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德祥地產集團有限公司*

ITC PROPERTIES GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 199)

**ANNUAL RESULTS
FOR THE YEAR ENDED 31 MARCH 2026**

FINANCIAL HIGHLIGHTS

(All in Hong Kong dollars)

	Year ended 31 March	
	2026	2025
Revenue		
Per consolidated statement of profit or loss	\$413 million	\$398 million
Property income and hotel revenue		
– share of associates and joint ventures	\$409 million	\$470 million
	\$822 million	\$868 million
Loss for the year attributable to owners of the Company	\$(528) million	\$(813) million
Basic loss per share	(56) cents	(90) cents
Net asset value per share	\$1.7	\$2.4

* For identification purpose only

The board of directors (the “**Directors**”) (the “**Board**”) of ITC Properties Group Limited (the “**Company**”) is pleased to present the annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 March 2026 (the “**Year**”).

BUSINESS REVIEW

Throughout the Year, the Group operated against a backdrop of a complex, uncertain and unstable business environment. As a property developer, the Group has been continuously reviewing its business model, managing and optimising its property portfolio, and enhancing its agility. Building on the foundation of its property business, the Group has been actively exploring and pursuing opportunities in artificial intelligence (“**AI**”) infrastructure and related sectors, with a view to broadening its business and asset base over the longer term.

During the Year, the Group sold certain of its stock of properties, resulting in a slightly increase of approximately 3.8% in revenue to HK\$413.4 million for the Year (2025: HK\$398.1 million). The Group also recorded a gross profit of HK\$2.6 million for the Year as compared to a gross loss of HK\$346.3 million for the year ended 31 March 2025 (“**FY2025**”) as no impairment loss on stock of properties was recognised in cost of sales.

The property market remained subdued during the Year, in particular within the commercial segment. Accordingly, the Group recognised a decrease in fair value of its investment property of HK\$64.0 million (2025: HK\$52.0 million) and the share of decrease in fair value and write-down of properties held by joint ventures of the Group of HK\$233.9 million (2025: HK\$64.6 million) for the Year.

Notwithstanding the above, given the non-recurrence of (i) an aggregate loss of HK\$322.0 million arising from the disposal of interests in certain joint ventures recorded in FY2025; and (ii) gain on compensation of approximately HK\$223.5 million in relation to the resumption of a parcel of land situated in Sanya City, Hainan Province, the People’s Republic of China (the “**PRC**”) recorded in FY2025, the net loss attributable to owners of the Company for the Year decreased substantially to HK\$527.7 million, as compared with that of HK\$813.0 million in FY2025.

The Board has resolved not to pay any dividend for the Year. Accordingly, no dividend is paid or payable for the whole Year (2025: nil).

Property

Segment loss for the Year of HK\$433.3 million was recorded, as compared to that of HK\$463.7 million for FY2025. As disclosed above, the loss was mainly attributable to (i) decrease in fair value of investment properties of HK\$64.0 million, (ii) impairment loss of property, plant and equipment of HK\$58.8 million, (iii) share of decrease in fair value and write-down of properties held by joint ventures of the Group of HK\$233.9 million, and (iv) loss on disposal of a subsidiary of the Company of HK\$5.1 million for the Year.

Macau

Grand Oasis in Cotai South is a luxury residential project developed by an associate of the Group. While the demand in the property market in Macau remains sluggish, the transaction volume for residential units of the project for the Year was declined as compared with that for FY2025. The contribution from this project to the Group decreased to HK\$5.9 million for the Year (2025: HK\$113.0 million).

Hong Kong

During the Year, the Group entered into a sale and purchase agreement for disposing of its entire 67% interests in the project located at Nos. 21, 23, 25, 27, 29 and 31 Sheung Heung Road, To Kwa Wan to an independent third party at a consideration of HK\$361.8 million. Such disposal was completed in October 2025 and was recorded a gross profit on this disposal of HK\$0.8 million for the Year.

High Peak is a deluxe residential project located at No. 23 Po Shan Road, Mid-levels, in which the Group has 20% interests. During the Year, a total of eight deluxe residential units were sold, of which six units were handed over to the end buyers. This project continues to launch for sale and four deluxe residential units were sold subsequent to the end of the Year.

The PRC

Dabiao International Centre is a composite tower, comprising a commercial podium, offices and a hotel, situated in Guangzhou City and conveniently connected to the Changgang Metro Station. During the Year, the Group's share of loss of this joint venture, including decrease in fair value of its property, amounted to HK\$90.6 million.

Vancouver, Canada

The residential redevelopment project at Alberni Street, in which the Group has 18% interests, is still in the course of obtaining the development and building permits from the local authority. During the Year, the Group's share of loss of this joint venture, including decrease in fair value of its property, amounted to HK\$54.5 million.

Hotel and Leisure

In March 2026, the Group entered into a sale and purchase agreement for disposing of its entire 20% interests in Rosedale Hotel Beijing Co., Ltd. (北京珀麗酒店有限責任公司) (“**Rosedale Beijing**”), a sino-foreign joint venture company established in the PRC, which held a piece of land located at No. 8, Jiang Tai Road West, Chaoyang District, Beijing, the PRC, to an independent third party.

Outlined below is a summary of the Group's interests in properties which are significant to the operations of the Group as at the date of this announcement:

Location	Usage	Group's interests (%)	Attributable gross floor area^(note) (sq. ft.)
Macau			
One Oasis, Sky Oasis and Grand Oasis situated at Estrada de Seac Pai Van, Coloane	Residential/Commercial	35.5	301,200
Hong Kong			
High Peak situated at No. 23 Po Shan Road, Mid-levels	Residential	20	8,300
The PRC			
Portions of Dabiao International Centre situated at No. 362 Jiangnan Avenue South and No. 238 Changgang Zhong Road, Haizhu District, Guangzhou City	Commercial/Office/Hotel/Car parks	45	282,600
Canada			
Redevelopment project situated at 1444 Alberni Street, 711 Broughton Street and 740 Nicola Street, Vancouver, British Columbia, Canada	Residential/Commercial	18	110,000
Total			702,100

Note: This represented the area under the existing use.

Securities Investments

During the Year, the investment markets were volatile. As at 31 March 2026, market levels were higher than that as at 31 March 2025, and the Group recorded segment profit of HK\$2.0 million for the Year (2025: loss of HK\$12.4 million), mainly reflecting the net unrealised gain from the change in market prices of certain securities.

As at 31 March 2026, the Group had equity and fund investments in aggregate of HK\$73.3 million, 56% being unlisted investment funds denominated in United States dollars and the remaining 44% being listed securities denominated in Hong Kong dollars.

During the Year, the Group participated in a strategic investment in relation to Nscale with an investment amount of approximately US\$2.0 million. Nscale is a UK-based AI infrastructure and neocloud platform backed by NVIDIA and other globally recognised investors. The Board considers that the investment not only provides the Group with exposure to a high-quality globally recognised AI infrastructure investment opportunity, but also enables the Group to gain a deeper understanding of overseas AI computing infrastructure business models, neocloud operations and the global AI computing ecosystem, including NVIDIA-related industry resources. The investment is in line with the Group's prudent approach to exploring AI infrastructure and related opportunities while maintaining discipline in capital allocation.

Finance

As at 31 March 2026, other loan receivables of the Group amounted to HK\$55.3 million (2025: HK\$79.1 million).

For the Year, the Group saw a segment loss of HK\$11.8 million (2025: HK\$41.2 million), which was mainly attributable to an interest income of HK\$6.9 million (2025: HK\$8.5 million) which was offset by a loss allowance for expected credit loss of HK\$18.7 million (2025: HK\$49.7 million) provided on loan receivables (together with the outstanding interest accrued thereon) in accordance with the accounting policies adopted by the Group.

FINANCIAL REVIEW

The Group maintains a prudent funding and treasury policy with regard to its overall business operations.

As at 31 March 2026, the Group had total bank and other borrowings of HK\$135.5 million. After netting off cash and cash equivalents of HK\$132.4 million and comparing with the shareholders' funds of the Group of HK\$1,742.2 million, the Group's net gearing ratio as at 31 March 2026 was 0.002 (2025: 0.41). Bank borrowings of HK\$125.5 million carried interest at floating rate and the other borrowings of HK\$10.0 million carried interest at fixed rate and due within twelve months. The Group will closely monitor and manage its exposure to the interest rate fluctuations and will consider engaging hedging instruments as and when appropriate.

For overseas subsidiaries, associates, joint ventures and other investments with cash flows denominated in foreign currencies, the Group endeavours to establish a natural hedge for debt financing with an appropriate level of borrowings in the same currencies. In this respect, the borrowings of the Group and its associates and joint ventures, to which the Group has provided guarantees, are denominated in Hong Kong dollars and Canadian dollars. For the Year, an unrealised gain on exchange differences of HK\$44.0 million was credited as other comprehensive income, mainly arising from translations of operations in Canada and the PRC due to the appreciation of Canadian dollars and Renminbi. A majority of the Group's cash and cash equivalents are denominated in Hong Kong dollars while the Group's other assets and liabilities are denominated in Hong Kong dollars, Renminbi, Macau Pataca and Canadian dollars. Though no hedging instruments have been engaged, the Group will closely monitor its foreign exchange risk exposure.

Pledge of Assets

As at 31 March 2026, the Group's general credit facilities granted by a bank were secured by interests in associates and amounts due from associates of HK\$855.5 million.

Contingent Liabilities

As at 31 March 2026, the Group provided corporate guarantees on a several basis with maximum liabilities of (i) HK\$84.6 million (2025: HK\$84.6 million) and HK\$87.0 million (2025: HK\$137.0 million) in respect of the banking facilities granted to two joint ventures (which were owned as to 50% and 18% (2025: 50% and 18%) by the Group respectively) with the outstanding amounts attributable to the Group's interests of HK\$41.3 million (2025: HK\$41.3 million) and HK\$87.0 million (2025: HK\$84.1 million); and (ii) HK\$87.0 million (2025: HK\$218.2 million) in respect of the banking facilities granted to an associate (which was owned as to 20% (2025: 20%) by the Group) with the outstanding amount attributable to the Group's interest of HK\$87.0 million (2025: HK\$218.2 million).

Capital Expenditure and Commitments

The Group did not incur any material capital expenditure during the Year. As at 31 March 2026, the Group had no material capital commitments.

Issues and Placing of New Shares under General Mandate and Capital Structure

During the Year and up to the date of this announcement, the Company completed three issues and/or placings of new shares of the Company (the "**Shares**") under general mandate, including two during the Year and one subsequent to the end of the Year and before the date of this announcement. An aggregate of 181,439,682 new Shares were issued, raising aggregate gross proceeds of approximately HK\$139.0 million.

The relevant proceeds are intended to strengthen the Group's working capital position and support its business transformation and upgrade, AI and digital infrastructure-related initiatives, RWA-related exploration, selective investments, strategic cooperation and geographical market expansion, as disclosed in the relevant announcements of the Company. In light of the Group's current strategic exploration in the AI infrastructure sector, the Board considers that the strengthened capital base and available proceeds provide the Group with financial flexibility to support technical team build-up, resource access, commercial cooperation and the accumulation of quality strategic resources at the current stage.

PROSPECTS

Looking ahead, the macroeconomic environment and the property market are expected to remain complex and challenging. The Group will continue to manage its existing property development and investment business in a prudent manner, while actively reviewing opportunities to optimise its business structure, asset portfolio and cash flow profile. Against the background of the rapid development of artificial intelligence and increasing demand for AI computing resources, the Group has identified AI infrastructure as an important area for strategic exploration.

Since March 2026, the Group has made progressive steps in exploring the AI infrastructure sector. The Group participated in a strategic investment in relation to Nscale, a UK-based AI infrastructure and neocloud platform supported by NVIDIA and other globally recognised investors, which provides the Group with exposure to overseas AI computing infrastructure business models and the global AI computing ecosystem, including NVIDIA-related industry resources. In the PRC market, the Group has engaged an experienced AIDC technical and operational team led by Mr. Cao Xinwei, the Group's newly appointed executive Director during the Year. In addition, the Group entered into a memorandum of understanding with Beijing Qiyuan Intelligent Computing Data Technology Co., Ltd.* (北京啟源智算數據科技有限公司) to explore cooperation opportunities in AI infrastructure, computing power services and related digital infrastructure in the PRC, further expanding the Group's strategic presence in these areas.

In terms of commercial delivery and industry cooperation, the Group commenced delivery of its first AI computing power operating services contract in June 2026. The Group has established AI computing power operating capabilities with a theoretical peak AI computing performance of approximately 1,960 PFLOPS, comprising GPU computing resources, high-bandwidth network resources, mass storage resources and IT operation and maintenance services. The Group has also established strategic cooperation with China Unicom (Hong Kong) in respect of IDC resources, network connectivity, AI computing resources and related infrastructure services, and with Ronglian Group (stock code: 002642.SZ) to explore cooperation opportunities in AI computing infrastructure, system integration and related customer resources.

At the same time, the Group has continued to optimise its asset and liability structure. The Group's gearing level has been substantially reduced, all matured bank borrowings have been settled, and the relevant impairments and fair value adjustments in respect of the Group's existing property development and investment business have been substantially reflected. Together with the proceeds from the three issues and/or placings of new Shares under general mandate, the Board believes that the Group has enhanced financial flexibility to support its strategic exploration in AI infrastructure, resource acquisition and cooperation with quality strategic partners. The Group will continue to proceed actively, focus on opportunities with clear commercial potential and resource synergies, and seek to broaden its business base, develop new sources of cash flow and gradually improve its financial position over the longer term.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 MARCH 2026

	<i>Notes</i>	2026 HK\$'000	2025 HK\$'000
Revenue	3	413,361	398,064
Property income		406,442	389,527
Direct cost for property income		(403,879)	(735,820)
Gross profit (loss) for property income		2,563	(346,293)
Interest revenue from loan financing		6,919	8,537
Net fair value gain (loss) on financial instruments	4	3,134	(11,185)
Other income, gains and losses	5	17,778	(41,570)
Gain on compensation on resumption of land use rights		–	223,544
Impairment losses under expected credit loss model, net		(28,166)	(28,093)
Loss on disposal of a subsidiary	6	(5,062)	–
Loss on disposal of interest in a joint venture		–	(220,073)
Loss on partial disposal of interests in joint ventures		–	(101,899)
Decrease in fair value of investment properties		(64,000)	(52,000)
Administrative and general expenses		(188,642)	(186,740)
Finance costs	7	(81,870)	(126,159)
Share of results of associates		617	99,896
Share of results of joint ventures		(222,884)	(68,595)
Loss before taxation		(559,613)	(850,630)
Taxation	8	(3,508)	(59,138)
Loss for the year	9	(563,121)	(909,768)
Loss for the year attributable to:			
Owners of the Company		(527,727)	(812,982)
Non-controlling interests		(35,394)	(96,786)
		(563,121)	(909,768)
Loss per share	11		
– Basic (HK dollar)		(0.56)	(0.90)
– Diluted (HK dollar)		N/A	(0.90)

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**
FOR THE YEAR ENDED 31 MARCH 2026

	2026	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
Loss for the year	<u>(563,121)</u>	<u>(909,768)</u>
Other comprehensive income (expense)		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	44,017	(25,322)
Exchange differences arising on translation for associates and joint ventures	(7,210)	2,160
Reclassification of cumulative translation reserve upon disposal of foreign operations	–	30,535
Reclassification of cumulative translation reserve upon reduction of capital of a foreign operation	<u>–</u>	<u>49,387</u>
Other comprehensive income for the year	<u>36,807</u>	<u>56,760</u>
Total comprehensive expense for the year	<u>(526,314)</u>	<u>(853,008)</u>
Total comprehensive expense for the year attributable to:		
Owners of the Company	(498,205)	(754,599)
Non-controlling interests	<u>(28,109)</u>	<u>(98,409)</u>
	<u>(526,314)</u>	<u>(853,008)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 MARCH 2026

		2026	2025
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		13,641	133,812
Investment properties		–	417,000
Equity and fund investments	12	40,700	28,486
Interests in joint ventures		24,933	56,885
Amounts due from joint ventures		570,551	718,548
Interests in associates		1,008,533	1,007,916
Amount due from an associate		56,892	46,002
Other non-current assets		18,153	18,260
		1,733,403	2,426,909
Current assets			
Stock of properties		10,600	390,300
Other loan receivables		55,323	79,105
Debtors, deposits and prepayments	13	108,820	566,228
Amounts due from associates		35,657	35,657
Equity and fund investments	12	32,601	19,463
Restricted bank balance		6,148	–
Cash and cash equivalents		132,391	47,652
		381,540	1,138,405
Current liabilities			
Creditors, deposits and accrued charges		138,130	288,752
Amount due to a joint venture		–	20,773
Tax payables		77,242	117,278
Lease liabilities		6,044	8,513
Bank and other borrowings		10,000	759,571
		231,416	1,194,887
Net current assets (liabilities)		150,124	(56,482)
Total assets less current liabilities		1,883,527	2,370,427

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Non-current liabilities		
Lease liabilities	849	2,251
Bank and other borrowings	<u>125,468</u>	<u>166,670</u>
	<u>126,317</u>	<u>168,921</u>
	<u>1,757,210</u>	<u>2,201,506</u>
Capital and reserves		
Share capital	10,195	9,072
Reserves	<u>1,732,052</u>	<u>2,149,362</u>
Equity attributable to owners of the Company	<u>1,742,247</u>	2,158,434
Non-controlling interests	<u>14,963</u>	<u>43,072</u>
	<u>1,757,210</u>	<u>2,201,506</u>

Notes:

1. BASIS OF PREPARATION

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

In preparing the consolidated financial statements, the Directors have reviewed and considered the Group’s current financial position, cash flow forecasts and available financial resources in assessing the Group’s ability to continue as a going concern.

During the year ended 31 March 2026, the Group recorded a loss of HK\$563,121,000. Notwithstanding this, the Group successfully completed two share subscriptions during the year, resulting in a net current assets position of HK\$150,124,000 as at 31 March 2026. During the year ended 31 March 2026, the Group fully settled the bank borrowings that had been overdue as at 31 March 2025.

The Directors have also taken into account a number of measures that have been implemented, or will continue to be implemented, by the Group, including:

- maintaining prudent control over operating expenses and capital expenditure;
- closely monitoring the Group’s liquidity position and working capital requirements; and
- actively exploring opportunities in AI infrastructure, computing power services and related artificial intelligence businesses with a view to broadening the Group’s future sources of revenue.

Having regard to the above, the Directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis at the time of approving the consolidated financial statements.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments that are measured at fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard as issued by the HKICPA for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 April 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to an HKFRS Accounting Standard in the current year has had no material impact on the Group’s financial position and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

(I) Revenue

<i>Disaggregation of revenue</i>	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Revenue from contracts with customers:		
<i>Property</i>		
Revenue from building management fee income		
– recognised over time	1,466	752
Revenue from properties commission income		
– recognised at a point in time	1,549	2,490
Revenue from sale of properties		
– recognised at a point in time	397,800	377,424
	400,815	380,666
Revenue from other sources:		
Fixed lease income	5,627	8,861
Interest revenue from loan financing	6,919	8,537
Total revenue	413,361	398,064

Revenue from contracts with customers of HK\$400,815,000 (2025: HK\$380,666,000) for the year ended 31 March 2026 includes property commission income of HK\$1,337,000 (2025: HK\$2,021,000) deriving from Canada, sales of properties of nil (2025: HK\$369,424,000) deriving from the United Kingdom and the remaining of HK\$399,478,000 (2025: HK\$9,221,000) was derived in Hong Kong.

(II) Segment information

The Group's reportable and operating segments, based on internal information that is regularly reviewed by the executive Directors, the chief operating decision maker (the "CODM"), for the purposes of resource allocation and assessment of performance, are as follows:

Property	–	development of, selling of and investment in properties
Hotel and leisure	–	investment in hotels
Securities investments	–	trading and investment of securities
Finance	–	provision of loan financing services

Information regarding these segments is reported below:

For the year ended 31 March 2026

	Segment revenue HK\$'000 (note (a))	Operating (loss) profit HK\$'000	Loss on disposal of a subsidiary HK\$'000	Share of results of associates HK\$'000	Share of results of joint ventures HK\$'000	Finance costs HK\$'000	Segment results: (loss) profit before taxation HK\$'000 (note (b))
Property (note (c))	406,442	(141,031)	(5,062)	617	(220,512)	(67,279)	(433,267)
Securities investments	-	2,011	-	-	-	-	2,011
Finance	6,919	(11,831)	-	-	-	-	(11,831)
SEGMENT TOTAL	413,361	(150,851)	(5,062)	617	(220,512)	(67,279)	(443,087)
Unallocated	-	(99,563)	-	-	(2,372)	(14,591)	(116,526)
GROUP TOTAL	413,361	(250,414)	(5,062)	617	(222,884)	(81,870)	(559,613)

For the year ended 31 March 2025

	Segment revenue HK\$'000 (note (a))	Operating loss HK\$'000	Gain on compensation on resumption of land use rights HK\$'000	Loss on disposal of interest in a joint venture HK\$'000	Loss on partial disposal of interests in joint ventures HK\$'000	Share of results of associates HK\$'000	Share of results of joint ventures HK\$'000	Finance costs HK\$'000	Segment results: loss before taxation HK\$'000 (note (b))
Property (note (c))	389,527	(526,791)	223,544	-	(101,899)	99,896	(56,922)	(101,536)	(463,708)
Hotel and leisure	-	(11)	-	(220,073)	-	-	(5,203)	-	(225,287)
Securities investments	-	(12,374)	-	-	-	-	-	-	(12,374)
Finance	8,537	(41,226)	-	-	-	-	-	-	(41,226)
SEGMENT TOTAL	398,064	(580,402)	223,544	(220,073)	(101,899)	99,896	(62,125)	(101,536)	(742,595)
Unallocated	-	(76,942)	-	-	-	-	(6,470)	(24,623)	(108,035)
GROUP TOTAL	398,064	(657,344)	223,544	(220,073)	(101,899)	99,896	(68,595)	(126,159)	(850,630)

Notes:

- (a) Segment revenue as set out above comprised income from leases, income from sales of properties, properties commission income, building management fee income and loan financing income. All segment revenue is from external customers.
- (b) The aggregate of the segment results as set out above comprised the (loss) profit before taxation from each segment without allocation of certain other income, gains and losses, certain administrative and general expenses, share of results of certain joint ventures and certain finance costs.

- (c) The segment revenue of property segment included income from leases, income from sales of properties, properties commission income and building management fee income. During the year ended 31 March 2026, the segment result of property segment included decrease in fair value of investment properties of HK\$64,000,000 (2025: HK\$52,000,000), impairment loss of certain property, plant and equipment of HK\$58,752,000 (2025: HK\$34,305,000), and share of decrease in fair value of investment properties, net of tax, of RMB96,256,000 (equivalent to HK\$106,126,000) of a joint venture and share of write-down of stock of properties amounting to HK\$127,752,000 from joint ventures (2025: share of decrease in fair value of investment properties, net of tax, of RMB59,813,000 (equivalent to HK\$64,592,000) of a joint venture) included in share results of joint ventures.

The CODM assesses the performance of the operating segments based on the (loss) profit before taxation of the group entities engaged in the respective segment activities which represents the segment results. Segment results are analysed before taxation whereas tax payable is allocated to operating segment liabilities. This is the measure reported to the CODM for the purpose of resource allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

	Segment assets		Segment liabilities	
	2026 HK\$'000	2025 HK\$'000	2026 HK\$'000	2025 HK\$'000
Property	1,752,718	3,255,597	198,538	963,248
Hotel and leisure	29,598	67,938	1,500	1,993
Securities investments	73,301	47,953	476	951
Finance	83,858	111,683	73	48
Segment total	1,939,475	3,483,171	200,587	966,240
Unallocated:				
Cash and cash equivalents	132,391	47,652	–	–
Restricted bank balance	6,148	–	–	–
Bank and other borrowings	–	–	135,468	364,351
Others	36,929	34,491	21,678	33,217
Total	2,114,943	3,565,314	357,733	1,363,808

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than certain property, plant and equipment, certain other non-current assets, certain debtors, deposits and prepayments of the corporate offices, interests in certain joint ventures, restricted bank balance and cash and cash equivalents; and
- all liabilities, including tax payables, are allocated to operating segments other than certain lease liabilities, certain bank and other borrowings, certain creditors, deposits and accrued charges and certain tax payables.

Geographical information

The Group's revenue from external customers based on location of properties and/or goods delivered or services delivered, and information about its non-current assets, excluding financial assets, by physical location of the assets are detailed as below:

	Revenue from external customers		Carrying amount of non-current assets	
	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Hong Kong	412,024	23,280	226,184	799,781
Macau	–	–	827,867	821,548
United Kingdom	–	372,763	–	–
PRC	–	–	11,207	10,610
Canada	1,337	2,021	2	1,934
	<u>413,361</u>	<u>398,064</u>	<u>1,065,260</u>	<u>1,633,873</u>

Information about major customers

During the year, the Group had one (2025: one) customer with whom transactions have exceeded 10% of the Group's total revenue:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Customer A – Property	361,800	–
Customer B – Property	–	369,424
	<u>361,800</u>	<u>369,424</u>

4. NET FAIR VALUE GAIN (LOSS) ON FINANCIAL INSTRUMENTS

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Net increase (decrease) in fair values of financial assets at fair value through profit or loss (“FVTPL”) held at the end of the reporting period	<u>3,134</u>	<u>(11,185)</u>

5. OTHER INCOME, GAINS AND LOSSES

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Other income:		
Bank interest income	437	749
Interest income on amounts due from joint ventures	15,598	17,745
Others	926	1,538
	<u>16,961</u>	<u>20,032</u>
Other gains and losses:		
Decrease in fair value of an amount due from a joint venture (<i>note</i>)	(748)	(6,415)
Net foreign exchange gain (loss)	1,335	(5,800)
Exchange loss upon reduction of capital of a foreign operation	–	(49,387)
Gain on lease modification	230	–
	<u>817</u>	<u>(61,602)</u>
	<u><u>17,778</u></u>	<u><u>(41,570)</u></u>

Note: During the year ended 31 March 2026, a decrease in fair value of HK\$748,000 (2025: HK\$6,415,000) has been recognised on an amount due from a joint venture and the fair value of such amount has been measured with reference to a quoted price of the underlying asset held by the joint venture in a market that is not active.

6. LOSS ON DISPOSAL OF A SUBSIDIARY

On 10 March 2026, Westfountain Co. Ltd., an indirect wholly-owned subsidiary of the Company, entered into a conditional sale and purchase agreement with an independent third party in relation to the disposal of its entire interests in Success Well Investment Limited (成康投資有限公司) (“**Success Well**”) and the relevant shareholder’s loan, at a cash consideration of HK\$167,539,000. Success Well is principally engaged in the holding of a commercial building located in Wanchai, Hong Kong. The disposal was completed on 31 March 2026 and a loss of HK\$5,062,000 was recognised in the profit or loss. For details of the disposal of Success Well, please refer to the Company’s announcement dated 10 March 2026.

7. FINANCE COSTS

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Interest on bank and other borrowings	81,498	125,342
Interest on lease liabilities	372	817
	<u>81,870</u>	<u>126,159</u>

8. TAXATION

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Hong Kong Profits Tax:		
Current tax	—	—
PRC Enterprise Income Tax:		
Current tax	—	59,114
Withholding tax	3,696	—
	3,696	59,114
Canadian Corporate Tax:		
Current tax	—	24
Overprovision in prior years	(188)	—
	(188)	24
	3,508	59,138

Hong Kong Profits Tax of the qualified entity of the Group was calculated in accordance with the two-tiered profits tax rates regime (i.e. the first HK\$2 million of profits of a qualifying group entity to be taxed at 8.25%, and profits above HK\$2 million to be taxed at 16.5%), while the profits of group entities not qualifying for the two-tiered profits tax rates regime continued to be taxed at a flat rate of 16.5%.

Taxation arising in other jurisdictions was calculated at the rates prevailing in the relevant jurisdictions.

During the year ended 31 March 2025, tax provision of HK\$59,114,000 (2026: nil) was recognised arising from taxation in the PRC in relation to the gain on compensation on resumption of land use rights.

9. LOSS FOR THE YEAR

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Loss for the year has been arrived at after charging:		
Cost of inventories recognised as an expense (including write-down of stock of properties of nil (2025: HK\$170,527,000))	390,300	720,607
Depreciation of property, plant and equipment	14,686	16,028
Impairment loss of property, plant and equipment (included in administrative and general expenses)	59,660	34,305
Loss on disposal of property, plant and equipment	—	302

10. DISTRIBUTION

The Group has not declared or paid any interim and final dividends during the years ended 31 March 2026 and 2025.

The Board decided not to declare a dividend for the year ended 31 March 2026.

11. LOSS PER SHARE

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

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Loss:		
Loss for the year attributable to owners of the Company for the purpose of basic and diluted loss per share	<u>(527,727)</u>	<u>(812,982)</u>
	2026	2025
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	<u>935,697,040</u>	<u>907,198,410</u>

The effect of the exercise of the Company's share options was not taken into consideration for computing the diluted loss per share for the year ended 31 March 2025 as the exercise price of those share options was higher than the average market price for shares. No diluted loss per share is presented for the year ended 31 March 2026 as there was no potential ordinary share in issue.

12. EQUITY AND FUND INVESTMENTS

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Listed equity securities in Hong Kong	32,601	19,463
Unlisted investment in the PRC (<i>note</i>)	–	–
Unlisted investment funds in overseas	<u>40,700</u>	<u>28,486</u>
	<u>73,301</u>	<u>47,949</u>

Note: The unlisted investment represented the Group's 20% equity interests in Rosedale Beijing which was disposed of at a consideration of HK\$500,000 during the year ended 31 March 2026.

13. DEBTORS, DEPOSITS AND PREPAYMENTS

The Group's credit terms are negotiated at terms determined and agreed with its trade customers. The Group allows an average credit period of 60 days (2025: 60 days) to its trade customers. The following is an aged analysis of trade debtors, net of loss allowance, presented based on the invoice date at the end of the reporting period:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Trade debtors aged:		
0 – 60 days	318	615
61 – 90 days	–	300
Over 90 days	<u>3</u>	<u>–</u>
	<u>321</u>	<u>915</u>

OTHER INFORMATION

Annual General Meeting

The forthcoming annual general meeting of the Company (the “**Annual General Meeting**”) will be held on Friday, 21 August 2026. A circular containing the notice of the Annual General Meeting and information regarding, *inter alia*, the re-election of the retiring Directors and the granting of the general mandates to the Directors to issue new Shares and to repurchase Shares (the “**Circular**”) will be published and despatched to the shareholders of the Company (the “**Shareholders**”) in due course.

Closure of Register of Members and Record Date

For the purpose of ascertaining the entitlement of Shareholders (except for holders of treasury shares of the Company, if any) to attend, speak and vote at the Annual General Meeting, the register of members of the Company will be closed from Tuesday, 18 August 2026 to Friday, 21 August 2026 (both dates inclusive), during which period no transfer of Shares will be registered, and the record date is Friday, 21 August 2026. In order to be eligible to attend, speak and vote at the Annual General Meeting, Shareholders must lodge all transfer documents accompanied by the relevant share certificates with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration by no later than 4:30 p.m. on Monday, 17 August 2026.

Number of Employees and Remuneration Policies

As at 31 March 2026, the total number of employees of the Group was 118 (2025: 119). Employees are remunerated according to their qualifications and experience, job nature and performance, and under the pay scales aligned with market conditions. Other benefits to employees include medical scheme, insurance coverage, share options and retirement schemes.

Purchase, Sale or Redemption of the Company’s Listed Securities

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the Year.

Movement in Issued Shares

During the Year, the number of issued Shares increased from 907,198,410 Shares as at 1 April 2025 to 1,019,498,410 Shares as at 31 March 2026. The increase was mainly attributable to (i) the allotment and issue of 100,800,000 new Shares to The Reynold Lemkins Group (Asia) Limited at the subscription price of HK\$0.70 per Share under the general mandate on 22 December 2025; and (ii) the allotment and issue of 11,500,000 new Shares to Dr. Hon Ng Kit Chong at the subscription price of HK\$1.14 per Share under the general mandate on 4 March 2026. Save as disclosed above, there was no other movement in the issued shares of the Company during the Year.

Compliance with the Corporate Governance Code

The Company is committed to maintaining high standard of corporate governance practices and procedures and complying with the statutory and regulatory requirements with an aim to maximising the values and interests of the Shareholders as well as enhancing the transparency and accountability to the stakeholders.

Throughout the Year, the Company has complied with all the code provisions of the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Listing Rules and applied the principles contained therein, except that the role of the “chief executive” is vacant. The responsibilities for the operations and business development of the Group are shared by the executive Directors. The Board is of the view that as there is a clear division of responsibilities amongst the executive Directors, the current structure is effective in facilitating the operations and business development of Group and enabling the Board to discharge its responsibilities satisfactorily. In addition, the independent non-executive Directors contribute valuable views and proposals independently for the Board’s deliberation and decisions.

Compliance with Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct for Directors in their dealings in the securities of the Company. In response to specific enquiries made by the Company, all the Directors confirmed that they have complied with the required standards set out in the Model Code throughout the Year.

Review of Annual Results

The audit committee of the Company has reviewed with the management and the auditor of the Company (the “**Auditor**”) the accounting principles and practices adopted by the Group and discussed auditing, financial reporting process and internal control matters including a review of the annual results of the Group for the Year.

Scope of Work of Messrs. Deloitte Touche Tohmatsu

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the Year as set out in the preliminary announcement have been agreed by the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the Year as approved by the Board on 29 June 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

Extract of Independent Auditor’s Report

The following is the extract of the Independent Auditor’s Report on the consolidated financial statements of the Group for the Year.

“Qualified Opinion

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2026 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Qualified Opinion

As explained in Note 17(b) to the consolidated financial statements, the Group held a 20% equity interests in Rosedale Hotel Beijing Co., Ltd. (“**Rosedale Beijing**”) as at 31 March 2024 and 2025.

The Group’s interest in Rosedale Beijing was classified as an associate until the date when the Group ceased to have significant influence over Rosedale Beijing (the “**Date of Derecognition**”) during the year ended 31 March 2025, and then accounted for Rosedale Beijing as an equity investment measured at fair value through profit or loss, in which the details are set out in the consolidated financial statements of the Group for the year ended 31 March 2025. As set out in our auditor’s report dated 27 June 2025 on the consolidated financial statements of the Group for the year ended 31 March 2025, given the lack of sufficient appropriate audit evidence to support the carrying amount of the Group’s interest in Rosedale Beijing classified as an associate as at 31 March 2024 in management’s assessment of the previous year and as at that date of our auditor’s report, we were unable to determine whether any adjustments were necessary to the opening balance of the Group’s interests in associates as at 1 April 2024, which would consequentially impact whether (a) share of results of Rosedale Beijing during the period from 1 April 2024 to the Date of Derecognition or (b) any gain or loss arising on derecognition of Rosedale Beijing as an associate or (c) any fair value change on Rosedale Beijing accounted for as financial assets measured at fair value through profit or loss for the period from the Date of Derecognition to the year ended 31 March 2025 should be recognised in the consolidated financial statements of the Group for the year ended 31 March 2025. Our audit opinion on the current year’s consolidated financial statements is also modified because of the possible effect of this matter on the comparability of the current year’s figures and the corresponding figures.

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) as issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “**Code**”), as applicable to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.”

The aforesaid “Note 17(b) to the consolidated financial statements” are disclosed as Note 12 in this announcement.

Management’s Views on Basis for Qualified Opinion

The qualified opinion for the Year arise from the lack of sufficient appropriate audit evidence to support the accounting treatment of Rosedale Beijing in the previous year. The Auditor’s opinion for the current year is modified only because of the possible effect of this matter on the comparability of the current year’s figures and the corresponding figures for consolidated statement of profit or loss.

As Rosedale Beijing was disposed of by the Group during the Year, the Group no longer holds any interest in Rosedale Beijing. Accordingly, the Group considered that this matter will have no further impact on the Group’s consolidated financial statements in future years.

Publication of Annual Results Announcement and Annual Report

This annual results announcement is published on both the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.itcproperties.com. The annual report of the Company for the Year containing all information required by the Listing Rules will be despatched to the Shareholders and published on the websites of the Stock Exchange and the Company in due course.

APPRECIATION

I would like to take this opportunity to express my appreciation to the Shareholders for their support, to the fellow Board members, management and staff for their dedicated efforts to the Group and to our clients, consultants and business partners for all their valuable assistance offered during the Year.

By order of the Board
ITC Properties Group Limited
Cheung Hon Kit
Chairman

Hong Kong, 29 June 2026

As at the date of this announcement, the Directors are as follows:

Executive Directors:

Mr. Cheung Hon Kit (*Chairman*), Dr. Chan Kwok Keung, Charles (*Joint Vice Chairman*), Mr. Chan Yiu Lun, Alan, Mr. Law Hon Wa, William (*Chief Financial Officer*), Mr. Wu Yao, Mr. Cao Xinwei

Non-executive Director:

Ms. Chau Mei Wah

Independent Non-executive Directors:

Hon. Shek Lai Him, Abraham, *GBS, JP* (*Joint Vice Chairman*), Mr. Ip Hon Wah, Mr. Pang, Anthony Ming-tung, Mr. Chan Chun Hung, Vincent

In case of any inconsistency, the English version of this announcement shall prevail over the Chinese version.