joint venture of HK$20,773,000.

During the year ended 31 March 2026, one of the Group's joint ventures was deregistered with no liquidation proceeds available for distribution. Accordingly, the cost of unlisted investment in the joint venture of HK$51,598,000, together with amount due from joint venture measured at FVTPL of HK$67,079,000, and the related share of post-acquisition results and other comprehensive expenses of HK$118,677,000 have been written off.

All of the Group's joint ventures were accounted for using the equity method in these consolidated financial statements.

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

Details of the Group's material joint ventures at the end of the reporting period are set as below:

Name of entity	Place of incorporation/ establishment	Class of shares held	Value of issued and fully paid share capital	Proportion of ownership interest held by the Group		Proportion of voting power held		Principal activity
				2026	2025	**2026**	2025	
				%	%	**%**	%	
1488 Alberni Development development Holdings Limited Partnership ("1488 Alberni LPDH") (note (i))	Canada	N/A	N/A	**18**	18	**18**	18	Property development
1488 Alberni Investment development Limited Partnership ("1488 Alberni LPI") (note (i))	Canada	N/A	N/A	**18**	18	**18**	18	Property development
Guangzhou Jiang Nan Property Co., Ltd. ("Jiang Nan Property") (note (ii))	PRC	Registered capital	RMB72,624,000	**75**	75	**75**	75	Property holding
Bayshore Ventures JV Ltd. ("Bayshore") (note (iii))	British Virgin Islands	Ordinary	CAD115,200,000	**N/A**	N/A	**N/A**	N/A	Investment holding

Notes:

(i) During the year ended 31 March 2025, the Group disposed of 10% interests in 1488 Alberni LPDH and 1488 Alberni LPI, being limited partnerships established in British Columbia, Canada, with an aggregate carrying amount of CAD121,000 (equivalent to HK$692,000), together with the amounts due from joint ventures of CAD22,118,000 (equivalent to HK$126,512,000), to the joint venture partner, who was an independent third party, at an aggregate consideration of CAD5,360,000 (equivalent to HK$29,935,000) (excluding transaction costs of HK$2,928,000). Upon the disposal, cumulative translation loss of HK$1,702,000 was reclassified to profit or loss. The disposal resulted in a loss on partial disposal of interests in joint ventures of HK$101,899,000. Upon the completion of disposal, the Group retains an 18% equity interests in each 1488 Alberni LPDH and 1488 Alberni LPI and continues to have joint control over the relevant activities of 1488 Alberni LPDH and 1488 Alberni LPI, as the major decisions regarding the relevant activities of 1488 Alberni LPDH and 1488 Alberni LPI require unanimous consent of their respective shareholders according to the shareholders' agreements.

(ii) The principal activity of Jiang Nan Property is holding of investment properties in Guangzhou City, the PRC. According to the shareholder agreement of Jiang Nan Property dated 11 April 2012, the board of directors of Jiang Nan Property comprises four directors. Two of them were appointed by the wholly-owned subsidiary of More Cash Limited ("More Cash") and the other two were appointed by another joint venture partner and the major decisions regarding the relevant activities were decided by simple majority of directors' voting. Therefore, More Cash has no control over Jiang Nan Property but has joint control over Jiang Nan Property.

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

Notes: *(Continued)*

(ii) *(Continued)*

The major non-current assets of Jiang Nan Property represent investment properties in the PRC amounting to RMB501,000,000 (equivalent to HK$568,027,000) (2025: RMB625,000,000 (equivalent to HK$669,165,000)) as at 31 March 2026. The following table shows the valuation techniques and inputs used in the determination of fair values for investment properties of Jiang Nan Property as well as fair value hierarchy in which the fair value measurement categorised (Levels 1 to 3) based on the degree to which significant inputs used in the fair value measurements is observable.

Category	Fair value hierarchy	Fair value as at 31.3.2026 HK$'000	Fair value as at 31.3.2025 HK$'000	Valuation techniques	Key unobservable inputs	Range	Relationship of unobservable inputs to fair value
Commercial properties in the PRC	Level 3	**568,027**	669,165	Direct Comparison Method based on comparable market transactions of similar properties with adjustments to reflect the conditions and locations of the subject properties	Adjusted price per square meter taking into account of conditions and locations of subject properties	Retail portion: RMB 18,417 to RMB 20,481 (2025: RMB20,750 to RMB31,840) Office portion: RMB 14,227 to RMB 16,693 (2025: RMB13,888 to RMB16,102) Hotel portion: RMB 12,719 to RMB 13,996 (2025: RMB14,193 to RMB15,678)	The higher the adjusted price per square meter, the higher the fair value

(iii) The principal activities of Bayshore's subsidiaries are holding of a hotel property and hotel operation in Vancouver, Canada. During the year ended 31 March 2025, the Group disposed of its entire 50% equity interests in Bayshore with an aggregate carrying amount of CAD50,865,000 (equivalent to HK$293,586,000), together with the amount due from this joint venture of CAD376,000 (equivalent to HK$2,169,000), to the joint venture partner, who was an independent third party, at a consideration of CAD18,500,000 (equivalent to HK$106,781,000) (excluding transaction costs of HK$2,266,000). Upon the disposal, cumulative translation loss of HK$28,833,000 was reclassified to profit or loss. The disposal resulted in a loss on disposal of interest in a joint venture of HK$220,073,000. The first instalment of consideration of CAD6,000,000 (equivalent to HK$34,631,000) was settled during the year ended 31 March 2025 while the second instalment of consideration of CAD6,000,000 (equivalent to HK$32,610,000) was settled during the year ended 31 March 2026 and the remaining consideration of CAD6,500,000 (equivalent to HK$35,563,000) had been classified as consideration receivables set out in Note 24. During the year ended 31 March 2026, following the credit assessment, the management recognised an impairment losses under ECL model of CAD1,238,000 (equivalent to HK$6,965,000) (2025:nil) for the consideration receivables.

The above table lists the joint ventures of the Group which, in the opinion of the Directors, principally affected the results of the year or formed a substantial portion of the net assets of the Group. Disclosing the details of other joint ventures would, in the opinion of the Directors, result in particulars of excessive length.

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

The financial information in respect of each of the Group's material joint ventures is summarised as below. The summarised financial information below represents the amount shown in the joint ventures' financial statements prepared in accordance with HKFRS Accounting Standards.

	2026				2025			
	1488 Alberni LPDH	**1488 Alberni LPI**	**Jiang Nan Property**	**Total**	1488 Alberni LPDH	1488 Alberni LPI	Jiang Nan Property	Total
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Current assets	**1,693,421**	**89,127**	**29,523**	**1,812,071**	1,756,641	92,455	22,309	1,871,405
Non-current assets	**–**	**–**	**568,027**	**568,027**	–	–	673,814	673,814
Current liabilities	**(1,955,981)**	**(103,051)**	**(501,198)**	**(2,560,230)**	(1,746,449)	(92,019)	(472,035)	(2,310,503)
Non-current liabilities	**–**	**–**	**(303,338)**	**(303,338)**	–	–	(302,191)	(302,191)
The above amounts of assets and liabilities include the following:								
Cash and cash equivalents	**52,465**	**2,761**	**22,295**	**77,521**	36,292	1,910	16,863	55,065
Current financial liabilities (excluding trade and other payables and provisions)	**(1,955,406)**	**(102,917)**	**(473,366)**	**(2,531,689)**	(1,745,787)	(91,884)	(445,263)	(2,282,934)
Non-current financial liabilities (excluding trade and other payables and provisions)	**–**	**–**	**(303,338)**	**(303,338)**	–	–	(302,191)	(302,191)

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

	2026				2025			
	1488 Alberni LPDH HK$'000	1488 Alberni LPI HK$'000	Jiang Nan Property HK$'000	Total HK$'000	1488 Alberni LPDH HK$'000	1488 Alberni LPI HK$'000	Jiang Nan Property HK$'000	Total HK$'000
Revenue	8,205	432	51,700	60,337	8,720	459	50,221	59,400
Loss for the year	(287,776)	(15,197)	(120,852)	(423,825)	(2,989)	(242)	(68,084)	(71,315)
The above profit (loss) for the year include the following:								
Interest income	9	–	–	9	34	2	–	36
Interest expenses	–	–	(18,036)	(18,036)	–	–	(18,479)	(18,479)
Income tax credit	–	–	–	–	–	–	70,464	70,464

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

The reconciliation of the above summarised financial information to the carrying amount of the interests in the material joint ventures recognised in the consolidated financial statements is as below:

	2026				2025			
	1488 Alberni LPDH *HK$'000*	1488 Alberni LPI *HK$'000*	Jiang Nan Property *HK$'000*	Total *HK$'000*	1488 Alberni LPDH *HK$'000*	1488 Alberni LPI *HK$'000*	Jiang Nan Property *HK$'000*	Total *HK$'000*
Net (liabilities) assets of the joint ventures attributable to the owners of the joint ventures	(262,560)	(13,924)	(206,986)	(483,470)	10,192	436	(78,103)	(67,475)
Proportion of the Group's ownership interests in the joint ventures	18%	18%	75%	N/A	18%	18%	75%	N/A
Net (liabilities) assets of interests in joint ventures attributable to the Group	(47,261)	(2,506)	(155,240)	(205,007)	1,835	78	(58,577)	(56,664)
Loss allocated in excess of investment costs	47,261	2,506	155,240	205,007	–	–	58,577	58,577
Carrying amount of the Group's interests in the joint ventures	–	–	–	–	1,835	78	–	1,913

Aggregate information of joint ventures that are not individually material:

	2026 *HK$'000*	2025 *HK$'000*
The Group's share of loss	(77,710)	(16,858)
Aggregate carrying amount of the Group's interests in these joint ventures	24,933	54,972

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19. INTERESTS IN ASSOCIATES/AMOUNTS DUE FROM ASSOCIATES

	2026	2025
	HK$'000	*HK$'000*
Cost of unlisted investment in associates	**506,899**	512,147
Share of post-acquisition results and other comprehensive income, net of dividend or other return	**501,634**	495,769
	1,008,533	1,007,916
Amounts due from associates (note)	**92,549**	81,659

Note:

The amounts due from associates were non-trade in nature, unsecured and non-interest bearing. As at 31 March 2026, except for an amount of HK$56,892,000 (2025: HK$46,002,000) which was not expected to be received within twelve months from the end of the reporting period, the remaining balances of HK$35,657,000 (2025: HK$35,657,000) had no fixed repayment date.

All of the Group's associates were accounted for using the equity method in these consolidated financial statements.

Details of the Group's material associates at the end of the reporting period are as follows:

Name of entity	Place of incorporation/ establishment	Class of shares/ capital held	Nominal value of issued and fully paid share capital	Proportion of ownership interest held by the Group		Proportion of voting power held		Principal activity
				2026	2025	**2026**	2025	
				%	%	**%**	%	
Orient Town Limited ("Orient Town")	Hong Kong	Ordinary	HK$700	**45**	45	**45**	45	Investment holding (note (i))
Empresa de Fomento Industrial e Comercial Concordia, S.A. ("Concordia")	Macau	Quota capital (note (ii))	Macau Patacas 100,000,000	**8.7** (note (iii))	8.7 (note (iii))	**8.7** (note (iii))	8.7 (note (iii))	Property development
True Fame Enterprises Limited ("True Fame")	British Virgin Islands	Ordinary	United States Dollar ("US$") 1,000	**20**	20	**20**	20	Investment holding

Notes:

(i) The principal activities of its subsidiaries are mainly property development and property management in Macau.

(ii) Quota capital represents the Portuguese equivalence of registered capital as Portuguese is the official language of Macau.

(iii) As at 31 March 2026 and 2025, Orient Town held 59.5% effective interests in Concordia and a wholly-owned subsidiary of the Company held 8.7% direct interests in Concordia, thereby leading to the Group holding an effective equity interest of 35.5% in Concordia.

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19. INTERESTS IN ASSOCIATES/AMOUNTS DUE FROM ASSOCIATES *(Continued)*

The above table lists the associates of the Group which, in the opinion of the Directors, principally affected the results for the year or form a substantial portion of the net assets of the Group. Disclosing the details of other associates would, in the opinion of the Directors, result in particulars of excessive length.

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

	2026				2025			
	Orient Town	**Concordia**	**True Fame**	**Total**	Orient Town	Concordia	True Fame	Total
	HK$'000	**HK$'000**	**HK$'000**	**HK$'000**	HK$'000	HK$'000	HK$'000	HK$'000
Current assets	**4,485,851**	**4,368,576**	**2,049,313**	**10,903,740**	4,796,699	4,774,319	2,582,504	12,153,522
Non-current assets	**322,901**	**322,891**	**22,605**	**668,397**	353,427	353,408	20,073	726,908
Current liabilities	**(2,976,823)**	**(2,991,317)**	**(1,028,711)**	**(6,996,851)**	(435,307)	(550,608)	(1,532,836)	(2,518,751)
Non-current liabilities	**(32,783)**	**(32,783)**	**(100,000)**	**(165,566)**	(2,927,826)	(2,927,826)	(100,000)	(5,955,652)
Revenue	**408,919**	**408,919**	**1,039,426**	**1,857,264**	855,430	855,430	–	1,710,860
Profit (loss) for the year	**6,609**	**18,068**	**(26,534)**	**(1,857)**	182,628	321,273	(64,862)	439,039

19. INTERESTS IN ASSOCIATES/AMOUNTS DUE FROM ASSOCIATES *(Continued)*

The reconciliation of the above summarised financial information to the carrying amount of the interests in the material associates recognised in the consolidated financial statements is as below:

	2026				2025			
	Orient Town	Concordia	True Fame	Total	Orient Town	Concordia	True Fame	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Net assets of the associates attributable to the owners of the associates	1,243,493	1,667,367	943,207	3,854,067	1,236,884	1,649,293	969,741	3,855,918
Proportion of the Group's direct ownership interests in the associates	45%	8.7%	20%	N/A	45%	8.7%	20%	N/A
Net assets of interests in associates attributable to the Group	559,572	145,061	188,641	893,274	556,598	143,489	193,948	894,035
Goodwill	–	127,945	–	127,945	–	127,945	–	127,945
Capitalisation of imputed interest of non-interest bearing loans (note)	(11,476)	–	–	(11,476)	(12,854)	–	–	(12,854)
Other adjustments	–	(1,210)	–	(1,210)	–	(1,210)	–	(1,210)
Carrying amount of the Group's interests in the associates	548,096	271,796	188,641	1,008,533	543,744	270,224	193,948	1,007,916

Note: On initial recognition, the fair value adjustment of the non-interest bearing loans was treated as a capital contribution to Orient Town and recognised as part of the investment cost. Subsequent to the initial recognition, the imputed interest expense of Orient Town was capitalised in its properties under development.

Aggregate information of associates that are not individually material:

	2026	2025
	HK$'000	*HK$'000*
The Group's share of loss	–	(95)

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20. OTHER LOAN RECEIVABLES

	2026 HK$'000	2025 HK$'000
Unsecured fixed-rate loan receivables (note (a))	**405,084**	405,084
Secured fixed-rate loan receivable (note (b))	**29,923**	38,929
Unsecured variable-rate loan receivable (note (c))	**29,236**	33,248
	464,243	477,261
Less: Allowance for credit loss	**(408,920)**	(398,156)
	55,323	79,105
Analysed as:		
Current	**55,323**	79,105

A maturity profile of the loan receivables as at 31 March 2026 and 2025, based on the maturity date is as follows:

	2026 HK$'000	2025 HK$'000
On demand and due within 1 year	**55,323**	79,105

The Group principally engaged in provision of loan financing services. The provision of money lending service of the Group in Hong Kong is carried out by ITC Properties Finance Limited, an indirect wholly-owned subsidiary of the Company, with money lenders licence governed by the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). The Group sources its customers, who are either individuals or private companies, were through ongoing business relationships with the Group or Directors.

Before granting any new loans and approving credit limits, the Group carries out a detailed review of the credit quality of the borrowers and approved by executive Directors. Under the risk assessment and approval process, the Group conducts an in-depth due diligence to (i) assess the borrowers' background by conducting background searches, (ii) understand the purposes of the loans by discussing with the borrowers about their businesses, operation and financial status, and (iii) assess their repayment ability by evaluating the sources of funds for repayment, the availability and value of collaterals, if any, and any other pertinent information. For loans that are secured with collaterals, the Group will further assess the pledged assets based on their market values and marketability, and the rights to repossess the assets. This assessment is essential for determining the terms of the loans.

Exposure to credit risk is managed through regular analysis of the ability of borrowers to meet the loan principal and interest repayment obligations. The Group performs ongoing evaluation of collectability in assessing the ultimate realisation of other loan receivables. The dedicated team implements monitoring procedures, which allows the Group to evaluate the potential losses. If the other loan receivables and/or the related interest receivables become overdue, the Group initiates actions such as issuing reminder letters and legal demand letters to address the situation. The dedicated team ensures appropriate follow-up actions are undertaken to recover the overdue debts, thereby minimising the potential credit risk.

20. OTHER LOAN RECEIVABLES *(Continued)*

In addition, the Group performs ongoing evaluation of loss rates in assessing ECL, including the repayment history, financial conditions, current creditworthiness and underlying collaterals, if any, of each borrower and the forward-looking information.

The Group performs impairment assessment under ECL model by individual assessment. The Group recognises impairment loss on other loan receivables by applying the ECL model to individual exposures by considering the financial background of the debtors and measuring the impairment loss based on the probability of default and loss given default with reference to international credit-rating agencies' data, if applicable, adjusted for forward looking factors. The measurement of ECL is a function of the exposure at default, probability of default and loss given default, which involves key estimates from the management. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information which has been incorporated into the determination of ECL, including the use of macroeconomic information. The management has assessed the impact of economic environment on default rate by taking into consideration the gross domestic growth rate under different situations, including economic upturn and downturn.

The credit policy is dynamically reviewed and updated to reflect the current credit environment, business landscape and economic conditions, in order to minimise the credit risk of the Group.

Notes:

(a) At 31 March 2026, one of the fixed-rate loan receivables was nil (2025: nil), net of credit loss allowance for ECL of HK$320,000,000 (2025: HK$320,000,000). It represented the unsecured and unlisted loan notes issued by a company incorporated in Bermuda prior to the delisting of its shares from the Stock Exchange and carried interest at the fixed rate of 9.5% per annum (2025: fixed rate of 9.5% per annum) and were due to repay on 27 November 2019. Such company was ordered to be wound up by the High Court of Hong Kong in June 2020 and its shares were delisted from the Stock Exchange with effect from 8 February 2021. The other fixed-rate loan receivables of HK$41,989,000 (2025: HK$51,410,000), net of credit loss allowance for ECL of HK$43,095,000 (2025: HK$33,674,000), were unsecured, carried interest at fixed rates ranging from 7% to 12% per annum (2025: fixed rates ranging from 7% to 12% per annum) and were repayable on demand.

(b) At 31 March 2026, the Group's secured fixed-rate loan receivable of nil (2025: HK$9,025,000), net of credit loss allowance for ECL of HK$29,923,000 (2025: HK$29,904,000), was secured by two residential properties and two carparks located in Hong Kong, carried interest at a fixed rate of 7% per annum (2025: fixed rate of 7% per annum) and was repayable on 13 September 2024. During the year ended 31 March 2026, the borrower has partially repaid the secured fixed-rate loan receivable and related interest receivable by transferring the two residential properties and carparks in Hong Kong to the Group.

(c) At 31 March 2026, the Group's unsecured variable-rate loan receivable of HK$13,334,000 (2025: HK$18,670,000), net of credit loss allowance for ECL of HK$15,902,000 (2025: HK$14,578,000), was unsecured, carried interest at a variable rate of Hong Kong Prime Rate plus 2% per annum (2025: a variable rate of Hong Kong Prime Rate plus 2% per annum) and was repayable on demand.

The above loan receivables are accounted for as financial assets carried at amortised cost. At 31 March 2026, there were 5 borrowers (2025: 5 borrowers) and the effective interest rate of the variable-rate loan receivables was 7.14% per annum (2025: 7.61% per annum). The management of the Group has concluded that an additional impairment loss of HK$10,764,000 (2025: HK$41,872,000) under ECL model for other loan receivables was recognised during the year ended 31 March 2026. Details of ECL assessment of other loan receivables were set out in Note 33(b).

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21. OTHER NON-CURRENT ASSETS

The amounts represent club memberships held for use by the Group and are stated at cost, less any identified impairment losses. No amortisation is recognised on the club memberships as they have indefinite useful lives. Impairment is reviewed annually or when there is any indication that the club memberships have suffered an impairment loss. At 31 March 2026 and 2025, the management of the Group carried out an impairment review on the carrying amounts of club memberships by comparing the recoverable amounts estimated using fair value less costs of disposal with the carrying amounts of club memberships. No impairment is assessed to be necessary under current market conditions.

22. GAIN ON COMPENSATION ON RESUMPTION OF LAND USE RIGHTS

As at 31 March 2024, the Group held deposits amounting to HK$280,087,000 paid for acquisition of leasehold land for a property development project situated in the PRC.

As detailed in the Company's announcement dated 23 December 2024, the Group received the Decision Letter for Resumption of State-Owned Construction Land Use Rights in Public Interests ("Decision Letter") from The People's Government of Sanya City ("Sanya Government") regarding resumption with compensation of the leasehold land. Pursuant to the Decision Letter, the Sanya Government has resolved to resume the leasehold land with the Group being entitled to a compensation of RMB477,758,000 (equivalent to HK$516,677,000) for the surrender of the Group's land use rights in respect of the leasehold land. The first instalment of compensation of RMB100,000,000 (equivalent to HK$106,054,000) was received during the year ended 31 March 2025 while the remaining instalments of compensation of RMB377,758,000 (equivalent to HK$411,505,000) was received during the year ended 31 March 2026.

23. STOCK OF PROPERTIES

	2026 ***HK$'000***	2025 *HK$'000*
Properties under development for sale	–	354,300
Completed properties held for sale	**10,600**	36,000
	10,600	390,300

At 31 March 2025, stock of properties included an amount of HK$354,300,000 (2026: nil) which was expected to be realised after more than twelve months from the end of the reporting period.

24. DEBTORS, DEPOSITS AND PREPAYMENTS

	2026 HK$'000	2025 HK$'000
Trade debtors	**321**	915
Refundable earnest money (note (a))	**22,500**	21,740
Consideration receivables	**41,715**	91,797
Compensation receivable on resumption of land use rights (Note 22)	**–**	404,452
Other debtors, deposits and prepayments (note (b))	**44,284**	47,324
	108,820	566,228

As at 1 April 2024, trade debtors from contracts with customers amounting to HK$1,811,000.

Notes:

(a) This represented the amount paid by the Group for the possible acquisition of interests in properties located in Canada.

(b) The other debtors, deposits and prepayments mainly represented interest receivables generated from other loan receivables.

The Group's credit terms are negotiated at terms determined and agreed with its trade customers. The Group allows an average credit period of 60 days (2025: 60 days) to its trade customers. The following is an aged analysis of trade debtors, net of loss allowance, presented based on the invoice date at the end of the reporting period:

	2026 HK$'000	2025 HK$'000
Trade debtors aged:		
0 – 60 days	**318**	615
61 – 90 days	**–**	300
Over 90 days	**3**	–
	321	915

Details of ECL assessment of trade debtors and other debtors and deposits are set out in Note 33(b).

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25. RESTRICTED BANK BALANCE/CASH AND CASH EQUIVALENTS

(a) Restricted bank balance

As at 31 March 2026, restricted bank balance is designated as interest payment reserves for the next 12 months related to the Group's bank facilities carry interest at Hong Kong Interbank Offered Rate ("HIBOR") plus 2.5% per annum.

(b) Cash and cash equivalent.

Cash and cash equivalents include short term deposits for the purpose of meeting the Group's short term cash commitments, which carry interest at market rates ranging from 0.01% to 2.30% (2025: 0.01% to 3.30%).

Details of impairment assessment of restricted bank balance and bank balance are set out in Note 33(b).

26. CREDITORS, DEPOSITS AND ACCRUED CHARGES

	2026	2025
	HK$'000	*HK$'000*
Creditors, deposits and accrued charges	**138,130**	288,752

As at 31 March 2026, creditors, deposits and accrued charges include advances from non-controlling interests of HK$104,770,000 (2025: HK$221,080,000) which are non-trade in nature, unsecured, interest-free and repayable on demand.

27. LEASE LIABILITIES

	2026	2025
	HK$'000	*HK$'000*
Lease liabilities payable:		
Within one year	**6,044**	8,513
Within a period of more than one year but not more than two years	**392**	1,817
Within a period of more than two years but not more than five years	**457**	434
	6,893	10,764
Less: Amount due for settlement within 12 months shown under current liabilities	**(6,044)**	(8,513)
Amount due for settlement after 12 months shown under non-current liabilities	**849**	2,251

The weighted average incremental borrowing rate applied to lease liabilities is 5.30% (2025: 6.21%) per annum.

28. BANK AND OTHER BORROWINGS

	2026 HK$'000	2025 HK$'000
Bank and other borrowings		
Secured	**125,468**	886,735
Unsecured	**10,000**	39,506
	135,468	926,241
Carrying amount of bank borrowings repayable:		
Within one year	**–**	324,845
More than one year but not exceeding two years	**125,468**	–
Carrying amount of bank borrowings that contain a repayment on demand clause:		
On demand or within one year (note)	**–**	395,220
	125,468	720,065
Carrying amount of other borrowings repayable:		
Within one year	**10,000**	39,506
More than one year but not exceeding two years	**–**	166,670
	135,468	926,241
Less: Amounts due within one year shown under current liabilities	**(10,000)**	(759,571)
Amounts shown under non-current liabilities	**125,468**	166,670

Note: As at 31 March 2025, included in the carrying amount of bank borrowings that contain a repayment on demand clause was an overdue amount of HK$391,300,000. During the year ended 31 March 2026, the Group repaid all such bank borrowings.

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28. BANK AND OTHER BORROWINGS *(Continued)*

Bank borrowings comprise	Carrying amount 2026 HK$'000	2025 HK$'000
Variable-rate borrowings:		
HIBOR plus 2.5% (2025: HIBOR plus 2.0%) per annum for HK$ bank loan	**125,468**	324,845
Hong Kong Prime Rate plus 8% per annum for HK$ bank loan	**–**	391,300
Secured Overnight Financing Rate ("SOFR") plus 1.61% per annum for US$ bank loan	**–**	3,920
	125,468	720,065

Other borrowings comprise	Carrying amount 2026 HK$'000	2025 HK$'000
Fixed-rate borrowings:		
11% per annum (2025: 7% to 15% per annum) for HK$ borrowings	**10,000**	203,985

As at 31 March 2025, an amount of HK$2,191,000 (2026: nil) of other borrowings were interest-free.

At 31 March 2026, the effective interest rate of bank borrowings was 4.52% (2025: range from 5.83% to 13.25%).

29. DEFERRED TAXATION

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

	Accelerated tax depreciation *HK$'000*	Tax losses recognised *HK$'000*	Total *HK$'000*
At 1 April 2024	22,878	(22,878)	–
(Credited) charged to profit or loss	(4,575)	4,575	–
At 31 March 2025	**18,303**	**(18,303)**	**–**
(Credited) charged to profit or loss	**(18,256)**	**18,256**	**–**
At 31 March 2026	**47**	**(47)**	**–**

At 31 March 2026, the Group has unused tax losses of HK$2,741,438,000 (2025: HK$2,954,734,000) available for offset against future profits. A deferred tax asset has been recognised in respect of HK$297,000 (2025: HK$110,937,000) of such losses. No deferred tax asset has been recognised in respect of the remaining unused tax losses of HK$2,741,141,000 (2025: HK$2,843,797,000) due to the unpredictability of future profit streams. Included in unused tax losses are tax losses of HK$2,502,592,000 (2025: HK$2,724,182,000) which may be carried forward indefinitely under current tax regulation in Hong Kong and the remaining tax losses of HK$238,846,000 (2025: HK$230,552,000) will expire from 2027 to 2031 (2025: 2026 to 2030).

At 31 March 2026, the Group has deductible temporary differences of HK$610,977,000 (2025: HK$551,316,000). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

There was no other material unrecognised deferred taxation for the year or at the end of the reporting period.

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30. SHARE CAPITAL

	Number of shares	Amount HK$'000
Ordinary shares of HK$0.01 each		
Authorised:		
At 1 April 2024, 31 March 2025 and 31 March 2026	40,000,000,000	400,000
Issued and fully paid:		
At 1 April 2024 and 31 March 2025	907,198,410	9,072
Issue of new shares (notes (i) and (ii))	112,300,000	1,123
At 31 March 2026	1,019,498,410	10,195

Notes:

(i) On 24 November 2025, arrangements were made for an issue to an independent private investor of 100,800,000 ordinary shares at a price of HK$0.7 per ordinary share representing a discount of approximately 16.67% to the closing market price per the Company's ordinary shares on 21 November 2025.

Pursuant to a subscription agreement of the same date, The Reynold Lemkins Group (Asia) Limited, an independent private investor, conditionally subscribed for 100,800,000 new ordinary shares in the Company at a price of HK$0.7 per ordinary share. The private placement was completed on 22 December 2025, with net proceeds of HK$69,167,000. These new shares were issued under the general mandate granted to the directors of the Company at the annual general meeting of the Company held on 3 September 2025 and rank pari passu with other shares in issue in all respects. Further details of this transaction are set out in the Company's announcements dated 25 November 2025, 8 December 2025, 11 December 2025 and 22 December 2025.

(ii) On 19 January 2026, arrangements were made for an issue to independent private investors of 11,500,000 ordinary shares at a price of HK$1.14 per ordinary share representing a discount of approximately 19.72% to the closing market price per the Company's ordinary shares on 19 January 2026.

Pursuant to a subscription agreement of the same date, Dr. Hon Ng Kit Chong, an independent private investor, conditionally subscribed for 11,500,000 new ordinary shares in the Company at a price of HK$1.14 per ordinary share. A issue was completed on 4 March 2026, with net proceeds of HK$12,851,000. These new shares were issued under the general mandate granted to the directors of the Company at the annual general meeting of the Company held on 3 September 2025 and rank pari passu with other shares in issue in all respects. Further details of this transaction are set out in the Company's announcements dated 20 January 2026, 3 February 2026, 23 February 2026 and 4 March 2026.

31. SHARE-BASED PAYMENT TRANSACTIONS

On 10 September 2021, the share option scheme was approved and adopted by the Shareholders of the Company (the "Shareholders") pursuant to an ordinary resolution passed at the annual general meeting (the "Share Option Scheme"). The primary purpose of the Share Option Scheme is to retain, reward, motivate and give incentives to eligible persons. The Share Option Scheme shall be valid and effective for a period of 10 years commencing from 10 September 2021 to 9 September 2031.

Under the Share Option Scheme, the Directors may grant share options to the following eligible persons to subscribe for the shares of the Company:

(i) any employee or proposed employee (whether full-time or part-time) or executive, including executive director, of any member of the Group; or

(ii) any non-executive director (including independent non-executive director) of any member of the Group; or

(iii) any consultant, adviser or agent (legal, financial or professional) engaged by any member of the Group, who, under the terms of the relevant engagement with the Group, is eligible to participate in a share option scheme of the Company; or

(iv) any executive, including executive director, of any entity in which any member of the Group, directly or indirectly, holds 30% or more equity interests.

Under the Share Option Scheme, share options granted should be accepted within 21 days after the date of grant, upon payment of HK$1.0 per each grant of the share options. The exercise price shall be determined by the Board and shall be at least the highest of (i) the closing price of the shares on the date of grant of the share options; or (ii) the average closing price of shares for the five business days immediately preceding the date of grant; or (iii) the nominal value of a share on the date of grant.

There is no specific requirement that an option must be held for any minimum period before it can be exercised but the Board is empowered to impose at its discretion any such minimum period at the time of grant of any particular option. The period during which an option may be exercised is determined by the Board at its absolute discretion, save that no option may be exercised more than 10 years from the date of grant.

The total number of shares of the Company which may be issued upon exercise of all the share options to be granted under the Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 10% of the total number of shares in issue as at the adoption date (the "Scheme Limit"). The Scheme Limit may be refreshed by an ordinary resolution of the Shareholders in general meeting provided that the Scheme Limit so refreshed shall not exceed 10% of the total number of shares in issue as at the date of such Shareholders' approval. Furthermore, the maximum aggregate number of shares of the Company which may be issued upon the exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 30% of the total number of shares in issue from time to time.

31. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

The maximum number of shares issued and to be issued upon exercise of the share options granted under the Share Option Scheme and any other share option schemes of the Company (including options exercised, cancelled or outstanding) to each eligible person in any 12-month period shall not exceed 1% of the total number of shares in issue unless approval of the Shareholders is obtained. Any grant of share options to a Director, the chief executive of the Company, a substantial shareholder of the Company, or a Controlling Shareholder or any of their respective associates (as defined in the Listing Rules) is subject to approval by the independent non-executive Directors (excluding independent non-executive Director who is the grantee of the share options). In addition, where the Board proposes to grant any share options to a substantial shareholder of the Company or an independent non-executive Director or any of their respective associates (as defined in the Listing Rules), and such share options, if exercised in full, would result in the total number of shares of the Company issued and to be issued upon exercise of all the share options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the past 12-month period up to and including the date of grant in excess of 0.1% of the total number of shares in issue on the date of grant and with an aggregate value (based on the closing price of the shares on the date of grant) in excess of HK$5,000,000, such grant of share options is subject to the Shareholders' approval in general meeting.

On 28 September 2021, the Company granted a total of 16,660,000 share options to the eligible participants to subscribe for the shares of the Company under the Share Option Scheme with vesting period ranging from 0.5 year to 2 years. A total of 16,320,000 share options were duly accepted by the grantees. No share option expense was recognised for the years ended 31 March 2026 and 31 March 2025.

The fair values of the share options granted to Directors, employees and other participants on 28 September 2021 were HK$1,175,000, HK$990,000 and HK$152,000, respectively. The fair values were determined at the grant date on the basis of a valuation carried out by an independent professional valuer using Binomial Model and the following data and assumptions were used to calculate the fair values of the share options as at the grant date:

Closing price of the shares on the date of grant	HK$1.01
Exercise price	HK$1.03
Expected volatility	26.85%
Expected option life	4 years
Risk-free rate	0.66%
Expected dividend yield	3.96%

The expected volatility measured at the standard deviation is based on the historical data of the daily share price movement of the Company.

The value of a share option varies with different variables of certain subjective assumptions.

31. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

The following table sets out the details of the Company's share options held by Directors, employees and other participants under the Share Option Scheme, and movements in such holdings during the current year and prior year:

					Number of share options						
Date of grant	**Vesting proportion**	**Vesting period**	**Exercisable period**	**Exercise price per share (Subject to adjustment) HK$**	**Outstanding at 1.4.2024**	**Exercised during the year**	**Cancelled/ lapsed during the year**	**Outstanding at 31.3.2025**	**Exercised during the year**	**Cancelled/ lapsed during the year**	**Outstanding at 31.3.2026**
Directors:											
28.9.2021	25%	28.9.2021-31.3.2022	1.4.2022-30.9.2025	1.03	1,100,000	-	-	1,100,000	-	(1,100,000)	N/A
	25%	28.9.2021-30.9.2022	1.10.2022-30.9.2025	1.03	1,100,000	-	-	1,100,000	-	(1,100,000)	N/A
	25%	28.9.2021-31.3.2023	1.4.2023-30.9.2025	1.03	1,100,000	-	-	1,100,000	-	(1,100,000)	N/A
	25%	28.9.2021-30.9.2023	1.10.2023-30.9.2025	1.03	1,100,000	-	-	1,100,000	-	(1,100,000)	N/A
Employees:											
28.9.2021	25%	28.9.2021-31.3.2022	1.4.2022-30.9.2025	1.03	1,405,000	-	(350,000)	1,055,000	-	(1,055,000)	N/A
	25%	28.9.2021-30.9.2022	1.10.2022-30.9.2025	1.03	1,405,000	-	(350,000)	1,055,000	-	(1,055,000)	N/A
	25%	28.9.2021-31.3.2023	1.4.2023-30.9.2025	1.03	1,405,000	-	(350,000)	1,055,000	-	(1,055,000)	N/A
	25%	28.9.2021-30.9.2023	1.10.2023-30.9.2025	1.03	1,405,000	-	(350,000)	1,055,000	-	(1,055,000)	N/A
Other participants (Note):											
28.9.2021	25%	28.9.2021-31.3.2022	1.4.2022-30.9.2025	1.03	275,000	-	-	275,000	-	(275,000)	N/A
	25%	28.9.2021-30.9.2022	1.10.2022-30.9.2025	1.03	275,000	-	-	275,000	-	(275,000)	N/A
	25%	28.9.2021-31.3.2023	1.4.2023-30.9.2025	1.03	275,000	-	-	275,000	-	(275,000)	N/A
	25%	28.9.2021-30.9.2023	1.10.2023-30.9.2025	1.03	275,000	-	-	275,000	-	(275,000)	N/A
					11,120,000	-	(1,400,000)	9,720,000	-	(9,720,000)	-
Exercisable at the end of year					11,120,000			9,720,000			N/A
Weighted average exercise price per share (HK$)					1.03	N/A	1.03	1.03	N/A	1.03	N/A

Note: The other participants are:

(i) a consultant of the Group, who held 800,000 outstanding share options; and

(ii) a senior executive of a principal associate of the Company, who held 300,000 outstanding share options. He is also a director of certain associates of the Company.

The share options outstanding at 31 March 2025 had a weighted average remaining contractual life of less than one year.

Upon the expiry of exercised period ending on 30 September 2025, all the above outstanding share options granted under the Share Option Scheme lapsed on 1 October 2025.

For the year ended 31 March 2026

32. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of amount due to a joint venture, advances from non-controlling interests, lease liabilities and bank and other borrowings disclosed in Notes 18, 26, 27 and 28, respectively, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

The Directors review the capital structure on a semi-annual basis. As part of this review, the Directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the Directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

33. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	2026	2025
	HK$'000	*HK$'000*
Financial assets		
FVTPL	**73,301**	47,949
Amortised cost (including cash and cash equivalents)	**954,313**	1,488,408
Financial liabilities		
Amortised cost	**267,124**	1,219,782

(b) Financial risk management objectives and policies

The Group's major financial instruments include equity and fund investments, debtors and deposits, other loan receivables, amounts due from joint ventures, amounts due from associates, restricted bank balance, cash and cash equivalents, creditors and deposits, amount due to a joint venture and bank and other 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 of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

For the year ended 31 March 2026

33. FINANCIAL INSTRUMENTS *(Continued)*

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

Market risk

The carrying amounts of the Group entities' foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

(i) *Currency risk*

Several subsidiaries of the Company have certain foreign currency bank balances and refundable earnest money, which expose the Group to foreign currency risk. Management has closely monitored foreign exchange exposure and will undertake procedures necessary to mitigate the currency risk.

	Monetary assets	
	2026	2025
	HK$'000	*HK$'000*
US$	**9**	178
EURO ("EUR")	**75**	71
Great British Pound ("GBP")	**2**	2
RMB	**-**	5
CAD	**22,507**	21,746

Sensitivity analysis

The Group is mainly exposed to effects of fluctuation in US$, EUR, GBP, RMB and CAD.

The functional currency of the respective group entities is HK$. The Group's exposure to the currency risk of US$ is limited because HK$ is pegged to US$. The Group's exposure to the currency risk of RMB, EUR and GBP is not material.

The following table details the Group's sensitivity to a 5% (2025: 5%) increase or decrease in HK$ against CAD. 5% (2025: 5%) is the sensitivity rate used and represents management's assessment of the reasonably possible change in foreign exchange rates.

	Impact of CAD	
	2026	2025
	HK$'000	*HK$'000*
5% appreciation of the functional currency:		
Increase in post-tax loss for the year	**(940)**	(908)
5% depreciation of the functional currency:		
Decrease in post-tax loss for the year	**940**	908

For the year ended 31 March 2026

33. FINANCIAL INSTRUMENTS *(Continued)*

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

Market risk *(Continued)*

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to the fixed-rate amounts due from joint ventures, fixed-rate other loan receivables, fixed-rate lease liabilities and fixed-rate other borrowings as set out in Notes 18, 20, 27 and 28, respectively.

The Group is also exposed to cash flow interest rate risk in relation to restricted bank balance, bank balances, variable-rate other loan receivables and variable-rate bank borrowings as set out in Notes 25, 20 and 28, respectively. It is the Group's policy to keep its bank borrowings at floating rate of interests so as to minimise the fair value interest rate risk.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of HIBOR, Hong Kong Prime Rate and SOFR.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period which carried floating market interest rate. The analysis is prepared assuming the amount of asset and liability outstanding at the end of the reporting period was outstanding for the whole year. Bank balances are excluded from the analysis as the management considers the change in interest rate is not significant. A 100 basis points (2025: 100 basis points) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents the management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's post-tax loss for the year ended 31 March 2026 would increase/decrease by HK$1,055,000 (2025: HK$6,014,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings.

(iii) Other price risk

The Group is exposed to equity price risk solely arising from equity and fund investments. Management manages this exposure by maintaining a portfolio of investments with different risks. The Group's other price risk is concentrated on listed equity and fund investments. In addition, the Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analysis below includes equity investments that are carried at fair values and has been determined based on the exposure to equity price risk at the end of the reporting period.

If the prices of the respective listed equity instruments had been 10% (2025: 10%) higher/lower, post-tax loss for the year ended 31 March 2026 would decrease/increase by HK$2,722,000 (2025: HK$1,625,000) as a result of the changes in fair value of listed equity investments measured at FVTPL.

33. FINANCIAL INSTRUMENTS *(Continued)*

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

Credit risk and impairment assessment

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to trade debtors, other debtors and deposits, other loan receivables, amounts due from joint ventures, amounts due from associates, restricted bank balance, bank balances and financial guarantee contracts.

The Group performed impairment assessment for financial assets and other items under ECL model. Information about the Group's credit risk management, maximum credit risk exposures and the related impairment assessment, if applicable, are summarised as below:

Trade debtors arising from contracts with customers

The management of the Group considers the balance of trade debtors under lifetime ECL as at 31 March 2026 and 2025 was insignificant and accordingly no allowance for credit losses is provided.

Other debtors and deposits other than interest receivables on other loan receivables

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. The Group performs impairment assessment under ECL model on other debtors and deposits by individual assessment on 12m ECL basis where there had been no significant increase in credit risk since initial recognition. During the year ended 31 March 2026, the loss allowance recognised primarily related to a consideration receivable as set out in Note 18. During the year ended 31 March 2025, a reversal of loss allowance of HK$21,598,000 was recongised in profit or loss up on receipt of refundable earnest money with a gross carrying amount of HK$21,598,000. This amount had previously been assessed on lifetime ECL basis because the credit risks had increased significantly since initial recognition.

Other loan receivables and related interest receivables included in other debtors and deposits

The Group performs impairment assessment under ECL model by individual assessment. Key sources of estimation uncertainty include forward-looking factors. Forward-looking information has been incorporated into the determination of ECL, including the use of macroeconomic information. The management of the Group has assessed the impact of economic environment on default rate by taking into consideration of gross domestic growth rate under different situations, including economic upturn and downturn. Exposure to credit risk is managed through regular analysis of the ability of borrowers to meet principal and interest repayment obligations. As at 31 March 2025, other loan receivables and its related interest receivables amounting to HK$10,600,000 were secured by two residential properties and carparks situated in Hong Kong and assessed on lifetime ECL basis. The exposure to credit risk mitigated through realisation of the collaterals in event of default. Accordingly, no loss allowance was recognised for other loan receivables and interest receivables amounting to HK$10,600,000. During the year ended 31 March 2026, the borrower has partially repaid such loan receivables and related interest receivable by transferring the collaterals to the Group.

As at 31 March 2026, all other loan receivables and interest receivables are assessed on lifetime ECL basis because the credit risks have increased significantly since initial recognition.

For the year ended 31 March 2026

33. FINANCIAL INSTRUMENTS *(Continued)*

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

Credit risk and impairment assessment *(Continued)*

Other loan receivables and related interest receivables included in other debtors and deposits (Continued)

For other loan and associated interest receivables, management updated their inputs into ECL measurement with respect to probability of default, loss given default, repayment delays, significant increase of market risk in terms of uncertain economic outlook and the deterioration of the borrower's industry, to assess which are considered to be measured at lifetime ECL. The Group has performed an assessment of ECL provision taking into account the financial position, related negative facts and circumstances for the borrowers.

Restricted bank balance/bank balances

The credit risks on these balances are limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. Therefore, the 12m ECL on bank balances is considered to be insignificant and no loss allowance was recognised.

Amounts due from joint ventures and associates and financial guarantees to joint ventures and an associate

The Directors monitor that the credit risk in relation to amounts due from joint ventures and associates on a regular basis. The Group performs impairment assessment under ECL model by individual assessment on 12m ECL basis where there had been no significant increase in credit risk since initial recognition and for an amount due from a joint venture assessing on lifetime ECL basis for the balance in which credit risk has increased significantly since initial recognition.

For amounts due from joint ventures and associates assessed on 12m ECL basis, the management of the Group considers the credit risk in these balances to be low after considering the financial performance and future cash flow generated from respective joint ventures and associates. The management believes that there are no significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on 12m ECL. For the year ended 31 March 2026, the Group assessed the ECL for amounts due from joint ventures and associates based on 12m ECL and result in the recognition of an impairment loss of HK$2,495,000 (2025: nil). For amount due from a joint venture with gross carrying amount of HK$11,022,000 (2025: HK$11,022,000) assessed under lifetime ECL, the management of the Group considers the amounts are credit-impaired due to the significant financial difficulties of the joint venture.

For financial guarantee contracts, the aggregate amount of outstanding financial guarantees issued to banks in respect of bank facilities granted to joint ventures and an associate that the Group could be required to pay amounting to HK$258,631,000 (2025: HK$439,763,000) as at 31 March 2026. HK$215,259,000 (2025: HK$343,481,000) of the outstanding financial guarantees has been utilised by joint ventures and an associate. The fair value of these financial guarantees, as at dates of initial recognition, were considered insignificant. At the end of the reporting period, the management of the Group has performed impairment assessment, and concluded that there has been no significant increase in credit risk since initial recognition of the financial guarantee contracts. Accordingly, the loss allowance for financial guarantee contracts issued by the Group is measured at an amount equal to 12m ECL. In view that the borrowings of the joint ventures and an associate are secured by respective underlying assets and the realisable values of underlying assets could fully cover the borrowings, no charge for expected credit losses recognised in profit or loss and no loss allowance in the consolidated statement of financial position.

33. FINANCIAL INSTRUMENTS *(Continued)*

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

Credit risk and impairment assessment *(Continued)*

The Group's concentration of credit risk in trade debtors by geographical locations is mainly in Canada (2025: Hong Kong), which accounted for 100% (2025: 65%) of the trade debtors as at 31 March 2026.

The Group has concentration of credit risk in other loan receivables as disclosed in Note 20. As at 31 March 2026, two (2025: three) borrowers accounted for 100% of the total other loan receivables with gross carrying amount of HK$97,329,000 (2025: HK$140,270,000) while the remaining balance of HK$366,914,000 (2025: HK$336,991,000) was fully impaired. At 31 March 2026 and 2025, the majority of borrowers of the loan receivables are private companies or individuals.

The Group does not have any other significant concentration of credit risk, other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings, amounts due from associates as set out in Note 19, other loan receivables as set out in Note 20, debtors as disclosed above, refundable earnest money as set out in Note 24 and financial guarantee contracts as set out in Note 41. The Group assesses the credit risk by reviewing and monitoring the financial performance of the counterparties and the management considers the default risk is not significant.

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade debtors	Other financial assets and other items
Low risk	The counterparty has a low risk of default	Lifetime ECL – not credit-impaired	12m ECL
Watch list	Debtor frequently repays in full amount after due dates but usually settles after due date	Lifetime ECL – not credit-impaired	12m ECL
Doubtful	Amount is >30 days past due or there have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired
Loss	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off	Amount is written off

For the year ended 31 March 2026

33. FINANCIAL INSTRUMENTS *(Continued)*

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

Credit risk and impairment assessment *(Continued)*

The tables below detail the credit risk exposures of the Group's trade debtors, other debtors and deposits, other loan receivables, amounts due from joint ventures, amounts due from associates, restricted bank balance, bank balances and financial guarantee contracts which are subject to ECL assessment:

	Notes	External credit rating	Internal credit rating	12m or lifetime ECL	Gross carrying amount 2026 HK$'000	2025 HK$'000
Financial assets at amortised costs						
Amounts due from joint ventures	18	N/A	Low risk	12m ECL	**851,300**	782,552
(note (a))		N/A	Loss	Lifetime ECL – credit-impaired	**11,022**	11,022
					862,322	793,574
Amounts due from associates (note (a))	19	N/A	Low risk	12m ECL	**92,549**	81,659
Other loan receivables	20	N/A	Doubtful	Lifetime ECL – not credit-impaired	**97,329**	101,341
		N/A	Loss	Lifetime ECL – credit-impaired	**366,914**	375,920
					464,243	477,261
Trade debtors (note (c))	24	N/A	Low risk	Lifetime ECL – not credit-impaired	**321**	915
Other debtors and deposits	24	N/A	Low risk	12m ECL	**75,460**	527,951
		N/A	Doubtful	Lifetime ECL – not credit-impaired	**49,512**	44,081
		N/A	Loss	Lifetime ECL – credit-impaired	**28,442**	30,017
					153,414	602,049
Restricted Bank balance	25	Baa2 – Aaa	Low risk	12m ECL	**6,148**	–
Bank balances	25	Baa2 – Aaa	Low risk	12m ECL	**132,317**	47,589
Other item						
Financial guarantee contracts (note (b))	41	N/A	Low risk	12m ECL	**258,631**	439,763

33. FINANCIAL INSTRUMENTS *(Continued)*

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

Credit risk and impairment assessment *(Continued)*

Notes:

(a) For the amounts due from joint ventures and associates, the Directors consider the ECL are insignificant with reference to the estimation of the amount and timing of future cash flows and underlying asset values of respective joint ventures and associates, except for an amount due from a joint venture which is credit-impaired.

(b) For financial guarantee contracts, the gross carrying amount represents the maximum amount the Group guaranteed under the respective contracts. The Directors consider no significant increase in credit risk since initial recognition of financial guarantee contracts. The 12m ECL on financial guarantee contracts is considered to be insignificant and no loss allowance was recognised.

(c) For trade debtors, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. The ECL on the trade debtors are assessed collectively using a provision matrix, grouped by shared credit risk characteristics and the loss allowance is not material.

The following table shows the movements in ECL that have been recognised for other loan receivables, other debtors and deposits and amounts due from joint ventures:

	Other loan receivables				Other debtors and deposits (note)				Amounts due from joint ventures			
	12m ECL	Lifetime ECL (not credit-impaired)	Lifetime ECL (credit-impaired)	Sub-total	12m ECL	Lifetime ECL (not credit-impaired)	Lifetime ECL (credit-impaired)	Sub-total	12m ECL	Lifetime ECL (credit-impaired)	Sub-total	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 April 2024	5,920	13,373	336,991	356,284	1,543	3,716	50,087	55,346	–	11,022	11,022	422,652
Changes due to financial instruments recognised as at 1 April:												
– Transfer to doubtful	(5,920)	5,920	–	–	(1,543)	1,543	–	–	–	–	–	–
– Transfer to credit-impaired	–	(2,154)	2,154	–	–	(19)	19	–	–	–	–	–
– Impairment losses recognised	–	14,122	27,750	41,872	–	5,560	–	5,560	–	–	–	47,432
– Impairment losses reversed	–	–	–	–	–	–	(21,617)	(21,617)	–	–	–	(21,617)
– Exchange adjustments	–	–	–	–	–	–	(47)	(47)	–	–	–	(47)
Financial assets newly originated	–	–	–	–	–	2,278	–	2,278	–	–	–	2,278
At 31 March 2025	**–**	**31,261**	**366,895**	**398,156**	**–**	**13,078**	**28,442**	**41,520**	**–**	**11,022**	**11,022**	**450,698**
Changes due to financial instruments recognised as at 1 April:												
– Impairment losses recognised	–	12,504	19	12,523	7,008	6,206	–	13,214	2,495	–	2,495	28,232
– Impairment losses reversed	–	(1,759)	–	(1,759)	–	(652)	–	(652)	–	–	–	(2,411)
– Exchange adjustments	–	–	–	–	(43)	–	–	(43)	–	–	–	(43)
Financial assets newly originated	–	–	–	–	–	2,345	–	2,345	–	–	–	2,345
At 31 March 2026	**–**	**42,006**	**366,914**	**408,920**	**6,965**	**20,977**	**28,442**	**56,384**	**2,495**	**11,022**	**13,517**	**478,821**

Note: Other debtors and deposits with ECL provided mainly included interest receivables generated from other loan receivables, consideration receivables and refundable earnest money.

For the year ended 31 March 2026

33. FINANCIAL INSTRUMENTS *(Continued)*

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

Credit risk and impairment assessment *(Continued)*

Changes in the ECL provision of other loan receivables are mainly due to:

	Increase (decrease) in ECL					
	2026			2025		
	12m ECL *HK$'000*	**Lifetime ECL (not credit-impaired)** *HK$'000*	**Lifetime ECL (credit-impaired)** *HK$'000*	12m ECL *HK$'000*	Lifetime ECL (not credit-impaired) *HK$'000*	Lifetime ECL (credit-impaired) *HK$'000*
Settlement of other loan receivable with a gross carrying amount of HK$4,012,000 (2025: nil)	**–**	**(1,759)**	**–**	–	–	–
Transfer to lifetime ECL upon reaching doubtful status and increase in allowance of other loan receivables with a gross carrying amount of nil (2025: HK$107,022,000)	**–**	**–**	**–**	(5,920)	18,837	–
Transfer to credit-impaired upon reaching loss status and increase in allowance of other loan receivables with a gross carrying amount of nil (2025: HK$38,929,000)	**–**	**–**	**–**	–	(2,154)	29,904

33. FINANCIAL INSTRUMENTS *(Continued)*

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

Credit risk and impairment assessment *(Continued)*

Changes in the ECL provision of other debtors and deposits are mainly due to:

	Increase (decrease) in ECL					
	2026			2025		
	12m ECL *HK$'000*	Lifetime ECL (not credit-impaired) *HK$'000*	Lifetime ECL (credit-impaired) *HK$'000*	12m ECL *HK$'000*	Lifetime ECL (not credit-impaired) *HK$'000*	Lifetime ECL (credit-impaired) *HK$'000*
Increase in allowance of consideration receivables with a gross carrying amount of CAD6,500,000 (equivalent to HK$35,563,000) (2025: nil)	**7,008**	**–**	**–**	–	–	–
Settlement of other loan interest receivable with a gross carrying amount of HK$1,488,000 (2025: nil)	**–**	**(652)**	**–**	–	–	–
New other loan interest receivables with a gross carrying amount of HK$6,919,000 (2025: HK$7,298,000)	**–**	**2,345**	**–**	–	2,278	–
Refund of refundable earnest money with a gross carrying amount of nil (2025: HK$21,598,000)	**–**	**–**	**–**	–	–	(21,598)
Transfer to lifetime ECL upon reaching doubtful status and increase in allowance of other loan interest receivables with a gross carrying amount of nil (2025: HK$27,881,000)	**–**	**–**	**–**	(1,543)	6,768	–
Transfer to credit-impaired upon reaching default and increase in allowance of other loan interest receivables with a gross carrying amount of nil (2025: HK$336,000)	**–**	**–**	**–**	–	(19)	19

33. FINANCIAL INSTRUMENTS *(Continued)*

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

Liquidity risk

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 effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The Directors are taking active steps to manage the Group's liquidity risk. Details of these measures are set out in Note 1.

The following table details the Group's remaining contractual maturity for its financial liabilities based on the agreed repayment terms and has been drawn up according to the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The table includes both interest and principal cash flows. To the extent that interest flows are at floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

33. FINANCIAL INSTRUMENTS *(Continued)*

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

Liquidity risk *(Continued)*

Liquidity tables

	Weighted average interest rate	On demand or less than 3 months	3 months to 1 year	1 year to 2 years	Total undiscounted cash flows	Carrying amount at 31.3.2026
	%	*HK$'000*	*HK$'000*	HK$'000	*HK$'000*	*HK$'000*
2026						
Non-derivative financial liabilities						
Creditors and deposits	–	(131,656)	–	–	(131,656)	(131,656)
Lease liabilities (Note 27)	5.30	(2,253)	(3,963)	(900)	(7,116)	(6,893)
Bank borrowings – variable rate	4.52	(1,428)	(4,284)	(126,776)	(132,488)	(125,468)
Other borrowing – fixed rate	11.00	(271)	(10,121)	–	(10,392)	(10,000)
		(135,608)	(18,368)	(127,676)	(281,652)	(274,017)
Financial guarantee contracts (Note 41)		258,631	–	–	258,631	–

For the year ended 31 March 2026

33. FINANCIAL INSTRUMENTS *(Continued)*

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

Liquidity risk *(Continued)*

Liquidity tables (Continued)

	Weighted average interest rate %	On demand or less than 3 months HK$'000	3 months to 1 year HK$'000	1 year to 2 years HK$'000	Total undiscounted cash flows HK$'000	Carrying amount at 31.3.2025 HK$'000
2025						
Non-derivative financial liabilities						
Creditors and deposits	–	(272,768)	–	–	(272,768)	(272,768)
Amount due to a joint venture	–	(20,773)	–	–	(20,773)	(20,773)
Lease liabilities (Note 27)	6.21	(2,242)	(6,666)	(2,309)	(11,217)	(10,764)
Bank borrowings – variable rate	9.86	(399,957)	(326,619)	–	(726,576)	(720,065)
Other borrowings – fixed rate	14.22	(37,084)	(22,877)	(178,314)	(238,275)	(203,985)
– interest free	–	(2,191)	–	–	(2,191)	(2,191)
		(735,015)	(356,162)	(180,623)	(1,271,800)	(1,230,546)
Financial guarantee contracts (Note 41)		439,763	–	–	439,763	–

As at 31 March 2026, none of the bank and other borrowings contained repayable on demand clause. As at 31 March 2025, bank borrowings with a repayment on demand clause are included in the "on demand or less than 3 months" time band in the above maturity analysis. As at 31 March 2025, the carrying amounts of these bank borrowings amounted to HK$395,220,000 of which HK$391,300,000 was overdue. During the year ended 31 March 2026, the Group repaid the bank borrowings.

Other than the overdue bank borrowing of HK$391,300,000, the Directors believe that the undiscounted principal and interest of the remaining bank borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements as below.

33. FINANCIAL INSTRUMENTS *(Continued)*

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

Liquidity risk *(Continued)*

	2026	2025
	HK$'000	*HK$'000*
Less than 3 months	–	4,002

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

The amount included above for variable interest rate instrument for non-derivative financial liabilities is subject to change if variable interest rate differs from those estimates of interest rates determined at the end of the reporting period based on spot rates.

(c) Fair value measurements of financial instruments

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

Some of the Group's financial assets are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3 as set out in Note 3) based on the degree to which the inputs to the fair value measurements is observable.

Set out below is the information about how the fair values of the Group's financial instruments that are measured at fair value are determined, including the valuation techniques and inputs used:

For the year ended 31 March 2026

33. FINANCIAL INSTRUMENTS *(Continued)*

(c) Fair value measurements of financial instruments *(Continued)*

Fair value of the Group's financial assets that are measured at fair value on a recurring basis *(Continued)*

Financial assets	Fair value as at 2026 HK$'000	Fair value as at 2025 HK$'000	Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Financial assets at FVTPL						
Listed equity securities in Hong Kong	**32,601**	19,463	Level 1	Quoted closing prices in an active market	N/A	N/A
Listed equity securities in Hong Kong (note (iii))	**–**	–	Level 3	N/A	N/A	N/A
Unlisted investment funds in overseas (note (i))	**40,700**	28,486	Level 3	note (ii)	Net asset value (note (ii))	An increase in the net asset value would result in an increase in fair value, and vice versa
Unlisted equity investment in the PRC (note (iv))	**N/A**	-	Level 3	Discounted cash flows	Operating cash flows	An increase in the operating cash flows would result in an increase in fair value, and vice versa
Financial assets at FVTOCI						
Listed equity securities in Hong Kong (note (iii))	–	–	Level 3	N/A	N/A	N/A
Unlisted equity securities in overseas (note (i))	–	–	Level 3	Market approach which uses relevant information generated by certain companies with comparable businesses	Minority and marketability discount	A significant increase in the minority and marketability discount would result in a significant decrease in fair value, and vice versa

33. FINANCIAL INSTRUMENTS *(Continued)*

(c) Fair value measurements of financial instruments *(Continued)*

Fair value of the Group's financial assets that are measured at fair value on a recurring basis *(Continued)*

Notes:

(i) Reconciliation of Level 3 fair value measurement of financial assets is as follows:

	Financial assets at FVTPL Unlisted investment funds *HK$'000*
As at 1 April 2024	34,942
Total losses, recognised in:	
– profit or loss	(6,456)
As at 31 March 2025	**28,486**
Redemption	**(3,649)**
Additions	**15,701**
Total gain, recognised in:	
– profit or loss	**162**
As at 31 March 2026	**40,700**
Unrealised losses, recognised in profit or loss or other comprehensive income for the year ended 31 March 2025	(6,456)
Unrealised losses, recognised in profit or loss or other comprehensive income for the year ended 31 March 2026	**(1,145)**

(ii) The fair values of the unlisted investment funds in overseas as at 31 March 2026 and 2025 are determined with reference to the net asset value of the unlisted equity and partnership investments which are the deemed resale price of the investments provided by the external counter-parties. The Directors have determined that the reported net asset values represent fair values of these investments. A 5% increase/decrease in the net asset value per share holding all other variables constant would increase/decrease the carrying amounts of the unlisted investment funds in overseas by HK$2,035,000 (2025: HK$1,424,000).

(iii) As at 31 March 2026 and 2025, as a result of the winding up and delisting of the related equity securities, the management considered the fair values of such unlisted equity securities to be zero as at 31 March 2026 and 2025.

(iv) As detailed in Notes 4 and 17(b), Rosedale Beijing is reclassified as financial assets measured at FVTPL during the year ended 31 March 2025. After taking into account the expected cash flows from the investee after the resolution of various litigations and disputes involving the investee and its Major Shareholder, expected terminal value of the investment, estimated economic life of the underlying assets, and expected proceeds from disposal of the investee, if any, the Directors are of the opinion that the fair value as at 31 March 2025 is insignificant.

There was no other transfer amongst Level 1, Level 2 and Level 3 for both years.

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

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

For the year ended 31 March 2026

34. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

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

	Amount due to a joint venture	Amounts due to non-controlling interests (included in creditors, deposits and accrued charges)	Lease liabilities	Bank and other borrowings	Interest payables (included in creditors, deposits and accrued charges)	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 31 March 2024	20,323	193,423	3,298	1,362,168	10,017	1,589,229
Financing cash flows	450	21,071	(8,570)	(454,047)	(107,465)	(548,561)
New lease entered into	–	–	16,575	–	–	16,575
Termination of lease	–	–	(1,336)	–	–	(1,336)
Finance costs	–	–	817	–	125,342	126,159
Exchange adjustments	–	758	(20)	3,736	–	4,474
Interest capitalisation	–	–	–	14,384	(14,384)	–
Acquisition of additional interest in a subsidiary	–	(16,017)	–	–	–	(16,017)
Partial disposal of a subsidiary without loss of control	–	21,845	–	–	–	21,845
At 31 March 2025	**20,773**	**221,080**	**10,764**	**926,241**	**13,510**	**1,192,368**
Financing cash flows	**–**	**(116,577)**	**(9,152)**	**(550,495)**	**(93,686)**	**(769,910)**
Disposal of a subsidiary (Note 35)	**–**	**–**	**–**	**(241,300)**	**–**	**(241,300)**
New lease entered into	**–**	**–**	**8,575**	**–**	**–**	**8,575**
Lease modification	**–**	**–**	**(3,703)**	**–**	**–**	**(3,703)**
Finance costs	**–**	**–**	**372**	**–**	**81,498**	**81,870**
Exchange adjustments	**–**	**267**	**37**	**20**	**–**	**324**
Interest capitalisation	**–**	**–**	**–**	**1,002**	**(1,002)**	**–**
Dividends distribution offset (Note 18)	**(20,773)**	**–**	**–**	**–**	**–**	**(20,773)**
At 31 March 2026	**–**	**104,770**	**6,893**	**135,468**	**320**	**247,451**

35. DISPOSAL OF SUBSIDIARIES

(a) On 10 March 2026, Westfountain Co. Ltd., an indirect wholly-owned subsidiary of the Company, entered into a conditional sale and purchase agreement with an independent third party in relation to the disposal of (i) its entire interests in Success Well Investment Limited ("Success Well"), which is an indirect wholly-owned subsidiary of the Company and held a commercial building located in Hong Kong and (ii) all the sharholder's loan owned by Success Well amounting to HK$534,600,000, at a cash consideration of HK$167,539,000. The disposal was completed on 31 March 2026 and a loss of HK$5,062,000 was recognised in profit or loss. The net assets of Success Well at the date of disposal were as follows:

	HK$'000
Property, plant and equipment	57,000
Investment properties	353,000
Trade and other receivables	2,357
Trade and other payables	(1,956)
Other borrowings	(241,300)
Net assets disposed of	169,101
Loss on disposal of a subsidiary:	
Consideration received	167,539
Net assets disposed of	(169,101)
Transaction costs	(3,500)
Loss on disposal	(5,062)
Net cash inflow arising on disposal:	
Cash consideration	167,539
Less: transaction costs paid	(3,500)
	164,039

(b) During the year ended 31 March 2025, the Group disposed of 50% interests in a subsidiary, which holds the deposit with an aggregate carrying amount of net assets of HK$39,113,000 to an independent third party, at a consideration of HK$15,000,000. The disposal resulted in a loss on disposal of HK$4,556,000. The cash consideration of HK$15,000,000 was settled in full during the year ended 31 March 2025.

For the year ended 31 March 2026

36. CAPITAL AND OTHER COMMITMENTS

	2026 HK$'000	2025 HK$'000
Capital expenditure contracted for but not provided in the consolidated financial statements in respect of:		
– construction of property, plant and equipment	–	642
– equity and fund investments	**34,374**	34,120
	34,374	34,762
Other commitments:		
– stock of properties	–	10,500
	34,374	45,262

37. OPERATING LEASE ARRANGEMENTS

The Group as lessor

During the year ended 31 March 2026, property rental income earned represented fixed monthly rental income which was HK$5,627,000 (2025: HK$8,861,000). The properties which were leased out as at 31 March 2025 had rental yield of approximately 1% (2026: nil) and with committed tenants with the longest tenure for one year (2026: nil).

Minimum lease payment receivables on leases were as follows:

	2026 HK$'000	2025 HK$'000
Within one year	–	242

38. PLEDGE OF ASSETS

At the end of the reporting period, the Group's bank borrowings and credit facilities were secured by the following:

	2026 HK$'000	2025 HK$'000
Property, plant and equipment	–	120,000
Investment properties	–	417,000
Interests in associates	**819,892**	813,968
Amounts due from associates	**35,657**	35,657
	855,549	1,386,625

As at 31 March 2025, the Group's other borrowings of HK$166,670,000 (2026: nil) were secured by the equity shares of certain subsidiaries of the Company.

For the year ended 31 March 2026

39. RETIREMENT BENEFITS SCHEMES

The Group operates a defined contribution retirement benefits scheme which is registered under the Occupational Retirement Scheme Ordinance (the "ORSO Scheme") for eligible employees. The assets of the scheme are separately held in funds under the control of trustees.

With effect from 1 December 2000, the Group has also joined the MPF Scheme for employees in Hong Kong. The MPF Scheme is registered with the Mandatory Provident Fund Schemes Authority under the Mandatory Provident Fund Scheme Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee.

Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rate specified in the rules. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions under the scheme.

The Group contributes 5% to 10% on the employee's monthly salary to the ORSO Scheme and either (i) 5% on the lower of the employee's monthly salary or HK$30,000 or (ii) 5% on the employee's monthly salary to the MPF Scheme. Where there are employees who leave the ORSO Scheme prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

The employees of the subsidiaries in the PRC are members of state-managed retirement benefits schemes operated by the PRC government. The subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefits schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefits schemes is to make the required contributions under the schemes.

The total costs charged to the consolidated statement of profit or loss of HK$2,132,000 (2025: HK$2,208,000) represented contributions paid or payable to the schemes by the Group during the year.

The Group had no forfeited contributions under the ORSO Scheme, the MPF Scheme and its retirement benefits schemes in the PRC which may be used to reduce the existing level of contributions during the year ended 31 March 2026 and at the end of the reporting period (2025: nil).

For the year ended 31 March 2026

40. RELATED PARTY TRANSACTIONS AND BALANCES

Related party transactions

(i) During the year, the Group entered into the following transactions with related parties:

Related party	Nature of transaction	2026 HK$'000	2025 HK$'000
Joint ventures:			
1488 Alberni LPDH (as defined in Note 18)	Interest income	**14,818**	16,858
1488 Alberni LPI (as defined in Note 18)	Interest income	**780**	887
City Synergy Limited	Management fee income	**–**	30
Whiterfield Peak Limited	Management fee income	**–**	50
Associate:			
Macau Properties Holdings Limited	Rental income	**1,173**	1,173
Other related company:			
Hi Park Limited ("Hi Park") (Note)	Licence fee income	**622**	600
	Rental income and management fee income	**145**	1,173
	Short-term lease expense	**10**	12

Note: Mr. Cheung Hon Kit, an executive Director, is a shareholder of Hi Park.

(ii) Compensation of key management personnel

The remuneration of key management personnel, representing the Directors, during the year was as follows:

	2026 HK$'000	2025 HK$'000
Short-term benefits	**13,668**	13,540
Post-employment benefits	**162**	162
	13,830	13,702

The remuneration of Directors is determined by the remuneration committee, with reference to the prevailing market conditions, their duties and responsibilities and time spent on the affairs of the Group as well as their performance.

40. RELATED PARTY TRANSACTIONS AND BALANCES *(Continued)*

Related party balances

Details of the outstanding balances with related parties are set out in the consolidated statement of financial position and Notes 18, 19 and 26.

Other related party transactions

The Company provided corporate guarantees for loan facilities granted to certain joint ventures and an associate. Details of the guarantees are set out in Note 41.

41. FINANCIAL GUARANTEE CONTRACTS

At the end of the reporting period, the Group is subject to financial guarantee contracts through the provision of corporate guarantees in respect of the credit facilities granted by the banks to its joint ventures and an associate, with the respective granted amounts as follows:

	2026	2025
	HK$'000	*HK$'000*
a 20% owned associate (note)	**87,000**	218,160
a 50% owned joint venture	**84,641**	84,641
a 18% owned joint venture in Canada	**86,990**	136,962
	258,631	439,763

Note: As at 31 March 2025, the Group was not in compliance with the financial covenant relating to the banking facility. Accordingly, the Group submitted a letter to the bank requesting a waiver and amendment of the covenant during the year ended 31 March 2026. Following this amendment, the Group has complied with the revised financial covenants at each test date on or before the end of the reporting period.

The amounts disclosed above represent the aggregate amounts that could be required to be paid if the guarantees were called upon in entirety as at 31 March 2026, of which HK$215,259,000 (2025: HK$343,481,000) has been utilised by the joint ventures/an associate.

The ECL for outstanding financial guarantees are assessed to be immaterial as at 31 March 2026 and 2025.

For the year ended 31 March 2026

42. SUMMARISED STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	2026 HK$'000	2025 HK$'000
Non-current assets		
Investments in subsidiaries	**1,288,914**	1,290,154
Amounts due from subsidiaries	**496,242**	1,246,470
Other non-current assets	**13,500**	13,500
	1,798,656	2,550,124
Current assets		
Debtors, deposits and prepayments	**472**	5,949
Restricted bank balance	**6,148**	–
Cash and cash equivalents	**18,275**	225
	24,895	6,174
Current liabilities		
Creditors, deposits and accrued charges	**1,572**	5,435
Amounts due to subsidiaries	**1,631**	–
Bank borrowings	–	328,765
	3,203	334,200
Net current assets (liabilities)	**21,692**	(328,026)
Total assets less current liabilities	**1,820,348**	2,222,098
Non-current liability		
Bank borrowings	**125,468**	–
	1,694,880	2,222,098
Capital and reserves		
Share capital	**10,195**	9,072
Reserves (note)	**1,684,685**	2,213,026
	1,694,880	2,222,098

42. SUMMARISED STATEMENT OF FINANCIAL POSITION OF THE COMPANY *(Continued)*

Note:

Reserves

	Share premium *HK$'000*	Contributed surplus *HK$'000* (note)	Capital redemption reserve *HK$'000*	Share-based payment reserve *HK$'000*	Accumulated losses *HK$'000*	Total *HK$'000*
THE COMPANY						
At 31 March 2024	3,322,578	113,020	9,899	1,546	(325,400)	3,121,643
Loss and total comprehensive expense for the year	–	–	–	–	(908,421)	(908,421)
Transfer on lapse of share options	–	–	–	(196)	–	(196)
At 31 March 2025	**3,322,578**	**113,020**	**9,899**	**1,350**	**(1,233,821)**	**2,213,026**
Loss and total comprehensive expense for the year	**–**	**–**	**–**	**–**	**(607,997)**	**(607,997)**
Transfer on lapse of share options	**–**	**–**	**–**	**(1,350)**	**111**	**(1,239)**
Issue of shares, net of transaction costs	**80,895**	**–**	**–**	**–**	**–**	**80,895**
At 31 March 2026	**3,403,473**	**113,020**	**9,899**	**–**	**(1,841,707)**	**1,684,685**

Note: The contributed surplus of the Company represented the credit arising from capital reduction pursuant to the capital reorganisation on 13 March 2010.

For the year ended 31 March 2026

43. PRINCIPAL SUBSIDIARIES

Particulars of the Company's principal subsidiaries as at 31 March 2026 and 2025 are as follows:

Name of subsidiary	Place of incorporation/ registration/ establishment/ operation	Issued and fully paid share capital/ registered capital	Total attributable equity interest held by the Company 2026 %	2025 %	Principal activity
Advance Tech Limited	Hong Kong	HK$1 ordinary share	100	100	Securities investment
CWB Land Limited (note (a))	Hong Kong	HK$209 ordinary shares	–	100	Property development
DS Eastin Limited (note (a))	Hong Kong	HK$20 ordinary shares	–	100	Investment holding
Global Intelligence Investments Limited	British Virgin Islands	US$1 ordinary share	100	100	Investment holding
ITC Properties (China) Limited	British Virgin Islands	US$1 ordinary share	100	100	Investment holding
ITC Properties (Hong Kong) Limited	British Virgin Islands	US$1 ordinary share	100	100	Investment holding
ITC Properties (Macau) Limited	British Virgin Islands	US$1 ordinary share	100	100	Investment holding
ITC Properties (Overseas) Limited	British Virgin Islands	US$100 ordinary shares	100	100	Investment holding
ITC Properties (Vietnam) Limited	British Virgin Islands	US$1 ordinary share	100	100	Investment holding
ITC Properties Finance Limited	Hong Kong	HK$2 ordinary shares	100	100	Money lending
ITC Properties Holdings Group Limited	British Virgin Islands	US$1 ordinary share	100	100	Investment holding
ITC Properties Investment (China) Limited	British Virgin Islands	US$1 ordinary share	100	100	Investment holding
ITC Properties Management Group Limited	British Virgin Islands	US$1 ordinary share	100	100	Investment holding
ITC Properties Management Limited	Hong Kong	(i) HK$2,000 ordinary shares (ii) HK$500,000 non-voting deferred shares (note (b))	100	100	Securities investment and provision of management services

43. PRINCIPAL SUBSIDIARIES *(Continued)*

Particulars of the Company's principal subsidiaries as at 31 March 2026 and 2025 are as follows: *(Continued)*

Name of subsidiary	Place of incorporation/ registration/ establishment/ operation	Issued and fully paid share capital/ registered capital	Total attributable equity interest held by the Company 2026 %	2025 %	Principal activity
ITC Properties Secretarial Limited	Hong Kong	HK$2 ordinary shares	**100**	100	Provision of corporate secretarial services
ITCP Alberni Holdings Limited	Canada	(i) CAD4,760,100 common shares (ii) CAD4,166,104 preferred shares	**100**	100	Investment holding
Lion Speed Developments Limited	British Virgin Islands	US$1 ordinary share	**100**	100	Securities and fund investments
Million Orient Limited	Hong Kong	HK$1 ordinary share	**100**	100	Investment holding
More Cash	British Virgin Islands	US$100 ordinary shares	**60**	60	Investment holding
Prime Paramount Limited	British Virgin Islands	US$1 ordinary share	**100**	100	Investment holding
Silver Infinite Limited	British Virgin Islands	US$1 ordinary share	**100**	100	Investment holding
Smart Eagle Holdings Limited	British Virgin Islands	US$1 ordinary share	**100**	100	Investment holding
Solid Riches Limited	British Virgin Islands	US$1 ordinary share	**100**	100	Investment holding
Success Well (Note 35)	Hong Kong	HK$2 ordinary shares	**–**	100	Property investment
Top Century International Limited	British Virgin Islands	US$1 ordinary share	**100**	100	Investment holding

Notes:

(a) These subsidiaries were disposed during the year ended 31 March 2026.

(b) The non-voting deferred shares, which are not held by the Group, carry no rights to (i) dividends, (ii) receive notice of or attend or vote at any general meeting of the company, and (iii) participate in any distribution on winding up practically.

(c) Except ITC Properties Holdings Group Limited, ITC Properties Management Group Limited and Silver Infinite Limited, all the above principal subsidiaries are indirectly held by the Company.

For the year ended 31 March 2026

43. PRINCIPAL SUBSIDIARIES *(Continued)*

Particulars of the Company's principal subsidiaries as at 31 March 2026 and 2025 are as follows: *(Continued)*

None of the subsidiaries had any debt securities outstanding at the end of the reporting period or at any time during the year.

The above table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results or assets of the Group. Disclosing the details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

At the end of the reporting period, the Company has other subsidiaries that are not material to the Group. A majority of these subsidiaries operate in Hong Kong. The compositions and the principal activities of these subsidiaries are summarised as follows:

Principal activity	Country/place of incorporation/ establishment	Number of subsidiaries	
		2026	2025
Property holding and property redevelopment	Hong Kong/Canada/others	**12**	9
Securities investments	Others	**1**	1
Others	Hong Kong/PRC/Macau/others	**89**	95
		102	105

Details of non-wholly owned subsidiary that has material non-controlling interests.

The table below shows details of non-wholly owned subsidiary of the Company that has material non-controlling interests:

Name of subsidiary	Place of incorporation/ establishment/ operation	Proportion of ownership interests and voting rights held by non-controlling interests		(Loss) profit allocated to non-controlling interests		Accumulated non-controlling interests	
		2026	2025	**2026**	2025	**2026**	2025
		%	%	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
More Cash	British Virgin Islands	**40**	40	**(36,264)**	(20,441)	**93,380**	121,701
Individually immaterial subsidiaries with non-controlling interests				**870**	(76,345)	**(78,417)**	(78,629)
				(35,394)	(96,786)	**14,963**	43,072

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

43. PRINCIPAL SUBSIDIARIES *(Continued)*

Details of non-wholly owned subsidiary that has material non-controlling interests *(Continued)*

More Cash

	2026 HK$'000	2025 HK$'000
Current asset	**8**	13
Non-current assets	**301,457**	372,693
Current liabilities	**(68,014)**	(68,452)
Equity attributable to owners of the Company	**140,071**	182,553
Non-controlling interests	**93,380**	121,701
Revenue	**–**	–
Loss for the year	**(90,659)**	(51,102)
Loss attributable to owners of the Company	**(54,395)**	(30,661)
Loss attributable to the non-controlling interests	**(36,264)**	(20,441)
Loss for the year	**(90,659)**	(51,102)
Other comprehensive income (expense) attributable to owners of the Company	**11,642**	(2,485)
Other comprehensive income (expense) attributable to the non-controlling interests	**7,762**	(1,658)
Other comprehensive income (expense) for the year	**19,404**	(4,143)
Total comprehensive expense attributable to owners of the Company	**(42,753)**	(33,146)
Total comprehensive expense attributable to the non-controlling interests	**(28,502)**	(22,099)
Total comprehensive expense for the year	**(71,255)**	(55,245)

For the year ended 31 March 2026

44. EVENTS AFTER THE END OF THE REPORTING PERIOD

On 21 April 2026, arrangements were made for a private placement to several placing agents of 69,139,682 ordinary shares at a price of HK$0.8 per ordinary share representing a discount of approximately 12.09% to the closing market price per the Company's ordinary shares on 21 April 2026.

The private placement was completed on 13 May 2026, with net proceeds (after deducting all transaction costs) of approximately HK$52,870,000. Further details of this transaction are set out in the Company's announcements dated 22 April 2026, 7 May 2026 and 13 May 2026.

FINANCIAL SUMMARY

	For the year ended 31 March				
	2022 *HK$'000*	2023 *HK$'000*	2024 *HK$'000*	2025 *HK$'000*	**2026** ***HK$'000***
Revenue	332,187	90,756	111,078	398,064	**413,361**
Profit (loss) before taxation	541,639	(152,420)	(756,502)	(850,630)	**(559,613)**
Taxation	(8,449)	(144)	74,199	(59,138)	**(3,508)**
Profit (loss) for the year	533,190	(152,564)	(682,303)	(909,768)	**(563,121)**
Profit (loss) attributable to:					
Owners of the Company	566,164	(146,913)	(644,886)	(812,982)	**(527,727)**
Non-controlling interests	(32,974)	(5,651)	(37,417)	(96,786)	**(35,394)**
	533,190	(152,564)	(682,303)	(909,768)	**(563,121)**

	As at 31 March				
	2022 *HK$'000*	2023 *HK$'000*	2024 *HK$'000*	2025 *HK$'000*	**2026** ***HK$'000***
Total assets	6,710,096	5,675,772	4,749,897	3,565,314	**2,114,943**
Total liabilities	(2,505,327)	(1,880,309)	(1,681,137)	(1,363,808)	**(357,733)**
	4,204,769	3,795,463	3,068,760	2,201,506	**1,757,210**
Equity attributable to:					
Owners of the Company	3,994,332	3,608,359	2,930,106	2,158,434	**1,742,247**
Non-controlling interests	210,437	187,104	138,654	43,072	**14,963**
	4,204,769	3,795,463	3,068,760	2,201,506	**1,757,210**

SCHEDULE OF PRINCIPAL PROPERTIES

Location	Approximate gross floor area *(sq. ft.)*	Lease term	Use	Stage of completion	Group's ownership
Portions of Dabiao International Centre, No. 362 Jiangnan Avenue South and No. 238 Changgang Zhong Road, Haizhu District, Guangzhou City, the PRC	628,000	Medium	Commercial/Office/ Hotel/Car parks	Completed	45%
Lote 2 to Lote 12 of One Oasis, Sky Oasis and Grand Oasis, Estrada de Seac Pai Van, Coloane, Macau	888,000 (note) (Gross site area approximately 302,000 sq. ft.)	Medium	Residential/ Commercial	Completed	35.5%
1444 Alberni Street, 711 Broughton Street and 740 Nicola Street, Vancouver, British Columbia, Canada	Proposed: 612,000 (Gross site area approximately 43,230 sq. ft.)	Freehold	Residential/ Commercial	Rezoning approved	18%
High Peak, No. 23 Po Shan Road, Mid-levels, Hong Kong	41,600 (note) (Gross site area approximately 15,000 sq. ft.)	Long	Residential	Completed	20%

Note: The gross floor area represents the remaining area of the project.

DEFINITIONS

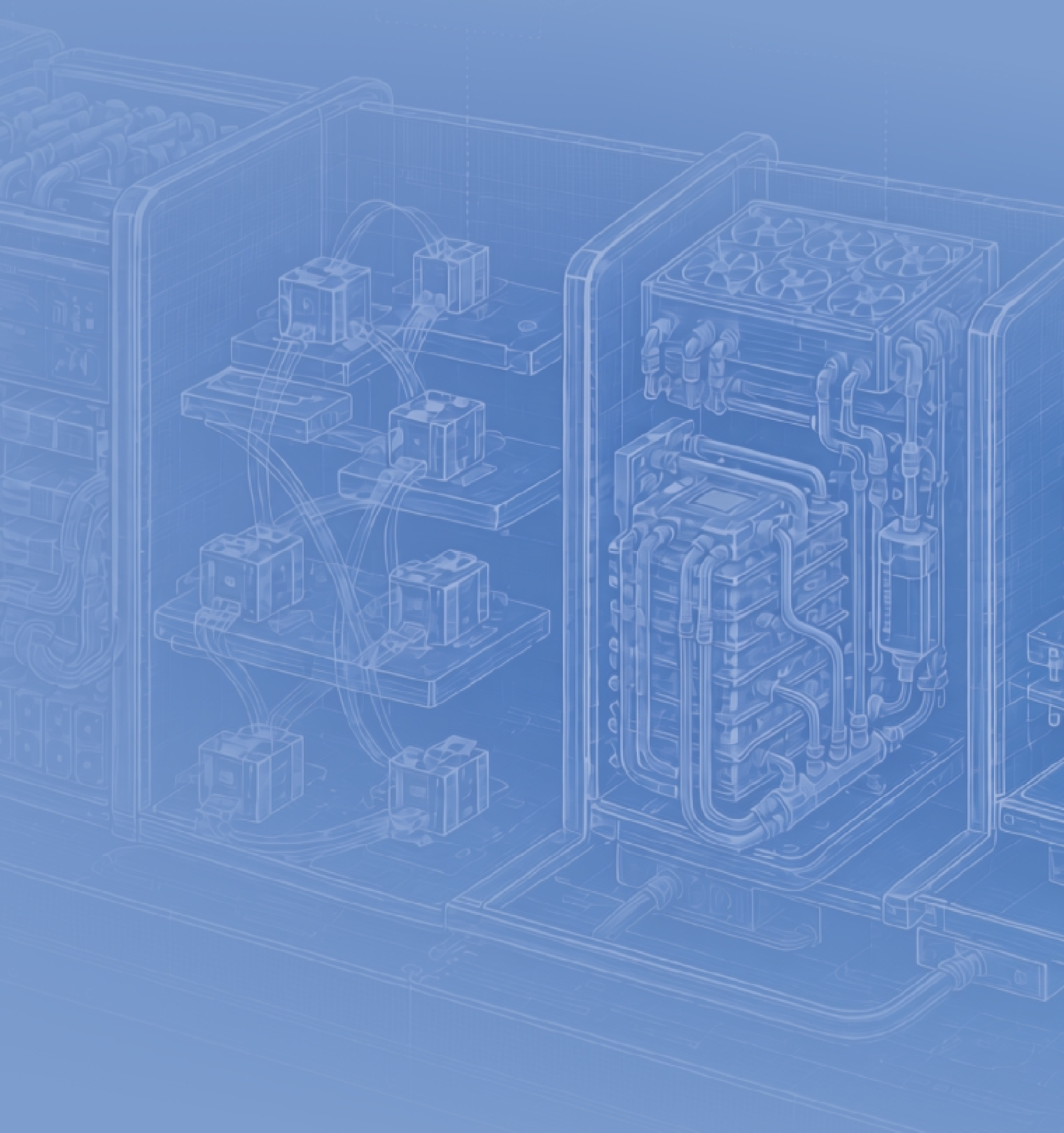
In this annual report, the following expressions have the following meanings unless otherwise specified:

Annual General Meeting	the annual general meeting of the Company to be held online on Friday, 21 August 2026 at 10:00 a.m.
Board	the board of Directors
Bye-Laws	the bye-laws of the Company as amended, supplemented or otherwise modified from time to time
CG Code	the corporate governance code as set out in Part 2 of Appendix C1 to the Listing Rules
close associate(s)	has the same meaning ascribed thereto in the Listing Rules
Company	ITC Properties Group Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange (Stock Code: 199)
Director(s)	the director(s) of the Company
Group	collectively, the Company and its subsidiaries
HK$	Hong Kong dollars, the lawful currency of Hong Kong
Hong Kong	Hong Kong Special Administrative Region of the PRC
Listing Rules	the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time
Macau	Macau Special Administrative Region of the PRC
Model Code	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
PRC	the People's Republic of China, and for the purpose of this annual report, excluding Hong Kong, Macau and Taiwan
SFO	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
Share(s)	ordinary share(s) of HK$0.01 each in the issued share capital of the Company (excluding treasury shares (as defined in the Listing Rules) of the Company, if any)
Share Option Scheme	the share option scheme of the Company adopted on 10 September 2021
Shareholder(s)	holder(s) of the Share(s)

sq. ft.	square feet
Stock Exchange	The Stock Exchange of Hong Kong Limited
substantial shareholder	has the same meaning ascribed thereto in the Listing Rules
Year	the financial year ended 31 March 2026
%	per cent.

In case of any inconsistency, the English version of this annual report shall prevail over the Chinese version.

* *For identification purposes only*



ITC PROPERTIES

德祥地產集團有限公司

ITC PROPERTIES GROUP LIMITED

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