



Asia Orient Holdings Limited



Interim Report 2024

HKSE Stock Code: 214

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Corporate Information

Directors

Executive

Mr. Fung Siu To, Clement (*Chairman*)
Mr. Poon Jing (*Managing Director and Chief Executive*)
Mr. Poon Hai
Mr. Poon Yeung, Roderick
Mr. Lun Pui Kan
Mr. Kwan Po Lam, Phileas

Independent Non-executive

Mr. Wong Chi Keung
Mr. Cheung Kwok Wah
Mr. Leung Wai Keung, *JP*

Audit Committee

Mr. Wong Chi Keung (*Chairman*)
Mr. Cheung Kwok Wah
Mr. Leung Wai Keung, *JP*

Remuneration Committee

Mr. Wong Chi Keung (*Chairman*)
Mr. Fung Siu To, Clement
Mr. Leung Wai Keung, *JP*

Nomination Committee

Mr. Fung Siu To, Clement (*Chairman*)
Mr. Wong Chi Keung
Mr. Leung Wai Keung, *JP*

Authorised Representatives

Mr. Fung Siu To, Clement
Mr. Lun Pui Kan

Company Secretary

Mr. Tung Kwok Lui

Registered Office

Victoria Place,
5th Floor,
31 Victoria Street,
Hamilton HM 10,
Bermuda

Principal Office in Hong Kong

30th Floor, YF Life Tower,
33 Lockhart Road,
Wanchai, Hong Kong
Telephone 2866 3336
Facsimile 2866 3772
Website <http://www.asiaorient.com.hk>
E-mail aoinfo@asiastandard.com

Principal Bankers

HSBC
Bank of China (Hong Kong)
Chong Hing Bank
Hang Seng Bank
United Overseas Bank
The Bank of East Asia
DBS Bank (Hong Kong)
Bank of Communications
Shanghai Commercial Bank
Dah Sing Bank
Huaxia Bank
Fubon Bank (Hong Kong)
Chiyu Banking Corporation
CMB Wing Lung Bank
UBS
Bank of Singapore
Bank Morgan Stanley
Bank Julius Baer

Legal Advisers

Stephenson Harwood
43/F, One Taikoo Place,
979 King's Road,
Quarry Bay, Hong Kong

Appleby
Suites 3505-06,
35/F, Two Taikoo Place,
979 King's Road,
Quarry Bay, Hong Kong

Independent Auditor

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity
Auditor
22nd Floor, Prince's Building,
Central, Hong Kong

Share Registrar in Bermuda

MUFG Fund Services (Bermuda)
Limited
4th Floor North,
Cedar House,
41 Cedar Avenue,
Hamilton HM 12,
Bermuda

Hong Kong Branch Share Registrar and Transfer Office

Computershare Hong Kong
Investor Services Limited
Shops 1712-1716, 17th Floor,
Hopewell Centre,
183 Queen's Road East,
Wanchai, Hong Kong

Financial Highlights

	Six months ended		
	30th September	2023	Change
	2024		
(In HK\$ million, except otherwise indicated)			
Consolidated profit and loss account			
Revenue	1,632	1,000	+63%
Loss attributable to shareholders of the Company	(239)	(619)	-61%
Loss per share – basic (HK\$)	(0.28)	(0.74)	-61%
	30th September	31st March	Change
	2024	2024	
Consolidated balance sheet			
Total assets	37,316	38,212	-2%
Net assets	17,652	18,118	-3%
Equity attributable to shareholders of the Company	9,239	9,507	-3%
Net debt	15,642	16,363	-4%

Supplementary information with hotel properties at valuation (note):

Revalued total assets	45,173	46,048	-2%
Revalued net assets	25,991	26,442	-2%
Revalued equity attributable to shareholders of the Company	13,063	13,324	-2%
Net gearing – net debt to revalued net assets	60%	62%	

Note: According to the Group's accounting policies, hotel properties were carried at cost less accumulated depreciation. To give further information on the economic substance of its hotel properties investments, the Group hereby presents supplementary unaudited financial information taking into account the fair market value of hotel properties and excluding the corresponding deferred income tax on Hong Kong properties as Hong Kong tax jurisdiction does not include capital gain tax.

The hotel properties were revalued by Vincorn Consulting & Appraisal Limited, independent professional valuers, on an open market value basis as at 30th September 2024 (31st March 2024: revalued by Vigers Appraisal & Consulting Limited).

Management Discussion and Analysis



High Park in Hung Shui Kiu (above), sales office (right hand corner)

RESULTS

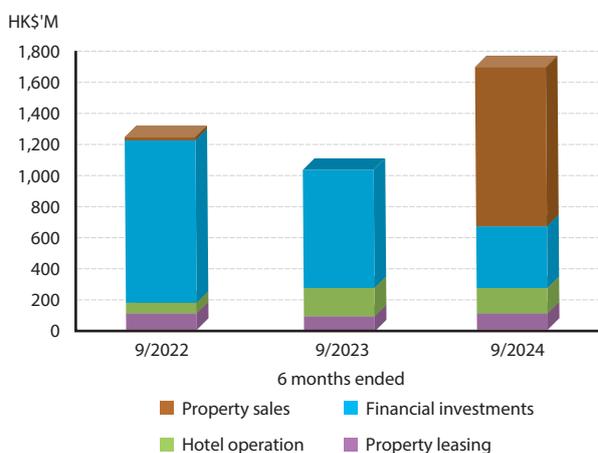
The Group recorded a 63% increase in revenue to HK\$1,632 million (2023: HK\$1,000 million) for the first half of the financial year, mainly from the recognition of our property sales of Landmark on Robson in Canada, following completion of the development and gradual delivery of units to purchasers.

Loss attributable to shareholders decreased by 61% to HK\$239 million from HK\$619 million of corresponding period in 2023, mainly due to the reduction of provision for expected credit losses on investment in debt securities, and profit from property sales as aforesaid, but is partially offset by the reduction of interest revenue from financial investments and the investment properties revaluation deficit against revaluation gain of last corresponding period.

PROPERTY SALES AND DEVELOPMENT

The Group continued its sales efforts on the 5 development projects spanning across Hong Kong, Beijing and Vancouver. Attributable contracted sales during the seven months from April to October 2024 amounted to approximately HK\$906 million (2023: HK\$810 million).

Revenue



Management Discussion and Analysis



High Peak on Po Shan Road, Mid-Levels West

Hong Kong

Our Group's residential development, High Park, neighbouring the Hung Shui Kiu light-rail station, launched presale last year in mid-July 2023 and contracted approximately HK\$2.0 billion sales up to 31st October 2024 for this project, with approximately HK\$1.1 billion proceeds received. Occupation permit was issued in November 2024. The Hung Shui Kiu New Development Area is positioned as the high-end professional services and logistics hub under the Northern Metropolis Development Strategy and will serve as the main hub for the Hong Kong-Shenzhen Western Railway linking Hung Shui Kiu and Qianhai, ensuring efficient transport connectivity of the Greater Bay Area.

On Po Shan Road in Mid-Levels West, 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, another standard unit was sold and total cumulative contract sales amounted to approximately HK\$470 million.

In Dukes Place, the Group's 20% joint venture project in Jardine's Lookout, sales of a 5,700 sq. ft. master duplex unit was recognised during the period. Up to 30th September 2024, cumulative total sales amounted to approximately HK\$3 billion. After the period ended, another 4,100 sq. ft. superior duplex unit was sold.

Management Discussion and Analysis



Landmark on Robson, Vancouver

In Lam Tei, Tuen Mun, the Group's residential project is also in land exchange application with the government, with developable GFA approximates to 83,700 sq. ft..

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 30th September 2024, approximately 85% of the residential units were sold and had achieved a total contracted sales of approximately RMB5.3 billion, with about 98% sold units delivered to buyers. Sub-structure works for the two commercial towers have been completed, design and layout of the superstructure is in progress.

Canada

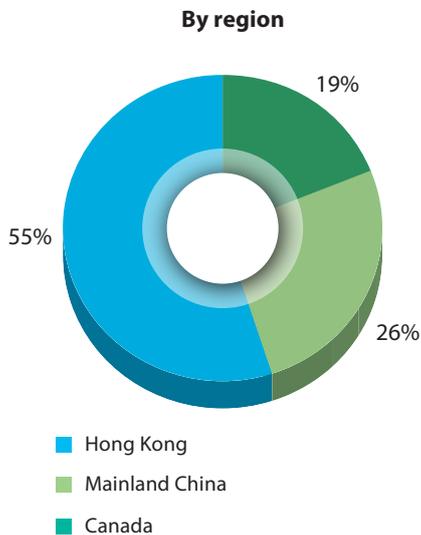
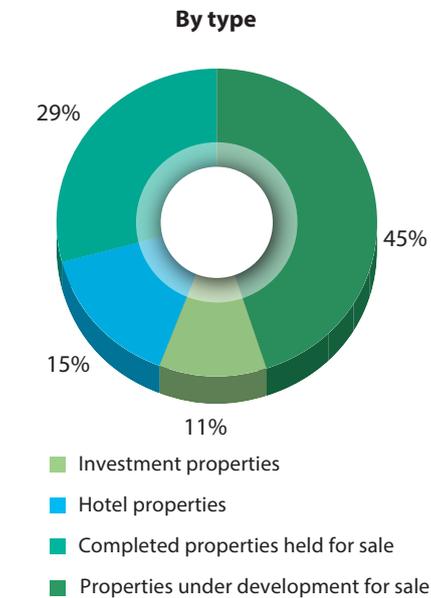
The redevelopment of our Empire Landmark hotel in Vancouver has been completed. Occupation permit of the "Landmark on Robson" development was issued in July 2024 and delivery to buyers commenced in August 2024. This is an approximately 394,000 sq. ft. GFA redevelopment with two 30-plus storeys residential 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 two 5-star awards and five general awards from the International Property Awards/Americas Region.

Up to 30th September 2024, approximately CAD240 million of residential sales were contracted, and approximately 70% were recognised in profit and loss account for the interim period.

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

Management Discussion and Analysis

Principal properties as at 30th September 2024 (attributable gross floor area)



LEASING

Leasing income for the period was HK\$58 million (2023: HK\$64 million). Occupancies maintained while rental rate decreased. 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 property owned by an associated company) of HK\$272 million (2023: gain of HK\$162 million) was recorded.

HOTEL

About 21 million visitors to Hong Kong were recorded in the 6 months period ended 30th September 2024, an increase of about 13% comparing to same period last year. Approximately 80% of them were from mainland China and of all the arrivals, approximately 50% stayed overnight.

Our hotel sector recorded a revenue of HK\$158 million for the six months interim period (2023: HK\$174 million), and also a profit contribution to the Group of HK\$66 million (2023: HK\$79 million). Average occupancy of the Group's hotels was 88% (2023: 84%), showcasing strong demand. However, there was a decrease in room rates, primarily due to a shift in spending patterns among overnight mainland visitors, in contrast to the heightened demand experienced last year after re-opening of the border in early 2023.

In June 2024, the Group put forward a privatisation scheme to disinterested shareholders of the listed hotel subsidiary. In October 2024, the scheme became effective and the listing of our hotel subsidiary was withdrawn. The privatisation streamlines the Group's operations and management is looking forward to a better segment result from savings achieved through the reduction of administrative costs.

Management Discussion and Analysis

FINANCIAL INVESTMENTS

At 30th September 2024, the Group held financial investments of approximately HK\$3,542 million (31st March 2024: HK\$4,001 million). The investment portfolio comprised of 84% listed debt securities (predominantly issued by PRC-based real estate companies), 10% listed equity securities and 6% unlisted investments. They are denominated in different currencies with 55% in United States dollar, 37% in Renminbi and 8% in other currencies (mostly Hong Kong dollar).

During the year, income from this investment portfolio amounted to HK\$385 million (2023: HK\$742 million), the decrease is mainly resulted from disposal/redemption and increased provision for expected credit loss of debt securities at the end of last financial year.

The Group actively participates in the liabilities management negotiation with various debt issuers through maturity extension coupled with principal amortisation, reduction of coupon rates and charging collateral as credit enhancement. A net investment loss of HK\$391 million (2023: HK\$1,782 million), which mainly includes fair value loss and provision for expected credit loss, was recorded in the profit and loss account.

Subsequent to the interim financial period, the Group has disposed of certain equity securities of a financial institution held for the long term.

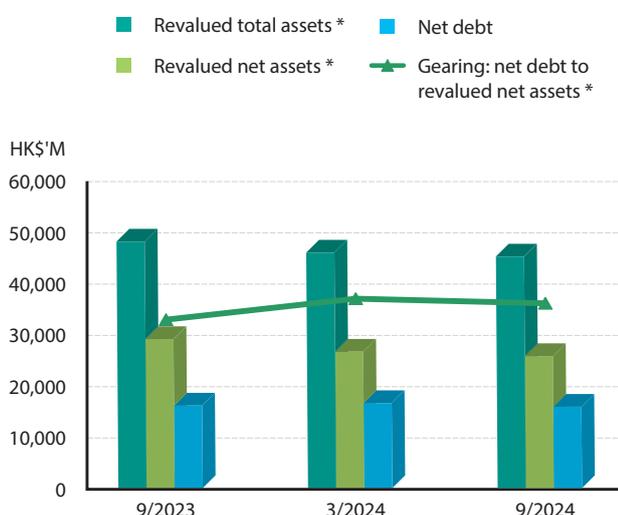
At 30th September 2024, none (31st March 2024: none) of these investments were pledged to banks as collateral for credit facilities granted to the Group.

FINANCIAL REVIEW

At 30th September 2024, the Group's total assets were approximately HK\$37.3 billion (31st March 2024: HK\$38.2 billion), with net assets of HK\$17.7 billion (31st March 2024: HK\$18.1 billion). Adopting market value of hotel properties in operation, the revalued total assets of the Group were HK\$45.2 billion (31st March 2024: HK\$46.0 billion), while the revalued net assets of the Group were HK\$26.0 billion (31st March 2024: HK\$26.4 billion).

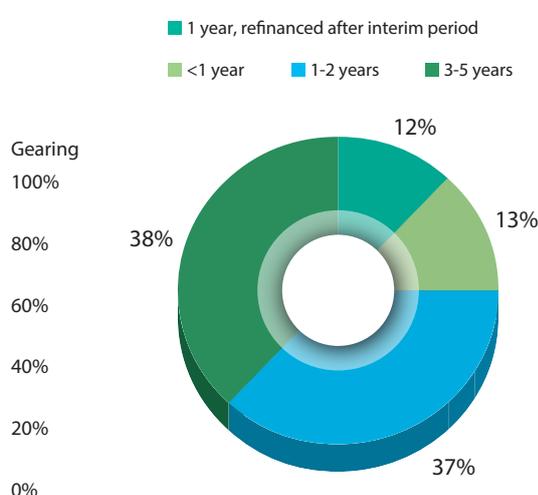
Net debt was HK\$15.6 billion (31st March 2024: HK\$16.4 billion). At 30th September 2024, the Group's gearing ratio (net debt to revalued net assets) is approximately 60% (31st March 2024: 62%). The Group's borrowings are all in Hong Kong dollars.

Revalued total assets*, revalued net assets*, net debt and gearing



* with hotel properties at valuation

Debt maturity profile as at 30th September 2024



Management Discussion and Analysis

All the debts are at floating rates. As at 30th September 2024, about 45% of these debts have been hedged against HIBOR fluctuations by various interest rate swap contracts of approximately HK\$7,810 million in total, fixing at average rate of approximately 1%. As at 30th September 2024, a fair value gain of HK\$153 million was recorded on these interest rate swap contracts. The maturities of our debts spread over a period of up to 5 years, with 38% repayable between two to five years, 37% repayable between one to two years, and 25% repayable within 1 year of which about half has been extended for one year after the interim period end.

As at 30th September 2024, 83% of the debts are secured. Property assets with an aggregate net book value of HK\$25.9 billion (31st March 2024: HK\$26.8 billion) were pledged to secure credit facilities of the Group. HK\$2,646 million (31st March 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 30th September 2024, the Group employed approximately 340 (31st March 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

Since Hong Kong government's removal of all property cooling measures and the recent interest rate cuts, sales transactions picked up considerably. The encouraging number of successful applications under various talent admission schemes has brought about 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.

With the rising influx of visitors, our hotel operations are steadily recovering and are on a promising path to reach 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 have a favourable impact on our hotel sector's performance. In terms of infrastructure, our Kai Tak Sports Park is currently undergoing a series of tests and rehearsals, while the official opening of the third runway at the airport and the anticipated full recovery of the airline capacity are expected to further drive the upward momentum of the tourism industry.

Benefitting from the Group's hedging effort in prior years, we are still enjoying the low interest cost brought by the interest rate swaps entered in prior years, alleviating the Group from associated finance cost burden.

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

Condensed Consolidated Profit and Loss Account – Unaudited

	Note	Six months ended 30th September	
		2024 HK\$'000	2023 HK\$'000
Sales of goods and services, leasing and other revenue		1,235,109	249,729
Interest revenue		396,815	750,709
Total revenue	6	1,631,924	1,000,438
Cost of sales		(704,602)	(75,470)
Gross profit		927,322	924,968
Selling and administrative expenses		(166,936)	(134,009)
Depreciation		(105,108)	(107,392)
Net investment loss	7		
Net realised and unrealised loss		(220,911)	(324,811)
Change in expected credit losses		(169,686)	(1,457,208)
Fair value (loss)/gain of investment properties		(245,485)	175,363
Operating profit/(loss)		19,196	(923,089)
Net finance costs	9	(315,112)	(271,844)
Share of profits less losses of			
Joint ventures		(66,016)	32,389
Associated companies		(29,395)	(3,103)
Loss before income tax		(391,327)	(1,165,647)
Income tax (expense)/credit	10	(21,604)	33,906
Loss for the period		(412,931)	(1,131,741)
Attributable to:			
Shareholders of the Company		(239,425)	(618,645)
Non-controlling interests		(173,506)	(513,096)
		(412,931)	(1,131,741)
Loss per share (HK\$)			
Basic	12	(0.28)	(0.74)
Diluted	12	(0.28)	(0.74)

Condensed Consolidated Statement of Comprehensive Income – Unaudited

	Six months ended	
	30th September	
	2024	2023
	HK\$'000	HK\$'000
Loss for the period	(412,931)	(1,131,741)
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		
– net fair value change and other net movements	(21,321)	(1,885,321)
– release of reserve upon derecognition	2,850	135,715
Share of net fair value gain/(loss) on debt securities at fair value through other comprehensive income of a joint venture	12,622	(114,524)
Cash flow hedges		
– net fair value (loss)/gain	(118,855)	33,108
– deferred tax on derivative financial instruments	19,611	(5,463)
Currency translation differences	443	(20,006)
Share of currency translation differences of joint ventures	23,924	(79,420)
Items that will not be reclassified to profit or loss:		
Net fair value gain on equity securities at fair value through other comprehensive income	27,756	36,675
	(52,970)	(1,899,236)
Total comprehensive charge for the period	(465,901)	(3,030,977)
Attributable to:		
Shareholders of the Company	(267,837)	(1,694,355)
Non-controlling interests	(198,064)	(1,336,622)
	(465,901)	(3,030,977)

Condensed Consolidated Balance Sheet – Unaudited

	Note	30th September 2024 HK\$'000	31st March 2024 HK\$'000
Non-current assets			
Investment properties	13	10,685,953	10,816,416
Property, plant and equipment	14	7,668,848	7,741,705
Investment in joint ventures and associated companies		3,289,517	3,847,543
Amount due from joint ventures and associated companies		3,233,649	2,702,209
Financial investments	16	1,077,796	1,157,913
Derivative financial instruments		26,839	135,217
Deferred income tax assets		158,440	140,619
		26,141,042	26,541,622
Current assets			
Properties held for sale		6,352,480	6,531,544
Hotel and restaurant inventories		26,036	26,753
Trade and other receivables	15	683,388	602,773
Income tax recoverable		301	70
Financial investments	16	2,464,188	2,842,775
Derivative financial instruments		125,933	186,945
Bank balances and cash			
– restricted		678,150	367,336
– unrestricted		844,791	1,112,361
		11,175,267	11,670,557
Current liabilities			
Trade and other payables	17	174,511	302,910
Contract liabilities		1,120,166	484,892
Amount due to joint ventures		301,486	517,159
Amount due to an associated company		143,220	182,820
Amount due to non-controlling interests		59,483	56,514
Income tax payable		23,544	484
Borrowings	18	4,319,438	5,793,441
		6,141,848	7,338,220
Net current assets		5,033,419	4,332,337
Non-current liabilities			
Borrowings	18	12,845,786	12,049,556
Lease liabilities		841	883
Deferred income tax liabilities		675,886	705,671
		13,522,513	12,756,110
Net assets		17,651,948	18,117,849

Condensed Consolidated Balance Sheet – Unaudited

	Note	30th September 2024 HK\$'000	31st March 2024 HK\$'000
Equity			
Share capital	19	84,087	84,087
Reserves	20	9,154,792	9,422,629
Equity attributable to shareholders of the Company		9,238,879	9,506,716
Non-controlling interests		8,413,069	8,611,133
		17,651,948	18,117,849

Condensed Consolidated Statement of Cash Flows – Unaudited

	Six months ended 30th September	
	2024 HK\$'000	2023 HK\$'000
Cash flows from operating activities		
Net cash generated from/(used in) operation	1,216,023	(111,284)
Net tax paid	(83,630)	(700)
Net interest paid	(555,403)	(499,890)
Interest received from bank deposits, other receivables and derivative financial instruments	161,808	148,529
Net cash generated from/(used in) operating activities	738,798	(463,345)
Cash flows from investing activities		
Addition to financial investments	(1,147)	(4,871)
Addition to investment properties	–	(263)
Addition to property, plant and equipment	(31,410)	(13,622)
Disposal of a subsidiary	–	(379)
Return of investments in joint ventures	92,307	125,689
Advance to joint ventures and associated companies	(379,560)	(273,002)
Net cash used in investing activities	(319,810)	(166,448)
Cash flows from financing activities		
Drawdown of long term borrowings	1,978,800	2,035,366
Repayment of long term borrowings	(2,658,263)	(1,333,800)
Net (decrease)/increase in short term borrowings	(7,514)	31,000
Contribution from non-controlling interests	2,969	1,137
Lease payments	(3,657)	(4,186)
Net cash (used in)/generated from financing activities	(687,665)	729,517
Net (decrease)/increase in cash and cash equivalents	(268,677)	99,724
Cash and cash equivalents at the beginning of the period	1,112,361	1,031,027
Changes in exchange rates	1,107	(9,280)
Cash and cash equivalents at the end of the period	844,791	1,121,471
Analysis of the balances of cash and cash equivalents		
Bank balances and cash (excluding restricted bank balances)	844,791	1,121,471

Condensed Consolidated Statement of Changes in Equity – Unaudited

	Equity attributable to shareholders of the Company			Non- controlling interests HK\$'000	Total HK\$'000
	Share capital HK\$'000	Reserves HK\$'000	Total HK\$'000		
At 31st March 2023	84,087	12,571,147	12,655,234	11,300,565	23,955,799
Financial assets at fair value through other comprehensive income					
– net fair value change and other net movements	–	(1,106,904)	(1,106,904)	(856,266)	(1,963,170)
– release of reserve upon derecognition	–	66,699	66,699	69,016	135,715
Cash flow hedges					
– net fair value gain	–	16,809	16,809	16,299	33,108
– deferred tax on derivative financial instruments	–	(2,774)	(2,774)	(2,689)	(5,463)
Currency translation differences	–	(49,540)	(49,540)	(49,886)	(99,426)
Loss for the period	–	(618,645)	(618,645)	(513,096)	(1,131,741)
Total comprehensive charge for the period	–	(1,694,355)	(1,694,355)	(1,336,622)	(3,030,977)
At 30th September 2023	84,087	10,876,792	10,960,879	9,963,943	20,924,822
At 31st March 2024	84,087	9,422,629	9,506,716	8,611,133	18,117,849
Financial assets at fair value through other comprehensive income					
– net fair value change and other net movements	–	7,321	7,321	11,736	19,057
– release of reserve upon derecognition	–	1,582	1,582	1,268	2,850
Cash flow hedges					
– net fair value loss	–	(59,870)	(59,870)	(58,985)	(118,855)
– deferred tax on derivative financial instruments	–	9,879	9,879	9,732	19,611
Currency translation differences	–	12,676	12,676	11,691	24,367
Loss for the period	–	(239,425)	(239,425)	(173,506)	(412,931)
Total comprehensive charge for the period	–	(267,837)	(267,837)	(198,064)	(465,901)
At 30th September 2024	84,087	9,154,792	9,238,879	8,413,069	17,651,948

Notes to the Interim Financial Information

1 GENERAL INFORMATION

Asia Orient Holdings Limited (the “Company”) is a limited liability company incorporated in Bermuda and is listed on The Stock Exchange of Hong Kong Limited (“SEHK”). The address of its principal office is 30th Floor, YF Life Tower, 33 Lockhart Road, Wanchai, Hong Kong.

2 BASIS OF PREPARATION

The unaudited condensed consolidated interim financial information for the six months ended 30th September 2024 (“Interim Financial Information”) has been prepared in accordance with Hong Kong Accounting Standards (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants, and should be read in conjunction with the annual financial statements for the year ended 31st March 2024, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

3 THE ADOPTION OF NEW HKFRS

The accounting policies used in the preparation of this Interim Financial Information are consistent with those used in the annual financial statements for the year ended 31st March 2024, except for the adoption of the following amendments to standards that are effective for the financial year ending 31st March 2025 which is relevant to the Group’s operations and is mandatory for accounting periods beginning on or after 1st April 2024:

Amendments to HKAS 1 and related Amendments to HK Interpretation 5 HK Interpretation 5 (Revised)	Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
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The adoption of the amendments to standards stated above did not have any significant impact to the Group in the current and prior periods.

4 FINANCIAL RISK MANAGEMENT

(I) Financial risk factors

The Group’s activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and cash flow interest rate risk), credit risk and liquidity risk. The Group’s overall risk management seeks to minimise potential adverse effects on the Group’s financial performance.

The Interim Financial Information does not include other financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements as at 31st March 2024.

The credit risk of the Group mainly arises from financial investments, as well as credit exposures to loans receivables and other receivables.

Notes to the Interim Financial Information

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

(I) Financial risk factors (Continued)

The Group adopts a “three-stage” model for impairment based on changes in credit quality since initial recognition, to estimate the expected credit losses (“ECL”) for financial assets measured at amortised cost (except for trade receivables, which applies simplified approach) and debt securities at fair value through other comprehensive income (“FVOCI”) other than those that are classified as purchased or originated credit-impaired (“POCI”) and financial guarantee contracts.

The key definition of the three stages are summarised below:

- Stage 1: For financial instruments with no significant increase in credit risk after initial recognition or that have low credit risk at the reporting date, the ECL are recognised at an amount equal to the portion of lifetime ECL that result from default events possible within the next 12 months;
- Stage 2: For financial instruments with significant increase in credit risk since initial recognition, but there is no objective evidence of impairment, lifetime ECL are recognised and interest revenue is calculated on the gross carrying amount of the asset;
- Stage 3: For financial instruments in default at the end of the reporting period, lifetime ECL are recognised and interest revenue is calculated on the net carrying amount of the assets.

POCI are financial assets that are credit-impaired on initial recognition. This might occur, for example, in a situation in which there was a substantial modification of a distressed asset that resulted in the derecognition of the original financial asset. In such a case, it may be possible for the modification to result in a new financial asset which is credit-impaired at initial recognition.

Notes to the Interim Financial Information

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

(I) Financial risk factors (Continued)

The Group is subject to credit risk exposure according to their relevant credit risk classification:

Carrying amount	Simplified approach HK\$'000	Stage 1 HK\$'000	Stage 2 HK\$'000	Stage 3 HK\$'000	POCI HK\$'000
At 30th September 2024					
Bank balances and cash					
Unrestricted	-	844,791	-	-	-
Restricted	-	678,150	-	-	-
Amount due from joint ventures and associated companies	-	3,233,649	-	-	-
Loan receivables	-	18,045	-	7,028	-
Trade and other receivables excluding interest receivables	73,827	58,735	-	-	-
Financial assets at FVOCI and amortised cost and related interest receivables	-	-	-	1,389,360	851,907
At 31st March 2024					
Bank balances and cash					
Unrestricted	-	1,112,361	-	-	-
Restricted	-	367,336	-	-	-
Amount due from joint ventures and associated companies	-	2,702,209	-	-	-
Loan receivables	-	18,106	-	6,726	-
Trade and other receivables excluding interest receivables	77,270	68,341	-	-	-
Financial assets at FVOCI and amortised cost and related interest receivables	-	90,118	1,195	1,418,734	749,638

Notes to the Interim Financial Information

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

(I) Financial risk factors (Continued)

During the period, the following loss allowances were recognised in consolidated profit and loss account in relation to the Group's debt securities at FVOCI and amortised cost:

	Stage 1 HK\$'000	Stage 2 HK\$'000	Stage 3 HK\$'000	POCI HK\$'000	Total HK\$'000
At 31st March 2024	3,514	170	10,805,351	1,030,500	11,839,535
Total ECL charge to profit and loss account for the period					
Credit quality related changes	–	(170)	162,831	7,025	169,686
Assets derecognised	(514)	–	(152)	–	(666)
At 30th September 2024	3,000	–	10,968,030	1,037,525	12,008,555
At 31st March 2023	3,401	170	4,924,338	387,617	5,315,526
Total ECL charge to profit and loss account for the period					
Credit quality related changes	7	–	1,267,009	190,192	1,457,208
Assets derecognised	–	–	(219,246)	–	(219,246)
At 30th September 2023	3,408	170	5,972,101	577,809	6,553,488

Notes to the Interim Financial Information

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

(II) Fair value estimation

Financial instruments carried at fair value are categorised into 3 levels defined as follow:

- **Financial instruments in level 1**

The fair value of financial instruments traded in active markets (such as listed equity securities) is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price. These instruments are included in level 1.

- **Financial instruments and related interest receivable in level 2**

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter investments and derivative) is determined by using latest available transaction price or valuation techniques. Judgements as to whether there is an active market may include, but not restricted to, consideration of factors such as the magnitude and frequency of trading activities, the availability of prices and the size of bid/ask spreads. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

- **Financial instruments and related interest receivable in level 3**

If one or more of the significant inputs is not based on observable market data, the instruments are included in level 3.

Level 3 instruments comprised unlisted equity securities, unlisted fund and defaulted debt securities which are not traded in an active market, whose transaction price or quoted price does not represent fair value. Fair values of these instruments have been determined using appropriate valuation techniques with references including quoted prices and asset-based value from financial institutions and other prices observed in recent transactions.

Notes to the Interim Financial Information

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

(II) Fair value estimation (Continued)

The following table presents the Group's financial instruments that are measured at fair value at 30th September 2024 and 31st March 2024:

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000
At 30th September 2024			
Assets			
Financial assets at FVOCI	214,726	76,072	1,226,944
Financial assets at fair value through profit or loss ("FVPL")	45,874	355,225	996,156
Interest receivable	–	15,500	400,664
Derivative financial instruments	–	152,772	–
	260,600	599,569	2,623,764
At 31st March 2024			
Assets			
Financial assets at FVOCI	186,380	165,154	1,291,017
Financial assets at FVPL	54,073	345,977	1,414,884
Interest receivable	–	14,303	352,220
Derivative financial instruments	–	322,162	–
	240,453	847,596	3,058,121

The following table presents the changes in level 3 financial instruments and related interest receivable for the six months ended 30th September 2024 and 2023:

	HK\$'000
At 31st March 2024	3,058,121
Net disposal	(287,080)
Net fair value change and other net movements	(147,277)
At 30th September 2024	2,623,764
At 31st March 2023	7,083,333
Net disposal	(187,418)
Transfer to financial assets at amortised cost	(255,743)
Net fair value change and other net movements	(2,822,610)
At 30th September 2023	3,817,562

Notes to the Interim Financial Information

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

(II) Fair value estimation (Continued)

The following table summarises the quantitative information about the significant unobservable input used in level 3 fair value measurement:

Description	Fair value as at 30th September 2024 HK\$'000	Valuation technique	Unobservable input	Relationship of unobservable input to fair value
Financial assets at FVOCI	1,122,044	Discounted cash flow methodology	Discount rate of 36% and scenario analysis of different probability on estimated cash flow from the bond	The higher the estimated cash flow from the underlying bond, the higher the fair value. The higher the discount rate, the lower the fair value. If the discount rate had increased/ decreased by 1%, with all other variables held constant, the Group's fair value attributable to shareholders of the Company would have decreased by HK\$20,585,000/ increased by HK\$20,208,000.
Interest receivable	400,664			
Financial assets at FVOCI	104,899	Asset-based valuation	Net asset value	The higher the net asset values, the higher the fair value.

Notes to the Interim Financial Information

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

(II) Fair value estimation (Continued)

Description	Fair value as at 30th September 2024 HK\$'000	Valuation technique	Unobservable input	Relationship of unobservable input to fair value
Financial assets at FVPL	882,476	Discounted cash flow methodology	Discount rate of 34% and scenario analysis of different probability on estimated cash flow from the bond	The higher the estimated cash flow from the underlying bond, the higher the fair value. The higher the discount rate, the lower the fair value. If the discount rate had increase/decreased by 1%, with all other variables held constant, the Group's fair value attributable to shareholders of the Company would have decreased by HK\$6,084,000/increased by HK\$6,239,000.
Financial assets at FVPL	101,978	Asset-based valuation	Net asset value	The higher the net asset values, the higher the fair value.
Financial assets at FVPL	11,702	Net assets value from property project	Fair value of the underlying property based on valuation model	The higher the fair value of the underlying property, the higher the fair value.

Notes to the Interim Financial Information

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

(II) Fair value estimation (Continued)

Description	Fair value as at 31st March 2024 HK\$'000	Valuation technique	Unobservable input	Relationship of unobservable input to fair value
Financial assets at FVOCI	1,184,804	Discounted cash flow methodology	Discount rate of 36% and scenario analysis of different probability on estimated cash flow from the bond	The higher the estimated cash flow from the underlying bond, the higher the fair value. The higher the discount rate, the lower the fair value. If the discount rate had increased/decreased by 1%, with all other variables held constant, the Group's fair value attributable to shareholders of the Company would have decreased by HK\$23,400,000/increased by HK\$26,216,000.
Interest receivable	362,488			
Financial assets at FVOCI	106,213	Asset-based valuation	Net asset value	The higher the net asset values, the higher the fair value.
Financial assets at FVPL	1,307,489	Discounted cash flow methodology	Discount rate of 18%-26% and scenario analysis of different probability on estimated cash flow from the bond	The higher the estimated cash flow from the underlying bond, the higher the fair value. The higher the discount rate, the lower the fair value. If the discount rate had increase/decreased by 1%, with all other variables held constant, the Group's fair value attributable to shareholders of the Company would have decreased by HK\$5,126,000/increased by HK\$6,393,000.

Notes to the Interim Financial Information

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

(II) Fair value estimation (Continued)

Description	Fair value as at 31st March 2024 HK\$'000	Valuation technique	Unobservable input	Relationship of unobservable input to fair value
Financial assets at FVPL	91,773	Asset-based valuation	Net asset value	The higher the net asset values, the higher the fair value.
Financial assets at FVPL	15,622	Net assets value from property project	Fair value of the underlying property based on valuation model	The higher the fair value of the underlying property, the higher the fair value.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31st March 2024.

6 SEGMENT INFORMATION

The Group is principally engaged in property management, development and investment, hotel operation and securities investments. Revenue includes revenue from property management, property sales and leasing, hotel operation, management services, interest income and dividend income.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments. The operating segments were determined based on the reports reviewed by the chief operating decision-maker. The Group is organised into four main operating segments, comprising property sales, property leasing, hotel operation and financial investments. Segment assets consist primarily of property, plant and equipment, investment properties, financial investments, other non-current assets, hotel inventories, properties held for sale and trade and other receivables. Segment liabilities comprise mainly borrowings, trade and other payables and contract liabilities.

Notes to the Interim Financial Information

6 SEGMENT INFORMATION (CONTINUED)

	Property sales HK\$'000	Property leasing HK\$'000	Hotel operation HK\$'000	Financial investments HK\$'000	Others HK\$'000	Total HK\$'000
Six months ended 30th September 2024						
Segment revenue	1,005,840	58,135	158,305	384,774	24,870	1,631,924
Contribution to segment results	355,310	35,976	66,084	379,190	15,761	852,321
Depreciation	(9,758)	-	(70,795)	-	(24,555)	(105,108)
Net investment loss	-	-	-	(390,597)	-	(390,597)
Fair value loss of investment properties	-	(245,485)	-	-	-	(245,485)
Share of profits less losses of						
Joint ventures	(65,996)	-	-	-	(20)	(66,016)
Associated companies	-	(29,327)	-	-	(68)	(29,395)
Segment results	279,556	(238,836)	(4,711)	(11,407)	(8,882)	15,720
Unallocated corporate expenses						(91,935)
Net finance costs						(315,112)
Loss before income tax						(391,327)
Six months ended 30th September 2023						
Segment revenue	-	63,695	173,872	741,737	21,134	1,000,438
Contribution to segment results	(9,775)	47,586	78,705	726,495	33,818	876,829
Depreciation	(10,104)	-	(73,814)	-	(23,474)	(107,392)
Net investment loss	-	-	-	(1,782,019)	-	(1,782,019)
Fair value gain of investment properties	-	175,363	-	-	-	175,363
Share of profits less losses of						
Joint ventures	32,472	-	-	-	(83)	32,389
Associated companies	-	(16,920)	-	-	13,817	(3,103)
Segment results	12,593	206,029	4,891	(1,055,524)	24,078	(807,933)
Unallocated corporate expenses						(85,870)
Net finance costs						(271,844)
Loss before income tax						(1,165,647)

Notes to the Interim Financial Information

6 SEGMENT INFORMATION (CONTINUED)

	Business segments						Total HK\$'000
	Property sales HK\$'000	Property leasing HK\$'000	Hotel operation HK\$'000	Financial investments HK\$'000	Others HK\$'000	Unallocated HK\$'000	
At 30th September 2024							
Assets	12,114,586	11,879,781	5,633,874	3,965,674	265,965	3,456,429	37,316,309
Assets include:							
Joint ventures and associated companies	5,337,214	1,165,412	-	-	20,540	-	6,523,166
Addition to non-current assets for the six months ended 30th September 2024*	7,697	-	11,360	-	20,285	604	39,946
Liabilities							
Borrowings	4,555,764	2,146,930	4,241,052	-	-	6,221,478	17,165,224
Other liabilities							2,499,137
							19,664,361
At 31st March 2024							
Assets	12,173,496	12,048,092	5,632,320	4,419,750	228,711	3,709,810	38,212,179
Assets include:							
Joint ventures and associated companies	5,330,289	1,194,740	-	-	20,364	4,359	6,549,752
Addition to non-current assets for the six months ended 30th September 2023*	5,286	263	3,218	-	10,155	30	18,952
Liabilities							
Borrowings	5,506,698	2,176,279	4,272,378	-	-	5,887,642	17,842,997
Other liabilities							2,251,333
							20,094,330

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

Notes to the Interim Financial Information

6 SEGMENT INFORMATION (CONTINUED)

	Six months ended 30th September	
	2024 HK\$'000	2023 HK\$'000
Revenue		
Hong Kong	284,727	257,020
Overseas	1,347,197	743,418
	1,631,924	1,000,438
	30th September 2024 HK\$'000	31st March 2024 HK\$'000
Non-current assets*		
Hong Kong	22,388,201	22,754,114
Overseas	2,489,766	2,353,759
	24,877,967	25,107,873

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

Sales of goods and services, leasing and other revenue can be further analysed into:

	Six months ended 30th September	
	2024 HK\$'000	2023 HK\$'000
Revenue from contracts with customers recognised		
– at a point in time	1,019,316	20,863
– over time	155,282	165,099
	1,174,598	185,962
Other sources	60,511	63,767
	1,235,109	249,729

Notes to the Interim Financial Information

7 NET INVESTMENT LOSS

	Six months ended	
	30th September	
	2024	2023
	HK\$'000	HK\$'000
Financial assets at FVPL		
– net unrealised fair value loss	(182,224)	(141,799)
– net realised gain (note (a))	348	4,720
Financial assets at FVOCI		
– net unrealised exchange loss	(6,809)	(14,612)
– net realised gain/(loss) (note (b))	1,260	(170,404)
– change in expected credit losses	(162,661)	(1,457,208)
Financial assets at amortised cost		
– net unrealised exchange loss	(4,090)	(1,062)
– change in expected credit losses	(7,025)	–
Derivative financial instrument		
– net unrealised loss	(29,396)	(1,654)
	(390,597)	(1,782,019)

Notes:

(a)	Net realised gain on financial assets at FVPL		
	Gross consideration	300,579	221,104
	Cost of investments	(330,908)	(219,346)
	Add: net unrealised loss recognised in prior years	30,677	2,962
	Net realised gain recognised in current period	348	4,720
(b)	Net realised gain/(loss) on financial assets at FVOCI		
	Gross consideration	92,124	281,482
	Cost of investments	(76,098)	(665,427)
	Transfer from investment revaluation reserve	(14,766)	213,541
	Net realised gain/(loss) recognised in current period	1,260	(170,404)

Notes to the Interim Financial Information

7 NET INVESTMENT LOSS (CONTINUED)

Notes: (Continued)

- (c) Net unrealised loss for the period was generated from the fair value changes of the financial investments that comprised 66 (2023: 65) securities and 4 (2023: 4) funds as at 30th September 2024.

Summary of unrealised (loss)/gain recognised in the profit and loss account for the six months ended 30th September:

	Six months ended 30th September	
	2024	2023
	HK\$'000	HK\$'000
Equity securities	(726)	(8,039)
Debt securities	(208,540)	(150,073)
Unlisted funds	16,143	639
	(193,123)	(157,473)

During the period, the following debt securities contributed to the majority of the unrealised loss:

	Unrealised loss for the six months ended 30th September 2024
	HK\$'000
Pearl River 7.5% notes 1 (i)	(22,770)
Pearl River 7.5% notes 2 (i)	(60,534)
Guangzhou R&F 6.7% notes 1 (ii)	(97,766)
Guangzhou R&F 7% notes (ii)	(16,083)
	(197,153)

- (i) These notes are issued by Guangdong Pearl River Investment Co., Limited ("Pearl River"), listed on Shanghai Stock Exchange ("SSE") and denominated in Renminbi. The Group acquired them through total return swap arrangement ("TRS") arranged by Morgan Stanley & Co. International plc ("Morgan Stanley"), a public limited company incorporated in England and Wales. Pearl River is principally engaged in the development and sale of properties, property investment, hotel operations and other property development related services in the PRC. Their parameters are as follows:

	Coupon per annum	Maturity
Pearl River 7.5% notes 1	7.5%	13th July 2024 extended to 11th October 2024
Pearl River 7.5% notes 2	7.5%	31st July 2024 extended to 31st October 2024

Notes to the Interim Financial Information

7 NET INVESTMENT LOSS (CONTINUED)

Notes: (Continued)

(c) (Continued)

- (ii) These notes are issued by Guangzhou R&F Properties Co., Limited (“Guangzhou R&F”), listed on SSE, denominated in Renminbi. These notes were held through TRS arranged by Morgan Stanley. Guangzhou R&F is principally engaged in property development, property management, hotel development, commercial operations, and architectural and engineering design. Its shares are listed on SEHK (stock code: 2777). Main terms of the notes are as follows:

	Coupon per annum	Maturity
Guangzhou R&F 6.7% notes 1	6.7%	16th September 2025
Guangzhou R&F 7% notes	7%	16th September 2026

(d) Summary of ECL for the period:

During the period, the following debt securities contributed to the majority of the changes in expected credit loss:

	Changes in ECL for the six months ended 30th September 2024 HK\$'000
Jiayuan 11.375% notes (i)	(65,780)
Jiayuan 12% notes (i)	(31,636)
Kaisa 9.375% notes (ii)	(20,821)
Guangzhou R&F 6.7% notes 2 (iii)	(9,162)
	(127,399)

- (i) Jiayuan 11.375% and Jiayuan 12% notes, issued by Jiayuan International Group Limited (“Jiayuan”) and carries fixed coupon rate of 11.375% and 12% per annum. Jiayuan 11.375% notes are unlisted and Jiayuan 12% notes are listed on Singapore Stock Exchange (“SGX-ST”). The notes are denominated in USD and matured on 29th October 2023 and 30th October 2022 respectively. Jiayuan is principally engaged in property development and property investment in the PRC. Its shares were listed on SEHK (stock code: 2768) and were delisted in October 2024.
- (ii) Kaisa 9.375% notes, issued by Kaisa Group Holdings Limited (“Kaisa”), and carries fixed coupon rates of 9.375% per annum. These notes are denominated in USD, listed on SGX-ST and matures on 30th June 2024. Kaisa are principally engaged in property development, property investment, property management, hotel and catering operations, cultural centre operations and healthcare operations in the PRC. Its share are listed on SEHK (stock code: 1638).
- (iii) Guangzhou R&F 6.7% notes 2, issued by Guangzhou R&F and carries fixed coupon rate of 6.7% per annum. The notes are denominated in Renminbi and matures on 16th September 2025. The notes are listed on SSE.

Notes to the Interim Financial Information

8 INCOME AND EXPENSES BY NATURE

	Six months ended	
	30th September	
	2024	2023
	HK\$'000	HK\$'000
Income		
Interest income from financial assets at FVOCI		
– Listed investments	155,308	550,296
– Unlisted investments	30,061	53,942
Interest income from financial assets at FVPL		
– Listed investments	84,784	69,210
– Unlisted investments	8,583	6,448
Interest income from financial assets measured at amortised cost		
– Listed investments	94,947	53,723
– Joint ventures	3,907	7,359
– Loan receivables	1,464	1,456
– Bank deposits	17,761	8,275
Dividend income		
– Listed investments	10,552	5,474
Expenses		
Cost of properties and goods sold	529,925	3,687
Employee benefit expense (including directors' emoluments) (note (a))	105,888	101,623
Note:		
(a) Employee benefit expense		
Wages and salaries	104,950	101,845
Retirement benefit costs	2,617	2,387
	107,567	104,232
Capitalised under property under development for sale	(1,679)	(2,609)
	105,888	101,623

Notes to the Interim Financial Information

9 NET FINANCE COSTS

	Six months ended 30th September	
	2024	2023
	HK\$'000	HK\$'000
Interest (expense)/income		
Long term bank loans	(531,745)	(490,338)
Short term bank loans and overdrafts	(84)	–
Lease liabilities	(84)	(50)
Joint ventures	(2,404)	(1,635)
Derivative financial instruments (interest rate swaps (“IRS”))	138,677	131,439
Interest capitalised	132,657	113,561
	(262,983)	(247,023)
Other incidental borrowing costs	(30,975)	(30,259)
Net foreign exchange loss on borrowings	(15)	(14)
Fair value (loss)/gain on derivative financial instruments (IRS)		
Cash flow hedge – ineffective portion	(21,139)	5,452
	(315,112)	(271,844)

10 INCOME TAX (EXPENSE)/CREDIT

	Six months ended 30th September	
	2024	2023
	HK\$'000	HK\$'000
Current income tax (expense)/credit		
Hong Kong	(7,314)	(373)
Overseas	(42,282)	–
Over provision in prior years	–	1,441
	(49,596)	1,068
Deferred income tax credit	27,992	32,838
	(21,604)	33,906

Hong Kong profits tax is provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profit for the period. Overseas profits tax has been provided on the estimated assessable profit for the period at the tax rates prevailing in the countries in which the Group operates.

Notes to the Interim Financial Information

11 DIVIDEND

The Board of Directors does not recommend the payment of an interim dividend for the six months ended 30th September 2024 (2023: Nil).

12 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.

	Six months ended 30th September	
	2024	2023
	HK\$'000	HK\$'000
Loss attributable to shareholders of the Company	(239,425)	(618,645)
	Number of shares	
Weighted average number of shares in issue	840,873,996	840,873,996

The diluted loss per share is equal to the basic loss per share since there exist no dilutive potential share during the six months ended 30th September 2024 and 2023.

13 INVESTMENT PROPERTIES

Investment properties were revalued by Prudential Surveyors (Hong Kong) Limited, independent professional valuers, on an open market value basis as at 30th September 2024 and 31st March 2024. All of the fair value measurements of the Group's investment properties were categorised as level 3 of the fair value hierarchy. There were no transfers into or out of level 3 during the period.

Notes to the Interim Financial Information

14 PROPERTY, PLANT AND EQUIPMENT

	Hotel buildings HK\$'000	Other buildings HK\$'000	Other equipments HK\$'000	Right-of-use assets* HK\$'000	Total HK\$'000
Cost					
At 31st March 2024	2,296,219	671,524	177,774	7,564,756	10,710,273
Currency translation differences	–	–	15	(1)	14
Additions	9,646	20,285	1,479	839	32,249
Disposals	–	–	(2,964)	(879)	(3,843)
At 30th September 2024	2,305,865	691,809	176,304	7,564,715	10,738,693
Accumulated depreciation					
At 31st March 2024	1,166,455	59,054	124,528	1,618,531	2,968,568
Currency translation differences	–	–	11	1	12
Charge for the period	33,258	5,262	5,327	61,261	105,108
Disposals	–	–	(2,964)	(879)	(3,843)
At 30th September 2024	1,199,713	64,316	126,902	1,678,914	3,069,845
Net book value					
At 30th September 2024	1,106,152	627,493	49,402	5,885,801	7,668,848
At 31st March 2024	1,129,764	612,470	53,246	5,946,225	7,741,705

* Mainly relates to leasehold land in Hong Kong.

Notes:

Supplementary information with hotel properties at valuation:

The hotel properties portfolio in Hong Kong comprised five (31st March 2024: five) hotels. According to the Group's accounting policies, the carrying amount of these hotel properties in Hong Kong were HK\$5,526,644,000 (31st March 2024: HK\$5,602,610,000).

The aggregate open market value, on a highest and best use basis, of the five (31st March 2024: five) hotel properties in Hong Kong based on valuations conducted by Vincorn Consulting & Appraisal Limited ("Vincorn"), independent professional valuers, amounted to HK\$13,180,000,000 (31st March 2024: HK\$13,233,000,000 conducted by Vigers Appraisal & Consulting Limited ("Vigers")), is regarded as level 3 hierarchy for disclosure purpose under HKFRS 13.

The supplementary information with hotel properties at valuation is for readers' information only. It does not constitute a disclosure requirement under HKAS 16 and HKFRS 16.

Notes to the Interim Financial Information

15 TRADE AND OTHER RECEIVABLES

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

Accrued interest receivables and accrued dividend receivables amounted to HK\$417,143,000 (31st March 2024: HK\$375,443,000).

Trade receivables of the Group amounted to approximately HK\$73,827,000 (31st March 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 evaluations 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:

	30th September 2024 HK\$'000	31st March 2024 HK\$'000
0 month to 6 months	72,889	72,089
7 months to 12 months	106	3,147
More than 12 months	832	2,034
	73,827	77,270

Notes to the Interim Financial Information

16 FINANCIAL INVESTMENTS

	30th September 2024 HK\$'000	31st March 2024 HK\$'000
Non-current assets		
Equity securities		
– Listed in Hong Kong	214,726	186,380
– Listed in the USA	104,899	106,213
	319,625	292,593
Debt securities		
– Listed in Singapore	533,538	649,573
– Listed in Europe	110,953	108,352
	644,491	757,925
Unlisted funds	113,680	107,395
	1,077,796	1,157,913
Current assets		
Equity securities		
– Listed in Hong Kong	43,307	43,742
– Listed in Europe	2,567	10,331
	45,874	54,073
Debt securities		
– Listed in Singapore	1,007,483	918,926
– Listed in the PRC	1,311,237	1,727,626
– Listed in Europe	1,451	1,549
– Unlisted	98,143	140,601
	2,418,314	2,788,702
	2,464,188	2,842,775
Total financial investments	3,541,984	4,000,688

Notes to the Interim Financial Information

16 FINANCIAL INVESTMENTS (CONTINUED)

Financial investments are classified in the following categories:

	30th September 2024 HK\$'000	31st March 2024 HK\$'000
Non-current assets		
Financial assets at FVOCI	431,953	582,601
Financial assets at FVPL	113,680	107,395
Financial assets at amortised cost	532,163	467,917
	1,077,796	1,157,913
Current assets		
Financial assets at FVOCI	1,085,789	1,059,950
Financial assets at FVPL	1,283,575	1,707,539
Financial assets at amortised cost	94,824	75,286
	2,464,188	2,842,775
Total financial investments	3,541,984	4,000,688

Financial investments are denominated in the following currencies:

United States dollar	1,957,283	2,015,853
Renminbi	1,311,237	1,727,626
Hong Kong dollar	258,033	230,122
Sterling	2,567	10,331
Japanese yen	11,702	15,622
Euro	1,161	1,134
	3,541,983	4,000,688

Notes to the Interim Financial Information

16 FINANCIAL INVESTMENTS (CONTINUED)

Supplementary information of financial investments:

Equity Securities

As at 30th September 2024, the Group held 15 (31st March 2024: 18) listed equity securities and 1 (31st March 2024: 1) unlisted equity securities. The summary of equity securities portfolio of financial investments as at 30th September 2024 and 31st March 2024 and their corresponding unrealised gain/(loss) and dividend income for the six months ended 30th September 2024 and 2023 are as follows:

	Market value as at 30th September 2024 HK\$'000	Unrealised gain/(loss) for the six months ended 30th September 2024 HK\$'000	Dividend income for the six months ended 30th September 2024 HK\$'000
HSBC Holdings PLC ("HSBC")	214,726	28,346	9,760
Amer Sports Inc ("Amer Sports")	104,899	(1,314)	–
Others	45,874	(1)	792
	365,499	27,031	10,552

	Market value as at 31st March 2024 HK\$'000	Unrealised gain/(loss) for the six months ended 30th September 2023 HK\$'000	Dividend income for the six months ended 30th September 2023 HK\$'000
HSBC	186,380	25,908	4,772
Amer Sports	106,213	457	–
Shengjing Bank Co., Limited ("Shengjing")	7,166	(3,934)	–
Others	46,907	6,206	702
	346,666	28,637	5,474

HSBC is a global banking and financial services company. It operates across various geographical regions, and its shares are listed on SEHK (stock code: 5) and London Stock Exchange (stock code: HSBA), with a "A-" rated by S&P Global Ratings. As at 30th September 2024, a total of 0.02% shareholding of HSBC was held by the Group.

Notes to the Interim Financial Information

16 FINANCIAL INVESTMENTS (CONTINUED)

Equity Securities (Continued)

Amer Sports is a global sporting goods company headquartered in Finland with internationally recognised brands, and its shares are listed on NYSE (stock code: AS). It is a joint venture of Anta Sports Products Limited (“Anta Sports”). Anta Sports is principally engaged in the manufacturing and trading of sporting goods, including footwear, apparel and accessories in the PRC. Its shares are listed on SEHK (stock code: 2020). As at 30th September 2024, a total of 0.19% shareholding of Amer Sports was held by the Group.

The principal activities of Shengjing are the provision of corporate and personal deposits, loans and advances, settlement, treasury business and other banking services in the PRC. Its Shares are listed on SEHK (stock code: 2066).

Debt Securities

As at 30th September 2024, the Group held 50 (31st March 2024: 51) debt securities, 38 of them are listed in Singapore, 8 in the PRC, 3 in Europe and 1 unlisted. 49 (31st March 2024: 50) debt securities were issued by PRC-based real estate companies, the shares of which are all listed in Hong Kong with the exception of 1 that is listed in the United States and 3 are unlisted.

The summary of debt securities portfolio of financial investments as at 30th September 2024 and 31st March 2024 are as follows:

	30th September 2024 HK\$'000	31st March 2024 HK\$'000
Principal amount of notes	15,160,144	15,595,062
Investment cost	13,383,996	13,740,576
Fair value	3,176,485	3,541,452
Coupon	3% to 14.25%	3% to 14.25%
Maturities	Various, up to Sep 2030	Various, up to Dec 2027

As at 30th September 2024, the 50 (30th September 2023: 45) debt securities gave rise to a net unrealised fair value loss of HK\$266 million for the six months ended 30th September 2024 (2023: HK\$2,465 million).

As at 30th September 2024, the fair value of the five largest debt securities held represents approximately 3.4% (31st March 2024: 4.0%) of the Group's revalued total assets. The remaining 45 debt securities represent 3.4% of the Group's revalued total assets, with each of them less than 0.3%.

Notes to the Interim Financial Information

16 FINANCIAL INVESTMENTS (CONTINUED)

Debt Securities (Continued)

The five largest debt securities held at 30th September 2024 and 31st March 2024 are as follows:

	Fair value as at 30th September 2024 HK\$'000	% of the debt securities portfolio	Unrealised loss for the six months ended 30th September 2024 HK\$'000	Interest income for the six months ended 30th September 2024 HK\$'000
Guangzhou R&F 6.7% notes 1 (i)	477,131	16%	(97,766)	26,048
Pearl River 7.5% notes 1 (i)	320,049	10%	(60,534)	15,121
Guangzhou R&F 7% notes (i)	289,240	9%	(16,083)	21,214
Xinyuan 3% notes (ii)	276,557	9%	(1,750)	43,800
Golden Wheel 10% notes (iii)	191,292	6%	(362)	23,884

	Fair value as at 31st March 2024 HK\$'000	% of the debt securities portfolio	Unrealised loss for the six months ended 30th September 2023 HK\$'000	Interest income for the six months ended 30th September 2023 HK\$'000
Guangzhou R&F 6.7% notes 1 (i)	551,264	16%	(37,258)	22,481
Pearl River 7.5% notes 2 (i)	390,821	11%	(27,242)	16,182
Pearl River 7.5% notes 1 (i)	365,403	10%	(32,907)	18,956
Guangzhou R&F 7% notes (i)	283,548	8%	(24,824)	16,304
Xinyuan 3% notes (ii)	241,556	7%	(336)	5,698

Notes:

- (i) The details of these notes were described in note 7(c) and 7(d).
- (ii) Xinyuan 3% notes, issued by Xinyuan Real Estate Company Limited ("Xinyuan"), carries fixed coupon rate of 3% per annum. These notes are denominated in USD and mature on 30th September 2027. These notes are listed on SGX-ST. Xinyuan is principally engaged in residential real estate development and the provision of property management services. The group's operations are conducted mainly in the PRC. Its shares are listed on New York Stock Exchange (stock code: XIN).
- (iii) Golden Wheel 10% notes, issued by Golden Wheel Tiandi Holdings Limited ("Golden Wheel") and carries fixed coupon rate at 10% per annum. The notes are denominated in USD and matures on 11th April 2025 with amortization during the tenor. They are not rated and are listed on SGX-ST. Golden Wheel is principally engaged in property related business in the PRC. Its shares are listed on SEHK (stock code: 1232).

Notes to the Interim Financial Information

17 TRADE AND OTHER PAYABLES

Trade and other payables of the Group include trade payables, rental and management fee deposits, lease liabilities, retentions payable of construction costs, interest payables and various accruals. Trade payables of the Group amounted to approximately HK\$42,199,000 (31st March 2024: HK\$163,026,000).

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

	30th September 2024 HK\$'000	31st March 2024 HK\$'000
0 month to 6 months	41,748	162,804
7 months to 12 months	43	6
More than 12 months	408	216
	42,199	163,026

18 BORROWINGS

	30th September 2024 HK\$'000	31st March 2024 HK\$'000
Current liabilities		
Short term bank loans		
Secured	12,486	–
Unsecured	10,000	30,000
Current portion of long term bank loans		
Secured	3,605,731	3,919,811
Unsecured	691,221	1,843,630
	4,319,438	5,793,441
Non-current liabilities		
Long term bank loans		
Secured	10,566,296	9,802,913
Unsecured	2,279,490	2,246,643
	12,845,786	12,049,556
	17,165,224	17,842,997

Notes to the Interim Financial Information

18 BORROWINGS (CONTINUED)

The maturities of the long term bank loans, based on the scheduled repayment dates set out in the loan agreements and ignoring the effect of any repayment on demand clause, are as follow:

	30th September 2024 HK\$'000	31st March 2024 HK\$'000
Repayable within one year	4,296,952	5,663,441
Repayable between one and two years	6,351,942	4,434,985
Repayable between two and five years	6,493,844	7,714,571
	17,142,738	17,812,997
Current portion included in current liabilities	(4,296,952)	(5,763,441)
	12,845,786	12,049,556

The carrying amounts of the short term and long term borrowings approximate their fair values.

19 SHARE CAPITAL

Shares of HK\$0.1 each	Number of shares	Amount HK\$'000
Authorised:		
At 30th September 2024 and 31st March 2024	3,000,000,000	300,000
Issued and fully paid:		
At 30th September 2024 and 31st March 2024	840,873,996	84,087

20 RESERVES

	Share premium HK\$'000	Capital reserve HK\$'000	Contributed surplus HK\$'000	Share option reserve HK\$'000	Hedging reserve HK\$'000	Investment revaluation reserve HK\$'000	Property revaluation reserve HK\$'000	Currency translation reserve HK\$'000	Revenue reserve HK\$'000	Total HK\$'000
At 31st March 2024	2,257,745	398,021	60,257	4,111	107,260	(1,100,070)	31,167	(130,681)	7,794,819	9,422,629
Financial assets at FVOCI - net fair value change and other net movements	-	-	-	-	-	8,903	-	-	-	8,903
Cashflow hedges - net fair value loss	-	-	-	-	(59,870)	-	-	-	-	(59,870)
- deferred tax on derivative financial instruments	-	-	-	-	9,879	-	-	-	-	9,879
Currency translation differences	-	-	-	-	-	-	-	12,676	-	12,676
Loss for the period	-	-	-	-	-	-	-	-	(239,425)	(239,425)
At 30th September 2024	2,257,745	398,021	60,257	4,111	57,269	(1,091,167)	31,167	(118,005)	7,555,394	9,154,792

Notes to the Interim Financial Information

21 COMMITMENTS

Commitments at the balance sheet date are as follows:

	30th September 2024 HK\$'000	31st March 2024 HK\$'000
Contracted but not provided for Property, plant and equipment	26,743	49,659

22 FINANCIAL GUARANTEES

	30th September 2024 HK\$'000	31st March 2024 HK\$'000
Guarantees for the bank loan facilities of joint ventures and an associated company	2,646,085	2,657,554

23 RELATED PARTY TRANSACTIONS

During the period, no significant transactions have been carried out with related parties.

No transactions have been entered into with the Directors (being the key management personnel) during the period other than the emoluments paid to them (being key management personnel compensation) (2023: Nil).

24 EVENTS AFTER THE REPORTING PERIOD

Group reorganisation (the “Group Reorganisation”) relating to Asia Standard Hotel Group Limited (“ASH”)

A joint announcement dated 19th June 2024 was made by Asia Standard International Group Limited (“ASI”, the Company’s indirectly owned listed subsidiary), ASH and The Sai Group Limited (the “Offeror”, a wholly-owned subsidiary of ASI) relating to the Group Reorganisation. It involved a scheme of arrangement of ASH (the “Scheme”) pursuant to which, every 20 shares of ASH held by shareholders of ASH other than the Offeror and Offeror concerted parties (the “Offerees”) will be exchanged into 3 new shares of ASI and HK\$0.70 cash paid by the Offeror.

In October 2024, the Scheme became effective and the listing of ASH shares on SEHK was withdrawn. A total of approximately 100.9 million new ASI shares were issued to and approximately HK\$23.5 million cash was paid to the Offerees.

After the Group Reorganisation, the Group holds 100% interest in the share capital of ASH, whereas the Group’s interest in ASI decreased from 51.79% to 48.12%. ASI is still considered to be controlled by the Group and will continue to be accounted for as a subsidiary in the consolidated financial statements of the Company.

The above transactions do not have a material effect to the consolidated profit and loss account.

Other Information

Pursuant to Rule 13.22 of the Listing Rules, a proforma combined balance sheet of affiliated companies with financial assistance from the Group and the Group's attributable interest in those affiliated companies as at 30th September 2024 are as follow:

	Proforma combined balance sheet HK\$'000	Group's attributable interest HK\$'000
Non-current assets	14,946,009	4,125,561
Current assets	20,488,522	7,900,626
Current liabilities	(17,019,370)	(5,942,932)
Non-current liabilities	(10,527,245)	(2,793,738)
	7,887,916	3,289,517

The proforma combined balance sheet of the affiliated companies is prepared by combining their balance sheet, after making adjustments to conform with the Group's significant accounting policies and re-grouping into significant classification in the balance sheet as at 30th September 2024.

Other Information

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

As at 30th September 2024, the interests and short positions of the Directors and Chief Executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which (a) were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO); or (b) were recorded in the register required to be kept by the Company under Section 352 of the SFO; or (c) were required to be notified to the Company and the Stock Exchange pursuant to 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 (the "Listing Rules") were as follows:

(I) Long Positions in Shares

(a) The Company

Director	Number of shares held			Total	Percentage of shares in issue (%)
	Personal interest	Corporate interest	Family interest		
Poon Jing	401,139,472	145,213,900	5,318,799	551,672,171	65.60
Fung Siu To, Clement	15,440,225	–	–	15,440,225	1.83
Poon Hai	10,444,319	–	–	10,444,319	1.24

(b) Associated corporations

Director	Associated corporation	Number of shares held			Total	Percentage of shares in issue (%)
		Personal interest	Corporate interest			
Poon Jing	Asia Standard International Group Limited ("Asia Standard")	1,308,884	683,556,392 (Notes)		684,865,276	51.89
	Asia Standard Hotel Group Limited ("Asia Standard Hotel")	152,490	1,346,158,049 (Notes)		1,346,310,539	66.71
Fung Siu To, Clement	Mark Honour Limited	9	–		9	0.01

Notes:

- By virtue of Mr. Poon Jing's controlling interest in the Company, he is deemed to be interested in the shares of Asia Standard and Asia Standard Hotel held by the Company and its subsidiaries.
- By virtue of Mr. Poon Jing's controlling interest in the Company, he is deemed to be interested in the shares of all the Company's subsidiaries and associated corporations.

Other Information

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES (CONTINUED)

(II) Long Positions in Underlying Shares

Interests in share options

(a) The Company

Director	Outstanding as at 1st April 2024 and 30th September 2024
Poon Hai	3,500,000
Poon Yeung, Roderick	3,500,000

Notes:

- Options were granted on 11th December 2015 under 2014 Share Option Scheme (as described under the heading "Share Option Schemes") and exercisable during the period from 11th December 2015 to 10th December 2025 at an exercise price of HK\$1.42 per share.
- During the period, no option was granted to the Directors and the options granted to the Directors have not been exercised, cancelled or lapsed.

(b) Associated corporation – Asia Standard

Director	Outstanding as at 1st April 2024 and 30th September 2024
Poon Hai	3,500,000
Poon Yeung, Roderick	3,500,000

Notes:

- Options were granted on 11th December 2015 under 2014 Asia Standard Share Option Scheme (as described under the heading "Share Option Schemes") and exercisable during the period from 11th December 2015 to 10th December 2025 at an exercise price of HK\$1.38 per share.
- During the period, no option was granted to the Directors and the options granted to the Directors have not been exercised, cancelled or lapsed.

Other Information

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES (CONTINUED)

(II) Long Positions in Underlying Shares (Continued)

Interests in share options (Continued)

(c) Associated corporation – Asia Standard Hotel

Director	Outstanding as at 1st April 2024 and 30th September 2024
Poon Hai	14,400,000
Poon Yeung, Roderick	14,400,000

Notes:

- Options were granted on 11th December 2015 under 2006 Asia Standard Hotel Share Option Scheme (as described under the heading "Share Option Schemes") and exercisable during the period from 11th December 2015 to 10th December 2025 at an exercise price of HK\$0.343 (as adjusted) per share.
- During the period, no option was granted to the Directors and the options granted to the Directors have not been exercised, cancelled or lapsed.

(III) Long Positions in Underlying Shares and Debentures

Interests in convertible notes

Associated corporation – Asia Standard Hotel

Director	Nature of interest	Amount of convertible note held (HK\$)	Number of underlying shares held
Poon Jing	Corporate	1,219,619,192	2,692,316,098

Note: By virtue of Mr. Poon Jing's controlling interest in the Company, he is deemed to be interested in the convertible notes (the "ASH Convertible Note(s)") held by the Company and its subsidiaries which are convertible into 2,692,316,098 shares of Asia Standard Hotel. The ASH Convertible Notes are redeemable at the redemption value of HK\$0.453 per ASH Convertible Note. Such ASH Convertible Notes have been redeemed and/or converted after 30th September 2024.

Save as disclosed above, as at 30th September 2024, none of the Directors or Chief Executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) 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 were taken or deemed to have under such provisions of the SFO); or (b) were recorded in the register required to be kept by the Company under Section 352 of the SFO; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Other Information

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

The register of substantial shareholders maintained under Section 336 of the SFO shows that as at 30th September 2024, the Company had been notified of the following substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the Directors and Chief Executive of the Company.

Long Positions in Shares of the Company

Shareholder	Capacity	Number of shares held	Percentage of shares in issue (%)
Teddington Holdings Limited ("Teddington") (Note)	Beneficial owner	60,624,439	7.20
Daswani Rajkumar Murlidhar	Beneficial owner	53,910,548	6.41
Heston Holdings Limited ("Heston") (Note)	Beneficial owner	50,429,573	5.99

Note: Mr. Poon Jing, his family interest and the companies wholly-owned by him, namely Teddington, Heston and Full Speed Investments Limited together hold 551,672,171 shares. The interests of Teddington and Heston duplicate the interest of Mr. Poon Jing disclosed under the heading "Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures".

Save as disclosed above, as at 30th September 2024, the Directors were not aware of any other persons (other than the Directors and Chief Executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which were required to be recorded in the register required to be kept by the Company under Section 336 of the SFO.

Other Information

SHARE OPTION SCHEMES

The Company

The share option scheme of the Company adopted by the Company on 29th August 2014 ("2014 Share Option Scheme") expired on the tenth anniversary of such adoption date. Following the expiry of 2014 Share Option Scheme, no further share option can be granted thereunder but all outstanding share options granted under 2014 Share Option Scheme and yet to be exercised shall remain valid and exercisable. As at 30th September 2024, there were 7,000,000 share options granted under 2014 Share Option Scheme outstanding. Movements of share options granted under 2014 Share Option Scheme during the period are as follows:

Grantee	Outstanding as at 1st April 2024 and 30th September 2024
Directors	7,000,000

Notes:

- Options were granted on 11th December 2015 and exercisable during the period from 11th December 2015 to 10th December 2025 at an exercise price of HK\$1.42 per share.
- During the period, no option was exercised, cancelled or lapsed.

Prior to the expiry of 2014 Share Option Scheme on 28th August 2024, the number of share options available for grant under the 2014 Share Option Scheme on 1st April 2024 was 69,476,084 share options. The Company adopted a share option scheme on 4th September 2024 ("2024 Share Option Scheme"). No share option has been granted under 2024 Share Option Scheme since its adoption. As at 30th September 2024, the number of share options available for grant under the 2024 Share Option Scheme was 84,087,399 share options.

During the period, the number of shares of the Company which may be issued in respect of share options of the Company granted under all of the share option schemes of the Company (including the 2014 Share Option Scheme and the 2024 Share Option Scheme) was 7,000,000 shares, represented approximately 0.83% of the number of shares of the Company in issue during the period.

Associated corporation – Asia Standard

The share option scheme of Asia Standard adopted by Asia Standard on 29th August 2014 ("2014 Asia Standard Share Option Scheme") expired on the tenth anniversary of such adoption date. Following the expiry of 2014 Asia Standard Share Option Scheme, no further share option can be granted thereunder but all outstanding share options granted under 2014 Asia Standard Share Option Scheme and yet to be exercised shall remain valid and exercisable. As at 30th September 2024, there were 7,000,000 share options granted under 2014 Asia Standard Share Option Scheme outstanding. Movements of share options granted under 2014 Asia Standard Share Option Scheme during the period are as follows:

Grantee	Outstanding as at 1st April 2024 and 30th September 2024
Directors	7,000,000

Notes:

- Options were granted on 11th December 2015 and exercisable during the period from 11th December 2015 to 10th December 2025 at an exercise price of HK\$1.38 per share.
- During the period, no option was exercised, cancelled or lapsed.

SHARE OPTION SCHEMES (CONTINUED)

Associated corporation – Asia Standard (Continued)

Prior to the expiry of 2014 Asia Standard Share Option Scheme on 28th August 2024, the number of share options available for grant under the 2014 Asia Standard Share Option Scheme on 1st April 2024 was 118,482,152 share options. Asia Standard adopted a share option scheme on 4th September 2024 (“2024 Asia Standard Share Option Scheme”). No share option has been granted under 2024 Asia Standard Share Option Scheme since its adoption. As at 30th September 2024, the number of share options available for grant under the 2024 Asia Standard Share Option Scheme was 131,978,228 share options.

During the period, the number of shares of Asia Standard which may be issued in respect of share options of Asia Standard granted under all of the share option schemes of Asia Standard (including the 2014 Asia Standard Share Option Scheme and the 2024 Asia Standard Share Option Scheme) was 7,000,000 shares, represented approximately 0.53% of the number of shares of Asia Standard in issue during the period.

Associated corporation – Asia Standard Hotel

The share option scheme of Asia Standard Hotel adopted by Asia Standard Hotel on 28th August 2006 (“2006 Asia Standard Hotel Share Option Scheme”) expired on the tenth anniversary of such adoption date. Following the expiry of 2006 Asia Standard Hotel Share Option Scheme, no further share option can be granted thereunder but all outstanding share options granted under 2006 Asia Standard Hotel Share Option Scheme and yet to be exercised shall remain valid and exercisable. As at 30th September 2024, there were 28,800,000 share options granted under 2006 Asia Standard Hotel Share Option Scheme outstanding. Movements of the share options granted under 2006 Asia Standard Hotel Share Option Scheme during the period are as follows:

Grantee	Outstanding as at 1st April 2024 and 30th September 2024
Directors	28,800,000

Notes:

1. Options were granted on 11th December 2015 and exercisable during the period from 11th December 2015 to 10th December 2025 at an exercise price of HK\$0.343 (as adjusted) per share.
2. During the period, no option was exercised, cancelled or lapsed.

Asia Standard Hotel adopted a share option scheme on 8th September 2016 and its scheme limit was refreshed on 30th August 2017 (“2016 Asia Standard Hotel Share Option Scheme”). No share option has been granted under 2016 Asia Standard Hotel Share Option Scheme since its adoption. The number of share options available for grant under the 2016 Asia Standard Hotel Share Option Scheme on 1st April and 30th September 2024 was 173,004,047 share options. During the period, the number of shares of Asia Standard Hotel which may be issued in respect of share options of Asia Standard Hotel granted under all of the share option schemes of Asia Standard Hotel was 28,800,000 shares, represented approximately 1.42% of the number of shares of Asia Standard Hotel in issue during the period.

Other Information

INTERIM DIVIDEND

The Board of Directors (the “Board”) does not recommend the payment of an interim dividend for the six months ended 30th September 2024 (2023: Nil).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code and has made specific enquiry of all Directors regarding any non-compliance with the Model Code during the period, and they all confirmed that they have fully complied with the required standard as set out in the Model Code throughout the period ended 30th September 2024.

CORPORATE GOVERNANCE CODE

During the period, 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.

AUDIT COMMITTEE

The Audit Committee has reviewed the unaudited interim results of the Group for the six months ended 30th September 2024.

On behalf of the Board
Asia Orient Holdings Limited
Fung Siu To, Clement
Chairman

Hong Kong, 29th November 2024

