



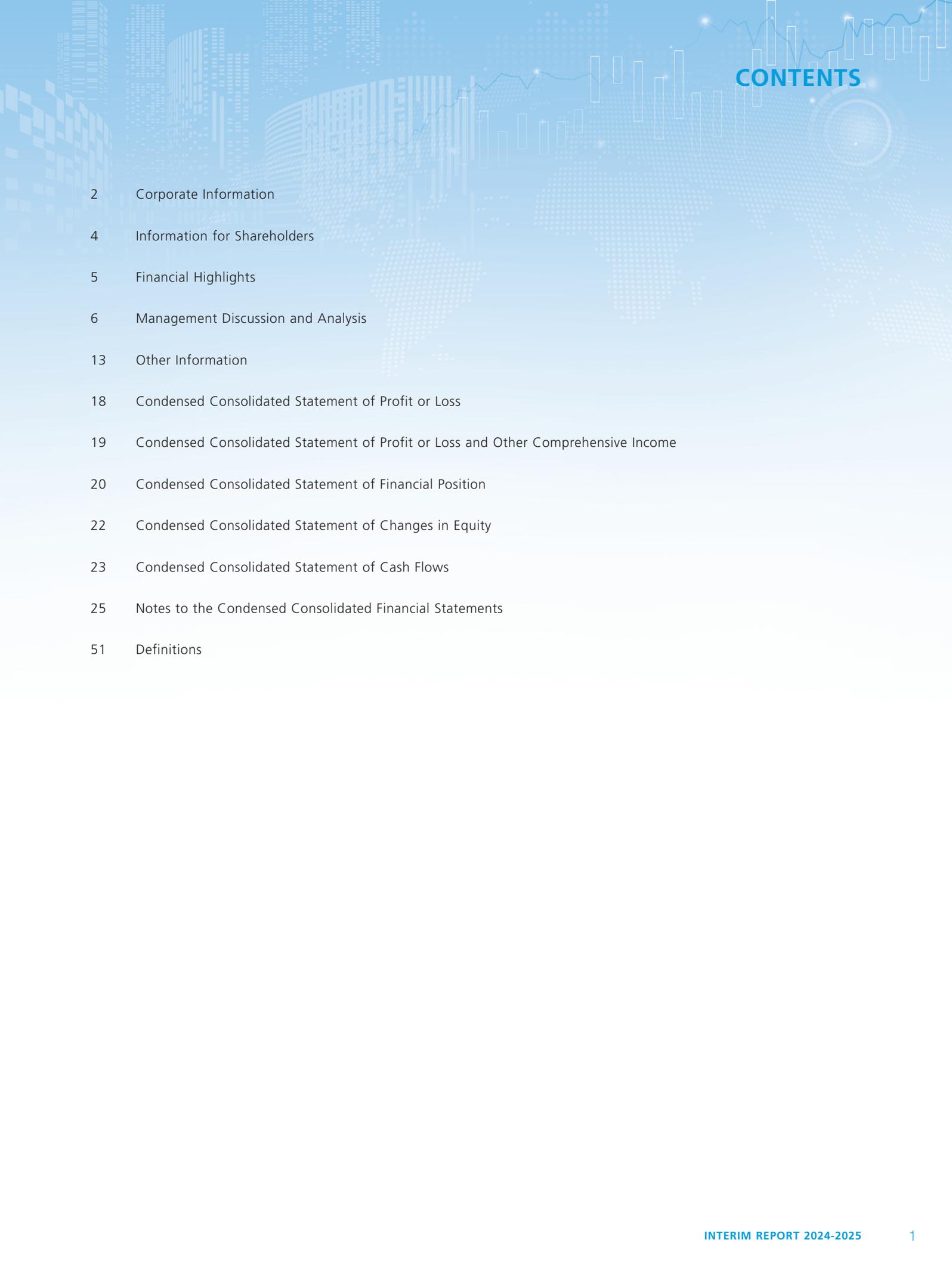
德祥地產集團有限公司*

ITC PROPERTIES GROUP LIMITED

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

2024-2025
INTERIM REPORT

* For identification purpose only



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CORPORATE INFORMATION

BOARD OF DIRECTORS

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)



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



Mr. Ip Hon Wah

Non-executive Director



Ms. Chau Mei Wah



**Mr. Pang, Anthony
Ming-tung**

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

Nomination Committee

Hon. Shek Lai Him, Abraham, *GBS, JP* (*chairman*)
Mr. Cheung Hon Kit
Mr. Ip Hon Wah
Mr. Pang, Anthony Ming-tung

Corporate Governance Committee

Mr. Cheung Hon Kit (*chairman*)
Mr. Ip Hon Wah
Mr. Law Hon Wa, William

Investment Committee

Mr. Cheung Hon Kit
Dr. Chan Kwok Keung, Charles
Mr. Chan Yiu Lun, Alan
Mr. Law Hon Wa, William

COMPANY SECRETARY

Ms. Wong Siu Mun

AUTHORISED REPRESENTATIVES

Mr. Cheung Hon Kit (*Alternate: Ms. Chuk Wai Yin*)
Mr. Law Hon Wa, William (*Alternate: Ms. Wong Siu Mun*)

LEGAL ADVISORS

Conyers Dill & Pearman (*as to Bermuda 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

The Hongkong and Shanghai Banking Corporation Limited
Bank of China Limited, Macau Branch
The Bank of East Asia, Limited
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 2024-2025 Interim Results	27 November 2024
Ex-Dividend Date for Interim Dividend	N/A
Book Closure Dates for Interim Dividend	N/A
Record Date for Interim Dividend Entitlement	N/A
Payment Date of Interim Dividend	N/A
Announcement of 2024-2025 Annual Results	June 2025

CORPORATE COMMUNICATIONS

The English and Chinese versions of this interim report are now available in printed form and in accessible format on the website of the Company at www.itcproperties.com.

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@hk.tricorglobal.com or by completing and returning the change request form which could be downloaded from the website of the Company.

SHAREHOLDER ENQUIRIES

E-mail : info@itcproperties.com

Telephone : (852) 2835 9500

Fax : (852) 2858 2697

FINANCIAL HIGHLIGHTS

Six months ended 30 September
2024 2023

HK\$'million

Revenue

Per condensed consolidated statement of profit or loss
Property income and hotel revenue
– share of associates and joint ventures
– by way of disposal of interest in a joint venture

10	101
297	324
107	–
414	425

Net loss

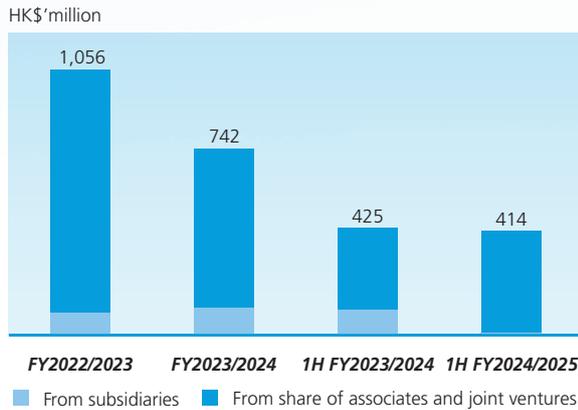
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HK cents

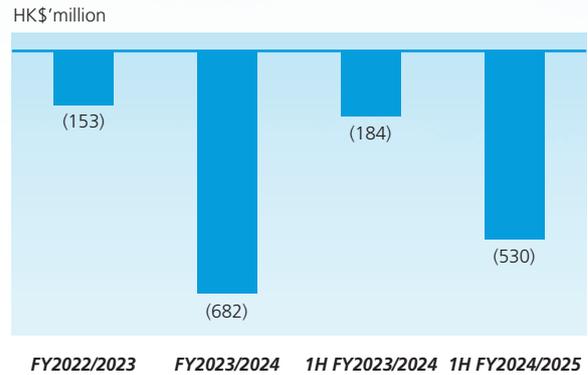
Basic loss per Share

(56)	(18)
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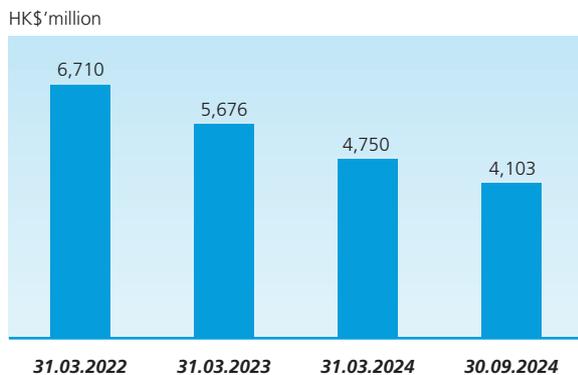
Revenue



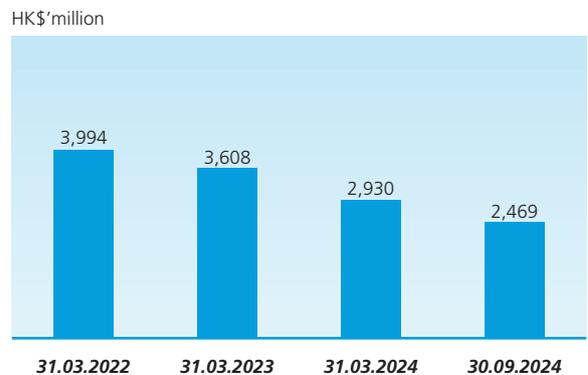
Net Loss



Total Assets



Total Shareholders' Fund



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. Also due to the financial pressures and downturn of the real estate market, the Group continues to review its business model and adjust its agility. Since there was no disposal of stock of properties owned by the Group during the Period, the Group's revenue for the Period decreased by HK\$91.1 million to HK\$9.7 million, as compared with that of HK\$100.8 million for the last corresponding period.

During the Period, the Group continued to carefully mitigate its liquidity position and improve its financial standing. In August, the Group disposed of all its 50% equity interests in Bayshore Ventures JV Ltd., which indirectly held and operated a hotel, The Westin Bayshore, in Canada. Although such disposal resulted in a loss on disposal of interest in a joint venture of HK\$220.4 million for the Period, a cash inflow alleviated the Group's going concern issues and pressure to meet its immediate cash obligations. Also, Bayshore Ventures JV Ltd. had a bank loan of CAD175.0 million which was due to mature in October 2024 and 50% of such bank loan of CAD87.5 million (equivalent to approximately HK\$505.0 million) was guaranteed by the Group. The disposal has mitigated the Group's refinancing risk exposure.

In addition, subsequent to the end of the Period, the Group also disposed of (i) 10% equity interests in 1488 Alberni Investment Limited Partnership and 1488 Alberni Development Holdings Limited Partnership; (ii) 10% of the loan and accrued interest owing by the said limited partnerships to the limited partners and/or their affiliates and (iii) 10% equity interests in Assets Builder Investments Limited. Such disposal realised part of the Group's investment in the project and recouped the Group's resource for the repayment of indebtedness and necessary payment obligations.

In the meantime, under the slowdown and uncertainties in global investment market, coupled with fundamental challenges in the commercial building sector, the Group recorded a decrease in the value of the Group's properties for the Period, resulting in (i) impairment losses of stock of commercial properties, which consisted of Hong Kong and overseas properties, recognised in cost of sales of HK\$85.0 million (30.9.2023: nil); (ii) the recognition of a decrease in fair value of an investment commercial property of the Group of HK\$45.0 million (30.9.2023: HK\$35.0 million); (iii) impairment losses of property, plant and equipment of the Group of HK\$11.5 million (30.9.2023: nil) and (iv) a share of decrease in fair value of a commercial property located in the PRC, which is held by a joint venture of the Group, of HK\$43.9 million (30.9.2023: HK\$60.8 million). As a result, the Group recorded a net loss attributable to owners of the Company of HK\$504.3 million for the Period, as compared with that of HK\$161.0 million for the last corresponding period.

The Board decided not to declare an interim dividend for the Period (2023: nil).

Property

Segment loss for the Period of HK\$229.3 million was recorded, as compared with that of HK\$103.1 million for the last corresponding period. As disclosed above, the increase in loss was attributable to impairment losses of stock of commercial properties of HK\$85.0 million, a decrease in fair value of investment properties of HK\$45.0 million, impairment losses of property, plant and equipment of HK\$11.5 million and a share of decrease in fair value of a commercial property located in the PRC, which is held by a joint venture of the Group, of HK\$43.9 million for the Period.

Macau

Grand Oasis in Cotai South is a luxury residential project developed by an associate of the Group. Despite the abolition of punitive stamp duties in April 2024, the property market in Macau continued to be sluggish. The contribution from this project to the Group decreased to HK\$33.0 million for the Period (30.9.2023: HK\$43.0 million).

Hong Kong

With respect to the redevelopment project located at Nos. 21, 23, 25, 27, 29 and 31 Sheung Heung Road, To Kwa Wan, in which the Group has 72% interests, the property was demolished in August 2022. The Group has accepted most of the provisional basic terms for land exchange to residential and commercial land and is undergoing negotiations for land premium assessment with the Lands Department.

High Peak is a deluxe residential project located at No. 23 Po Shan Road, Mid-levels, in which the Group has 20% interests. One deluxe residential unit was sold and handed over to the end buyer during the last financial year and one deluxe residential unit was sold in October 2024.

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 the Changgang Metro Station. Its occupancy rate for the Period remained stable.

Overseas

London, United Kingdom

The property at Greycoat Place was redeveloped into a mixed residential and commercial tower, with its practical certificate obtained in August 2023. We are actively seeking potential buyers for the whole building.

Vancouver, Canada

The residential redevelopment project at Alberni Street, in which the Group had 28% interests as at 30 September 2024, is in the course of obtaining the development and building permits from the local authority. Subsequent to the end of the Period, the Group disposed of its 10% interests to its existing partners of this project, details of which are described in the section headed "EVENT AFTER THE END OF THE REPORTING PERIOD" below. Upon this disposal, the Group still retains an 18% interest in this project.

Hotel and Leisure

Segment loss of HK\$225.6 million was recorded for the Period (30.9.2023: HK\$12.1 million) due to a loss on disposal of 50% equity interests in a joint venture of the Group, which indirectly owned a hotel, The Westin Bayshore, in Canada of HK\$220.4 million.

Rosedale Hotel Beijing Co., Ltd., the PRC

As disclosed in the annual report of the Company for the year ended 31 March 2024, the Group has 20% equity 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 and an associate of the Group, which held a piece of land located at No. 8, Jiang Tai Road West, Chaoyang District, Beijing, the PRC (the "Land"). After considering the unfavourable situations, the Group recognised a full impairment loss of interest in the associate of HK\$136.2 million for the financial year ended 31 March 2024.

During the Period, the Group monitored the situations and considered the following incidents:

1. Possibility that the Land will be reclaimed
The redevelopment of the Land has been suspended, and there is a possibility that if the property is designated as idle land, it could be reclaimed by the relevant authorities. Such a development would likely reduce the value of Rosedale Beijing's land holding substantially and this may render it worthless.

MANAGEMENT DISCUSSION AND ANALYSIS

2. Lack of resource for redevelopment
Without the support or co-operation by the major shareholder holding the remaining 80% equity interests in Rosedale Beijing (the "Major Shareholder"), the availability of resources for the Land's redevelopment will be hindered, preventing any meaningful progress from being made. This situation not only diminishes the value of the Land but also likely eliminates the possibility of generating any revenue from it.
3. Issues with the Major Shareholder
The daily operation of Rosedale Beijing is controlled by the Major Shareholder without involving the Group. During the Period, the Group has issued a demand legal but no response was received. Thus, the Group has formally initiated legal proceeding against Rosedale Beijing and submitted the relevant documents to 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 of Rosedale Beijing. The legal proceeding was duly filed and is currently pending case establishment.
4. Maximum potential loss of the Group
Rosedale Beijing, being a limited liability company and an associate of the Group, does not have any guarantees provided by the Group. Consequently, the Company has assessed the minimum realisable value as zero, leading to a total loss of the Group's carrying cost of HK\$136.2 million as at 31 March 2024.

After considering the above incidents and ongoing legal proceeding, as the situations of Rosedale Beijing have not improved, the Board is of the view that there were no signs of recovering the cost as at 30 September 2024. Thus, the Group continues to remain the carrying amount of the interest in Rosedale Beijing as nil as at 30 September 2024.

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 report:

Location	Usage	Group's interests (%)	Attributable gross floor area ⁽¹⁾ (sq. ft.)
Macau			
One Oasis, Sky Oasis and Grand Oasis situated at Estrada de Seac Pai Van, Coloane	Residential/Commercial	35.5	328,000
Sub-total			328,000
Hong Kong			
250 Hennessy situated at No. 250 Hennessy Road, Wanchai	Office/Car parks	100	55,600
Redevelopment project situated at Nos. 21, 23, 25, 27, 29 and 31 Sheung Heung Road, To Kwa Wan	Residential/Commercial	72	58,900 ⁽²⁾
High Peak situated at No. 23 Po Shan Road, Mid-levels	Residential	20	15,300
Sub-total			129,800

MANAGEMENT DISCUSSION AND ANALYSIS

Location	Usage	Group's interests (%)	Attributable gross floor area ⁽¹⁾ (sq. ft.)
The PRC			
Land situated at the Yazhou Bay Science and Technology City, Sanya City, Hainan Province ⁽³⁾	Hotel	100	886,000
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
Sub-total			1,168,600
Overseas			
Redevelopment property situated at 18, 19 and 20 Greycoat Place, London, United Kingdom	Residential/Commercial	90.1	39,000
Redevelopment project situated at 1444 Alberni Street, 711 Broughton Street and 740 Nicola Street, Vancouver, British Columbia, Canada	Residential/Commercial	18 ⁽⁴⁾	110,000
Sub-total			149,000
Total			1,775,400

Notes:

- (1) This represented the area under the existing use.
- (2) This represented the area under the provisional basic terms for land exchange to residential and commercial land.
- (3) The Group paid the deposits for the acquisition of leasehold land for property development.
- (4) The Group disposed of 10% interests after the end of the Period.

Securities Investments

The investment markets experienced volatility due to the potential for a global economic recession and the ongoing geopolitical risks. These factors collectively impacted corporate earnings, leading to a decline in the Group's investment fair value. Segment loss of HK\$15.8 million was recorded for the Period (30.9.2023: HK\$16.8 million). Such loss represented mainly the unrealised loss arising from the drop in market prices.

As at 30 September 2024, the Group had equity and fund investments in aggregate of HK\$44.0 million, 67% being unlisted securities and funds denominated in United States dollars and the remaining 33% being listed securities denominated in Hong Kong dollars.

MANAGEMENT DISCUSSION AND ANALYSIS

Finance

As at 30 September 2024, other loan receivables of the Group amounted to HK\$114.6 million (31.3.2024: HK\$121.0 million).

For the Period, the Group saw a segment loss of HK\$2.3 million (30.9.2023: profit of HK\$4.6 million), which was mainly attributable to an interest income of HK\$5.1 million (30.9.2023: HK\$5.7 million) and a loss allowance for expected credit loss of HK\$7.4 million (30.9.2023: HK\$1.0 million) provided on loan receivables (together with the outstanding interest accrued thereon) in accordance with the accounting policies adopted by the Group.

FINANCIAL REVIEW

The Group maintains a prudent funding and treasury policy with regard to its overall business operations. A variety of credit facilities are maintained to satisfy the commitments and working capital requirements of the Group.

As at 30 September 2024, the Group had total bank and other borrowings of HK\$1,182.9 million. After netting off cash and cash equivalents of HK\$17.2 million and comparing with the shareholders' funds of the Group of HK\$2,469.3 million, the Group's net gearing ratio as at 30 September 2024 was 0.47 (31.3.2024: 0.46). Bank borrowings of HK\$935.0 million carried interest at floating rate and the other borrowings of HK\$247.7 million carried interest at fixed rate. The Group will closely monitor and manage its exposure to the interest rate fluctuations and will consider engaging hedging instruments as and when appropriate.

As at 30 September 2024, the Group's total borrowings amounting to HK\$982.9 million will be due for repayment in the coming twelve month, of which HK\$396.0 million was overdue. The Group is actively seeking new sources of financing and loan facilities, and will continue to closely monitor its liquidity and working capital requirements to ensure appropriate financing arrangements are made when necessary.

For the Period, the Group reported a loss attributable to owners of the Company of HK\$504.3 million and had a net operating outflow of HK\$58.6 million. Also, as at 30 September 2024, the Group's aggregate bank and other borrowings amounted to HK\$1,182.9 million while the Group had cash and cash equivalents amounting to HK\$17.2 million. These conditions indicate the existence of material uncertainties which may cast significant doubt about the Group's ability to continue as a going concern. The Company has been undertaking a number of plans and measures, including the following, to improve the Group's liquidity and financial position.

(1) Disposal of properties/joint ventures/associates

The Group continues to sell specific properties/joint ventures/associates as a strategic move in order to realise the tied-up capital and value. This strategy will allow the Group to efficiently manage its assets, potentially enhance its liquidity and provide additional resources.

As mentioned above, on 28 August 2024, the Group disposed of all its 50% interests in a joint venture which indirectly owned and operated a hotel in Canada at a consideration of CAD18.5 million (equivalent to approximately HK\$106.8 million). Such disposal generated a cash inflow of approximately HK\$34.6 million to the Group on completion and up to the date of this report. The remaining cash consideration of CAD12.5 million (equivalent to approximately HK\$72.2 million) will be received by the Group.

On 31 October 2024, the Group also entered into certain agreements to dispose of its 10% interests in joint ventures which indirectly held the beneficial interests in a piece of land located in Canada together with certain amounts due from these joint ventures at an aggregate consideration of CAD5.36 million (equivalent to approximately HK\$30.6 million). Such disposal generated a cash inflow of approximately HK\$30.6 million to the Group on completion.

MANAGEMENT DISCUSSION AND ANALYSIS

(2) Seeking refinancing

The Group continues actively to seek for refinance for the existing facilities before maturity. Up to the date of this report, the Group has not received any demand for immediate payment of its borrowing of HK\$396.0 million which was overdue during the Period, of which HK\$4.7 million was repaid subsequently. The Group continues to negotiate with the other lenders for refinancing such borrowings.

(3) Control on administrative and operating costs

The Group continues to take active measures to control the administrative and operating costs through various channels.

The Directors are of the opinion that, after taking into account the above-mentioned plans and measures, the liquidity needs of the Group will be managed and the financial position of the Group will be improved. Also, the Group will have sufficient working capital to finance its operations and meet its financial obligations if they fall due within twelve months from the date of approval of the condensed consolidated financial statements. Accordingly, the Directors have, at the time of approving the condensed consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, the Directors continue to adopt the going concern basis of accounting in preparing the condensed consolidated financial statements.

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, Canadian dollars and Pound Sterling. For the Period, an unrealised gain on exchange differences of HK\$22.6 million was credited as other comprehensive income, mainly arising from translations of operations in the United Kingdom and the PRC due to the appreciation of Pound Sterling and Renminbi. A majority of the Group's cash and cash equivalents are denominated in Hong Kong dollars and Pound Sterling while the Group's other assets and liabilities are denominated in Hong Kong dollars, Renminbi, Macau Pataca, Pound Sterling, United States dollars 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 30 September 2024, the Group's general credit facilities granted by banks were secured by pledges of the Group's investment properties of HK\$424.0 million, property, plant and equipment of HK\$146.0 million, stock of properties of HK\$442.1 million, interests in associates and amounts due from associates of HK\$1,015.5 million, and equity interests in certain subsidiaries and other receivables of HK\$286.9 million.

Contingent Liabilities

As at 30 September 2024, the Group provided corporate guarantees on a several basis with maximum liabilities of (i) HK\$91.1 million (31.3.2024: HK\$91.1 million) and HK\$225.5 million (31.3.2024: HK\$225.7 million) in respect of the banking facilities granted to two joint ventures (which were owned as to 50% and 28% by the Group respectively) with the outstanding amounts attributable to the Group's interests of HK\$45.1 million (31.3.2024: HK\$40.8 million) and HK\$138.4 million (31.3.2024: HK\$138.5 million); and (ii) HK\$242.5 million (31.3.2024: HK\$242.5 million) in respect of the banking facilities granted to an associate (which was owned as to 20% by the Group) with the outstanding amount attributable to the Group's interest of HK\$242.5 million (31.3.2024: HK\$242.5 million).

MANAGEMENT DISCUSSION AND ANALYSIS

EVENT AFTER THE END OF THE REPORTING PERIOD

On 31 October 2024, the Group entered into certain agreements for disposing of its 10% interests in joint ventures of the Group, Assets Builder Investments Limited and the relevant limited partnerships (i.e. 1488 Alberni Development Holdings Limited Partnership and 1488 Alberni Investment Limited Partnership) together with certain amounts due from these joint ventures to one of joint venture partners at an aggregate consideration of CAD5.36 million. The disposal was completed on 31 October 2024. The Group will have an estimated loss on the disposal of approximately HK\$108.8 million. Further details of such disposal were disclosed in the Company's announcement dated 31 October 2024.

PROSPECTS

The global environmental market is facing significant challenges amid a complex economic landscape. The Group anticipates continued uncertainties in the global property market due to the generally worsening economic environment. Additionally, the US may impose tariffs, which could lead to higher inflation and keep interest rates elevated for a period of time, potentially suppressing global growth. Inevitably, the Group continues to face business challenges in the second half of the year. In response, the Group will continue to adopt a cautious approach, review its business strategies, refine its business model, and improve the efficiency and effectiveness of its operations. We will focus on selling our property projects to realise tied-up capital and secure the Group's revenue. These actions could enhance our liquidity and financial flexibility, enabling us to better navigate the current challenging business environment. Meanwhile, apart from our businesses in the PRC, Macau, Canada and the United Kingdom, we will cautiously explore potential property development projects and carefully assess and select attractive opportunities to replenish the Group's portfolio.

NUMBER OF EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2024, the total number of employees of the Group was 112 (31.3.2024: 130). 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 medical scheme, insurance coverage, share options and retirement schemes.

MOVEMENT IN ISSUED SHARES

During the Period, the Company did not issue nor cancel any Shares. As at 30 September 2024, there were 907,198,410 Shares in issue and no treasury shares of the Company.

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

As at 30 September 2024, 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:

The Company

Name of Director	Number of Shares held	Number of underlying shares held (Note 2)	Total	Percentage (Note 4)
Mr. Cheung Hon Kit ("Mr. HK Cheung")	48,800,000	2,600,000	51,400,000	5.66%
Dr. Chan Kwok Keung, Charles ("Dr. Charles Chan")	528,948,012 (Note 3)	–	528,948,012	58.30%
Mr. Chan Yiu Lun, Alan ("Mr. Alan Chan")	4,075,781	1,000,000	5,075,781	0.55%
Ms. Chau Mei Wah	11,952,564	–	11,952,564	1.31%
Hon. Shek Lai Him, Abraham, <i>GBS, JP</i> ("Mr. Abraham Shek")	322,347	500,000	822,347	0.09%
Mr. Ip Hon Wah ("Mr. HW Ip")	–	300,000	300,000	0.03%

Notes:

- Except Dr. Charles Chan, all the Directors were the beneficial owners having personal interests in the Shares and/or underlying shares of the Company disclosed above. All the interests disclosed above were long positions.
- This represented the aggregate number of share options granted to the Director by the Company (being regarded as unlisted physically settled equity derivatives) under the Share Option Scheme. Details of the share options are disclosed in the section headed "Share Option Scheme" below.
- By virtue of Part XV of the SFO, Dr. Charles Chan was interested in and deemed to be interested in a total of 528,948,012 Shares as follows:
 - he was the beneficial owner having personal interests in 191,588,814 Shares;
 - he was deemed to have corporate interests in 76,186,279 Shares which were owned by the companies wholly owned by him; and
 - he was deemed to have family interests in 261,172,919 Shares which were owned by the companies wholly owned by his spouse, Ms. Ng Yuen Lan, Macy ("Ms. Macy Ng").

Details of (ii) and (iii) above are disclosed in the section headed "Interests of Substantial Shareholders and Other Persons" below.

- This represented the approximate percentage of the total number of issued Shares as at 30 September 2024.

Save as disclosed above, as at 30 September 2024, 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.

OTHER INFORMATION

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.

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) pursuant to the Share Option Scheme. The vesting period of the share options is from the date of the grant until the commencement of the exercise period. The numbers of share options available for grant under the Share Option Scheme at the beginning and the end of the Period were 84,897,541 and 86,097,541 respectively.

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

Category and name of participant	Number of share options				Outstanding as at 30 September 2024
	Outstanding as at 1 April 2024	Granted during the Period	Exercised during the Period	Cancelled/lapsed during the Period	
Directors					
Mr. HK Cheung	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. HW Ip	300,000	–	–	–	300,000
Sub-total	4,400,000	–	–	–	4,400,000
Employees (Note 2)	5,620,000	–	–	(1,200,000)	4,420,000
Other participants (Note 3)	1,100,000	–	–	–	1,100,000
Total	11,120,000	–	–	(1,200,000)	9,920,000

Notes:

- Mr. Alan Chan is also an associate of the substantial shareholders of the Company.
- This represented the aggregate number of share options held by former employees and existing employees.
- These other participants are:
 - a consultant of the Group, who held 800,000 outstanding share options; and
 - 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.

Save as disclosed above, there were no share options granted, exercised, cancelled or lapsed under the Share Option Scheme during the Period.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

As at 30 September 2024, 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 of the Company, 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	28.78%
	Family interests	Interest of spouse	<u>267,775,093</u>	<u>29.52%</u>
			528,948,012 (Note 3)	58.30%
Record High Enterprises Limited ("Record High")	Corporate interests	Interest of controlled corporation	261,172,919 (Note 3)	28.78%
Fortune Crystal Holdings Limited ("Fortune Crystal")	Personal interests	Beneficial owner	261,172,919 (Note 3)	28.78%
(II) Other persons				
ITC Holdings Limited ("ITC Holdings")	Corporate interests	Interest of controlled corporation	76,186,279 (Note 4)	8.39%
Galaxyway Investments Limited ("Galaxyway")	Personal interests	Beneficial owner	76,186,279 (Note 4)	8.39%

Notes:

- All the interests in the Shares disclosed above were long positions. Also, no underlying shares of the Company were held by the substantial shareholders of the Company and other persons stated above.
- This represented the approximate percentage of the total number of issued Shares as at 30 September 2024.
- 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, Ms. Macy Ng was deemed to be interested in the 76,186,279 Shares owned by Galaxyway set out in Note 4 below and the 191,588,814 Shares beneficially owned by Dr. Charles Chan, an executive Director and Joint Vice Chairman of the Company, by virtue of her being the spouse of Dr. Charles Chan for the purpose of Part XV of the SFO.

Accordingly, Ms. Macy Ng was deemed to be interested in a total of 528,948,012 Shares by virtue of Part XV of the SFO.

- Galaxyway owned 76,186,279 Shares and was a wholly-owned subsidiary of ITC Holdings which in turn was wholly owned by Dr. Charles Chan. As such, ITC Holdings and Dr. Charles Chan were deemed to be interested in the 76,186,279 Shares owned by Galaxyway by virtue of Part XV of the SFO.

OTHER INFORMATION

Save as disclosed above, as at 30 September 2024, the Company had not been notified of any other interests or short positions in the Shares or underlying shares of the Company 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.

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 during the Period.

REVIEW OF INTERIM RESULTS

The audit committee of the Company has reviewed with the management the accounting principles and practices adopted by the Group, including a review of the interim results for the Period, and discussed financial reporting and internal control matters. The interim results for the Period have not been audited nor reviewed by the Company's auditor, Deloitte Touche Tohmatsu.

COMPLIANCE WITH CG CODE

The Company is committed to maintaining high standard 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.

Throughout the Period, the Company has complied with all the code provisions of the CG Code and applied the principles contained therein, except that (i) the role of the "chief executive" is vacant and (ii) the going concern issue with respect to the consolidated financial statements for the year ended 31 March 2024 of the Company (the "Going Concern Issue") was not discussed in the corporate governance report (the "CG Report") contained in the 2023-2024 annual report of the Company (the "Annual Report"). 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. Further, as disclosed in the CG Report, the management's views on the Going Concern Issue were already discussed in the section headed "Management's views on the Disclaimer of Opinion in relation to going concern" in the Management Discussion and Analysis of the Annual Report. The Board is of the view that making a cross-reference is sufficient and disclosing the discussion repeatedly in the CG Report would result in particulars of excessive length.

COMPLIANCE WITH MODEL CODE

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 have complied with the required standards set out in the Model Code throughout the Period.

CHANGES IN INFORMATION ON DIRECTORS

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

- (i) There were changes to the directorships of each of Mr. HK Cheung, Mr. Alan 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 Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

On behalf of the Board

Cheung Hon Kit

Chairman

Hong Kong, 27 November 2024

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2024

	Notes	Six months ended 30 September	
		2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Revenue	3	9,697	100,848
Property income		4,631	95,138
Direct cost for property income		(87,164)	(94,076)
Gross (loss) profit for property income		(82,533)	1,062
Interest revenue from loan financing		5,066	5,710
Net fair value loss on financial instruments	4	(15,108)	(16,190)
Other income, gains and losses		9,580	6,011
Reversal (recognition) of impairment losses under expected credit loss model, net	21	14,366	(985)
Loss on disposal of interest in a joint venture	12	(220,408)	–
Decrease in fair value of investment properties	10	(45,000)	(35,000)
Administrative and general expenses		(106,503)	(70,259)
Finance costs	5	(65,870)	(36,599)
Share of results of associates		25,841	30,402
Share of results of joint ventures		(49,068)	(68,091)
Loss before taxation		(529,637)	(183,939)
Taxation	6	(43)	(65)
Loss for the period	7	(529,680)	(184,004)
Loss for the period attributable to:			
Owners of the Company		(504,298)	(161,039)
Non-controlling interests		(25,382)	(22,965)
		(529,680)	(184,004)
Loss per share	9		
– Basic (HK dollar)		(0.56)	(0.18)
– Diluted (HK dollar)		(0.56)	(0.18)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2024

	Six months ended 30 September	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Loss for the period	(529,680)	(184,004)
Other comprehensive income (expense)		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	22,630	(52,487)
Exchange differences arising on translation for associates and joint ventures	(1,337)	(8,376)
Reclassification of cumulative translation reserve upon disposal of interest in a joint venture	29,182	–
Other comprehensive income (expense) for the period	50,475	(60,863)
Total comprehensive expense for the period	(479,205)	(244,867)
Total comprehensive expense for the period attributable to:		
Owners of the Company	(457,443)	(209,159)
Non-controlling interests	(21,762)	(35,708)
	(479,205)	(244,867)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2024

	Notes	30.9.2024 HK\$'000 (unaudited)	31.3.2024 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment		164,985	430,089
Investment properties	10	424,000	469,000
Equity and fund investments	11	29,678	34,942
Interests in joint ventures	12	57,333	366,534
Amounts due from joint ventures	12	876,833	890,350
Interests in associates	13	933,868	908,025
Amount due from an associate	13	46,002	36,802
Other non-current assets		18,317	58,334
		2,551,016	3,194,076
Current assets			
Deposits paid for acquisition of leasehold land		286,918	280,087
Stock of properties	15	921,944	1,001,426
Other loan receivables	14	114,616	120,977
Debtors, deposits and prepayments	16	149,218	68,573
Amount due from an associate	13	35,630	35,630
Equity and fund investments	11	14,339	24,385
Restricted bank balance		12,115	–
Cash and cash equivalents		17,222	24,743
		1,552,002	1,555,821
Current liabilities			
Creditors, deposits and accrued charges	17	236,528	236,678
Amount due to a joint venture	12	20,323	20,323
Tax payables		58,670	58,670
Lease liabilities		8,941	1,876
Bank and other borrowings	18	982,891	1,037,910
		1,307,353	1,355,457
Net current assets		244,649	200,364
Total assets less current liabilities		2,795,665	3,394,440

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2024

	Notes	30.9.2024 HK\$'000 (unaudited)	31.3.2024 HK\$'000 (audited)
Non-current liabilities			
Lease liabilities		6,511	1,422
Bank and other borrowings	18	200,000	324,258
		206,511	325,680
		2,589,154	3,068,760
Capital and reserves			
Share capital	19	9,072	9,072
Reserves		2,460,243	2,921,034
Equity attributable to owners of the Company		2,469,315	2,930,106
Non-controlling interests		119,839	138,654
		2,589,154	3,068,760

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2024

	Attributable to owners of the Company												Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Capital redemption reserve HK\$'000 (note i)	Share-based payment reserve HK\$'000	Investment revaluation reserve HK\$'000	Other reserve HK\$'000	Special reserve HK\$'000	Translation reserve HK\$'000 (note ii)	Retained profits (accumulated losses) HK\$'000	Sub-total HK\$'000	Non-controlling interests HK\$'000	
At 1 April 2023 (audited)	9,126	3,326,979	113,020	9,845	1,546	(323,235)	3,348	(8,908)	(76,222)	552,860	3,608,359	187,104	3,795,463
Loss for the period	-	-	-	-	-	-	-	-	-	(161,039)	(161,039)	(22,965)	(184,004)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	-	-	(39,744)	-	(39,744)	(12,743)	(52,487)
Exchange differences arising on translation for associates and joint ventures	-	-	-	-	-	-	-	-	(8,376)	-	(8,376)	-	(8,376)
Total comprehensive expense for the period	-	-	-	-	-	-	-	-	(48,120)	(161,039)	(209,159)	(35,708)	(244,867)
Recognition of equity-settled share-based payments (Note 20)	-	-	-	-	104	-	-	-	-	-	104	-	104
Transfer on lapse of share options	-	-	-	-	(39)	-	-	-	-	39	-	-	-
Repurchase and cancellation of shares (Note 19)	(54)	(4,401)	-	54	-	-	-	-	-	(54)	(4,455)	-	(4,455)
At 30 September 2023 (unaudited)	9,072	3,322,578	113,020	9,899	1,611	(323,235)	3,348	(8,908)	(124,342)	391,806	3,394,849	151,396	3,546,245
At 1 April 2024 (audited)	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 period	-	-	-	-	-	-	-	-	-	(504,298)	(504,298)	(25,382)	(529,680)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	-	-	19,010	-	19,010	3,620	22,630
Exchange differences arising on translation for associates and joint ventures	-	-	-	-	-	-	-	-	(1,337)	-	(1,337)	-	(1,337)
Reclassification of cumulative translation reserve upon disposal of interest in a joint venture	-	-	-	-	-	-	-	-	29,182	-	29,182	-	29,182
Total comprehensive income (expense) for the period	-	-	-	-	-	-	-	-	46,855	(504,298)	(457,443)	(21,762)	(479,205)
Transfer on lapse of share options	-	-	-	-	(168)	-	-	-	-	168	-	-	-
Acquisition of additional interests in a subsidiary	-	-	-	-	-	-	(3,348)	-	-	-	(3,348)	2,947	(401)
At 30 September 2024 (unaudited)	9,072	3,322,578	113,020	9,899	1,378	(323,235)	-	(8,908)	(58,378)	(596,111)	2,469,315	119,839	2,589,154

Notes:

- (i) The contributed surplus of 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.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2024

	Note	Six months ended 30 September	
		2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Loss before taxation		(529,637)	(183,939)
Adjustments for:			
Decrease in fair value of investment properties		45,000	35,000
Depreciation of property, plant and equipment		7,890	12,334
Finance costs		65,870	36,599
Loss on disposal of interest in a joint venture		220,408	–
Impairment losses of property, plant and equipment		11,525	–
Share of results of associates		(25,841)	(30,402)
Share of results of joint ventures		49,068	68,091
Other adjustments		(17,846)	(3,558)
Operating cash flows before movements in working capital		(173,563)	(65,875)
Decrease in stock of properties		102,685	49,225
Decrease in other loan receivables		–	21,144
Movements in other working capital items		11,956	15,142
Cash (used in) generated from operations		(58,922)	19,636
Interest received		392	11,222
Income tax (paid) refunded		(43)	2,609
Net cash (used in) from operating activities		(58,573)	33,467
Net cash from investing activities			
Proceeds from disposal of property, plant and equipment		261,066	–
Net proceeds from disposal of a joint venture	12	34,538	–
Repayment from joint ventures		25,121	3,200
Refund of refundable earnest money		21,739	–
Proceeds from disposal of a subsidiary		11,280	–
Withdrawal of restricted bank balance		1,976	–
Interest received		392	812
Advances from associates		–	106,333
Return of capital from a joint venture	12	–	29,130
Dividend received from an associate		–	1,822
Investments in joint ventures		(1,205)	(1,958)
Advances to joint ventures		(7,798)	(16,102)
Advances to associates		(9,200)	(17)
Placement of restricted bank balance		(13,684)	–
Acquisition of additional interests in a subsidiary		(20,290)	–
Purchase of property, plant and equipment		–	(1,955)
		303,935	121,265

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2024

	Note	Six months ended 30 September	
		2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Net cash used in financing activities			
New bank and other borrowings raised	18	248,000	45,115
Advances from non-controlling interests		3,151	–
Advances from joint ventures		–	8,087
Repayment of lease liabilities, including related interests		(3,900)	(1,333)
Interest paid		(56,150)	(37,674)
Repayment of bank and other borrowings	18	(438,425)	(165,768)
Repurchase of shares		–	(4,455)
		(247,324)	(156,028)
Net decrease in cash and cash equivalents		(1,962)	(1,296)
Cash and cash equivalents at the beginning of the period		24,743	61,073
Effect of foreign exchange rate changes		(5,559)	(768)
Cash and cash equivalents at the end of the period, represented by bank balances and cash		17,222	59,009

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) as well as the applicable disclosure requirements of Appendix D2 to the Listing Rules.

In preparing the condensed consolidated financial statements, the Directors have given careful consideration to the future liquidity, the financial position and the available sources of financing of the Group in assessing the Group’s ability to continue as a going concern. The Group reported a loss of HK\$529,680,000 and had a net operating outflow of HK\$58,573,000 for the six months ended 30 September 2024 and, as of that date, the Group’s aggregate bank and other borrowings amounted to HK\$1,182,891,000, of which balances of HK\$982,891,000 were due for settlement within twelve months and were classified as current liabilities while the Group had cash and cash equivalents amounting to HK\$17,222,000. As further set out in note 18 to the condensed consolidated financial statements of the Group, as at 30 September 2024, the Group’s certain bank borrowings with carrying amount of HK\$396,000,000 was overdue.

In view of the above circumstances, the Directors have given careful consideration in going concern. To mitigate the liquidity position of the Group and to improve the financial position of the Group, the Directors have taken certain plans and measures, including:

(i) Disposal of properties/joint ventures/associates

The Group continues to sell specific properties/joint ventures/associates as a strategic move in order to realise the tied-up capital and value. This strategy will allow the Group to efficiently manage its assets, potentially enhance its liquidity and provide additional resources.

On 28 August 2024, the Group disposed of all its 50% interests in a joint venture which indirectly owned and operated a hotel in Canada at a consideration of CAD18.5 million (equivalent to approximately HK\$106.8 million). Such disposal generated a cash inflow of approximately HK\$34.6 million to the Group on completion and up to the date of this interim report. The remaining cash consideration of CAD12.5 million (equivalent to approximately HK\$72.2 million) will be received by the Group.

On 31 October 2024, the Group also entered into certain agreements to dispose of its 10% interests in joint ventures which indirectly held the beneficial interests in a piece of land located in Canada together with certain amounts due from these joint ventures at an aggregate consideration of CAD5.36 million (equivalent to approximately HK\$30.6 million). Such disposal generated a cash inflow of approximately HK\$30.6 million to the Group on completion.

(ii) Seeking refinancing

The Group continues actively to seek for refinance for the existing facilities before maturity. Up to the date of this interim report, the Group has not received any demand for immediate repayment of its borrowings of HK\$396,000,000 which was overdue during the six months ended 30 September 2024, of which HK\$4,700,000 was repaid subsequently. The Group continues to negotiate with the other lenders for refinancing such borrowings.

(iii) Control on administrative and operating costs

The Group continues to take active measures to control the administrative and operating costs through various channels.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

1. BASIS OF PREPARATION *(Continued)*

The Directors are of the opinion that, after taking into account the above-mentioned plans and measures, the liquidity needs of the Group will be managed and the financial position of the Group will be improved and the Group will have sufficient working capital to finance its operations and meet its financial obligations if they fall due within twelve months from the date of approval of the condensed consolidated financial statements. Accordingly, the Directors have, at the time of approving the condensed consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, the Directors continue to adopt the going concern basis of accounting in preparing the condensed consolidated financial statements.

Notwithstanding the above, significant uncertainties exist as to whether the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the following: (i) successfully identifying buyer(s) for disposal of specific properties and investments; (ii) successfully completing the refinancing and (iii) successfully implementing costs control, to finance the Group's operations and to meet the Group's financial obligations as and when they fall due.

Should the Group fail to achieve the above-mentioned plans and measures and operate as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these condensed consolidated financial statements.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for investment properties and certain financial instruments, which are measured at fair values, as appropriate.

Other than additional accounting policies resulting from the application of amendments to Hong Kong Financial Reporting Standards ("HKFRSs"), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2024 are the same as those presented in the Group's annual financial statements for the year ended 31 March 2024.

Application of amendments to HKFRSs

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2024 for the preparation of the Group's condensed consolidated financial statements:

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

The application of the amendments to HKFRSs in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

3. SEGMENT INFORMATION

Disaggregation of revenue

	Six months ended 30 September	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Revenue from contracts with customers:		
<i>Property</i>		
Revenue from building management fee income		
– recognised over time	239	252
Revenue from properties commission income		
– recognised at a point in time	1,545	1,885
Revenue from sales of properties		
– recognised at a point in time	–	90,000
	1,784	92,137
Revenue from other sources:		
Fixed lease income	2,847	3,001
Interest revenue from loan financing	5,066	5,710
	7,913	8,711
Total revenue	9,697	100,848

The segment information reported externally was analysed on the basis of the goods and services delivered or provided by the Group's operating divisions which 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. It 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, 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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

3. SEGMENT INFORMATION (Continued)

Disaggregation of revenue (Continued)

Information regarding these segments is reported below:

For the six months ended 30 September 2024 (unaudited)

	Segment revenue HK\$'000 (note (a))	Operating loss HK\$'000	Loss on disposal of interest in a joint venture 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))	4,631	(164,613)	-	25,841	(37,422)	(53,140)	(229,334)
Hotel and leisure	-	(11)	(220,408)	-	(5,203)	-	(225,622)
Securities investments	-	(15,801)	-	-	-	-	(15,801)
Finance	5,066	(2,342)	-	-	-	-	(2,342)
SEGMENT TOTAL	9,697	(182,767)	(220,408)	25,841	(42,625)	(53,140)	(473,099)
Unallocated	-	(37,365)	-	-	(6,443)	(12,730)	(56,538)
GROUP TOTAL	9,697	(220,132)	(220,408)	25,841	(49,068)	(65,870)	(529,637)

For the six months ended 30 September 2023 (unaudited)

	Segment revenue HK\$'000 (note (a))	Operating (loss) profit 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))	95,138	(58,402)	36,691	(57,880)	(23,502)	(103,093)
Hotel and leisure	-	(1,789)	(6,289)	(3,994)	(3)	(12,075)
Securities investments	-	(16,819)	-	-	-	(16,819)
Finance	5,710	4,589	-	-	-	4,589
SEGMENT TOTAL	100,848	(72,421)	30,402	(61,874)	(23,505)	(127,398)
Unallocated	-	(37,230)	-	(6,217)	(13,094)	(56,541)
GROUP TOTAL	100,848	(109,651)	30,402	(68,091)	(36,599)	(183,939)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

3. SEGMENT INFORMATION (Continued)

Disaggregation of revenue (Continued)

Notes:

- (a) Segment revenue as set out above comprises 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 comprises 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 six months ended 30 September 2024, the segment result of property segment included decrease in fair value of investment properties of HK\$45,000,000 (six months ended 30 September 2023: HK\$35,000,000), impairment losses of property, plant and equipment of HK\$11,525,000 (six months ended 30 September 2023: nil) and share of decrease in fair value of investment properties, net of tax, of RMB40,425,000 (equivalent to HK\$43,940,000) of a joint venture included in share of results of joint ventures (six months ended 30 September 2023: share of decrease in fair value of investment properties, net of tax, of RMB54,863,000 (equivalent to HK\$60,756,000)).

The CODM assesses the performance of the operating segments based on loss before taxation of the group entities engaged in the respective segment activities which represents the segment results. Financial information provided to the CODM is measured in a manner consistent with the accounting policies adopted in the preparation of the condensed 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	
	30.9.2024 HK\$'000 (unaudited)	31.3.2024 HK\$'000 (audited)	30.9.2024 HK\$'000 (unaudited)	31.3.2024 HK\$'000 (audited)
Property	3,773,360	4,145,040	1,109,929	1,211,936
Hotel and leisure	71,913	302,930	2,167	6,583
Securities investments	44,017	59,327	476	951
Finance	150,530	152,863	24	48
Segment total	4,039,820	4,660,160	1,112,596	1,219,518
Unallocated:				
Restricted bank balance	12,115	–	–	–
Cash and cash equivalents	17,222	24,743	–	–
Bank and other borrowings	–	–	372,416	436,451
Others	33,861	64,994	28,852	25,168
Total	4,103,018	4,749,897	1,513,864	1,681,137

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

3. SEGMENT INFORMATION *(Continued)*

Segment assets and liabilities *(Continued)*

For the purposes of monitoring segment performance and allocating resources among 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, amounts due from 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.

4. NET FAIR VALUE LOSS ON FINANCIAL INSTRUMENTS

	Six months ended 30 September	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Net (decrease) increase in fair values of financial assets at fair value through profit or loss ("FVTPL")		
– held at the end of the reporting period	(15,108)	(16,249)
– disposed of during the period	–	59
	(15,108)	(16,190)

5. FINANCE COSTS

	Six months ended 30 September	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Interest on bank and other borrowings	65,468	43,948
Interest on lease liabilities	402	96
Total borrowing costs	65,870	44,044
Less: amounts capitalised in qualifying assets	–	(7,445)
	65,870	36,599

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

6. TAXATION

	Six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Hong Kong Profits Tax:		
Overprovision in prior years	–	(16)
Canadian Corporate Tax:		
Current tax	43	81
	43	65

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.

7. LOSS FOR THE PERIOD

	Six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Loss for the period has been arrived at after charging (crediting):		
Cost of inventories recognised as an expense (including impairment losses of stock of properties of HK\$84,951,000 (six months ended 30 September 2023: nil))	84,951	–
Depreciation of property, plant and equipment	7,890	12,334
Impairment losses of property, plant and equipment (included in administrative and general expense)	11,525	–
Loss on disposal of property, plant and equipment	276	12
Bank interest income	(392)	(833)
Other interest income	(10,172)	(9,669)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

8. DISTRIBUTION

The Board decided not to declare an interim dividend for the six months ended 30 September 2024 (six months ended 30 September 2023: nil).

9. 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:

	Six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Loss:		
Loss for the period attributable to owners of the Company for the purpose of basic and diluted loss per share	(504,298)	(161,039)
	907,198,410	910,677,426
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	907,198,410	910,677,426

The effect of the exercise of the Company's share options granted on 28 September 2021 (as disclosed in Note 20) was not taken into consideration for computing the diluted loss per share for the six months ended 30 September 2023 and 2024 as the exercise price of those share options was higher than the average market price for shares.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

10. INVESTMENT PROPERTIES

The valuation for the investment properties has been arrived at on the basis of valuation carried out on the reporting dates by an independent professional valuer. A decrease in fair value of investment properties of HK\$45,000,000 has been recognised in the condensed consolidated statement of profit or loss for the six months ended 30 September 2024 (six months ended 30 September 2023: HK\$35,000,000).

The key inputs used in valuing the investment properties as at 30 September 2024 and 31 March 2024 are as follows:

Category	Fair value hierarchy	Fair value as at		Valuation techniques	Key unobservable inputs	Range	Relationship of unobservable inputs to fair value
		30.9.2024 HK\$'000 (unaudited)	31.3.2024 HK\$'000 (audited)				
Commercial properties in Hong Kong	Level 3	424,000	469,000	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	HK\$7,998 to HK\$11,609 (31 March 2024: HK\$8,240 to HK\$14,884)	The higher the adjusted price per square foot, the higher the fair value

11. EQUITY AND FUND INVESTMENTS

	30.9.2024 HK\$'000 (unaudited)	31.3.2024 HK\$'000 (audited)
Listed equity securities in Hong Kong	14,339	24,385
Unlisted investment funds in overseas	29,678	34,942
	44,017	59,327
Analysed as:		
Current	14,339	24,385
Non-current	29,678	34,942
	44,017	59,327
Classified as:		
FVTOCI	–	–
FVTPL	44,017	59,327
	44,017	59,327

The fair values of the listed securities are determined based on the closing prices quoted in active markets in Hong Kong except for the delisted securities as disclosed in Note 22.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

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

	30.9.2024 HK\$'000 (unaudited)	31.3.2024 HK\$'000 (audited)
Cost of unlisted investment in joint ventures	833,942	1,219,465
Share of post-acquisition results and other comprehensive expense, net of dividend	(776,609)	(852,931)
	57,333	366,534
Amounts due from joint ventures at amortised cost (note (a))	934,205	888,364
Less: Allowance for credit loss	(11,022)	(11,022)
Less: Share of post-acquisition losses that are in excess of cost of investment	(46,350)	(8,036)
	876,833	869,306
Amounts due from joint ventures measured at FVTPL	232,893	251,798
Less: Share of post-acquisition losses that are in excess of cost of investment	(232,893)	(230,754)
	–	21,044
	876,833	890,350
Amount due to a joint venture (note (b))	(20,323)	(20,323)

Notes:

- (a) The amounts were non-trade in nature, unsecured, interest-free and repayable on demand, except for an amount of CAD33,174,000 (equivalent to HK\$190,853,000) (31 March 2024: CAD32,384,000 (equivalent to HK\$186,436,000)) which carried at a fixed interest rate of 15% per annum (31 March 2024: 15% per annum), and would be repayable on 1 March 2026. 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 amounts are classified as non-current.
- (b) The amount was non-trade in nature, unsecured, non-interest bearing and repayable on demand.

During the six months ended 30 September 2023, a joint venture paid CAD5,000,000 (equivalent to HK\$29,130,000) (six months ended 30 September 2024: nil) to the Group as a return of capital.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

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

All of the Group's joint ventures were accounted for using equity method in these condensed consolidated financial statements. Details of the Group's material joint ventures at the end of the reporting period are as follows:

Name of entity	Place of incorporation/ establishment	Class of shares/ capital held	Value of issued and fully paid share capital	Proportion of ownership interest held by the Group		Proportion of voting power held		Principal activity
				30.9.2024 %	31.3.2024 %	30.9.2024 %	31.3.2024 %	
1488 Alberni Development Holdings Limited Partnership ("1488 Alberni LPDH")	Canada	N/A	N/A	28	28	28 (note (a))	28 (note (a))	Property development
1488 Alberni Investment Limited Partnership ("1488 Alberni LPI")	Canada	N/A	N/A	28	28	28 (note (a))	28 (note (a))	Property development
Bayshore Ventures JV Ltd. ("Bayshore")	British Virgin Islands ("BVI")	Ordinary	CAD115,200,000	– (note (b))	50	– (note (b))	50	Investment holding (note (b))
Guangzhou Jiang Nan Property Co., Ltd. ("Jiang Nan Property") (note (c))	PRC	Registered capital	Renminbi 72,624,000	75	75	75	75	Property holding

Notes:

- (a) The Group is able to exercise joint control over the relevant activities of 1488 Alberni LPDH and 1488 Alberni LPI, being limited partnerships established in British Columbia, Canada, 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. Subsequently, the Group disposed of 10% interests in each 1488 Alberni LPDH and 1488 Alberni LPI and details are set out in Note 26.
- (b) The principal activities of its subsidiaries are holding of a hotel property and hotel operation in Vancouver, Canada. During the six months ended 30 September 2024, the Group disposed of its entire 50% equity interests in Bayshore with an aggregate carrying amount CAD50,864,000 (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\$2,252,000). Upon the disposal, cumulative translation loss of HK\$29,182,000 was reclassified to profit or loss. The disposal resulted in a loss on disposal of interest in a joint venture of HK\$220,408,000. The cash consideration of CAD6,000,000 (equivalent to HK\$34,631,000) was settled in full while the remaining cash consideration of CAD12,500,000 (equivalent to HK\$72,150,000) will be received by the Group.
- (c) 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 on 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.

The above table lists the joint ventures of the Group which, in the opinion of the Directors, principally affected the results for the period or formed a substantial portion of the net assets of the Group.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

13. INTERESTS IN ASSOCIATES/AMOUNTS DUE FROM ASSOCIATES

	30.9.2024 HK\$'000 (unaudited)	31.3.2024 HK\$'000 (audited)
Cost of unlisted investment in associates	780,131	780,129
Share of post-acquisition results and other comprehensive income, net of dividend or other return	289,960	264,119
Impairment loss (note (a))	(136,223)	(136,223)
	933,868	908,025
Amounts due from associates (note (b))	81,632	72,432

Notes:

- (a) While the Major Shareholder of Rosedale Beijing had full access to the books and records of Rosedale Beijing, the financial information of Rosedale Beijing has not been provided by the Major Shareholder to the Group. 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, as set out in the section headed "BUSINESS REVIEW" in the Management Discussion and Analysis of this interim report, 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, with these negative events surrounding 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 the 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 six months ended 30 September 2024, the Group has issued a demand legal but no response was received. Thus, the Group has formally initiated legal proceeding against Rosedale Beijing and submitted the relevant documents to 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 is currently pending case establishment.

As the situations of Rosedale Beijing have not improved, the Group determined that the carrying amount of the interest in Rosedale Beijing remained as nil in the condensed consolidated statement of financial position as at 30 September 2024.

- (b) The amounts due from associates were non-trade in nature, unsecured and non-interest bearing. As at 30 September 2024, except for an amount of HK\$46,002,000 (31 March 2024: HK\$36,802,000) which was not expected to be received within twelve months from the end of the reporting period, the remaining balances of HK\$35,630,000 (31 March 2024: HK\$35,630,000) had no fixed repayment date.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

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

All of the Group's associates were accounted for using the equity method in these condensed 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
				30.9.2024 %	31.3.2024 %	30.9.2024 %	31.3.2024 %	
Orient Town Limited ("Orient Town")	Hong Kong	Ordinary	HK\$700	45	45	45	45	Investment holding (note (a))
Empresa de Fomento Industrial e Comercial Concórdia, S.A. ("Concordia")	Macau	Quota capital (note (b))	Macau Patacas 100,000,000	8.7 (note(c))	8.7 (note(c))	8.7 (note(c))	8.7 (note(c))	Property development
Rosedale Beijing	PRC	Registered capital	United States dollars ("US\$") 86,000,000	20	20	20	20	Property holding in Beijing
True Fame Enterprises Limited	BVI	Ordinary	US\$1,000	20	20	20	20	Investment holding (note (d))

Notes:

- (a) The principal activities of its subsidiaries are mainly property development and property management in Macau.
- (b) Quota capital represents the Portuguese equivalence of registered capital as Portuguese is the official language of Macau.
- (c) As at 30 September 2024 and 31 March 2024, 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.
- (d) The principal activities of its subsidiaries are mainly property development in Hong Kong.

The above table lists the associates of the Group which, in the opinion of the Directors, principally affected the results for the period or formed a substantial portion of the net assets of the Group.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

14. OTHER LOAN RECEIVABLES

	30.9.2024 HK\$'000 (unaudited)	31.3.2024 HK\$'000 (audited)
Unsecured fixed-rate loan receivables (note (a))	405,084	405,084
Secured fixed-rate loan receivable (note (b))	38,929	38,929
Unsecured variable-rate loan receivable (note (c))	33,248	33,248
	477,261	477,261
Less: Allowance for credit loss	(362,645)	(356,284)
	114,616	120,977
Analysed as:		
Current	114,616	120,977

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 seeks approval from the directors of the Group. 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 the repayment ability of the borrowers by evaluating their 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.

In addition, the Group performs ongoing evaluation of loss rates in assessing expected credit loss ("ECL"), including the repayment history, financial conditions, current creditworthiness and underlying collaterals, if any, of each borrower and the forward-looking information.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

14. OTHER LOAN RECEIVABLES (Continued)

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 expected credit losses, 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 30 September 2024, one of the fixed-rate loan receivables was nil (31 March 2024: nil), net of credit loss allowance for ECL of HK\$320,000,000 (31 March 2024: 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, carried interest at the fixed rate of 9.5% per annum (31 March 2024: 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\$64,327,000 (31 March 2024: HK\$64,327,000), net of credit loss allowance for ECL of HK\$20,757,000 (31 March 2024: HK\$20,757,000), were unsecured, carried interest at fixed rates ranging from 7% to 12% per annum (31 March 2024: fixed rates ranging from 7% to 12% per annum) and were repayable on demand.
- (b) At 30 September 2024, the secured fixed-rate loan receivable of HK\$30,414,000 (31 March 2024: HK\$36,775,000), net of credit loss allowance for ECL of HK\$8,515,000 (31 March 2024: HK\$2,154,000), was secured by two residential properties and two carparks in Hong Kong, carried interest at a fixed rate of 7% per annum (31 March 2024: fixed rate of 7% per annum) and was repayable on 13 September 2024. Up to the date of this interim report, the secured fixed-rate loan receivable is overdue.
- (c) At 30 September 2024, the Group's unsecured variable-rate loan receivable of HK\$19,875,000 (31 March 2024: HK\$19,875,000), net of credit loss allowance for ECL of HK\$13,373,000 (31 March 2024: HK\$13,373,000), was unsecured, carried interest at variable rate at Hong Kong Prime Rate plus 2% per annum (31 March 2024: variable rate at 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 30 September 2024, there were 5 borrowers (31 March 2024: 5 borrowers) and the effective interest rate of the variable-rate loan receivables was 7.88% per annum (31 March 2024: 7.53% per annum). The management of the Group has concluded that an additional impairment loss of HK\$6,361,000 (six months ended 30 September 2023: an additional impairment loss of HK\$633,000) under ECL model for other loan receivables was recognised during the six months ended 30 September 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

15. STOCK OF PROPERTIES

	30.9.2024 HK\$'000 (unaudited)	31.3.2024 HK\$'000 (audited)
Properties under development for sale	428,970	935,021
Completed properties held for sale	492,974	66,405
	921,944	1,001,426

At 30 September 2024, stock of properties included an amount of HK\$428,970,000 (31 March 2024: HK\$428,640,000) which is expected to be realised after more than twelve months from the end of the reporting period.

16. DEBTORS, DEPOSITS AND PREPAYMENTS

	30.9.2024 HK\$'000 (unaudited)	31.3.2024 HK\$'000 (audited)
Trade debtors	1,001	1,811
Refundable earnest money (note (a))	23,012	23,028
Consideration receivable from disposal of a joint venture (Note 12)	72,150	–
Other debtors, deposits and prepayments (note (b))	53,055	43,734
	149,218	68,573

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 (31 March 2024: 60 days) to its trade customers.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

16. DEBTORS, DEPOSITS AND PREPAYMENTS (Continued)

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:

	30.9.2024 HK\$'000	31.3.2024 HK\$'000
Trade debtors aged:		
0 – 60 days	1,001	1,811

Under ECL model, the management of the Group has concluded that an additional impairment allowance of HK\$1,012,000 (six months ended 30 September 2023: HK\$352,000) for other loan interest receivables and a reversal of impairment allowance of HK\$21,739,000 (six months ended 30 September 2023: nil) for refundable earnest money included in debtors, deposits and prepayments were recognised for the six months ended 30 September 2024.

17. CREDITORS, DEPOSITS AND ACCRUED CHARGES

	30.9.2024 HK\$'000 (unaudited)	31.3.2024 HK\$'000 (audited)
Creditors, deposits and accrued charges	236,528	236,678

At 30 September 2024, other creditors, deposits and accrued charges included advances from non-controlling interests of HK\$182,103,000 (31 March 2024: HK\$193,423,000) which were non-trade in nature, unsecured, interest-free and repayable on demand.

18. BANK AND OTHER BORROWINGS

During the six months ended 30 September 2024, the Group has drawn new bank and other borrowings of HK\$248,000,000 (six months ended 30 September 2023: HK\$45,115,000) and repaid bank and other borrowings of HK\$438,425,000 (six months ended 30 September 2023: HK\$165,768,000).

As at 30 September 2024, certain of the Group's bank borrowings with carrying amount of HK\$396,000,000 was overdue. As at 30 September 2024, the range of effective interest rate of bank borrowings was 5.74% to 13.63% (31 March 2024: 6.50% to 8.06%) per annum.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

19. SHARE CAPITAL

	Number of shares	Amount HK\$'000
Ordinary shares of HK\$0.01 each		
Authorised:		
As at 1 April 2023 (audited), 30 September 2023 (unaudited), 1 April 2024 (audited) and 30 September 2024 (unaudited)	40,000,000,000	400,000
Issued and fully paid:		
As at 1 April 2023 (audited)	912,634,410	9,126
Shares repurchased and cancelled (note)	(5,436,000)	(54)
As at 30 September 2023 (unaudited), 1 April 2024 (audited) and 30 September 2024 (unaudited)	907,198,410	9,072

Note:

During the six months ended 30 September 2023, the Company repurchased its ordinary shares on the Stock Exchange as follows:

Month of repurchase	No. of ordinary shares repurchased	Purchase price per share		Aggregate consideration paid HK\$'000
		Highest HK\$	Lowest HK\$	
July 2023	4,956,000	0.85	0.76	4,086
August 2023	480,000	0.80	0.71	356
	5,436,000			4,442

The above ordinary shares were cancelled upon repurchase. The aggregate consideration incurred in the repurchases, including direct expenses, was HK\$4,455,000.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

20. 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 for the primary purpose of providing incentives to eligible persons. The Share Option Scheme shall be valid and effective for a period of 10 years commencing from 10 September 2022 to 9 September 2031.

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 six months ended 30 September 2024. The Group recognised a total expense of HK\$104,000 for the six months ended 30 September 2023.

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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

20. SHARE OPTION SCHEME (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 the movements in such holdings during the current period and prior year:

Date of grant	Vesting proportion	Vesting period	Exercise period	Exercise price per share (subject to adjustment) HK\$	Number of share options							
					Outstanding as at 1.4.2023	Exercised during the year	Cancelled/ lapsed during the year	Outstanding as at 31.3.2024	Exercised during the period	Cancelled/ lapsed during the period	Outstanding as at 30.9.2024	
Directors:												
28.9.2021	25%	28.9.2021 – 31.3.2022	1.4.2022 – 30.9.2025	1.03	1,475,000	–	–	1,100,000 (note (iii))	–	–	1,100,000	
	25%	28.9.2021 – 30.9.2022	1.10.2022 – 30.9.2025	1.03	1,475,000	–	–	1,100,000 (note (iii))	–	–	1,100,000	
	25%	28.9.2021 – 31.3.2023	1.4.2023 – 30.9.2025	1.03	1,475,000	–	–	1,100,000 (note (iii))	–	–	1,100,000	
	25%	28.9.2021 – 30.9.2023	1.10.2023 – 30.9.2025	1.03	1,475,000	–	–	1,100,000 (note (iii))	–	–	1,100,000	
Employees:												
28.9.2021	25%	28.9.2021 – 31.3.2022	1.4.2022 – 30.9.2025	1.03	1,220,000	–	(115,000)	1,405,000	–	(300,000)	1,105,000	
	25%	28.9.2021 – 30.9.2022	1.10.2022 – 30.9.2025	1.03	1,220,000	–	(115,000)	1,405,000	–	(300,000)	1,105,000	
	25%	28.9.2021 – 31.3.2023	1.4.2023 – 30.9.2025	1.03	1,220,000	–	(115,000)	1,405,000	–	(300,000)	1,105,000	
	25%	28.9.2021 – 30.9.2023	1.10.2023 – 30.9.2025	1.03	1,220,000	–	(115,000)	1,405,000	–	(300,000)	1,105,000	
Other participants:												
28.9.2021	25%	28.9.2021 – 31.3.2022	1.4.2022 – 30.9.2025	1.03	275,000 (note (i) and (ii))	–	(75,000) (note (iii))	275,000 (note (i) and (ii))	–	–	275,000	
	25%	28.9.2021 – 30.9.2022	1.10.2022 – 30.9.2025	1.03	275,000 (note (i) and (ii))	–	(75,000) (note (iii))	275,000 (note (i) and (ii))	–	–	275,000	
	25%	28.9.2021 – 31.3.2023	1.4.2023 – 30.9.2025	1.03	275,000 (note (i) and (ii))	–	(75,000) (note (iii))	275,000 (note (i) and (ii))	–	–	275,000	
	25%	28.9.2021 – 30.9.2023	1.10.2023 – 30.9.2025	1.03	275,000 (note (i) and (ii))	–	(75,000) (note (iii))	275,000 (note (i) and (ii))	–	–	275,000	
					<u>11,880,000</u>	<u>–</u>	<u>(760,000)</u>	<u>11,120,000</u>	<u>–</u>	<u>(1,200,000)</u>	<u>9,920,000</u>	
					<u>5,940,000</u>			<u>11,120,000</u>			<u>9,920,000</u>	
					<u>1.03</u>	<u>N/A</u>	<u>1.03</u>	<u>1.03</u>	<u>N/A</u>	<u>1.03</u>	<u>1.03</u>	

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

20. SHARE OPTION SCHEME (Continued)

Notes:

The other participants are:

- (i) a consultant of the Group, who held 800,000 outstanding share options;
- (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; and
- (iii) Mr. Chan Pak Cheong Afonso, a former Director, who resigned with effect from 18 September 2023 and still held 300,000 outstanding share options after his resignation pursuant to the Share Option Scheme. The outstanding share options were reallocated to other participants and eventually lapsed during the year ended 31 March 2024.

21. (REVERSAL) RECOGNITION OF IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET

	Six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
(Reversal of) impairment losses recognised in respect of:		
– other loan receivables (Note 14)	6,361	633
– other loan interest receivables included in debtors, deposits and prepayments (Note 16)	1,012	352
– refundable earnest money included in debtors, deposits and prepayments (Note 16)	(21,739)	–
	(14,366)	985

The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 September 2024 are the same as those used in the preparation of the Group's consolidated financial statements for the year ended 31 March 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

22. 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 each reporting period. The following table sets out 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) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1: fair value measurements are those derived from quoted prices (unadjusted) in an active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: fair value measurements are those derived from inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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:

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value
	30.9.2024 HK\$'000 (unaudited)	31.3.2024 HK\$'000 (audited)				
Financial assets at FVTPL						
Listed equity securities in Hong Kong	14,339	24,385	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))	29,678	34,942	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
Financial asset 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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

22. 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	Financial asset at FVTOCI	Total
	Unlisted investment funds	Unlisted equity securities	
	HK\$'000	HK\$'000	HK\$'000
At 1 April 2023 (audited)	56,800	–	56,800
Total losses, recognised in:			
– profit or loss	(6,123)	–	(6,123)
At 30 September 2023 (unaudited)	50,677	–	50,677
At 1 April 2024 (audited)	34,942	–	34,942
Total losses, recognised in:			
– profit or loss	(5,264)	–	(5,264)
At 30 September 2024 (unaudited)	29,678	–	29,678
Unrealised losses, recognised in profit or loss or other comprehensive income for the six months ended 30 September 2023 (unaudited)	(6,123)	–	(6,123)
Unrealised losses, recognised in profit or loss or other comprehensive income for the six months ended 30 September 2024 (unaudited)	(5,264)	–	(5,264)

(ii) The fair values of the unlisted investment funds in overseas as at 30 September 2024 and 31 March 2024 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\$1,484,000 (31 March 2024: increase/decrease by HK\$1,747,000).

(iii) 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 30 September 2024 and 31 March 2024.

There was no other transfer amongst Level 1, Level 2 and Level 3 for both periods.

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 condensed consolidated financial statements approximate their fair values.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

23. CAPITAL AND OTHER COMMITMENTS

	30.9.2024 HK\$'000 (unaudited)	31.3.2024 HK\$'000 (audited)
Capital expenditure contracted for but not provided in the condensed consolidated financial statements in respect of:		
– construction of property, plant and equipment	642	642
– equity and fund investments	34,102	34,321
	34,744	34,963
Other commitments:		
– stock of properties	11,783	11,753
– investment in a joint venture	1,670	2,884
– loans to joint ventures	6,263	10,817
– formation of a joint venture for a proposed land development in Vietnam	–	69,838
	19,716	95,292
	54,460	130,255

24. FINANCIAL GUARANTEE CONTRACTS

At the end of the reporting period, the Group entered into financial guarantee contracts by 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:

	30.9.2024 HK\$'000 (unaudited)	31.3.2024 HK\$'000 (audited)
a 20% owned associate	242,491	242,491
a 50% owned joint venture	91,142	91,142
a 28% owned joint venture in Canada	225,518	225,674
a 50% owned joint venture in Canada	–	537,690
	559,151	1,096,997

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 30 September 2024, of which HK\$426,010,000 (31 March 2024: HK\$911,121,000) have been utilised by the joint ventures/associate.

The ECL for outstanding financial guarantees is assessed to be immaterial as at 30 September 2024 and 31 March 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

25. RELATED PARTY DISCLOSURES

(i) Related party transactions

During the period, the Group entered into the following transactions with related parties:

Related party	Notes	Nature of transaction	Six months ended 30 September	
			2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
<i>Joint ventures:</i>				
1488 Albern LPDH (as defined in Note 12)		Interest income	9,663	9,186
1488 Albern LPI (as defined in Note 12)		Interest income	509	483
<i>Associate:</i>				
Macau Properties Holdings Limited		Rental income	587	587
<i>Other related companies:</i>				
Hi Park Limited ("Hi Park")	(a)	Licence fee income	300	300
		Rental income and management fee income	587	503
		Short-term lease expense	12	14
Vectr Ventures Limited ("Vectr")	(b)	Rental income and management fee income	–	59

Notes:

- (a) Mr. Cheung Hon Kit, an executive Director, is a shareholder of Hi Park.
- (b) Vectr is controlled by Mr. Chan Yiu Lun, Alan, an executive Director.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

25. RELATED PARTY DISCLOSURES (Continued)

(ii) Compensation of key management personnel

The remuneration of key management personnel, representing the Directors, during the period was as follows:

	Six months ended 30 September	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Short-term benefits	6,851	6,851
Equity-settled share-based payment expense	–	42
	6,851	6,893

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.

26. EVENT AFTER THE END OF THE REPORTING PERIOD

As disclosed in the Company's announcement dated 31 October 2024, certain indirect wholly-owned subsidiaries of the Company entered into the agreements to dispose of 10% interests in joint ventures of the Group, Assets Builder Investments Limited and its limited partnerships, i.e. 1488 Albern LPDH and 1488 Albern LPI, together with certain amounts due from these joint ventures to one of the joint venture partners at an aggregate consideration of CAD5,360,000 (equivalent to approximately HK\$30,552,000).

The disposal was completed on 31 October 2024. The Group will have an estimated loss on disposal of approximately HK\$108,845,000.

In this interim report, the following expressions have the following meanings unless otherwise specified:

associate(s)	has the same meaning ascribed thereto in the Listing Rules
Board	the board of Directors
CAD	Canadian dollars, the lawful currency of Canada
CG Code	the corporate governance code as set out in Part 2 of Appendix C1 to 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
Period	the six months ended 30 September 2024
PRC	the People's Republic of China, and for the purpose of this interim 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 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)

DEFINITIONS

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
%	per cent.

In case of any inconsistency, the English version of this interim report shall prevail over the Chinese version.



德祥地產集團有限公司

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