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ASIA ORIENT HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 214)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31ST MARCH 2025

FINANCIAL HIGHLIGHTS

(In HK\$ million, except otherwise indicated)

	2025	2024	Change
Contracted sales of properties			
– Subsidiaries	3,214	1,451	
– Joint ventures (share by the Group)	304	387	
	3,518	1,838	+91%
Revenue	2,509	1,903	+32%
Loss attributable to shareholders of the Company	(2,235)	(3,769)	-41%
Loss per share - basic (HK\$)	(2.66)	(4.48)	-41%
Total assets	34,638	38,212	-9%
Net assets	14,885	18,118	-18%
Equity attributable to shareholders of the Company	7,765	9,507	-18%
Net debt	14,229	16,363	-13%
Supplementary information with hotel properties at valuation:			
Revalued total assets	42,578	46,048	-8%
Revalued net assets	23,300	26,442	-12%
Revalued equity attributable to shareholders of the Company	12,025	13,324	-10%
Gearing – net debt to revalued net assets	61%	62%	

The board of directors (the “Board”) of Asia Orient Holdings Limited (the “Company”) announce that the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31st March 2025 together with the comparative figures for the year ended 31st March 2024 were as follows:

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the year ended 31st March 2025

	Note	2025 HK\$'000	2024 HK\$'000
Sales of goods and services, leasing and other revenue		1,759,712	516,752
Interest revenue		749,102	1,386,678
Total revenue	2	2,508,814	1,903,430
Cost of sales		(912,478)	(151,153)
Gross profit		1,596,336	1,752,277
Selling and administrative expenses		(352,111)	(321,837)
Depreciation		(212,213)	(216,773)
Net investment loss	3		
Net realised and unrealised loss		(726,330)	(143,661)
Change in expected credit losses		(2,503,927)	(6,743,615)
Fair value (loss)/gain of investment properties		(633,359)	55,865
Other charge	4	(121,916)	(885,205)
Operating loss		(2,953,520)	(6,502,949)
Net finance costs	6	(619,136)	(605,168)
Share of profits less losses of			
Joint ventures		(416,848)	(8,239)
Associated companies		(68,402)	(20,887)
Loss before income tax		(4,057,906)	(7,137,243)
Income tax (expense)/credit	7	(48,684)	218,675
Loss for the year		(4,106,590)	(6,918,568)
Attributable to:			
Shareholders of the Company		(2,235,479)	(3,769,240)
Non-controlling interests		(1,871,111)	(3,149,328)
		(4,106,590)	(6,918,568)
Loss per share (HK\$)			
Basic	9	(2.66)	(4.48)
Diluted	9	(2.66)	(4.48)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st March 2025

	2025 HK\$'000	2024 HK\$'000
Loss for the year	<u>(4,106,590)</u>	<u>(6,918,568)</u>
Other comprehensive charge		
Items that have been reclassified or may be reclassified subsequently to profit or loss:		
Debt securities at fair value through other comprehensive income		
- transfer to profit or loss upon recognition of expected credit losses	1,341,010	2,808,551
- net fair value change and other net movements	(314,836)	(1,754,444)
- release of reserve upon derecognition	2,848	137,800
Share of net fair value gain/(loss) on debt securities at fair value through other comprehensive income of a joint venture	124,542	(38,100)
Cash flow hedges		
- fair value loss	(190,677)	(73,020)
- deferred tax on derivative financial instruments	31,462	12,049
Currency translation differences	(59,821)	(5,063)
Share of currency translation differences of joint ventures	(21,055)	(39,620)
Items that will not be reclassified to profit or loss:		
Net fair value gain on equity securities at fair value through other comprehensive income	89,992	76,051
Currency translation difference attributable to non-controlling interests	(83,501)	(43,586)
	<u>919,964</u>	<u>1,080,618</u>
Total comprehensive charge for the year	<u>(3,186,626)</u>	<u>(5,837,950)</u>
Attributable to:		
Shareholders of the Company	(1,706,176)	(3,148,518)
Non-controlling interests	<u>(1,480,450)</u>	<u>(2,689,432)</u>
	<u>(3,186,626)</u>	<u>(5,837,950)</u>

CONSOLIDATED BALANCE SHEET

As at 31st March 2025

	Note	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Investment properties		10,183,057	10,816,416
Property, plant and equipment		7,623,425	7,741,705
Investment in joint ventures and associated companies		2,940,713	3,847,543
Amount due from joint ventures and associated companies		3,149,617	2,702,209
Financial investments		284,129	1,157,913
Derivative financial instruments		27,389	135,217
Deferred income tax assets		151,732	140,619
		<u>24,360,062</u>	<u>26,541,622</u>
Current assets			
Properties held for sale		6,329,715	6,531,544
Hotel and restaurant inventories		25,579	26,753
Trade and other receivables	10	608,667	602,773
Income tax recoverable		127	70
Financial investments		1,585,887	2,842,775
Derivative financial instruments		23,367	186,945
Bank balances and cash			
- restricted		737,681	367,336
- unrestricted		966,602	1,112,361
		<u>10,277,625</u>	<u>11,670,557</u>
Current liabilities			
Trade and other payables	11	200,917	302,910
Amount due to joint ventures		206,916	517,159
Amount due to an associated company		135,960	182,820
Amount due to non-controlling interests		60,957	56,514
Income tax payable		5,142	484
Contract liabilities		2,509,113	484,892
Borrowings		5,078,084	5,793,441
		<u>8,197,089</u>	<u>7,338,220</u>
Net current assets		<u>2,080,536</u>	<u>4,332,337</u>
Non-current liabilities			
Borrowings		10,854,844	12,049,556
Lease liabilities		350	883
Deferred income tax liabilities		700,995	705,671
		<u>11,556,189</u>	<u>12,756,110</u>
Net assets		<u>14,884,409</u>	<u>18,117,849</u>
Equity			
Share capital		84,087	84,087
Reserves		7,680,508	9,422,629
Equity attributable to shareholders of the Company		7,764,595	9,506,716
Non-controlling interests		7,119,814	8,611,133
		<u>14,884,409</u>	<u>18,117,849</u>

NOTES TO THE FINANCIAL STATEMENTS

1 Basis of preparation

The consolidated financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties, financial assets at fair value through profit or loss (“FVPL”), financial assets at fair value through other comprehensive income (“FVOCI”) and derivative financial instruments, which are carried at fair value, and in accordance with all applicable HKFRS Accounting Standards. (“HKFRS”).

The Group has applied the following amended standards relevant to the Group for its annual reporting period commencing 1st April 2024:

Amendments to HKAS 1 and related amendments to HK Interpretation 5	Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants
HK Interpretation 5 (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

The adoption of the amendments to standards stated above did not have significant impact to the Group’s consolidated financial statements in the current and prior years.

Certain new standards, amendments to standards and interpretations have been published that are not mandatory for annual reporting period ended 31st March 2025 and have not been early adopted by the Group. These new standards, amendments to standards and interpretations are not expected to have a material impact on the Group’s consolidated financial statements.

2 Segment information

Revenue includes revenue from property management, property sales and leasing, hotel operation, management services, interest income and dividend income.

	Property sales HK\$'000	Property leasing HK\$'000	Hotel operation HK\$'000	Financial investments HK\$'000	Others HK\$'000	Total HK\$'000
2025						
Segment revenue	1,238,197	129,175	369,318	717,839	54,285	2,508,814
Segment cost of sales and expenses	<u>(840,180)</u>	<u>(38,555)</u>	<u>(191,351)</u>	<u>(11,375)</u>	<u>(10,309)</u>	<u>(1,091,770)</u>
Contribution to segment results	398,017	90,620	177,967	706,464	43,976	1,417,044
Depreciation	(12,415)	-	(119,998)	-	(79,800)	(212,213)
Net investment (loss)/gain	-	-	-	(3,245,666)	15,409	(3,230,257)
Fair value loss of investment properties	-	(633,359)	-	-	-	(633,359)
Other charge	(121,916)	-	-	-	-	(121,916)
Share of profits less losses of Joint ventures	(70,380)	(133,716)	-	(212,767)	15	(416,848)
Associated companies	<u>-</u>	<u>(63,894)</u>	<u>-</u>	<u>-</u>	<u>(4,508)</u>	<u>(68,402)</u>
Segment results	193,306	(740,349)	57,969	(2,751,969)	(24,908)	(3,265,951)
Unallocated corporate expenses						(172,819)
Net finance costs						(619,136)
Loss before income tax						<u>(4,057,906)</u>
2024						
Segment revenue	-	127,687	366,675	1,363,841	45,227	1,903,430
Segment cost of sales and expenses	<u>(34,323)</u>	<u>(26,138)</u>	<u>(187,009)</u>	<u>(38,332)</u>	<u>(10,260)</u>	<u>(296,062)</u>
Contribution to segment results	(34,323)	101,549	179,666	1,325,509	34,967	1,607,368
Depreciation	(13,509)	-	(161,627)	-	(41,637)	(216,773)
Net investment (loss)/gain	-	-	-	(6,917,258)	29,982	(6,887,276)
Fair value gain of investment properties	-	55,865	-	-	-	55,865
Other charge	(885,205)	-	-	-	-	(885,205)
Share of profits less losses of Joint ventures	(9,601)	-	-	1,640	(278)	(8,239)
Associated companies	<u>-</u>	<u>(19,978)</u>	<u>-</u>	<u>-</u>	<u>(909)</u>	<u>(20,887)</u>
Segment results	(942,638)	137,436	18,039	(5,590,109)	22,125	(6,355,147)
Unallocated corporate expenses						(176,928)
Net finance costs						(605,168)
Loss before income tax						<u>(7,137,243)</u>

2 Segment information (Continued)

	Business segments					Unallocated	Total
	Property sales HK\$'000	Property leasing HK\$'000	Hotel operation HK\$'000	Financial investments HK\$'000	Others HK\$'000		
2025							
Assets	10,326,345	12,443,815	5,565,484	2,484,650	227,926	3,589,467	34,637,687
Assets include:							
Joint ventures and associated companies	3,524,271	2,230,098	-	315,865	20,077	19	6,090,330
Addition to non-current assets*	13,179	-	14,412	-	76,225	1,484	105,300
Liabilities							
Borrowings	3,031,593	2,117,581	4,590,193	-	-	6,193,561	15,932,928
Other unallocated liabilities							<u>3,820,350</u>
							<u>19,753,278</u>
2024							
Assets	11,773,096	12,048,092	5,632,320	4,820,150	228,712	3,709,809	38,212,179
Assets include:							
Joint ventures and associated companies	4,929,889	1,194,740	-	400,400	20,364	4,359	6,549,752
Addition to non-current assets*	12,604	307	6,224	-	31,992	7,554	58,681
Liabilities							
Borrowings	5,506,698	2,176,279	4,272,378	-	-	5,887,642	17,842,997
Other unallocated liabilities							<u>2,251,333</u>
							<u>20,094,330</u>

* These amounts exclude financial instruments and deferred income tax assets.

2 Segment information (Continued)

	2025 HK\$'000	2024 HK\$'000
Revenue		
Hong Kong	596,691	534,618
Overseas	<u>1,912,123</u>	<u>1,368,812</u>
	<u>2,508,814</u>	<u>1,903,430</u>
Non-current assets*		
Hong Kong	21,831,215	22,754,114
Overseas	<u>2,065,597</u>	<u>2,353,759</u>
	<u>23,896,812</u>	<u>25,107,873</u>

* These amounts exclude financial instruments and deferred income tax assets.

3 Net investment loss

	2025 HK\$'000	2024 HK\$'000
Financial assets at FVPL		
- net unrealised fair value (loss)/gain	(684,825)	62,932
- net realised loss (note (a))	(844)	(3,441)
Financial assets at FVOCI		
- net unrealised exchange loss	(5,910)	(15,005)
- net realised gain/(loss) (note (b))	1,260	(164,411)
- changes in expected credit losses	(1,941,920)	(6,613,164)
Financial assets at amortised cost		
- net unrealised exchange loss	(3,806)	(1,489)
- net realised loss (note (c))	-	(26,875)
- changes in expected credit losses	(562,007)	(130,451)
Gain on acquisition/disposal of subsidiaries	15,409	29,982
Derivative financial instruments		
- net unrealised loss	<u>(47,614)</u>	<u>(25,354)</u>
	<u>(3,230,257)</u>	<u>(6,887,276)</u>

Notes:

(a) Net realised loss on financial assets at FVPL

Gross consideration	316,549	646,292
Cost of investments	(355,309)	(651,295)
Add: net unrealised loss recognised in prior years	<u>37,916</u>	<u>1,562</u>
Net realised loss recognised in current year	<u>(844)</u>	<u>(3,441)</u>

3 Net investment loss (Continued)

Notes (Continued):

	2025 HK\$'000	2024 HK\$'000
(b) Net realised gain/(loss) on financial assets at FVOCI		
Gross consideration	92,124	299,768
Cost of investments	(76,098)	(676,208)
Transfer from investment revaluation reserve	(14,766)	212,029
Net realised gain/(loss) recognised in current year	<u>1,260</u>	<u>(164,411)</u>
(c) Net realised loss on financial assets at amortised cost		
Gross consideration	-	35,056
Cost of investments	-	(61,931)
Net realised loss recognised in current year	<u>-</u>	<u>(26,875)</u>

4 Other charge

Current year's charge represents provision for our investment and advance to a joint venture company, which indirectly holds a minority interest in a shopping mall in Hong Kong.

Last year's charge was attributable to the failure to reach a consensus with the government within the prescribed time limit regarding the land premium amount on a development project at Kwu Tung North held by a joint venture company, leading to subsequent land resumption by the government. This led to a share of impairment provision in respect of interest in the joint venture project of HK\$885,205,000, which represented our share of the difference between the carrying value of the properties and estimated compensation from the government.

5 Income and expenses by nature

	2025 HK\$'000	2024 HK\$'000
Income		
Interest income from financial assets at FVOCI		
- Listed investments	314,647	968,426
- Unlisted investments	39,012	86,412
Interest income from financial assets at FVPL		
- Listed investments	145,532	156,782
- Unlisted investments	10,994	8,875
Interest income from financial assets at amortised cost		
- Listed investments	188,106	124,378
- Amount due from joint ventures	15,064	11,178
- Loan receivables	2,962	3,011
- Bank deposits	32,785	27,616
Dividend income		
- Listed investments	<u>18,337</u>	<u>15,649</u>

5 Income and expenses by nature (Continued)

	2025 HK\$'000	2024 HK\$'000
Expenses		
Cost of properties and goods sold	686,582	6,069
Rental expense for land and buildings	816	950
	<u> </u>	<u> </u>

6 Net finance costs

	2025 HK\$'000	2024 HK\$'000
Interest (expense)/income		
Long term bank loans	(1,023,373)	(1,070,013)
Short term bank loans and overdrafts	(494)	(38)
Lease liabilities	(158)	(112)
Amount due to a joint venture	(4,544)	(6,187)
Derivative financial instruments (interest rate swaps)	255,632	287,458
Interest capitalised	<u>246,700</u>	<u>254,466</u>
	(526,237)	(534,426)
Other incidental borrowing costs	(59,794)	(59,191)
Net foreign exchange gain/(loss) on borrowings	9	(21)
Fair value loss on derivative financial instruments (interest rate swaps)		
Cash flow hedge – ineffective portion	<u>(33,114)</u>	<u>(11,530)</u>
	<u>(619,136)</u>	<u>(605,168)</u>

7 Income tax (expense)/credit

	2025 HK\$'000	2024 HK\$'000
Current income tax (expense)/credit		
Hong Kong profits tax	(4,574)	172,049
Overseas profits tax	<u>(28,455)</u>	<u>(1,283)</u>
	(33,029)	170,766
Deferred income tax (expense)/credit	<u>(15,655)</u>	<u>47,909</u>
	<u>(48,684)</u>	<u>218,675</u>

Hong Kong profits tax is provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profit for the year. Overseas profits tax has been provided on the estimated assessable profit for the year at the rate prevailing in the countries in which the Group operates.

8 Dividends

At a meeting held on 30th June 2025, the Board has resolved not to recommend the payment of a final dividend for the year ended 31st March 2025 (2024: Nil). No interim dividend was declared during the year (2024: Nil).

9 Loss per share

The calculation of loss per share is based on loss attributable to shareholders of the Company and divided by the weighted average number of shares in issue.

	2025 HK\$'000	2024 HK\$'000
Loss attributable to shareholders of the Company	<u>(2,235,479)</u>	<u>(3,769,240)</u>
	Number of shares	
Weighted average number of shares in issue	<u>840,873,996</u>	<u>840,873,996</u>

The diluted loss per share is equal to the basic loss per share since there exist no dilutive potential share during the year ended 31st March 2025 and 2024.

10 Trade and other receivables

Trade and other receivables of the Group include trade receivables, accrued interest receivables, accrued dividend receivables, loan receivables, prepayments, utility and other deposits.

Trade receivables of the Group amounted to approximately HK\$91,030,000 (2024: HK\$77,270,000). The credit terms given to the customers vary and are generally based on the financial strengths of individual customers. In order to effectively manage the credit risks associated with trade receivables, credit evaluation of customers are performed periodically.

Aging analysis of trade receivables net of loss allowance based on the date of the relevant invoice or demand note is as follows:

	2025 HK\$'000	2024 HK\$'000
0 month to 6 months	90,095	72,089
7 months to 12 months	196	3,147
More than 12 months	<u>739</u>	<u>2,034</u>
	<u>91,030</u>	<u>77,270</u>

11 Trade and other payables

Trade and other payables of the Group include trade payables, rental and management fee deposits, retentions payable of construction costs, lease liabilities, interest payable and various accruals. Trade payables of the Group amounted to approximately HK\$75,499,000 (2024: HK\$163,026,000).

Aging analysis of trade payables based on the date of the relevant invoice or demand note is as follows:

	2025 HK\$'000	2024 HK\$'000
0 month to 6 months	75,446	162,804
7 months to 12 months	6	6
More than 12 months	47	216
	<u>75,499</u>	<u>163,026</u>

The figures in respect of the Group's consolidated balance sheet, consolidated profit and loss account, consolidated statement of comprehensive income, and the related notes thereto for the year ended 31st March 2025 as set out in this preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's draft consolidated financial statements as at and for the year ended 31st March 2025. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on this announcement.

MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS

The Group recorded a revenue of HK\$2,509 million (2024: HK\$1,903 million) for the financial year, the 32% increase is mainly due to the recognition of our property sales of Landmark on Robson in Canada, following completion of the development and gradual delivery of units to purchasers, partially offset by the decrease in interest revenue from our financial investments.

The Group recorded a loss attributable to shareholders of HK\$2,235 million compared to HK\$3,769 million of last year. The current year loss is primarily attributable to net unrealised fair value loss and further provision for expected credit losses on investment in debt securities, together with the fair value loss of investment properties. These fair value losses and provisions are non-cash items and do not impact the operating cash flow of the Group.

PROPERTIES SALES AND DEVELOPMENT

The Group continued its sales efforts on the 5 development projects spanning across Hong Kong, Beijing and Vancouver. Sales activities significantly increased in the latter half of the financial year, with attributable contracted sales almost doubled to approximately HK\$3.5 billion (2024: HK\$1.8 billion), predominantly from the High Park project.

Hong Kong

We are pleased to report that the residential units of our Group's development, High Park, neighbouring the Hung Shui Kiu light-rail station, were fully sold by early May 2025. Cumulative contracted sales approximated to HK\$4.8 billion for these 5 residential towers development comprising 1,025 units. Occupation permit was issued in November 2024 and certificate of compliance has just been issued. The Hung Shui Kiu New Development Area is positioned as the high-end professional services and logistics hub under the Northern Metropolis Development Strategy. Upon the upcoming delivery of the units to their purchasers, completed sales will be recognised in profit and loss account in the coming financial year. The retail shops, with total lettable area of 60,300 sq. ft., are currently being leased out.

On Po Shan Road, sales of the 50% joint venture residential development High Peak continues. The property, winner in 3 architectural and interior design categories of Asia Pacific Property Awards 2024-2025, comprises 16 flats with saleable area ranging from 3,770 sq. ft. to 7,260 sq. ft. In October 2024 and June 2025, 2 standard units were sold making cumulative contract sales amounted to approximately HK\$660 million as at date of this report.

In Dukes Place, the Group's 20% joint venture project in Jardine's Lookout, sales of a 5,700 sq. ft. master duplex unit and a 4,100 sq. ft. superior duplex unit were recognised during the year. As at 31st March 2025,

cumulative total sales exceeded HK\$3.1 billion.

In Lam Tei, Tuen Mun, the Group's residential project is in land exchange application with the government, while at the same time considering an alternative option of combining with adjacent land lots to develop a larger GFA by more than 50% of the existing plan. Feasibility study is underway.

Mainland China

In Tongzhou, Beijing, residential inventory sales of our 50% owned joint venture development, Capital Cove, continues. This 2,360,000 sq. ft. GFA development comprises 964 residential apartments and two commercial towers. Up to 31st March 2025, approximately 86% of the residential units were sold and had achieved a total contracted sales of approximately RMB5.3 billion, with about 99% sold units delivered to buyers. Sub-structure works for the two commercial towers have been completed; while design and layout of the superstructure is in progress.

Canada

The redevelopment of our Empire Landmark hotel in Vancouver has been completed. The occupancy permit of the "Landmark on Robson" development was issued in July 2024 and delivery to buyers commenced in August 2024. This is an approximately 394,000 sq. ft. GFA redevelopment with two 30-plus storeys residential towers, comprising 236 residential units over a three-storeys podium of retail and office space of about 50,000 sq. ft., and a four-level underground parking facility in addition. The building garnered the Best Apartment/Condominium Development in the Americas, two 5-star awards in Canada, and three general Canadian Property awards from the globally renowned International Property Awards Association.

The Group re-launched sales in January 2025, after the physical completion. Up to 31st March 2025, approximately CAD252 million of cumulative residential sales were contracted, comprising 50% by number of units, and approximately 89% of the sales amount were recognised in the profit and loss account for the year.

The Group's two joint venture residential development on Alberni Street, downtown Vancouver, are in active discussion with the city's planning and real estate department.

LEASING

Leasing income for the year was HK\$129 million (2024: HK\$128 million). Maintaining the investment properties occupancies have been our main objective in the past year. In September 2024, an international fashion retailer commenced the lease of the two-storeys prime retail space in our office building in Central, which will boost the leasing income in the coming years. Net revaluation loss (taking into account our share from the investment properties owned by a joint venture and an associated company) of HK\$809 million (2024: gain of HK\$42 million) was recorded from our investment properties.

HOTEL

About 46 million visitors to Hong Kong were recorded in the year ended 31st March 2025, an increase of about 11% comparing to same period last year. Approximately 76% of them were from mainland and of all the arrivals, approximately 43% stayed overnight.

Our hotel sector recorded a revenue of HK\$369 million for the year (2024: HK\$367 million), and a profit contribution to the Group of HK\$178 million (2024: HK\$180M). The first half of the financial year experienced a slower than expected start, in contrast to the heightened demand in the same period last financial year after re-opening of the border in early 2023. The Group hence implemented a more dynamic pricing strategy enabling timely adaptation to the market situation, increased partnerships with online travel agencies which further widened the customer base, and engaged in direct marketing via electronic social media, while maintaining strict cost control and operational efficiencies. These efforts drove a significant increase in occupancy, fuelling a strong second half performance that compensated for the softer first half of the financial year. Consequently, the Group's hotels achieved a full year average occupancy of 93% (2024: 83%), underscoring the effectiveness of our strategic initiatives and sustained upward momentum amidst a growing market demand.

In October 2024, the Group completed a scheme of arrangement to privatise our hotel subsidiary, and its listing was withdrawn. The scheme involved the listed property subsidiary Asia Standard International using new shares and cash to exchange for the shares held by non-controlling shareholders of the hotel subsidiary. Subsequently, the hotel subsidiary also redeemed all its outstanding convertible notes where not already converted. There was no material effect to the profit and loss account and net asset of the Group pertaining to the privatisation. Management anticipates that savings will be achieved through streamlining of the Group's operations and reduction of administrative costs.

Upon completion of the scheme and subsequent purchase of shares of Asia Standard International from the market, the Group's shareholdings in Asia Standard International decreased from 51.8% to 50.1% at the end of the financial year, whereas the effective shareholdings in the hotel subsidiary group increased from 35.7% to 50.6%.

FINANCIAL INVESTMENTS

At 31st March 2025, the Group held financial investments of approximately HK\$1,870 million (2024: HK\$4,001 million). The investment portfolio comprised of 91% listed debt securities (predominantly issued by PRC-based real estate companies), 2% listed equity securities and 7% unlisted investments. They are denominated in different currencies with 53% in United States dollar, 44% in Renminbi and 3% in other currencies (mostly Hong Kong dollar).

During the year, there was no addition to the investment portfolio. The Group realised a total consideration of approximately HK\$792 million from disposal of certain investments in listed equities together with redemption of certain debt securities investment by the issuers, adding to the liquidity position of the Group. Income from its investment portfolio amounted to HK\$718 million (2024: HK\$1,364 million), with the decrease in revenue mainly resulted from further provision for expected credit loss of debt securities.

The Group actively participates in the liabilities management negotiation with various developers through maturity extension coupled with principal amortisation, reduction of coupon rates and charging collateral as credit enhancement. A net investment loss of HK\$3,246 million (2024: HK\$6,917 million), which mainly include fair value loss and provision for expected credit loss, both being non-cash items, was recorded in the profit and loss account.

At 31st March 2025, none (2024: none) of these investments were pledged to banks as collateral for credit facilities granted to the Group.

FINANCIAL REVIEW

At 31st March 2025, the Group's total assets were approximately HK\$34.6 billion (2024: HK\$38.2 billion), with net assets of HK\$14.9 billion (2024: HK\$18.1 billion). Adopting market value of hotel properties in operation, the revalued total assets of the Group were HK\$42.6 billion (2024: HK\$46.0 billion), while the revalued net assets of the Group were HK\$23.3 billion (2024: HK\$26.4 billion).

Net debt was HK\$14.2 billion (2024: HK\$16.4 billion). At 31st March 2025, the Group's gearing ratio (net debt to revalued net assets) is approximately 61% (2024: 62%). The Group's borrowings are all in Hong Kong dollars.

All the debts are at floating rates. In prior years, the Group entered into various interest rate swap contracts fixing at average rate of approximately 1% to hedge against HIBOR fluctuation. During the year, it received HK\$256 million (2024: HK\$287 million) from these interest rate swap contracts which reduced the finance costs. As at 31st March 2025, a fair value gain of HK\$51 million was recorded on these interest rate swap contracts. The maturities of our debts spread over a period of up to 4 years, with 45% repayable between two to five years, 23% repayable between one to two years, and 32% repayable within 1 year. For the borrowings repayable within one year, about 30% has been repaid by property sales proceeds received or refinanced to long term loans. The remaining, which mostly have maturities in the first quarter of 2026, will be arranged for refinancing in the second half of 2025.

As at 31st March 2025, 81% of the debts are secured. Property assets with an aggregate net book value of HK\$25.4 billion (2024: HK\$26.8 billion) were pledged to secure credit facilities of the Group. HK\$2,473 million (2024: HK\$2,658 million) guarantees were provided to financial institutions against outstanding bank loan facilities of joint ventures and an associated company.

EMPLOYEES AND REMUNERATION POLICIES

At 31st March 2025, the Group employed approximately 340 (2024: 330) employees. The remuneration packages including basic salary, annual bonus, share options, retirement and other benefits are commensurate with their job nature and level of experience.

FUTURE PROSPECT

With the Hong Kong government's total removal of all demand-side cooling measures of property transactions, coupled with further relaxation of property mortgage loan-to-value ratios, residential sales transactions have picked up considerably. To continue Hong Kong as a thriving megacity, our government extended its demographic policy to introduce the New Capital Investment Entrant Scheme, on top of the existing encouraging successful applications under various talent admission schemes, which are expected to bring about positive population growth and subsequently a rise in residential rental yield. These all contribute to uplift the local residential property market. In the Mainland, the continued relaxation of property market restraints, lowering of mortgage rate and reduction of initial downpayment helps to release the purchasing power. As of now, these constraints of most mainland cities are abolished.

The outlook for our hotel operation is optimistic, with the rising influx of visitors, our hotel occupancies are comparable to pre-COVID levels. The HKSAR government's robust efforts in promoting Hong Kong through various mega events, international conferences, exhibitions and the like have significantly enhanced the city's global appeal, attracting numerous visitors to experience Hong Kong's unique glamour. We anticipate that these activities will continue to have a favourable impact on our hotel sector's performance. In infrastructure aspect, the opening of Kai Tak Sports Park with the hosting of international sports events and concerts add to Hong Kong's attraction and capability. The Group, leveraging our various online platform and rigorous cost controls, is ambitious to deliver robust, vibrant growth in Hong Kong's dynamic hospitality landscape.

The global economy is expected to remain challenging under the ongoing geopolitical tensions and trade protectionism, with the timely sale of our development project, the Group is ready to re-deploy capital in its development pipeline when suitable opportunities arise. Recently, Hong Kong has experienced significant drop in market interest rates amidst abundant liquidity inflow. The Group is closely monitoring the market interest rate changes and will seek suitable opportunities for entering into new interest rate swap contracts to protect interest rate exposure.

Management continues to be financially cautious and prudent to mitigate any negative impact in this uncertain economic environment.

DIVIDEND

The Board has resolved not to recommend the payment of a final dividend for the year ended 31st March 2025 (2024: Nil). No interim dividend was declared during the year (2024: Nil).

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from Wednesday, 20th August 2025 to Monday, 25th August 2025 both days inclusive, for the purpose of determining the identity of members who are entitled to attend and vote at the 2025 annual general meeting to be held on 25th August 2025 (the “Annual General Meeting”) during which period no transfer of shares of the Company will be registered and no shares will be allotted and issued on the exercise of the subscription rights attached to the outstanding share options granted by the Company. In order to qualify for attending the Annual General Meeting, all transfers of shares of the Company accompanied by the relevant share certificates and the appropriate transfer forms must be lodged with the Company’s Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 19th August 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year, the Company had not redeemed any of its shares. Neither the Company nor any of its subsidiaries have purchased or sold any of the Company’s listed securities during the year, nor were there any on-market sales of treasury shares made during the year.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The Company has made specific enquiry of all directors regarding any non-compliance with the Model Code during the year, and they all confirmed that they have fully complied with the required standard as set out in the Model Code throughout the year ended 31st March 2025.

CORPORATE GOVERNANCE CODE

During the year, the Company has applied the principles and complied with the applicable code provisions of the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Listing Rules.

BOARD COMPOSITION AND CHANGES

In light of the appointment of a female non-executive director on 31st December 2024, the number of independent non-executive directors falls below at least one-third of the Board as required under Rule 3.10A of the Listing Rules.

As disclosed in the announcement of the Company dated 28th March 2025, the Board has been actively identifying a suitable candidate as an additional independent non-executive director (the “INED”) to re-comply with Rule 3.10A of the Listing Rules. However, as the Company requires more time to appoint the INED, the Company has applied to The Stock Exchange of Hong Kong Limited for a waiver from strict compliance with Rule 3.10A and 3.11 of the Listing Rules up to 30th June 2025. In order to identify suitable candidates for the additional INED, the Company has considered different candidates with a view to complete the selection and nomination procedures. As disclosed in the announcement of the Company dated 30th June 2025, Mr. Ma Ho Fai has been appointed as an INED of the Company with effect from 2nd July 2025. Upon the appointment of Mr. Ma becoming effective, the Company will be in compliance with the requirements of Rule 3.10A of the Listing Rules.

AUDIT COMMITTEE

The Audit Committee has reviewed the annual results of the Group for the year ended 31st March 2025.

By Order of the Board
Asia Orient Holdings Limited
Fung Siu To, Clement
Chairman

Hong Kong, 30th June 2025

As at the date of this announcement, the executive directors of the Company are Mr. Fung Siu To, Clement, Mr. Poon Jing, Mr. Poon Hai, Mr. Poon Yeung, Roderick, Mr. Lun Pui Kan and Mr. Kwan Po Lam, Phileas; the non-executive director of the Company is Ms. Poon Tsing, Rachel; and the independent non-executive directors of the Company are Mr. Wong Chi Keung, Mr. Cheung Kwok Wah and Mr. Leung Wai Keung.