



Asia Standard International  
Group Limited



Interim Report 2024

HKSE Stock Code: 129

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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. Ip Chi Wai  
Mr. Leung Wai Keung, *JP*  
Mr. Wong Chi Keung

## Audit Committee

Mr. Wong Chi Keung (*Chairman*)  
Mr. Ip Chi Wai  
Mr. Leung Wai Keung, *JP*

## Remuneration Committee

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

## Nomination Committee

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

## 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.asiastandard.com>  
E-mail [asinfo@asiastandard.com](mailto:asinfo@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  
Chiyu Banking Corporation  
Fubon Bank (Hong Kong)  
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

(in HK\$ million, except otherwise indicated)	Six months ended 30th September		Change
	2024	2023	
<b>Consolidated profit and loss account</b>			
Revenue	1,583	901	+76%
Loss attributable to shareholders of the Company	(386)	(916)	-58%
Loss per share – basic (HK\$)	(0.29)	(0.69)	-58%
	30th September 2024	31st March 2024	Change
<b>Consolidated balance sheet</b>			
Total assets	33,347	34,145	-2%
Net assets	14,300	14,684	-3%
Equity attributable to shareholders of the Company	14,020	14,451	-3%
Net debt	15,868	16,556	-4%

### Supplementary information with hotel properties at valuation (note):

Revalued total assets	44,123	44,935	-2%
Revalued net assets	25,076	25,474	-2%
Revalued equity attributable to shareholders of the Company	22,931	23,375	-2%
Gearing – net debt to revalued net assets	63%	65%	

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 these hotel properties and excluding the corresponding deferred income tax on Hong Kong properties as Hong Kong tax jurisdiction does not include capital 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

## RESULTS

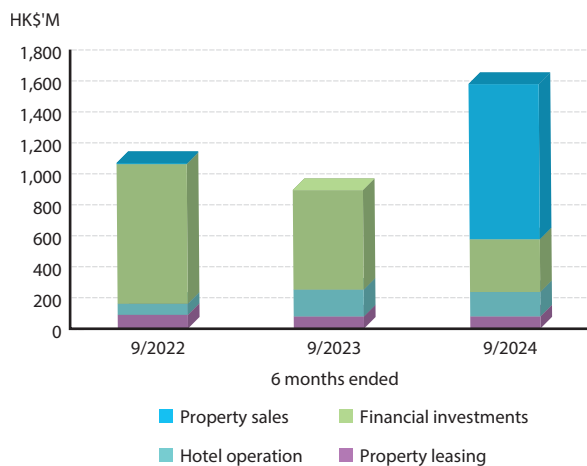
The Group recorded a 76% increase in revenue to HK\$1,583 million (2023: HK\$901 million) for the first half of the financial year, mainly from the recognition of our property sales of Landmark on Robson in Canada, following completion of the development and gradual delivery of units to purchasers.

Loss attributable to shareholders decreased by 58% to HK\$386 million from HK\$916 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**

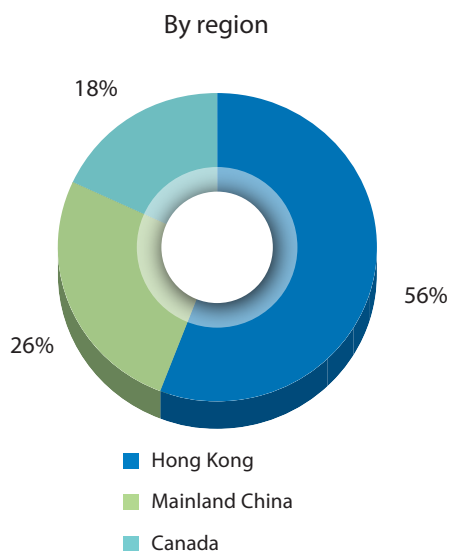
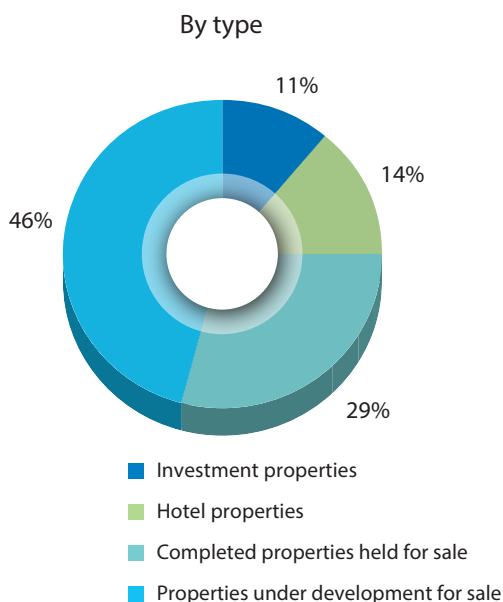
The redevelopment of our Empire Landmark hotel in Vancouver has been completed. Occupation permit of the "Landmark on Robson" development was issued in July 2024 and delivery to buyers commenced in August 2024. This is an approximately 394,000 sq. ft. GFA redevelopment with two 30-plus storeys residential 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\$59 million (2023: HK\$67 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\$266 million (2023: gain of HK\$164 million) was recorded from our investment properties.

## 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\$3,094 million (31st March 2024: HK\$3,498 million). The investment portfolio comprised of 81% listed debt securities (predominantly issued by PRC-based real estate companies), 12% listed equity securities and 7% unlisted investments. They are denominated in different currencies with 58% in United States dollar, 33% in Renminbi and 9% in other currencies (mostly Hong Kong dollar).

During the year, income from this investment portfolio amounted to HK\$342 million (2023: HK\$645 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\$336 million (2023: HK\$1,580 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.

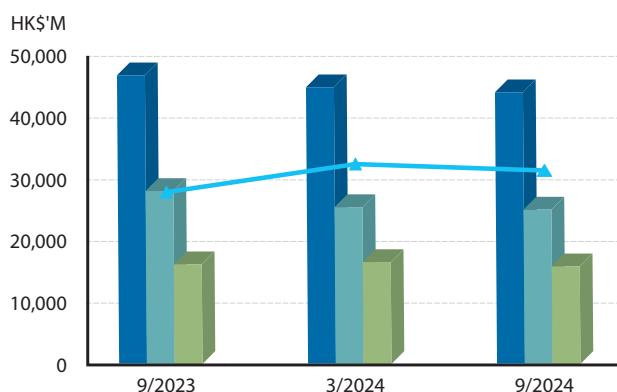
## FINANCIAL REVIEW

At 30th September 2024, the Group's total assets were approximately HK\$33.3 billion (31st March 2024: HK\$34.1 billion), with net assets of HK\$14.3 billion (31st March 2024: HK\$14.7 billion). Adopting market value of hotel properties in operation, the revalued total assets of the Group were HK\$44.1 billion (31st March 2024: HK\$44.9 billion), while the revalued net assets of the Group were HK\$25.1 billion (31st March 2024: HK\$25.5 billion).

Net debt was HK\$15.9 billion (31st March 2024: HK\$16.6 billion). At 30th September 2024, the Group's gearing ratio (net debt to revalued net assets) is approximately 63% (31st March 2024: 65%). The Group's borrowings are all in Hong Kong dollars.

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

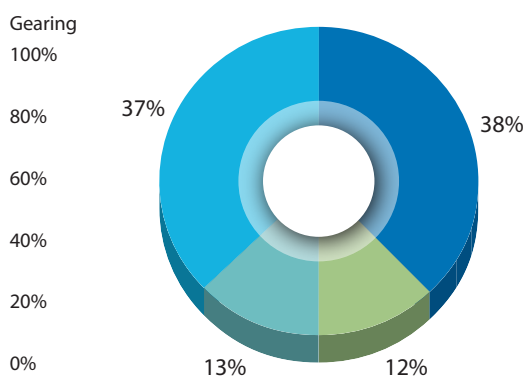
■ Revalued total assets \*    ■ Net debt  
■ Revalued net assets \*    ▲ Gearing: net debt to revalued net assets\*



\* with hotel properties at valuation

**Debt maturity profile as at 30th September 2024**

■ <1 year, refinanced after interim period  
■ <1 year    ■ 1-2 years    ■ 3-5 years



# 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\$7,710 million in total, fixing at average rate of approximately 1%. As at 30th September 2024, a fair value gain of HK\$151 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\$22.8 billion (31st March 2024: HK\$22.5 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 240 (31st March 2024: 240) 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		1,234,458	249,132
Interest revenue		348,450	651,634
Total revenue	6	1,582,908	900,766
Cost of sales		(671,293)	(76,441)
Gross profit		911,615	824,325
Selling and administrative expenses		(160,924)	(125,778)
Depreciation		(66,325)	(68,604)
Net investment loss	7		
Net realised and unrealised loss		(177,511)	(299,119)
Change in expected credit losses		(158,918)	(1,280,896)
Fair value (loss)/gain of investment properties		(239,330)	176,852
Operating profit/(loss)		108,607	(773,220)
Net finance costs	9	(313,535)	(266,021)
Share of profits less losses of			
Joint ventures		(63,784)	35,386
Associated companies		(29,395)	(3,103)
Loss before income tax		(298,107)	(1,006,958)
Income tax (expense)/credit	10	(37,238)	27,020
Loss for the period		(335,345)	(979,938)
Attributable to:			
Shareholders of the Company		(386,096)	(915,845)
Non-controlling interests		50,751	(64,093)
		(335,345)	(979,938)
Loss per share (HK\$)			
Basic	12	(0.29)	(0.69)
Diluted	12	(0.29)	(0.69)

## Condensed Consolidated Statement of Comprehensive Income – Unaudited

	<b>Six months ended</b>	
	<b>30th September</b>	
	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Loss for the period	<b>(335,345)</b>	(979,938)
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 movement	<b>(18,355)</b>	(1,575,187)
– release of reserve upon derecognition	<b>2,373</b>	100,981
Share of net fair value gain/(loss) on debt securities at fair value through other comprehensive income of a joint venture	<b>12,622</b>	(114,524)
Cash flow hedges		
– net fair value (loss)/gain	<b>(116,621)</b>	32,528
– deferred tax on derivative financial instruments	<b>19,242</b>	(5,367)
Currency translation differences	<b>443</b>	(20,006)
Share of currency translation differences of joint ventures	<b>23,924</b>	(79,420)
Item that will not be reclassified to profit or loss:		
Net fair value gain on equity securities at fair value through other comprehensive income	<b>27,756</b>	36,675
	<b>(48,616)</b>	(1,624,320)
Total comprehensive charge for the period	<b>(383,961)</b>	(2,604,258)
Attributable to:		
Shareholders of the Company	<b>(431,469)</b>	(2,422,735)
Non-controlling interests	<b>47,508</b>	(181,523)
	<b>(383,961)</b>	(2,604,258)

## Condensed Consolidated Balance Sheet – Unaudited

	Note	30th September 2024 HK\$'000	31st March 2024 HK\$'000
<b>Non-current assets</b>			
Investment properties	13	10,768,008	10,901,144
Property, plant and equipment	14	4,542,737	4,576,811
Investment in joint ventures and associated companies		3,297,416	3,853,211
Amounts due from joint ventures and associated companies		3,233,649	2,702,209
Financial investments	16	1,058,375	1,091,137
Derivative financial instruments		24,809	130,953
Deferred income tax assets		155,320	137,419
		<b>23,080,314</b>	<b>23,392,884</b>
<b>Current assets</b>			
Properties held for sale		6,230,944	6,366,075
Hotel and restaurant inventories		26,036	26,753
Trade and other receivables	15	640,673	567,546
Income tax recoverable		301	70
Financial investments	16	2,035,770	2,407,248
Derivative financial instruments		125,933	186,945
Bank balances and cash			
– restricted		672,966	362,268
– unrestricted		533,993	834,864
		<b>10,266,616</b>	<b>10,751,769</b>
<b>Current liabilities</b>			
Trade and other payables	17	164,264	292,707
Contract liabilities		1,120,166	484,892
Amounts 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	4,219,500	5,693,653
		<b>6,031,663</b>	<b>7,228,229</b>
<b>Net current assets</b>		<b>4,234,953</b>	<b>3,523,540</b>

## Condensed Consolidated Balance Sheet – Unaudited

	Note	<b>30th September 2024 HK\$'000</b>	31st March 2024 HK\$'000
Non-current liabilities			
Borrowings	18	12,845,786	12,049,556
Convertible notes		9,995	9,680
Lease liabilities		841	883
Deferred income tax liabilities		158,224	171,923
		<b>13,014,846</b>	12,232,042
<hr style="border-top: 1px dashed black;"/>			
Net assets		<b>14,300,421</b>	14,684,382
Equity			
Share capital	19	13,197	13,197
Reserves	20	14,006,762	14,438,231
Equity attributable to shareholders of the Company		<b>14,019,959</b>	14,451,428
Non-controlling interests		280,462	232,954
		<b>14,300,421</b>	14,684,382

## Condensed Consolidated Statement of Cash Flows – Unaudited

	Six months ended 30th September	
	2024 HK\$'000	2023 HK\$'000
<b>Cash flows from operating activities</b>		
Net cash generated from/(used in) operation	1,186,414	(195,570)
Net tax paid	(83,630)	(700)
Net interest paid	(551,800)	(492,232)
Interest received from bank deposits, other receivables and derivative financial instruments	154,513	144,038
Net cash generated from/(used in) operating activities	705,497	(544,464)
<b>Cash flows from investing activities</b>		
Addition to financial investments	(1,147)	(4,871)
Addition to investment properties	–	(263)
Addition to property, plant and equipment	(31,410)	(13,611)
Disposal of a subsidiary	–	(379)
Return of investment 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)	(166,437)
<b>Cash flows from financing activities</b>		
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	(301,978)	18,616
Cash and cash equivalents at the beginning of the period	834,864	829,584
Changes in exchange rates	1,107	(9,498)
Cash and cash equivalents at the end of the period	533,993	838,702
<b>Analysis of the balances of cash and cash equivalents</b>		
Bank balances and cash (excluding restricted bank balances)	533,993	838,702

## Condensed Consolidated Statement of Changes in Equity – Unaudited

	Equity attributable to shareholders of the Company			Non- controlling interests	Total
	Share capital	Reserves	Total		
	HK\$'000	HK\$'000	HK\$'000		
At 31st March 2023	13,197	19,425,339	19,438,536	535,175	19,973,711
Financial assets at fair value through other comprehensive income					
– net fair value change and other net movements	–	(1,532,187)	(1,532,187)	(120,849)	(1,653,036)
– release of reserve upon derecognition	–	93,765	93,765	7,216	100,981
Cash flow hedges					
– net fair value gain	–	30,728	30,728	1,800	32,528
– deferred tax on derivative financial instruments	–	(5,070)	(5,070)	(297)	(5,367)
Currency translation differences	–	(94,126)	(94,126)	(5,300)	(99,426)
Loss for the period	–	(915,845)	(915,845)	(64,093)	(979,938)
<b>Total comprehensive charge for the period</b>	<b>–</b>	<b>(2,422,735)</b>	<b>(2,422,735)</b>	<b>(181,523)</b>	<b>(2,604,258)</b>
At 30th September 2023	13,197	17,002,604	17,015,801	353,652	17,369,453
At 31st March 2024	<b>13,197</b>	<b>14,438,231</b>	<b>14,451,428</b>	<b>232,954</b>	<b>14,684,382</b>
Financial assets at fair value through other comprehensive income					
– net fair value change and other net movements	–	<b>18,764</b>	<b>18,764</b>	<b>3,259</b>	<b>22,023</b>
– release of reserve upon derecognition	–	<b>2,014</b>	<b>2,014</b>	<b>359</b>	<b>2,373</b>
Cash flow hedges					
– net fair value loss	–	<b>(108,574)</b>	<b>(108,574)</b>	<b>(8,047)</b>	<b>(116,621)</b>
– deferred tax on derivative financial instruments	–	<b>17,915</b>	<b>17,915</b>	<b>1,327</b>	<b>19,242</b>
Currency translation differences	–	<b>24,508</b>	<b>24,508</b>	<b>(141)</b>	<b>24,367</b>
(Loss)/profit for the period	–	<b>(386,096)</b>	<b>(386,096)</b>	<b>50,751</b>	<b>(335,345)</b>
<b>Total comprehensive (charge)/income for the period</b>	<b>–</b>	<b>(431,469)</b>	<b>(431,469)</b>	<b>47,508</b>	<b>(383,961)</b>
<b>At 30th September 2024</b>	<b>13,197</b>	<b>14,006,762</b>	<b>14,019,959</b>	<b>280,462</b>	<b>14,300,421</b>



# Notes to the Interim Financial Information

## 1 GENERAL INFORMATION

Asia Standard International Group 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 Standard (“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 Statement – 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 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.

# Notes to the Interim Financial Information

## 4 FINANCIAL RISK MANAGEMENT (CONTINUED)

### (i) Financial risk factors (Continued)

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

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 portions 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 asset.

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
<b>At 30th September 2024</b>					
Bank balances and cash					
Unrestricted cash	-	533,993	-	-	-
Restricted cash	-	672,966	-	-	-
Amount due from joint ventures and associated companies	-	3,233,649	-	-	-
Loan receivables	-	18,045	-	7,028	-
Trade and other receivables excluding interest receivables	73,327	60,509	-	-	-
Financial assets at FVOCI, amortised cost and related interest receivables	-	-	-	1,273,731	766,439
<b>At 31st March 2024</b>					
Bank balances and cash					
Unrestricted cash	-	834,864	-	-	-
Restricted cash	-	362,268	-	-	-
Amount due from joint ventures and associated companies	-	2,702,209	-	-	-
Loan receivables	-	18,106	-	6,726	-
Trade and other receivables excluding interest receivables	76,900	70,048	-	-	-
Financial assets at FVOCI, amortised cost and related interest receivables	-	67,002	-	1,298,591	679,697

# 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 at amortised cost:

	Stage 1 HK\$'000	Stage 2 HK\$'000	Stage 3 HK\$'000	POCI HK\$'000	Total HK\$'000
At 31st March 2024	3,359	–	9,616,748	839,642	10,459,749
Total ECL charge to profit and loss account for the period					
Credit quality related changes	–	–	151,893	7,025	158,918
Assets derecognised	(359)	–	(152)	–	(511)
<b>At 30th September 2024</b>	<b>3,000</b>	<b>–</b>	<b>9,768,489</b>	<b>846,667</b>	<b>10,618,156</b>
At 31st March 2023	3,142	–	4,475,773	339,700	4,818,615
Total ECL charge to profit and loss account for the period					
Credit quality related changes	7	–	1,090,697	190,192	1,280,896
Assets derecognised	–	–	(219,246)	–	(219,246)
At 30th September 2023	3,149	–	5,347,224	529,892	5,880,265

# 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 (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 instrument is 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 as at 30th September 2024 and 31st March 2024:

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000
<b>At 30th September 2024</b>			
Assets			
Financial assets at FVOCI	214,726	74,697	1,093,935
Financial assets at fair value through profit or loss ("FVPL")	43,307	253,659	809,904
Interest receivable	–	13,062	359,459
Derivative financial instruments	–	150,742	–
	<b>258,033</b>	<b>492,160</b>	<b>2,263,298</b>
<b>At 31st March 2024</b>			
Assets			
Financial assets at FVOCI	186,380	140,571	1,157,430
Financial assets at FVPL	43,742	247,299	1,199,608
Interest receivable	–	11,993	318,154
Derivative financial instruments	–	317,898	–
	<b>230,122</b>	<b>717,761</b>	<b>2,675,192</b>

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

	HK\$'000
At 31st March 2024	2,675,192
Net disposal	(286,088)
Net fair value change and other net movements	(125,806)
<b>At 30th September 2024</b>	<b>2,263,298</b>
At 31st March 2023	6,176,812
Net disposal	(120,029)
Transfer to financial assets at amortised cost	(255,743)
Net fair value change and other net movements	(2,439,406)
At 30th September 2023	3,361,634

# 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 asset at FVOCI Interest receivable	989,036 359,459	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\$31,200,000/ increased by HK\$30,464,000.
Financial asset at FVOCI	104,899	Asset-based valuation	Net asset value	The higher the net asset value, 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 asset at FVPL	696,224	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 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\$7,220,000/increased by HK\$7,403,000.
Financial asset at FVPL	101,978	Asset-based valuation	Net asset value	The higher the net asset value, the higher the fair value.
Financial asset 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 asset at FVOCI	1,051,217	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\$34,956,000/ increased by HK\$39,790,000.
Interest receivable	318,154			
Financial asset at FVOCI	106,213	Asset-based valuation	Net asset value	The higher the net asset value, 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 asset at FVPL	1,092,213	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 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\$16,966,000/ increased by HK\$21,105,000.
Financial asset at FVPL	91,773	Asset-based valuation	Net asset value	The higher the net asset value, the higher the fair value.
Financial asset 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.

# Notes to the Interim Financial Information

## 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 development and investment, hotel operation and securities investments. Revenue includes revenue from 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, 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
<b>Six months ended 30th September 2024</b>						
Segment revenue	1,005,840	59,102	158,305	341,840	17,821	1,582,908
Contribution to segment results	390,417	30,495	66,083	336,702	13,363	837,060
Depreciation	(9,758)	-	(33,349)	-	(23,218)	(66,325)
Net investment loss	-	-	-	(336,429)	-	(336,429)
Fair value loss of investment properties	-	(239,330)	-	-	-	(239,330)
Share of profits less losses of						
Joint ventures	(63,764)	-	-	-	(20)	(63,784)
Associated companies	-	(29,327)	-	-	(68)	(29,395)
Segment results	316,895	(238,162)	32,734	273	(9,943)	101,797
Unallocated corporate expenses						(86,369)
Net finance costs						(313,535)
Loss before income tax						(298,107)
<b>Six months ended 30th September 2023</b>						
Segment revenue	-	66,901	173,872	645,471	14,522	900,766
Contribution to segment results	(9,775)	47,161	78,705	633,564	29,866	779,521
Depreciation	(10,104)	-	(36,368)	-	(22,132)	(68,604)
Net investment loss	-	-	-	(1,580,015)	-	(1,580,015)
Fair value gain of investment properties	-	176,852	-	-	-	176,852
Share of profits less losses of						
Joint ventures	35,469	-	-	-	(83)	35,386
Associated companies	-	(16,920)	-	-	13,817	(3,103)
Segment results	15,590	207,093	42,337	(946,451)	21,468	(659,963)
Unallocated corporate expenses						(80,974)
Net finance costs						(266,021)
Loss before income tax						(1,006,958)

# 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	
<b>As at 30th September 2024</b>							
Assets	12,000,949	11,961,836	2,715,213	3,471,014	123,105	3,074,813	33,346,930
Assets include:							
Joint ventures and associated companies	5,345,113	1,165,412	-	-	20,540	-	6,531,065
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	-	-	6,121,540	17,065,286
Other liabilities							1,981,223
							19,046,509
<b>As at 31st March 2024</b>							
Assets	12,013,695	12,132,820	2,676,212	3,875,564	85,253	3,361,109	34,144,653
Assets include:							
Joint ventures and associated companies	5,335,957	1,194,740	-	-	20,364	4,359	6,555,420
Addition to non-current assets for the six months ended 30th September 2023*	5,286	263	3,218	-	10,145	30	18,942
Liabilities							
Borrowings	5,506,698	2,176,279	4,272,378	-	-	5,787,854	17,743,209
Other liabilities							1,717,062
							19,460,271

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

# Notes to the Interim Financial Information

## 6 SEGMENT INFORMATION (CONTINUED)

	<b>Six months ended 30th September</b>	
	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
<b>Revenue</b>		
Hong Kong	283,445	255,792
Overseas	1,299,463	644,974
	<b>1,582,908</b>	900,766
	<b>30th September 2024</b>	31st March 2024
	<b>HK\$'000</b>	HK\$'000
<b>Non-current assets*</b>		
Hong Kong	19,446,275	19,773,847
Overseas	2,395,535	2,259,528
	<b>21,841,810</b>	22,033,375

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

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

	<b>Six months ended 30th September</b>	
	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Revenue from contracts with customers recognised		
– at a point in time	1,019,316	20,863
– over time	153,564	161,296
	<b>1,172,880</b>	182,159
Other sources	61,578	66,973
	<b>1,234,458</b>	249,132

# Notes to the Interim Financial Information

## 7 NET INVESTMENT LOSS

	<b>Six months ended 30th September</b>	
	<b>2024 HK\$'000</b>	<b>2023 HK\$'000</b>
Financial assets at FVPL		
– net unrealised fair value loss	(140,054)	(113,377)
– net realised gain (note (a))	959	768
Financial assets at FVOCI		
– net unrealised exchange loss	(5,883)	(13,429)
– net realised gain/(loss) (note (b))	787	(170,404)
– change in expected credit losses	(151,893)	(1,280,896)
Financial assets at amortised cost		
– net unrealised exchange loss	(3,924)	(1,023)
– change in expected credit losses	(7,025)	–
Derivative financial instruments		
– net unrealised loss	(29,396)	(1,654)
	<b>(336,429)</b>	<b>(1,580,015)</b>

Notes:

(a)	Net realised gain on financial assets at FVPL		
	Gross consideration	291,631	146,144
	Cost of investments	(312,599)	(153,455)
	Add: net unrealised loss recognised in prior years	21,927	8,079
	Net realised gain recognised in current period	<b>959</b>	<b>768</b>
(b)	Net realised gain/(loss) on financial assets at FVOCI		
	Gross consideration	68,665	281,482
	Cost of investments	(55,653)	(665,427)
	Transfer from investment revaluation reserve	(12,225)	213,541
	Net realised gain/(loss) recognised in current period	<b>787</b>	<b>(170,404)</b>

# 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 financial investments that comprised 58 (2023: 60) securities as at 30th September 2024.

Summary of net unrealised loss recognised in profit and loss account for the six months ended 30th September:

	<b>Six months ended 30th September</b>	
	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Equity securities	(1,429)	(5,065)
Debt securities	(164,575)	(123,403)
Unlisted funds	16,143	639
	<b>(149,861)</b>	(127,829)

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

	<b>Unrealised loss for the six months ended 30th September 2024</b>
	<b>HK\$'000</b>
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)	(59,578)
Guangzhou R&F 7% notes (ii)	(11,901)
	<b>(154,783)</b>

- (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:

	<b>Coupon per annum</b>	<b>Maturity</b>
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 and 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	7.0%	16th September 2026

(d) Summary of expected credit loss for the year:

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

	Changes in ECL for the 6 months ended 30th September 2024 HK\$'000
Jiayuan 11.375% notes (i)	(65,780)
Jiayuan 12% notes (i)	(27,185)
Kaisa 9.375% notes (ii)	(17,330)
Guangzhou R&F 6.7% notes 2 (iii)	(9,162)
	(119,457)

- (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 will mature 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 HK\$'000	2023 HK\$'000
<b>Income</b>		
Interest income from financial assets at FVOCI		
– Listed investments	133,832	473,859
– Unlisted investment	30,061	53,942
Interest income from financial assets at FVPL		
– Listed investments	66,715	51,808
– Unlisted investment	8,583	6,448
Interest income from financial assets measured at amortised cost		
– Listed investments	91,558	51,296
– Joint ventures	3,907	7,359
– Loan receivables	1,464	1,456
– Bank deposits	12,330	5,456
Dividend income		
– Listed investments	10,552	5,474
<b>Expenses</b>		
Cost of properties and goods sold	484,809	3,687
Employee benefit expense, including Directors' emoluments (note (a))	97,862	93,966
Note:		
(a) Employee benefit expense		
Wages and salaries	97,099	94,375
Retirement benefits costs	2,442	2,200
	99,541	96,575
Capitalised under property under development for sale	(1,679)	(2,609)
	97,862	93,966

# Notes to the Interim Financial Information

## 9 NET FINANCE COSTS

	<b>Six months ended 30th September</b>	
	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Interest (expense)/income		
Long term bank loans	(528,464)	(483,049)
Short term bank loans and overdrafts	(84)	–
Lease liabilities	(84)	(50)
Derivative financial instruments (interest rate swaps (“IRS”))	136,813	129,757
Joint ventures	(2,404)	(1,635)
Interest capitalised	132,657	113,561
	<b>(261,566)</b>	(241,416)
Other incidental borrowing costs	(30,815)	(30,043)
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
	<b>(313,535)</b>	(266,021)

## 10 INCOME TAX (EXPENSE)/CREDIT

	<b>Six months ended 30th September</b>	
	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Current income tax (expense)/credit		
Hong Kong	(7,314)	(373)
Overseas	(42,282)	–
Over provision in prior years	–	1,441
	<b>(49,596)</b>	1,068
Deferred income tax credit	12,358	25,952
	<b>(37,238)</b>	27,020

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	(386,096)	(915,845)

	Number of shares	
Weighted average number of shares in issue	1,319,782,288	1,319,782,288

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
<b>Cost</b>					
At 31st March 2024	1,641,644	653,176	173,273	4,061,237	6,529,330
Currency translation differences	-	-	15	(1)	14
Additions	9,646	20,285	1,479	839	32,249
Disposals	-	-	(1,936)	(879)	(2,815)
<b>At 30th September 2024</b>	<b>1,651,290</b>	<b>673,461</b>	<b>172,831</b>	<b>4,061,196</b>	<b>6,558,778</b>
<b>Accumulated depreciation</b>					
At 31st March 2024	912,309	53,593	118,587	868,030	1,952,519
Currency translation differences	-	-	11	1	12
Charge for the period	23,595	4,977	5,228	32,525	66,325
Disposals	-	-	(1,936)	(879)	(2,815)
<b>At 30th September 2024</b>	<b>935,904</b>	<b>58,570</b>	<b>121,890</b>	<b>899,677</b>	<b>2,016,041</b>
<b>Net book value</b>					
<b>At 30th September 2024</b>	<b>715,386</b>	<b>614,891</b>	<b>50,941</b>	<b>3,161,519</b>	<b>4,542,737</b>
At 31st March 2024	729,335	599,583	54,686	3,193,207	4,576,811

\* Mainly relates to leasehold land in Hong Kong.

Note:

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\$2,404,373,000 (31st March 2024: HK\$2,442,892,000).

The aggregate open market value, on a highest and best use basis, of these hotel properties in Hong Kong based on valuations conducted by Vincorn Consulting & Appraisal Limited ("Vincorn") (31st March 2024: revalued by Vigers Appraisal & Consulting Limited), independent professional valuers, amounted to HK\$13,180,000,000 (31st March 2024: HK\$13,233,000,000), 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.

## 15 TRADE AND OTHER RECEIVABLES

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

Accrued interest receivable and accrued dividend receivable amounted to HK\$373,500,000 (31st March 2024: HK\$339,000,000).

Trade receivables of the Group amounted to HK\$73,327,000 (31st March 2024: HK\$76,900,000). 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.

## Notes to the Interim Financial Information

### 15 TRADE AND OTHER RECEIVABLES (CONTINUED)

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

	<b>30th September 2024 HK\$'000</b>	31st March 2024 HK\$'000
0 month to 6 months	72,389	71,719
7 months to 12 months	106	3,147
More than 12 months	832	2,034
	<b>73,327</b>	76,900

### 16 FINANCIAL INVESTMENTS

	<b>30th September 2024 HK\$'000</b>	31st March 2024 HK\$'000
<b>Non-current assets</b>		
Equity securities		
– Listed in Hong Kong	214,726	186,380
– Listed in the USA	104,899	106,213
	<b>319,625</b>	292,593
Debt securities		
– Listed in Singapore	514,117	582,797
– Listed in Europe	110,953	108,352
	<b>625,070</b>	691,149
Unlisted funds	113,680	107,395
	<b>1,058,375</b>	1,091,137
<b>Current assets</b>		
Equity securities		
– Listed in Hong Kong	43,307	43,742
Debt securities		
– Listed in PRC	1,023,496	1,413,747
– Listed in Singapore	869,450	807,684
– Listed in Europe	1,374	1,474
– Unlisted	98,143	140,601
	<b>1,992,463</b>	2,363,506
	<b>2,035,770</b>	2,407,248
	<b>3,094,145</b>	3,498,385

## Notes to the Interim Financial Information

### 16 FINANCIAL INVESTMENTS (CONTINUED)

Financial investments are classified in the following categories:

	<b>30th September 2024 HK\$'000</b>	31st March 2024 HK\$'000
<b>Non-current assets</b>		
Financial assets at FVOCI	430,578	531,544
Financial assets at FVPL	113,680	107,395
Financial assets at amortised cost	514,117	452,198
	<b>1,058,375</b>	1,091,137
<b>Current assets</b>		
Financial assets at FVOCI	952,780	952,837
Financial assets at FVPL	993,190	1,383,254
Financial assets at amortised cost	89,800	71,157
	<b>2,035,770</b>	2,407,248
	<b>3,094,145</b>	3,498,385

Financial investments are denominated in the following currencies:

	<b>30th September 2024 HK\$'000</b>	31st March 2024 HK\$'000
United States dollar	1,799,830	1,837,835
Renminbi	1,023,495	1,413,747
Hong Kong dollar	258,033	230,122
Japanese Yen	11,702	15,622
Euro	1,085	1,059
	<b>3,094,145</b>	3,498,385

# 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 14 (31st March 2024: 14) 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:

	<b>Market value as at 30th September 2024 HK\$'000</b>	<b>Unrealised gain/(loss) for the six months ended 30th September 2024 HK\$'000</b>	<b>Dividend income for the six months ended 30th September 2024 HK\$'000</b>
HSBC Holdings PLC ("HSBC")	214,726	28,346	9,760
Amer Sports Inc ("Amer Sports")	104,899	(1,314)	–
Others	43,307	(704)	792
	<b>362,932</b>	<b>26,328</b>	<b>10,552</b>

	<b>Market value as at 31st Market 2024 HK\$'000</b>	<b>Unrealised gain/(loss) for the six months ended 30th September 2023 HK\$'000</b>	<b>Dividend income for the six months ended 30th September 2023 HK\$'000</b>
HSBC	186,380	25,908	4,772
Amer Sports	106,213	457	–
Shengjing Bank Co., Limited ("Shengjing")	7,166	(3,934)	–
Others	36,576	9,180	702
	<b>336,335</b>	<b>31,611</b>	<b>5,474</b>



# Notes to the Interim Financial Information

## 16 FINANCIAL INVESTMENTS (CONTINUED)

### Equity Securities (Continued)

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

Amer Sports is a global sporting goods company headquartered in Finland with internationally recognised brands and its shares are listed on New York Stock Exchange (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 39 (31st March 2024: 40) debt securities, 27 of them are listed in Singapore, 8 in the PRC, 3 in Europe and 1 unlisted. 39 (31st March 2024: 40) 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 of financial investments as at 30th September 2024 and 31st March 2024 are as follows:

	<b>30th September 2024 HK\$'000</b>	31st March 2024 HK\$'000
Principal amount of notes	<b>13,179,349</b>	13,601,148
Investment cost	<b>11,606,152</b>	11,942,502
Fair value	<b>2,617,533</b>	3,053,596
Coupon	<b>3% – 14.25%</b>	3% – 14.25%
Maturity	<b>Various, up to December 2027</b>	Various, up to December 2027

As at 30th September 2024, the 39 (30th September 2023: 40) debt securities gave rise to a net unrealised fair value loss of HK\$222 million for the six months ended 30th September 2024 (2023: HK\$2,239 million).

As at 30th September 2024, the fair value of the five largest debt securities held represents approximately 2.8% (31st March 2024: 3.4%) of the Group's revalued total assets. The remaining 34 debt securities represent 3.1% 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
Pearl River 7.5% notes 1 (i)	320,049	10%	(60,534)	15,121
Guangzhou R&F 6.7% notes 1 (i)	290,880	9%	(59,578)	15,768
Xinyuan 3% notes (ii)	276,557	9%	(1,750)	43,800
Guangzhou R&F 7% notes (i)	214,221	7%	(11,901)	15,593
Golden Wheel 10% notes (iii)	130,336	4%	(263)	17,130

	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
Pearl River 7.5% notes 2 (i)	390,821	13%	(27,242)	16,182
Pearl River 7.5% notes 1 (i)	365,403	12%	(32,907)	18,956
Guangzhou R&F 6.7% notes 1 (i)	335,989	11%	(23,281)	14,106
Xinyuan 3% notes (ii)	241,556	8%	(336)	5,698
Guangzhou R&F 7% notes (i)	209,968	7%	(21,865)	12,287

- (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 amortisation 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 amounted to HK\$41,076,000 (31st March 2024: HK161,693,000).

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

	<b>30th September 2024 HK\$'000</b>	31st March 2024 HK\$'000
0 month to 6 months	40,625	161,471
7 months to 12 months	43	6
More than 12 months	408	216
	<b>41,076</b>	161,693

### 18 BORROWINGS

	<b>30th September 2024 HK\$'000</b>	31st March 2024 HK\$'000
<b>Current liabilities</b>		
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	591,283	1,743,842
	<b>4,219,500</b>	5,693,653
<b>Non-current liabilities</b>		
Long term bank loans		
Secured	10,566,296	9,802,913
Unsecured	2,279,490	2,246,643
	<b>12,845,786</b>	12,049,556
	<b>17,065,286</b>	17,743,209

# 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:

	<b>30th September 2024 HK\$'000</b>	31st March 2024 HK\$'000
Repayable within one year	4,197,014	5,663,653
Repayable between one and two years	6,351,942	4,334,985
Repayable between two and five years	6,493,844	7,714,571
	<b>17,042,800</b>	17,713,209
Current portion included in current liabilities	<b>(4,197,014)</b>	(5,663,653)
	<b>12,845,786</b>	12,049,556

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

## 19 SHARE CAPITAL

<b>Shares of HK\$0.01 each</b>	<b>Number of shares</b>	<b>Amount HK\$'000</b>
Authorised:		
At 31st March 2024 and 30th September 2024	400,000,000,000	4,000,000
Issued and fully paid:		
At 31st March 2024 and 30th September 2024	1,319,782,288	13,197

# Notes to the Interim Financial Information

## 20 RESERVES

	Share premium	Capital redemption reserve	Contributed surplus	Share option reserve	Property revaluation reserve	Investment revaluation reserve	Hedging reserve	Currency translation reserve	Revenue reserve	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 31st March 2024	2,175,239	44,190	2,782,836	5,217	24,891	(1,554,233)	196,117	(188,742)	10,952,716	14,438,231
Net fair value change and other net movements of financial assets at FVOCI	-	-	-	-	-	20,778	-	-	-	20,778
Cash flow hedges										
- net fair value loss	-	-	-	-	-	-	(108,574)	-	-	(108,574)
- deferred tax on derivative financial instruments	-	-	-	-	-	-	17,915	-	-	17,915
Currency translation differences	-	-	-	-	-	-	-	24,508	-	24,508
Loss for the period	-	-	-	-	-	-	-	-	(386,096)	(386,096)
<b>At 30th September 2024</b>	<b>2,175,239</b>	<b>44,190</b>	<b>2,782,836</b>	<b>5,217</b>	<b>24,891</b>	<b>(1,533,455)</b>	<b>105,458</b>	<b>(164,234)</b>	<b>10,566,620</b>	<b>14,006,762</b>

## 21 COMMITMENTS

Commitments at the balance sheet date are as follows:

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

## 22 FINANCIAL GUARANTEES

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

# Notes to the Interim Financial Information

## 23 RELATED PARTY TRANSACTIONS

During the period, the following transactions were carried out with related parties:

	Six months ended 30th September	
	2024 HK\$'000	2023 HK\$'000
Income from/(expense to) subsidiaries of Asia Orient Holdings Limited		
Rental income	967	1,036
Building management fee expense	(2,717)	(2,595)
Cleaning expense	(3,455)	(3,147)

No transactions have been entered into with the directors of the Company (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 the Company, ASH and The Sai Group Limited (the "Offeror", a wholly-owned subsidiary of the Company) 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 the Company 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 shares of the Company were issued to and approximately HK\$23.5 million cash was paid to the Offerees. In November 2024, the Offeror converted all the convertible notes of ASH held by it into shares of ASH and thereafter, ASH redeemed all its outstanding convertible notes for a total redemption amount of HK\$43.1 million. After the Group Reorganisation and the conversion of convertible notes, the Group currently holds a 98.97% interest in the share capital of ASH, and 1.03% interest was held by fellow subsidiary companies.

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:

	<b>Proforma combined balance sheet</b> HK\$'000	<b>Group's attributable interest</b> HK\$'000
Non-current assets	14,946,009	4,182,933
Current assets	20,488,522	7,851,153
Current liabilities	(17,019,370)	(5,942,932)
Non-current liabilities	(10,527,245)	(2,793,738)
	<b>7,887,916</b>	<b>3,297,416</b>

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 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			Percentage of shares in issue (%)
	Personal interest	Corporate interest	Total	
Poon Jing	1,308,884	683,556,392	684,865,276	51.89

Note: By virtue of Mr. Poon Jing's controlling interest (65.60%) in Asia Orient Holdings Limited ("Asia Orient"), he is deemed to be interested in the shares of the Company held by Asia Orient as disclosed under the heading "Substantial shareholders' and other persons' interests and short positions in shares and underlying shares" below.

##### (b) Associated corporations

Director	Associated corporation	Number of shares held				Percentage of shares in issue (%)
		Personal interest	Family interest	Corporate interest	Total	
Poon Jing	Asia Orient	401,139,472	5,318,799	145,213,900 (Notes)	551,672,171	65.60
	Asia Standard Hotel Group Limited ("Asia Standard Hotel")	152,490	-	1,346,158,049 (Notes)	1,346,310,539	66.71
Poon Hai	Asia Orient	10,444,319	-	-	10,444,319	1.24
Fung Siu To, Clement	Asia Orient	15,440,225	-	-	15,440,225	1.83
	Mark Honour Limited	9	-	-	9	0.01

Notes:

- By virtue of Mr. Poon Jing's controlling interest in Asia Orient, he is deemed to be interested in the shares of Asia Standard Hotel held by Asia Orient and the Company.
- By virtue of Mr. Poon Jing's controlling interest in the Company through Asia Orient, 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 SHARES, UNDERLYING SHARES AND DEBENTURES (CONTINUED)

#### (II) Long Positions in Underlying Shares

##### Interests in share options

###### (a) *The Company*

<b>Director</b>	<b>Outstanding as at 1st April 2024 and 30th September 2024</b>
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\$1.38 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.

###### (b) *Associated corporation – Asia Orient*

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

Notes:

- Options were granted on 11th December 2015 under a share option scheme adopted by Asia Orient on 29th August 2014 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.

## Other Information

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN 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 Asia Orient, he is deemed to be interested in the convertible notes (the "ASH Convertible Note(s)") held by Asia Orient 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 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	Total	Percentage of shares in issue (%)
Asia Orient (Note 1)	Beneficial owner Interests in controlled corporation	51,705,509 631,850,883	683,556,392	51.79
Asia Orient Holdings (BVI) Limited ("Asia Orient BVI") (Note 1)	Interests in controlled corporation	631,850,883	631,850,883	47.87
Asia Orient Company Limited ("AOCL") (Note 2)	Beneficial owner Interests in controlled corporation	304,361,730 2,459,153	306,820,883	23.24
Kingfisher Inc. and Lipton Investment Limited ("Kingfisher and Lipton") (Note 2)	Interests in controlled corporation	284,376,649	284,376,649	21.54

Notes:

1. Asia Orient BVI is a wholly-owned subsidiary of Asia Orient. Accordingly, Asia Orient is deemed to have interest and duplicate the interest in the same 631,850,883 shares held by Asia Orient BVI.
2. AOCL, companies controlled by AOCL, Kingfisher and Lipton are wholly-owned subsidiaries of Asia Orient BVI. Asia Orient BVI is deemed to be interested in and duplicate the interest held by AOCL, Kingfisher and Lipton.

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 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.

### 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:

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

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\$1.38 per share.
2. 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 118,482,152 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 131,978,228 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 0.53% of the number of shares of the Company in issue during the period.

#### Subsidiary – 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:

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

## Other Information

### SHARE OPTION SCHEMES (CONTINUED)

#### Subsidiary – Asia Standard Hotel (Continued)

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\$0.343 (as adjusted) per share.
- 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.

### 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 Standard International Group Limited**

**Fung Siu To, Clement**

*Chairman*

Hong Kong, 29th November 2024

