This summary is intended to give you an overview of the information contained in this listing document. Since it is a summary, it does not contain all the information that may be important to you. You should read this listing document in its entirety including the appendices hereto, which constitute an integral part of this listing document.

OVERVIEW

Our Listing constitutes a Spin-off from Karrie International. Karrie International is a well-established company listed on the Main Board for over 25 years. Prior to the completion of the Spin-off, Karrie International is principally engaged in (i) the metal and plastic business; (ii) the electronic manufacturing business; and (iii) the real estate business.

As a boutique residential property developer, we are principally engaged in development and sales of residential properties in the fast-developing residential markets in Dongguan, Huizhou and Foshan. As at the Valuation Date, we had seven property development projects on hand, including five completed projects, representing different phases of Castfast Villas and Louvre Mansion, one project held for future development and one project held for investment. We acquire land for our property development projects mainly through (i) public tender, auction or listing-for-sale; and (ii) acquisition of redevelopment sites and conversion into residential development sites. As at the Valuation Date, approximately 64.1% of our land in terms of GFA were acquired from public tender, auction or listing-for-sale, whereas approximately 35.9% of our land were acquired from acquisition of redevelopment sites and conversion into residential development sites.

OUR BUSINESS

Our Group is involved in all phases of planning and building of our residential property development projects, including land acquisition/transformation, site planning, preparation and improvement of land and design, construction and marketing of homes. We use contractors for most aspects of property construction and monitor the development of the projects with a relatively small internal labour force. We sell our homes primarily through independent real estate agents.

We have developed two major product series for our homebuyers, namely, “Villas” (豪庭) series, targeting middle income and move-up homebuyers, and “Mansion” (公館), targeting first-time homebuyers and retirees. We place a great emphasis on the quality of our products and set detailed standards on a number of design and construction requirements. As at the Valuation Date, we had land bank of approximately 259,632 sq.m., including (i) total GFA saleable for completed properties of approximately 128,160 sq.m. and (ii) total GFA of 131,472 sq.m. held for future development.

The following table sets forth the movement of our land bank during the Track Record Period:

	Completed GFA available for sale	GFA under development	Planned GFA for future development	Total land bank
	(sq.m.)	*(sq.m.)*	*(sq.m.)*	*(sq.m.)*
As at 31 March 2020 *(Note 1)*	**25,771**	**221,764**	**—**	**247,535**
Transfer from GFA under development to completed GFA available for sale	76,498	(76,498)	—	—
GFA delivered	(23,464)	—	—	(23,464)
As at 31 March 2021	**78,805**	**145,266**	**—**	**224,071**
Transfer from GFA under development to completed GFA available for sale	100,195	(100,195)	—	—
GFA delivered	(28,053)	—	—	(28,053)
As at 31 March 2022	**150,947**	**45,071**	**—**	**196,018**
New acquisition of land	—	—	131,472	131,472
Remeasurement of area *(Note 2)*	(1,700)	(50)	—	(1,750)
Non-saleable area	—	(2,369)	—	(2,369)
Reclassification from saleable GFA to non-saleable GFA *(Note 3)*	(37,845)	(5,298)	—	(43,143)
Transfer from GFA under development to completed GFA available for sale	37,354	(37,354)	—	—
GFA delivered	(17,671)	—	—	(17,671)
Rounding difference	(2)	—	—	(2)
As at 30 September 2022	**131,083**	**—**	**131,472**	**262,555**

Notes:

1. Assuming that Phase 3 of Castfast Villas was wholly owned by us as at 31 March 2020.

2. Remeasurement of area means correction of minor measurement discrepancies of GFA of a unit or public areas. It is common for our Group to engage an independent surveyor to re-measure the GFA of a property upon completion of the construction.

3. Prior to completion of the construction, total area of basement stated in the construction works commencement permits is used as the basis for determining the saleable GFA in relation to car parks. After completion of the construction, measurement reports were issued by an independent surveyor engaged by our Group to measure the actual GFA of the car parking spaces and the public areas such as passageways which do not form part of the saleable GFA. Therefore, the actual GFA of the public areas is reclassified from saleable GFA to non-saleable GFA. As at the Latest Practicable Date, all car parks of Castfast Villas and Louvre Mansion had not been launched for sale.

The table below sets forth the details of our property development projects as at the Valuation Date:

	Completed GFA available for sale	Planned GFA for future development	Total land bank	% of total land bank	Project nature	Land acquisition method
	(sq.m.)	*(sq.m.)*	*(sq.m.)*			
Completed properties						
Dongguan	**93,012**	**—**	**93,012**	**35.9%**	Urban renewal projects	Acquisition of redevelopment sites and conversion into residential development sites
Phase 4 of Castfast Villas (東莞嘉輝豪庭第四期)	29,996	—	29,996	11.5%		
Phase 5 of Castfast Villas (東莞嘉輝豪庭第五期)	60,142	—	60,142	23.2%		
Phase 3 of Castfast Villas (東莞嘉輝豪庭第三期)	2,417	—	2,417	1.0%		
3 unsold residential units in Phase 1 of Castfast Villas (東莞嘉輝豪庭第一期未售3單元)	457	—	457	0.2%		
Huizhou	**35,148**	**—**	**35,148**	**13.5%**	New development	Public tender
Louvre Mansion, Huizhou (惠州羅浮公館)	35,148	—	35,148	13.5%		
Properties held for future development						
Foshan	**—**	**131,472**	**131,472**	**50.6%**	Urban renewal project	Public tender
A parcel of land for future development	—	131,472	131,472	50.6%		
Total	**128,160**	**131,472**	**259,632**	**100.0%**		

	Rentable GFA	Project nature	Land acquisition method
	(sq.m.)		
Properties held for investment			
Industrial Complex, Fenggang, Dongguan (東莞鳳崗鎮工業園)...	55,262	Urban renewal project	Acquisition of redevelopment sites and conversion into residential development sites

OUR GROUP'S STRATEGIES REGARDING SALES OF THE REMAINING SALEABLE GFA

The following table illustrates the expected timeline for the launch of the remaining unsold residential GFA of Phases 3, 4 and 5 of Castfast Villas and Louvre Mansion:

Project	Total GFA expected to be launched for sale (sq.m.) *(Note)*			
	From 1 October 2022 to 31 March 2023	Year ending 31 March 2024	Year ending 31 March 2025	Year ending 31 March 2026
Phase 3 of Castfast Villas	N.A.	N.A.	N.A.	N.A.
Phase 4 of Castfast Villas	N.A.	N.A.	N.A.	N.A.
Phase 5 of Castfast Villas	N.A.	13,860	6,930	2,311
Louvre Mansion	N.A.	3,443	6,887	3,398

Note: It represents the residential GFA (i.e. excluding the GFA of commercial units and car parks) expected to be launched for sale on the market for the first time during the respective years/period.

We recognise revenue when the property is accepted or deemed as accepted by our customers, whichever is earlier. Based on the above expected timeline for the launch of remaining unsold residential GFA, it is possible that our revenue may decrease over the next few years. Our strategies regarding the sales of the remaining unsold saleable GFA include working closely with local real estate agents to manage our properties. We may also conduct relevant marketing events on both online and offline platforms. Our marketing strategy has involved advertising through digital channels including real estate listing sites and traditional marketing platform such as outdoor advertising. We may adjust our sales and marketing strategies from time to time based on market sentiment. We also maintain close contact with our current customers and may organise activities at our sales centres from time to time. For details, please refer to the section headed "Business — Land bank and property portfolio — Our Group's strategies regarding the sales of the remaining saleable GFA" in this listing document.

OUR COMPETITIVE STRENGTHS

Our Directors believe that the following competitive strengths of our Group have contributed to our success to date and will continue to promote our expansion:

- We are a boutique residential property developer with our property development projects being strategically located in Dongguan, Huizhou and Foshan where we consider have potential growth
- We focus on developing high quality and customer-oriented products in order to ensure that they meet the market trends and are appealing to our customers
- Development in alignment with the PRC government's urban renewal policy
- We have established an operation system that facilitates the development of quality property development projects in a timely and cost efficient manner
- Experienced management team supported by motivated and professional staff

OUR BUSINESS STRATEGIES

Our business strategies include the following:

- We will continue to expand in the Greater Bay Area and focus on redevelopment sites
- We will continue our diversified land acquisition strategies with a view to allocating financial resources to what we believe to be the most profitable opportunities
- We seek to strengthen our cost control capability and maintain the quality of the properties
- We seek to further strengthen our reputation and recognition in the Greater Bay Area
- We will continue to attract, nurture and motivate a skilled and talented workforce

OUR CUSTOMERS

For the three years ended 31 March 2022 and the six months ended 30 September 2022, our five largest customers accounted for approximately 4.2%, 4.5%, 3.6% and 6.7%, respectively, of our revenue for the respective years/period. Our single largest customer accounted for approximately 1.2%, 1.3%, 0.9% and 1.4%, respectively, of our revenue for the respective years/period during the Track Record Period. For details, please refer to the section headed "Business — Our Customers" in this listing document.

OUR SUPPLIERS

For the three years ended 31 March 2022 and the six months ended 30 September 2022, our five largest suppliers, primarily comprising construction contractors, in aggregate accounted for approximately 90.4%, 78.9%, 69.7% and 59.3%, respectively, of our total purchase for the respective years/period. Our largest supplier accounted for approximately 60.4%, 58.1%, 47.9% and 14.3%, respectively, of our total purchase for the respective years/period during the Track Record Period. As our five largest suppliers are primarily construction contractors, our demand for construction services decreased when our property development projects were gradually completed and hence the decrease in percentage of our total purchase from our five largest suppliers during the Track Record Period. For details, please refer to the section headed "Business — Our Suppliers" in this listing document.

COMPETITION

The PRC real estate industry is highly fragmented and competitive. We are a boutique residential property developer operating in Dongguan, Huizhou and Foshan, which primarily competes with domestic national developers, regional developers and other developers with strategies that are similar to our Group. We compete on many fronts, including product quality, service quality, price, financial resources, brand recognition, ability to acquire land and other factors.

We ranked out of the Top 100 property developers in China in 2021 in terms of contracted sales amount and sales area. We had less than 1% market share in Dongguan and Huizhou in terms of contracted sales amount and sales area in 2021. The competition is keen between those developers out of the Top 100 developers with a relatively low market share due to restrictions in acquiring land, brand reputation, high capital commitment, and tightened regulation restrictions. As new land supply in key cities is limited because land lots in prime locations may have already been acquired by other developers on the market, we may face difficulties in acquiring new land. We acquire land for our property development projects mainly through (i) public tender, auction or listing-for-sale; and (ii) acquisition of redevelopment sites and conversion into residential development sites.

In order to differentiate from other developers, we may leverage on our expertise in urban renewal projects, and our understanding in the local authorities' urban renewal policies to acquire redevelopment sites or convert former industrial sites into residential development sites in a timely and cost-efficient manner. We have accumulated substantial local knowledge of the communities and developed trust from the local authorities which facilitates our urban renewal process and enables our Group to make well-informed business decisions throughout the process. In the face of intense competition, we devoted effort to improve our product quality, service quality, project management, brand recognition, ability to acquire land and other factors. In particular, most of the local property markets in the region with high-growth potential have been increasingly competitive in recent years. An increasing number of property developers from the PRC and overseas have entered the property development markets in the cities where we have operations or plan to have operations, resulting in increased competition for land available for development.

The recent slowdown of the PRC economy has resulted in the decline in real estate market sentiment, which adversely affected property demand and average selling prices in many cities in the PRC. As the real estate industry has become over-leveraged in recent years, some of the largest real estate developers have defaulted on their debt obligations amid a liquidity crunch. Since the second half of 2022, the PRC government has introduced a series of measures covering credit, tax and pre-sale supervision funds, in the hope of stabilizing market confidence and facilitating market recovery. It is expected that such supportive measures will strengthen market confidence and enable the real estate market to recover.

HIGHLIGHTS OF RISK FACTORS

Our business faces risks including those set out in the section headed “Risk Factors” in this listing document. Some of the major risks that we face include:

- We are susceptible to adverse movements in the PRC real estate market, particularly in regions and cities where we have property development projects

- We generated all of our revenue from our businesses in Dongguan and Huizhou during the Track Record Period, and any significant decline in the economic conditions of the property markets of this area could have a material adverse effect on our results of operations, financial condition and business prospects

- Our operations are subject to extensive government policies and regulations and, in particular, we are susceptible to adverse changes in policies relating to the PRC property sector and in local policies in the regions in which we operate

- We may not be able to acquire land reserves in desirable locations that are suitable for development at commercially acceptable prices or at all in the future

- We have obtained and may continue to obtain land through urban renewal, which involves a number of risks and uncertainties

- Our historical financial growth, including revenue and profit margin growth, may not be indicative of our future financial performance

- The timing of our property sales and progress of our property development projects may cause our results of operations to fluctuate from period to period, making it difficult to predict our future financial performance

PROPERTY VALUATION

According to the property valuation report prepared by C&W as set out in Appendix III to this listing document, the market value of the properties owned by our Group as at 31 December 2022 was approximately RMB2,928.6 million. For details, please refer to Appendix III to this listing document.

SUMMARY OF KEY FINANCIAL INFORMATION

The following is a summary of our consolidated financial information as at and for the Track Record Period. We have derived the summary from our consolidated financial information set forth in the Accountants' Report in Appendix I to this listing document. The below summary should be read together with the consolidated financial information in Appendix I to this listing document, including the accompanying notes and the information set forth in the section headed "Financial Information" in this listing document. Our consolidated financial statements have been prepared in accordance with HKFRS.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	For the year ended 31 March			For the six months ended 30 September	
	2020	**2021**	**2022**	**2021**	**2022**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Revenue	481,778	590,803	775,555	359,868	473,010
Cost of revenue	(132,756)	(161,477)	(188,554)	(88,717)	(118,577)
Gross profit	349,022	429,326	587,001	271,151	354,433
Operating profit	318,137	381,063	549,415	257,911	329,791
Profit before taxation	314,314	389,984	558,161	262,692	331,113
Income tax charge	(185,377)	(229,481)	(314,501)	(147,427)	(187,986)
Profit for the year/period	128,937	160,503	243,660	115,265	143,127
Total comprehensive income for the year/period	104,530	188,849	257,439	121,322	101,023

Revenue

Our revenue increased by RMB113.1 million or 31.4% from RMB359.9 million for the six months ended 30 September 2021 to RMB473.0 million for the six months ended 30 September 2022, mainly due to the commencement of the sale and delivery of Phase 5 of Castfast Villas and Louvre Mansion which was partially offset by the slight decrease in ASP from RMB29,547 per sq.m. for the six months ended 30 September 2021 to RMB29,176 per sq.m. for the six months ended 30 September 2022.

Our revenue increased by RMB184.8 million or 31.3% from RMB590.8 million for the year ended 31 March 2021 to RMB775.6 million for the year ended 31 March 2022, mainly driven by the commencement of the sale of Phase 5 of Castfast Villas and increased GFA delivered of Phase 4 of Castfast Villas coupled with the increase in ASP from RMB27,444 per sq.m. for the year ended 31 March 2021 to RMB 30,134 per sq.m. for the year ended 31 March 2022.

Our revenue increased by RMB109.0 million or 22.6% from RMB481.8 million for the year ended 31 March 2020 to RMB590.8 million for the year ended 31 March 2021, mainly due to the completion and delivery of Phase 4 of Castfast Villas coupled with the increase in ASP of the Phase 3 of Castfast Villas from RMB26,527 per sq.m. for the year ended 31 March 2020 to RMB27,207 per sq.m. in the year ended 31 March 2021.

The following table sets forth a breakdown of revenue, ASP and GFA delivered by projects for the years/periods indicated:

	For the year ended 31 March			**For the six months ended 30 September**	
	2020	**2021**	**2022**	**2021**	**2022**
	(audited)	(audited)	(audited)	(unaudited)	(audited)
Revenue (RMB'000)					
Phase 3 of Castfast Villas	481,778	487,272	70,593	26,266	11,750
Phase 4 of Castfast Villas	—	103,531	530,235	333,602	112,458
Phase 5 of Castfast Villas	—	—	174,727	—	338,692
Louvre Mansion	—	—	—	—	10,110
Total	481,778	590,803	775,555	359,868	473,010

	For the year ended 31 March			For the six months ended 30 September	
	2020	2021	2022	2021	2022
ASP (RMB/sq.m.) (VAT Inclusive)					
Phase 3 of Castfast Villas	26,527	27,207	27,894	27,538	25,954
Phase 4 of Castfast Villas	—	28,617	29,788	29,718	29,999
Phase 5 of Castfast Villas	—	—	32,321	—	31,974
Louvre Mansion	—	—	—	—	7,129
GFA delivered (sq.m.)					
Phase 3 of Castfast Villas	19,797	19,521	2,758	1,040	493
Phase 4 of Castfast Villas	—	3,943	19,402	12,236	4,086
Phase 5 of Castfast Villas	—	—	5,893	—	11,546
Louvre Mansion	—	—	—	—	1,546
Total	19,797	23,464	28,053	13,276	17,671

The increase in ASP of the Phases 3 and 4 of Castfast Villas during the three years ended 31 March 2022 was primarily attributable to prevailing local market prices and the market demands for the properties. The slight decrease in ASP of Phase 3 of Castfast Villas during the six months ended 30 September 2022 was primarily attributable to the sale of units with less favourable locations and the prevailing market condition in Dongguan.

Selling expenses

Our selling expenses increased by RMB3.6 million or 78.8% from RMB4.6 million for the six months ended 30 September 2021 to RMB8.2 million for the six months ended 30 September 2022, primarily due to the increase in sales commission paid to sales agents of RMB1.6 million and advertising and promotion expenses of RMB1.8 million in relation to the sales of Phase 5 of Castfast Villas and Louvre Mansion.

Our selling expenses decreased by RMB7.5 million or 41.4% from RMB18.0 million for the year ended 31 March 2021 to RMB10.5 million for the year ended 31 March 2022, primarily due to the decreased sales commission paid to sales agents in relation to the sales of Phase 4 and Phase 5 of Castfast Villas which we engaged agents with lower sales commission rates. These agents were agents assigned by various professional real estate agent companies in the PRC. We held a number of sales fair where we engaged professional real estate agent companies which would assign their staff to assist in the sales fair and conduct sales activities such as taking potential customers to the show flats/residential units and handling sales contracts and customers' enquiries.

Since the amount of work load of these agents at the sales fair were less than other real estate agents who are responsible for referring potential customers, they were willing to accept a lower sales commission rate.

Our selling expenses increased by RMB1.3 million or 7.9% from RMB16.7 million for the year ended 31 March 2020 to RMB18.0 million for the year ended 31 March 2021, primarily due to slight increase of sales commission paid to real estate agents.

Gross Profit

Our gross profit increased by RMB83.3 million or 30.7% from RMB271.2 million for the six months ended 30 September 2021 to RMB354.4 million for the six months ended 30 September 2022, which is in line with the increase of our revenue.

Our gross profit increased by RMB157.7 million or 36.7% from RMB429.3 million for the year ended 31 March 2021 to RMB587.0 million for the year ended 31 March 2022, which is in line with the increase of our revenue.

Our gross profit increased by RMB80.3 million or 23.0% from RMB349.0 million for the year ended 31 March 2020 to RMB429.3 million for the year ended 31 March 2021, which is in line with the increase of our revenue.

Profit for the year/period

Our profit for the period increased by RMB27.9 million or 24.2% from RMB115.3 million for the six months ended 30 September 2021 to RMB143.1 million for the six months ended 30 September 2022 mainly due to the increase in revenue driven by the commencement of the sale and delivery of Phase 5 of Castfast Villas and Louvre Mansion.

Our profit for the year increased by RMB83.2 million or 51.8% from RMB160.5 million for the year ended 31 March 2021 to RMB243.7 million for the year ended 31 March 2022 mainly due to the increase in revenue driven by the commencement of the sale of Phase 5 of Castfast Villas and increased GFA delivered of Phase 4 of Castfast Villas.

Our profit for the year increased by RMB31.6 million or 24.5% from RMB128.9 million for the year ended 31 March 2020 to RMB160.5 million for the year ended 31 March 2021 mainly due to the increase in revenue primarily attributable to the completion and delivery of Phase 4 of Castfast Villas coupled with the increase in ASP of Phase 3 of Castfast Villas from RMB26,527 per sq.m. for the year ended 31 March 2020 to RMB27,207 per sq.m. for the year ended 31 March 2021.

Gross profit and gross profit margin by projects

The following table sets forth a breakdown of gross profit and gross profit margin by projects for the years/periods indicated:

	For the year ended 31 March									For the six months ended 30 September					
	2020			2021			2022			2021			2022		
	Revenue	Gross profit	Gross profit margin	Revenue	Gross profit	Gross profit margin	Revenue	Gross profit	Gross profit margin	Revenue	Gross profit	Gross profit margin	Revenue	Gross profit	Gross profit margin
	RMB'000	*RMB'000*	%	*RMB'000*	*RMB'000*	%	*RMB'000*	*RMB'000*	%	*RMB'000* (unaudited)	*RMB'000* (unaudited)	%	*RMB'000*	*RMB'000*	%
Phase 3 of Castfast Villas . . .	481,778	349,022	72.4	487,272	352,866	72.4	70,593	52,007	73.7	26,266	19,262	73.3	11,750	8,425	71.7
Phase 4 of Castfast Villas . . .	—	—	—	103,531	76,460	73.9	530,235	402,193	75.9	333,602	251,889	75.5	112,458	85,821	76.3
Phase 5 of Castfast Villas . .	—	—	—	—	—	—	174,727	132,801	76.0	—	—	—	338,692	256,531	75.7
Louvre Mansion	—	—	—	—	—	—	—	—	—	—	—	—	10,110	3,656	36.2
Total	**481,778**	**349,022**	**72.4**	**590,803**	**429,326**	**72.7**	**775,555**	**587,001**	**75.7**	**359,868**	**271,151**	**75.3**	**473,010**	**354,433**	**74.9**

We commenced sale of Louvre Mansion and recognised revenue from September 2022. The gross profit margin of Louvre Mansion is lower than that of the different phases of Castfast Villas as Louvre Mansion is not an urban renewal project and has a relatively higher land acquisition cost and relatively lower ASP due to its location and market positioning. Our gross profit margin during the Track Record Period is generally higher than that of other industry players mainly due to the fact that vast majority of our GFA delivered during the Track Record Period were urban renewal projects with relatively lower land acquisition cost. Urban renewal projects usually have relatively lower land acquisition cost because they involve longer developing cycle, larger capital pressure, greater planning difficulty, and more efforts in negotiations with local government and local existing residents. Urban renewal projects may also involve uncertainties in respect of the preparatory work, including demolition works and resettlement of affected households. Urban renewal developments in general typically consist of the right owner model (權利人自改模式), the government-led model (政府主導模式), and also the cooperation model (村企合作模式), which was phased out by the relevant policy.

Under the right owner model, the right owner, who is normally the property developer, will study the redevelopment potential of the target area under the latest policy framework for economic benefit. The right owner will acquire the land and be responsible for the demolition and relocation compensation after obtaining the government's approval on redevelopment plan and land premium (if any), subject to the conditions of the land parcel acquired. The right owner is permitted to conduct the three-old transformation projects on its own initiation under the condition that all procedures of all examination and approval of land use rights by the government are fulfilled. The project life cycle under the right owner model could be longer and uncertain subject to economic cycle and government approval schedule. Under the government-led model, government will select a target area tied in with social needs. Land resumption and compensation, demolition and construction works will be carried out either by the government or in cooperation with property developers.

Under the right owner model, a right owner can take the initiative to apply for the government's approval for the redevelopment of a target area that it is interested in redeveloping. On the other hand, under the government-led model, the target area of redevelopment is solely determined by the government, and the government will release relevant supporting policies and announce the target area where it proposes to redevelop. For details, please refer to the sections headed "Industry Overview — Urban Renewal Overview" and "Financial Information — Gross profit and gross profit margin by project series" in this listing document.

Apart from our revenue from sale of properties, we received rental income during the Track Record Period from renting out our Industrial Complex. The Industrial Complex is located in Fenggang Town, Dongguan City, Guangdong Province. This site is currently zoned for industrial use and is currently rented out for rental income. The amounts were RMB1.5 million, RMB1.4 million, RMB1.4 million and RMB0.8 million, respectively for the years ended 31 March 2020, 2021 and 2022 and the six months ended 30 September 2022, which is considered to be financially insignificant to our Group. We intend to change the land use to residential use so that we can develop residential properties on the land. However, the proposed change of permitted use is subject to completion of several preparation works before approval for the proposed change of use can be obtained. For details, please refer to the section headed "Business — Description of our development projects" in this listing document. Since redevelopment involves sophisticated procedures and various negotiations with local government and villagers, there are uncertainties whether we can obtain, or if we can obtain, when we can obtain or on what terms we can obtain the government approvals for the proposed change of permitted use of the Industrial Complex.

Major Costs Component

The summary below shows the major costs components of our Group during the Track Record Period:

	For the year ended 31 March						For the six months ended 30 September			
	2020		2021		2022		2021		2022	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*	*RMB'000* (unaudited)	*%*	*RMB'000*	*%*
Cost of sale										
Construction and labour costs	113,261	85.3	133,934	82.9	152,173	80.7	71,770	80.9	98,031	82.7
Land use rights costs	16,706	12.6	23,517	14.6	31,237	16.6	15,127	17.1	17,056	14.4
Capitalised interest	2,789	2.1	4,026	2.5	5,144	2.7	1,820	2.0	3,490	2.9
Total	132,756	100.0	161,477	100.0	188,554	100.0	88,717	100.0	118,577	100.0

Selected information of our consolidated statements of financial position

	As at 31 March			As at 30 September
	2020	2021	2022	2022
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Non-current assets	134,893	171,531	229,819	165,419
Current assets	1,586,065	2,029,061	1,745,380	1,409,516
Current liabilities	1,022,476	1,467,217	1,205,248	767,968
Net current assets	563,589	561,844	540,132	641,548
Total assets less current liabilities	698,482	733,375	769,951	806,967
Non-current liabilities	375,407	303,087	21,277	22,270
Net assets	323,075	430,288	748,674	784,697

For details, please refer to the section headed ''Financial Information — Description of certain items of our consolidated statements of financial position'' in this listing document.

Net assets

Our net assets increased by RMB36.0 million or 4.8% from RMB748.7 million as at 31 March 2022 to RMB784.7 million as at 30 September 2022, which was mainly attributable to the net effect of our total comprehensive income of approximately RMB101.0 million for the six months ended 30 September 2022 and partially offset by our dividends and distributions of RMB65.0 million declared and paid during the same period.

Our net assets increased by RMB318.4 million or 74.0% from RMB430.3 million as at 31 March 2021 to RMB748.7 million as at 31 March 2022, which was mainly attributable to (i) the net effect of our total comprehensive income of approximately RMB257.4 million for the year ended 31 March 2022 and (ii) the capitalisation of the amount due to fellow subsidiaries of RMB374.4 million as consideration for one Share issued, details of the transaction are more fully explained in the section headed "History, Reorganisation and Corporate Structure" in this listing document. These increases were partially offset by the settlement of total consideration of the acquisition of Dongguan City Jiaxuntong of RMB313.5 million as deemed distribution during the year ended 31 March 2022.

Our net assets increased by RMB107.2 million or 33.2% from RMB323.1 million as at 31 March 2020 to RMB430.3 million as at 31 March 2021 which was mainly attributable to the net effect of our total comprehensive income of approximately RMB188.8 million for the year ended 31 March 2021 and partially offset by our dividends and distributions of approximately RMB81.6 million declared during the same year.

Net current assets

Our net current assets generally decreased during the Track Record Period primarily due to continuous increases in contract liabilities and trade and other payables in line with expansion of our property development activities, partially offset by increases in inventories and other contract costs as we accelerated our business expansion. Our net current assets increased from RMB540.1 million as at 31 March 2022 to RMB641.5 million as at 30 September 2022 primarily due to the decrease in bank borrowings and contract liabilities.

Net gearing ratio

Our net gearing ratio was 34.6% as at 31 March 2020. We had net cash as at 31 March 2021, 31 March 2022 and 30 September 2022, respectively. Our decrease in net gearing ratio generally corresponds to the decrease in our bank and other borrowings, and increment of pre-sale proceeds, coupled with the effect of the increase in our total equity resulting from the profit for the year/period.

Summary of our consolidated cash flow statement

	For the year ended 31 March			For the six months ended 30 September	
	2020	2021	2022	2021	2022
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000* (unaudited)	*RMB'000*
Net cash generated from/(used in) operating activities	2,252	179,915	483,388	276,829	(60,359)
Net cash generated from investing activities	96,414	8,687	11,181	5,666	2,798
Net cash (used in)/generated from financing activities	(27,364)	38,933	(417,363)	19,594	(99,418)
Increase/(decrease) in cash and cash equivalents	71,302	227,535	77,206	302,089	(156,979)
Cash and cash equivalents at the beginning of the year/period	148,156	220,635	446,860	446,860	524,099
Effect of foreign exchange rate changes	1,177	(1,310)	33	(30)	2,524
Cash and cash equivalents at the end of the year/period	220,635	446,860	524,099	748,919	369,644

Our primary source of cash generated from operating activities is proceeds from the sales of our properties, including pre-sales of properties under development. Our primary uses of cash in operating activities are amounts that we pay for our property development activities, including land use rights costs and construction and labour costs. Our cash and cash equivalents at the end of the year generally increased during the three years ended 31 March 2022 primarily due to increase in net cash generated from operations as a result of increasing profit for the year. Our cash and cash equivalents decreased from RMB748.9 million as at 30 September 2021 to RMB369.6 million as at 30 September 2022 primarily due to (i) net cash used in operating activities; and (ii) net cash used in financing activities as a result of increasing repayment of bank borrowings and distribution paid. For the six months ended 30 September 2022, our net cash used in operating activities were RMB60.4 million, which was the results of income tax paid of RMB191.1 million offset by cash generated from operations of RMB50.8 million and income tax refund of RMB80.0 million. Net cash generated from operations was primarily the result of profit before taxation of RMB331.1 million and decrease in inventories and other contract costs of RMB96.7 million, offset by decrease in contract liabilities of RMB273.8 million mainly due to the decrease in pre-sale proceeds and the corresponding recognition of revenue as a result of delivery of the property development projects and the decrease in trade and other payables of RMB59.9 million and the increase in amounts due from related companies of RMB32.7 million.

OUR CONTROLLING SHAREHOLDER

Immediately following the completion of the Spin-off, our Company will cease to be a subsidiary of Karrie International, and Mr. Ho Cheuk Fai, Ms. Ho Po Chu, New Sense Enterprises Limited (wholly-owned by TMF (BVI) Limited ("**TMF**") as trustee for The Ho Family Trust), Honford Investments Limited (wholly-owned by TMF as trustee for The Ho Family Trust), Castfast Properties Development Co., Limited (87% of the issued share capital of which is beneficially owned by Honford Investments Limited) and The Wedding City Co. Limited (90% and 10% of the issued share capital of which is beneficially owned by Mr. Ho Cheuk Fai and Ms. Ho Po Chu, respectively) will be the Controlling Shareholder of our Company. As they will together continue to control more than 30% of the issued share capital of our Company, they will be regarded as a group of Controlling Shareholders under the Listing Rules. For details, please refer to the section headed "Relationship with Controlling Shareholders" in this listing document.

REASONS FOR AND BENEFITS OF THE SPIN-OFF AND THE LISTING

The industrial businesses of Karrie International, comprising the (i) metal and plastic business and (ii) electronic manufacturing business, have been the core focus of Karrie International Group and have demonstrated an overall growing trend in terms of revenue over the years. Going forward, the directors of Karrie International intend to continue to strengthen its industrial businesses, by (i) enhancing its product integration capacities and improving its supply chain management, etc.; (ii) strengthening its talent training; and (iii) expanding its business scope and identifying new prospective customers. To continue the success of its industrial businesses, directors of Karrie International consider that it is Karrie International's strategy to concentrate resources to support the expansion and strengthening of these core business segments, while the Spin-off creates a separate fund raising platform for our Group to develop its real estate business in the PRC without having to compete for capital resources with other business segments of the Karrie International Group. In light of the PRC government policy to develop the Greater Bay Area into a world-class cluster and the success of Phase 3 of Castfast Villas, our Directors consider that there will be growth potential in the property market in the Greater Bay Area going forward. In this connection, in light of our Group's gradually maturing real estate business and the government policy which aims to stimulate the development of the Greater Bay Area, our Directors consider that we would require dedicated management personnel and staff and financial resources to materialise our business strategies and expansion plan and seize the market growth. Our Directors believe the Spin-off can help facilitate such goal.

Taking into account the above, our Directors and the directors of Karrie International believe that the Spin-off is in the interests of our Group and the Karrie International Group and will position each of our Group and the Karrie International Group better for growth in their respective businesses and deliver clear benefits to both by the following:

(a) More defined business focus and efficient resource allocation;

(b) Clarifies the equity story and creates or unlocks value for shareholders by better identifying and establishing the value of our Group; and

(c) Enhances access to capital markets for our Group and increases financing flexibility.

For details, please refer to the section headed "The Distribution and Spin-off" in this listing document.

DIVIDEND POLICY

Prior to the acquisition of Dongguan City Jiaxuntong which was approved by the Karrie International Shareholders on 21 February 2022, our Company distributed and paid RMB10.0 million and RMB20.0 million to Mr. Ho Cheuk Fai during the years ended 31 March 2020 and 2021, respectively. During the year ended 31 March 2021, dividend of approximately RMB61.6 million have also been declared and was capitalised as part of loan capitalisation on 8 March 2022. Such dividend was declared by Castfast Industrial and Kwong Hing to Karrie International BVI, the immediate holding company that is a subsidiary of Karrie International and will not be part of our Group after the completion of the Reorganisation. During the six months ended 30 September 2022, our Company declared and paid an interim dividend of RMB65.0 million to Karrie International. We may declare dividends in the future after taking into account various factors. Any declaration of dividends, is subject to our results of operations, working capital and cash position, future business and earnings, capital requirements, contractual restrictions, if any, as well as any other factors which our Directors may consider relevant. In addition, any declaration and payment as well as the amount of the dividends will be subject to the provisions of (i) our Articles of Association, which require any final dividends to be approved by our Shareholders at a general meeting, and (ii) the Cayman Companies Act, which provides that dividends may be paid out of sums standing to the credit of its share premium account provided that immediately following the payment of dividend, our Company shall be able to pay its debts as they fall due in the ordinary course of business. Any future declarations and payments of dividends will be at the discretion of our Directors and may require the approval of our Shareholders. Under applicable PRC law, each of our subsidiaries in the PRC may only distribute after-tax profits after it has made allocations or allowances for recovery of accumulated losses and allocations to the statutory reserves.

SUMMARY OF NON-COMPLIANCE INCIDENTS

During the Track Record Period, we had identified certain incidents of non-compliance with relevant laws and regulations in the PRC, such as non-compliance incidents in relation to pre-sale proceeds, failure to fully or directly deposit the required amounts into designated escrow accounts and delay in completion of construction within the prescribed period as stipulated in the relevant land grant contracts. Such non-compliance incidents have not resulted and are not expected to result, in any material impact on our Group's financial condition and operations. For details, please refer to the section headed "Business — Legal and Regulatory Compliance — Non-compliance incidents" in this listing document.

LISTING EXPENSES

For the year ended 31 March 2020, we did not incur any listing expenses for the Listing. We incurred listing expenses of approximately RMB7.0 million, RMB8.2 million and RMB3.4 million for the years ended 31 March 2021 and 2022 and the six months ended 30 September 2022, respectively. Approximately RMB11.7 million of listing expenses is expected to be recognised and charged to our consolidated statements of profit or loss subsequent to the Track Record Period. The total amount of listing expenses for the Listing are estimated to be RMB30.3 million, of which (i) no underwriting related expenses (including but not limited to commission and fee) will be involved due to listing by way of introduction, (ii) non-underwriting-related expenses amount to RMB30.3 million, comprising fees and expenses of accountants of RMB5.6 million, fees and expenses of legal advisors of RMB12.4 million and other fees and expenses of RMB12.3 million.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Development Pipeline

We have entered into a non-legally binding framework agreement with Hecheng Sub-district Office, Gaoming District, Foshan City (佛山市高明區荷城街道辦事處) on 16 March 2022, pursuant to which the parties have agreed to jointly develop Fuwan Area of Hecheng Sub-district, Gaoming District of Foshan City ("**Development Area**") into a cultural and creative town. The actual cooperation includes but not limited to urban planning, land development, urban renewal, real estate development, urban operation, etc.. We will assist Hecheng Sub-district Office in planning the area, leading the conceptual planning scheme for the area, assisting in the preparation of special planning, market research and urban development research. In particular, Hecheng Sub-district Office has launched one portion of residential land (approximately 34,448 sq.m.) ("**Hecheng Neighbourhood Parcel**") in the Development Area for auction on 25 March 2022, and we have participated in such auction and successfully obtained the land use rights of the land on 1 April 2022.

According to the Contract for Grant of State-owned Land Use Rights dated 1 April 2022 entered into with Foshan Natural Resources Bureau (佛山市自然資源局), Foshan Natural Resources Bureau agreed to grant the land use rights of Hecheng Neighbourhood Parcel to Foshan Jiahe, a wholly-owned subsidiary of our Company. Hecheng Neighbourhood Parcel is situated at Hecheng Neighbourhood, Gaoming District, Foshan City, Guangdong Province, the PRC, north to Fulong Bridge and west to Hefu Road (中國廣東省佛山市高明區荷城街道富龍大橋以北、荷富路以西) with a total site area of approximately 34,448 sq.m.. The consideration for Hecheng Neighbourhood Parcel was approximately RMB155.3 million, approximately RMB77.6 million of which was already settled by Foshan Jiahe. The remaining portion shall be settled on or before 27 March 2023. Hecheng Neighbourhood Parcel is for residential use with a term of 70 years, compatible with retail commercial, wholesale market, catering, hotel and business and financial use with a term of 40 years. The acquisition of Hecheng Neighbourhood Parcel has been disclosed in the announcement dated 1 April 2022 issued by Karrie International.

As at the Latest Practicable Date, there are no other potential land that are being considered by the Group and/or are up for bidding in the Development Area. We will also continue to explore suitable areas in the Greater Bay Area to develop properties for sale, which include (i) surrounding areas of locations that are covered by our existing business; (ii) areas that are undergoing economic and social development, with growth potential and investment opportunities; or (iii) areas with the potential of urban renewal and redevelopment that leads to lower land acquisition cost and potential growth in prices of real estate properties such as places with no property price restriction and with good infrastructure and transport link.

Effect of COVID-19

The outbreak of COVID-19 in the PRC was first reported at the end of 2019. As a result of this outbreak, many business entities in China were generally required by the relevant PRC authorities to suspend their operations from mid-January 2020 to late-March 2020. In 2022, there has been an increasing number of COVID-19 cases, including the COVID-19 Delta and Omicron variant cases, in multiple cities in China. Certain measures to keep COVID-19 in check, including travel restrictions and stay-at-home orders have been reinstated.

To comply with the government's orders and observe control measures in response to COVID-19, we ceased operation of construction sites from mid-January 2020 to late-March 2020, resulting in short term project schedules delayed. Our sales and pre-sales activities of Phase 4 of Castfast Villas were suspended from January 2020 to March 2020 in response to the same government orders, which resulted in a short delay in the sale commencement of Phase 4 of Castfast Villas. Apart from that, short term suspensions in construction and sales activities occurred from time to time due to COVID-19 related reasons, such as stay home orders, traffic control, COVID-19 testings, etc. The approval process of obtaining pre-sale permits also slowed down during the pandemic. Accordingly, we obtained the pre-sale permits of certain block of

Phase 4 of Castfast Villas in June 2020, which was a 2-month delay from our original plan and the pre-sale permits of certain blocks of Phase 5 were first obtained in June 2021, which was a 9-month delay from our original plan. We obtained all necessary pre-sale permits for Phases 3, 4 and 5 of Castfast Villas and Louvre Mansion as at the Latest Practicable Date. During the Track Record Period, we did not receive any one-off COVID-related government subsidies and any waiver of the real estate tax and land use tax. Despite the short term delay and suspension, we did not experience material negative operational and financial impact during the Track Record Period and up to the Latest Practicable Date due to COVID-19 related reasons. However, our Directors believe that COVID-19 pandemic may affect our operation and financial performance negatively in the future, such as slowing down sales activities and delaying revenue recognition.

Recent regulatory development

Recent Regulations on the Real Estate Industry

On 23 October 2021, the Standing Committee of the National People's Congress ("**Standing Committee of the NPC**") passed a resolution to authorise the State Council to carry out pilot projects for the Real Estate Tax Reform in certain regions. According to the Real Estate Tax Reform Policy, real estate tax is proposed to be imposed on land owners and property owners of various types of properties, such as residential or non-residential properties, except for rural homestead and buildings. Furthermore, the Real Estate Tax Reform Policy authorise the State Council to formulate specific measures for the real estate tax pilot program, determine the list of cities for the pilot program, file records with the Standing Committee of the NPC and authorise the local governments of pilot cities or regions to formulate specific implementing rules. However, during the Track Record Period and up to the Latest Practicable Date, the Real Estate Tax Reform Policy had not yet specified the pilot cities or regions, tax base or rate or other details of the proposed real estate tax, and the specific measures and implementing rules for the pilot program have not been promulgated yet.

According to C&W, the Real Estate Tax Reform Policy may affect the availability of newly constructed projects for the property market; however, the Real Estate Tax Reform Policy is not expected to have a material adverse impact on the landscape for property demand and supply in the long run. In 2011, as one the pilot cities of property tax collection on personal housing, Shanghai started to levy taxes on personal housing. After the introduction, the total GFA of commodity residential properties sold and the total sales amount of commodity residential properties in Shanghai both decreased initially. However, after 2011, the total GFA sold and the total sales amount both bounced back. According to C&W, the nature of the pilot program in Shanghai is similar to the real estate tax pilot program authorised by the Real Estate Tax Reform Policy. Based on the experience of Shanghai, it is expected that the market will take time to digest the policy, and the transaction volume and sales amount are both expected to decrease within a short period after the announcement of the policy. The performance of the real estate market is still dependent on many other factors such as economic performance, disposable income, market demand, and supply, etc.. If this policy is introduced to individual buyers in Dongguan and Huizhou in this pilot scheme, the residential property market in Dongguan and Huizhou would be cooled down due to the increase in the holding cost of residential properties. However, in view of the strong demand for new commodity residential properties in Dongguan, Huizhou and Foshan which have a mix of fundamental and investment demand according to C&W Report and by making reference to the experience of Shanghai which only had a short term impact on sales amount of commodity residential properties, our Directors are of the view that the transaction volume and sales amount will resume to normal after the market has digested the news, depending on the aforementioned factors. Therefore, our Directors and the PRC Legal Advisors are of the view that the aforesaid recent regulatory developments are not expected to have material adverse impact on our operation and financial performance in the long run, and nothing has come to the attention of the Sole Sponsor that would cause the Sole Sponsor to disagree with our Directors' view above.

On 28 December 2020, the PBOC and the China Banking and Insurance Regulatory Commission (the "**CBIRC**") promulgated the Notice on Establishment of a Concentration Management System for Real Estate Loans of Financial Institutions (《關於建立銀行業金融機構房地產貸款集中度管理制度的通知》) (the "**Joint Notice**") to strengthen financial regulations in real estate industry. The Joint Notice requires the ratio of real estate loans and the ratio of personal housing loans shall not exceed the upper limit of the ratio of real estate loans or the upper limit of the ratio of personal housing loans determined by the PBOC and the CBIRC, and the development banks and policy banks shall implement these requirements by making the necessary changes. Financial institutions in the banking industry whose concentration of real estate loans exceeds the management requirements shall have an adjustment plan to progressively attain the management requirements within the business adjustment transitional period. The Joint Notice does not raise the interest rates of individual housing loans, but limits the proportion of individual housing loans of various commercial banks, which are control measures taken by the PRC government to curb the real estate market and promote steady and healthy development of the real estate market. According to the C&W Report, the Joint Notice mainly affects residential properties, and in the short term, in light of the Joint Notice, some banks and financial institutions may be reluctant to provide financing to personal housing mortgages, which in turn affects purchasing power of personal housing buyers, residential property sales and the growth of real estate sector. It will defer the purchase decision and result in reduction in transaction volume in the short term. However, according to C&W Report, real estate demand is dependent on various factors including population growth, disposable income, interest rate, inflation, etc. and it is expected that such policy can support the stable and healthy development of the real estate market in the long run. Moreover, it is expected that the impact of the Joint Notice would be balanced out by the introduction of different policies by the PRC government to stimulate the real estate market, such as the adjustment of the China loan prime rate by the PBOC and further optimisation and relaxation of housing purchase policies during January 2022 to August 2022. As such, our Directors consider that the impact of the Joint Notice, if any at all, would be manageable as these policies will only defer the purchase decision and result in reduction in transaction volume in the short run according to the C&W Report. In light of the aforesaid, our Directors and the PRC Legal Advisors consider that the business operations and financial performance of our Group would unlikely be materially and adversely affected by the Joint Notice for property purchasers in the long run in the PRC, and nothing has come to the attention of the Sole Sponsor that would cause the Sole Sponsor to disagree with our Directors' view above.

The proposed three red lines policy

In a public forum held in August 2020, MOHURD, the PBOC and certain property developers jointly discussed the long term regulatory mechanisms for the real estate sector in the PRC, which indicated that the proposed new standards, regulations or rules governing the external financing of property developers in the PRC:

The three ratios are required under such newly proposed standard, also known as the "Three Red-Lines", including: (a) liability-to-asset ratio after excluding contractual liabilities should not exceed 70.0%; (b) net gearing ratio should not exceed 100%; and (c) non-restricted cash-to-current borrowing ratio should not be lower than 1.0. For property developers who are not in compliance with all of three red-lines, they need to commit the target of deleveraging by 30 June 2023. It is further stipulated that (i) for property developers which comply with all of the three red-lines, their size of interest bearing liabilities may increase by less than 15% annually; (ii) for property developers which only comply with two of the three red-lines, their size of interest-bearing liabilities may increase by less than 10% annually; (iii) for property developers which only comply with one of the three red-lines, their size of interest-bearing liabilities may increase by less than 5% annually; and (iv) for property developers which fail to comply with all of the three red-lines, their size of interest-bearing liabilities shall not increase at all.

As at 30 September 2022, we had (1) liability-to-asset ratio after excluding contractual liabilities (calculated by dividing total liabilities minus contract liabilities by total assets minus contract liabilities) of 45.6%, which is below the cap ratio of 70.0%; (2) net gearing ratio (calculated based on total bank borrowing and lease liabilities less cash and bank deposits and pledged deposits divided by total equity as at the end of the year/period multiplied by 100%) was not applicable as we were at a net cash position; and (3) non-restricted cash-to-current borrowing ratio (calculated by dividing non-restricted cash and cash equivalents by current borrowings) of 2.7, which was higher than the minimum requirement of 1.0.

Overseas Listing Measures

On 17 February 2023, with the approval of the State Council, the China Securities Regulatory Commission ("**CSRC**") released the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the "**Overseas Listing Measures**") and five supporting guidelines, which will come into effect on 31 March 2023. The Overseas Listing Measures will comprehensively improve and reform the existing regulatory regime for overseas offering and listing of PRC domestic companies' securities and will regulate both direct and indirect overseas offering and listing of PRC domestic companies' securities by adopting a filing-based regulatory regime. For details, please refer to the section headed "Regulatory Overview — Regulations Related to Overseas Listing" in this listing document.

On 17 February 2023, the CSRC held a press conference for the release of the Overseas Listing Measures and issued the Notice on Administration for the Filing of Overseas Offering and Listing by Domestic Companies (《關於境內企業境外發行上市備案管理安排的通知》), which, among others, clarifies that a six-month transition period (i.e. from 31 March 2023 to 30 September 2023) will be granted to domestic companies which, prior to the effective date of the Overseas Listing Measures, have already obtained the approval from overseas regulatory authorities or stock exchanges (such as the completion of hearing in the market of Hong Kong or the completion of registration in the market of the United States), but have not completed the indirect overseas listing; if domestic companies fail to complete the overseas listing within such six-month transition period, they shall file with the CSRC according to the Overseas Listing Measures. Therefore, if we complete the indirect overseas listing before 30 September 2023, we do not need to file with the CSRC according to the Overseas Listing Measures.

No Material Adverse Change

We expect that our profit for the year ending 31 March 2023 will be lower than that for the year ended 31 March 2022 primarily due to (i) the estimated decrease in revenue primarily attributable to the expected decrease in units sold due to the recent slowdown of the PRC economy, which has resulted in the decline in the PRC property market sentiment and temporarily decreased the demand for residential properties; (ii) the estimated increase in general and administrative expenses to be incurred, mainly due to the expected increase in management and services fee and the listing expenses; and (iii) the estimated decrease in finance income.

Save for the above, our Directors confirm that, as at the date of this listing document, there has been no material adverse change in our financial or trading position, indebtedness, mortgage, contingent liabilities, guarantees or prospects of our Group since 30 September 2022, the end of the period reported on in the Accountants' Report which is included in Appendix I to this listing document.