Management Discussion and Analysis

The Pavilia Forest, Hong Kong

FINANCIAL REVIEW

1. Profit and loss analysis

The Company's consolidated revenue for FY2024 was approximately HK$10.2 billion, an increase of 57.5% as compared with FY2023, with improvement in both property development business and recurring income businesses. Revenue from the Group's gaming business has been restated as gross revenue, outlining figures before gaming tax. Adjusted gross profit[i], a non-GAAP financial measure, increased 61.4% to approximately HK$3.2 billion as compared with HK$2.0 billion for FY2023. A breakdown of the Group's revenue and gross profit is set out below:

	Property development HK$'000	Hotel operations and management HK$'000	Car park operations and facilities management HK$'000	Gaming operations HK$'000	Others HK$'000	Total HK$'000
FY2024						
Revenue	**6,834,270**	**2,031,147**	**731,589**	**402,403**	**204,270**	**10,203,679**
Gross profit	**1,742,386**	**581,610**	**127,917**	**172,288**	**160,556**	**2,784,757**
Depreciation	**–**	**336,701**[iv]	**24,123**[iv]	**6,292**	**–**	**367,116**
Adjusted gross profit[i]	**1,742,386**	**918,311**	**152,040**	**178,580**	**160,556**	**3,151,873**
Adjusted gross profit margin[i]	**25.5%**	**45.2%**	**20.8%**	**44.4%**	**78.6%**	**30.9%**
FY2023						
Revenue	3,566,135	1,547,965[iii]	754,298	390,404[ii][iii]	220,156	6,478,958[ii]
Gross profit	677,475	510,295[iii]	144,137	163,200[iii]	173,396	1,668,503
Depreciation	–	275,552[iii][iv]	1,303[iv]	7,406[iii]	–	284,261
Adjusted gross profit[i]	677,475	785,847[iii]	145,440	170,606[iii]	173,396	1,952,764
Adjusted gross profit margin[i]	19.0%	50.8%[iii]	19.3%	43.7%[iii]	78.8%	30.1%

Notes:

(i) Represents a non-GAAP financial measure which is defined and reconciled to the nearest comparable GAAP measures in the "Non-GAAP financial measures" section below.

(ii) Restated gaming revenue as gross gaming revenue which added back the gaming tax amounted HK$133 million for FY2023.

(iii) Reclassified the revenue and relevant results of Hotel Savannah from gaming operations to hotel operations and management for FY2023.

(iv) Excludes depreciation of leased properties under HKFRS 16.

Management Discussion and Analysis

Revenue from sales of properties amounted to approximately HK$6,834 million in FY2024, an increase of 91.6% as compared with FY2023. Major contributors to the revenues were West Side Place (Towers 3 and 4) in Melbourne, Hornsey Town Hall in London, New Cross Central and MeadowSide (Plots 2 and 3 – The Gate and The Stile) in Manchester, and sale of other inventories in Mainland China, Hong Kong and Australia as well as revenue recognition over time of Hyll on Holland in Singapore and Dorsett Place Waterfront Subang in Malaysia. A portion of revenue from the sale of Consort Place social/affordable housing and Collyhurst social/affordable housing in the UK with low margin was also recognised during the year.

West Side Place, Melbourne

In FY2024, the Group recorded a gross profit of approximately HK$1,742 million from the sales of properties, reflecting a 25.5% gross profit margin. This represents an increase as compared with FY2023, primarily attributed to property sales in Australia with higher profit margin was recorded for FY2024 as compared with FY2023.

Revenue from hotel operations and management continued to grow strongly in FY2024, increased by 31.2% to approximately HK$2,031 million as compared with FY2023. Adjusted gross profit[i], a non-GAAP financial measure, for the Group's hotel operations and management increased 16.9% to approximately HK$918 million and adjusted gross profit margin[i], a non-GAAP financial measure, decreased to 45.2% in FY2024 from 50.8% in FY2023 as a result of the launch of our new hotels in Australia, which were in a ramp-up phase in first half of FY2024 and improved in second half of FY2024.

Car park operations and facilities management revenue decreased slightly by 3.0% year-on-year to approximately HK$732 million in FY2024. This decline can be attributed to the unfavourable movement in foreign currency exchange rates. Despite this, the core business witnessed a steady improvement in revenue. Adjusted gross profit[i], a non-GAAP financial measure, of approximately HK$152 million was achieved for FY2024 and the adjusted gross profit margin[i], a non-GAAP financial measure, slightly increased to 20.8% in FY2024 from 19.3% in FY2023.

Palasino successfully listed on the Main Board of the Stock Exchange

The Group's gaming business under Palasino has been successfully listed on the Main Board of the Stock Exchange on 26 March 2024. As at 31 March 2024, the Group held a controlling stake of 73.21% and currently holds a controlling stake of 72.07% in Palasino after the partially exercise of the over-allotment option in April 2024. Revenue from the Group's gaming business for FY2024 and FY2023 has been restated as gross revenue, outlining figures before gaming tax and reclassified the revenue and relevant results of Hotel Savannah from gaming operations business to hotel operations and management business, at HK$402 million and HK$390 million, respectively, indicating a year-on-year increase of 3.1%. The increase was primarily driven by the increase in gaming appetite and spending of our patrons. Adjusted gross profit[i], a non-GAAP financial measure, of approximately HK$179 million was recorded for FY2024 and adjusted gross profit margin[i], a non-GAAP financial measure, was at 44.4%.

The Group's overall performance in FY2024 was impacted by several factors, including (i) the decline in foreign exchange rates against the Hong Kong dollar; (ii) the rise of finance costs; (iii) the increase in selling and marketing expenses due to recognition of sales commission upon the completion of West Side Place (Towers 3 and 4) in Melbourne and more aggressive marketing initiatives on various projects; and (iv) the compensation income of HK$475 million in relation to a settlement agreement in FY2023 which was a one-off event. Despite this, both property development business and recurring income businesses have reported a growth in revenue and satisfactory performance during FY2024.

Profit attributable to shareholders of the Company recorded at HK$226 million for FY2024, an increase of 31.3% as compared with HK$172 million for FY2023. Adjusted cash profit[i], a non-GAAP financial measure, was approximately HK$780 million for FY2024, an increase of 35.5% from HK$576 million recorded for FY2023.

Note:

(i) Represents a non-GAAP financial measure which is defined and reconciled to the nearest comparable GAAP measures in the "Non-GAAP financial measures" section below.

2. Liquidity, financial resources and net gearing

The following table sets out the Group's bank and cash balances, investment securities (which are considered as cash equivalent items due to their easily monetisable nature), bank loans and borrowings and obligations under finance leases and equity as at 31 March 2024.

Consolidated statement of financial position	**As at 31 March 2024 HK$'million**	As at 31 March 2023 HK$'million
Bank loans, notes and bonds		
Due within 1 year[i]	**12,674**	21,389
Due 1–2 years	**3,420**	3,728
Due 2–5 years	**10,563**	6,177
Due more than 5 years	**1,105**	980
Total bank loans, notes and bonds	**27,762**	32,274
Investment securities	**1,742**	2,114
Bank and cash balances[ii]	**3,178**	4,431
Liquidity position	**4,920**	6,545
Net debts[iii]	**22,842**	25,729
Carrying amount of the total equity[iv]	**14,871**	15,648
Add: hotel revaluation surplus[v]	**18,682**	19,236
Adjusted total equity[vi]	**33,553**	34,884
Adjusted net gearing ratio[vi] (net debts to adjusted total equity[vi])	**68.1%**	73.8%
Net debt to adjusted total assets[vi]	**34.6%**	35.4%
Proforma adjusted net gearing ratio[vi][vii] (net debts to adjusted total equity)[vi]	**63.0%**	N/A

Notes:

(i) Includes an amount of approximately HK$1,914 million which is reflected as liabilities due within one year even though such a sum is not repayable within one year, as the relevant banks and/or financial institutions have discretionary rights to demand immediate repayment.

(ii) Represents total restricted bank deposits, deposits in financial institutions, and bank balances and cash.

(iii) Represents total bank loans, notes and bonds less investment securities, bank and cash balances.

(iv) Includes 2019 Perpetual Capital Notes.

(v) Based on the independent valuations carried out as at 31 March 2024 and 31 March 2023, except Dorsett Melbourne carried out its valuation in November 2023.

(vi) Represents a non-GAAP financial measure which is defined and reconciled to the nearest comparable GAAP measures in the "Non-GAAP financial measures" section below.

(vii) Accounts for the equity value of Palasino Group attributable to the Group, the unrealised value of the Group's stake in Palasino, of which the Group owned 73.21% as at 31 March 2024 in addition to the adjusted net debts previously detailed in (vi).

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To better manage the Group's liquidity position, the Group allocates a portion of its cash position in marketable and liquid investment securities. Investment securities shown on the consolidated statement of financial position represent primarily fixed-income securities and investments in fixed-income funds; investments in the listed shares and investment in notes issued by the trusts which hold the mortgage portfolio managed by BC Invest, an entity in which the Group has a stake of approximately 53%.

The liquidity position of the Group as at 31 March 2024 was approximately HK$4.9 billion. The Group's adjusted total equity[i], a non-GAAP financial measure, as at 31 March 2024 was approximately HK$33,553 million, adjusting for the unrecognised hotel revaluation surplus of approximately HK$18,682 million, which is based on independent valuations assessed as at 31 march 2024, except Dorsett Melbourne which carried out its valuation in November 2023, and includes the 2019 Perpetual Capital Notes. The adjusted net gearing ratio[i], a non-GAAP financial measure, of the Group stood at a healthy level of 68.1% as at 31 March 2024 as compared with 73.8% as at 31 March 2023.

The adjusted net gearing ratio[i], a non-GAAP financial measure, has recorded a decrease and is primarily attributed to a reduction in debt levels driven by various initiatives taken, including (i) repayment of approximately HK$1,019 million of its 4.5% USD Medium Term Notes 2023 in May 2023; (ii) repayment of approximately HK$2,821 million of its 5.1% USD Medium Term Notes 2024 in January 2024; (iii) the completion of the disposal of the office component of the Kai Tak development in Hong Kong in March 2024, for a consideration of HK$3.38 billion, resulting in the reduction of debt level following receipt of the sale proceeds at completion along with the add-on costs; (iv) the completion of West Side Place (Towers 3 and 4) in Melbourne with revenue amounted approximately HK$3.5 billion being utilised to repay the construction loan; (v) completion on several projects in Hong Kong and the UK further contributed to debt reduction; and (vi) divested the non-core assets such as Sheraton Grand Mirage Resort on the Gold Coast, Australia, (the Group owns 25% stake), the remaining units of Dorsett Bukit Bintang in Malaysia and a car park in New Zealand, with proceeds in aggregate of approximately HK$1.2 billion.


Sheraton Grand Mirage Resort, Gold Coast

Palasino's successful listing on the Main Board of the Stock Exchange, the market value of approximately HK$4.2 billion as at 31 March 2024 in which the Group held a controlling stake of 73.21% as at 31 March 2024 (before the exercise of over-allotment option), has further enhanced the Group's gearing. Taking into account the equity of Palasino Group attributable to the Group, the unrealised value of the Group's stake in Palasino of approximately HK$2.7 billion, the Group's proforma adjusted net gearing ratio[i], a non-GAAP financial measure, was 63.0%.

The Group is expected to enhance its financial position by executing various debt reduction initiatives which focus on reducing its finance costs as follows:

- Completion of several landmark projects with a total expected attributable GDV of approximately HK$9.3 billion, particularly Hyll on Holland in Singapore, Queen's Wharf Residences (Tower 4) in Brisbane, Perth Hub in Perth, Aspen at Consort Place in London, and Victoria Riverside in Manchester. Aspen at Consort Place in London and Hyll on Holland in Singapore has initiated the handover process in May and June 2024, respectively. A visible cash flow is set to contribute to debt reduction;

- Continue to monetise its existing inventory, particularly West Side Place (Towers 3 and 4) in Melbourne, along with active selling campaigns across Australia, the UK, and Hong Kong. Contracted sales will be completed for Manor Parc and Mount Arcadia in Hong Kong, amounting to approximately HK$1.3 billion in aggregate in FY2025;

- Actively selling its non-core assets including smaller hotels and mature car park assets. The Group signed an agreement to dispose a car park in the UK for a consideration of approximately GBP17.24 million in May 2024. In addition, the Group is considering to dispose of long-lease residential blocks in Baoshan, Shanghai, with one parcel for raw land sale and the other to be developed into approximately 1,200 units within two years;

- Upcoming launch of several development projects, namely The Pavilia Forest in Hong Kong and 640 Bourke Street in Melbourne, which have a total expected attributable GDV of approximately HK$10.4 billion in aggregate; and

- Capital raising initiatives for BC Invest are being evaluated, considering the need for new capital due to the business's growth trajectory. Discussions are ongoing, with an appointed adviser guiding the process.

	As at 31 March 2024 HK$ million	As at 31 March 2023 HK$ million
The Company's notes	**476**	4,463
Unsecured bank loans	**6,449**	5,849
Secured bank loans		
– Property development and investment	**8,298**	10,894
– Hotel operations and management	**12,083**	10,189
– Car park operations and facilities management	**374**	417
– Gaming operations	**61**	70
– Others	**21**	392
Total bank loans, notes and bonds	**27,762**	32,274

As at 31 March 2024, total bank loans, notes and bonds amounting to approximately HK$27,762 million, recorded a HK$4,512 million or 14.0% decrease as compared with 31 March 2023.

Bank loans, notes and bonds, denominated in:	**As at 31 March 2024**	As at 31 March 2023
HKD	**60.7%**	60.8%
AUD	**15.1%**	13.7%
SGD	**4.5%**	5.7%
GBP	**11.6%**	3.2%
USD	**–**	13.8%
RMB	**7.3%**	2.1%
Others	**0.8%**	0.7%
	100%	100%

Most of the countries or cities the Group has operations in have entered into their interest rate hike period. As at 31 March 2024, the primary currency of indebtedness for the Group's bank loans, notes, and bonds was the Hong Kong dollar, representing about 60.7%. Other significant currency debts included the Australian dollar, Singapore dollar, Great British pound, and Renminbi, accounting for approximately 15.1%, 4.5%, 11.6%, and 7.3%, respectively. Indebtedness in US dollars, primarily in notes and bonds, has been fully repaid during the year. With property development projects in the UK reaching completion, there was an uptick in construction loans denominated in Great British pounds. To optimise funding costs, the Group engaged in swapping several bank borrowings to Renminbi for lower financing expenses. In FY2024, the average interest rate for bank loans increased to 6.09% from 3.87% in FY2023. As at 31 March 2024, 97.3% (as at 31 March 2023: 85.4%) of the Group's bank loans, notes, and bonds were tied to floating rates, while the rest were at fixed rates.

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As at 31 March 2024, the Group's bank loans, notes and bonds which were due within 1 year was approximately HK$12,674 million. Of this amount, (i) approximately HK$4,408 million were secured corporate, hospitality and car park loans, expected for rollover or refinancing to longer maturities; (ii) approximately HK$1,102 million in secured development loans, with approximately HK$289 million settled post year end and approximately HK$584 million to be repaid from the presales proceeds upon settlement, alongside approximately HK$229 million that has been or is expected to be refinanced for a longer maturity; (iii) approximately HK$4,381 million were unsecured corporate loans, with approximately HK$1,140 million repaid post year end and approximately HK$3,241 million are being rolled over; (iv) HK$869 million will be repaid in accordance with the repayment schedule; and (v) HK$1,914 million were in relation to long-term bank loans with a repayable on demand clause and therefore being classified as current liabilities.

As at 31 March 2024, the Group's undrawn banking facilities stood at approximately HK$5.1 billion. Of this amount, approximately HK$1.7 billion is allotted to development/construction facilities while the balance of approximately HK$3.4 billion is for the Group's general corporate use. When combined with presales to be recognised from the Group's ongoing property development projects, the unutilised banking facilities place the Group in a good financial position to fund not only its existing business and operations but also its sustainable growth going forward.

In addition, a total of 4 hotel assets were unencumbered as at 31 March 2024, the capital value of which amounted to approximately HK$536 million based on independent valuation assessed as at 31 March 2024. The Group has other assets unencumbered such as unsold completed residential inventory amounting to HK$6.1 billion. This can be used as collateral for further bank borrowings which could provide additional liquidity for the Group, should this be necessary.

As a matter of policy, with the exception of certain construction financings, the Group tends to not hedge the interest rate on its outstanding debt. Notes and bonds tend to have fixed rates whilst bank loans tend to have fixed margins over and above the relevant banking benchmark rates. The Group remains committed to a proactive strategy of recycling capital and monetising assets to ensure that the indebtedness ratios remain relatively stable and interest expenses do not become an excessive drag on the operating results.

3. Foreign exchange management

In FY2024, the contribution from the Group's non-Hong Kong operations was influenced by the movement of foreign currencies against the Hong Kong dollar. The table below sets forth the exchange rates of the Hong Kong dollar against the local currency of countries where the Group has significant operations:

Rate	As at 31 March 2024	As at 31 March 2023	Change
HK$/AUD	**5.08**	5.26	(3.4)%
HK$/RMB	**1.08**	1.14	(5.3)%
HK$/MYR	**1.65**	1.77	(6.8)%
HK$/GBP	**9.84**	9.70	1.4%
HK$/CZK	**0.33**	0.36	(8.3)%
HK$/SGD	**5.79**	5.91	(2.0)%

Average rate for	FY2024	FY2023	Change
HK$/AUD	**5.17**	5.56	(7.0)%
HK$/RMB	**1.11**	1.19	(6.7)%
HK$/MYR	**1.71**	1.82	(6.0)%
HK$/GBP	**9.77**	9.98	(2.1)%
HK$/CZK	**0.35**	0.36	(2.8)%
HK$/SGD	**5.85**	5.85	–

The Group adopts a practice whereby investments in its non-Hong Kong operations are hedged by borrowings in the local currency of the countries where such investments are made. The impact of movements in the above currencies to the Group's profit attributable to shareholders for FY2024 is analysed below:

Increase to the Group's profit attributable to shareholders for FY2024 assuming exchange rates of the following currencies against the Hong Kong dollar remained constant during the year:

	HK$ million
AUD	39.4
RMB	5.2
MYR	2.1
GBP	(0.5)
CZK	(0.2)
SGD	(0.1)
Total impact	45.9

The movement in foreign currencies also had an impact on the balance sheet position of the Group. As net assets value of the Group's non-Hong Kong operations are translated into Hong Kong dollars for consolidation purposes, the movement in foreign currencies has affected the value in Hong Kong dollar-equivalent of such net assets and therefore the Group's net asset position. The Group's net asset value would have been approximately HK$451 million higher as at 31 March 2024 assuming exchange rates remained constant during FY2024.

4. Net asset value per share

	As at 31 March 2024 HK$ million	As at 31 March 2023 HK$ million
Equity attributable to shareholders of the Company	**11,680**	12,355
Add: Hotel revaluation surplus	**18,682**	19,236
Adjusted net asset value attributable to shareholders[i]	**30,362**	31,591
Number of shares issued (million)	**2,818**	2,706
Adjusted net asset value per share[i]	**HK$10.77**	HK$11.67

After adjusting for the revaluation surplus on hotel assets of approximately HK$18,682 million based on independent valuation assessed as at 31 March 2024, except Dorsett Melbourne which carried out its valuation in November 2023, adjusted net asset value attributable to shareholders[i], a non-GAAP financial measure, was approximately HK$30,362 million. Adjusted net asset value per share[i], a non-GAAP financial measure, for the Company as at 31 March 2024 was approximately HK$10.77.

Note:

(i) Represents a non-GAAP financial measure which is defined and reconciled to the nearest comparable GAAP measures in the "Non-GAAP financial measures" section below.

The view from Perth Hub, Perth

5. Capital expenditures

The Group's capital expenditures consisted of expenditures for acquisitions, development and refurbishment of hotel properties, plant and equipment and investment properties.

During FY2024, the Group's capital expenditures amounted to approximately HK$1,413 million, primarily attributable to (i) Dorsett Kai Tak, Hong Kong in Hong Kong; (ii) Dorsett Alpha Square Canary Wharf in London, the UK; (iii) Dao by Dorsett North London in London, the UK; (iv) Dorsett Perth in Perth, Australia; and (v) Ritz-Carlton Melbourne and Dorsett Melbourne in Melbourne, Australia. The capital expenditures were funded through a combination of borrowings and internal resources.

6. Capital commitments

The Group continued to carefully monitor its capital commitments in order to optimise its investments and outgoings. The table below provides a summary of the Group's capital commitments:

	As at 31 March 2024 HK$ million	As at 31 March 2023 HK$ million
Capital expenditures contracted but not provided in the consolidated financial statements in respect of:		
Acquisition, development and refurbishment of		
– hotel properties	**500**	1,224
– investment properties	**236**	320
Commitment to provide credit facility to a JV	**273**	75
Capital injection to investment funds	**69**	99
	1,078	1,718

As at 31 March 2024, the Group's capital commitments amounted to approximately HK$1,078 million, primarily attributable to the following hotel developments: (i) hotels under the Queen's Wharf Brisbane development in Brisbane, Australia; (ii) The Star Residences – Epsilon on the Gold Coast, Australia; (iii) Dorsett Alpha Square Canary Wharf in London, the UK and (iv) Dao by Dorsett North London in London, the UK. The capital commitment will be financed through a combination of borrowings and internal resources. All of these hotel developments are in the final stage of construction. It is expected that their capital expenditure are substantially reduced in the next financial year.

West Side Place, Melbourne

BUSINESS REVIEW

1. Property division

The Group's property division includes property development and property investment.

Property development

The Group has a diversified portfolio of residential property developments in Australia, Mainland China, Hong Kong, Singapore, Malaysia and the UK, which are largely focused on the mass residential market. Our strong regional diversification reduces volatility and allows us to take advantage of different property cycles. The Group has established strong local teams to carry out property development in each of these markets, as their presence allows the Group to identify trends and source the most attractive opportunities. The Group also actively looks to work with property owners for redevelopment opportunities, such as the partnership with The Star and the partnership with MCC. In August 2023, the Group has been selected as preferred bidder by Greater Manchester Combined Authority and Trafford Metropolitan Borough Council to act as development partner to deliver a GBP300 million mixed-use development on the site of the former Greater Manchester Police Headquarters in Trafford, Greater Manchester. Additionally, in August 2023, the Group has been granted permission for two planning applications covering the next phase of its Victoria North JV with MCC. These land acquisition strategies have resulted in a land banking strategy comprising of a relatively low land cost base for the Group's development projects and little capital being kept idle.

Total attributable cumulative presales value of the Group's residential properties under development and unbooked contracted sales amounted to approximately HK$11.5 billion as at 31 March 2024. Most presales proceeds are not reflected in the Group's consolidated statement of profit or loss until the relevant projects are completed. The following table sets out a breakdown of the Group's total cumulative attributable presales value and the cumulative unbooked contracted sales of residential properties as at 31 March 2024.

Developments	Location	Attributable presales HK$ million	Actual/expected financial year of completion
Projects under presales			
Queen's Wharf Residences (Tower 4)[ii]	Brisbane	1,494	FY2025
Queen's Wharf Residences (Tower 5)[ii]	Brisbane	2,199	FY2028
Perth Hub	Perth	710	FY2025
The Star Residences – Epsilon (Tower 2)[iii]	Gold Coast	537	FY2026
Aspen at Consort Place	London	1,903	FY2025
Consort Place – Social/Affordable Housing[i]	London	78	FY2025
Victoria Riverside – Crown View	Manchester	921	FY2026
Victoria Riverside – City View	Manchester	258	FY2025
Victoria Riverside – Park View	Manchester	568	FY2025
Victoria Riverside – Bromley Street	Manchester	77	FY2025
Collyhurst Village	Manchester	186	FY2025 – FY2027
Red Bank Riverside – Falcon	Manchester	110	FY2028
Hyll on Holland[i][iv]	Singapore	526	FY2025
Cuscaden Reserve[i][v]	Singapore	38	FY2025
Dorsett Place Waterfront Subang[i][ii]	Subang Jaya	272	FY2025 – FY2026
Sub-total		**9,877**	

Developments	Location	Attributable contracted sales HK$ million
Contracted sales of completed projects		
West Side Place (Towers 1 and 2)	Melbourne	76
West Side Place (Tower 3)	Melbourne	123
West Side Place (Tower 4)	Melbourne	160
Hornsey Town Hall	London	7
MeadowSide – The Gate and The Stile	Manchester	14
New Cross Central	Manchester	4
Royal Riverside	Guangzhou	5
Manor Parc[vi]	Hong Kong	535
Mount Arcadia[vi]	Hong Kong	724
Sub-total		**1,648**
Total		**11,525**

Notes:

(i) Excludes contracted presales already recognised as revenue up to 31 March 2024.

(ii) The Group has 50% interest in the development.

(iii) The Group has 33.3% interest in the development.

(iv) The Group has 80% interest in the development.

(v) The Group has 10% interest in the development.

(vi) The settlement of the contracted sales is expected in FY2025.

As at 31 March 2024, the expected attributable GDV of the Group's active residential property development projects under various stages of completion across the regions was approximately HK$65.2 billion.

Details of the Group's current pipeline are shown below:

Developments	Attributable saleable floor area[i] Sq. ft.	Expected attributable GDV[ii] HK$ million	Status/ expected launch	Expected financial year of completion
Pipeline developments				
Melbourne				
640 Bourke Street	556,000	4,087	FY2025	Planning
Perth				
Perth Hub	230,000	803	Launched	FY2025

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Developments	Attributable saleable floor area[i] Sq. ft.	Expected attributable GDV[ii] HK$ million	Status/ expected launch	Expected financial year of completion
Brisbane				
Queen's Wharf Brisbane[iii]				
– Tower 4	253,000	1,494	Launched	FY2025
– Tower 5	353,000	2,331	Launched	FY2028
– Tower 6	169,000	1,218	Planning	FY2028
Gold Coast				
The Star Residences[iv]				
– Tower 2 – Epsilon	109,000	537	Launched	FY2026
– Towers 3 to 5	374,000	1,840	Planning	Planning
Hong Kong				
The Pavilia Forest[v]	230,000	6,353	FY2025	FY2026
Lam Tei, Tuen Mun	383,000	6,320	Planning	Planning
Ho Chung, Sai Kung[vi]	19,000	472	Planning	FY2027
Sai Ying Pun[vii]	75,000	1,871	FY2026	FY2028
London				
Aspen at Consort Place	380,000	4,224	Launched	FY2025
Consort Place – Social/Affordable Housing	101,000	78	Launched	FY2025
Hornsey Town Hall Affordable Housing	6,000	19	Planning	Planning
Ensign House	290,000	3,283	Planning	Planning
Ensign House – Affordable Housing	112,000	451	Planning	Planning
Manchester				
MeadowSide (Plot 4)	244,000	1,202	Planning	Planning
Victoria North[viii]				
– Victoria Riverside – Crown View	223,000	992	Launched	FY2026
– Victoria Riverside – City View	85,000	258	Launched	FY2025
– Victoria Riverside – Park View	149,000	568	Launched	FY2025
– Victoria Riverside – Bromley Street	39,000	167	Launched	FY2025
– Collyhurst Village	153,000	419	Launched	FY2025 – FY2027
– Collyhurst Village Social/Affordable Housing	104,000	342	Launched	FY2025 – FY2027
– Red Bank Riverside – Falcon	131,000	653	Launched	FY2028
– Red Bank Riverside – NT02-NT04	1,077,000	5,299	Planning	FY2027 – FY2030
– Network Rail	1,532,000	7,537	Planning	Planning
– Others	967,000	4,759	Planning	Planning
Singapore				
Hyll on Holland[ix]	34,000	526	Launched	FY2025
Cuscaden Reserve[x]	12,000	276	Launched	FY2025
Malaysia				
Dorsett Place Waterfront Subang[xi]	392,000	766	Launched	FY2025 – FY2026
Total developments pipeline as at 31 March 2024	**8,782,000**	**59,145**		

Management Discussion and Analysis

Developments	Attributable saleable floor area[i] Sq. ft.	Expected attributable GDV[ii] HK$ million	Status/ expected launch	Expected financial year of completion
Completed developments available for sale				
Melbourne				
West Side Place				
– Towers 1 and 2	207,000	966		
– Tower 3	159,000	710		
– Tower 4	260,000	1,182		
Perth				
The Towers at Elizabeth Quay	86,000	610		
London				
Hornsey Town Hall	14,000	117		
Manchester				
MeadowSide – The Gate and The Stile	17,000	99		
New Cross Central	5,000	21		
Shanghai				
King's Manor	10,000	69		
The Royal Crest II	2,000	14		
District 17A	5,000	27		
Guangzhou				
Royal Riverside	13,000	53		
Hong Kong				
Marin Point	45,000	527		
Manor Parc	46,000	648		
Mount Arcadia	50,000	1,029		
Total completed developments available for sale as at 31 March 2024	**919,000**	**6,072**		
Total pipeline and completed developments available for sale as at 31 March 2024	**9,701,000**	**65,217**		

Notes:

(i) The figures represent approximate saleable floor area which may vary subject to finalisation of development plans.

(ii) The amounts represent expected GDV attributable to the Group, which may change subject to market conditions.

(iii) Total saleable floor area of this development is approximately 1,550,000 sq. ft.. The Group has 50% interest in the development.

(iv) The Group has 33.3% interest in these developments.

(v) Total saleable floor area of this development is approximately 460,000 sq. ft.. The Group has 50% interest in the development.

(vi) Total saleable floor area of this development is approximately 58,000 sq. ft.. The Group has 33.3% interest in the development.

(vii) The total saleable floor area and GDV figures are estimated figures and subject to approval from URA.

(viii) The total saleable floor area and GDV figure is estimated based on land already acquired and expected number of units to be built. As the master developer of Victoria North, the Group is expecting further land acquisitions, which will increase both saleable floor area and GDV for this development.

(ix) Total saleable floor area of this development is approximately 242,000 sq. ft.. The Group has 80% interest in the development.

(x) Total saleable floor area of this development is approximately 170,000 sq. ft.. The Group has 10% interest in the development.

(xi) Total saleable floor area of this development is approximately 1,054,000 sq. ft.. The Group has 50% interest in the development.

Management Discussion and Analysis

Australia

Melbourne

West Side Place is a mixed-use residential development located in the CBD of Melbourne. The project comprises approximately 3,000 apartments spreading over 4 towers with a total saleable floor area of approximately 2.2 million sq. ft. and a GDV of HK$9.9 billion.

West Side Place, Melbourne

The development consists of two hotels, including a luxury Ritz-Carlton hotel of 257 rooms in Tower 1 which opened on 23 March 2023 and a Dorsett brand hotel of 316 rooms in Tower 3 which opened on 18 April 2023. Towers 1 and 2 comprise a total of 1,377 apartments with a total saleable floor area of approximately 1.1 million sq. ft. and a total expected GDV of approximately HK$4.9 billion. As at 31 March 2024, the expected GDV of completed stocks available for sale was approximately HK$966 million, and sales and settlements have continued post FY2024.

Tower 3 and Tower 4 have been completed and commenced handover process in early April 2023. Tower 3 is comprised of 684 apartments with a total saleable floor area of approximately 518,000 sq. ft. and a total expected GDV of HK$2.3 billion. As at 31 March 2024, the expected GDV of completed stocks available for sale was HK$710 million. Of this amount, approximately HK$123 million have been secured as contracted sales. Tower 4 is comprised of 835 apartments with a total saleable floor area of approximately 621,000 sq. ft. and a total expected GDV of approximately HK$2.7 billion. As at 31 March 2024, the expected GDV of completed stocks available for sale was approximately HK$1.2 billion. Of this amount, approximately HK$160 million have been secured as contracted sales. A significant cash flow was recorded from this development during the FY2024, and sales and settlements have continued post FY2024.

640 Bourke Street, located in Melbourne adjacent to the West Side Place and Upper West Side, is a mixed-use development comprising luxury residential apartments and retail spaces. The project will reach 70 levels, feature high-end 1-, 2-, and 3- bedroom apartments. Once completed, it will provide 608 residential units, 430 sq. m. of retail space and 294 car park bays, with a total saleable floor area of approximately 556,000 sq. ft., and a total expected GDV of HK$4.1 billion. Together with West Side Place and Upper West Side, 640 Bourke Street will form a continuous stretch of mixed-use developments across three consecutive city blocks, significantly contributing to the revitalisation of the western edge of the CBD.

Perth

The Towers at Elizabeth Quay is a two-tower mixed-use flagship development project which consists of approximately 371,000 sq. ft. in total saleable floor area of residential apartments and a luxury Ritz-Carlton hotel of 205 rooms. As at 31 March 2024, the expected GDV of the completed stocks available for sale was approximately HK$610 million.

Perth City Link, one of Australia's most exciting regeneration projects, was initiated by the Western Australian Government with the goal of reconnecting Perth's CBD and the entertainment district. Perth Hub, the first phase of the Perth City Link project, is a mixed-use development adjacent to the Perth Arena. It consists of Lots 2 and 3 of the Perth City Link projects and features 314 residential apartments, with total expected GDV of approximately HK$803 million and approximately 260 hotel rooms to be operated by Dorsett. As at 31 March 2024, the Group has presold HK$710 million worth of units. The project is expected to be completed in FY2025.

After being selected as the preferred proponent of the Perth City Link projects, the Group secured Lots 4, 9 and 10 of the Perth City Link projects. The three lots will host a wide range of boutique apartments and an integrated retail, entertainment, commercial and hospitality complex. This project is currently in the planning stage.

Perth Hub, Perth

Brisbane

The Destination Brisbane Consortium, a JV between the Group, The Star and CTF, entered into development agreements with the Queensland State, Australia for the delivery of the QWB Project located in Brisbane. The QWB Project comprises:

(i) an integrated resort component in which the Group's ownership is 25% (CTF owns 25% and The Star owns 50%) with an equity investment amount of approximately AUD300 million. Payments are made progressively, commencing from signing of the QWB Project documents and up to completion of the QWB Project which is expected to be completed in FY2025; and

(ii) a residential component owned 50% by the Group and 50% by CTF.

Construction at Queen's Wharf Brisbane, Brisbane

Management Discussion and Analysis

Together with the Group's portion of the land premium for the residential component of the QWB Project, the Group's total capital commitment is approximately AUD360 million, which the Group has funded a significant portion from its internal resources. The QWB Project encompasses a total area of approximately 9.4 hectares at Queen's Wharf, Brisbane and envisages three residential towers, three world-class hotels, high-end food and commercial outlets and a casino in Brisbane's prime waterfront district. The total core development gross floor area of the QWB Project is expected to be approximately 387,000 sq. m., of which approximately 144,000 sq. m. relates to the residential component.

Tower 4 is the only residential tower directly connected to the integrated resort development and features 667 residential apartments, with a total saleable floor area of approximately 506,000 sq. ft. and a total expected GDV of approximately HK$3.0 billion (attributable GDV of HK$1.5 billion). All residential units were presold as at 31 March 2024 and completion of the development is expected in FY2025.

The Group launched the Queen's Wharf Residences (Tower 5) in FY2022. Tower 5 is across the street from Tower 4 and will house 866 residential apartments with a total saleable floor area of approximately 707,000 sq. ft. and with a total expected GDV of approximately HK$4.7 billion. After its launch in March 2022, the project received a strong response. As at 31 March 2024, the Group has presold HK$4.4 billion (attributable GDV of HK$2.2 billion) worth of units. Completion of the development is expected to be in FY2028.

Tower 6 is considered to be another residential tower and features 315 residential apartments, with a total saleable floor area of approximately 337,000 sq. ft. and a total expected GDV of HK$2.4 billion.

Queen's Wharf Residences – Tower 4, Brisbane

Gold Coast

The Star Residences is a mixed-use development featuring 5 towers in the heart of Gold Coast's world-class integrated resort on Broadbeach Island. The project is an extension of the partnership between the Group, The Star and CTF on the Gold Coast, in which the Group has a 33.3% interest.

The first tower of the development features a 313-room Dorsett hotel which opened in December 2021 and 422 residential apartments with a total saleable floor area of approximately 300,000 sq. ft. and a total expected GDV of approximately HK$1.4 billion. All units of the first tower were completed and settled in FY2023.

Epsilon, the second tower of the development, will feature a 202-room five-star hotel and approximately 440 residential apartments with a total saleable floor area of approximately 327,000 sq. ft. and a total expected GDV of approximately HK$1.6 billion (attributable GDV of HK$537 million). All residential units were presold as at 31 March 2024 and completion of the development is expected in FY2026.

Work is ongoing for the design and the marketing strategy of the third to fifth tower of the development.

Mainland China

The Group has been developing California Garden, a premier township development in Shanghai, over the years. The development is comprised of a diversified portfolio of residences, including low-rise and high-rise apartments as well as townhouses. The development consists of two phases, namely King's Manor and Royal Crest II. As at 31 March 2024, the expected GDV of completed stocks available for sale was approximately HK$110 million. These units are expected to continue to make a contribution to the Group's revenue and profit.

Situated on the riverside, Royal Riverside in Guangzhou is a 5-tower residential development. The entire development has been completed. As at 31 March 2024, the expected GDV of completed stocks available for sale was HK$53 million. These units are expected to continue to make a contribution to the Group's revenue and profit.

California Garden, Shanghai

Hong Kong

The Group built its development pipeline in Hong Kong over the years through the acquisition of redevelopment sites, participating in government tenders and participating in URA tenders.

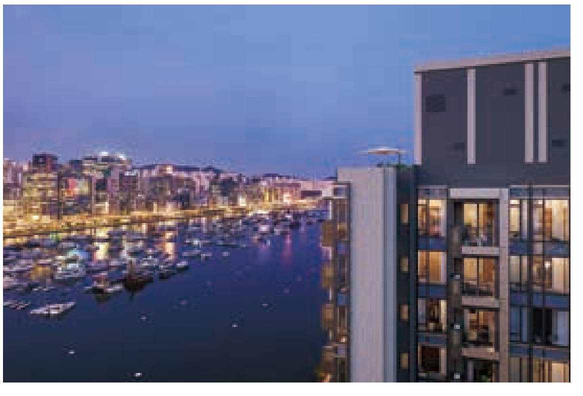
Marin Point is a residential development at Sha Tau Kok. This development is made up of 261 low-rise apartments with approximately 103,000 sq. ft. in total saleable floor area. The development has been completed. As at 31 March 2024, the expected GDV of completed stocks available for sale was approximately HK$527 million. The remaining units will be sold on a completed basis.

Manor Parc is a residential development at Tan Kwai Tsuen consisting of 24 town houses with approximately 50,000 sq. ft. in total saleable floor area and a total expected GDV of HK$716 million. The development has been completed. As at 31 March 2024, the expected GDV of completed stocks available for sale was HK$648 million. Of this amount, approximately HK$535 million has been secured as contracted sales and is expected to be settled in FY2025. The remaining units will be sold on a completed basis.

Mount Arcadia is a residential development site situated on Tai Po Road featuring 62 apartments and 4 houses and has a total saleable floor area of approximately 84,000 sq. ft.. The total expected GDV of the 62 apartments is approximately HK$1.4 billion. Construction of the project has been completed. As at 31 March 2024, the expected GDV of completed stocks available for sale for apartments was approximately HK$1.0 billion. Of this amount, approximately HK$724 million secured as contracted sales and expected to be settled in FY2025. The remaining apartments will be sold on a completed basis.

Mount Arcadia, Hong Kong

In November 2021, the Group formed a JV which is held as to 50% by the Group to acquire another Kai Tak site for residential development – The Pavilia Forest. It will feature 1,305 residential apartments, with a total saleable floor area of approximately 460,000 sq. ft. and a total expected GDV of approximately HK$12.7 billion. Subject to the market conditions, the development is expected to launch for presales in FY2025 and is slated to complete in FY2026.



The Pavilia Forest, Hong Kong

The Group acquired a site in Lam Tei, Tuen Mun in June 2021. The project is currently under planning phase, and overall strategies and timeline are under review. The development with a total expected GDV estimated at HK$6.3 billion and total saleable floor area of approximately 383,000 sq. ft., is subject to planning approval.

Management Discussion and Analysis

The Group formed a JV, in which the Group holds a 33.3% stake, to acquire another residential site in Ho Chung, Sai Kung, in September 2021. This residential development will feature 26 high-end houses with total saleable floor area of approximately 58,000 sq. ft. and a total expected GDV of approximately HK$1.4 billion (attributable GDV of HK$472 million). Construction of this development has begun and is slated to complete in FY2027.

In September 2022, the Group acquired the development right, through a tender conducted by URA, for a land that covers a site area of about 1,077.3 sq. m. at Sai Ying Pun, Hong Kong. The Group intends to develop the land into a mixed residential and commercial development with expected saleable floor area of approximately 75,000 sq. ft. and 2,800 sq. ft. respectively. The development obtained its building plan approval and started foundation works.

Malaysia

Dorsett Bukit Bintang is a residential development adjacent to the Dorsett Kuala Lumpur. The development consists of 252 high-rise apartments with approximately 215,000 sq. ft. in total saleable floor area. The Group signed a contract to sell the remaining stock of 130 units for approximately MYR120 million in May 2023 and completed the transaction in September 2023.

Dorsett Bukit Bintang, Kuala Lumpur

Dorsett Place Waterfront Subang, adjacent to the esteemed 5-star hotel Dorsett Grand Subang, is a development which the Group holds a 50% interest. The development consists of three blocks and will offer 1,989 fully-serviced suites. The revenue of this project have been recognised according to the progress of development. As at 31 March 2024, total presold value of HK$545 million (attributable GDV of HK$272 million) was recorded and the completion of the development is expected in FY2025-FY2026.

United Kingdom

London

Aspen at Consort Place is a mixed-use development site located at Marsh Wall, Canary Wharf in London. It comprises 502 residential units, 139 affordable housing units, a 231-room hotel, and commercial spaces, spanning a total saleable floor area of approximately 481,000 sq. ft.. As at 31 March 2024, the total presold value of residential units amounted to approximately HK$1.9 billion, whereas the affordable housing units were presold for approximately GBP43 million in FY2022. The handover process is set to commence for the lower floor residential units in first half of FY2025, progressing to higher floors, with phased completion expected.

Aspen at Consort Place, London

Hornsey Town Hall, London

In North London, Hornsey Town Hall is a mixed-use redevelopment project entailing the transformation of an existing town hall into a hotel/serviced apartment tower with communal areas, alongside a residential segment. It comprises 135 residential units spanning a total saleable floor area of approximately 108,000 sq. ft., along with 11 social/affordable units. This development also encompasses a commercial and office component, occupying approximately 84,000 sq. ft.. Construction of the development is completed and handover process was initiated in FY2023. As at 31 March 2024, the expected GDV of completed stocks available for sale was approximately HK$117 million. Of this amount, approximately HK$7 million have been secured as contracted sales. The handover process is slated to continue in FY2025.

The Group has persisted in expanding its business presence and bolstering its development portfolio in the UK. In February 2020, an agreement was reached for the acquisition of Ensign House in Canary Wharf, London, positioned adjacent to Aspen at Consort Place. Ensign House is intended to evolve into a residential tower comprising around 390 residential units, featuring a total saleable floor area of approximately 290,000 sq. ft., with a total expected GDV of approximately HK$3.3 billion. The project has successfully secured planning approval.

Manchester

Victoria North is a mega-scale regeneration development project in Manchester and one of the largest regeneration projects in the UK. The project is a JV between the Group and MCC spanning an area of more than 390 acres (equivalent to 17 million sq. ft.), sweeping north from Victoria Station and covering the neighbourhoods of New Cross, the Lower Irk Valley and Collyhurst. This project has the potential to deliver approximately 20,000 new homes over the next decade, providing an optimal mix of high-quality housing and social infrastructure, while allowing the city centre to expand. The vision of this project is to create a series of distinct yet clearly connected communities that make the most of the area's natural resources.

The Victoria North strategic regeneration framework was approved by the MCC in February 2019 providing an illustrative masterplan in order to outline how development proposals within Victoria North will come forward.

Since the Group entered into a development agreement with MCC in April 2017, the Group has acquired various land plots within the Victoria North area investing over GBP30 million in assets, which will be developed into individual projects as the overall masterplan evolves. This includes the acquisition of 20 acres of land from Network Rail in July 2019.

The Victoria North project is expected to provide the Group with a significant and stable, long-term pipeline within the UK. As at 31 March 2024, the Group has already secured planning consent for several land plots within the Victoria North district, providing a pipeline with a saleable floor area of more than 3 million sq. ft., which is expected to deliver approximately 4,500 new homes over the next 5-8 years.

New Cross Central, Manchester

The Group completed New Cross Central, the first development under Victoria North within the New Cross neighbourhood in February 2023, comprising of 80 residential units with a total saleable area of approximately 62,000 sq. ft. and a total expected GDV of approximately HK$256 million. Construction of the development is completed, with handovers initiated in FY2023. As at 31 March 2024, the expected GDV of completed stocks available for sale was approximately HK$21 million. Of this amount, approximately HK$4 million has been secured as contracted sales. Handover of the remaining homes is expected to continue in FY2025.

Management Discussion and Analysis

Victoria Riverside is situated within the Red Bank neighbourhood of Victoria North and is in close proximity to major transport links including Victoria Station and Manchester City Centre. It is a key gateway into the Victoria North masterplan area and expands the city centre northwards from MeadowSide. Currently on site and being delivered, it will be a predominantly residential development, incorporating a high-quality public realm with commercial and leisure use at ground floor and will become a set of new landmark buildings for the area. The development features three towers comprising approximately 596 units and 38 townhouses, with total saleable floor area of approximately 495,000 sq. ft. and a total expected GDV of approximately HK$1.9 billion.

Victoria Riverside, Manchester

Crown View features 275 residential units with a total saleable floor area of approximately 223,000 sq. ft. and a total expected GDV of approximately HK$992 million. It was launched in late September 2022 and total presold value of HK$921 million was recorded as at 31 March 2024. City View comprises 128 affordable housing units and has been presold to Trafford Housing Trust, which is part of L&Q, one of the largest housing associations in England for a consideration of approximately GBP26 million. Park View features 193 residential units with a total saleable floor area of approximately 149,000 sq. ft. and a total expected GDV of approximately HK$568 million. All units have been presold as at 31 March 2024. The project is expected to be completed in FY2025. Bromley Street consists of 38 townhouses with a total saleable floor area of approximately 39,000 sq. ft. and a total expected GDV of approximately HK$167 million. It was launched in March 2023 and total presold value of HK$77 million was recorded as at 31 March 2024.

Collyhurst Village is another of the initial phases of the Victoria North masterplan. This development consists of 144 private residential units with approximately 153,000 sq. ft. in total saleable floor area and a total expected GDV of HK$419 million. It also includes 130 affordable housing units with approximately 104,000 sq. ft. in total saleable floor area and a total expected GDV of HK$342 million. The development was launched in FY2023 and is expected to be completed over a series of phased handovers between FY2025 to FY2027.

In August 2023, the Group secured planning permission for two significant planning applications covering the next phase of its Victoria North JV with MCC. The approval unlocks the Group's ambitions to deliver approximately 4,800 new homes in the emerging Red Bank neighbourhood. Red Bank is one of the first of seven neighbourhoods being regenerated as part of the GBP5 billion Victoria North project.

The vision for the Red Bank centres around a "Wild Urbanism" concept which promotes the benefits of high-density living within the nature of the River Irk Valley to create a unique city neighbourhood. Over 12 acres of new and improved river parkland, green space and public realm will be created to support an inclusive, sustainable urban neighbourhood. The buildings will be delivered to a high sustainability standard, with the proposals outlining plans for the installation of solar panels, heat pumps and green and brown roofs.

The Group has acquired over 30 acres of land in Red Bank and, alongside the two secured planning consents, consolidates the Group's development pipeline in the neighbourhood for the next 10 years. The first, an outline planning approval, is for the delivery of up to 3,250 homes and more than 160,000 sq. ft. of non-residential floor space to be earmarked for commercial uses, a health centre, primary school, residential amenities and community spaces. The outline approval has a total expected GDV of approximately HK$9.8 billion.

The second approval is for a full planning application for the Group's next phase of delivery on Red Bank Riverside adjacent to the 634-home Victoria Riverside scheme. This will see the delivery of 7 buildings varying in height between 6 and 34 storeys and comprising 1,551 homes covering approximately 1,208,000 sq. ft. and with an expected GDV of approximately HK$6.0 billion, as well as a new high street that will include approximately 20,000 sq. ft. of commercial and retail space. Red Bank Riverside is expected to commence ground works in FY2025, with phased completions of the plots from FY2027 through to FY2030. Falcon, one of the residential towers within the Red Bank Riverside, has been launched in March 2024 which features 189 residential units with total saleable floor area of approximately 131,000 sq. ft. and a total expected GDV of HK$653 million.

Red Bank Riverside - Falcon, Manchester

Elsewhere within the Manchester regional business, the Group has continued to see completions at MeadowSide which is the Group's first major residential development in Manchester. The project is located adjacent to NOMA which is one of the major Grade A commercial office and employment areas of the city and sits on the doorstep of the Group's Victoria North development. The development features 4 Plots (Plots 2, 3, 4 and 5) comprising approximately 756 apartments with approximately 560,000 sq. ft. of total saleable floor area and residential amenities, arranged around the historic Angel Meadow Park near Victoria Station, one of the major transportation hubs of the city.

Plot 2 – The Gate and Plot 3 – The Stile have a total saleable floor area of approximately 217,000 sq. ft. and a total expected GDV of approximately HK$927 million. Handover was initiated smoothly in March 2022. As at 31 March 2024, the expected GDV of completed stocks available for sale was approximately HK$99 million. Of this amount, approximately HK$14 million has been secured as contracted sales.

Plot 5 – Mount Yard has a total saleable area of approximately 99,000 sq. ft. and a total expected GDV of approximately HK$403 million. All units of the development were completed and settled.

MeadowSide, Manchester

Plot 4 has been granted planning permission to build a 40-storey residential building. The Group is currently assessing and exploring opportunities to increase gross floor area and enhance GDV given the location's ever evolving nature.

In August 2023, following a twelve-month selection process, the Group was delighted to be selected by public sector partners, the Greater Manchester Combined Authority and Trafford Metropolitan Borough Council, as their development partner for the former Greater Manchester Police Headquarters site on Chester Road in Old Trafford.

Management Discussion and Analysis

Situated in a high-profile location, the nine-acre site is close to the home of Manchester United football club and other regional sports stadiums including Old Trafford Cricket Ground. With an estimated GDV of approximately GBP322 million, the site has the potential to deliver approximately 750 new homes including affordable housing units, a 250-room hotel, a multi storey car park and around 30,000 sq. ft. of ground floor commercial space, along with new public open space to support the new community and match day spikes in visitor footfall to the area. The project therefore has the potential to enhance a range of complementary Group business units.

The site is close to key existing public transport nodes including the Trafford Bar Metrolink stop and is less than ten minutes from Manchester City Centre and the employment and media hub of Salford Quays, which are both less than ten minutes away by tram. The Group is currently in the process of completing the relevant formalities which should conclude in early FY2025.

Singapore

Hyll on Holland is a premium development of 319 residential units at Holland Road, a highly attractive and reputable neighbourhood in Singapore. The Group has an 80% interest in the development with an attributable saleable floor area of approximately 194,000 sq. ft.. The sales of this project have been recognised according to the progress of development. As at 31 March 2024, all 319 residential units were sold out with the attributable unbooked presale amounting to approximately HK$526 million. In June 2024, the development has initiated the handover process.

Hyll on Holland, Singapore

Cuscaden Reserve is a residential development site in the prime area of District 9 in Singapore. The Group has a 10% interest in the project. It is expected to provide approximately 17,000 sq. ft. in attributable saleable floor area and completion of the development is expected in FY2025.

Property investment

The Group's property investments comprise investments in retail and office buildings primarily situated in Hong Kong, Mainland China, Singapore, the UK and Australia. In FY2024, a fair value gain on investment properties of approximately HK$455 million was recorded. As at 31 March 2024, the valuation of investment properties was approximately HK$6.1 billion (as at 31 March 2023: approximately HK$8.1 billion).

The Group acquired a piece of land in Kai Tak, Hong Kong for mixed-used development through a government tender in August 2019, adjacent to the Kai Tak Sports Park. It comprises an office portion, a hotel portion that will house a flagship Dorsett hotel with 373-room, namely Dorsett Kai Tak, Hong Kong, as well as some retail space. The office portion of the development was disposed for HK$3.38 billion and the transaction was completed in March 2024. As a result of receipt of the sale proceeds at completion along with the add-on costs as stipulated in the sales and purchase agreement of the disposal, debt level has reduced.

Office component of the Kai Tak development, Hong Kong

Previously, the Group acquired two sites in Baoshan, Shanghai slated for the development of residential blocks for leasing purposes. Construction work has been initiated on one of the sites in December 2021, boasting a lettable floor area of approximately 573,000 sq. ft., set to offer approximately 1,200 units. Completion of this development is anticipated to be in FY2025. The other site is awaiting construction commencement and is expected to offer approximately 2,600 accommodation units. The Group is considering to divest the residential blocks as part of its non-core assets disposal strategy.

Dorsett Kai Tak, Hong Kong

2. Hotel operations and management

The Group owns and operates its hotel portfolio through four distinct lines of business, which focuses on the three- to four-star hotel segment. These include Dorsett Hotels and Resorts, which features the upscale "Dorsett", the newly launched upper upscale "Dao by Dorsett", the upscale "d.Collection" which features boutique hotels with unique identities, as well as the mid-scale "Silka" brand for streamlined, cost-efficient stays.

As at 31 March 2024, the Group owned a total of 32 hotels, including the wholly-owned Dorsett Group, Palasino Group and the Ritz-Carlton hotels in Perth and Melbourne, as well as the partially-owned Dorsett Gold Coast on the Gold Coast in Australia and Dao by Dorsett AMTD in Singapore, making for a total of approximately 8,400 rooms. These hotels are located in Mainland China, Hong Kong, Malaysia, Singapore, Australia, the UK and Continental Europe. As at 31 March 2024, the Group also managed 3 other hotels in Malaysia with a combined total of 879 rooms.

On 23 March 2023, the Group opened Ritz-Carlton Melbourne, a 257-room luxury hotel, which represents the second Ritz-Carlton developed and opened by the Group in Australia. The Group then opened the Dorsett Melbourne with 316 rooms on 18 April 2023, marks the second Dorsett branded hotel in Australia. The hotels are both located within the West Side Place development, a mixed-use development in the CBD of Melbourne. As at 31 March 2024, the Group had 8 hotels under its development pipeline, which will offer approximately 2,000 upcoming rooms.

Ritz-Carlton Melbourne

As part of the Group's commitments to reduce debt level and gearing ratio and divest some of its non-core assets, the Group, through its 25% owned JV completed the sale of Sheraton Grand Mirage Resort on the Gold Coast, Australia for AUD192 million.

Management Discussion and Analysis

The operating performance of the Group's owned hotels for FY2024 is summarised by region as follows. The results of hotels by region are expressed in the respective local currency and Hong Kong dollars.

	Occupancy rate		Average room rate			Revenue per available room			Revenue	
	FY2024	FY2023	**FY2024 (LC)**	FY2023 (LC)	% Change	**FY2024 (LC)**	FY2023 (LC)	% Change	**FY2024 (LC'million)**	FY2023 (LC'million)
Hong Kong (HK$)	**88.1%**	64.7%	**730**	916	(20.3%)	**643**	593	8.4%	**715**	654
Malaysia (MYR)	**56.6%**	50.3%	**225**	231	(2.6%)	**127**	116	9.5%	**97**	74
Mainland China (RMB)	**62.8%**	44.7%	**360**	265	35.8%	**226**	118	91.5%	**189**	122
Singapore (SGD)[i]	**83.8%**	78.9%	**209**	200	4.5%	**175**	158	10.8%	**22**	19
United Kingdom (GBP)	**78.8%**	71.8%	**129**	122	5.7%	**102**	87	17.2%	**16**	15
Australia (AUD)[ii]	**61.0%**	73.7%	**369**	399	(7.5%)	**225**	294	(23.5%)	**99**	39
			(HK$)	(HK$)		**(HK$)**	(HK$)		**(HK$'million)**	(HK$'million)
Dorsett Group Total[iii]	**73.5%**	58.8%	**783**	820	(4.5%)	**576**	483	19.3%	**1,869**	1,411
Palasino Group Total[iv]	**51.7%**	49.0%	**710**	659	7.7%	**372**	324	14.8%	**162**	137

Notes:

(i) Excludes Dao by Dorsett AMTD Singapore which is equity accounted.

(ii) Excludes Sheraton Grand Mirage Resort and Dorsett Gold Coast which are equity accounted.

(iii) Excludes hotels under Palasino Group but includes Ritz-Carlton Perth and Ritz-Carlton Melbourne.

(iv) Restated the statistic to include Hotel Savannah for FY2023.

With the gradual lifting of COVID-19 related restrictions across the globe, the world has officially bid farewell to the era of COVID-19, ushering in a new chapter of optimism and resurgence for the global hospitality industry. However, even though the Group's hotel operations and management business across various regions has collectively exhibited positive growth trends, the financial results for hotel segment have not yet fully recovered to pre-COVID levels. Despite the strong rebound in business performance across the rest of the Group's global portfolio of hotels, the majority of its earnings continue to be derived from the hotel operations in Hong Kong, where the tourism industry has not yet fully recovered to pre-COVID levels. This reliance on the Hong Kong market, combined with the broader macroeconomic challenges of general inflation and rising financing costs, is reflected in our financial results for FY2024.

In FY2024, Dorsett Group's total revenue from hotel operations and management amounted to HK$1,869 million, representing an increase of 32.5% as compared with HK$1,411 million in FY2023. The overall OCC demonstrated a robust recovery, rose to 73.5% in FY2024 as compared with 58.8% in FY2023. The RevPAR increased by 19.3% to HK$576 from HK$483 in FY2023 despite a slight decrease in ARR to HK$783 in FY2024.

The strong improvement in its operational statistics and financial results reflects the successful implementation of strategic initiatives aimed at optimising its service offerings, enhancing guest experiences, driving enhanced revenue management across our diversified hotel network and controlling costs. Looking ahead, the Group remain committed to building upon this positive momentum to further strengthen its competitive edge and deliver sustained and profitable growth.

Hong Kong

Throughout FY2024, the performance from the Group's hotels in Hong Kong have gradually stabilised and improved. This positive trend can be attributed to the full reopening of borders with Mainland China and the removal of all anti-pandemic measures at the beginning of the calendar year 2023.

In FY2024, revenues from Hong Kong hotel operations increased by 9.3% to HK$715 million, which is especially noteworthy given the unique revenue structure of FY2023, when hotels served primarily as quarantine facilities under government schemes. It contributed approximately 35.2% of the Group's total hotel revenue. OCC in Hong Kong increased 23.4 percentage points to 88.1% while ARR decreased by 20.3% to HK$730 as compared with FY2023, resulting in an increase of 8.4% in RevPAR to HK$643.

Upon further examination of the tourism data, the total number of visitors to Hong Kong in FY2024 reached 40.8 million, with 32.1 million arrivals from Mainland China, reflecting a substantial 715% and 761% increase as compared with FY2023, respectively. With such notable growth, we anticipate that the continued recovery and expansion of tourism will bolster the performance of hotels in Hong Kong.

Dorsett Kai Tak, Hong Kong, the Group's flagship hotel in Hong Kong with 373 rooms, is expected to open and operate by Dorsett Group in the latter of 2024. Nestled in a parkland setting with dazzling views of the world-famous Victoria Harbour and Hong Kong's iconic Lion Rock, it will sit adjacent to Hong Kong's latest and largest world-class sports venue, the Kai Tak Sports Park, and offer a warm and sophisticated hospitality experience which echoes the marina lifestyle.

With the opening of this new hotel, as well as the ongoing recovery of Mainland China's tourism industry and the immense possibilities for deeper integration, we remain confident in the hospitality industry within Hong Kong's domestic market.

Construction at Dorsett Kai Tak, Hong Kong

Malaysia

As Malaysia continues to chart a path towards a post-pandemic recovery, the easing of COVID-19 restrictions has unleashed a pent-up demand for travel, both domestically and internationally, propelling the hospitality sector to new heights of success since the pandemic period. Total revenue from the Group's hotels in Malaysia recorded of MYR97 million, representing a 31.1% increase in FY2024 as compared with FY2023. OCC increased from 50.3% to 56.6%, while the ARR has experienced a slight dip from MYR231 to MYR225. RevPAR has nevertheless seen a commendable increase of 9.5% to MYR127 when compared to FY2023.

With the implementation of the visa-free policy between Malaysia and China, as well as the gradual recovery of international flights, we expect our hotels in Malaysia to experience even stronger growth in the coming year.

Management Discussion and Analysis

Mainland China

With the relaxation of travel restrictions and the resumption of international travel, the Group's hotels in Mainland China experienced a strong rebound in FY2024 after three years of suppressed performance due to the COVID-19 pandemic. In FY2024, the number of domestic tourist trips reached 5.09 billion, a year-on-year increase of 75%. Furthermore, following the reopening of borders at the beginning of calendar year 2023, Mainland China welcomed a total of 82 million inbound tourists over the course of the full calendar year 2023. Driven by the recovery of the tourism and conference markets, the total hotel revenue in Mainland China reached RMB189 million in FY2024, with a year-on-year growth of 54.9%. In terms of operating statistics, the OCC of hotels in Mainland China reached 62.8%, showing an increase in 18.1 percentage points as compared with FY2023. ARR increased 35.8% to RMB360 in FY2024, and resulted in a 91.5% rise in RevPAR to RMB226 in FY2024 as compared with FY2023.

Overall, the hotel industry in Mainland China has shown resilience and adaptability in the face of the COVID-19 pandemic. In the calendar year of 2023 and 2024, the Chinese government expanded its unilateral visa-free policies to include but not limited to eleven European countries such as France, Germany, Italy, the Netherlands, Spain, Switzerland and Ireland. At the same time, the Chinese government also signed mutual visa-free agreements with several Southeast Asian countries, including Malaysia, Singapore and Thailand. With the supportive measures from the Chinese government, including the relaxation of travel restrictions and the broadening of visa-free policies, hotel business in Mainland China are gradually rebounding and positioning themselves for long-term growth.

Singapore

Dorsett Singapore

Dao by Dorsett AMTD Singapore

In FY2024, Dorsett Singapore, our 285-room hotel in downtown Singapore, has recorded an increase in OCC to 83.8% from 78.9% as compared with FY2023. ARR has also experienced an uplift rising to SGD209 in FY2024 from SGD200 in FY2023 and resulted in a boost in the RevPAR to SGD175 in FY2024 from SGD158 in FY2023. As a result, the total revenue from Singapore hotel operations rose 15.8% to SGD22 million in FY2024 as compared with FY2023.

UK

With the opening of Dao by Dorsett West London in July 2022, we are currently offering two distinct types of accommodations in the UK, a stylish hotel and a serviced aparthotel. In FY2024, hotels in the UK saw good performance as compared with FY2023 or even the year pre-COVID-19. Total revenue from the UK operations grew to GBP16 million from GBP15 million in FY2024, OCC has climbed to 78.8% from 71.8% and ARR increased to GBP129 from GBP122. As a result, the RevPAR has increased by 17.2% to GBP102.


Dao by Dorsett West London

The new serviced aparthotel has allowed us to expand our footprint and diversify our offerings within the vibrant British hospitality landscape. Looking forward, we will be opening our third Dao by Dorsett branded serviced aparthotel, Dao by Dorsett North London in the fourth quarter of calendar year 2024 and another Dorsett branded hotel, Dorsett Alpha Square Canary Wharf in the first quarter of calendar year 2025 in London. By introducing these two new hotels, we believe we are able to cater to a wider range of guest preferences.

Australia

With the new opening of Ritz-Carlton Melbourne in March 2023 and Dorsett Melbourne in April 2023, and the disposal of Sheraton Grand Mirage Resort in November 2023, the Group owned 4 hotels in Australia as at 31 March 2024, the wholly-owned Ritz-Carlton Perth, Ritz-Carlton Melbourne, and Dorsett Melbourne, as well as the partially owned Dorsett Gold Coast.


Ritz-Carlton Melbourne

Throughout FY2024, Ritz-Carlton Perth maintained a stable performance, but the introduction of the two new hotel additions into our portfolio resulted in a dilution of our overall OCC and ARR, as both of the new hotels are still in a ramp-up period. This led to OCC decreasing to 61.0% and ARR decreasing to AUD369. As a result, the RevPAR has decreased by 23.5% to AUD225. Nevertheless, the total revenue generated by the hotels in Australia has witnessed impressive growth, increased by 153.8% to AUD99 million from AUD39 million in FY2023.

Several new hotels will be opening in Australia in the near future, which presents an exciting opportunity. These additions will not only elevate the hospitality landscape but also enrich the travel experiences for both local residents and international visitors exploring the diverse and vibrant regions of this dynamic country.

Continental Europe – Palasino Group

In March 2023, Palasino Group, which holds our hotels in Continental Europe has been successfully spun-off and listed on the Stock Exchange. Hotels under Palasino Group in Continental Europe have benefited from the lifting of government travel restrictions and have been able to welcome international guests starting in FY2023. At the same time, we are seeking to mitigate the impact of inflation, rising energy costs, and a shortage of labour in the hospitality industry in Continental Europe, all of which are important factors we have to take into account.


Hotel Donauwelle, Austria

Results from Hotel Savannah has been reclassified to hotel business from gaming business. As a result, overall OCC increased 2.7 percentage points to 51.7% and ARR increased 7.7% to HK$710, resulting in a 14.8% growth in RevPAR to HK$372. Total revenue for hotels under Palasino Group increased to HK$162 million in FY2024 as compared with HK$137 million in FY2023.

Management Discussion and Analysis

3. Car park operations and facilities management

The Group's car park operations and facilities management business, including car park operations that operate under the "Care Park" brand, with a portfolio of car park bays owned or managed amounting to approximately 124,000 car park bays as at 31 March 2024. Among the 416 car parks, 23 were self-owned car parks with 8,173 car park bays. The remaining car park bays in Australia, New Zealand, the UK, Hungary and Malaysia remain under management contracts with third-party car park owners.

Car park at Australia

In FY2024, the Group's revenue from car park operations and facilities management amounted to HK$732 million, marking a 3.0% decrease as compared with FY2023. This decline was primarily driven by the unfavourable movement in foreign currency exchange rates. Despite this, the core business witnessed a steady improvement in revenue. With our continued commitment to improving operational efficiency and implementing cost-saving measures, we expect steady growth in car park revenues. Additionally, we will continue our monetisation strategy to monetise mature car parks, enabling us to reallocate capital into opportunities with superior internal rates of return.

4. Gaming operations and management

Palasino Group

The Group operates its portfolio of one integrated land-based casino and two full-service land-based casinos in the Czech Republic under Palasino Group which features slot machines and gaming tables. In March 2024, Palasino Group, which holds the Group's gaming operations and management business has been successfully spun-off and listed on the Stock Exchange.

Palasino Wullowitz, Czech Republic

Revenue from the gaming operations and management was primarily generated from slot machines whilst the remaining revenue were generated from table games. The Group's gaming operations in the Czech Republic have shown continuous growth, with a loyal customer base and consistent attendance. Performance of gaming operations has continued its growth trajectory, delivering satisfactory returns. Revenue from the Group's gaming business for FY2024 and FY2023 has been restated as gross revenue, outlining figures before gaming tax and the revenue and results from Hotel Savannah has been reclassified from gaming business to hotel businesses, with revenue at HK$402 million and HK$390 million for FY2024 and FY2023 respectively, indicating a year-on-year increase of 3.1%. This is primarily driven by the increase in revenue from the slot machine operations.


Palasino's Listing Ceremony

Palasino Group reactivated its online gaming licence in Malta in November 2023 and plans to conduct a soft launch of its service in FY2025 in Malta. Looking ahead, the Group remains optimistic about its gaming business and ability to capitalise on growth opportunities in the region.

The following tables set forth certain operating data of Palasino Group's casinos for the year ended 31 March 2024:

	As at 31 March 2024	As at 31 March 2023
Number of slot machines	**568**	560
Number of tables	**62**	59
	FY2024	FY2023
Slots revenue (HK$ million)	**322**	300
Table game revenue (HK$ million)	**81**	90
Average slot win per machine per day (HK$)[i]	**1,631**	1,657
Table hold percentage[ii]	**22.8%**	21.3%

Notes:

(i) Average slot win per machine per day is defined as divide the total slot machine gross win by the average number of slot machines on opening and closing and subsequently divide by the number of days the machines were operational.

(ii) Table hold percentage is defined as total gross win in table game divided by the table games drop.

Investments in QWB Project

In March 2018, the Group entered into a strategic alliance agreement with The Star and CTF. Currently, the Group holds an approximately 2.81% equity stake in The Star, one of the two major casino operators in Australia, known for its dominant presence in Sydney, the Gold Coast, and Brisbane.

Strategic benefits to the Group from this investment and the strategic alliance agreement are:

(i) strengthening the Group's relationship with The Star;

(ii) forging a partnership with The Star for potential mixed-use property projects, and adding to the Group's development pipeline in Australia; and

(iii) allowing the Group to increase its exposure to the QWB Project and benefit from The Star's future growth.

Construction at Queen's Wharf Brisbane, Brisbane

The Group owns 25% of the integrated resort under construction in Brisbane. Together with The Star and CTF, the Group is building three world-class hotels, high-end gaming facilities with VIP rooms, food and beverage outlets and more than 6,000 sq. m. of retail and dining space that will be operated by DFS Group, a global leader in retail operation.

The QWB Project is currently under construction, with its first stage expected to be completed and opened in FY2025.

5. BC Invest – Provision of mortgage services

As an extension of its property development business, the Group established a mortgage lending platform under BC Invest that specialises in providing residential mortgages to non-resident international property buyers. BC Invest is highly synergistic with the Group's property development business and offers significant growth potential beyond it.

BC Invest is building an asset management business (retail and institutional) to diversify its business model and financing sources. It is also extending its mortgage business to the domestic resident market.

Mortgageport Management Pty. Ltd., under BC Invest, is a leading non-bank lender, catering mostly to domestic borrowers. On 31 March 2023, BC Invest acquired the remaining portion of Mortgageport that it did not already own, resulting in full ownership.

BC Invest has strict lending rules, a highly diversified portfolio and a prudent weighted average loan-to-value ratio. BC Invest managed a total AUM of approximately AUD5.4 billion as at 31 March 2024. Net interest margin had slightly dropped to 1.19% in FY2024.

Though most of BC Invest's capital is provided by third parties, the Group has committed approximately AUD75 million and approximately GBP21 million as at 31 March 2024, which was classified as investment securities. Including interest income from funding, BC Invest contributed approximately HK$33.2 million to the Group's profit in FY2024.

On the funding side, BC Invest continued to diversify its funding sources by tapping into the RMBS market. In April 2023, it issued a RMBS that raised AUD507 million which is backed by first mortgage loans to Australian resident borrowers, including self-managed super fund ("SMSF") prime borrowers. This was followed by another RMBS transaction in August 2023 raising AUD456 million. These transactions featured a proportion of Australian domestic and SMSF prime borrowers. These issuances signal a shift towards a largely resident borrower RMBS program mix. In October 2023, BC Invest successfully issued its ninth RMBS and raised AUD507 million. This transaction was backed by first mortgage loans to prime Australian resident borrowers, secured by mortgages over Australian residential properties. In June 2024, BC Invest issued its tenth RMBS offering, raising AUD530 million which was supported by a range of international and Australian institutions and credit funds. This RMBS is backed by first mortgage loans to Australian resident and non-resident prime borrowers, secured by Australian residential properties.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Group recognises the importance of taking action towards a sustainable future and turning climate change initiatives into sustainable business opportunities. To achieve this, the Group is developing a net zero strategy roadmap in line with the latest science around climate change. The Group will ensure the strategy aligns with internationally recognised standards and best practices and develops business as usual emissions projections for the purpose of short and long-term goal setting.

Furthermore, to strengthen its efforts in climate-related financial disclosures, the Group has engaged a professional party with expertise in the TCFD framework. This partnership will help ensure robust reporting and disclosure of climate-related risks and opportunities, enabling the Group to make informed decisions and transparently communicate its actions to stakeholders. Through these collective efforts, the Group strives to create a lasting impact and inspire others to join the journey towards a more sustainable and resilient future.

In July 2023, the Group obtained its second sustainability-linked loan facility for a tenor of 3 years, raising HK$300 million in Hong Kong. In addition, the Group obtained a green facility in December 2023, raising HK$600 million development-related green loan for its residential development located in Sai Ying Pun, Hong Kong. The Group anticipates the possibility of more upcoming green facilities in the future.

OUTLOOK

The past year has been a period of remarkable achievements, propelling the Group to new heights. The Group's persistent efforts over the years have culminated in a phase of fruitful returns. The Group anticipates that its core business activities will continue to flourish, projecting substantial revenue growth in the following 12 months.

In property development, projects including the Victoria Riverside in Manchester, Aspen at Consort Place in London, Perth Hub in Perth, and Queen's Wharf Residences in Brisbane, are approaching completion. The forthcoming settlements of these projects within the next 12 months are expected to generate robust revenue streams and strong cash flows, facilitating further deleveraging.

As at 31 March 2024, the Group's cumulative attributable presales and unbooked contracted sales have reached HK$11.5 billion, ensuring a clear outlook on significant revenue contributions in the short to medium term. The launch of Red Bank Riverside – Falcon in Manchester, the UK under the Victoria North masterplan has been met with a satisfactory response since its introduction in March 2024.

In FY2025, the Group targets to launch several projects, including The Pavilia Forest in Kai Tak, Hong Kong and 640 Bourke Street in Melbourne, Australia. In addition, the Group is actively pursuing the next phase of the Victoria North Masterplan in Manchester, the UK and the GBP300 million mixed-use development project in Trafford, Greater Manchester, in collaboration with local authorities, which will further amplify its portfolio.

Management Discussion and Analysis

The recurring income businesses of the Group are well-positioned to sustain its growth, complemented by the addition of new hotels. As at 31 March 2024, the Group's portfolio will be enriched by the launch of 8 hotels set to open within the next 24 months, which will expand the footprint and reinforce long-term growth. The Dorsett Kai Tak, Hong Kong in Hong Kong, with its 373 rooms, is expected to open in late 2024. It will serve as the Group's flagship hotel and will be adjacent to the Kai Tak Sports Park. In conjunction with a sequence of events planned for the Kai Tak Sports Park, we anticipate that the Dorsett Kai Tak, Hong Kong will derive significant benefits from these developments.

In car park operations, the Group will continue its strategy to divest or phase out under-performing or matured assets while securing management contracts to transition towards an asset-light model and reduce leverage.

The gaming business under the Palasino Group presents numerous growth opportunities. Palasino Group has entered into an MOU with a strategic partner to explore additional operating prospects in May 2024. The online gaming license in Malta has been reinstated and the impending soft launch of the online gaming services in FY2025. This is designed to attract a broader customer base. The forthcoming opening of Queen's Wharf Brisbane in second half of FY2025 is anticipated to be another robust source of cash flow.

BC Invest continues a stable growth trajectory, with plans to introduce new products and target an expanded customer base. As a consistent RMBS issuer, BC Invest enjoys strong support from institutional investors, allowing BC Invest access to the bond market and favourable financing terms, even during market fluctuations. We are presently engaged in strategic dialogues to determine the future growth direction for BC Invest.

To preserve a robust financial standing, the Group is committed to optimising its balance sheet, refining its portfolio, and executing monetisation strategies for non-core assets to repay existing debt and mitigate debt levels amidst market volatility. With several landmark projects nearing completion and handover, visible cash flows are expected, which will contribute to the improvement of the Group's gearing and leverage ratios. Despite economic uncertainties, the Group remains vigilant and prudent in its approach.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2024, the Group had approximately 4,430 employees. The Group provides its employees with comprehensive benefit packages and career development opportunities, including medical benefits, both internal and external trainings appropriate for various level of staff roles and functions.

Annual Dinner 2024