興勝創建控股有限公司
HANISON CONSTRUCTION HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 896)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2025

SUMMARY OF RESULTS

For the year ended 31 March 2025, Hanison Construction Holdings Limited ("Company") and its subsidiaries (collectively "Group") achieved revenue of HK$1,985.3 million, representing an increase of approximately 23.1% compared with the previous financial year (2024: HK$1,612.7 million). This increase was mainly from Construction Division. The consolidated loss attributable to owners of the Company was HK$295.3 million (2024: loss of HK$216.0 million). The net loss was mainly due to the net revaluation loss of the properties held by the Group and joint ventures of approximately HK$278.7 million as a result of the downturn in the property market together with the interest expenses of approximately HK$51.2 million. The operating result (before the net revaluation loss and interest expenses as mentioned above) was a profit of HK$34.6 million for the year ended 31 March 2025 (2024: HK$37.0 million).

The basic loss per share and the diluted loss per share for the year ended 31 March 2025 were HK27.5 cents (2024: HK19.9 cents). As at 31 March 2025, the Group's net asset value amounted to HK$3,461.6 million (2024: HK$3,766.5 million) and net asset value per share was HK$3.23 (2024: HK$3.51).

DIVIDEND

The board of directors of the Company ("Board") has resolved not to declare a second interim dividend for the year ended 31 March 2025 (2024: Nil). No first interim dividend was paid during the year (2024: HK1.0 cent per share).

CLOSURE OF REGISTER OF MEMBERS FOR ANNUAL GENERAL MEETING

The register of members of the Company will be closed from 14 August 2025 to 19 August 2025, both days inclusive, for the purpose of determining the identity of members who are entitled to attend and vote at the Company's forthcoming annual general meeting ("AGM") scheduled to be held on 19 August 2025. In order to be eligible to attend and vote at the AGM, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 13 August 2025.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 MARCH 2025

	NOTES	2025 HK$'000	2024 HK$'000
Revenue	3	**1,985,257**	1,612,660
Cost of sales		**(1,860,788)**	(1,492,805)
Gross profit		**124,469**	119,855
Other income		**21,997**	30,119
Other gains and losses	5	**(48,369)**	(10,325)
Impairment losses under expected credit loss model, net	6	**(97,794)**	(88,216)
Marketing and distribution costs		**(1,049)**	(735)
Administrative expenses		**(107,364)**	(116,765)
Loss on change in fair value of investment properties		**(140,706)**	(71,078)
Share of loss of an associate		**–**	(7)
Share of profit (loss) of joint ventures		**4,551**	(13,077)
Finance costs		**(51,209)**	(65,625)
Loss before taxation	7	**(295,474)**	(215,854)
Tax credit (expense)	8	**174**	(160)
Loss for the year		**(295,300)**	(216,014)
Loss per share			
Basic (HK cents)	10	**(27.5)**	(19.9)
Diluted (HK cents)	10	**(27.5)**	(19.9)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2025

	2025	2024
	HK$'000	*HK$'000*
Loss for the year	**(295,300)**	(216,014)
Other comprehensive expense:		
Items that may be subsequently reclassified to profit or loss:		
Exchange differences arising on translation of foreign operations	**(61)**	(313)
Share of exchange differences of a joint venture	**(850)**	(4,543)
Loss on change in fair value of hedging instrument designated as cash flow hedge	**(8,682)**	–
	(9,593)	(4,856)
Total comprehensive expense for the year	**(304,893)**	(220,870)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 MARCH 2025

	NOTES	31.3.2025 HK$'000	31.3.2024 HK$'000
Non-current assets			
Investment properties		**2,193,170**	2,743,080
Property, plant and equipment		**287,925**	300,638
Right-of-use assets		**3,074**	4,047
Interest in an associate		**–**	–
Interests in joint ventures		**92,349**	88,648
Loans to joint ventures	*11*	**1,085,366**	1,036,628
Deferred tax assets		**5,501**	5,340
		3,667,385	4,178,381
Current assets			
Properties under development for sale		**1,197,378**	1,039,000
Inventories		**3,610**	4,338
Contract assets		**381,967**	308,982
Debtors, deposits and prepayments	*12*	**139,053**	94,620
Financial assets at fair value through profit or loss		**290**	263
Taxation recoverable		**–**	2,001
Cash and cash equivalents		**477,722**	441,485
		2,200,020	1,890,689
Assets classified as held for sale		**97,700**	157,050
		2,297,720	2,047,739
Current liabilities			
Trade and other payables	*13*	**464,665**	495,578
Provisions		**28,622**	16,470
Lease liabilities		**3,307**	3,026
Taxation payable		**20,715**	20,225
Bank loans – amounts due within one year		**1,138,368**	1,878,072
		1,655,677	2,413,371
Net current assets (liabilities)		**642,043**	(365,632)
Total assets less current liabilities		**4,309,428**	3,812,749

	NOTE	31.3.2025 HK$'000	31.3.2024 HK$'000
Non-current liabilities			
Derivative financial instrument		**8,682**	–
Bank loans – amounts due after one year		**792,632**	–
Provisions		**40,704**	34,869
Deferred tax liabilities		**2,190**	6,477
Lease liabilities		**3,587**	4,877
		847,795	46,223
		3,461,633	3,766,526
Capital and reserves			
Share capital	*14*	**107,307**	107,307
Reserves		**3,354,326**	3,659,219
		3,461,633	3,766,526

NOTES:

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong limited ("Listing Rules") and by the Hong Kong Companies Ordinance.

The directors of the Company have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

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

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

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

Except as described below, the application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in the consolidated financial statements.

Impacts on application of Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the "2020 Amendments") and Amendments to HKAS 1 Non-current Liabilities with Covenants (the "2022 Amendments")

The Group has applied the amendments for the first time in the current year.

The 2020 Amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which:

- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the classification should not be affected by management intentions or expectations to settle the liability within 12 months.

- clarify that the settlement of a liability can be a transfer of cash, goods or services, or the entity's own equity instruments to the counterparty. If a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying HKAS 32 *Financial Instruments: Presentation*.

For rights to defer settlement for at least twelve months from reporting date which are conditional on the compliance with covenants, the 2022 Amendments specifically clarify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date, even if compliance with the covenant is assessed only after the reporting date. The 2022 Amendments also specify that covenants with which an entity must comply after the reporting date (i.e. future covenants) do not affect the classification of a liability as current or non-current at the reporting date. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants, the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

In accordance with the transition provision, the Group has applied the new accounting policy to the classification of liability as current or non-current retrospectively. The application of the amendments in the current year had no material impact on the consolidated financial statements.

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

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

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[3]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity[3]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to HKFRSs	Annual Improvements to HKFRS Accounting Standards – Volume 11[3]
Amendments to HKAS 21	Lack of Exchangeability[2]
HKFRS 18	Presentation and Disclosure in Financial Statements[4]

1 Effective for annual periods beginning on or after a date to be determined.
2 Effective for annual periods beginning on or after 1 January 2025.
3 Effective for annual periods beginning on or after 1 January 2026.
4 Effective for annual periods beginning on or after 1 January 2027.

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

Amendments to HKFRS 9 and HKFRS 7 Amendments to the Classification and Measurement of Financial Instruments

The amendments to HKFRS 9 *Financial Instruments* ("HKFRS 9") clarify the recognition and derecognition for financial asset and financial liability and add an exception which permits an entity to deem a financial liability to be discharged before the settlement date if it is settled in cash using an electronic payment system if, and only if certain conditions are met.

The amendments also provide guidance on the assessment of whether the contractual cash flows of a financial asset are consistent with a basic lending arrangement. The amendments specify that an entity should focus on what an entity is being compensated for rather than the compensation amount. Contractual cash flows are inconsistent with a basic lending arrangement if they are indexed to a variable that is not a basic lending risk or cost. The amendments state that, in some cases, a contingent feature may give rise to contractual cash flows that are consistent with a basic lending arrangement both before and after the change in contractual cash flows, but the nature of the contingent event itself does not relate directly to changes in basic lending risks and costs. Furthermore, the description of the term "non-recourse" is enhanced and the characteristics of "contractually linked instruments" are clarified in the amendments.

The disclosure requirements in HKFRS 7 *Financial Instruments: Disclosures* ("HKFRS 7") in respect of investments in equity instruments designated at fair value through other comprehensive income ("FVTOCI") are amended. In particular, entities are required to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately those related to investments derecognised during the reporting period and those related to investments held at the end of the reporting period. An entity is also required to disclose any transfers of the cumulative gain or loss within equity related to the investments derecognised during the reporting period. In addition, the amendments introduce the requirements of qualitative and quantitative disclosure of contractual terms that could affect the contractual cash flow based on a contingent event not directly relating to basic lending risks and cost.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

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

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

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

3. REVENUE

Revenue represents the aggregate of the amounts received or receivable from construction contracts, interior and renovation contracts, installation of building materials, sales of health products, provision of property agency and management services, and lease income from property investment during the year, and is analysed as follows:

Disaggregation of revenue

	2025	2024
	HK$'000	*HK$'000*
Recognised over time:		
Revenue from construction contract work	**1,537,351**	1,122,883
Revenue from interior and renovation contracts	**191,170**	259,022
Revenue from installation of building materials	**167,267**	140,772
Property management service income	**13,706**	5,620
Recognised at a point in time:		
Sales of health products	**13,577**	11,252
Property agency service income	**908**	1,844
Revenue from contracts with customers	**1,923,979**	1,541,393
Fixed-lease income from property investment	**61,278**	71,267
	1,985,257	1,612,660
Geographical market:		
Hong Kong	**1,985,257**	1,612,660

4. SEGMENT INFORMATION

The Group is organised into seven operating divisions: construction, interior and renovation works, design, supply and installation of building materials, sales of health products, property investment, property development and provision of property agency and management services. These divisions are the basis on which the Group reports its financial information internally and are regularly reviewed by the executive directors of the Company, being the chief operating decision makers, for the purpose of allocating resources to segments and assessing their performance.

(a) Segment revenues and results

The following is an analysis of the Group's revenue and results by operating and reportable segment:

For the year ended 31 March 2025

	Construction	**Interior and renovation**	**Building materials**	**Health products**	**Property investment**	**Property development**	**Property agency and management**	**Segment total**	**Eliminations**	**Consolidated**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
REVENUE										
External sales	**1,537,351**	**191,170**	**167,267**	**13,577**	**61,278**	**–**	**14,614**	**1,985,257**	**–**	**1,985,257**
Inter-segment sales	**787**	**13,443**	**11,505**	**29**	**8,971**	**–**	**7,000**	**41,735**	**(41,735)**	**–**
Total	**1,538,138**	**204,613**	**178,772**	**13,606**	**70,249**	**–**	**21,614**	**2,026,992**	**(41,735)**	**1,985,257**
RESULTS										
Segment result	**25,615**	**(20,176)**	**18**	**1,116**	**(212,522)**	**(56,973)**	**57**	**(262,865)**	**–**	**(262,865)**
Unallocated expenses										**(32,435)**
Loss for the year										**(295,300)**

For the year ended 31 March 2024

	Construction	Interior and renovation	Building materials	Health products	Property investment	Property development	Property agency and management	Segment total	Eliminations	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
REVENUE										
External sales	1,122,883	259,022	140,772	11,252	71,267	–	7,464	1,612,660	–	1,612,660
Inter-segment sales	1,138	34,316	2,610	26	8,971	–	10,500	57,561	(57,561)	–
Total	1,124,021	293,338	143,382	11,278	80,238	–	17,964	1,670,221	(57,561)	1,612,660
RESULTS										
Segment result	19,540	(18,115)	26	291	(100,965)	(84,750)	16	(183,957)	–	(183,957)
Unallocated expenses										(32,057)
Loss for the year										(216,014)

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represent the results from each segment without allocation of interest income earned and administration costs incurred by head office and the inactive subsidiaries. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and performance assessment.

Inter-segment sales are charged by reference to market prices.

(b) Other Information

Year ended 31 March 2025

	Construction HK$'000	Interior and renovation HK$'000	Building materials HK$'000	Health products HK$'000	Property investment HK$'000	Property development HK$'000	Property agency and management HK$'000	Unallocated HK$'000	Consolidated HK$'000
Amounts included in the measure of segment results or segment assets:									
Depreciation of property, plant and equipment	4,495	1,445	1,212	25	735	–	1,412	6,841	16,165
Depreciation of right-of-use assets	1,969	–	–	923	–	–	–	–	2,892
Write-down of properties under development for sale	–	–	–	–	–	49,146	–	–	49,146
Loss on change in fair value of investment properties	–	–	–	–	140,706	–	–	–	140,706
Gain on change in fair value of financial assets at fair value through profit or loss ("FVTPL")	(27)	–	–	–	–	–	–	–	(27)
Write-down of inventories, net	–	–	–	123	–	–	–	–	123
Gain on disposal of property, plant and equipment	(292)	(462)	–	–	–	–	–	–	(754)
Impairment losses under expected credit loss ("ECL") model, net	339	51	368	–	65,306	31,730	–	–	97,794
Interest income	(3,095)	(113)	(163)	(15)	(1,978)	(13,376)	(6)	(3)	(18,749)
Share of profit of joint ventures	–	–	–	–	–	(4,551)	–	–	(4,551)
Finance costs	124	–	–	51	51,034	–	–	–	51,209
Income tax expenses (credit)	4,140	(18)	(61)	–	(4,395)	–	160	–	(174)
Additions to non-current assets (note)	5,024	–	–	6	3,767	–	5	–	8,802
Interests in joint ventures	–	–	–	–	–	92,349	–	–	92,349
Loans to joint ventures	–	–	–	–	183,095	902,271	–	–	1,085,366

Note: Non-current assets exclude deferred tax assets, interest in an associate, interests in joint ventures and loans to joint ventures.

Year ended 31 March 2024

	Construction HK$'000	Interior and renovation HK$'000	Building materials HK$'000	Health products HK$'000	Property investment HK$'000	Property development HK$'000	Property agency and management HK$'000	Unallocated HK$'000	Consolidated HK$'000
Amounts included in the measure of segment results or segment assets:									
Depreciation of property, plant and equipment	3,716	1,575	1,212	124	1,008	–	1,615	6,459	15,709
Depreciation of right-of-use assets	855	–	–	897	–	–	–	–	1,752
Write-down of properties under development for sale	–	–	–	–	–	21,740	–	–	21,740
Loss on change in fair value of investment properties	–	–	–	–	71,078	–	–	–	71,078
Loss on change in fair value of financial assets at FVTPL	142	–	–	–	–	–	–	–	142
Reversal of write-down of inventories	–	–	–	(17)	–	–	–	–	(17)
(Gain) loss on disposal of property, plant and equipment	(74)	–	–	–	68	–	–	–	(6)
Impairment losses (reversal of impairment losses) under ECL model, net	100	(224)	130	–	–	88,210	–	–	88,216
Interest income	(1,500)	(162)	(111)	(15)	(405)	(19,674)	(13)	(11)	(21,891)
Share of loss of an associate	–	–	–	–	7	–	–	–	7
Share of loss of joint ventures	–	–	–	–	–	13,077	–	–	13,077
Finance costs	51	–	–	52	65,522	–	–	–	65,625
Income tax expenses (credit)	3,060	(4,013)	(22)	–	1,003	–	132	–	160
Additions to non-current assets (note)	5,068	–	–	1,909	823	–	358	10,707	18,865
Interests in joint ventures	–	–	–	–	–	88,648	–	–	88,648
Loans to joint ventures	–	–	–	–	235,502	801,126	–	–	1,036,628

Note: Non-current assets exclude deferred tax assets, interest in an associate, interests in joint ventures and loans to joint ventures.

Geographical information

The Group's revenue which is generated from customers located in Hong Kong, the Company's place of domicile, amounted to HK$1,985,257,000 (2024: HK$1,612,660,000). Accordingly, no further analysis of the Group's revenue by geographical market based on geographical location of customers has been presented.

The analysis of the Group's non-current assets by geographical location of assets is presented as follows (note):

	31.3.2025	31.3.2024
	HK$'000	*HK$'000*
Hong Kong (place of domicile)	**2,506,784**	3,065,608
Mainland China	**69,734**	70,805
	2,576,518	3,136,413

Note: Interest in an associate and interests in joint ventures are analysed by geographical location of their respective operations.

Non-current assets excluded loans to joint ventures and deferred tax assets.

Information about major customers

Revenue from customers of the corresponding years individually contributing over 10% of the total revenue of the Group is as follows:

	2025	2024
	HK$'000	*HK$'000*
Customer A	**524,764**	N/A*
Customer B	**329,531**	640,417
Customer C	**N/A***	221,793

The revenue is income from construction contracts within the construction segment.

* The corresponding revenue does not contribute over 10% of the total revenue of the Group during the year ended 31 March 2025 or 31 March 2024.

5. OTHER GAINS AND LOSSES

	2025	2024
	HK$'000	*HK$'000*
Gain on disposal of property, plant and equipment	**754**	6
Gain (loss) on change in fair value of financial assets at FVTPL	**27**	(142)
Others	**(49,150)**	(10,189)
	(48,369)	(10,325)

6. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET

	2025	2024
	HK$'000	*HK$'000*
Reversal of impairment losses (impairment losses), net, recognised on:		
Trade debtors	**19**	187
Contract assets	**(776)**	(193)
Loans to joint ventures	**(97,037)**	(88,210)
	(97,794)	(88,216)

7. LOSS BEFORE TAXATION

	2025	2024
	HK$'000	*HK$'000*
Loss before taxation has been arrived at after charging (crediting):		
Depreciation of property, plant and equipment	**16,165**	15,709
Less: Depreciation expenses included in the cost of sales	**(1,721)**	(956)
	14,444	14,753
Depreciation of right-of-use assets	**2,892**	1,752
Less: Depreciation expenses included in the cost of sales	**(2,194)**	(1,082)
	698	670
Auditor's remuneration	**3,376**	3,670
Contract costs recognised as expenses	**1,815,837**	1,457,043
Costs of inventories recognised as expenses	**23,511**	23,548
Write-down of inventories (reversal of write-down of inventories), net	**123**	(17)
Write-down of properties under development for sale	**49,146**	21,740
Gross rental income under operating leases on:		
Investment properties	**(61,278)**	(71,267)
Less: Direct operating expenses arising from leasing	**17,991**	18,531
	(43,287)	(52,736)
Expenses included in cost of sales:		
Short-term leases expense in respect of plant and machinery	**17,402**	10,193

8. TAX CREDIT (EXPENSE)

	2025	2024
	HK$'000	*HK$'000*
Hong Kong Profits Tax		
Current year	**(4,454)**	(3,741)
Over (under)-provision in prior years	**180**	(810)
	(4,274)	(4,551)
Deferred taxation	**4,448**	4,391
	174	(160)

Hong Kong Profits Tax for both years is calculated at 16.5% of the estimated assessable profits for the year, except for the group entity which is a qualifying corporation under the two-tiered profits tax rates regime. For this group entity, the first HK$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

9. DIVIDENDS

	2025	2024
	HK$'000	*HK$'000*
Dividends recognised as distribution during the year:		
Nil (2024: 2024 first interim dividend – HK1.0 cents per share)	**–**	10,731
Nil (2024: 2023 second interim dividend – HK5.0 cents per share)	**–**	54,405
	–	65,136

No dividend was proposed by the board of directors of the Company for the financial year ended 31 March 2025 (2024: no second interim dividend was proposed).

10. LOSS PER SHARE

The calculation of the basic and diluted loss per share for the year attributable to owners of the Company is based on the following data:

	2025 *HK$'000*	2024 *HK$'000*
Loss		
Loss for the purpose of basic and diluted loss per share	**(295,300)**	(216,014)

	2025 *'000*	2024 *'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	**1,073,075**	1,083,897

The weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share for the year ended 31 March 2024 has taken into account the ordinary shares repurchased from the market during the respective year.

During the years ended 31 March 2025 and 2024, the computation of diluted loss per share does not assume the exercise of all of the Company's outstanding share options as their assumed exercise would result in a decrease in loss per share.

11. LOANS TO JOINT VENTURES

	31.3.2025 *HK$'000*	31.3.2024 *HK$'000*
Loans to joint ventures	**1,085,366**	1,036,628

As at 31 March 2025, loans are granted to joint ventures engaging in property development and property investment in Hong Kong. The loans amounted to HK$433,294,000 (2024: HK$420,381,000) are unsecured, interest bearing at 3.0% (2024: 4.25%) per annum and repayable on demand. The remaining loans to joint ventures are unsecured, non-interest bearing and have no fixed terms of repayment. The Group has no intention to request for repayment of the loans amounting to HK$1,085,366,000 (2024: HK$1,036,628,000) within the twelve months from the end of the reporting period. Accordingly, the loans are classified as non-current assets.

For the purpose of internal credit risk management, the Group regularly monitors the business performance of joint ventures. Before granting the loans to joint ventures, the management of the Group has obtained understanding to the financial background and business performance of the joint ventures. The Group's credit risks in these balances are mitigated through monitoring the value of the assets held by the joint ventures. As at 31 March 2025, the gross carrying amounts of loans to joint ventures and amounts due from joint ventures are HK$1,317,432,000 (2024: HK$1,171,657,000) and nil (2024: HK$847,000), respectively.

The Group assessed the ECL with reference to the internal credit rating of the counterparties. Impairment loss of HK$97,037,000 (2024: impairment loss of HK$88,210,000) was recognised in profit or loss for the year ended 31 March 2025.

The following table shows the movement in 12m ECL (not credit-impaired) that has been recognised for loans to joint ventures which are assessed individually.

	Loans to joint ventures
	HK$'000
At 1 April 2024 (audited)	**135,029**
Changes due to financial instruments as at 1 April 2024:	
– Impairment loss recognised	**97,037**
At 31 March 2025	**232,066**

12. DEBTORS, DEPOSITS AND PREPAYMENTS

For the business of construction services and others, the Group generally allows a credit period of 30 to 90 days and not more than 90 days (2024: 30 to 90 days and not more than 90 days), respectively, to its customers. Before accepting any new customer, the Group will internally assess the credit quality of the potential customers and define appropriate credit limit. Other receivables are unsecured, interest-free and repayable on demand.

The aged analysis of trade debtors, net of allowance for credit losses, presented based on the invoice date, as appropriate, at the end of the reporting period is as follows:

	31.3.2025	31.3.2024
	HK$'000	*HK$'000*
Within 30 days	**92,788**	51,349
31-60 days	**2,099**	4,705
61-90 days	**298**	3,844
Over 90 days	**1,647**	3,026
	96,832	62,924

13. TRADE AND OTHER PAYABLES

The aged analysis of trade payables presented based on the invoice date at the end of the reporting period is as follows:

	31.3.2025	31.3.2024
	HK$'000	*HK$'000*
Within 30 days	**74,746**	55,260
31-60 days	**852**	662
61-90 days	**747**	654
Over 90 days	**6,732**	2,595
	83,077	59,171

14. SHARE CAPITAL

	No. of shares	*HK$'000*
Authorised:		
Shares of HK$0.10 each		
Balance as at 1 April 2023, 31 March 2024 and 31 March 2025	1,500,000,000	150,000
Issued and fully paid:		
Shares of HK$0.10 each		
Balance as at 1 April 2023	1,096,286,676	109,629
Repurchased and cancelled (note ii)	(23,212,000)	(2,322)
Balance as at 31 March 2024 and 31 March 2025	1,073,074,676	107,307

Notes:

(i) The shares in issue rank pari passu in all respects.

(ii) During the year ended 31 March 2024, the Company repurchased 17,964,000 shares on the market for an aggregated consideration paid of approximately HK$19,999,000, in which all shares were cancelled during the year ended 31 March 2024 and no shares were cancelled after the reporting date.

OPERATIONS REVIEW

CONSTRUCTION DIVISION

The revenue for the Construction Division was HK$1,538.1 million for the year ended 31 March 2025 (2024: HK$1,124.0 million).

During the year, the Construction Division continued to work on the projects on hand. The total amount of contracts on hand as at 31 March 2025 for the Construction Division amounted to HK$3,783.9 million.

Major Projects Completed

(1) Construction of the proposed residential and commercial development at Nos. 33-47 Catchick Street, Kennedy Town, Hong Kong

(2) Construction of public housing development at Hin Fat Lane, Tuen Mun, New Territories

Major Projects Undertaken

(1) Construction of the proposed residential development at No. 57A Nga Tsin Wai Road, Kowloon Tong, Kowloon

(2) Construction of the proposed industrial redevelopment at No. 22 Yip Shing Street, Kwai Chung, New Territories

(3) Construction of the proposed industrial redevelopment at No. 18 Lee Chung Street, Chai Wan, Hong Kong

(4) Construction of the proposed residential development at Lot No. 2143 in D.D. 121, Tong Yan San Tsuen, Yuen Long, New Territories

(5) Construction of the residential development at Tuen Mun Town Lot No. 496, So Kwun Wat, Tuen Mun, New Territories

(6) Main works contract for Hong Kong Science Park Expansion Stage 2 (SPX2) Building 18W (formerly known as 12W-A)

(7) Construction of the proposed commercial development at Nos. 92-103A Connaught Road West and Nos. 91, 99 and 101 Des Voeux Road West, Hong Kong

(8) Construction of public housing development at Pik Wan Road Site B, Yau Tong, Kowloon

INTERIOR AND RENOVATION DIVISION

For the year ended 31 March 2025, the Interior and Renovation Division recorded a revenue of HK$204.6 million, as compared with HK$293.3 million last year.

The total amount of contracts on hand as at 31 March 2025 for the Interior and Renovation Division amounted to HK$107.6 million.

Major Projects Completed

(1) 2-year term tenancy works contract (2022-2024) for shopping centres, car parks, markets & cooked-food stalls for Hong Kong Island, Kowloon East, New Territories East and Tseung Kwan O (Region 2) for the Link

(2) Repair and Maintenance term contract (2022-2025) for Hong Kong Baptist University

(3) AA&I project 2022-2023 renovation works to lavatories in Sir Run Run Shaw Building, Cha Chi-Ming Science Tower and Fong Shu Chuen Library, renovation works to lavatories at Level 5 of Oen Hall Building at Hong Kong Baptist University

(4) Interior fitting out works nominated sub-contract for redevelopment of North Point Methodist Church at 11 Cheung Hong Street, North Point, Hong Kong

(5) HKHA district term contract (2021-2024) for the maintenance, improvement and vacant flat refurbishment for Hong Kong Island and Islands (2)

Major Projects Undertaken

(1) Building works term contract (2022-2025) for shopping centres, car parks, markets & cooked-food stalls in Tin Shui Wai, Tuen Mun, New Territories North and Ma On Shan (Region 1) for the Link

(2) Toilet improvement works at shopping centres of Tin Shui, Butterfly, Leung King, Chung On, Sha Kok, Tsui Ping and Stanley

(3) Fitting out works for the proposed industrial redevelopment at No. 22 Yip Shing Street, Kwai Chung, New Territories

(4) Show flat fitting out works for the proposed residential development at No. 57A Nga Tsin Wai Road, Kowloon Tong, Kowloon

Major Projects Awarded

(1) Alterations and additions term contract (2025-2027) for building works for The Hong Kong Polytechnic University

BUILDING MATERIALS DIVISION

The Group's Building Materials Division specialises in the supply and installation of different types of suspended ceiling system, metal cladding system, fire rated enclosure system and timber flooring.

For the year ended 31 March 2025 the revenue of the Building Materials Division was HK$178.8 million compared with that of HK$143.4 million last year.

The total amount of contracts on hand as at 31 March 2025 for the Building Materials Division amounted to HK$25.6 million.

Major Projects Completed

(1) Ho Man Tin Station Package One Property Development at KIL 11264, Ho Man Tin, Kowloon – Supply and installation of baffle ceiling at LG1 and LG2 carpark

(2) Science Park Expansion Stage 2 (SPX2) Building 12W-A at Pak Shek Kok, Tai Po, T.P.T.L. No.204, N.T. – Design, supply and installation of fire resistance hanger wall and E&M enclosure system

Major Projects Undertaken

(1) HKIA Contract 3508 Terminal 2 expansion works – Design, supply and installation of main roof baffle ceiling system

(2) HKIA Contract 3508 Terminal 2 expansion works – Design, supply and installation of lower level baffle and external ceiling system

(3) Proposed residential development at TKOTL 70RP, Phase 11, Lohas Park, Tseung Kwan O, N.T. – Supply and installation of gypsum board ceiling system

(4) Central Kowloon Route – Building, electrical and mechanical works – Design, supply and installation of suspended ceiling system

(5) The Physical Sciences and Technologies Building (New Research Building 1) at The Hong Kong University of Science and Technology – Design, supply and installation of suspended ceiling system

(6) Centralized General Research Laboratories Complex (Block 2) at Area 39, The Chinese University of Hong Kong – Design, supply and installation of suspended ceiling system

Major Projects Awarded

(1) Proposed residential development at Nam Pin Wai, Sai Kung, Hong Kong – Design, supply and installation of fire rated enclosure

(2) Proposed industrial re-development at No.22 Yip Shing Street, Kwai Chung, N.T. – Supply and installation of baffle ceiling at G/F

PROPERTY DEVELOPMENT DIVISION

The Property Development Division recorded no revenue during the year ended 31 March 2025 (2024: nil).

LUXÉAST, the Group's 49% interest in the parcel of land situated at 中華人民共和國浙江省海寧市區文苑路西側、後富亭港南側 (West of Wenyuan Road and South of Houfutinggang, Haining, Zhejiang Province, the People's Republic of China) for the development and construction of office, retail, car parking spaces and other development pertaining to the land. The respective 房屋所有權證 (Building Ownership Certificates) were issued in March 2015. A total of 222 商品房買賣合同 (Sale and Purchase Agreement for Commodity Flat) were signed up to the end of the reporting period and all units had been delivered to customers.

For the proposed residential development project with Sun Hung Kai Properties Limited at So Kwun Wat, Tuen Mun, the development of the site is in progress.

A piece of land at No. 57A Nga Tsin Wai Road, Kowloon Tong, Kowloon in which the Group has 50% interest with the objective of developing the property into a premium residential project, lease modification was completed and premium has been fully settled. The development of the site is in progress and is expected to be completed in this year. Occupation permit for the project has been issued in June 2025.

For the piece of land at Tong Yan San Tsuen in Yuen Long in which the Group has 50% interest with the objective of developing the property into a residential project, a land exchange application for residential use was completed in April 2021. The development of the site is in progress.

As for the joint venture project, Johnson Place, located at Nos. 14-16 Lee Chung Street, Chai Wan, Hong Kong in which the Group has 50% interest, it will be redeveloped into a brand new industrial property, the planning application and building plans for bonus plot ratio have been approved. Demolition of the existing building will be commenced soon.

As for the joint venture project, West Castle, located at No. 22 Yip Shing Street, Kwai Chung in which the Group has 50% interest, it will be redeveloped into a brand new industrial property with bonus plot ratio. The development of the site is in progress and will be completed in this year.

For the joint venture project at No. 18 Lee Chung Street, Chai Wan, Hong Kong, in which the Group has 50% interest, it will be redeveloped into a brand new industrial property. Building plans for the development with bonus plot ratio have been approved and demolition work was completed in April 2022. The development of the site is in progress.

PROPERTY INVESTMENT DIVISION

The Property Investment Division recorded a revenue of HK$70.3 million for the year ended 31 March 2025 (2024: HK$80.2 million).

In April 2024, the Group entered into a provisional sale and purchase agreement with an independent third party to dispose of certain shops in a residential-cum-retail composite property named “The Austine Place” located in No. 38 Kwun Chung Street, Kowloon. The disposal was completed in July 2024.

Stratified sale of Hollywood Hill at No. 222 Hollywood Road was launched in September 2024. A total of 48 sale and purchase agreements were signed and all units had been delivered to customers up to the date of this announcement. The remaining G/F shops are being offered for sales.

Investment properties of the Group including PeakCastle in Cheung Sha Wan, The Mercer in Sheung Wan, G/F Shops of Hollywood Hill at No. 222 Hollywood Road, No. 31 Wing Wo Street in Sheung Wan and The Connaught at No. 138 Connaught Road West in which the Group has 50% interest, all contributed rental incomes to the Group during the financial year.

PROPERTY AGENCY AND MANAGEMENT DIVISION

The revenue of the Property Agency and Management Division for the year ended 31 March 2025 was HK$21.6 million (2024: HK$18.0 million).

In Hong Kong, our Property Agency and Management Division acted as the marketing and project manager for Johnson Place and No. 18 Lee Chung Street in Chai Wan, West Castle at No. 22 Yip Shing Street, No. 57A Nga Tsin Wai Road, PeakCastle in Cheung Sha Wan, The Grampian at No. 11 Grampian Road, The Connaught at No. 138 Connaught Road West and The Austine Place at No. 38 Kwun Chung Street. This division also provided property management services to The Austine Place at No. 38 Kwun Chung Street, The Bedford in Tai Kok Tsui, Eight College and One LaSalle in Kowloon Tong, PeakCastle in Cheung Sha Wan, Mount Vienna at Lok Lam Road, The Connaught at No. 138 Connaught Road West, Hollywood Hill at No. 222 Hollywood Road, The Mercer at No. 29 Jervois Street and West Park in Cheung Sha Wan.

Other services of this Division include rental collection and leasing agency services to 8 Hart Avenue and The Cameron in Tsim Sha Tsui.

HEALTH PRODUCTS DIVISION

For the year ended 31 March 2025, the Division recorded revenue of HK$13.6 million, compared to HK$11.3 million last year.

The Health Products Division is primarily engaged in the retail and wholesale of Bu Yick Fong – 28 Chinese Herbal Soup and ganoderma spore products under the “Dr. Lingzhi” brand, and Chinese and Western nutritional supplements under the “HealthMate” brand. In addition to the e-commerce business, a brick-and-mortar store has been established in Tsim Sha Tsui to improve brand visibility and build customer relationships.

FINANCIAL REVIEW

SUMMARY OF RESULTS

For the year ended 31 March 2025, the Group achieved revenue of HK$1,985.3 million, representing an increase of approximately 23.1% compared with the previous financial year (2024: HK$1,612.7 million). This increase was mainly from Construction Division. The consolidated loss attributable to owners of the Company was HK$295.3 million (2024: loss of HK$216.0 million). The net loss was mainly due to the net revaluation loss of the properties held by the Group and joint ventures of approximately HK$278.7 million as a result of the downturn in the property market together with the interest expenses of approximately HK$51.2 million. Such net revaluation loss of properties held by the Group and joint ventures are recognised through loss on change in fair value of investment properties, write-down of properties under development for sale, provision of impairment losses under expected credit loss model on loans to joint ventures and share of results of joint ventures in the current year.

Key financial items:

	2025	2024
	HK$'000	*HK$'000*
Revenue	**1,985,257**	1,612,660
Profit before the net revaluation loss of properties held by the Group and joint ventures, expenses related to the disposals of properties and finance costs	**34,577**	36,978
Consolidated loss attributable to owners of the Company	**(295,300)**	(216,014)
Net asset value of the Group as at 31 March	**3,461,633**	3,766,526
Net asset value of the Group per share as at 31 March	**HK$3.23**	HK$3.51
Basic loss per share	**(HK27.5 cents)**	(HK19.9 cents)
Diluted loss per share	**(HK27.5 cents)**	(HK19.9 cents)

Group Liquidity and Financial Resources

The Group's liquidity and financing requirements are regularly reviewed.

For day-to-day liquidity management and to maintain flexibility in funding, the Group has access to facilities from banks with an aggregate amount of HK$3,011.0 million (HK$1,631.0 million was secured by first charges over certain leasehold land and buildings and investment properties of the Group), of which HK$1,931.0 million bank loans have been drawn down and approximately HK$146.9 million has been utilised mainly for the issuance of performance bonds as at 31 March 2025. The bank loans under these banking facilities bear interests at prevailing market interest rates.

The Group follows a prudent policy in managing its cash balance, and endeavours to maintain its sound cash flow generating capability, its ability to take on investments and acquisition projects, in order to enhance shareholder wealth. The total cash and bank balances of the Group amounted to HK$477.7 million as at 31 March 2025 (2024: HK$441.5 million), and accounted for 20.8% of the current assets (2024: 21.6%).

During the year, the Group has a net cash outflow of HK$357.9 million in its operating activities (mainly due to increase in properties under development for sale, increase in contract assets and payment of interest), a net cash inflow of HK$344.2 million in its investing activities (mainly due to proceeds on disposal of investment properties and assets classified as held for sale, netting off loans to joint ventures), and a net cash inflow of HK$50.0 million in its financing activities (mainly due to new bank loans raised, netting off repayment of bank loans). Net bank borrowings (total bank loans less total bank balances and cash) amounted to HK$1,453.3 million as at 31 March 2025 (2024: net bank borrowings of HK$1,436.6 million). Accordingly, the gearing ratio of the Group, calculated on the basis of the Group's net bank borrowings to shareholders' funds, was 42.0% (2024: 38.1%). As at year-end date, the Group was with a net current assets of HK$642.0 million (2024: net current liabilities of HK$365.6 million) and the current ratio (current assets divided by current liabilities) was 1.39 times (2024: 0.85 time).

With its cash holdings and available facilities from banks, the Group's liquidity position will remain healthy in the coming year, with sufficient financial resources to meet its obligations, operation and future development requirements.

Treasury Policy

The aim of the Group's treasury policy is to minimise its exposure to fluctuations in the exchange rate and not to engage in any highly leveraged or speculative derivative products. Treasury transactions unrelated to underlying financial exposure are not undertaken. Foreign currency exposures of the Group arise mainly from the purchase of goods. The Group will determine if any hedging is required, on an individual basis, depending upon the size and nature of the exposure, and the prevailing market circumstances.

In order to enhance the deployment of internal funds with maximum benefit, to achieve better risk control, and to minimise cost of funds, the Group's treasury activities are centralised and scrutinised by the top management.

The surplus cash which is generally placed with reputable financial institutions is mostly denominated in Hong Kong dollar. Most of the income, expenses, assets and liabilities of the Group are denominated in Hong Kong dollars. The Group therefore does not have any significant exposure to gains or losses arising from the movement of foreign currency exchange rate against the Hong Kong dollar.

Shareholders' Funds

At the year-end date, shareholders' funds of the Group were HK$3,461.6 million including reserves of HK$3,354.3 million, a decrease of HK$304.9 million from HK$3,659.2 million at 31 March 2024. On that basis, the consolidated net asset value of the Group as at 31 March 2025 was HK$3.23 per share, compared to the consolidated net asset value of HK$3.51 per share as at 31 March 2024. The decrease in shareholders' funds was mainly attributable to loss for the year.

Capital Structure

The Group intends to keep an appropriate mix of equity and debt to ensure an efficient capital structure over time. As at 31 March 2025, the Group borrowed Hong Kong dollar loans amounting to HK$1,931.0 million from the banks (at 31 March 2024: HK$1,878.1 million). The loans have been used for financing the acquisition of properties for investment and development purposes and as general working capital. The majority profile of the loans spread over a period of 3 years with HK$1,138.4 million are repayable within the one year, HK$678.4 million repayable within the second year and HK$114.2 million repayable within the third year. Interest is based on Hong Kong Interbank Offered Rate plus a competitive margin.

Loans to joint ventures

As at 31 March 2025, the loans to joint ventures of the Group amounted to HK$1,085.4 million (31 March 2024: HK$1,036.6 million). The loans were granted to the joint venture companies for the purpose of providing financial assistance to the joint ventures for their respective property development and investment projects in Hong Kong and were made in proportion to the Group's interest in the respective joint venture companies. Property development and property investment are part of the ordinary course business of the Group, and the grant of such loans to joint ventures is in line with the Group's regular operations and the market practice in Hong Kong for property development and investment projects to be partially financed by bank borrowings and shareholder loans. Loans advanced to joint ventures of this nature were unsecured and repayable on demand. As at 31 March 2025, the loans to joint ventures of HK$433.3 million were interest bearing at 3% per annum while the remaining balance of the loans to joint ventures were interest free.

The Group performs impairment assessment on loans to joint ventures under the expected credit loss model, under which factors including but not limited to the joint venture's operations, external market factors, changes in business, financial or economic conditions are considered in determining the credit risk of the joint ventures and whether any impairment should be recognised. The recoverability of loans to joint ventures is heavily dependent on the net realisable value of the properties held by the joint ventures, which in turn affects the credit risk of joint venture. Fluctuations in the real estate market will directly impact the ability of the joint ventures to sell and/or lease the properties to repay the loans. In determining the impairment, the Group mainly considered the carrying value of the properties against the property valuations of the respective properties held by the joint ventures as at 31 March 2025, conducted by Colliers International (Hong Kong) Limited, an independent property valuer not connected with the Group.

The management of the Group had obtained an understanding of the financial background and business performance of the joint ventures. Being a shareholder of the joint ventures, the Group seeks to maintain a good understanding of the financial condition of the joint ventures, and the Group reduces its exposure to credit risks by continuously monitoring the operation of the joint ventures as well as the progress of the developments to manage the risks more effectively.

In assessing the valuations of the properties of these four joint ventures, the independent property valuer take reference to the market approach and mainly considered the selling price of the similar properties in the market. In respect of the property valuations, comparable properties were selected based on their being at a similar location and of similar usage as the respective properties, and for which price information is available. For the valuation of the respective properties held by these four joint ventures, five to nine comparable properties were considered by the independent property valuer. As a result of increased interest rates and a downturn in the Hong Kong property market during the current period, asset values further declined, which prompted the recognition of the impairment.

During the year ended 31 March 2025, impairment loss under expected credit loss model, net on loans to joint ventures of HK$97.0 million was recognised on four loans to joint ventures, the details are as below:

	Loan to Joint Venture A and its subsidiary *HK$'000*	Loan to Joint Venture B *HK$'000*	Loan to Joint Venture C *HK$'000*	Loan to Joint Venture D and its subsidiary *HK$'000*	Total *HK$'000*
Gross carrying amount as at 31 March 2025	123,295	178,772	407,772	248,402	958,241
Impairment loss under expected credit loss model as at 1 April 2024	13,241	34,458	87,330	–	135,029
Impairment loss recognised during the year	269	470	30,992	65,306	97,037
Impairment loss under expected credit loss model as at 31 March 2025	13,510	34,928	118,322	65,306	232,066
Net carrying amount as at 31 March 2025	109,785	143,844	289,450	183,096	726,175

Major Disposal

In April 2024, the Group has entered into a provisional sale and purchase agreement with an independent third party to dispose of certain shops in a residential-cum-retail composite property named "The Austine Place" located in No. 38 Kwun Chung Street, Kowloon. The disposal was completed in July 2024.

Stratified sale of Hollywood Hill at No. 222 Hollywood Road was launched in September 2024. A total of 48 sale and purchase agreements were signed and all units had been delivered to customers up to the date of this announcement.

Collateral

As at 31 March 2025, certain leasehold land and buildings and investment properties of the Group, at the carrying value of approximately HK$2,423.8 million (at 31 March 2024: certain leasehold land and buildings and investment properties and assets classified as held for sale of the Group, at the carrying value of approximately HK$2,616.5 million), were pledged to the banks to secure the Hong Kong dollar loans of HK$1,431.0 million (at 31 March 2024: HK$1,421.1 million).

Performance Bonds

As at 31 March 2025, the Group had outstanding performance bonds in respect of construction contracts amounting to HK$146,939,000 (2024: HK$200,829,000).

Commitments

The Group's share of the commitments made jointly with other joint venturers relating to the joint ventures, but not recognised at the end of the reporting period is as follows:

	31.3.2025	31.3.2024
	HK$'000	*HK$'000*
Commitments to provide loans	**1,259,229**	1,378,340

PROSPECTS

The Hong Kong property market has faced a challenging environment, characterised by high borrowing costs, cautious buyer sentiment, and subdued investment activity. In 2023, property prices declined, reflecting weakened demand and a slowdown in economic activity.

However, according to Mr. Paul Chan, Financial Secretary, following the removal of additional stamp duties in early 2024 coupled with an interest rate cut by the US Federal Reserve in late 2024, transaction volumes are showing signs of recovery, with developers offering discounted prices to clear inventory. Notably, Mainland Chinese buyers have played a key role in driving new property sales, accounting for up to one-third of the transactions in prime locations.

In light of the uncertain market conditions, the Group has remained cautious, focusing on existing development projects. Several of the Group's residential projects located at So Kwun Wat, Tuen Mun, in partnership with Sun Hung Kai Properties Limited, No. 57A Nga Tsin Wai Road, Kowloon Tong and Tong Yan San Tsuen in Yuen Long; and industrial projects located at No. 22 Yip Shing Street, Kwai Chung and No. 18 Lee Chung Street, Chai Wan are on track for completion in the coming years, when it is anticipated that market conditions will be improved. Out of these projects, residential project at No. 57A Nga Tsin Wai Road, Kowloon Tong and industrial project at No. 22 Yip Shing Street, Kwai Chung will be launched for sale in this coming financial year.

Looking ahead, the global economic landscape remains uncertain, with key risks including high interest rates, geopolitical conflicts, and trade tensions. However, with strong government support for infrastructure developments and signs of a gradual recovery in Hong Kong's property market, the Group remains cautiously optimistic about future prospects.

To navigate these challenges effectively, the Group will continue prioritising public sector construction projects, leveraging stable demand and government-backed contracts, adopting a disciplined and risk-conscious approach to property investment, investing in workforce development and digital transformation, to ensure ongoing competitiveness in the construction and real estate sectors.

EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2025, the Group (excluding its joint ventures) had 512 employees (2024: 543 employees). Staff costs of the Group for the year ended 31 March 2025 amounted to HK$225.6 million (excluding directors' emoluments) (2024: HK$212.8 million). The Group offers competitive remuneration packages, including discretionary bonus and share option scheme, to its employees, commensurable to market level and their qualifications. The Group also provides retirement schemes, medical benefits and both in-house and external training courses for employees.

CORPORATE GOVERNANCE

The corporate governance principles of the Company emphasise a quality board of directors and transparency and accountability. Throughout the year ended 31 March 2025, the Company has complied with all applicable code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2025.

REVIEW OF ANNUAL RESULTS

The Group's consolidated financial statements for the year ended 31 March 2025 have been reviewed by the Audit Committee of the Company.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

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

On behalf of the Board
Hanison Construction Holdings Limited
Cha Mou Daid, Johnson
Chairman

Hong Kong, 27 June 2025

As at the date of this announcement, the Board comprises:

Non-executive Chairman
Mr. Cha Mou Daid, Johnson

Executive Directors
Mr. Wong Sue Toa, Stewart *(Managing Director)*
Mr. Tai Sai Ho *(General Manager)*
Mr. Chow Ka Fung

Non-executive Director
Dr. Lam Chat Yu

Independent Non-executive Directors
Mr. Chan Pak Joe
Dr. Lau Tze Yiu, Peter
Dr. Chan Fan Cheong, Tony
Ms. Hao Quan