



Run Together
Leap Over Challenges
**Stride Towards
Sustainable Urban Renewal**

URA Run Together

“URA Run Together” is more than an employee running event designed to promote physical activity. It is an integral part of the “We Care” programme organised by the Urban Renewal Authority (URA).

By encouraging both individual and team participation, and providing training, the URA aims to enhance the physical and mental well-being of its staff, foster a vibrant and healthy work environment, strengthen collaboration and reinforce the sense of belonging among colleagues. Over the past year, 309 URA runners took part in the event, collectively covering a distance of 33,926 kilometres.

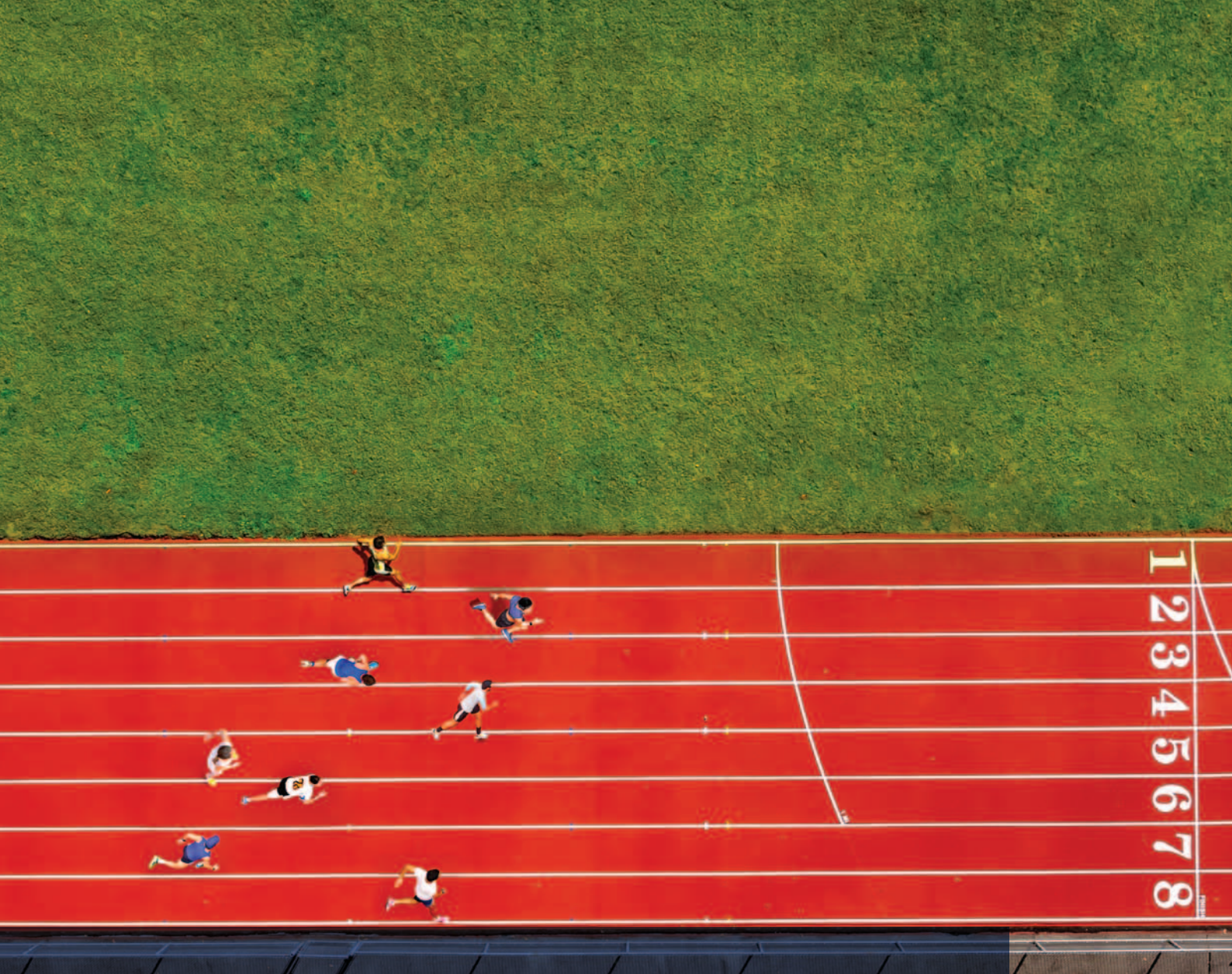
During the running event, the URA staff demonstrated exceptional endurance, determination and adaptive thinking – qualities that reflect their strong work ethic and innovative spirit. In the face of challenges presented by the external environment, the URA team stands united, adapting and innovating. Through our concerted efforts, the URA strives to advance urban renewal in an orderly manner, and collaborates with stakeholders to create a more vibrant and liveable city.

The content of this annual report signifies our resilience, agility and collaborative spirit, exemplifying our unwavering commitment to fulfilling the mission of urban renewal in Hong Kong.



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VISION, MISSION AND VALUES

The Urban Renewal Authority (URA) was established under the Urban Renewal Authority Ordinance in May 2001 to replace the Land Development Corporation as the statutory body to undertake, encourage, promote and facilitate the regeneration of the older urban areas of Hong Kong.



OUR VISION

To create quality and vibrant urban living in Hong Kong - a better home in a world-class city.

OUR MISSION

To realise our Vision, we act on our priorities with ingenuity and sensitivity, join forces with our partners and nurture our people.

OUR PRIORITIES ARE:

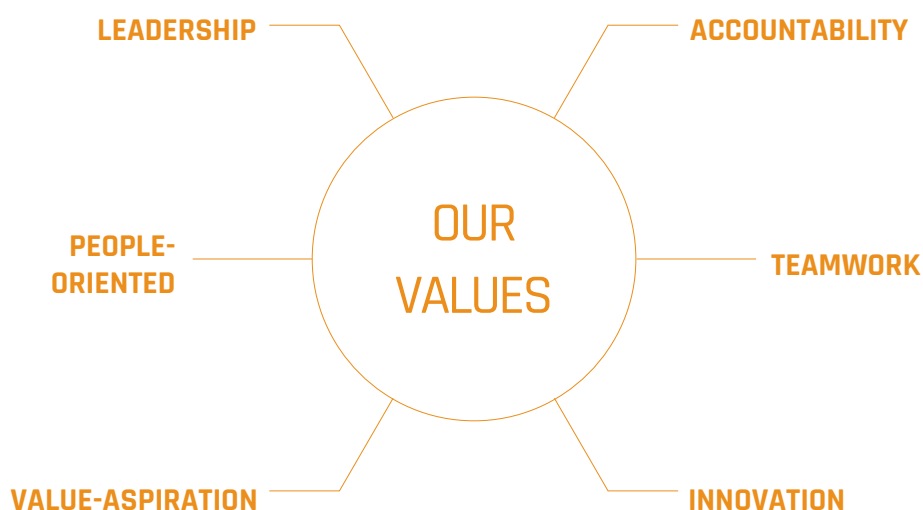
- To accelerate redevelopment by replacing old buildings with new to provide a better living environment and neighbourhood;
- To enable and encourage the rehabilitation of dilapidated buildings to prevent urban decay;
- To preserve by maintaining and restoring buildings of historical and architectural value, and to sustain local characteristics;
- To revitalise through enhancing and strengthening the socio-economic and environmental fabric for the benefit of our urban communities.

OUR PARTNERS ARE:

- Affected communities including tenants and owners;
- Government;
- Development and financial institutions;
- Professionals and academics;
- Other stakeholders.

OUR PEOPLE ARE:

- Caring and innovative, aspiring to create value through urban renewal for the community of Hong Kong.





Mr CHOW Chung Kong,
GBM, GBS, JP

CHAIRMAN'S STATEMENT

"By recognising the need for change, embracing adaptation, and persistently seeking solutions, we will endeavour to identify opportunities, overcome challenges, and devise effective strategies that enable sustained (urban renewal) progress in an ever-evolving world."

United in Efforts to Tackle Challenges and Foster Sustainable Development

2024/25 was another challenging year for the URA. The recovery of Hong Kong's economy and property market remained rather slow owing to trade conflicts and global economic volatilities. As a result, developers were cautious in tendering the URA's redevelopment projects. This affected both the tender outcome and the income of the URA.

In the past year, the URA put the Kai Tak Road/Sa Po Road Development Scheme in Kowloon City out for tender but ultimately recalled it due to unsatisfactory results. Although no upfront payment was received for the entire year, we continued to make acquisition offers to property owners for two redevelopment projects, namely the Nga Tsin Wai Road/Carpenter Road Development Scheme and the Kau Pui Lung Road/Chi Kiang Street Development Scheme, as planned.

At the end of 2024/25, without any income from land tenders, the URA recorded an operating deficit of HK\$40 million. After provision for impairment on properties and committed projects of around HK\$2.68 billion, the URA reported a net deficit of HK\$2.72 billion. Net asset value stood at HK\$43.6 billion.

Over the next few years, the URA will initiate acquisition offers for the remaining five commenced redevelopment projects¹. The total cash outlays for these five projects, together with the Kau Pui Lung Road/Chi Kiang Street Development Scheme, in which property acquisition already began in February 2025, are estimated to be HK\$23.5 billion. Given the continued downturn in the property market and developers' cautious approach, we believe these projects will likely have a "buy high, sell low" outcome, adversely affecting the URA's financial position. It is therefore essential for us to plan ahead.

To enhance financial sustainability and maintain momentum in urban renewal under volatile market conditions, we had introduced a number of measures over the past two years. These included raising funds through bond issuances and bank loan facilities; exploring ways to improve tender attractiveness; adjusting the pace of acquisitions; and carefully controlling our cash flow. All of these measures were taken to ensure our urban renewal efforts continue to proceed in an orderly manner.

¹ The remaining five commenced redevelopment projects are the Ma Tau Wai Road/Lok Shan Road Development Project, the Queen's Road West/Kwai Heung Street Development Project, the Ming Lun Street/Ma Tau Kok Road Development Scheme, the To Kwa Wan Road/Ma Tau Kok Road Development Scheme and the Sai Yee Street/Flower Market Road Development Scheme.

Capitalising on Financing Channels to Maintain Self-financing

In 2023, the Government raised the borrowing limit of the URA from HK\$6 billion to HK\$25 billion. Last year, we made effective use of the new borrowing limit by issuing triple-tranche public bonds totalling HK\$12 billion and signing a five-year Facility Agreement amounting to HK\$13 billion, which includes a term loan and a revolving credit facility. These additional funds will provide the URA with the financial flexibility to allocate resources at different stages of our redevelopment projects, including commencing new projects, acquiring property interests and conducting tendering processes, thereby ensuring our redevelopment projects progress steadily while maintaining financial viability.



Thanking our financial peers at the appreciation luncheon for their professional advice and support in ensuring the success of the URA's bond issuance.

Flexible and Innovative Measures to Enhance Project Attractiveness

In terms of project tendering, the URA has taken innovative measures to enhance the attractiveness of projects and the likelihood of successful outcomes. For large-scale projects such as Development Areas 4 and 5 at Kwun Tong Town Centre, we introduced "floating planning parameters" to allow greater flexibility, and the "vertical city" development concept which incorporates residential elements to enhance development potential. Additionally, we organised local and overseas roadshows to introduce the project to potential developers and investors and to collect feedback that will enable us to make more comprehensive preparations for future tender exercises. Between June and August this year, the URA signed memoranda of understanding with three local universities to establish collaborative frameworks for setting up off-campus teaching, research, administrative, and activity facilities within the non-residential areas upon completion of the Kwun Tong Town Centre Project. This demonstrates strong recognition of the project's advantages and development potential by local higher education institutions.



The URA signs memoranda of understanding, forming co-operation frameworks with three local universities to set up off-campus spaces in the non-residential portion of Development Areas 4 and 5 of the Kwun Tong Town Centre Project upon its completion. This demonstrates the recognition of the project's development potential by the tertiary education sector.



We also completed the necessary technical studies and construction plans in advance for the preliminary works on upcoming projects with the aim of reducing the complexity of work processes and statutory requirements for future successful bidders, in order to enhance the attractiveness of our projects to developers.

Furthermore, we applied a new planning tool — “interchangeability of domestic and non-domestic plot ratio” — for the first time in the Shantung Street/Thistle Street Development Scheme. By increasing the maximum domestic plot ratio from 7.5 to 8.5, this allows greater design flexibility and enhances the project’s attractiveness. We also launched the new Development Facilitation Services to increase project transparency and give interested developers sufficient time to prepare their tenders. The project was successfully tendered in May 2025, with the joint venture development contract awarded at HK\$860.68 million.

Responding to Market Changes with a Dynamic Management Approach

In response to economic volatility and changing market conditions, we adopted a dynamic management approach last year that enables us to adjust the prioritisation of new redevelopment projects and the progress of ongoing projects in a timely manner. This allowed the URA to maintain the pace of urban renewal while remaining financially sustainable.

When launching new projects, the URA selected those from its Project Reserve with relatively smaller-scale property acquisition requirements but with greater planning benefits, especially when synergising with other ongoing URA projects. The Ma Tau Wai Road/Lok Shan Road Development Project launched last year is one example. Situated next to the URA’s Kau Pui Lung Road/Chi Kiang Street Development Scheme, it involves only around 110 property interests. By integrating the planning and design of these two projects, it aims to improve the living conditions of residents and deliver greater community benefits through better pedestrian connectivity and walkability, alongside an overall upgrade of the urban environment and cityscape.

For ongoing redevelopment projects, we accelerated the acquisition and compensation process wherever possible for those with less complex composition of property interests and occupancy profiles, as it will help expedite site clearance in preparation for tendering at an appropriate time to generate income. On projects where acquisition has already been completed, our team regularly reviews prevailing property market conditions and the URA’s financial position to make timely tender decisions.

Planning Ahead to Secure Additional Support

Two years ago, the URA began incorporating in its project planning process Government lands that were yet to be marked for specific development purposes as well as sites with outdated community facilities, with the aim of optimising land resources for the redevelopment of old districts. Through the restructuring and replanning of these lands, the URA seeks to maximise the development potential of old sites and increase its overall development capacity.

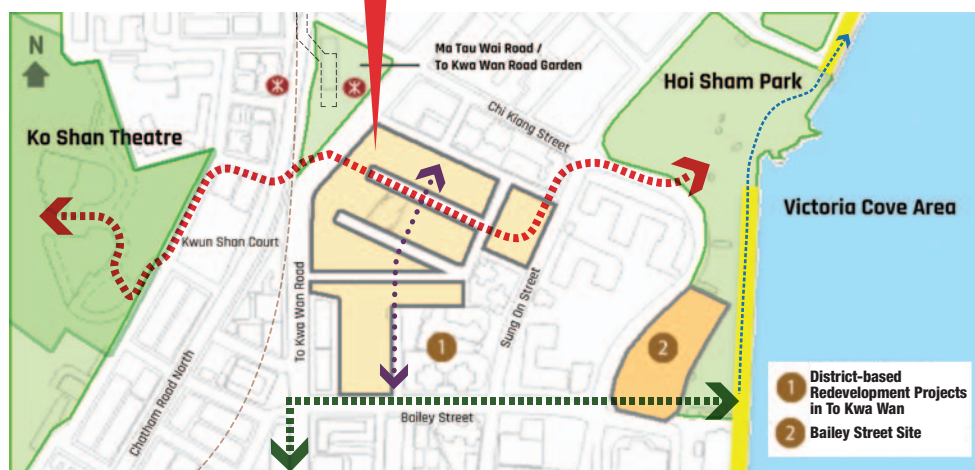
Land resources are crucial for accelerating the progress of urban renewal. As well as applying for an increase in borrowing limits, the URA also explored with the Government the possibility of providing additional land resources to create more space and flexibility when planning for the renewal of densely built old districts. In his 2023 Policy Address, the Chief Executive proposed to “support the URA in enhancing its financial capability for maintaining the sustainability of urban renewal by way of, among others, providing suitable land to the URA to increase its usable resources”. Subsequently, the Chief Executive in Council approved the granting of two sites — one at Bailey Street, Hung Hom, the other at Tseung Kwan O Area 137 — to the URA in June this year, demonstrating strong Government support for maintaining the momentum of urban renewal.

CHAIRMAN'S STATEMENT



Artist Impression

The district-based redevelopment projects in To Kwa Wan, together with the Bailey Street site granted by the Government, will greatly enhance the connectivity and walkability within the district in the future upon completion of these projects. Residents will be able to stroll from the inland to Hoi Sham Park and the waterfront through the spacious pedestrian avenues (left) in the new community landscape and neighbourhood (the red route in the map below), or along the green pedestrian corridor on Bailey Street (the green route).



The lands provided by the Government have enlarged the URA's assets and enhanced its capacity to meet future financial needs of renewal projects. In addition, the site at Bailey Street will increase the development potential of To Kwa Wan by improving connectivity and accessibility between inland areas and the waterfront, thereby transforming the community landscape into a revitalised and more liveable neighbourhood.

A People-first Approach to Address Needs

When renewing old districts and improving residents' living conditions, the URA is mindful of the needs of affected households and businesses. These requirements are considered early in project planning, when proactive measures can be made to provide appropriate support.

An example of this is the Lift Modernisation Subsidy Scheme. The URA recognised that during lift improvement works, some buildings might be left with only one operational lift or, in some cases, floors might not be accessible by lift service, causing great inconvenience to residents. To overcome this challenge, the URA collaborated with social service organisations to offer those in need a series of support measures, including stair-climber services, meal and grocery deliveries, and temporary accommodation arrangements.

Our team provided temporary apartments in the URA's rehousing blocks for a boy with cerebral palsy who relies on a wheelchair, and a female resident who suffers from muscular dystrophy when the lifts in their buildings became inoperable. The team also arranged professional care and support in these cases. In another case, stair-climber service was arranged to help patients access the LKEC Day Dialysis Centre in Sham Shui Po for their treatments, when the lift in the centre's building was suspended for three months due to replacement works.



The URA arranges stair climber services for patients, helping them access the dialysis centre on the first floor for treatment during lift modernisation works.

For the Nga Tsin Wai Road/Carpenter Road Development Scheme in Kowloon City, the URA has committed to preserving the unique ambience and sense of community bonding in the area. During the planning and acquisition stages of the project, we have reserved certain ground-floor shops facing Nga Tsin Long Road and Carpenter Road near the market as part of our interim relocation arrangements, thereby enabling affected shop operators — whose products are similar to those of the stalls in the market — to continue their businesses in close proximity throughout the redevelopment process. 14 shops have taken part in this initiative so far, including some with over half a century of history selling traditional Chiu-chow and Shantou-style food. We also plan to allocate retail space in the new commercial portion of the development to local shops with distinctive characteristics when the project is completed. Concessionary rents and priority leasing will be offered, encouraging them to resume operations. As of July 2025, 12 shop operators, including Thai restaurants and Chiu-chow specialty stores, had accepted the relocation proposal, helping to sustain the vibrant Chiu-chow and Thai atmosphere of the Lung Shing area.

Collective Wisdom and Consensus to Drive Sustainable Development

The URA is an important partner of the Government in advancing urban renewal. To combat ongoing urban decay in Hong Kong, very substantial resources are needed. The URA alone, even with the Government's funding support, is not sufficient for carrying out all the redevelopment of older districts in a built-up city such as Hong Kong.

Two fundamental issues underpinning the renewal of older districts must be addressed: the sustainability of the current compensation mechanism for acquiring private property interests, and the responsibilities of property owners to take up their obligations for the maintenance of their property assets and preserve their buildings in good condition. Only by addressing these root issues can we ensure that the substantial public resources required for the regeneration of old districts are used appropriately and effectively to support sustainable urban renewal.

The Government has tasked the URA with reviewing and optimising its operating and financing model so that it can maintain the momentum of urban renewal in a financially sustainable manner. At the same time, the URA is required to conduct studies on building rehabilitation for extending the serviceability of ageing buildings, thus reducing the urgency for redevelopment. In conducting these studies and making recommendations, we seek to gather insights from diverse stakeholders and foster consensus. Only by consulting and collaborating with sectors of the community can pragmatic proposals be developed to advance the sustainable renewal and development of Hong Kong.

Standing Together to Overcome Challenges

Despite the difficult environment of the past year, the URA continued to make progress advancing urban renewal. In addition to expressing our gratitude for the Government's strong support, I am grateful to our Board members who worked closely with the management and offer their insights and wise counsel. I would also like to extend my appreciation to every URA staff member who worked so hard in the process of urban renewal during the year.

In a complex and volatile political and economic global landscape, the economic outlook for the year ahead will continue to be uncertain and challenging. Nevertheless, the URA will remain committed to its mission. By recognising the need for change, embracing adaptation, and persistently seeking solutions, we will endeavour to identify opportunities, overcome challenges, and devise effective strategies that enable sustained progress in an ever-evolving world. We will work closely with the Government and the community to ensure the sustainability of urban renewal in Hong Kong. In so doing, we aim to improve our ageing districts, and make our city a better place to live.

CHOW Chung Kong, GBM, GBS, JP
Chairman
 31 August 2025



Ir WAI Chi Sing,
GBS, JP, FHKEng

MANAGING DIRECTOR'S STATEMENT

"Our flexible and innovative mindset has enabled us to respond effectively to market changes and challenges, while continuing to advance redevelopment projects in the pipeline and strengthen our self-financing capabilities. As a result, our urban renewal efforts have continued to make steady progress despite the rapidly-evolving environment."



Overcoming Challenges through Unwavering Commitment and Creative Thinking

In mid-June 2025, I concluded my nine-year tenure as Managing Director of the URA. As I reflect on this remarkable journey, I take great pride in having worked alongside the URA team to fulfil the statutory functions set out in the Urban Renewal Authority Ordinance. These responsibilities have included the restructuring and replanning of land resources in Hong Kong's ageing districts, with the objective of improving the built environment and raising housing standards. Over this period, a number of projects were successfully implemented in accordance with our mission of urban renewal. Beyond redevelopment, our efforts in rehabilitation, preservation, revitalisation and retrofitting have enabled us to enhance the liveability of these older districts and create greater benefits for the community.

At the outset of my term, I recognised the need to shift from a project-led redevelopment model to a "Planning-led, District-based" approach that prioritises holistic planning over individual project execution. This strategic shift has enabled us to unlock the full development potential of older districts through replanning and the more effective utilisation of land resources, and hence generate lasting benefits for the community.

One example of the district-based approach is To Kwa Wan, where eight adjacent redevelopment projects were integrated through systematic planning and a coherent design mode. This approach has improved the area's pedestrian and road networks, strengthened connectivity within and beyond the district, and expanded existing green spaces and recreational areas, creating a more attractive urban landscape. Through this district-based planning approach, To Kwa Wan now features a new, more liveable community landscape and neighbourhood, the first of its kind in Hong Kong.

To further advance our holistic planning, we adopted the "Single Site, Multiple Use" model for integrating sites containing obsolete community facilities and Government land in older districts that had been held for temporary uses or remained under-utilised. This model has enabled us to optimise land resources in these districts, expand the scale of redevelopment, and upgrade outdated facilities – all of which contribute to enhancing the built environment. Over the past nine years, the URA has undertaken 18 redevelopment projects, including several large-scale urban renewal initiatives, improving living conditions for more than 4,500 households.

Nevertheless, the challenges posed by ageing buildings continue to intensify, with the number of such buildings increasing by around 500 each year, far surpassing the pace of redevelopment. In response to this pressing issue, I initiated three strategic studies in 2017: the District Study for Yau Ma Tei and Mong Kok (YMDS), the New Strategy on Building Rehabilitation Study, and the Sustainability Study. The objective of these studies was to identify new mechanisms and strategies for sustainable long-term urban development, enabling us to accelerate our urban renewal initiatives, slow down building decay and improve renewal efficiency in older districts.

Through the YMDS, the URA pioneered the development of three Master Urban Renewal Concept Plans, each incorporating different development densities and planning solutions tailored to the characteristics of the two densely built, ageing districts – Yau Ma Tei and Mong Kok. In conjunction with this, we undertook a comprehensive review of our policy framework and implementation mechanisms, enabling us to explore new planning mechanisms, expand development capacity and encourage greater private sector participation. Collectively, these efforts have laid a strong foundation for accelerating and broadening the scope of urban redevelopment.

Furthermore, I recognised that success in urban renewal in older districts hinges on effective building rehabilitation, which maintains and extends building lifespans and thus eases pressure on redevelopment. Throughout my tenure, our team made more concerted efforts to raise awareness among property owners about the importance of building maintenance and strengthen their capability to organise maintenance works. Drawing on the findings of the New Strategy on Building Rehabilitation Study completed in 2020, we developed targeted measures, including stepping up promotions, providing additional support, and offering further incentives, to encourage property owners to undertake maintenance and repairs, as well as to implement preventive maintenance for their buildings.

MANAGING DIRECTOR'S STATEMENT

During my first two terms, the URA had a robust financial position, largely due to project tenders conducted in a buoyant property market. However, I also recognised that this same buoyancy drove up the market values of older properties, which, in the event of a market downturn, could put the URA at risk of a “buy high, sell low” situation, thereby increasing its financial exposure. In recent years, property prices in Hong Kong have fluctuated due to global economic and geopolitical factors, and have undergone a sustained decline since late 2021. This market downturn has placed financial pressure on the URA, including strains on cash flow, as developers have become more cautious in their land bidding strategies and pricing.

The URA team, however, rose to the challenge by taking proactive measures to mitigate risks. Our flexible and innovative mindset has enabled us to respond effectively to market changes and challenges, while continuing to advance redevelopment projects in the pipeline and strengthen our self-financing capabilities. As a result, our urban renewal efforts have continued to make steady progress despite the rapidly-evolving environment.

Work Report 2024/25

Of the three projects put out for tender by the URA in 2023 and 2024, only the Shing Tak Street/Ma Tau Chung Road Development Project in Kowloon City was awarded. Tendered at a price of HK\$1.934 billion, it resulted in a loss of nearly HK\$1.5 billion due to the “buy high, sell low” situation. For the other two redevelopment projects, we decided not to award the tender for the Kai Tak Road/Sa Po Road Development Scheme in Kowloon City due to unsatisfactory tender results, and postponed the tender for the final phase of the Kwun Tong Town Centre Project in light of prevailing market conditions. Consequently, the URA’s ability to generate cash income from upfront payments on its tendered projects was undermined.

Embracing Innovation: Driving Change in a Changing Environment

To maintain the pace of urban renewal amid a volatile market, the URA team adopted a more flexible and proactive mindset, seeking new opportunities despite the challenges of a changing operating environment. Timely decisions were made, and innovative strategies were developed across four key areas: advancing projects, enhancing project attractiveness, securing financial resources and adjusting our urban renewal approaches.

To advance urban renewal projects, the URA team adopted a dynamic management strategy. This involved reviewing the timing of acquisitions and tenders of ongoing projects and flexibly adjusting their progress in response to external factors such as cash flow, the global economy, and local property market. For upcoming projects in our Corporate Plan, we carefully examined project priorities and exercised prudent financial management.

Based on this strategy, we postponed projects that required substantial cash outlays for property acquisition and expedited those that could be cleared for tender more quickly due to simpler property titles. This approach enabled the replenishment of cash, facilitating the acquisition of properties for other projects. One example is the Kau Pui Lung Road/Chi Kiang Street Development Scheme, a pilot project in Kowloon City to redevelop buildings under the Civil Servants’ Co-operative Building Society (CBS) Scheme. Since this project did not involve the property titles of ground-floor shops and residential tenants represented only a very small proportion of the properties, the URA was able to proceed more efficiently. Acquisition offers were issued to property owners in February 2025, and over 90 percent accepted the offers within just three months.

For new projects, we have selected from the Project Reserve those with high development potential and significant planning benefits, yet which do not require large-scale acquisition of property titles. Among these are the Sai Yee Street/Flower Market Road Development Scheme, which commenced in 2024, and the Ma Tau Wai Road/Lok Shan Road Development Project in Kowloon City. In contrast to earlier projects that required the acquisition of several hundred, or even up to a thousand property titles, these two projects are relatively small in scale and did not require substantial cash outlays. By restructuring and replanning of land use, they will maximise planning benefits and improve the environment of the old neighbourhoods where the projects are located.

New Measures to Meet Evolving Needs

For project tendering, we launched our new Development Facilitation Services (DFS) initiative in early 2025, with the Shantung Street/Thistle Street Development Scheme (Shantung Street Project) as a pilot. This initiative not only provided interested developers with ample time to understand the project details ahead of the tender process, but also enabled the URA to collect feedback and refine the tender terms prior to launch, thereby increasing the likelihood of a successful tender.

The Shantung Street Project also adopted a new planning tool proposed under the YMDS, which allows for greater flexibility in interchangeability between domestic and non-domestic plot ratios. Without exceeding the current gross floor area, the maximum domestic plot ratio was relaxed from 7.5 to 8.5, providing greater design flexibility that appealed to private developers. As a result, a total of six tenders were received at the close of the tender, and the project was successfully awarded via a joint venture development agreement.



The Shantung Street Project seeks to enhance community connectivity, create more vibrant public spaces, and elevate the quality of the community's physical and social fabric through the restructuring and replanning of land use aligned with urban design principles.

For the final phase of the Kwun Tong Town Centre Project (Kwun Tong Town Centre 2.0), the URA adjusted the timing of the project tender, taking into account the substantial scale of the development and the market demand, particularly the supply and demand for commercial space in Kowloon East. At the same time, the URA completed the necessary technical studies and prepared preliminary work plans, including road diversions, construction of a platform connecting the project to the MTR station and two footbridges, as well as the diversion of underground utilities. In addition, we reviewed the project's design, including the underground car park, with the relevant Government departments to identify opportunities for optimisation. These measures aimed to reduce project's complexity, lessen the initial work required for future successful tenderers, and minimise uncertainties and risks. We believe this will enhance the project's attractiveness and the likelihood of receiving successful tenders in the future.

During the period, we introduced our planning and design features for Kwun Tong Town Centre 2.0 and highlighted its key role in the eastern part of Hong Kong to both local and overseas developers and investors. In early June 2025, we signed a memorandum of understanding with The Hong Kong University of Science and Technology (HKUST), establishing a co-operative framework for HKUST to expand its off-campus education and research facilities within the non-domestic portion of Kwun Tong Town Centre 2.0. Under this arrangement, we will support HKUST's education and research initiatives, as well as its efforts to promote innovation and technology, aligning the development goals of both parties.

All of these initiatives reflect our team's commitment to excelling through change. By leveraging the project's unique advantages and elevating its urban renewal benefits from the district level to a broader, more visionary perspective, we are able to position it to offer highly flexible spaces that can accommodate the current and future development needs of various industries in Hong Kong. This, in turn, will help reinforce market confidence in the project.

Additionally, building on the experience gained from the pilot DFS in the Shantung Street Project, the team will launch similar DFS initiative for Kwun Tong Town Centre 2.0 in the second half of 2025 to keep developers informed of the latest developments of the project.

Early Planning to Maintain Self-Financing

Currently, the URA has six ongoing redevelopment projects with property acquisitions either underway or set to commence, involving total acquisition expenses of approximately HK\$23.5 billion. To maintain self-financing, we have already put in place financial plans and arrangements to address any potential cash flow shortages, thereby ensuring sufficient funds to meet both our current and future business needs.

In earlier years, we requested an increase in the URA's borrowing limit from the Financial Secretary and co-ordinated with credit rating agencies to make preliminary preparations. Approval to raise the borrowing ceiling to HK\$25 billion was granted in 2023, after which the team initiated a series of external financing activities. In August 2024 and January 2025, we successfully issued triple-tranche public bonds totalling HK\$12 billion and secured HK\$13 billion in five-year bank loan facilities, comprising both a term loan and a revolving credit facility. The external financing has strengthened the URA's cash flow reserves, ensuring we can meet the expenditures required for both ongoing and planned acquisitions of our redevelopment projects.

Meanwhile, we have been engaged in discussions with the Government on providing land resources as a financial means to support the long-term sustainable development of urban renewal in older districts. In early June this year, the Chief Executive in Council approved the granting of two sites – one at Bailey Street, Hung Hom and the other in Tseung Kwan O Area 137 – to the URA, enabling it to maintain the momentum of urban redevelopment.

“Light-Capital” Approach for Urban Regeneration

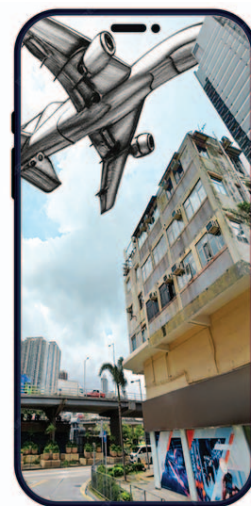
Urban renewal goes beyond the simple act of demolishing and rebuilding old structures. Working with finite resources, we have proactively adopted a new Integrated Approach, which complements redevelopment with building rehabilitation and place-making. This strategy not only addresses the need to redevelop dilapidated buildings but also supports the continued good condition of neighbouring structures that do not require immediate redevelopment. Together with enhancements to public spaces and place-making initiatives, it elevates the environment of the areas surrounding redevelopment projects. The result is a significant shift from traditional building-focused renewal to a holistic process of district regeneration, creating vibrant new urban environments that blend old neighbourhoods with modern developments.

The renewal of the Lung Shing area in Kowloon City is a notable example of how the Integrated Approach works in conjunction with place-making initiatives. Through the trial implementation of the District-based Building Rehabilitation Pilot Scheme, the URA not only encouraged building owners to maintain and repair their properties but also provided financial support for participating owners to beautify the building façades. In addition, we helped owners infuse local cultural character into the neighbourhood by assisting them in commissioning artists to create large-scale murals, injecting a colourful life into old districts.

To achieve an integrated streetscape for buildings and streets in the district, in addition to creating murals on building façades, we also undertook beautification works on the streets within the areas under the District-based Building Rehabilitation Pilot Scheme. To honour the local history and unique characteristics, themed storefront designs inspired by local Chiu-chow and Thai heritage of residents and the former Kai Tak Airport will be implemented. Additionally, augmented reality (AR) technology will be employed to recreate the unique visual of aeroplanes flying low over the Lung Shing area in the old days. These combined efforts are intended to contribute to the revitalisation of the area's environment.

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To showcase the history and unique characteristics of Kowloon City, the URA plans to use AR technology to re-create iconic scenes — aeroplanes flying over former Kai Tak Airport and Kowloon City. (Design concept illustration)



Last year, the URA launched the "City Walk" programme in Central and Sheung Wan area, which connects its urban renewal projects with the area's iconic buildings, streets and shops alongside place-making and community making initiatives. Leveraging the district's unique character and infrastructure, the "Touring Central with Locals" docent tour promoted community bonding and stimulated the local economy while showcasing the vibrancy and appeal of the neighbourhood.

Preventive Maintenance to Extend Building Lifespans

All the above-mentioned efforts represent responses to the growing urban renewal challenges in today's market environment. To tackle the challenge of ageing buildings in older districts, proper repair and maintenance are necessary, as they are key to extending building lifespans.

Shortly after I took office, we embarked on the New Strategy on Building Rehabilitation Study to understand owners' opinions of building maintenance and repair, as well as the challenges they encounter in carrying out such works. The study identified three common obstacles faced by owners and Owners' Corporations (OCs) in old districts, abbreviated as "KFC": lack of necessary Knowledge, lack of Financial reserves and lack of organisational Capabilities to carry out building rehabilitation works. As a result, we rolled out a series of initiatives to raise awareness among building owners of the need for and obligations related to building rehabilitation works, provide technical and financial support, and improve their capability to organise repair and maintenance works. These efforts are aimed at keeping buildings in a safe and liveable condition, thereby reducing the pressure for redevelopment.

Over the years, the URA has played a key role in advocating and facilitating building rehabilitation, with more than 30 measures and programmes that provide technical support to owners and OCs across Hong Kong. Moreover, we administer five Government subsidy schemes that provide building owners with financial assistance to organise their rehabilitation projects. As of May this year, more than 8,200 buildings have completed or are undergoing repairs, benefitting over 740,000 residential units. Since the launch of the subsidy schemes, more than 27,000 valid applications have been processed, with over HK\$1.5 billion in funding released.

In collaboration with the Hong Kong Institute of Housing, the URA piloted the Joint Property Management (JPM) model in the Lung Shing area. Through this model, we helped owners of "three-nil" buildings in engaging property management companies to enhance the maintenance and management of their building facilities, thereby improving the living environment. The JPM initiative also assisted these owners in establishing OCs for their buildings. We hope that with the support of property management companies, building owners will become motivated to organise repair works that gradually improve their buildings' condition and slow the ageing process. Early this year, the URA summarised its experience in piloting the JPM initiative for Government departments and the property management industry. Following this, the Government adopted the JPM initiative as a formal policy, deploying it in districts including Yau Tsim Mong, Sham Shui Po, Kowloon City and Tsuen Wan as of June this year.



Taking part in the filming of the TV series to raise awareness and promote the sense of responsibility among property owners on building rehabilitation.

A New Milestone for Preventive Maintenance

To effectively address the issue of building ageing, the fundamental approach lies in proactive and pre-emptive preparation for building rehabilitation, before issues emerge. In April 2024, the URA launched the self-funded Preventive Maintenance Subsidy Scheme (PMSS) to provide financial assistance to property owners wishing to carry out preventive maintenance work for their buildings. More importantly, property owners were encouraged to develop maintenance plans at an early stage and establish the necessary financial reserves.

The PMSS also provides subsidies to OCs for appointing Authorised Persons to prepare a maintenance manual and develop a 10-year maintenance plan with estimated expenses. Under the PMSS, owners are encouraged to establish a special fund with regular contributions for future maintenance expenses. For participating buildings that maintain consistent contributions for three consecutive years, the URA will offer a one-off incentive subsidy to promote a proactive culture of preventive maintenance.

The PMSS has now been in effect for approximately one year. As of May 2025, it had received 13 applications covering over 7,500 residential units, with buildings ranging from single-block structures to large estates. Some applicants have recently completed major repairs and are already planning their next maintenance cycle, including setting up financial reserves. This reflects a positive indication that the URA's efforts to promote building repair and maintenance by building owners are gradually taking root.

To further support this effort, the URA has compiled the *Guidelines and Templates for preparing Maintenance Manual for Residential and Composite Buildings* (GTMM) for typical private buildings. The GTMM lists detailed maintenance tasks for buildings' common areas and the corresponding scope of works. It also recommends maintenance cycles and inspection methods for common facilities, and provides templates for financial budgets and other related forms. Designed for owners, OCs and Authorised Persons, Registered Inspectors or structural engineers appointed by property management companies, the GTMM equips owners and other stakeholders with the knowledge and skills necessary to carry out preventive maintenance and to secure the financial resources required for organising regular maintenance and repair works on their own.

Promoting preventive maintenance among property owners marks a new milestone in building rehabilitation. However, these are only administrative measures of a promotional or incentive nature. To achieve fundamental change, a multi-pronged approach is required to encourage owners of both new and old buildings to fulfil their maintenance responsibilities and keep their buildings in good condition.

To that end, the URA decided last year to launch the New Strategy on Building Rehabilitation 2.0 (NSBR 2.0) Study, building upon the first iteration conducted in 2020. The NSBR 2.0 Study will not only review and evaluate the effectiveness of the building rehabilitation measures implemented by the URA in recent years but also examine three key aspects: regulatory requirements, institutional arrangements, and the effective use of innovative technologies. Specific recommendations to step up building rehabilitation and extend the serviceability of buildings will be formulated under the NSBR 2.0 Study and submitted to the Government for consideration next year.

Holistic Planning Studies to Accelerate Urban Renewal

To tackle the challenges of urban decay and building ageing, and in response to the Government's invitation following the completion of the YMDS in 2021, the URA commenced similar district studies for Sham Shui Po and Tsuen Wan. Using the new planning tools proposed in the YMDS, these studies integrate holistic planning with financial and land resources to produce sustainable development blueprints for long-term district renewal. They address the future needs of these two districts in terms of urban renewal, demographic changes and sustainable development, while exploring more flexible mechanisms that encourage private market participation, which in turn accelerate the pace of district regeneration. The studies are currently in the process of refining recommendations and conducting various technical assessments, and we aim to submit Master Renewal Plans (MRPs) to the Government in 2025. Once the recommendations of MRPs are incorporated into the statutory zoning plans, the market will be able to gain an earlier and clearer understanding of the implementation details, thereby facilitating more systematic participation in the renewal of old districts.

Recently in March 2025, the URA broadened and elevated the dimensions of urban renewal by launching the Victoria Cove Area Study (the Study), a forward-looking initiative adopting a macroscopic and holistic planning approach. The study embraces the integrated Water body-Waterfront-Inland concept as the foundation for shaping the future of the Victoria Cove Area on the eastern side of Victoria Harbour, aiming to transform the area into a well-equipped, vibrant, and world-class destination by capitalising on its unique geographic and urban characteristics. While still at the conceptual stage, the Study underscores the area's potential to strengthen Hong Kong's status as a leading international city.



Through the Victoria Cove Area Study, the URA will holistically outline the urban design concepts for the area and make recommendations for the water body, waterfront and inland, for realising the vision of creating a dynamic and world-class "Victoria Cove Area".

Collaboration: The Key to Success

Urban planning of this scale and complexity cannot be accomplished by the URA alone. As outlined in the Urban Renewal Strategy, close collaboration among all stakeholders, including Government departments, District Councils, institutions, developers, building owners and professional associations, is the key to success.

Urban renewal is a long-term mission. Looking back, I am proud to have worked with a dedicated team in carrying out a wide range of urban renewal projects and initiatives, empowered by the Urban Renewal Authority Ordinance. These efforts exemplified our commitment to enhancing the built environment, improving housing standards and combatting urban decay. Throughout the process of urban renewal, it is essential to mobilise the collective strengths of all stakeholders and our entire society. Only by each party fulfilling their respective roles and responsibilities and collaborating closely can we achieve our shared goal of creating a quality urban environment.

It has been a profound honour for me to serve as the Managing Director of the URA for the past nine years – the longest and most mission-driven chapter of my professional journey to create tangible improvements in the lives of Hong Kong residents through meaningful urban transformations. I am immensely grateful to my dedicated URA team for their unwavering commitment to our mission of urban renewal, and to both past and present Chairmen and Board members for their invaluable guidance. I also wish to extend my heartfelt thanks to the Government, the Legislative and District Councils, local representatives, professional institutions and the general public. Their collective support has been instrumental in shaping the URA's accomplishments over the years.

Looking ahead, I believe urban renewal will continue to face evolving challenges in a changing external landscape. I extend my best wishes to Ar Donald Choi, the new Managing Director, and the entire URA team. Under the leadership of the Chairman and the Board, the team will turn adversity into opportunity, pressure into motivation and momentum into meaningful progress. I am confident the URA will guide the city's renewal efforts with resilience, purpose and impact on the journey towards a more sustainable urban future.

Ir WAI Chi Sing, GBS, JP, FHKEng
Managing Director
 14 June 2025



Ar Donald CHOI Wun Hing,
BBS, JP

OUR VISION

To create quality and vibrant urban living in Hong Kong - a better home in a world-class city.

OUR MISSION

To realise our Vision, we act on our priorities with ingenuity and sensitivity, join forces with our partners and nurture our people.

我們的願景

締造優質及具活力的城市環境，提升香港市民的生活質素，成就國際級都會。

我們的使命

我們以敏銳的觸覺、靈活創新的思維，並致力栽培員工，履行使命；同時，亦與各持分者攜手合作，共同實現願景。

MESSAGE FROM NEW MANAGING DIRECTOR

"Together, we will cultivate a strong sense of shared mission, leveraging our collective expertise to overcome challenges and shape the future of urban renewal."

Building on Past Successes and Collaborating to Tackle Future Challenges

On 15 June 2025, I was honoured and privileged to assume the role of Managing Director of the URA, a purpose-driven and impactful organisation committed to promoting sustainable urban renewal.

Although my tenure with the URA has only just begun, my professional journey over the past decades has been deeply rooted in urban development. Throughout my career, I have consistently sought to foster culturally rich, economically vibrant and sustainable cities through a people-first approach. This aspiration aligns closely with the URA's vision of creating quality and vibrant urban living in Hong Kong, making it a better home within a world-class city.

Over the past year, the market environment has become increasingly uncertain, due largely to global geopolitical tensions. In response, developers have taken a more cautious approach to project tenders. As the upfront payments from project tenders constitute the URA's main source of revenue, the recent downturn in the property market has resulted in a "buy high, sell low" scenario for previously acquired projects, which has in turn adversely affected the URA's financial position, particularly with regard to cash flow. Accordingly, it is important that we respond prudently to evolving market dynamics and external challenges in the years ahead. Equally important, we must seek innovative and efficient solutions that optimise the effectiveness of urban renewal with limited resources.

I would like to express my sincere gratitude to my predecessor, Ir Wai Chi Sing, and his dedicated team, who laid a robust foundation for the URA. Over the years, the wide-ranging urban renewal projects and initiatives that have been launched, have significantly improved living conditions for many residents in older districts. Through a planning-led approach, they have enhanced the built environment and delivered more effective outcomes in the renewal of older districts. Despite the economic headwinds of recent years, the URA team has demonstrated unwavering professionalism and innovative thinking in their work. They have succeeded in breaking conventional boundaries to identify opportunities amidst challenges, and have adapted to changing market conditions with resilience and purpose to take urban renewal forward.

At the heart of the URA's success are its people. I am committed to working with my team to foster a transparent, collaborative and empowering work environment in which every colleague can realise their full potential. Together, we will cultivate a strong sense of shared mission, leveraging our collective expertise to overcome challenges and shape the future of urban renewal.

Recently, the Government has granted two sites to facilitate the URA's continued efforts to carry out redevelopment projects in an orderly manner. To this end, I will lead the team in sustaining urban renewal momentum while upholding the principle of prudent financial management. This will involve advancing ongoing redevelopment projects timely and appropriately, while prioritising yet-to-be-commenced projects in accordance with our financial position.

At the same time, we will review our operating and financing model to identify areas for enhancement, strengthen our capacity to navigate diverse market conditions, and promote the application of innovative technologies to improve operational efficiency. In addition, we will commence the New Strategy on Building Rehabilitation 2.0 Study, which aims to encourage broader community participation in building rehabilitation, extend the service life of ageing buildings through proper maintenance and repair, and thereby alleviate the pressure on redevelopment.

The long-term advancement of urban renewal necessitates collective effort, and cannot be accomplished by the URA alone. My team and I will continue to strengthen communication and collaboration with the Government and other stakeholders by actively soliciting diverse insights on urban renewal, so as to facilitate comprehensive outcomes. Through cross-sector engagement, I believe we will be better positioned to undertake urban renewal process and deliver solutions that are beneficial to all.

Ar Donald CHOI Wun Hing, BBS, JP
Managing Director
31 August 2025



MAJOR EVENTS OF THE YEAR



APR

>>> The URA's self-financed Preventive Maintenance Subsidy Scheme was launched to motivate property owners to carry out preventive maintenance. With subsidies, owners are encouraged to compile building maintenance manuals, draw up periodic maintenance plans, and establish financial reserves for future upkeep, aiming to extend the service life of buildings and slow down urban decay.



MAY

>>> The "Habyt Bridges" co-living spaces, consisting of 38 domestic units in the nine buildings acquired by the URA, were launched to mark a new chapter in the revitalisation of

the Staunton Street/Shing Wong Street neighbourhood. Beyond preserving the old building structures and adapting them with revised layouts, some spaces are also maintained as "common rooms" to serve as gathering spaces for community members, empowering them to contribute to the renewal of their own district.



JUN

>>> The Building Drainage System Repair Subsidy Scheme was concluded with a record of nearly 4,500 eligible applications since its inception in 2021. Considering that the COVID-19 pandemic has ended and most applicants have concurrently applied for Operation Building Bright 2.0 — which also covers the maintenance works for common drainage systems, the Government and the URA decided to end the scheme.



JUL

>>> In collaboration with the Hong Kong Institute of Vocational Education, the URA organised the

Innovative Design Competition to inspire sustainable architectural designs and smart solutions that promote vertical urban development in older districts, ultimately enhancing convenience for residents. The top prize went to the "Barrier-Free Smart Mailbox" project, which integrates smart technology into a building's postal system, reducing spaces required for traditional mailboxes and assisting individuals with mobility challenges in mail collection. This exceptional design also won the "Smartest Design Award".



AUG

>>> The Ma Tau Wai Road/Lok Shan Road Development Project in To Kwa Wan was commenced, creating

synergy with the adjoining Kau Pui Lung Road/Chi Kiang Street Development Scheme and bringing greater planning benefits through integrated planning and design, which include improved connectivity and accessibility, as well as a significantly enhanced overall built environment and cityscape.



**SEP**

➤➤ The URA, in partnership with community organisations in Kowloon City, Central and Western District, Kwun Tong, Sham Shui Po, and Yau Tsim

Mong, launched the upgraded Home Safety Improvement Community Programme. It aims to enhance the living environment for residents in older districts by providing elderly and underprivileged families in need, including those in subdivided units and ethnic minorities, with free home safety solutions, and essential safety and fire protection facilities.

**OCT**

➤➤ Partnering with the Hong Kong Institute of Housing, the URA piloted the "Joint Property Management" model in the Lung Shing area of Kowloon City. This model enabled two "three-nil" buildings to jointly appoint a property management company, allowing for systematic and affordable single-block management that enhances building management quality, improves repair and maintenance efficiency, and fosters better living environments.

**NOV**

➤➤ To revitalise old districts, boost local economy and support tourism for sustainable development, the URA launched the "City Walk" programme in Central and Sheung Wan.

The inaugural "Touring Central with Locals" offered personalised travel experience, with volunteered docents sharing personal stories about the area's history, architecture, cuisine, and arts and culture. The URA also developed a "Touring Central with Locals" map and collaborated with the China Academy of Art to create five augmented reality "check-in spots", enhancing the experience with technology.

**DEC**

➤➤ To bring festive cheer and revitalise Kwun Tong during Christmas, the URA hosted the

"WINTER TRANSFORM" event at Kwun Tong Town Centre (K7), featuring 80 panda installations that attracted enthusiastic photo-seeking crowd. In Mong Kok, the URA debuted the Flower Market Christmas Festive Event, adorning the area with dazzling light displays and a carousel-themed Christmas installation. Collaborating with local flower shop operators and local organisations, the URA offered workshops to strengthen community ties. These activities not only highlighted the Flower Market's charm but also boosted foot traffic, injecting vibrancy into the local economy.





MAJOR EVENTS OF THE YEAR



JAN

➤➤➤ The URA secured HK\$13 billion in five-year bank loan facilities, comprising both a term loan and a revolving

credit facility, to provide financial flexibility for effectively executing its projects and capital improvement plans. Earlier, the URA issued triple-tranche HK\$12 billion public bonds to fund its capital expenditure on urban renewal projects and for general corporate purposes. This issuance was recognised with the “Best Local Currency Bond” award at The Asset Triple A Awards for its excellence.



FEB

➤➤➤ The URA issued acquisition offers to property owners of the Kau Pui Lung Road/Chi

Kiang Street Development Scheme in Kowloon City, which involved 28 Civil Servants’ Co-operative Building Societies (CBSs). At the project’s commencement, nine CBSs had yet to be dissolved. With the URA’s free legal assistance and support, members of these nine CBSs began the dissolution process and assumed property ownership, enabling them to accept the acquisition offers.



MAR

➤➤➤ The URA and the Hong Kong Institute of Architects co-organised the “Urban Renewal Design Ideas

Competition — The District Study for Yau Ma Tei and Mong Kok (YMDS)”. Professionals from related disciplines and tertiary students were invited to participate. Building on the YMDS recommendations, the competition encouraged participants to apply new planning tools and ideas for urban renewal, proposing innovative design solutions that align with the vision of creating a liveable, sustainable, diverse and vibrant metropolitan hub.



APR

➤➤➤ As part of the URA’s efforts to connect and revitalise the community, a number of place-making initiatives including public art displays, and sports and children’s play facilities were featured at “Free Space” in the Kwun Tong Town Centre Project. The excellence of these efforts earned the “2024 Place Leader Awards — Pop-up Placemaking” in Australia.





MAY

▶▶▶ The Government re-appointed Mr Chow Chung Kong as the Chairman of the URA Board for a term of two years, effective from 1 May 2025. In addition, 10 newly appointed or re-appointed non-executive directors (non-official) joined the URA Board for a three-year term. The six new non-official non-executive directors include two Honourable Members of the Legislative Council, Mr Chan Hok Fung and Mr Chan Kin Por, as well as Mr Chiu Kam Kuen, Ms Lilian Law Suk Kwan, Ms Jasmine Lee Shun Yi and Ms Florence Leung Chi Hang. Re-appointments include Dr Chan Ka Kui, Ir Janice Lai Wai Man, Mrs Sylvia Lam Yu Ka Wai and Ms Yvonne Yeung Kin Ha.

▶▶▶ Prior to tendering the Shantung Street/Thistle Street Development Scheme in Mong Kok, the URA piloted the Development Facilitation Services to enhance communication with developers with the aim of increasing the likelihood of a successful tender. Consequently, the development contract was successfully awarded to Maxjet Company Limited, a wholly-owned subsidiary of China Overseas Land & Investment Limited.



JUN

▶▶▶ Ar Donald Choi Wun Hing began his three-year term as Managing Director of the URA on 15 June 2025, succeeding Ir Wai Chi Sing, who retired on 14 June 2025 after nine years of dedicated services to the URA.

▶▶▶ The Chief Executive in Council approved the granting of two sites to the URA — one in Bailey Street, Hung Hom and the other in Tseung Kwan O Area 137 — by private treaty at nominal land premium. The Government's commitment provides the URA with additional financial support to improve its cash flow and bolster urban renewal efforts. The URA will act in accordance with the requirements to prioritise projects for commencement in a prudent manner, work with the Government to review and refine its operating and financing model, and explore enhanced strategies for building rehabilitation. Detailed recommendations will be submitted to the Government for consideration.



▶▶▶ The URA and The Hong Kong University of Science and Technology (HKUST) signed a memorandum of understanding to establish a co-operative intent and framework for expanding HKUST's off-campus education and research spaces within the non-domestic portion of the Kwun Tong Town Centre 2.0 Project upon completion. This co-operation highlights the competitive advantages of the "vertical city" development, which promises the integration of multiple functions, such as commercial, residential, trade, tourism, education and research.

OPERATING HIGHLIGHTS

(Figures are up to 30 June 2025, unless specified otherwise)

SUSTAINING MOMENTUM IN URBAN REGENERATION

80*

Projects have been undertaken since the establishment of URA in 2001

334,600_{m²}

Urban area improved or to be improved

REDEVELOPMENT

1,781

Dilapidated building blocks redeveloped or to be redeveloped

42,000

Residents benefitting from projects

71,700_{m²}

Open space created

36,800

New flats supplied

185,300_{m²}

Government, Institution or Community facilities space created

REHABILITATION

Around

8,700

Building blocks rehabilitated or undergoing rehabilitation with various assistance schemes

Around

890,000

Flat units benefitted from the URA's rehabilitation schemes and five Government subsidised schemes

Around

HK\$3,414 million

Building rehabilitation loan and subsidies released

475,000

Flat units benefitted from "Smart Tender"

* 80 projects include 75 redevelopment projects and 5 preservation/revitalisation/retrofitting projects

PRESERVATION & REVITALISATION

81

Buildings/structures
preserved or to be
preserved

Place-making at Central Market, SPORTS EXPO, 618 Shanghai Street,
H6 CONET and M7 (7 Mallory Street) community open space

66,100

Average visitors/day

660

Events held in 2024/25





OPERATING REVIEW

In a year marked by market volatility, the URA has demonstrated resilience by implementing effective strategies to navigate changing conditions and sustain the momentum of urban renewal, much like athletes adapting their training environments in response to weather to maintain their regimen uninterrupted.

We manage the progress of ongoing projects using a dynamic approach that considers both financial position and market conditions. Decisions regarding property acquisitions and site tendering are carefully evaluated to ensure they complement each other in managing cash flow. This strategy supports the sustained momentum of urban renewal.

New measures have been introduced to improve tender success and secure upfront payments. The Development Facilitation Services, a dedicated platform, was introduced to help developers better understand project parameters before submitting tenders. In addition, new planning tools and greater design flexibility have been adopted to maximise the development potential of our projects, improving their financial viability and returns.

To complement redevelopment efforts, we continue to promote building rehabilitation, preservation, and revitalisation. Alongside administering subsidy schemes to support owners in maintaining aged buildings, the URA has introduced preventive maintenance for buildings of all ages. The new Preventive Maintenance Subsidy Scheme provides technical assistance in preparing maintenance manuals and offers incentives to encourage owners to establish dedicated maintenance funds and make regular, ongoing contributions, thus supporting systematic preventive maintenance to keep buildings in good condition. Meanwhile, creative place-making initiatives and community making programmes have been launched to inject vitality into the communities, stimulate local economies, and empower residents to lead self-driven urban renewal efforts.



Strategic Studies for Effective Urban Renewal

With the increasing volume of ageing building stock, which significantly surpasses the pace of redevelopment, and the reducing residual plot ratio in urban areas, the URA faces substantial challenges in its urban renewal efforts. To address these constraints, a number of strategic studies, namely the District Study for Yau Ma Tei and Mong Kok and the New Strategy on Building Rehabilitation Study, “were conducted” to identify potential renewal opportunities and establish planning reserves through a holistic district-based approach, explore innovative planning mechanisms to unlock development potential, and slow urban decay through more effective building rehabilitation. The URA is committed to driving progress by implementing recommendations from the strategic studies with progressive achievements.

Embracing a planning-led approach for restructuring and replanning aged urban districts, preliminary project feasibility studies have been conducted to establish the URA’s project reserves for selected areas. Contingent upon the URA’s financial position and adequate resources from the Government, suitable projects will be chosen from the reserves for inclusion in the Corporate Plan/Business Plan for implementation to realise planning and social benefits. In addition, two further district studies are underway to identify development opportunities.

Additionally, based on the recommendations of Kowloon City District Urban Renewal Forum (DURF) in 2014, the URA has commenced in March 2025 a study for Kowloon City and Kai Tak Development Area and their adjacent waterfront and cove, collectively referred to as the Victoria Cove Area. The study aims to enhance the integration of old and new development areas including the water body, while strategically leveraging on the planning gains radiated from the URA’s projects and other recently completed Government projects/infrastructure to enhance the vibrancy of the cove area abutting Victoria Harbour in Kowloon City and Kai Tak Development Area. Its results and recommendations will create synergy with the Harbour Office’s study on the Kowloon promenade.

Yau Mong District Study (YMDS)

Since the completion of the YMDS in 2021, the URA has leveraged its findings and insights to undertake several initiatives aimed at seizing redevelopment opportunities and encouraging private market participation. Over the past year, significant progress has been achieved, particularly in the implementation of proposals outlined in the Master Urban Renewal Concept Plan and the collaboration with the Government to apply new planning tools. These efforts aim to unlock developmental potential and facilitate private market participation. Key achievements include:

Implementation of the First Nodal Development under YMDS

The Sai Yee Street/Flower Market Road Project (YTM-013) was commenced in March 2024 to implement the first phase of the Nullah Road Urban Waterway Development Node. This project is envisioned to become a key district landmark and a hub for socio-economic activities, contributing to rejuvenating the district’s image of Mong Kok and driving local economic growth.



One of the key features of Sai Yee Street/Flower Market Road Project is the Waterway Park with an “Urban Waterway” as a “blue-green feature” for public enjoyment.

Through holistic restructuring and replanning, the URA optimises land uses in the project area to build an "Urban Waterway" and a Waterway Park as a new "blue-green" feature as recommended in YMDS. This is coupled with a mixed-use development and a multi-purpose complex, which provides upgraded public facilities under the "Single Site, Multiple Use" model, and a cluster of linked sites redevelopment. The draft Development Scheme Plan was approved by the Chief Executive in Council (CE-in-C) in April 2025. (More details on YTM-013 Project as noted on pages 40 and 41 under Redevelopment.)

Facilitating Private Market Participation

With a view to incentivising greater private market participation in redevelopment to catch up with the pace of urban decay, the URA has been working closely with the Government to take forward Outline Zoning Plan amendments and introduce a suite of new planning tools to unleash development potential in the Yau Mong area.

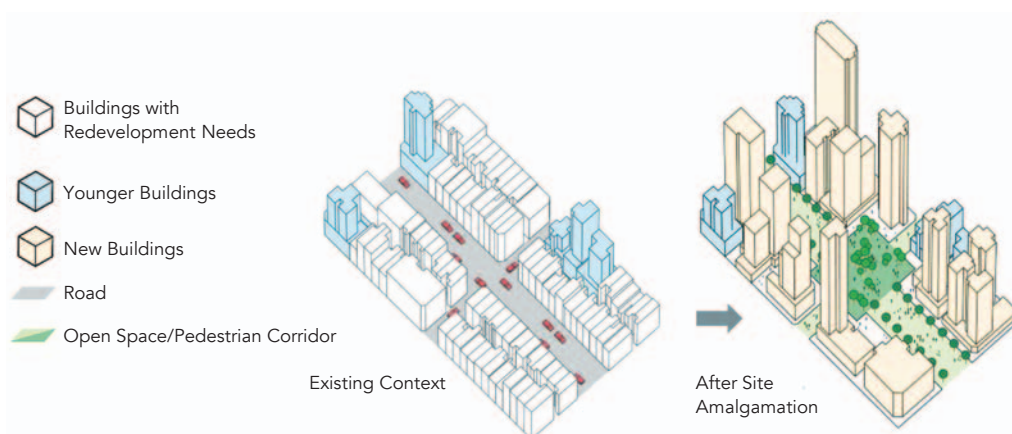
Progress of Amending Outline Zoning Plan (OZPs)

The URA supported the Government to initiate amendments to the OZPs of Mong Kok and Yau Ma Tei to permit more flexible interchangeability between domestic and non-domestic plot ratios or to allow more design flexibility for mixed developments along character streets in selected areas, in addition to increasing the plot ratio for the Nathan Road commercial spine and relaxing building height restrictions. The draft OZPs for Mong Kok and Yau Ma Tei incorporating the above amendments were approved by the CE-in-C in May 2023 and July 2024 respectively.

Application of New Planning Tools

To unleash development potential of small and isolated sites to allow restructuring and replanning in Yau Ma Tei and Mong Kok, new Town Planning Board (TPB) Guidelines were promulgated in July 2023 to pilot the Transfer of Plot Ratio (TPR) through processing planning applications. The TPR allows the transfer of development rights from sites with limited redevelopment potential to those strategically located with intended growth in intensity, enabling an increase in buildable and saleable areas in those "receiving sites", thereby encouraging private participation in urban renewal with higher financial returns.

YMDS has identified various small street blocks for amalgamation into more cohesive and sizeable redevelopment sites, along with under-utilised road space for pedestrian and open space use after road closure and traffic route re-diversion, which are known as Street Consolidation Areas (SCAs). Upon further deliberation and settlement of key implementation issues, and endorsement by the Government, the URA will further develop the pilot scheme.



In SCAs, closed road sections could be replanned for use of open space/pedestrian corridors to promote walkability. The more sizeable and structured development area could facilitate a better layout for holistic development and provide more solution space for car parking and other public/community facilities.

Renewal of Public Facilities: the Nano-Parks System

One of the proposed open space initiatives under YMDS is the Nano-Parks system, which aims to reinvent the open space network. By connecting and revitalising six small-sized, scattered parks in the densely urban Shantung Street precinct, the initiative will create greater design impacts and provide opportunities for community enjoyment. The pilot implementations at Thistle Street Rest Garden and Canton Road/Soy Street Sitting-out Area are currently in progress, with designs approved by the Leisure and Cultural Services Department (LCSD) in the second quarter of 2024. These designs have incorporated distinctive design features making reference to elements of the Mong Kok district such as character streets, diverse cultures and the vibrant market environment. By unifying the style, colour scheme and other creative components of the park spaces, the URA aims to provide a refreshing and coherent experience for the general public. The second batch of schematic designs for the remaining four nano-parks, which was submitted in the first quarter of 2025, is currently under review by Government departments.



Artist Impression

(Above) Artist Impression of Thistle Street Rest Garden

(Right) Smart fitness equipment will be introduced in the Rest Garden to enhance the user experience and promote healthy exercise.



Artist Impression

Fostering Public Understanding of Yau Mong District's Renewal

An idea competition co-organised with the Hong Kong Institute of Architects was launched in March 2025 to enhance public engagement and innovative participation in the renewal of Yau Mong area. By translating complex planning mechanisms and concepts into tangible urban and building designs, the competition seeks to foster a deeper understanding of urban renewal among the general public. Professionals and students were invited to contribute innovative and creative designs that will provide solutions for shaping two sites within Yau Mong into a vibrant urban area for living, working and leisure.



(Left) The idea competition seeks practical urban design and architectural proposals by applying the planning tools and implementation mechanisms recommended in the YMDS.

(Right) Guided tours for competition participants are organised to enhance their understanding of the Yau Mong district's renewal.

Sham Shui Po and Tsuen Wan District Studies

The Sham Shui Po District Study (SSPDS) and the Tsuen Wan District Study (TWDS) were commenced at the end of 2022 in response to the Government's invitation under the Chief Executive's 2021 Policy Address.

Following the path charted by the YMDS, the two studies aim to adopt a holistic "district-based" and "planning-led" approach to formulate a long-term development blueprint covering areas of 366 hectares (the study areas of SSPDS and TWDS are 130 hectares and 236 hectares respectively) in the form of Master Renewal Plans (MRPs) to guide future planning and tackle the issues of urban decay in the study areas.



The two studies will draw up long-term blueprints for Sham Shui Po old area (left) and Tsuen Wan old area (right) to enhance the effectiveness of urban renewal.



Given the different characteristics of the two study areas, special studies have also been carried out to gain a better and more comprehensive understanding of the two districts. For SSPDS, special studies on the local culture and character streets, the fashion industry and the Mission Hill neighbourhood have been carried out. Special studies under TWDS cover the development capacity and infrastructure review, as well as the multi-level pedestrian network. The findings of the special studies will support and form the basis for the formulation of MRPs for the two respective studies.

New planning tools and mechanisms proposed under YMDS are further reviewed and explored in the studies. To facilitate private market participation and expedite the pace of urban renewal, various mechanisms are examined in SSPDS and TWDS to increase development incentives, such as the introduction of development bonus and concessions, all for the purposes of creating value and promoting flexibility for future redevelopments. In addition, it is crucial to identify solution spaces through comprehensive review and replanning to facilitate urban restructuring and to meet future development needs.

The Planning and Urban Design Frameworks (P&UDFs) have been prepared based on the opportunity areas identified under the studies, and with due consideration given to the views collected from the stakeholder consultation including surveys, interviews, discussion forums and workshops. Based on the P&UDFs, the MRPs are being formulated and the associated technical assessments are being carried out to ascertain the technical feasibility of the proposals. The MRPs of the two studies are targeted for submission to the Government in the second half of 2025.

The URA will continue to support the Government to develop new policies and mechanisms with the aim of enabling and facilitating private market action. To enhance efficiency in the work process, the two studies will continue to apply technologies to daily operational works, including the use of Geographic Information System for data management and analysis, and digitalisation of works.

Victoria Cove Area Study

The Victoria Cove Area Study (the Study) will make reference to some of the world-famous harbours, such as Darling Harbour in Sydney, Australia and Aker Brygge in Oslo, Norway. Under the planning concept of the water body, waterfront and inland, three key visions will be proposed in the Study to build the Victoria Cove Area, namely: 1) capitalising and optimising the use of existing water body and waterfront; 2) creating a new and diversified waterfront; and 3) strengthening the connection between inland and waterfront.



The Victoria Cove Area spans approximately 798 hectares, including a triangular waterfront area of about 348 hectares. Under the “Water Body — Waterfront — Inland” planning concept, the study will examine ways to optimise land use in the area, create a dynamic waterfront and enhance its connectivity to the inland.

A Vision Plan will be developed in the Study to holistically outline the urban design concepts for the Victoria Cove Area. It will include proposals for the water body, waterfront and inland coupled with various suggestions on implementation timeframes (for quick-win, medium-term and long-term targets), as well as potential parties and mechanisms for implementation. The URA will also identify opportunities for the Government’s and other stakeholders’ participation in this vision.

The Study is targeted to be completed within 2025. A final report comprising the Vision Plan and Proposals will be submitted to the Development Bureau for consideration.

New Strategy on Building Rehabilitation (NSBR)

The study on NSBR in 2020 identified three major obstacles for owners to organise building repair and maintenance works: the lack of (i) knowledge related to building rehabilitation, (ii) financial reserves and (iii) organisational capabilities. Since then, the URA has collaborated with professional institutions and practitioners to adopt a multi-pronged approach aimed at extending building life and serviceability. This involves promoting awareness and good practices concerning preventive maintenance among building owners and encouraging regular contributions to a special fund, resulting in significant progress over the past year.

New Initiatives to Encourage Preventive Maintenance

Preventive Maintenance Subsidy Scheme (PMSS)

In April 2024, the URA launched the new PMSS to motivate owners of residential and composite properties to carry out preventive maintenance for their buildings. This URA-funded scheme subsidises owners in appointing an Authorised Person for the preparation of the building's Maintenance Manual, which includes a maintenance schedule for common areas and facilities of the building, and an estimation of maintenance costs for the next 10 years.

To facilitate the setting up of a financial reserve for building rehabilitation, PMSS also offers a subsidy, equivalent to 10 percent of the owners' total contribution to the Special Fund over a period of the first three years, as incentives for building owners to make regular contributions to the building's maintenance fund. The subsidy is subject to maximum limits based on the number of units of the building.

As of 30 June 2025, the URA has received 13 valid applications of PMSS involving over 7,500 residential units, among which nine have been granted approvals-in-principle (AIPs). AIPs will be granted to the remaining four applications in August 2025. Chi Fu Fa Yuen, the first applicant with over 4,300 residential units, will hold a meeting by the end of 2025 to endorse the appointment of a consultant to prepare the Maintenance Manual.

Property management companies play a crucial role in assisting owners in implementing preventive maintenance. To this end, the URA conducted seven mass briefings with property management companies and professional associations, attracting around 1,300 attendees. These briefings aimed to introduce the PMSS and *Guidelines and Templates for preparing Maintenance Manual for Residential and Composite Buildings*, and to train practitioners on the promotion of PMSS to buildings under their management.

Publication of the Guidelines and Templates for Preparing Maintenance Manual for Residential and Composite Buildings (GTMM)

In the absence of available support in the market to facilitate the preparation of a maintenance manual as required by the Deed of Mutual Covenant (DMC) Guidelines of the Legal Advisory and Conveyancing Office (LACO) of the Lands Department for new buildings, the URA took the initiative to produce the first GTMM. This is an advanced step to assist the owners' committees/corporations and building professionals in drawing up effective building maintenance and financial plans for the regular maintenance of their properties.

The GTMM outlines the necessary maintenance items, scopes of work for common areas, and details on inspection methods and maintenance cycles for common areas and communal facilities, alongside budget templates to streamline planning. After consulting over a hundred stakeholders, including Government departments, professional institutes and trade associations, the GTMM (English version) was published and uploaded to the Building Rehabilitation Platform in January 2025. To encourage the use of GTMM, the URA organised nine seminars to brief Authorised Persons and property management professionals on its application. Regular promotional briefings for building owners were also arranged in partnership with local non-governmental organisations (NGOs), receiving positive responses.



The URA publishes Hong Kong's first set of building maintenance manual guidelines and templates to enhance property owners' technical know-how in regular maintenance.

OPERATING REVIEW

The URA treasures industry insights as well as opinions from building owners. In early 2025, the URA assisted the Owners' Committee of Residence Bel-Air in the Southern District in engaging a consultant, who then trialled the GTMM for producing a maintenance manual, formulating maintenance plans and budget estimates. Moving forward, the URA plans to share the experiences gained from the case of Residence Bel-Air with other building professionals and owners.

Kowloon City District-based Building Rehabilitation Pilot Scheme

To improve the overall built environment in Kowloon City, in the past years, the URA has dedicated efforts in trialling an Integrated Approach to urban renewal with an emphasis on rehabilitation and revitalisation initiatives. A pilot area, which stretches from Nam Kok Road to Tak Ku Ling Road and covers 40 buildings without imminent need for redevelopment, has been mapped out as the testing ground for the District-based Building Rehabilitation Pilot Scheme. Following the organisation of extensive promotion and engagement activities, including mass briefings, workshops, tea gatherings and street booths, the Pilot Scheme has garnered support from both building owners and the community.

With the provision of a special subsidy under the Pilot Scheme, project consultants have been appointed to carry out façade face-lifting and roof waterproofing works for six buildings to improve the built environment in the district. In addition to repairing the common areas, the URA collaborated with voluntary workers to assist 11 needy owners of these buildings in carrying out minor structural repairs within their units. All the designated repair works were completed in April 2025.

To highlight the local characteristics of Kowloon City, the URA has developed a cohesive place-making theme and design that emphasises Chiu-Thai characteristics and the history of Kai Tak Airport. The revitalisation works of Tak Ku Ling Road Rest Garden commenced in November 2024, and the streetscape works within the focus area will be awarded in July 2025. These works are anticipated to be completed in phases from 2026 to 2028. A group of local artists have been appointed to engage and collaborate with shop retailers on the design for shopfront beautification in the project area along Lung Kong Road, South Wall Road, Tak Ku Ling Road and Nga Tsin Wai Road. Most of the shop retailers responded positively to the initiative.



The revitalisation theme of Tak Ku Ling Road Rest Garden centres around aeroplanes, highlighting the historical significance of old Kai Tak Airport in the district.

Beyond enhancing the streets and the adjoining rest garden, the URA incentivises owners to upgrade their building façades and entrances, shopfronts, canopies and signage. Following a tender invitation for mural design and implementation at existing building façades to highlight the district's Chiu-Thai culture, the URA received an overwhelming response with over 30 submissions from more than 40 artists worldwide, including talents from Hong Kong, Chinese Mainland, Thailand, Japan and France. All Owners' Corporations (OCs) of the buildings who have joined the URA's District-based Building Rehabilitation Pilot Scheme acknowledged the place-making initiative for the creation of artist murals on their external walls. The first mural, themed around Thai culture, is projected to be completed by early 2026.

Insights from the Pilot Scheme, which integrates rehabilitation, revitalisation and preservation of local cultures, will assist the URA in developing targeted and holistic strategies for future district renewal.

Joint Property Management (JPM)

The URA, in collaboration with the Hong Kong Institute of Housing, successfully implemented the JPM model in some buildings in Kowloon City. This model enables owners of single-block buildings to share resources at lower management fees by collectively hiring a single property management company for multiple buildings, achieving economies of scale. Through the JPM Trial Programme, owners of two "three-nil" buildings formed their OCs and jointly appointed a property management company, with services commenced in November 2024 and January 2025 respectively. Owners of these buildings expressed satisfaction with notable improvements in management conditions.

The URA has shared the JPM experience report with relevant Government departments and the property management institutes, facilitating the implementation of the Government's JPM pilot scheme in the Yau Tsim Mong, Sham Shui Po, Kowloon City and Tsuen Wan districts. The URA also shared the trial programme with the Sham Shui Po and Yau Tsim Mong District Councils, where our JPM experience received positive feedback.

Stepping up Promotional Efforts on Building Rehabilitation

To boost owners' awareness of building rehabilitation and their responsibility, the URA has stepped up its promotional efforts in making information more accessible to the public. In January 2025, a 15-episode TV series was launched, educating the audience on the importance of maintaining building conditions and implementing preventive maintenance. Presented as a light-hearted drama, the TV series was paired with an engaging social media game, both receiving overwhelmingly positive responses. Together, they have garnered over 31 million views across television and social media, effectively expanding audience awareness about building maintenance essentials.

On the other hand, the URA partnered with local NGOs to promote building rehabilitation in seven old districts through home visits, surveys and promotional activities, such as street booths and tea gatherings. From October 2024, these efforts have been extended to all 18 districts. Since November 2021, assistance has been provided to 334 buildings in applying for subsidy schemes, and referral services for District Offices have helped 119 "three-nil" buildings in forming OCs.



Through the light-hearted TV drama series, the URA aims to increase owners' awareness and promote a sense of responsibility on building rehabilitation.



REDEVELOPMENT



The URA adopts a visionary “Planning-led, District-based” approach to rejuvenate ageing districts, delivering wider community benefits.

Through integrated planning and design, the Ma Tau Wai Road/Lok Shan Road Project (KC-020) was launched to create synergy with the adjoining URA redevelopment, generating extended planning benefits through the spatial design of the planned open space and pedestrianised avenue that enhance visual comfort and the pedestrian environment. The project will also benefit from existing pedestrian-crossing facilities at Ma Tau Wai Road and connections with the adjoining development, improving accessibility to nearby Government, Institution or Community facilities and open spaces.

In To Kwa Wan, where multiple URA redevelopment projects are underway, we are leveraging holistic land use planning to foster synergy and maximise planning gains across the district. The Bailey Street site, granted by the Government, represents a strategic enhancement by strengthening the physical and functional linkage between the existing inland redevelopments and the waterfront. This holistic approach will better connect key open spaces and pedestrian routes, thereby enhancing accessibility and urban vitality, significantly improving the living environment and reinforcing the overall urban fabric of To Kwa Wan.

Such visionary planning extends beyond land use to address the needs of those affected by the URA’s redevelopment. To preserve the unique character of Kowloon City, proactive measures were formulated early in the project planning stage to offer interim arrangements and relocation options to business operators affected by the Nga Tsin Wai Road/Carpenter Road Project (KC-017). Strategic planning is also underway for the Sai Yee Street/Flower Market Road Project (YTM-013) to support and strengthen the local floral industry.

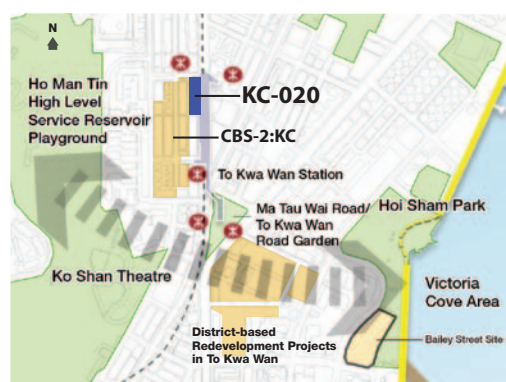
Project commenced in 2024/25

Ma Tau Wai Road/Lok Shan Road Project (KC-020)

Adjacent to the Kau Pui Lung Road/Chi Kiang Street Project (CBS-2:KC), KC-020 was commenced in August 2024 adopting holistic site planning and urban design that align with CBS-2:KC to create a cohesive built environment and improve connectivity and accessibility of the area, thus offering extended planning gains to the entire community.

KC-020 is designed to integrate with the spatial layout of the planned open space/at-grade pedestrianised avenue in CBS-2:KC to enhance visual comfort and pedestrian environment. Utilising existing pedestrian-crossing facilities at Ma Tau Wai Road in conjunction with CBS-2:KC, KC-020 aims to boost connectivity to Government, Institution, or Community (G/IC) facilities and open space clusters such as Lok Shan Road Sitting-out Area, To Kwa Wan Market and Government Offices to the east of Ma Tau Wai Road; and the residential clusters such as Lok Man Sun Chuen to the west after restructuring and redevelopment.

Furthermore, as the new community in the district-based development in To Kwa Wan evolves, pedestrians will benefit from an enhanced walking environment and new pedestrian streets within the area, facilitating access from KC-020 and CBS-2:KC projects to Hoi Sham Park at the waterfront. This also strengthens the connections between various public recreational spaces in the district, and links to To Kwa Wan's inland with its waterfront.



By adopting a holistic planning approach, KC-020 will create synergy with CBS-2:KC with enhanced connectivity and accessibility. This will link the project area with the district-based redevelopment projects in To Kwa Wan, and further to Hoi Sham Park at the waterfront.

Under the notional design, KC-020 will contribute an additional provision of about 11,830 square metres of domestic gross floor area, 2,360 square metres of commercial/retail facilities and an ancillary carpark to the combined urban renewal project.

Subject to further technical feasibility study, KC-020 will extend the proposed underground shopping street under CBS-2:KC into the project and potentially connect to the nearby To Kwa Wan MTR station exits. Additionally, KC-020 proposes sharing a vehicular run in/out with CBS-2:KC to minimise the impact on the pedestrian environment and maintain a continuous shop frontage and street vibrancy.

The project is currently under planning procedure and submission to the Secretary of Development (SDEV) for authorisation was made in January 2025.

"Similar to urban renewal, every marathon mile reshapes endurance and spirit. Both require clear goals, countless hours of preparation, attention to details and strategic planning to cross the finish line."

Peter Wu
Manager, Planning & Design

Peter is a professional town planner and urban designer who has played key roles in To Kwa Wan's urban renewal projects. His expertise, strategic thinking and attention to details have been instrumental in driving successful project outcomes with his team members.



Progress of Ongoing Key Projects

Ming Lun Street/Ma Tau Kok Road Project (KC-018) and To Kwa Wan Road/Ma Tau Kok Road Project (KC-019)

The two projects launched in October 2022 aim to holistically restructure and replan the land uses of the area, enhancing the living environment and connectivity to the waterfront. KC-018 involves the redevelopment of old and dilapidated buildings covering 101 street numbers in the “Five Streets” area, while the adjoining KC-019 covers two industrial buildings. This plan incorporates the “Five Streets” area, the two industrial buildings and nearby under-utilised streets to optimise land uses and improve the local streetscape, overall living conditions and the built environment in the old district.

To help realise the Government’s vision of enhancing the city’s harbourfront environment, the redevelopment plan allows a 20-metre-wide setback from the waterfront to create a vibrant space for the waterfront promenade that will connect with a new Hong Kong Housing Society estate, the adjacent planned waterfront promenade and the Kai Tak Sports Park. This contributes to a continuous waterfront in Kowloon East, aiming to create a world-class harbourfront. In addition, an at-grade waterfront plaza of at least 25 metres wide will bridge the residential blocks with the commercial podium, enhancing visual appeal and walkability between the old districts and the waterfront promenade, while providing space for on-street dining and shops.



Through replanning and design, the new buildings of the KC-018 and KC-019 projects will be set back from the waterfront after redevelopment, creating space for a 20-metre-wide promenade to revitalise the harbourfront and bring greater planning benefits to the old district.

To improve accessibility to the Kai Tak Development Area, the buildings facing To Kwa Wan Road will be set back upon project completion, allowing the expansion of To Kwa Wan Road from four lanes to six.

The draft Development Scheme Plan (DSP) for both projects received approval from the CE-in-C in May 2024. In June 2025, the CE-in-C has approved the granting of two sites, one in Bailey Street, Hung Hom and the other in Tseung Kwan O Area 137 to the URA by private treaty at nominal land premium to enhance the URA’s financial capability. With the Government’s financial support, acquisition offers will be strategically arranged under a dynamic management approach.

Nga Tsin Wai Road/Carpenter Road Project (KC-017) and Kai Tak Road/Sa Po Road Project (KC-015)

KC-017 was commenced in May 2022 with the objectives of redeveloping the aged urban district through holistic replanning and restructuring. The project includes a main site, a northern site and an eastern site, covering a total area of about 37,000 square metres. Adopting an integrated approach to urban renewal, the project is set to uplift the living environment and streetscapes to showcase the diverse local culture and dining atmosphere of Kowloon City.

Under the "Single Site, Multiple Use" model, the northern site situated at Carpenter Road Park (CRP) has been replanned to accommodate a new Joint-user Government Complex (JUC) for housing new community facilities as well as reprovisioning existing ones located in the Kowloon City Municipal Services Building and the adjoining Government buildings at the main site. The total G/IC floor area proposed in the project is approximately three times the size of the existing area.

With endorsements from the Kowloon City District Council (KCDC) and the Leisure and Cultural Services Department (LCSD), the URA commenced the main works of the first phase of CRP's revitalisation works in September 2024. To highlight the distinctive characteristics of the Lung Shing area during revitalisation, park hoardings were transformed into an outdoor art gallery themed "Immersed Cityscape". Local illustrators created artworks showcasing iconic scenes, such as aeroplanes overhead before the Kai Tak Airport relocated, children playing hopscotch on rooftops, life in the squatter zones during the 1970s, and game elements that highlight the area's unique Chiu-chow culture to engage residents and visitors. (More details about the rehabilitation and revitalisation initiatives in the nearby focus area as noted on page 34 under the Kowloon City District-based Building Rehabilitation Pilot Scheme.)



The URA collaborates with local illustrators to turn the hoardings at Carpenter Road Park into an outdoor art gallery, showcasing iconic scenes and daily life in the past.

With public works funding application in good progress and support from KCDC and relevant Government's departments, the tendering for the Design & Build works of the JUC was arranged in June 2025. Construction is slated to commence around the end of 2026.

Acquisition offers were issued in April 2024 garnering an acceptance rate of over 93 percent as of June 2025. Application to SDEV for resumption was submitted in September 2024.



Shop operators selling market-related food, who have been affected by Kowloon City redevelopment, participate in the balloting for interim shop allocation. The interim shops, which are conveniently located near both the old and new Kowloon City Markets, will enable them to continue their business during redevelopment, thereby sustaining district vibrancy.

To formulate decanting strategies for affected operators, the URA conducted surveys and interviews with shop operators selling market-related food as well as Chiu-Thai food store and restaurant operators in KC-017. Over 50 percent of the shop operators selling market-related food opted for the URA's interim arrangement. Among those choosing the interim arrangement, nearly 70 percent expressed their intent to return to the Lung Shing area once the project is completed, reflecting a very strong commitment to preserving local characteristics and the community's socio-economic ties. Various engagement sessions were held with affected shop operators to assess their operational needs. By June 2025, all shop operators opting for the interim arrangement were allocated reserved shops to continue their business.

Regarding the adjacent KC-015 project, following the tender closure in September 2024, only one non-conforming tender submission was received. The URA Board subsequently decided not to award the tender. The URA has begun

exploring a self-initiated approach for project development, while retaining the option to retender the entire project or specific completed portions, providing flexibility amid evolving circumstances. To enhance tender attractiveness, the URA has made various project enhancements including (i) reducing the numbers of public vehicle parks and basement levels construction, (ii) allowing flexibility for aboveground carpark in the notional scheme, (iii) obtaining early approval of foundation plans, (iv) making early general building plan submissions, and (v) completing a number of advance works such as demolition of existing buildings, soil decontamination, ground investigation, underground utility diversion and interfacing works for new pedestrian subway. The URA also launched the Development Facilitation Services to provide early project information to developers for gathering non-committal feedback for implementation of the KC-015 project.

Sai Yee Street/Flower Market Road Project (YTM-013)

YTM-013, commenced in March 2024, marks the first phase of implementing the “Mong Kok East — Urban Waterway” Development Node within the Yau Mong District Study (YMDS). The project aims to address issues like outdated recreational facilities, fragmented leisure spaces and traffic congestion in the Flower Market area. Through comprehensive restructuring and planning, the URA seeks to transform Mong Kok East into a vibrant landmark while revitalising the Flower Market area for future development.

Comprising two main sites, the project includes Site A, which involves a larger site and four smaller sites in the Flower Market area with buildings over 60 years old. Site B contains existing Government facilities and leisure spaces. By adopting the “Single Site, Multiple Use” approach, Site B will host a mixed development encompassing residential, retail, office, hotel spaces and a multi-purpose complex with enhanced public amenities such as sports facilities and the future Yau Tsim Mong District Health Centre. A Waterway Park with blue-green features will also be developed within Site B, serving as a community hub for public enjoyment.



The Waterway Park will serve as a connector for integrating and creating synergy among the mixed development, the Flower Market precinct and the nearby facilities to create a vibrant leisure and recreational hub.

To maximise land use and boost street vitality, the URA implements the TPR concept at Site A through a linked site approach. The smaller sites in Site A will be transformed into public open spaces with low-rise facilities for social gatherings and commercial activities, emphasising local district characters. Meanwhile, the back lane between Flower Market Road and Yuen Ngai Street will be revitalised into the “Third Street” of the Flower Market, enhancing retail opportunities and supporting the expansion of local floral businesses.

Following the TPB’s approval for the draft DSP in February 2025, the CE-in-C granted approval in April 2025.

To sustain the economic vitality of the Flower Market during various development phases, the URA has implemented a series of short-to-medium-term strategies aimed at maintaining the vibrancy and stimulating the local economy. During the year, the Flower Market area has seen several place-making efforts come to life.

In collaboration with the Yau Tsim Mong District Office, the URA organised the Flower Market Christmas Festive Event in December 2024, transforming the area into a lively evening hotspot with large Christmas decorations and lights to draw visitors and encourage spending. Additionally, the URA partnered with a social enterprise to host Christmas ornament workshops, fostering a deeper appreciation for flowers. To further invigorate local businesses, an online game was launched in collaboration with shop operators of the Flower Market. Through offering e-shopping vouchers as rewards, the game elicited enthusiastic responses from shop operators and participants, thereby enhancing commercial vibrancy.



The dazzling Christmas decorations by the URA elevate the market’s festive ambience.



Visitors take memorable photos in front of the carousel installation or participate in Christmas ornament workshops, enhancing the vibrant atmosphere at the Flower Market.



Committed to fostering a more favourable business environment and supporting long-term growth, the URA plans to strategically highlight and enhance the market's distinctiveness through community making initiatives. Community making will be conducted to engage stakeholders in formulating common visions and strategies to ensure the district's ongoing renewal and preservation of its unique identity. Through these collaborative efforts, the URA aims to solidify the Flower Market's position as a thriving, culturally rich destination.

Shantung Street/Thistle Street Project (YTM-012)

YTM-012 aims to revitalise the Shantung Street/Thistle Street area in Mong Kok, enhancing the urban environment with improved pedestrian walkways, green spaces and vibrant public areas. Through restructuring and replanning the project area, a portion of the existing rest garden along Thistle Street will be opened up with widened pavements and a connection to the Shantung Street/Thistle Street junction, thereby enhancing accessibility. The rest garden outside the project boundary is undergoing revitalisation by the URA, with works commenced and expected to be completed in 2026 for opening to the public.

To enhance the attractiveness of the project tender amidst market uncertainties, the URA has implemented a series of measures to streamline the tendering process and enhance project competitiveness. In January 2025, the URA launched the pilot Development Facilitation Services (DFS), providing a platform for developers to gain a comprehensive understanding of project details, thereby allowing more time for the preparation of the tender submission. This initiative also invited developers to provide non-committal feedback on YTM-012 for further analysis.

In pursuit of greater design flexibility for the project, the URA applied for a planning approval using the planning tool of "interchangeability of domestic and non-domestic plot ratio" under the Mong Kok OZP. Without exceeding the permitted maximum Gross Floor Area (GFA), the maximum domestic plot ratio was relaxed from 7.5 to 8.5, which resulted in a GFA of 14,118 square metres dedicated to private residential purposes, accommodating approximately 380 units. Additionally, about 2,850 square metres of floor space will be set aside for G/IC facilities, which shall be exempted from GFA calculation.

In March 2025, following the invitation to tender by the URA, six tender submissions were received, reflecting keen market interest in the project. The tender was successfully awarded in May 2025, and the site demolition works have been completed.

Kim Shin Lane/Fuk Wa Street Project (SSP-017) and Cheung Wah Street/Cheung Sha Wan Road Project (SSP-018)

Commenced in 2021, the two projects aim to increase public open space, provide public facilities, and redevelop existing dilapidated buildings into modern residential developments with podium commercial/retail spaces. The projects also involve replanning and restructuring under-utilised and substandard Government facilities and lands to unlock development potential.

SSP-017 comprises 101 building blocks that are over 50 years old. The overcrowded conditions, with numerous sub-divided units, necessitate redevelopment. In April 2023, the URA issued acquisition offers for SSP-017. Over 96 percent of the property interests were acquired before the reversion of land to the Government in February 2025. Site clearance is expected to complete in mid-2026.

SSP-018 is composed of two sites. Site A mainly involves Government land currently occupied by the Cheung Sha Wan Sports Centre, and a private lot for a CLP Power electricity substation. Site B comprises wholly Government land requiring no acquisition. Site A will be optimised for residential use to boost housing supply, marking the first project where the Government provides financial support via land resources to facilitate redevelopment. Site B will be replanned to provide a new JUC with enhanced community facilities, including reprovisioning the sports centre at Site A under the concept of “Single Site, Multiple Use”. The proposed G/IC floor area is set to increase to approximately 33 times the current size. The DSP of SSP-018 was approved by CE-in-C in 2023, and an application to SDEV for resumption of the lot interest related to the electricity substation was submitted in 2024.

The works tender for the new JUC is expected to be awarded in the fourth quarter of 2025, following the approval of funding by the Finance Committee of the Legislative Council. Work completion is anticipated in 2030.

Development Areas 4 and 5 at Kwun Tong Town Centre (K7)

K7, covering a site area of 53,500 square metres, is the largest and most complex redevelopment project by the URA. Divided into five Development Areas (DAs) for phased implementation, the redevelopment of DA 1 at Yuet Wah Street (Park Metropolitan) was completed in October 2014. DAs 2 and 3, which comprise four residential towers (Grand Central), the Yue Man Square shopping mall and Hong Kong’s first public transport interchange with an indoor air-conditioned bus waiting area, were completed in April 2021.

After issuing tender invitations for DAs 4 and 5 in November 2022, the URA rejected the tender submission received in February 2023 due to unfavourable market conditions. To enhance the attractiveness of the joint venture (JV) tender and reinforce K7’s positioning as the “town centre”, the URA has incorporated the “vertical city” planning concept into the development of DAs 4 and 5 to repackage it from a purely commercial to a mixed-use development by introducing domestic use. To better accommodate fluctuating market conditions, the proposed development provides tenderers with the flexibility to adjust the development mix among residential and non-residential uses under the “Floating Planning Parameters” arrangement without needing additional planning approval.

Zoning amendments for DAs 4 and 5 were approved by CE-in-C in September 2024. To enhance market understanding of the project scope and planning agility, roadshows were staged for both local and overseas potential investors from April to December 2024. To expedite future redevelopment, advance works are underway, including underground utility (UU) diversions and tree removal.



Incorporating elements of residential, commercial, office and hotel under the “vertical city” planning concept, the mixed-use development will establish the Kwun Tong Town Centre Project as an iconic skyscraper in the Eastern Gateway of Hong Kong.

To further explore key elements that could enhance the project's value and development flexibility, such as relaxing GFAs for aboveground carpark levels, GFA split/counting of shared-use floors, allowing earlier phased completion and/or consent to sale, the URA has been liaising with the Development Projects Facilitation Office under the Development Bureau since the fourth quarter of 2024. This effort seeks clarification and support from relevant authorities, including the Buildings Department and the Lands Department in relation to the issues identified.

In June 2025, the URA and The Hong Kong University of Science and Technology (HKUST) signed a Memorandum of Understanding, establishing a co-operative intent and framework for the HKUST to expand its off-campus education and research space in the non-domestic portion of DAs 4 and 5 upon its completion. The co-operation underscores the competitive advantages of the "vertical city" development, which promises to integrate multiple functions, including commercial, residential, trading, tourism, education and research in the project. The collaboration also elevates urban renewal benefits, offering flexible spaces to support the development of various industries in Hong Kong.

During the interim development phase, the URA has obtained approvals for the temporary use of Government land in DAs 4 and 5 as a "Free Space" for the local community. Collaborating with the Kwun Tong District Office, local organisations, NGOs and local artists, the URA has launched over 50 events and activities since 2023 at the "Free Space" for public enjoyment. In December 2024, the URA hosted the "WINTER TRANSFORM" event featuring Christmas panda installations and festive lighting decorations in Kwun Tong, turning the area into a popular photography hotspot. These initiatives throughout the years have successfully attracted over 1.5 million visitors. In November 2024, the temporary playgrounds and sports facilities of "Free Space" were closed for advance site works.



During Christmas and New Year, the URA transforms the Kwun Tong Town Centre into a vibrant attraction with large-scale panda installations, making the "Free Space" a photography hotspot. The URA also partners with Government departments and community organisations to offer a variety of activities that attract visitors and enliven the district.



Queen's Road West/Kwai Heung Street Project (C&W-007) (synergising with Sung Hing Lane/Kwai Heung Street Project (C&W-005))

Commenced in December 2022, the C&W-007 Project involves the redevelopment of old buildings in poor conditions across 15 street numbers. Situated near the C&W-005 Project, the initiatives are poised to yield synergies and bring greater planning benefits for the community through the restructuring of land use, the reshaping of urban green areas and improved connectivity.

Through holistic restructuring of the two project sites, the existing Sung Hing Lane Children's Playground area will be expanded by more than 40 percent with improved access from major thoroughfares. Subject to approval from LCSD, the playground facilities will be upgraded to modern standards to better serve public needs.

Adopting an integrated approach to urban renewal, the URA will extend its efforts to improve the surrounding built environment with rehabilitation and revitalisation initiatives. A focus area adjacent to the two project sites has been identified. The URA will provide financial and technical assistance to the nearby building owners for rehabilitation. Additionally, the URA will carry out beautification works to streets, rear lanes and external walls of buildings, blending old and new elements to create a revitalised cityscape.

Authorisation from SDEV for the project was obtained in 2023. In May 2024, the Appeal Board dismissed an appeal against SDEV's decision to authorise the URA to proceed with the project. Judicial review application against the decision of the Appeal Board was dismissed by the Court in May 2025. Subject to the URA's financial and cash flow status, acquisition offers will be strategically arranged under a dynamic project management approach.

Nga Tsin Wai Village (K1)

K1 is being implemented as a redevelopment-and-preservation project to preserve the relics found in Nga Tsin Wai Village. A conservation park will be provided at the centre of the site to showcase the preserved archaeological elements. The land grant was executed by the URA and the Lands Department in 2023. The archaeological rescue excavation works commenced in 2023 and will be completed in the third quarter of 2025, with foundation works to follow.

Civil Servants' Co-operative Building Society (CBS) Projects

Two pilot projects to redevelop CBS buildings, namely Shing Tak Street/Ma Tau Chung Road Project (CBS-1:KC) and Kau Pui Lung Road/Chi Kiang Street Project (CBS-2:KC), were commenced in May 2020. Site clearance for CBS-1:KC was completed in March 2023 and the JV tender was awarded in December 2023. Demolition works were completed in March 2024 and the JV developer has taken over the site to commence the next phase of works.

For CBS-2:KC, the project will produce about 2,300 flats. Additionally, it will also provide at least 400 square metres of at-grade open space for public use, 2,400 square metres at-grade pedestrianised avenue, an underground public vehicle park, as well as G/IC facilities to serve the community. The project will be integrated with the adjoining Ma Tau Wai Road/Lok Shan Road Project (KC-020) for comprehensive planning and design to achieve greater planning and social benefits while enhancing development potential and value.

CBS-2:KC encompasses a total of 28 CBSs. When the URA commenced the Project, nine of these CBSs had yet to be dissolved. Through the provision of complimentary legal and administrative support by the URA, members of these nine CBSs have progressively completed the dissolution processes since July 2022, subsequently obtaining property titles for their flats and becoming property owners. The last ex-CBS member successfully completed the procedures in January 2025.

Acquisition offers to the property owners were issued in February 2025, with an acceptance rate of over 98 percent as of June 2025.

Responding to Redevelopment Request from Owners

Owners Opinion Survey

In 2021/22, a new approach to the Demand-led concept was explored under the Preliminary Project Feasibility Study for Sai Wan Ho through conducting an opinion survey with owners in the study area to solicit their views on urban renewal initiatives covering redevelopment, rehabilitation and retrofitting. The findings of the survey were used by the URA to guide the formulation of the Master Renewal Plan for the study area. A similar approach is also being undertaken in the District Studies for Sham Shui Po and Tsuen Wan, forming one of the modes of consultation in the study process. (More details about the two district studies as noted on page 31 under Sham Shui Po and Tsuen Wan District Studies.)

Facilitating Services Scheme

The Urban Renewal Strategy 2011 outlines the URA's role in assisting owners in assembling titles for commencing owner-initiated redevelopment. To this end, Urban Redevelopment Facilitating Services Company Limited (URFSL), a wholly-owned subsidiary of the URA, was set up to provide consultation services under the Facilitating Services Scheme.

The Joint Sale (JS) Services under the Scheme facilitates owners in collectively selling their properties to private developers for redevelopment. In 2024/25, three JS applications were received. Among them, two cases, each involving two adjacent buildings respectively in Mong Kok and Sham Shui Po, have been selected as facilitation projects. Information reports and briefings will be offered to owners of these projects to assess whether they can amass sufficient consensus to meet the JS thresholds and proceed further. The third application originating from a site in Wan Chai, was rejected.

In response to the amendment to the Land (Compulsory Sale for Redevelopment) Ordinance (the Ordinance) which fosters the redevelopment of aged and dilapidated buildings by private companies, the URA introduced enhanced measures to the JS Services in December 2024. To align with the reduced compulsory sale application thresholds under the Ordinance, the basic threshold requirement for JS Service applications has been reduced from 50 to 40 percent of the total undivided shares of a lot, in addition to lowering the "joint sale threshold requirement" for triggering the JS services. In the event of an unsuccessful JS tender or auction, applicants can request a second attempt within three months, provided that reasonable adjustments are made to the terms and conditions of the JS including the reserve price, and no known developer acquisition activity is underway. These enhancements aim to boost the likelihood of a successful JS and help the owners concerned to sell their properties jointly.

Additionally, URFSL provides facilitating services to members of undissolved CBSs affected by URA projects, assisting them in obtaining legal titles for their flats through the dissolution of CBSs. It also facilitates the redevelopment of under-utilised sites occupied by NGOs under the "Single Site, Multiple Use" model. (More elaboration as noted on page 47 under the Redevelopment of NGO Site Facilitation Scheme.)

Flat-for-Flat (FFF) Arrangement

Since its introduction in 2011, the FFF arrangement has been offered to affected owners in 32 redevelopment projects. Domestic owner-occupiers affected by these projects were offered an option to purchase in-situ FFF units within the respective redevelopment sites, in selected nearby URA development projects, or in Kai Tak Development, a completed URA self-developed residential project. As of June 2025, 67 owners have taken up the FFF offers, including 59 units in Kai Tak Development and eight in-situ units.

Policy Address Initiatives

Support Service Centre for Minority Owners under Compulsory Sale (SMOCS)

To speed up the redevelopment of old and dilapidated buildings by private sectors, the Government introduced a bill to amend the Land (Compulsory Sale for Redevelopment) Ordinance to the Legislative Council in December 2023, which was passed and such amendment took effect in December 2024.

Incorporated in June 2024, SMOCS, a wholly-owned subsidiary of the URA, acts as the executive arm of the Dedicated Office of Support Services for Minority Owners under Compulsory Sale (DOSS) under the Development Bureau, providing one-stop support services to minority owners facing compulsory sale applications. Apart from educational programmes, SMOCS also offers subsidised mediation, independent property valuation reports at a concessionary cost, and referrals to legal professionals, counselling services and relocation assistance.



強拍條例小業主支援中心
Support Service Centre for
Minority Owners under Compulsory Sale

Since commencing operations in August 2024, SMOCS has handled 484 telephone inquiries and six written inquiries, organised three SMOCS service briefings, and conducted two pro-bono legal service sessions. Additionally, SMOCS co-organised four educational talks with DOSS and NGOs, both at the district and territory-wide levels. In one of the four applications for compulsory sales, a minority owner reached a settlement with the applicant through mediation, facilitated by the property valuation report provided by SMOCS. The SMOCS webpage has garnered over 30,000 views.



Since its inception, SMOCS has organised service briefings for community members and stakeholders, alongside other educational talks at both district and territory-wide levels to enhance public understanding of its services.

Provision of Starter Homes (SH)

The 2020 Policy Address entrusted the URA with a new mission to actively provide more SH units in its redevelopment projects, following the success of eResidence Towers 1 and 2. In response, the URA designated a project at Chun Tin Street/ Sung Chi Street as eResidence Tower 3. Of the 260 SH units of eResidence Tower 3, 173 (67 percent of the units) were sold at discounted prices to eligible first-time home buyers in March 2024. The URA will roll out the remaining units later after seeking approval from the URA Board and discussing with the Government on the sales arrangements.

In collaboration with the Hong Kong Settlers Housing Corporation Limited (HKSHCL), the URA will provide another 2,000 units in the redevelopment of Tai Hang Sai Estate.



Artist Impression



Artist Impression of eResidence
Tower 3

Redevelopment of Tai Hang Sai Estate (THSE)

Following the Chief Executive's 2020 Policy Address, the HKSHCL and the URA signed the Memorandum of Understanding in March 2021 to take forward the redevelopment of THSE. In September 2021, the Government approved the joint redevelopment proposal of HKSHCL and the URA on the condition that the HKSHCL provides proper rehousing arrangements for existing tenants. The redevelopment of THSE is being implemented in two portions, namely Sites 1 and 2, which will respectively provide rehousing units for the existing residents by HKSHCL and SH units to be disposed of by the URA. The URA and the HKSHCL signed the Project Implementation Agreement in May 2023.

In mid-2023, the HKSHCL issued rehousing/compensation offers to existing THSE tenants. As of June 2025, 98 percent of the tenants have moved out. Site clearance is underway. Meanwhile, the URA continued to take forward the preparation of the project, and in May 2025 accepted the Provisional Basic Terms Offer of the land grant of Site 2 issued by the Lands Department. In July 2025, the HKSHCL also accepted the Provisional Basic Terms Offer of the land grant of Site 1. The THSE project will take approximately five years to complete after demolition.




(Left) The planning of the THSE Redevelopment (extracted from the approved Master Layout Plan)

(Right) Enhanced community facilities and larger public open space will be provided upon the redevelopment of THSE.

Redevelopment of NGO Site Facilitation Scheme

In response to the Government's 2019 Policy Address, the Redevelopment of NGO Site Facilitation Scheme was launched under the "Single Site, Multiple Use" model to assist NGOs in optimising their under-utilised sites. The URA offers facilitation services to interested NGOs to facilitate the redevelopment of their under-utilised sites, with a view to modernising their existing NGO facilities and maximising the sites' development potential by incorporating additional floor area that could be designated for G/IC, residential, and/or commercial use.

Between 2021 and June 2025, 29 NGOs inquired about the Facilitation Scheme and five applications were received. Following assessments, four applications were not pursued due to ineligibility or infeasibility. Currently, one application site in Yau Ma Tei is undergoing various assessments.



With the support of the URA, Cheong Ling Mansion is undergoing multiple building rehabilitation works under Operation Building Bright 2.0 and Fire Safety Improvement Works Subsidy Scheme. These efforts have not only strengthened the building's structure but also motivated the owners to enhance the exterior walls with a "forest design" mural, bringing new vibrancy to the entire area.

REHABILITATION AND RETROFITTING

Hong Kong faces the growing challenge of ageing buildings. To slow down urban decay, timely and proper building rehabilitation has become increasingly important. Over the years, while assisting the Government in implementing various subsidy schemes to facilitate building upkeep, the URA has also provided property owners with technical assistance to support maintenance and repair works.

In 2024/25, the URA introduced new measures, including streamlining the processes related to the third round of Operation Building Bright 2.0 to help property owners organise the relevant works more efficiently. Separately, the URA launched the self-funded Preventive Maintenance Subsidy Scheme, which includes publishing guidelines and templates for preparing maintenance manuals aimed at encouraging and assisting owners to develop regular maintenance and financial plans to extend their buildings' service life.



Maintaining buildings in good condition is a long and challenging journey, in a manner similar to a relay race that requires not only perseverance but also the concerted efforts of all.

Building Rehabilitation Subsidy Schemes

As the primary agent in promoting building rehabilitation in Hong Kong, the URA aims to slow down the pace of urban decay, extend building life and alleviate imminent need for redevelopment. These efforts are made through the administration of various building rehabilitation schemes promulgated by the Government or initiated by the URA to provide financial assistance, technical advice and co-ordination services to Owners' Corporations (OCs) of aged buildings.

Government Subsidies

The URA has been entrusted by the Government to administer five subsidy schemes to support building owners in conducting maintenance and repairs, namely Operation Building Bright 2.0 (OBB 2.0), Building Drainage System Repair Subsidy Scheme (DRS), Fire Safety Improvement Works Subsidy Scheme (FSWS), Lift Modernisation Subsidy Scheme (LIMSS) and Building Maintenance Grant Scheme for Needy Owners (BMGSNO). Over the years, the URA has been the sole organisation to manage a public rehabilitation fund totalling HK\$19 billion.

The third round of OBB 2.0 and FSWS were launched in 2023, attracting positive responses. OBB 2.0 received 1,245 eligible applications, while FSWS received 1,303. Following initial eligibility checks and prioritisation assessments, the URA has begun issuing Approval-in-Principle (AIP) letters to eligible applicants starting from May 2024. By June 2025, 608 AIP letters have been issued to OBB 2.0 applicants and 557 to FSWS applicants. All AIP letters are scheduled to be granted to eligible applicants by September 2026.

Following a comprehensive review of the OBB 2.0 workflow, several measures have been introduced to expedite building maintenance. These include compiling a pre-qualification list of consultants and contractors for owners and OCs, and developing a schedule to monitor progress across the three stages of rehabilitation under OBB 2.0. If owners or OCs fail to meet the set deadlines in their progress schedules, the URA will initiate the tendering process on their behalf to appoint consultants and contractors. In managing the various subsidy schemes, the URA has continuously reviewed and streamlined its processes, enabling the implementation of a new operational structure to enhance efficiency while shortening the application time.

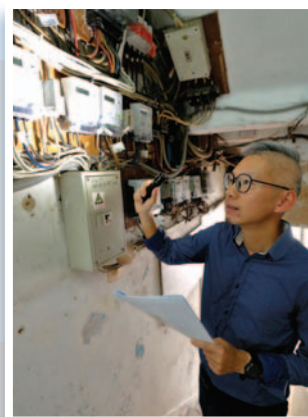


The URA staff explains various building rehabilitation subsidy schemes to property owners and addresses their queries to facilitate the application.

"After suffering from knee strain and muscle pulls, I had to rest and undergo rehabilitation training. During my recovery, it felt akin to rehabilitating a dilapidated building. Through preventative exercises, I hope to maintain my fitness and avoid further injury — just as regular preventive maintenance on a building helps reduce damage and slow down ageing."

Edmond Lee
Senior Officer, Building Rehabilitation

As a member of the case team in the Building Rehabilitation Division, Edmond dedicates his efforts to supporting building owners by offering professional advice and much-needed assistance in organising maintenance works under various building rehabilitation subsidy schemes.



OPERATING REVIEW

During building rehabilitation, the URA takes the special needs of individual residents as a priority, ensuring minimal disruption from the lift works. Under LIMSS, residents, especially the elderly and those with disabilities, may face mobility challenges during lift modernisation in buildings with only one lift or a single lift serving a floor. To address this issue, the URA has partnered with NGOs to provide outreach social services, such as stair-climber services, meal and grocery deliveries, and temporary accommodation for residents with special needs. In notable instances, the URA collaborated with an NGO to specially arrange stair-climber transport for patients' access to a Day Dialysis Centre during lift suspension, and arranged temporary accommodation for a family with a child with cerebral palsy during lift modernisation works to ensure smooth school attendance. Launched in 2022, these services have been well-received, with over 50 commendation letters from appreciative residents.



During lift modernisation works, the URA arranges temporary accommodation for a family with a child with cerebral palsy to ensure uninterrupted schooling.

The URA-funded Subsidies

The URA funds and manages its subsidy schemes to supplement the Government initiatives, covering rehabilitation work items beyond the scope of existing Government programmes.

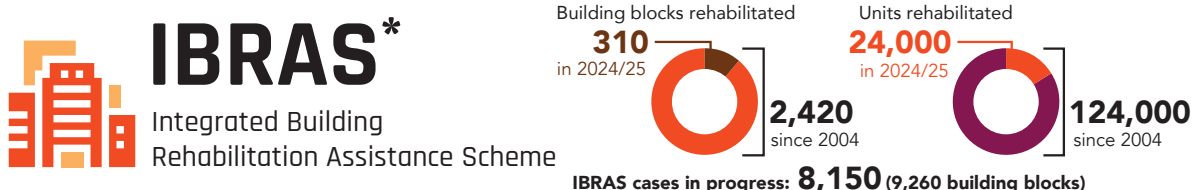
Since 2011, the URA has operated the self-financing “Common Area Repair Works Subsidy”, which is designed to encourage non-owner occupiers to engage in rehabilitation efforts. The scheme offers a maximum subsidy of HK\$1.8 million per application. By 30 June 2025, 3,364 valid applications have been received, among which 2,817 applications had their AIP letters issued.

In April 2024, the URA launched the Preventive Maintenance Subsidy Scheme (PMSS) to encourage owners to perform preventive maintenance, with nine applications receiving AIPs by 30 June 2025. (More details about PMSS as noted on page 33 under New Initiatives to Encourage Preventive Maintenance.)

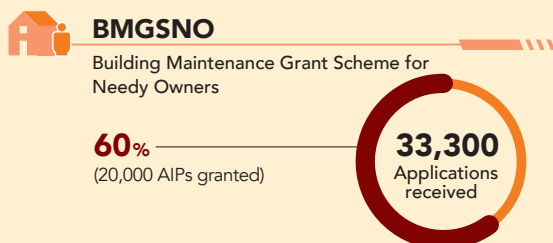
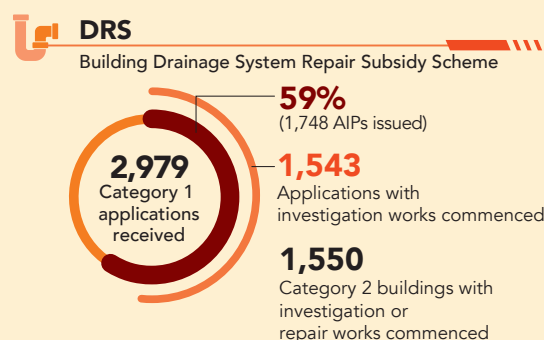
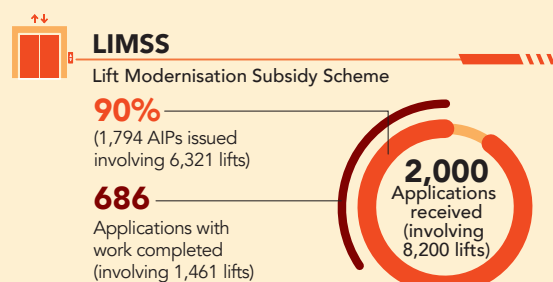
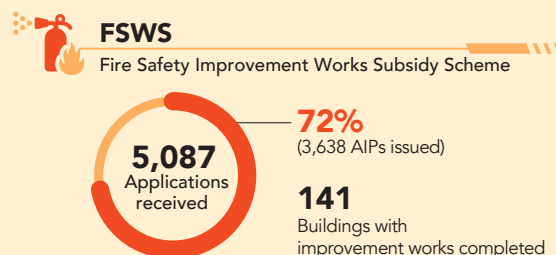
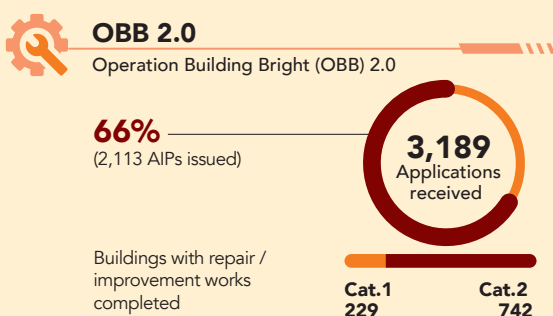


Chi Fu Fa Yuen, which comprises over 4,300 residential units, is the first applicant among the nine PMSS cases that have received AIPs.

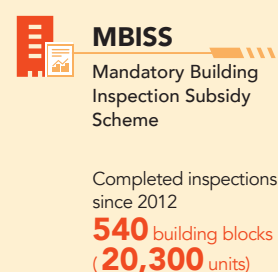
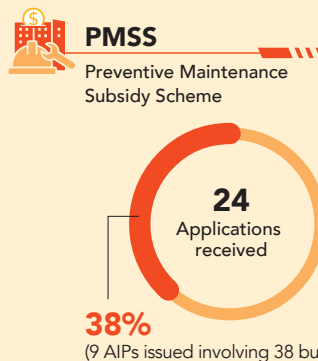
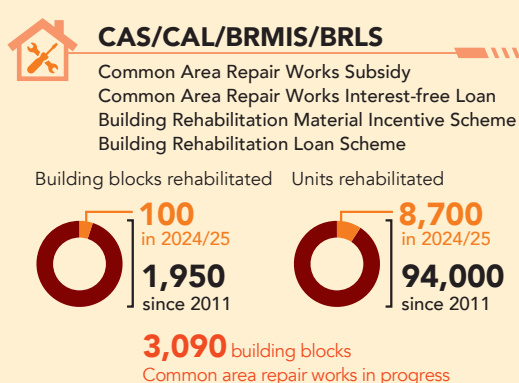
Progress of Various Building Rehabilitation Subsidy Schemes (up to 30 June 2025)



Managing Government-funded Subsidies



Funding and Managing the URA's Own Subsidy Schemes



* Major schemes under IBRAS include: Operation Building Bright 2.0 (OBB2.0), Fire Safety Improvement Works Subsidy Scheme (FSWS), Building Drainage System Repair Subsidy Scheme (DRS), Common Area Repair Works Subsidy (CAS), Common Area Repair Works Interest-free Loan (CAL), Building Rehabilitation Material Incentive Scheme (BRMIS), Building Rehabilitation Loan Scheme (BRLS).

Equipping Owners with Professional Assistance and Technical Knowledge

Smart Tender Building Rehabilitation Facilitating Services Scheme (Smart Tender) and E-Tendering Platform

Launched in 2016, Smart Tender enables building owners to invite tenders for consultancy services and works contracts on an innovative online platform with the aim of minimising the risks of collusion and corruption that have long been associated with building rehabilitation works. Smart Tender also covers a suite of independent and professional services during the procurement process, which include rendering pre-tender estimates and tender collection services to OCs, as well as offering a Certified Public Accountant to administer and record the entire tender opening process. Additionally, owners have the option to participate remotely via the internet. A nominal fee is charged for using the Smart Tender service. As of June 2025, around 4,400 valid applications for the use of Smart Tender were received, among which 443,000 units have benefitted from the services.

Apart from Smart Tender, the URA also launched the free-of-charge Open E-Tendering platform in 2021 to enable OCs and/or Deeds of Mutual Covenant managers to invite tenders online without joining the URA's building rehabilitation schemes.

Over the years, the tenderers' list has expanded beyond Registered General Building Contractors to include other industry parties, such as Consultants, Registered Fire Service Installation Contractors and Registered Lift Contractors, to address the needs of different subsidy schemes.

To facilitate the procurement process for the third round of OBB 2.0, which involves adopting the Prequalification Lists for both consultants and contractors, the URA has, since April 2025, accepted online applications and expressions of interest for joining the Prequalified List and conducted quarterly assessment. By the end of June 2025, there are 61 prequalified consultants and 92 prequalified contractors in the lists.

Building Rehabilitation Company Registration Scheme (BRCRS)

Launched in 2021 and gradually rolled out in phases, BRCRS has received an overwhelming responses, with around 100 companies registered and more than 100 applications being processed. The scheme includes distinct databases of consultants and contractors qualified to offer building rehabilitation services or execute rehabilitation projects.

Consultants and contractors must apply to be listed in the database. Evaluations of their companies' management systems, conducted by the Hong Kong Quality Assurance Agency, are displayed in the database. Databases for Authorised Persons/Registered Inspectors and Registered General Building Contractors were released in 2022, while those for Registered Minor Works Contractors (Class I) and Registered Fire Service Installation Contractors (Classes 1 and 2) were launched in March 2025.

The Building Rehabilitation Company Registration Scheme aims to establish distinct databases of service providers qualified to offer building rehabilitation services, and provides a one-stop online registration and service search platform to assist owners in organising building rehabilitation.



Promotion Initiatives for Building Rehabilitation

Building Rehabilitation Platform (BRP)

Launched in 2019, the BRP at "www.brplatform.org.hk" serves as a comprehensive information hub for supporting building rehabilitation efforts. Since its inception, the platform has amassed over 2.3 million hits, reflecting its widespread usefulness and popularity. It provides building owners and stakeholders with extensive information and support services, including a guidebook on the rehabilitation process, over 70 tutorial videos in three languages, and 18 sets of sample tender documents to facilitate the procurement of consultants and contractors.

The URA published the Building Rehabilitation Guidebook in 2019 to help building owners understand the procedures for undertaking building rehabilitation projects. To align with the latest regulations and best practices, the Guidebook is currently being updated to include more practical case studies and insights from owners, property management companies, the Independent Commission Against Corruption and the Competition Commission. The revised version is planned for release in 2026.

The BRP also features a cost reference centre, which offers past project costs from buildings rehabilitated under the subsidy schemes, along with reference unit rates for 25 typical work items in building rehabilitation projects. This allows building owners and other stakeholders to gain a preliminary understanding of rehabilitation cost information.

In pursuit of continuous improvement, an online survey was conducted to gather feedback from individual users, receiving 6,000 responses. The results will be analysed to lay the groundwork for the BRP website revamp. The updated website will feature enhanced search functionalities and tools, streamlining navigation and making it easier for readers to locate the information they need. The revamped website is targeted to launch in 2026.

Building Rehabilitation Resource Centre (BRRC)

Located at the eResidence in Hung Hom, BRRC provides one-stop information and assistance for building rehabilitation through multimedia displays and digital technology. In addition to offering video consultations for subsidy scheme applications, BRRC provides spaces for the mediation of disputes related to building rehabilitation. By June 2025, the centre has received over 30,000 visitors since opening.

Retrofitting Project

Ex-Mong Kok Market Building (Ex-MKM)

The URA initiated the retrofitting of Ex-MKM into an interim District Health Centre (DHC) to be managed by the Health Bureau. Following renovation and interior fitting-out works, the building was handed over to the Health Bureau in June 2025. The interim DHC is expected to remain operational until the completion of the permanent DHC located at the Joint-user Government Complex planned under the Sai Yee Street/Flower Market Road Project (YTM-013).



Following the renovation of Ex-Mong Kok Market Building, the original brick-stall configuration (above) has been transformed into a spacious reception and waiting area of the interim District Health Centre (left).



PRESERVATION AND REVITALISATION

The URA prioritises the sustainable development of older districts.



Apart from redevelopment, the URA preserves and rehabilitates structures of historical, cultural, or architectural significance. Additionally, we are dedicated to revitalising communities by enhancing local character and strengthening networks, aiming to create vibrant urban environments and stimulate the economy, thereby fostering community-led, sustainable renewal.

Over the past year, we launched tailored place-making and community making initiatives to invigorate neighbourhoods undergoing urban renewal. We organised the “City Walk” programme to encourage locals and tourists to appreciate the distinctive character of the Central and Western District. During holiday seasons, large-scale festive installations were set up in the heart of Kwun Tong Town Centre and the Flower Market, attracting crowds and creating vibrant, lively atmospheres.

Complementing these efforts, the URA has pioneered the Staunton Street/Shing Wong Street Project, which systematically integrates community making principles by combining the human element of urban renewal and community development, empowering residents and organisations to collaboratively realise their aspirations, strengthen partnerships and social bonding to build a sustainable neighbourhood.

Community Making at Staunton Street/Shing Wong Street Neighbourhood (With 88-90 Staunton Street as Grade II Historic Building)

To promote sustainable community development, the URA is committed to regenerating the Staunton Street/Shing Wong Street neighbourhood through preservation and revitalisation strategies, while fostering and empowering community engagement to establish a sustainable pilot model of "Community making driven by the community".



Several initiatives have been implemented to foster a sense of belonging and promote community-led regeneration. These include members of the neighbourhood taking care of the community farm (above), workshops held in the Common Room (top right), and the Tong Lau Experience (bottom right).

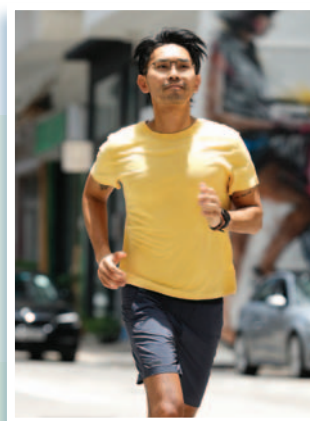
After completing revitalisation works on buildings acquired by the URA in the neighbourhood and appointing a co-living operator in late 2023, 38 domestic units in the revitalised buildings were adapted into co-living spaces called "Habyt Bridges", which opened in May 2024. Community making initiatives including community farms, workshops at the common room and the operation of "Tong Lau Experience" continue to encourage participation among both old and new community members.

Concurrently, the URA is actively promoting rehabilitation works and artists' murals to improve the environment and create more synergy with the neighbourhood.

"Much like the 'Run Together' team event, where success relies on the collective effort of all team members, community making requires stakeholders' involvement and stronger community ties to co-create a people-first neighbourhood and community spaces."

Choi Ka Ho Manager, Property & Land

Ka Ho and his team actively foster community engagement and connections through place-making initiatives such as the "City Walk", as well as community making for the Peel Street/Graham Street Project (H18) and the Staunton Street/Shing Wong Street Project (H19), thereby enhancing the socio-economic vibrancy of the neighbourhood.



OPERATING REVIEW

In recognition of its outstanding performance in heritage preservation and revitalisation, the project was awarded several accolades for its planning, design and conservation merits in 2024/25.



Awards and Recognitions of Staunton Street/Shing Wong Street Revitalisation Project

The Hong Kong Institute of Architects Special Awards 2024	Winner — Heritage & Adaptive Re-use
Quality Building Award 2024	Grand Award — Hong Kong Building (Renovation/Revitalisation)
The Hong Kong Institute of Planners Awards 2023	Silver Award
The Greater Bay Area Urban Design Award 2024	Grand Award for the Professional Category (Completed Project — Urban Intervention)
Royal Institution of Chartered Surveyors Awards 2024 (Hong Kong)	Winner — Refurbishment/Revitalisation Team of the Year
Hong Kong Institute of Architectural Conservationists Conservation Awards	Special Mention (Adaptive Reuse Category)

Central Market (Grade III Historic Building)

Since its official opening in April 2022, Central Market has been transformed into a dynamic community hub and popular tourist landmark. It now fosters community engagement, cultural heritage and innovation through a wide array of events and activities, attracting over 57 million visitors. In 2024/25, more than 400 events and workshops were held. In recognition of its exceptional contribution to creating a sustainable built environment, the project received the Merit award in the Pre-construction Category of the Hong Kong Institute of Surveyors Awards 2024.



The revitalised Central Market, which hosts a variety of community and cultural events, has become a “Playground for All” within the bustling city.

Western Market (Declared Monument)

In 2021, the Government granted the URA a 5-year "hold-over" of the land lease to facilitate repair and renovation works of Western Market. To prepare for the revitalisation of Western Market, a consultant was appointed in 2023 to carry out a comprehensive condition survey of the building and develop conservation proposals for consultation with the Antiquities and Monuments Office. Repair and renovation works are anticipated to begin towards the end of 2025.

M7 (Grade II Historic Buildings)

Situated at Mallory Street, Wan Chai, M7 is a place where "Culture Meets Community". This preserved heritage site continues to promote artistic and cultural discovery, fostering inter-generational exchanges, whilst enhancing the local community network. In May 2024, the Museum of Hong Kong Literature opened at M7, debuting with the exhibition titled "Seek Richness of Literature amidst Flowers". The museum regularly hosts exhibitions and workshops, attracting literary enthusiasts.



The Museum of Hong Kong Literature at M7 organises exhibitions, workshops and docent tours to promote Hong Kong literature to the public.

618 Shanghai Street (Grade II Historic Buildings)

Opened in November 2019, 618 Shanghai Street is a heritage and cultural destination promoting community, innovation and creativity. Shops have been leased to restaurants and retail operators, aiming to accentuate the unique historical character of the area while serving local community needs. Cultural activities and market programmes, including 123 events during the year featuring weekend markets, exhibitions and workshops, were proven particularly successful in engaging the younger generation.



Brimming with exhibitions and performances, 618 Shanghai Street has become a favourite spot for the younger generation with a passion for arts and culture.

"City Walk" Programme



The "City Walk — Touring Central with Locals" programme aims to strengthen the connection between urban renewal and place-making initiatives in the Central and Western District, highlighting the area's unique historical and local characteristics. By collaborating with diverse stakeholders, the URA seeks to rejuvenate the district's business environment and neighbourhoods, encouraging both local and overseas visitors to explore its rich historical, architectural and cultural heritage. Between November 2024 and January 2025, more than 60 free tours were conducted under the programme, with volunteer local docents providing first-hand verbal recollections of the area's evolution and past local life to over 600 participants.

To capitalise on the popular trend of city walking among both local and overseas tourists, the URA has developed a "Touring Central with Locals" map available for public download. This map vividly illustrates attractions, locations, and themed tour routes, enabling residents and visitors to explore and experience the area's charm beyond docent-led tours. The programme has also attracted tourists from various backgrounds, including those from the mainland, who have shared numerous travel notes on the popular social media platform Xiaohongshu, recommending the "City Walk" attractions and travel routes. Retailers in the area, such as those selling traditional Hong Kong snacks and sauces, benefitted from an increase in foot traffic and business, as some participants purchased their products during the tours.



Local volunteers lead docent tours, sharing vivid memories of past local life and the transformation of the Central and Sheung Wan with visitors.

To boost the local economy, the Hong Kong Small and Medium Enterprises Association (HKSMEA) leveraged on the "Touring Central with Locals" map and initiated the "Backstreet Alliance" programme in Central and Sheung Wan area, attracting participation from over 35 merchants in the area who offered promotion and discounts to stimulate spending from residents and visitors.



The public can download the "Touring Central with Locals" map to explore the rich history and cultural heritage, architectural features, and human landscape of the Central and Western District.

Place-making Initiatives

As part of its efforts to draw both residents and tourists to heritage hotspots, the URA has introduced a series of augmented reality (AR) public art installations, known as "ARTech", at historical locations in the Central and Western District. These innovative installations have drawn over 4,200 visits to the AR "check-in" spots, offering visitors an engaging exploration of the district's rich cultural heritage.

By scanning QR codes at designated sites with their mobile phones, visitors can experience fantastical scenes infused with historical elements. For example, they could see images of old newspaper headlines adorning the tenement building at 88-90 Staunton Street or giant Graham Cat greeting them from the wall of Graham Street Market, the "custodian" of the decade-old open-air wet market.

The "ARTech" attractions not only captivate visitors but also educate them about the illustrious history of the printing industry, blending technology with cultural storytelling to create memorable experiences.



By scanning QR codes at designated ARTech locations, the public can use their mobile devices to view engaging scenes combining cultural heritage and imagination through augmented reality, enjoying a new experience in historical and cultural exploration.

CORPORATE SUSTAINABILITY

Sustainability and Environmental, Social and Governance (ESG) principles are integrated into the URA's core businesses and daily operations, including Redevelopment, Rehabilitation, Preservation, Revitalisation and Retrofitting.

Just as the URA runners warm up and stretch before running to increase their endurance and prevent injuries, the URA applies agile ESG strategies to advance sustainable urban renewal — a forward-looking approach which enables the organisation to go further and achieve greater milestones.

This year, the URA is delighted to present its second Sustainability Report, which outlines the key achievements and progress made in sustainability across all aspects of the URA's operations and business areas. They reflect our deep commitment to ESG in the urban renewal journey.

The Report continued to follow Global Reporting Initiative (GRI) Standards, which are a comprehensive and internationally recognised framework for sustainability disclosure. In line with these standards, we have conducted a materiality assessment to identify and prioritise the sustainability topics most relevant to our operations and businesses. The insights we gained guided the structure and focus areas of this report.

A significant achievement this year will be the completion of the URA's carbon neutrality study. It lays a critical foundation for the URA's carbon reduction roadmap and guides our strategic planning for climate action. Based on the study, the URA has set clear carbon reduction targets for the short, medium and long term, establishing a framework for measurable progress in the years ahead.

For the future, the URA has established a clear strategy to achieve its carbon reduction targets for its operations and core businesses. Sustainability considerations are incorporated into our daily operations, community engagement and the entire project lifecycle, from project planning and design to construction. We will also continue to drive positive environmental and social impact through innovation, collaboration and responsible governance, reinforcing our commitment to sustainable urban renewal in Hong Kong.





SUSTAINABILITY PERFORMANCE HIGHLIGHTS

(Cumulative figures are up to 30 June 2025,
and the annual figures for 2024/25 are as at 31 March 2025)



ECONOMY

4,100 m²

Spaces rented to NGOs and Social Enterprises in the URA properties at concessionary rates

630 buildings

Using green products in rehabilitation via the Green Item Subsidy since 2016

~1,270 applications

Completed or ongoing for lift improvement works under the Government's Lift Modernisation Subsidy Scheme by March 2025



ENVIRONMENT

40 projects

Attained final BEAM / BEAM Plus Rating for sustainable building design

40 tonnes

Food waste collected from Yue Man Square and eResidence Shopping Arcade in 2024/25

~70 tonnes of paper

~550 kg of metal

~2,560 kg of plastic

~3,920 kg of glass

Recyclables collected at Central Market, Yue Man Square and 618 Shanghai Street in 2024/25



PROCESS

100 %

Percentage of the URA staff completing introductory talks on the Prevention of Bribery Ordinance in 2024/25

97 %

Percentage of homeowner-occupiers affected by the URA's redevelopment projects accepting acquisition offers in 2024/25

423 tenants

Affected by the URA's redevelopment projects rehoused to public housing or the URA's rehousing blocks in 2024/25



SOCIETY

9,080
households

Benefitted from various community programmes to repair or improve home environment

716,000
participants and visitors

Engaged in programmes supported by the "Arts and Cultural Partnership Programme in Old Urban Districts" since 2011

2,100 visitors

From school groups and community organisations visited our Urban Renewal Exploration Centre in 2024/25

3,480

People benefitted from Community Service Partnership Scheme

18,429

Volunteering hours attained



PEOPLE

~110
training sessions

Offered to employees in 2024/25

~23
training hours

Average training hours per employee in 2024/25

25
summer interns

Enrolment in the URA's Summer Internship Programme in 2024/25

The URA Sustainability Report 2024-25



Scan to read



A smiling couple in the foreground, with a city skyline in the background. The woman is wearing a blue t-shirt and the man is wearing a white t-shirt. They are both looking towards the right. The background shows a dense urban landscape with tall buildings under a clear sky.

MANAGEMENT DISCUSSION AND ANALYSIS

Amid global and local economic uncertainties, the URA is pursuing a resilient and agile strategy to meet Hong Kong's urban regeneration needs. Its adaptable approach includes adjusting project timelines, securing additional funding, and enhancing the appeal of development tenders to manage market fluctuations and maintain renewal progress.

This demands continuous review of urban renewal outcomes, monitoring of market trends, and strategic deliberation on future strategies — much like a co-ordinated team of runners analysing performance and refining tactics before advancing to the next challenge.

The URA actively seeks opportunities to restructure and replan land to optimise efficiency and maximise development potential in densely built-up districts. Initiatives such as Plot Ratio Transfers and the "Single Site, Multiple Use" model facilitate large-scale projects that deliver broader community benefits. The URA also prioritises projects that require relatively modest property acquisition but offer significant environmental improvements, thereby addressing financial challenges in an unpredictable market.

Urban decay cannot be tackled by the URA alone. Sustainable renewal hinges on collaboration with various stakeholders and the active participation of the private sector. To this end, the implementation of new planning tools, studies on building concessions, support for minority owners facing compulsory sale as well as enhancements to the Facilitating Services Scheme are measures designed to incentivise private engagement in renewal and redevelopment efforts.

To ease redevelopment pressures and bridge the gap between the pace of redevelopment and the ageing of buildings, the URA continues to promote rehabilitation and preventive maintenance among owners. It is also preparing to launch the New Strategy on Building Rehabilitation 2.0 Study, which aims to introduce innovative initiatives and forward-looking solutions to advance building rehabilitation.

With recent Government grants of two sites to enhance the URA's resources, combined with renewal opportunities from Sham Shui Po and Tsuen Wan District Studies, and importantly, strong public support and community collaboration, the URA is well-positioned to continue advancing sustainable urban renewal efforts to support Hong Kong's future needs.

Challenges

Global and Local Economy Clouded by Immense Uncertainties

Hong Kong's economy and property market experienced continued consolidation amid prevailing economic uncertainties, manifesting fluctuating trends throughout 2024/25. The cancellation of all demand-side management measures in February 2024, which aimed at removing cooling initiatives, and the Hong Kong Monetary Authority's announcement to relax the maximum loan-to-value ratio were efforts to stimulate the market. However, the residential property sector continued its decline, burdened by a high-interest-rate environment. A modest rebound was observed when the U.S. began cutting interest rates in September 2024.

As of June 2025, the supply of private flats for sale in the next three to four years, including unsold completed units and units under construction, stood at a high level of 91,000 units. Developers, confronted with high financial costs, have been compelled to adopt aggressive pricing strategies to manage excessive inventory. As a result, flat prices witnessed further declines despite an increase in property transactions over the past year, reflecting the challenging landscape within the property market. According to the Rating and Valuation Department, the private residential property price index weakened by 5.9 percent in 2024, marking the third consecutive annual decline. Prices have declined by nearly 28 percent from their peak in 2021.

Looking ahead, we must remain cautious about the downside risks in the global economy, exacerbated by escalating trade protectionism and geopolitical conflicts. The increased tariffs imposed by the United States, combined with the new administration's inclination towards expansionary fiscal policies, are anticipated to heighten local inflationary pressure, potentially slowing the pace of interest rate cuts. Prolonged international trade disputes could lead to increased volatility, reduced trade volumes, and dampened investment and economic activities among major international economies. Continued global market volatility may slow down the global economy. If the high-interest environment persists, capital flows could be affected, causing financial market volatility and undermining confidence in the global economic outlook, ultimately impacting Hong Kong's economy.

The Challenge of Maintaining Financial Sustainability

With a weakened residential sales market, excessive inventory and high investment costs, private developers have adopted a more conservative approach in bidding and pricing for new development sites. The anticipated abundant land supply in the Northern Metropolis, alongside land sales with sites in other districts from sources such as the Government, MTR Corporation, and the West Kowloon Cultural District Authority, is expected to lead to resource competition and may affect developers' interest in bidding for the URA's joint venture (JV) projects.

Amid an uncertain market outlook, the URA's tendering projects have also felt the impact. In October 2024, the URA decided not to award the tender for the Kai Tak Road/Sa Po Road Project (KC-015) as the only tender submission received was non-conforming, while the tendering plan for Development Areas 4 and 5 of the Kwun Tong Town Centre Project (K7) will be suitably arranged once market sentiment improves.

Meanwhile, the decline in property prices has resulted in a significant drop in land value. The less-than-expected revenue return from the tendering of development projects has adversely affected the URA's cash flow and financial position, putting its financial sustainability under pressure.

Subject to the availability of funding, in the financial year 2025/26 and the subsequent year, the URA will commence acquisition offers for five commenced projects. Combined with other ongoing projects initiated in previous years and the redevelopment of Tai Hang Sai Estate, the total expenditure over the next five years for the implementation of all projects included in the latest Corporate Plan is projected to reach around HK\$46 billion. While cash flow has been strengthened through the issuance of HK\$12 billion in public bonds and securing HK\$13 billion in bank loan facilities, the URA cautiously manages its existing funds and financing exercises to ensure financial prudence and stability. Project acquisitions must be carefully managed to avoid potentially costly investments and over-commitment, as such decisions could significantly impact the returns on future projects and the URA's financial position.

On the other hand, the "Seven-Year-Rule" continues to impose a significant financial burden on the URA's redevelopment projects. This rule dictates substantial acquisition costs for owner-occupied domestic properties, calculated based on the value of a notional seven-year-old replacement flat situated in the same locality. The combined forces of a downward market trend and the "Seven-Year-Rule" inevitably put the sustainability of urban renewal work under pressure, as the revenue generated from projects is insufficient to cover the acquisition costs.

The Struggle Between Adapting to Market Fluctuations and Fulfilling Its Operational Mandate

In recent years, the URA has been transitioning from a "project-based" to a "district-based" and "planning-led" approach for redevelopment in order to scale up projects and keep pace with urban decay. This transition has resulted in a larger volume of cash outlay for acquisitions, given the greater number of property interests and residents involved. The increased complexity of the projects has also lengthened the time required for acquisition, rehousing and decanting, while increasing the risks associated with property market fluctuations.

The URA undertakes redevelopment projects primarily to fulfil its statutory purposes of improving the standard of housing, the built environment of Hong Kong and the layout of built-up areas, rather than seeking investment returns like private developers. The URA's redevelopment projects consistently include non-profit generating elements, such as public car parks, public open spaces, and Government, Institution or Community (G/IC) facilities, to meet societal needs and enhance the urban environment. These non-profit generating elements may impact the financial viability of the projects due to additional construction costs and time. Furthermore, once planning approval for a redevelopment project is obtained, it becomes considerably difficult for the URA to reduce or adjust the non-profit generating features of the project.

The URA's implementation of redevelopment projects is governed by the Urban Renewal Authority Ordinance (URAO) and the Urban Renewal Strategy (URS). It lacks the flexibility available to private developers, who can more easily adjust their strategies in response to property market changes. Unlike private developers, who can autonomously decide whether to commence, continue, or halt the acquisition of property interests during the site assembly process based on market conditions, the URA, as a statutory body charged with arresting urban decay, is obligated to commence acquisition promptly after the authorisation of a development project by the Secretary for Development or the approval of a development scheme plan by the Chief Executive in Council, subject to the availability of funding.

Additionally, the URA must conduct acquisitions in a transparent manner to eliminate any perceived differential treatments or inequalities. Consequently, the URA is required to make acquisition offers for all interests in a redevelopment project simultaneously on the same date, which entails substantial financial commitments. Furthermore, the URA must complete the initiated acquisition in a timely manner regardless of market conditions, in order to maintain the momentum of urban renewal.

MANAGEMENT DISCUSSION AND ANALYSIS

Difficulties in Catching Up with the Pace of Urban Decay

Presently, Hong Kong is home to approximately 13,000 residential and composite buildings aged 50 years or more, representing around 30 percent of the overall number in Hong Kong territory. This figure is anticipated to soar to around 65 percent, reaching 26,000 buildings by 2046. Although buildings in Hong Kong are predominantly constructed from reinforced concrete, designed to last 50 years or more, many structures under 50 years old are rapidly falling into disrepair, particularly those with poor management. These deteriorating conditions pose serious safety risks to both the residents and the general public.

The root causes of this accelerated building decay include a lack of awareness and commitment to building management and maintenance among property owners. This is often due to their insufficient knowledge, financial resources, and capabilities, as identified in the survey of the New Strategy on Building Rehabilitation. The situation is further exacerbated by the widespread presence of sub-divided units in several old districts, imposing a heavy burden on building structures and drainage systems. This further degrades the overall condition of buildings and the living environment for their residents. In response, the Chief Executive articulated in the 2024 Policy Address a plan to enact legislation establishing the Basic Housing Unit (BHU) regulatory regime, designed to enhance the standards of sub-divided units and potentially mitigate their impact. The BHUs Bill was gazetted on 20 June 2025 and will be introduced into the Legislative Council for first and second readings in July 2025.

Compounding these issues is the low or non-existent redevelopment potential of most older building clusters, rendering them unattractive to private developers. Moreover, substantial pressure exists in finding adequate rehousing resources given the high population density, particularly in older urban areas, and the generally long waiting times for public housing.

Considering the urgent and escalating problem of urban decay, along with the complexity of the situation, it is clear that the URA cannot undertake the formidable task of urban renewal alone. It necessitates collaborative efforts from all relevant stakeholders, including the Government, private developers, property owners and the public, to progress urban renewal sustainably.

Solutions and Opportunities

Advancing Urban Renewal with an Agile Mindset and Dynamic Strategies

Given that urban renewal demands extensive resources, it is imperative for the URA to adopt an agile mindset and formulate strategies to ensure stable financial backing. This will enable the advancement of urban renewal efforts sustainably and effectively.

To this end, the URA has adopted a dynamic management approach for project acquisition that considers various factors, including the availability of funding from all income sources and/or Government support, the scale and cost of project acquisitions, and the complexity of those acquisitions and the associated works. This approach allows the URA to adjust the pace of acquisitions, prioritising simpler projects with lower acquisition costs that can be swiftly cleared and receive land grant documents for tendering. Consequently, this approach aids in the replenishment of cash flow for larger project expenditures.

In addition, the URA has launched a new initiative called Development Facilitation Services (DFS) since January 2025, with trial implementation in the Shantung Street/Thistle Street Project (YTM-012). This service provides developers with pertinent information on redevelopment projects at an earlier stage before commencing the tendering process. By enhancing communication with developers, DFS enables them to gain a comprehensive understanding of the projects, provide their non-committal feedback, prepare their bids, and form consortia well in advance. It also offers the URA an opportunity to review the tender terms based on developers' feedback. Ultimately, this proactive approach is intended to improve the attractiveness of tenders, encourage competitive bids, and better support the URA's cash flow.

To further enhance the success of Joint Venture (JV) tenders, the strategic use of various planning tools is essential in improving the attractiveness and viability of projects. To provide greater design flexibility and enhance the financial returns for the YTM-012 Project, the URA has utilised the approved planning tool of "interchangeability of domestic and non-domestic plot ratio" under the Mong Kok Outline Zoning Plan. While adhering to the permitted maximum Gross Floor Area (GFA), the maximum domestic plot ratio has been relaxed from 7.5 to 8.5. This adjustment results in a GFA of 14,118 square metres for private residential purposes, ultimately providing approximately 380 residential units. As a result of these efforts, six tender submissions were received for the JV tender of YTM-012, which was successfully awarded in May 2025.

Apart from the above, other measures are being explored to increase the appeal of projects, such as facilitating staged payments for tender amounts, removing inapplicable sales restrictions and unfavourable provisions, and considering the sub-division of larger sites into more marketable land parcels.

Due to the strategic location of the Kai Tak Road/Sa Po Road Project (KC-015) within the regeneration plan of Kowloon City, and to ensure that commitments contingent on its timely completion are not jeopardised, the URA has begun exploring a self-initiated approach for the project following the decision to withdraw the tender. This includes an assessment of the associated development costs and risks. The construction costs account for less than 40 percent of the total expenses, and since these costs will be incurred progressively over time, the cash flow pressure is deemed manageable.

Instead of waiting for a significant improvement in property market conditions to retender the project, the self-initiated approach is considered more feasible for ensuring the timely completion of commitments. When market sentiment improves in the future, the URA retains the option to retender the entire project or portions of it, providing flexibility in implementation. During this process, the URA was actively exploring the feasibility of lowering the provisions of Public Vehicle Parking (PVPs). By updating the traffic demand survey with close co-ordination with Government officials, the URA aims to effectively reduce both the time and costs associated with basement construction. The support of the Government and local stakeholders was successfully garnered in the first half of 2025 for this measure, which is expected to enhance project value and provide higher flexibility in its implementation. Meanwhile, the URA has also appointed consultants to study any critical diversion works, and will carry out any necessary diversion as appropriate to facilitate early commencement of works. In addition, it has launched DFS to provide project information to developers in advance for gathering non-committal feedback for implementation so as to improve the attractiveness and competitiveness of the JV tenders.

Optimising Land Efficiency and Development Potential

To harness the full potential of urban renewal projects for the wider community, the URA has adopted a comprehensive and holistic "planning-led" and "district-based" approach tailored to meet Hong Kong's redevelopment needs. This approach not only explores opportunities for restructuring and replanning within project areas but also employs innovative planning tools and concepts to optimise land use efficiency and unlock the full redevelopment potential of older urban districts. This strategy significantly enhances the financial viability and planning benefits of the urban renewal projects.

A prime example of maximising land resource utilisation is the Sai Yee Street/Flower Market Road Project (YTM-013). By applying the Transfer of Plot Ratio, which shifts development potential from four smaller sites along Flower Market Road and Yuen Ngai Street to a major site at Sai Yee Street, the project enables larger-scale development. Additionally, the "Single Site, Multiple Use" model supports the construction of a multipurpose complex. This building complex features upgraded facilities for Government and community use, alongside mixed residential and commercial purposes such as hotels, offices, and retail spaces, thereby amplifying planning benefits for the local community.

MANAGEMENT DISCUSSION AND ANALYSIS

In addressing the financial challenges associated with property acquisition amidst an unpredictable market outlook, the URA has strategically focused on projects that minimise the need for acquiring numerous property rights while still bringing substantial environmental improvements to older districts. A key strategy involves the integration of under-utilised Government land with substandard G/IC facilities into the URA projects. This approach enhances the utilisation of land resources and maximises planning and social benefits, thereby improving the financial outcomes of our redevelopment efforts.

Successful implementations of this strategy are exemplified in projects such as the YTM-013 and the Cheung Wah Street/Cheung Sha Wan Road Project (SSP-018). These initiatives demonstrate how the thoughtful integration of Government land and facilities can lead to significant advances in community development and financial sustainability.

Facilitating Urban Renewal by Private Sectors

Recognising the challenging nature of urban renewal, the URA acknowledges that it cannot single-handedly undertake this significant task. Therefore, it has focused on fostering collaboration with various stakeholders to drive sustainable urban renewal.

Similar to the completed Yau Ma Tei and Mong Kok District Study (YMDS), the URA is developing Master Renewal Plans under the ongoing Sham Shui Po District Study (SSPDS) and the Tsuen Wan District Study (TWDS). These studies aim to outline comprehensive urban renewal strategies and implementation mechanisms for the two districts. By incorporating new and innovative planning tools, the URA intends to enhance land use efficiency, guide long-term urban development of the two districts, and facilitate private market participation in urban renewal initiatives.

In alignment with our mission to facilitate urban renewal, the URA continues to foster collaboration with private sector stakeholders in redeveloping old and dilapidated buildings. Riding on the recommendations from the YMDS, the Government has tasked the URA with exploring opportunities to extend the scope of building concessions, thereby incentivising the private sector to undertake redevelopment efforts that align with specific public and planning objectives.

To this end, the URA initiated the Building Concession Study, which aims to identify incentives within the existing regulatory framework to encourage and promote superior design standards that elevate the built environment and achieve planning gains within the urban renewal context. The study addresses four key investigation areas, namely open space provision, building interface area with public streets, covered walkway and public passageway, and communal areas in domestic buildings. The findings of the study were submitted to the Government for review in early 2025.

As a concerted effort to support minority property owners, the URA has played a pivotal role in establishing the Support Service Centre for Minority Owners under Compulsory Sale (SMOCS). Commissioned by the Dedicated Office of Support Services for Minority Owners under Compulsory Sale, SMOCS is specifically designed to assist minority owners facing compulsory sale applications, with the aim of streamlining the negotiation process between owners and private developers.

SMOCS offers a range of services, including educational programmes, subsidised mediation, and the provision of independent property valuation at a subsidised cost. SMOCS also provides referrals to professional services, assisting the minority owners in compulsory sale litigation, counselling, and relocation.

In response to the amendment of the Land (Compulsory Sale for Redevelopment) Ordinance, the URA introduced enhanced measures in December 2024 to improve the Facilitating Services Scheme (the Scheme) of Joint Sale offered by the Urban Redevelopment Facilitating Services Company Limited (URFSL). As part of these enhancements, the application threshold for the Scheme, originally requiring no less than 50 percent ownership of undivided shares in a building or lot, has been lowered to 40 percent. Furthermore, joint sale thresholds have been revised to align with the updated compulsory sale application thresholds under the amended ordinance. These measures aim to accelerate the redevelopment of aged and dilapidated buildings by private developers, ultimately contributing to a more efficient urban renewal process.

Fostering Preventive Maintenance with New Initiatives

Amidst the ongoing challenges posed by a shortage of dedicated land and financial reserves for large-scale urban redevelopments, Hong Kong faces an accelerating pace of urban decay. In light of this situation, there is an urgent need to extend the lifespans of existing aged buildings that remain in acceptable condition. By doing so, resources can be concentrated on the redevelopment of severely deteriorated buildings that are beyond repair. This approach allows for a more strategic allocation of resources, ensuring that redevelopment efforts are focused on the most needed aspects, while preserving the structural integrity and usability of other buildings for as long as feasible.

The URA diligently monitors the condition of residential buildings by taking stock of various attributes, including building age, the presence of outstanding repair orders and the mode of property management. This comprehensive assessment is further enhanced by the use of a self-developed Urban Renewal Information System, through which buildings are broadly classified into distinct categories based on their specific needs, providing a more targeted and efficient approach to urban renewal.

Meanwhile, the URA has adopted a proactive approach to encourage property owners of buildings that are in acceptable condition to undertake preventive maintenance. Since April 2024, the URA has introduced holistic initiatives, beginning with the launch of the Preventive Maintenance Subsidy Scheme in April, which offers incentives for owners to formulate periodic maintenance plans and financial reserves for future maintenance needs. This scheme has garnered 13 valid applications covering over 7,500 residential units, including participation from large housing estates such as Chi Fu Fa Yuen. In January 2025, the URA further offered owners technical assistance in drawing up their maintenance actions through the publication of *Guidelines and Templates for Preparing Maintenance Manual for Residential and Composite Buildings* (GTMM), with Residence Bel-Air leading the adoption for a maintenance strategy. For new developments, such as eResidence Tower 3, the Deed of Mutual Covenant (DMC) now includes clauses for periodic maintenance plans, owners' meetings for fund contributions, as well as clauses addressing water seepage issues, reflecting the URA's contribution to thorough preventive maintenance planning.

Since 2016, the URA has provided building owners with various lists of registered service providers to assist them in selecting consultants and contractors for rehabilitation works. A review will be conducted to enhance checks on service providers' integrity and competence. The revised lists will be released in the third quarter of 2026.

From a broader perspective, comprehensive strategies are needed to alleviate the pressure caused by the disparity between the pace of redevelopment and the ageing of buildings. To this end, after completing the first New Strategy on Building Rehabilitation (NSBR) Study in 2020, the URA has begun preparations for the launch of NSBR 2.0 Study later this year. This initiative will delve into regulatory requirements, institutional arrangements and the utilisation of innovative technology, with the aim of developing concrete recommendations to enhance the promotion of building rehabilitation and prolong buildings' lifespan.

The study will also explore legislation mandating periodic maintenance plans and budgets, as well as owners' contributions to sinking funds to encourage proactive building maintenance. It will also look into the feasibility of establishing a dedicated statutory body to co-ordinate, promote and oversee the rehabilitation of ageing structures. Additionally, it will focus on new technologies, such as through improved structural design and building materials, to extend buildings' lifespan, drawing insights from eResidence Tower 3 to reduce redevelopment needs. Detailed recommendations will be formulated by 2026 and submitted to the Government for consideration.

MANAGEMENT DISCUSSION AND ANALYSIS

Looking Ahead

Amidst economic volatility, the URA sees both challenges and opportunities to critically evaluate its business model and fortify its resources and reserves for long-term strategic planning. The SSPDS and the TWDS exemplify the potential to identify urban land suitable for restructuring and replanning, thereby reinforcing our planning and project reserves.

On the other hand, the continuous financial support from the Government to the URA, through measures such as tax exemptions, land premium waivers, and provision of land resources on top of the HK\$10 billion capital injection, remains vital to tackle the problem of urban degeneration. In June 2025, the Chief Executive in Council has approved the granting of two sites — Bailey Street in Hung Hom and the other in Tseung Kwan O Area 137, to the URA by private treaty at nominal land premium. The decision marked the Government's strong support for the URA in enhancing its financial capability to maintain the sustainability of urban renewal by way of, among others, providing suitable land to the URA to increase its usable resources. It enriches the URA's asset mix and enhances its borrowing capacity to address liquidity needs in the coming years for taking forward urban renewal projects, in particular in advancing the acquisition programme for six commenced redevelopment projects with estimated expenses totalling about HK\$23.5 billion. The URA will act in accordance with the requirements for this land grant and work with the Government to review and refine its operating and financing model, thereby enhancing its ability to undertake urban renewal across varying market conditions.

Despite the challenging macroeconomic environment, the URA remains committed to its mission of urban renewal in Hong Kong. The URA will continue to advance urban renewal with an innovative mindset and a dynamic approach while ensuring financial sustainability to achieve sustainable development through strong partnerships with community stakeholders. These collaborative efforts and commitments will enhance the necessary synergies for revitalising urban areas to meet Hong Kong's evolving economic, societal and environmental needs.

Financial Review

(I) Review of 2024/25 Results

(a) Revenue

The revenue for the year ended 31 March 2025 was HK\$254 million, which comprised share of surplus from joint development projects and proceeds from sale of properties. The amount was lower than the revenue of HK\$3,024 million in 2023/24 by HK\$2,770 million.

The failure to award the tender for the joint venture development of Project Kai Tak Road/Sa Po Road in Kowloon City in 2024/25, primarily due to the sustained weak property market, resulted in no upfront payment received in the year. Comparatively, there was a project tender awarded in 2023/24 with an upfront payment of HK\$1,940 million.

The share of surplus from joint development projects of HK\$195 million in 2024/25 (2023/24: HK\$449 million), was revenue from the projects where the sales proceeds exceeded the thresholds stipulated in their respective development agreements.

The revenue from sale of properties of HK\$59 million in 2024/25 (2023/24: HK\$635 million) mainly related to the sale of residential units at Kai Tak, L · Living 23 in Tai Kok Tsui and The Harmonie in Sham Shui Po.

(b) Other Income

Of the HK\$1,145 million (2023/24: HK\$1,024 million) in other income for 2024/25, HK\$934 million (2023/24: HK\$890 million) were interest income from bank deposits and fixed income investments, with an overall yield of 4.23% p.a. (2023/24: 4.54% p.a.). Despite lower market interest rates leading to a decreased yield, the URA secured proceeds from bond issuance, resulting in increased bank balances. Consequently, the interest income for 2024/25 exceeded that of the prior year.

Other income also included rental income of HK\$206 million (2023/24: HK\$181 million, net of rental relief) from certain properties retained by the URA, and exchange gain of HK\$2 million (2023/24: exchange loss HK\$54 million) relating to Renminbi and USD deposits due to the fluctuation of exchange rates. All RMB deposits matured during 2024/25 and were subsequently converted to HK Dollars.

(c) Administrative Expenses

Administrative expenses for 2024/25 of HK\$736 million (2023/24: HK\$676 million) mainly covered staff costs, outsourcing service charges, accommodation costs and office expenses. Cost control measures were implemented whenever possible to minimise administrative expenses.

(d) Provision for Impairment on Properties and Committed Projects

Based on the accounting policy detailed in Notes 2(h) and 2(n) to the financial statements, provision for impairment on properties and committed projects of HK\$2,679 million was made in 2024/25, mainly arose from the declining assessed land value of the committed projects, reflecting the sustained weak property market.

MANAGEMENT DISCUSSION AND ANALYSIS

(e) Result for the Year

For the year 2024/25, the URA recorded an operating deficit of HK\$41 million. After inclusion of the provision for impairment on properties and committed projects, the net deficit was HK\$2,720 million, compared to the net deficit of HK\$3,920 million for 2023/24. The unfavourable performance for 2024/25 was mainly attributable to the sustained weak property market, which led to a substantial provision for impairment made for committed projects.

(II) Financial Position at 31 March 2025

(a) Properties under Development

Properties under development before provision for impairment was HK\$38,812 million as at 31 March 2025 (31 March 2024: HK\$28,684 million). This sum represented the acquisition and development costs of the URA's commenced projects under various states of implementation, out of which Kowloon City Projects, Kwun Tong Town Centre Project and Kim Shin Lane/Fuk Wa Street Project accounted for 88 percent of the total value.

The aforesaid value was off-set against the cumulative provision for impairment totalling HK\$9,168 million (31 March 2024: HK\$6,514 million), resulting in a net value of HK\$29,644 million (31 March 2024: HK\$22,170 million). The increase in the net value was mainly due to the costs incurred for property acquisitions for the Nga Tsin Wai Road/Carpenter Road Project at Kowloon City.

(b) Total Liquidity

As at 31 March 2025, the URA's total liquidity, including cash, bank deposits and debt securities investments, was HK\$21.2 billion (31 March 2024: HK\$18.2 billion).

The URA placed the surplus cash on deposits with a number of financial institutions, and also invested in fixed income products of the required credit rating in accordance with the investment guidelines as approved by the Financial Secretary with capital preservation as the priority.

The net liquidity position, after off-setting the borrowings of HK\$14 billion (31 March 2024: HK\$0.5 billion) mentioned in paragraph II (c) below, was HK\$7.2 billion (31 March 2024: HK\$17.7 billion).

(c) Bonds Issued

The URA is rated AA+ by Standard & Poor's Rating Services. As at 31 March 2025, the outstanding bonds issued by the URA under the Medium Term Note (MTN) Programme was HK\$14 billion (31 March 2024: HK\$0.5 billion).

(d) Net Asset Value

The URA's net asset value as at 31 March 2025 was HK\$43,640 million (31 March 2024: HK\$46,360 million), representing the Government's capital injection of HK\$10,000 million (31 March 2024: HK\$10,000 million) and an accumulated surplus of HK\$33,640 million (31 March 2024: HK\$36,360 million).

The financial summary of the past 10 years is described on page 110 of this Annual Report.

(III) Capital Injection and Tax Exemption

Following approval by the Finance Committee of the Legislative Council on 21 June 2002, the Government injected HK\$10,000 million of equity capital into the URA in five tranches of HK\$2,000 million each over a five-year period from 2002/03 to 2006/07. The Government continues to exempt the URA from taxation.

(IV) Waiver of Land Premia by the Government

The Government waives the land premia for redevelopment sites granted to the URA. A total of 56 land grants have been waived in respect of all the tendered projects with aggregate land premia totalling HK\$25,304 million up to 31 March 2025.

Without this waiver, the URA's accumulated surplus as at 31 March 2025 would have been lowered by HK\$25,304 million to HK\$8,336 million; and its net asset value as at 31 March 2025 would have been decreased to HK\$18,336 million.

(V) Financial Outlook and Management

The local property market and global financial markets continue to exhibit volatility, shaped by external factors including geopolitical tensions, ongoing trade disputes, escalated tariff wars, interest rate fluctuations and slower-than-expected economic growth. Amid these uncertainties, many developers, who currently hold a significant inventory and are heavily indebted, will exercise increased caution for land acquisition. Consequently, the outcome of the URA's future project tenders and related revenue streams remain unpredictable.

On the expenditure side, it is estimated that a total cash outlay of about HK\$46 billion, excluding operational overheads, will be required to meet both of the URA's currently outstanding commitments and its forthcoming cash outlay in the coming five years for the implementation of all projects included in the latest Corporate Plan. This amount covers the URA's works in redevelopment, rehabilitation, preservation, revitalisation and retrofitting.

The URA intends to meet its future funding requirements through a combination of cash on hand, cash flow from operations, and external financing.

In July 2023, the Financial Secretary approved the URA's request to raise its borrowing limit to HK\$25 billion. On 27 April 2025, Standard & Poor (S&P) Global Ratings affirmed the URA's long-term issuer credit rating and senior unsecured notes rating at "AA+" with "Stable" outlook, same as the HKSAR Government. At the same time, S&P also affirmed the "Likelihood of Extraordinary Government Support" for the URA from the HKSAR Government at "Almost Certain".

On 6 June 2025, the Government announced the decision to grant a site at Bailey Street, Hung Hom and another in Tseung Kwan O Area 137 at a nominal premium. The provision of these land resources further demonstrated the Government's ongoing support for the URA, thereby boosting its net asset position and enhancing its borrowing capacity.

Subsequently, on 23 June 2025, the URA updated its MTN Programme to facilitate bond issuance for 2025/26. As a public sector entity with a credit rating on par with the HKSAR Government, the URA is in a strong position to raise sufficient funds from the financial markets to meet liquidity needs in the coming years for taking forward urban renewal projects.

Facing the financial uncertainties and challenges ahead, the URA will continue to adopt a dynamic approach to managing its projects and businesses and monitor its financial position closely, with an aim to accomplish its urban renewal missions while maintaining long-term sustainability.

PROJECTS AT A GLANCE

						Site Information before Development				Project Development Information			
	Project Code	Project Name	Launch Year	Launch Month	Development Name	Project Site Area m ²	Existing GFA m ²	Building Blocks	Population	Residential Flats Number	Total GFA m ²	Residential GFA m ²	
1-47 - 47 Ongoing projects commenced by the URA													
1 ⁽²⁾	KC-020	Ma Tau Wai Road / Lok Shan Road, Ma Tau Kok	2024/25	August		2,122	7,486	15	380	232	14,202	11,835	
2 ⁽²⁾	YTM-013	Sai Yee Street / Flower Market Road, Mong Kok	2023/24	March		29,304	17,741	31	580	1,354	123,872	67,746	
3 ⁽²⁾	C&W-007	Queen's Road West / Kwai Heung Street, Sai Ying Pun	2022/23	December		1,295	4,908	9	205	186	10,160	8,925	
4 ^(2,4)	KC-019	To Kwa Wan Road / Ma Tau Kok Road, Ma Tau Kok	2022/23	October		8,759	27,658	2	0	950	59,120	50,804	
5 ⁽²⁾	KC-018	Ming Lun Street / Ma Tau Kok Road, Ma Tau Kok	2022/23	October		11,430	45,284	101	1,764	1,276	79,720	68,224	
6 ^(2,5)	KC-017	Nga Tsin Wai Road / Carpenter Road, Kowloon City	2022/23	May		37,061	73,190	96	1,795	4,353	275,952	202,416	
7 ⁽²⁾	SSP-018	Cheung Wah Street / Cheung Sha Wan Road, Sham Shui Po	2021/22	September		19,054	1,168	3	0	838	83,068	38,978	
8 ⁽²⁾	SSP-017	Kim Shin Lane / Fuk Wa Street, Sham Shui Po	2021/22	September		7,377	50,082	90	3,149	995	55,494	46,245	
9 ⁽²⁾	KC-016	To Kwa Wan Road / Wing Kwong Street, To Kwa Wan	2020/21	March		6,592	29,132	32	1,701	900	54,823	41,062	
10 ⁽²⁾	YTM-012	Shantung Street / Thistle Street, Mong Kok	2020/21	October		2,796	9,364	16	608	380	17,799	14,118	
11 ⁽²⁾	CBS-1:KC	Shing Tak Street / Ma Tau Chung Road, Ma Tau Kok	2020/21	May		5,164	15,446	30	540	638	38,547	32,123	
12 ⁽²⁾	CBS-2:KC	Kau Pui Lung Road / Chi Kiang Street, Ma Tau Kok	2020/21	May		16,473	43,447	71	1,200	2,324	143,775	123,800	

Project Development Information					Remarks	Status
Commercial GFA m ²	Other Uses GFA m ²	G/IC GFA m ²	Public Open Space ⁽¹⁾ m ²			
2,367	0	0	0	Eligible domestic owner-occupiers can join the Flat-for-Flat scheme Project KC-020 will combine with Project CBS-2:KC for development	Project commencement gazetted on 09-08-24 Submission to SDEV for authorisation made on 07-01-25	
36,126	0	20,000	17,000	Eligible domestic owner-occupiers can join the Flat-for-Flat scheme It is the first project under YMDS to materialise the Development Node of "Nullah Road Urban Waterway" in Mong Kok East as proposed in the YMDS. A new building complex with combination of residential and commercial uses such as hotel/office/retail as well as G/IC (including reprovisioned and new sport facilities and a permanent District Health Centre) and recreation facilities will be provided in Site B under the "Single Site, Multiple Use" concept to multiply planning gains.	Project commencement gazetted on 15-03-24 DSP approved by CE-in-C on 08-04-25	
1,085	0	150	155	Eligible domestic owner-occupiers can join the Flat-for-Flat scheme	Project commencement gazetted on 02-12-22 SDEV authorised the URA to proceed on 05-09-23 Objectors lodged two appeals against SDEV's authorisation Appeal Board decision to dismiss the appeals gazetted on 24-05-24 Application to SDEV for resumption was submitted on 03-09-24 Appellants applied to High Court for leave for judicial review against Appeal Board's decision A hearing was held on 18-03-25 The Court handed down the judgement on 16-05-25 and dismissed the appellants' judicial review application	
7,816	0	500	0		Project commencement gazetted on 07-10-22 DSP approved by CE-in-C on 28-05-24 Application to SDEV for resumption was submitted on 22-05-25	
10,496	0	1,000	0	Eligible domestic owner-occupiers can join the Flat-for-Flat scheme	Project commencement gazetted on 07-10-22 DSP approved by CE-in-C on 28-05-24 Application to SDEV for resumption was submitted on 22-05-25	
25,302	0	48,234	10,450	Eligible domestic owner-occupiers can join the Flat-for-Flat scheme A standalone G/IC complex will be built at Site B of KC-017 for reprovisioning community facilities in Kowloon City Municipal Services Building, Kowloon City Lions Clubs Health Centre and Lee Kee Memorial Dispensary	Initial acquisition offers issued on 30-04-24 Application to SDEV for resumption was submitted on 03-09-24	
5,197	0	38,893	10,395	Project SSP-018 mainly consists of open space and G/IC site. No property acquisition is therefore required A standalone G/IC complex will be built at Site B of SSP-018, which will include indoor sport centre, health service facilities and social welfare facilities	Project commencement gazetted on 24-09-21 DSP approved by CE-in-C on 07-02-23 Application to SDEV for resumption of the land occupied by CLP Power Hong Kong Limited's electricity substation was submitted on 18-01-24 Construction works for the standalone G/IC complex at Site B to be commenced in Q3/Q4 2025 subject to the Government's funding approval	
9,249	0	0	0	Eligible domestic owner-occupiers can join the Flat-for-Flat scheme	Initial acquisition offers issued on 03-04-23 Resumption gazetted on 08-11-24 Site reverted to Government on 08-02-25 Clearance works in progress	
8,213	0	5,548	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme	Initial acquisition offers issued on 29-06-22 Resumption gazetted on 14-04-23 Site reverted to Government on 15-07-23 Clearance completed on 21-03-25 Demolition works in progress	
831	0	2,850	980	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme	Joint Venture Development tender awarded on 23-05-25 Demolition works completed	
6,424	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme For eligible domestic owner-occupiers of ex-CBS member, the Government also offered subsidised sale flats of HKHS' Dedicated Rehousing Estates as an alternative option to the URA's Flat-for-Flat units.	Joint Venture Development tender awarded on 14-12-23 Land Grant executed in 18-03-24 Foundation construction in progress	
15,475	0	4,500	400	Eligible domestic owner-occupiers can join the Flat-for-Flat scheme For eligible domestic owner-occupiers of ex-CBS member, the Government also offered subsidised sale flats of HKHS' Dedicated Rehousing Estates as an alternative option to the URA's Flat-for-Flat units. Project CBS-2:KC will combine with Project KC-020 for development	Initial acquisition offers issued on 03-02-25 Application to SDEV for resumption was submitted on 04-02-25	

PROJECTS AT A GLANCE

						Site Information before Development				Project Development Information		
	Project Code	Project Name	Launch Year	Launch Month	Development Name	Project Site Area m ²	Existing GFA m ²	Building Blocks	Population	Residential Flats Number	Total GFA m ²	Residential GFA m ²
13 ⁽²⁾	KC-015	Kai Tak Road / Sa Po Road, Kowloon City	2018/19	February		6,106	23,204	41	940	810	48,563	39,802
14 ⁽²⁾	KC-014	Wing Kwong Street / Sung On Street, To Kwa Wan	2018/19	June		3,016	16,874	36	831	458	25,884	21,570
15 ⁽²⁾	YTM-011	Oak Street / Ivy Street, Tai Kok Tsui	2017/18	March		820	2,999	6	205	122	5,565	4,641
16 ⁽²⁾	C&W-006	Queen's Road West / In Ku Lane, Sai Ying Pun	2017/18	March		2,046	4,107	6	160	231	12,021	10,388
17 ⁽²⁾	C&W-005	Sung Hing Lane / Kwai Heung Street, Sai Ying Pun	2017/18	July		1,120	3,984	9	231	210	8,739	8,479
18 ⁽²⁾	KC-013	Kai Ming Street / Wing Kwong Street, To Kwa Wan	2016/17	March		1,749	7,458	12	463	474	22,419	18,682
19 ⁽²⁾	KC-012	Wing Kwong Street, To Kwa Wan	2016/17	June		1,258	5,023	14	388	See Remarks		
20 ⁽²⁾	KC-011	Hung Fook Street / Kai Ming Street, To Kwa Wan	2016/17	June		2,635	12,628	23	813	566	26,523	22,102
21 ⁽²⁾	KC-010	Hung Fook Street / Ngan Hon Street, To Kwa Wan	2016/17	June		4,951	21,495	43	1,468	669	41,229	34,357
22 ⁽²⁾	KC-008(A)	Chun Tin Street / Sung Chi Street, To Kwa Wan	2016/17	May	eResidence Tower 3	2,475	3,738	14	179	260	13,894	12,270
23 ⁽²⁾	KC-009	Bailey Street / Wing Kwong Street, To Kwa Wan	2015/16	March		8,042	39,644	84	2,640	1,296	66,654	55,545
24 ^(2,3)	DL-11:YTM	Ash Street, Tai Kok Tsui	2015/16	May		474	3,228	5	206	63	2,920	2,849
25 ⁽³⁾	DL-10:KT	Hang On Street, Kwun Tong	2014/15	November	Bal Residence	865	5,304	10	387	156	6,661	5,920
26	SSP-016	Castle Peak Road / Un Chau Street, Sham Shui Po	2013/14	February	The Harmonie	1,900	7,335	16	476	337	14,841	12,367
27 ^(2,3)	DL-8:KC	Kai Ming Street, To Kwa Wan	2013/14	December		553	2,467	6	122	See Remarks		
28 ⁽³⁾	DL-6:YTM	Fuk Chak Street / Li Tak Street, Tai Kok Tsui	2013/14	June	Sablier	769	3,461	2	171	144	5,738	5,101
29 ⁽³⁾	DL-5:SSP	Tung Chau Street / Kweilin Street, Sham Shui Po	2013/14	April	The Symphonie	1,490	10,313	1	552	262	13,409	9,355

Project Development Information					Remarks	Status
Commercial GFA m ²	Other Uses GFA m ²	G/IC GFA m ²	Public Open Space ⁽¹⁾ m ²			
7,961	0	800	1,000	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme	Site clearance completed on 30-11-23 Joint Venture Development tender invited on 12-08-24 but no tender awarded Demolition works completed Design and statutory submission for self-development in progress	
4,314	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme	Main contract works in progress	
924	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme	Main contract works in progress	
450	0	1,183	538	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme	Foundation construction in progress	
260	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme	Main contract works in progress	
3,737	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme Project KC-013 has combined with Project KC-012 for development under a single land grant	Main contract works in progress	
See Remarks				Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme Project KC-012 has combined with Project KC-013 for development under a single land grant (please refer to Project KC-013 for the details of development parameters)	Main contract works in progress	
3,871	0	550	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme Project KC-011 has combined with Project DL-8:KC for development under a single land grant	Main contract works in progress	
6,872	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme	Main contract works in progress	
1,624	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme The project is developed by the URA and all 260 flats will be sold as Starter Homes	Main contract works in progress Starter Homes Flat selection completed on 28-03-24 with 173 flats sold	
11,109	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme	Main contract works in progress	
0	71	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme The project is developed by the URA	Main contract works in progress	
222	0	519	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme	Occupation Permit issued on 26-10-23 Certificate of Compliance issued on 28-03-24 Sale of remaining flats in progress	
2,474	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme	Occupation Permit issued on 03-11-22 Certificate of Compliance issued on 12-06-23 Sale of remaining flats in progress	
See Remarks				Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme Project DL-8:KC has combined with Project KC-011 for development under a single land grant (Please refer to Project KC-011 for the details of development parameters)	Main contract works in progress	
637	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme	Occupation Permit issued on 20-05-21 Certificate of Compliance issued on 28-09-21 Sale of remaining flats in progress	
4,054	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme	Pre-sale consent issued on 16-05-22 Occupation Permit issued on 12-06-23 Certificate of Compliance issued on 29-11-23 The commercial portion leased to Hong Kong Design Centre The domestic portion is under an interim leasing arrangement as youth hostel with 676 hostel places and named "TN Residence"	

PROJECTS AT A GLANCE

						Site Information before Development				Project Development Information			
	Project Code	Project Name	Launch Year	Launch Month	Development Name	Project Site Area m ²	Existing GFA m ²	Building Blocks	Population	Residential Flats Number	Total GFA m ²	Residential GFA m ²	
30 ⁽³⁾	DL-4:SSP	Kowloon Road / Kiu Yam Street, Sham Shui Po	2013/14	April	Madison Park	599	3,817	1	229	100	4,884	4,070	
31	SSP-015	Tonkin Street / Fuk Wing Street, Sham Shui Po	2012/13	March	ECHO HOUSE	1,268	4,964	13	270	198	9,675	8,062	
32 ^(4,8)	IB-2:SSP	Yu Chau West Street, Cheung Sha Wan	2012/13	January		1,393	12,145	1	0	0	12,145	0	
33 ⁽³⁾	DL-3:YTM	Pine Street / Oak Street, Tai Kok Tsui	2012/13	April	L · Living 23	865	5,105	11	330	142	6,597	5,608	
34	YTM-010	Reclamation Street / Shantung Street, Mong Kok	2011/12	February	One Soho	1,640	10,024	20	637	322	12,507	10,422	
35	SSP/3/001	Shun Ning Road, Sham Shui Po	2009/10	June	The Ascent	825	3,820	8	130	157	7,159	5,959	
36 ⁽⁶⁾	MK/01	Shanghai Street / Argyle Street, Mong Kok	2008/09	September	618 Shanghai Street	1,128	3,944	14	157	0	5,223	0	
37 ⁽⁶⁾	MK/02	Prince Edward Road West / Yuen Ngai Street, Mong Kok	2008/09	September		1,440	4,334	10	31	0	4,334	0	
38	TKW/1/001	Chi Kiang Street / Ha Heung Road, Ma Tau Kok	2007/08	February	City Hub	931	5,226	10	302	175	8,378	6,980	
39 ^(2,5)	K1	Nga Tsin Wai Village, Wong Tai Sin	2007/08	October		6,013	2,051	116	124	890	37,097	34,778	
40 ^(2,5)	H18	Peel Street / Graham Street, Sheung Wan	2007/08	July	One Central Place (Site A) My Central (Site B)	5,267	20,219	47	740	306	67,392	22,638	

Project Development Information					Remarks	Status
Commercial GFA m ²	Other Uses GFA m ²	G/IC GFA m ²	Public Open Space ⁽¹⁾ m ²			
814	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme	Occupation Permit issued on 20-05-20 Certificate of Compliance issued on 09-11-20 Leasing of shops in progress	
1,613	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme The Joint Venture Partner has adopted the Modular Integrated Construction method for the project	Pre-sale consent issued on 27-02-24 Occupation Permit issued on 15-08-24 Flat sale launched on 27-10-24 and all flats sold Certificate of Compliance issued on 02-04-25	
12,145	0	0	0	The project is switched from redevelopment to retrofitting	Retrofitting works for acquired properties and common areas of the project completed in 11-21 The refurbished premises currently occupied by the URA, a social enterprise and NGOs Notification of Withdrawal of IB-2:SSP gazetted on 26-08-22	
989	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme	Occupation Permit issued on 30-09-21 Certificate of Compliance obtained on 22-12-21 Sale of remaining flats in progress	
2,085	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme	Occupation Permit issued on 14-03-23 Certificate of Compliance issued on 20-07-23 All flats sold, leasing of shops in progress	
1,200	0	0	0		Occupation Permit issued on 08-03-18 Certificate of Compliance issued on 27-07-18 Sale of shops in progress	
5,223	0	0	0	Rezoned "Other Specified Uses" annotated "Historic Buildings Preserved for Commercial and/or Cultural Uses"	Occupation Permit issued on 07-05-19 Certificate of Compliance issued on 05-07-19 Operation commenced in November 2019	
4,334	0	0	0	Rezoned "Other Specified Uses" annotated "Historic Buildings Preserved for Commercial and/or Cultural Uses"	Renovation works of acquired properties completed Renovated units leased out	
1,398	0	0	0		Occupation Permit issued on 25-05-17 Certificate of Compliance issued on 15-01-18 Sale of remaining flats in progress	
2,319	0	0	0	At-grade Conservation Park accessible to public will be provided The village gatehouse, the embedded stone tablet and the Tin Hau Temple, as well as the central axis that connects them, and the foundation remains of old village walls and watchtowers will be preserved	Site clearance completed on 26-01-16 An enhanced conservation proposal was reported to AAB in 12-22 with support obtained Land Grant executed on 21-06-23 Drainage diversion works in progress Archaeological Rescue Excavation works in progress	
43,303	191	1,260	2,146	A 1,260m ² multi-purpose activity hall for community use will be provided at Site A. Commercial space includes a Market Block at Site B.	Site A Pre-sale consent issued on 22-11-21 Occupation Permit issued on 11-03-25 Sale and interim leasing of all residential flats and leasing of shops are in progress Site B Occupation Permit obtained on 28-12-18 Certificate of Compliance obtained on 20-06-19 Completed in 2020-21 Site C Main contract works in progress	

PROJECTS AT A GLANCE

						Site Information before Development				Project Development Information		
	Project Code	Project Name	Launch Year	Launch Month	Development Name	Project Site Area m ²	Existing GFA m ²	Building Blocks	Population	Residential Flats Number	Total GFA m ²	Residential GFA m ²
41 ⁽²⁾	K7	Kwun Tong Town Centre, Kwun Tong	2006/07	March	Park Metropolitan (DA 1) Grand Central (DAs 2&3)	53,500	96,104	63	3,139	4,048	468,330	270,710
42 43 44	SSP/1/ 003-005	Hai Tan Street / Kweilin Street & Pei Ho Street, Sham Shui Po	2005/06	February	Seaside Sonata	7,507	25,344	70	1,589	876	57,399	50,024
45 ⁽⁷⁾	WC/001	Mallory Street / Burrows Street, Wan Chai	2004/05	March	M7	780	2,687	10	122	0	2,435	0
46	K32	Pine Street / Anchor Street, Tai Kok Tsui	2004/05	December	Park Summit	2,328	11,802	30	518	462	20,952	17,460
47 ⁽⁷⁾	H19	Staunton Street / Wing Lee Street, Sheung Wan	2002/03	March		1,997	3,049	24	98	0	1,828	1,097
1-47 Ongoing Sub-Total (A)						275,177	712,803	1,272	30,570	28,160	1,997,927	1,407,512

0 Ongoing project commenced by HKHS

All projects were completed by HKHS	0	0	0	0	0	0	0
Nil Ongoing Sub-total (B)	0	0	0	0	0	0	0

0 Ongoing project taken over from ex-LDC

All projects were completed	0	0	0	0	0	0	0
Nil Ongoing Sub-Total (C)	0	0	0	0	0	0	0
Ongoing Total (A) + (B) + (C)	275,177	712,803	1,272	30,570	28,160	1,997,927	1,407,512

48-74 - 27 Completed projects commenced by the URA⁽⁸⁾

48	KC-006	Pak Tai Street / San Shan Road, Ma Tau Kok	2010/11	March	Downtown 38	1,277	6,389	12	296	228	9,783	8,152
49	H14	Sai Wan Ho Street, Shau Kei Wan	2005/06	September	Monti	710	3,796	2	21	144	5,680	5,680
50 ⁽³⁾	DL-1:SSP	229A-G, Hai Tan Street, Sham Shui Po	2012/13	April	Astoria Crest	483	2,547	1	172	87	3,640	3,235
51 ⁽³⁾	DL-2:SSP	205-211A, Hai Tan Street, Sham Shui Po	2012/13	April	Hyde Park	470	2,952	1	222	76	3,600	3,132
52	KC-007	Kowloon City Road / Sheung Heung Road, Ma Tau Kok	2011/12	November	Artisan Garden	1,622	7,258	16	475	294	12,456	10,380
53	SSP-014	Fuk Wing Street, Sham Shui Po	2010/11	March	The Amused	649	2,456	6	194	136	5,030	4,471

	Project Development Information				Remarks	Status
	Commercial GFA m ²	Other Uses GFA m ²	G/IC GFA m ²	Public Open Space ⁽¹⁾ m ²		
	157,904	0	39,716	18,376	<p>Commercial GFA include 66,000m² for offices and 10,000m² for hotel</p> <p>G/IC includes 6,200m² for Kwun Tong Jockey Club Health Centre in YWS Site and 17,200m² for Government uses in Main Site and 16,316m² for Public Transport Interchange (PTI) in Main Site. Commercial Space includes 1,300m² for social enterprises.</p> <p>Residential flats include 299 flats in Yuet Wah Street site, 1,999 flats in the Main Site (DAs 2 & 3) and 1,750 in the Main Site (DAs 4 & 5)</p> <p>Public space includes a minimum of 9,600m² at-grade public open space and 8,776m² podium public open space.</p>	<p>YWS Site (DA 1) Occupation Permit obtained on 08-07-14 Certificate of Compliance obtained on 29-10-14 Completed in 2021-22</p> <p>Main Site (DAs 2 & 3) Occupation Permit issued on 26-11-20 Certificate of Compliance issued on 28-04-21 Completed in 2024-25</p> <p>Main Site (DAs 4 & 5) Site clearance of DA 4 completed on 31-03-21 Site clearance of DA 5 completed on 17-05-21 A revised DSP based on “Vertical City” planning concept gazetted on 08-12-23 for a 2-month public consultation TPB hearing for comments on revised DSP held on 26-04-24 The revised DSP approved by CE-in-C on 17-09-24 The area at DA 4, temporarily used for sports and other community activities, was closed in Q4 2024. CLP cable and telecom diversion and associated works commenced at the end of 2024 The major underground utilities diversion works to be commenced in Q3 2025</p>
	5,317	0	2,058	1,500	<p>Three projects taken forward as one</p> <p>G/IC includes 1,900m² for Special Child Care Centre cum Early Education Centre, Day Care Centre for Elderly and Sub-base for a Neighbourhood Elderly Centre; 150m² for either social enterprise or non-domestic use</p>	<p>Occupation Permit (Site A) issued on 07-06-21 Occupation Permit (Site B) issued on 10-06-21 Occupation Permit (Site C) issued on 06-07-21 Certificate of Compliance issued on 26-10-21 Sale of shops in progress</p>
	0	2,435	0	300	<p>Rezoned “Other Specified Uses” annotated “Open Space and Historical Buildings Preserved for Cultural and Commercial Uses”</p> <p>GFA includes retained façade at Burrows Street and two elevated walkways</p>	<p>Occupation Permit issued on 20-05-13 Certificate of Compliance issued on 04-08-17 The URA took over the management and operation of the project in August 2018</p>
	3,492	0	0	450	Public Open Space not required under lease	<p>Occupation Permit issued on 20-09-12 Certificate of Compliance issued on 27-12-12 Sale of shops in progress</p>
	331	400	0	135	The project is switched from redevelopment to revitalisation	<p>Notification of Withdrawal of H19 gazetted on 13-11-20 Revitalisation works completed Co-living operator appointed to operate and manage the revitalised buildings and the community farm</p>
	419,557	3,097	167,761	63,825		
	0	0	0	0		
	0	0	0	0		
	0	0	0	0		
	0	0	0	0		
	419,557	3,097	167,761	63,825		
	1,631	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme	Project completed in 2024-25
	0	0	0	0		Project completed in 2023-24
	405	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme	Project completed in 2022-23
	468	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme	Project completed in 2022-23
	2,076	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme	Project completed in 2022-23
	559	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat scheme	Project completed in 2021-22

PROJECTS AT A GLANCE

						Site Information before Development				Project Development Information		
	Project Code	Project Name	Launch Year	Launch Month	Development Name	Project Site Area m ²	Existing GFA m ²	Building Blocks	Population	Residential Flats Number	Total GFA m ²	Residential GFA m ²
54	TKW/1/002	Ma Tau Wai Road / Chun Tin Street, To Kwa Wan	2009/10	February	eResidence	3,377	10,393	33	660	493	24,398	20,332
55	MTK/1/002	San Shan Road / Pau Chung Street, Ma Tau Kok	2009/10	May	93 Pau Chung Street	1,171	6,046	14	290	209	10,345	8,778
56	TKT/2/002	Anchor Street / Fuk Tsun Street, Tai Kok Tsui	2007/08	March	iclub Mong Kok Hotel	726	3,855	11	245	0	6,529	0
57	MTK/1/001	Pak Tai Street / Mok Cheong Street, Ma Tau Kok	2007/08	February	My Place	772	3,772	9	229	168	6,944	5,787
58	K28	Sai Yee Street, Mong Kok	2007/08	December	Skypark	2,478	14,434	25	431	439	22,301	17,346
59	K9	MacPherson Stadium, Mong Kok	2005/06	March	MacPherson Place	2,400	2,788	1	0	293	24,767	16,705
60	TKT/2/001	Fuk Tsun Street / Pine Street, Tai Kok Tsui	2005/06	December	Park Ivy	560	4,071	4	273	113	4,843	4,003
61 ⁽⁵⁾	SYP/1/001	Third Street / Yu Lok Lane / Centre Street, Sai Ying Pun	2005/06	December	The Nova	2,150	4,140	22	213	255	16,463	16,218
62 63	SSP/1/001-002	Lai Chi Kok Road / Kweilin Street & Yee Kuk Street, Sham Shui Po	2004/05	March	Trinity Towers	3,339	13,197	33	551	402	29,720	24,780
64	K31	Larch Street / Fir Street, Tai Kok Tsui	2004/05	December	Lime Stardom	2,195	10,332	29	474	377	19,735	16,425
65 ⁽⁵⁾	H15	Lee Tung Street / McGregor Street, Wan Chai	2003/04	October	The Avenue	8,236	36,534	88	1,613	1,275	79,932	67,939
66	K33	Baker Court, Hung Hom	2003/04	July	Baker Residences	277	834	3	9	68	2,338	2,077
67	K30	Bedford Road / Larch Street, Tai Kok Tsui	2003/04	July	i-home	1,229	6,313	13	280	182	10,363	9,215
68	H17	Queen's Road East, Wan Chai	2002/03	March	Queen's Cube	378	1,806	6	25	96	3,984	3,543
69	H20	First Street / Second Street, Sai Ying Pun	2002/03	November	Island Crest	3,536	15,690	41	777	488	38,178	34,259
70	K27	Reclamation Street, Mong Kok	2002/03	October	MOD 595	535	2,411	7	122	85	4,921	4,119
71	K19	Po On Road / Shun Ning Road, Sham Shui Po	2002/03	July	Beacon Lodge	1,394	4,898	14	327	166	12,534	10,451
72	K26	Fuk Wing Street / Fuk Wa Street, Sham Shui Po	2001/02	January	Vista	1,384	5,129	13	246	173	12,453	10,378
73 ⁽⁵⁾	H16	Johnston Road, Wan Chai	2001/02	January	J Residence	1,970	7,640	28	333	381	20,567	17,967
74	K3	Cherry Street, Tai Kok Tsui	2001/02	January	Florient Rise	4,510	14,416	64	1,020	522	43,231	36,466
48-74 Completed Sub-Total (D)						47,828	194,097	496	9,498	7,150	434,735	361,838
75-80 - 6 Completed projects commenced by HKHS ⁽⁹⁾												
75	K20	Castle Peak Road / Cheung Wah Street, Sham Shui Po	2004/05	April	Heya Delight	1,003	5,935	10	158	130	9,030	7,525
76	K21	Castle Peak Road / Un Chau Street, Sham Shui Po	2004/05	April	Heya Crystal	2,614	14,193	24	496	350	23,526	19,605
77	K22	Un Chau Street / Fuk Wing Street, Sham Shui Po	2004/05	April	Heya Aqua	2,134	10,114	22	362	275	19,206	16,005
78	K23	Castle Peak Road / Hing Wah Street, Sham Shui Po	2004/05	April	Heya Star	1,399	8,286	11	344	175	12,585	10,487

	Project Development Information				Remarks	Status
	Commercial GFA m²	Other Uses GFA m²	G/IC GFA m²	Public Open Space ⁽¹⁾ m²		
	3,114	952	0	500	Project commenced at request of Government following collapse of one building and demolition of damaged adjacent one The project was developed by the URA All 493 flats were assigned for sale as Starter Homes Operation of the Building Rehabilitation Resource Centre in the commercial portion commenced in 07-23	Project completed in 2021-22
	1,567	0	0	0		Project completed in 2019-20
	6,529	0	0	0	Commercial space designated for hotel development with 288 rooms	Project completed in 2019-20
	1,157	0	0	0		Project completed in 2016-17
	4,955	0	0	0		Project completed in 2017-18
	2,443	0	5,619	0	With Hong Kong Playground Association as the land grantee G/IC space designated for Indoor Stadium and Youth Centre	Project completed in 2018-19
	840	0	0	0		Project completed in 2015-16
	245	0	0	1,304	Commercial space includes 24.9m² for shop, 84.4m² of other covered areas, and 135.5m² of preserved buildings and covered public open space	Project completed in 2016-17
	4,940	0	0	580	Two projects taken forward as one With some commercial space designated for use by social enterprises	Project completed in 2015-16
	3,310	0	0	0	Commercial space includes the Urban Renewal Resource Centre	Project completed in 2017-18
	9,405	0	2,588	3,972	With some commercial space designated for use by social enterprises and wedding-related adaptive reuse in three historical buildings G/IC space designated for Residential Care Home for Elderly/ Community Service Support Centre, Refuse Collection Point and Public Toilet	Project completed in 2017-18
	261	0	0	0		Project completed in 2011-12
	1,148	0	0	0		Project completed in 2010-11
	441	0	0	0		Project completed in 2011-12
	1,722	0	2,197	700	G/IC space designated for Residential Care Home for Elderly	Project completed in 2012-13
	802	0	0	0		Project completed in 2009-10
	2,083	0	0	251		Project completed in 2010-11
	2,075	0	0	255		Project completed in 2010-11
	2,600	0	0	0		Project completed in 2008-09
	4,916	0	1,849	0	G/IC space designated for Residential Care Home for Elderly	Project completed in 2014-15
59,692	952	12,253	7,562			
	1,505	0	0	0		Occupation Permit issued on 20-05-15 Certificate of Compliance issued on 30-09-15
	3,921	0	0	150		Occupation Permit issued on 23-08-16 Certificate of Compliance issued on 07-12-16
	448	0	2,753	150	G/IC space designated for Residential Care Home for the Elderly	Occupation Permit issued on 12-09-16 Certificate of Compliance issued on 01-03-17
	2,098	0	0	0		Occupation Permit issued on 26-08-15 Certificate of Compliance issued on 22-01-16

PROJECTS AT A GLANCE

						Site Information before Development				Project Development Information		
	Project Code	Project Name	Launch Year	Launch Month	Development Name	Project Site Area m ²	Existing GFA m ²	Building Blocks	Population	Residential Flats Number	Total GFA m ²	Residential GFA m ²
79	H21	Shau Kei Wan Road / Nam On Street, Shau Kei Wan	2003/04	November	Harmony Place	1,871	9,834	17	400	274	19,555	16,338
80	K25	Po On Road / Wai Wai Road, Sham Shui Po	2003/04	July	Heya Green	2,592	9,923	19	528	327	21,214	17,680
75-80 Completed Sub-Total (E)						11,613	58,285	103	2,288	1,531	105,116	87,640

81-90 - 10 Completed projects commenced by ex-LDC and completed by the URA ⁽⁹⁾

81	K11	Hanoi Road, Tsim Sha Tsui	⁽¹⁰⁾		The Masterpiece	8,299	27,309	35	220	345	102,625	45,600
82 ⁽⁵⁾	H9	Wanchai Road / Tai Yuen Street, Wan Chai	⁽¹⁰⁾		The Zenith / One Wanchai	6,793	12,555	41	975	889	62,310	52,539
83	K17	Yeung Uk Road, Tsuen Wan	⁽¹⁰⁾		The Dynasty	7,230	0	0	0	256	44,404	27,031
84	K13	Tsuen Wan Town Centre, Tsuen Wan	⁽¹⁰⁾		Vision City	20,300	56,851	96	7,119	1,466	134,185	107,884
85	H12	New Praya Kennedy Town, Kennedy Town	⁽¹⁰⁾		The Merton	6,075	24,808	65	1,683	1,182	62,904	62,794
86	H13	Ka Wai Man Road, Kennedy Town	⁽¹⁰⁾		Mount Davis 33	728	4,000	1	0	89	7,280	7,280
87	K10	Waterloo Road / Yunnan Lane, Yau Ma Tei	⁽¹⁰⁾		8 Waterloo Road	3,869	6,610	27	444	576	32,012	32,012
88	H1	Queen Street, Sheung Wan	⁽¹⁰⁾		Queen's Terrace	7,964	25,792	86	648	1,148	66,233	60,579
89	K2	Argyle Street / Shanghai Street, Mong Kok	⁽¹⁰⁾		Langham Place	11,976	40,810	108	2,603	0	167,414	0
90	K8	Kwong Yung Street, Mong Kok	⁽¹⁰⁾		Paradise Square	1,607	4,190	19	178	272	15,160	12,746
81-90 Completed Sub-Total (F)						74,841	202,925	478	13,870	6,223	694,527	408,465
Completed Total (D) + (E) + (F)						134,282	455,307	1,077	25,656	14,904	1,234,378	857,943
Commenced + Completed						409,459	1,168,110	2,349	56,226	43,064	3,232,305	2,265,455

Note

- (1) This table includes only Public Open Space and not any private open space
- (2) The details of project is yet to be finalised and are still subject to change during the statutory, planning and land grant approval processes
- (3) Demand-led project
- (4) Industrial Building
- (5) Redevelopment project contains some preservation elements
- (6) Preservation project
- (7) Revitalisation project
- (8) Retrofitting project
- (9) In this table, a project is deemed to be fully completed once all residential units have been sold and all commercial and other accommodation, apart from car and motor cycle parking spaces, have been sold or substantially leased out
- (10) The project was commenced by ex-LDC

Project Development Information					Remarks	Status
Commercial GFA m ²	Other Uses GFA m ²	G/IC GFA m ²	Public Open Space ⁽¹⁾ m ²			
3,217	0	0	0			Occupation Permit issued on 13-11-14 Certificate of Compliance issued on 11-02-15
957	0	2,577	0	G/IC space designated for Residential Care Home for the Elderly		Occupation Permit issued on 15-10-13 Certificate of Compliance issued on 30-12-13
12,146	0	5,330	300			

57,025	0	0	1,219	Commercial space includes a 381-room hotel with 25,816 m ² area	Project completed in 2018-19
3,453	0	6,318	0	G/IC space designated for Market, Day Nursery, Refuse Collection Point and Public Toilet	Project completed in 2017-18
17,373	0	0	0		Project completed in 2010-11
23,221	0	3,080	3,700	G/IC space designated for transport and community facilities	Project completed in 2010-11
0	0	110	2,300	G/IC space designated for public toilet	Project completed in 2007-08
0	0	0	0		Project completed in 2007-08
0	0	0	1,650		Project completed in 2007-08
400	0	5,254	1,200	G/IC space designated for Single-person Hostel, Care & Attention Home, Day Nursery, Social Centre for the Elderly, Hostel for Moderately Mentally Handicapped and Cooked Food Centre	Project completed in 2007-08
160,866	0	6,548	1,100	Commercial space comprises 41,933m ² for a 665-room hotel, 65,793m ² for offices and 53,140m ² for retail G/IC space designated for Cooked Food Centre and transport and community facilities	Project completed in 2005-06
2,414	0	0	0		Project completed in 2005-06
264,752	0	21,310	11,169		
336,590	952	38,893	19,031		
756,147	4,049	206,654	82,856		

Glossary of Terms

AAB = Antiquities Advisory Board
CE-in-C = Chief Executive in Council
DA = Development Area
DSP = Development Scheme Plan
ELS = Excavation and Lateral Support
GFA = Gross Floor Area
G/IC = Government/Institution and Community
HKHS = Hong Kong Housing Society

LDC = Land Development Corporation
NGO = Non-governmental Organisation
SDEV = Secretary for Development
TPB = Town Planning Board
URA = Urban Renewal Authority
YMDS = Yau Mong District Study
YWS = Yuet Wah Street

CORPORATE GOVERNANCE

Introduction

The URA places high priority on the standard of corporate governance to ensure accountability, openness and transparency in the work of its Board and Committees.

Board

The Board exercises the powers and performs the duties conferred and imposed on the URA by the URA Ordinance, and plays a key role in setting direction and providing strategic guidance to ensure that the URA's works are carried out effectively.

Constitution

The Board is appointed by the Chief Executive under Section 4 of the URA Ordinance. All members of the Board, including the Chairman, are appointed by the Chief Executive for a term not exceeding three years.

As at 30 June 2025, the Board comprised a Chairman and 22 other members. There are three executive Board members who are not public officers, namely the Managing Director (MD), who is by law also the Deputy Chairman, and the two Executive Directors (EDs). The Director of Lands, the Director of Planning, the Director of Buildings and the Deputy Director of Home Affairs (2) are Board members who are Non-Executive Directors (NEDs) and public officers.

The Board includes five legislative councillors plus professionals and academics from various fields, including legal, accounting, surveying, social work and different construction professions who are NEDs and not public officers. The diverse backgrounds of NEDs bring to the Board a wide range of experience, expertise and perspectives.

Chairman and MD

Chairman

- Leading the Board in setting the URA's overall direction, strategy and work priorities
- Monitoring the executive team's performance

MD

- Administrative head responsible for administering the affairs of the URA, subject to the direction of the Board
- Developing strategic objectives, including setting the URA's agenda and priorities, and implementing them as agreed with the Board
- Assigning responsibilities to senior management and supervising their work
- Reporting regularly to the Board

Committees

For the better carrying out of the purposes and powers of the URA, the Board has established eight standing committees, each chaired by a Board member and comprising other Board members and co-opted members with the relevant expertise and experience. The committees and their function areas are listed as follows:

Committees

Function Areas

Audit Committee	<ul style="list-style-type: none"> • Internal control and risk management • Reliability, integrity, timeliness and conformity of financial and operational information • Compliance of business operations and management practices • Economy, efficiency and effectiveness in the employment of the URA's resources • Special projects and investigations • Accounting policies • External audit reviews and internal audit charter • Annual financial reporting and auditing
Development Project Objection Consideration Committee	<ul style="list-style-type: none"> • To consider and deliberate on objections lodged under Section 24(1) of the URA Ordinance • To prepare URA's deliberations on the objections, which will be submitted to SDEV in accordance with Section 24(3)(b) of the URA Ordinance
Finance Committee	<ul style="list-style-type: none"> • The URA's funding requirements • Financial and treasury policies • Investment of surplus funds • Financial aspects of the Annual Business Plan and Five-year Corporate Plan • Annual budgets • Market selling prices and target rents of development projects
Human Resources and Remuneration Committee	<ul style="list-style-type: none"> • Remuneration policies (level and mix) of senior and general staff • Proposals for adjustments to salary and variable pay • Organisation effectiveness and human resources management
Land, Rehousing and Compensation Committee	<ul style="list-style-type: none"> • Policies and matters relating to land grants, property acquisition, compensation and rehousing • Acquisition strategies, approaches and offers for individual projects • Policy and criteria for loans under Section 12 of the URA Ordinance

Committees

Function Areas

Planning, Development and Conservation Committee

- Selection of redevelopment projects in the Five-year Corporate Plan and Annual Business Plan
- Submission of Development Scheme Plan to the Town Planning Board
- Planning and development parameters and design issues
- Conservation proposals

Review Committee

- Review of the Management's decisions on application of relevant URA's policies as requested by affected owners or occupiers

Sustainability Committee

- Review of the sustainability frameworks, strategy, plans and targets, and oversee their execution
- Review of the sustainability risks and opportunities, trends in applicable laws and regulations and policies set forth by the Government that are considered material to the Authority
- Review of the framework of sustainability-related disclosures and publications

Decision-making System

By virtue of the URA Ordinance, the Board is vested with the powers and duties as are conferred and imposed on it. Over the years, some of these decision-making powers have been delegated to Committees established under the Board. The Managing Director is the administrative head of the URA. As authorised and directed by the Board, the Managing Director, in consultation with the two Executive Directors, decides on the appropriate levels of approval authorities for all matters and affairs and activities of the URA except for those matters that require approval of the Board as stipulated in the URA Ordinance and those matters for which the Board stipulates a different approval authority from time to time. Such levels of approval authorities are documented in a corporate operational and authorisation manual which must be followed. These arrangements provide proper checks and balances on the one hand and enhance operational efficiency on the other.

Internal Audit

Reporting directly to the Board's Audit Committee, the Internal Audit Department conducts regular independent reviews of activities undertaken by all other functional units within the URA. The main purposes of the operational and value-for-money audits are to ensure compliance with all of the various statutory requirements, Board directions and prevailing internal policies and procedures, as well as cost-effective use of the URA's resources. Before the start of each fiscal year, the Department presents an internal audit plan setting out the audit assignments to be carried out in the year to the Audit Committee for its approval.

The Department also advises on the adequacy and effectiveness of the URA's annual internal control and risk management review. This annual organisation-wide review exercise includes reviews of risks at the corporate level by all in-house directors and reviews of operational risks and the effectiveness of the systems of internal controls in managing identified significant risks by all functional units. Treatment plans are then implemented wherever appropriate to mitigate the identified significant risks in key business processes to the extent possible. The overall results of the annual review are reported to the Audit Committee. In addition, the Department coordinates with other assurance functions, such as the URA's External Auditors and the Independent Commission Against Corruption's Corruption Prevention Department, to achieve optimal audit coverage of the URA.

Measures to Promote Transparency of Work

In line with the spirit of the Urban Renewal Strategy, the URA holds a large variety of public engagement activities such as exhibitions, surveys, public forums and workshops from time to time to gather community stakeholders' views on the planning and design of urban regeneration projects. Open briefing sessions are held for owners, tenants and other stakeholder groups upon the commencement of urban redevelopment projects and after the respective acquisition offers have been made. To enhance the wider community's understanding of the work of the URA, we also speak at relevant seminars, conferences and meetings of professional and other organisations, and give briefing sessions to secondary schools.

We value our partnerships with local communities in undertaking renewal work in old urban areas. We regularly brief the relevant District Councils on the progress of URA projects. We have established five District Advisory Committees comprising representatives of the local communities including district councillors, affected owners/tenants and district organisations to advise on community needs and aspirations with respect to urban renewal and to enhance community understanding of the URA's work in the districts concerned.

Corporate decisions and issues discussed by the Board are briefed to the media via management representatives from time to time. These interactive media sessions, together with other media interviews throughout the year, seek to promote better understanding of the mission and role of the URA and the rationale and objectives of its work.

The URA's website serves as a primary electronic platform to communicate to the public about any salient corporate development and the status of various projects and activities undertaken by the URA in a timely manner. Bilingual press statements issued on important occasions or after major events and e-newsletters are both accessible from the URA's website.

As a further measure to publicise our work and decisions, the Board has since February 2009 adopted the practice of uploading bilingual summaries of confirmed minutes of Board meetings to the URA's website. These summaries cover the numbers of Board members and management representatives in attendance, the agenda items discussed and the Board's resolutions.

To increase the transparency of our redevelopment work, the URA has, with effect from June 2010, begun the practice of disclosing annually to the Legislative Council's Panel on Development the financial results of the redevelopment projects completed in previous years.

Moreover, the URA is committed to providing an efficient service in the handling of public enquiries, requests and complaints. According to our performance pledge, we strive to respond to public enquires, requests and complaints within the following standard times.

	Maximum Response Time
Enquiries and requests	Within 14 working days
Complaints	Within 30 working days

In the year 2024/25, the URA has handled a total of 55,133 cases including enquiries, requests and complaints. All cases were addressed and replied within the response time as pledged.

To facilitate people of different languages and culture to access its public services, the URA has taken appropriate and practicable supportive measures. Leaflets on acquisition and compensation/rehousing information were translated into Bahasa Indonesia, Hindi, Nepali, Punjabi, Tagalog, Thai, Urdu and Vietnamese and uploaded to the URA's website. The URA has also introduced a real-time three-way telephone interpretation service (in Bahasa Indonesia, Hindi, Nepali, Punjabi, Tagalog, Thai, Urdu and Vietnamese) provided by the Centre for Harmony and Enhancement of Ethnic Minority Residents (CHEER) to answer enquiries from service users of different languages. Language Identification Card prepared by the CHEER is available in the reception areas/counters of URA offices and service centres to facilitate communication with service users of different languages.

MEMBERS OF THE BOARD AND PROFILES

Chairman & Managing Director



Mr CHOW Chung Kong
GBM, GBS, JP
Chairman



Ar Donald CHOI Wun Hing
BBS, JP
Managing Director
(from 15 June 2025)



Ir WAI Chi Sing
GBS, JP, FHKEng
Managing Director
(up to 14 June 2025)

Executive Directors



Mr Wilfred AU Chun Ho
Executive Director
(Commercial)



Ms Carolin FONG Suet Yuen
Executive Director
(Operations)

Non-Executive Directors (Non-Official)



The Honourable
CHAN Hok Fung, MH, JP
(from 1 May 2025)



Dr CHAN Ka Kui, GBS, JP



The Honourable
CHAN Kin Por, GBS, JP
(from 1 May 2025)



Mr William CHAN Fu Keung, BBS



The Honourable Vincent
CHENG Wing Shun, BBS, MH, JP
(up to 30 April 2025)



Mr CHIU Kam Kuen
(from 1 May 2025)



Ms Ivy CHUA Suk Lin
(up to 30 April 2025)



Mr Andy HO Wing Cheong, MH
(up to 30 April 2025)



The Honourable
KWOK Wai Keung, BBS, JP



Ir Janice LAI Wai Man



Sr Alexander LAM Tsan Wing



Mrs Sylvia LAM YU Ka Wai, SBS



Ms Lilian LAW Suk Kwan, MH, JP
(from 1 May 2025)



Ir The Honourable
Michael LEE Chun Keung
BBS, JP



Ms Jasmine LEE Shun Yi
(from 1 May 2025)



Ms Florence LEUNG Chi Hang
(from 1 May 2025)



Ms Elaine LO Yuen Man, MH
(up to 30 April 2025)



Professor TANG Bo Sin, MH
(up to 30 April 2025)



Ms Judy TONG Kei Yuk
(up to 30 April 2025)



The Honourable
Tony TSE Wai Chuen, SBS, JP



Ms Yvonne YEUNG Kin Ha

MEMBERS OF THE BOARD AND PROFILES



Non-Executive Directors (Official)



Mr HO Chun Hung, JP
Director of Buildings
(from 13 April 2025)



Ms Clarice YU Po Mei, SBS, JP
Director of Buildings
(up to 12 April 2025)



Mr Maurice LOO Kam Wah, JP
Director of Lands
(from 5 September 2024)



Mr Andrew LAI Chi Wah, JP
Director of Lands
(up to 22 July 2024)



Mr Tom YIP Chi Kwai, JP
Director of Planning
(from 18 March 2025)



Mr Ivan CHUNG Man Kit, SBS, JP
Director of Planning
(up to 17 March 2025)



Mr TE Chi Wang, JP
Deputy Director of Home
Affairs (2)

Chairman:

Mr CHOW Chung Kong, GBM, GBS, JP

Managing Director:

Ar Donald CHOI Wun Hing, BBS, JP (from 15 June 2025)

Ir WAI Chi Sing, GBS, JP, FHKEng (up to 14 June 2025)

Executive Directors:

Mr Wilfred AU Chun Ho, Executive Director (Commercial)

Ms Carolin FONG Suet Yuen, Executive Director (Operations)

Non-Executive Directors (Non-Official):

The Honourable CHAN Hok Fung, MH, JP (from 1 May 2025)

Dr CHAN Ka Kui, GBS, JP

The Honourable CHAN Kin Por, GBS, JP (from 1 May 2025)

Mr William CHAN Fu Keung, BBS

The Honourable Vincent CHENG Wing Shun, BBS, MH, JP (up to 30 April 2025)

Mr CHIU Kam Kuen (from 1 May 2025)

Ms Ivy CHUA Suk Lin (up to 30 April 2025)

Mr Andy HO Wing Cheong, MH (up to 30 April 2025)

The Honourable KWOK Wai Keung, BBS, JP

Ir Janice LAI Wai Man

Sr Alexander LAM Tsan Wing

Mrs Sylvia LAM YU Ka Wai, SBS

Ms Lilian LAW Suk Kwan, MH, JP (from 1 May 2025)

Ir The Honourable Michael LEE Chun Keung, BBS, JP

Ms Jasmine LEE Shun Yi (from 1 May 2025)

Ms Florence LEUNG Chi Hang (from 1 May 2025)

Ms Elaine LO Yuen Man, MH (up to 30 April 2025)

Professor TANG Bo Sin, MH (up to 30 April 2025)

Ms Judy TONG Kei Yuk (up to 30 April 2025)

The Honourable Tony TSE Wai Chuen, SBS, JP

Ms Yvonne YEUNG Kin Ha

Non-Executive Directors (Official):

Mr HO Chun Hung, JP, Director of Buildings (from 13 April 2025)

Ms Clarice YU Po Mei, SBS, JP, Director of Buildings (up to 12 April 2025)

Mr Maurice LOO Kam Wah, JP, Director of Lands (from 5 September 2024)

Mr Andrew LAI Chi Wah, JP, Director of Lands (up to 22 July 2024)

Mr Tom YIP Chi Kwai, JP, Director of Planning (from 18 March 2025)

Mr Ivan CHUNG Man Kit, SBS, JP, Director of Planning (up to 17 March 2025)

Mr TE Chi Wang, JP, Deputy Director of Home Affairs (2)

Chairman

Mr CHOW Chung Kong, GBM, GBS, JP

Mr Chow Chung Kong is the Chairman of the URA, and an independent non-executive director of AIA Group Limited.

Mr Chow was previously a non-official member of the Executive Council of the Hong Kong Special Administrative Region (HKSAR) (2012-2022), the Chairman of the Advisory Committee on Admission of Quality Migrants and Professionals of the HKSAR (2016-2025), Chairman of the Board of the Hong Kong Exchanges and Clearing Limited (2012-2018), Chief Executive Officer of the MTR Corporation Limited (2003-2011) and Steward of the Hong Kong Jockey Club (2011-2020). Prior to his return to Hong Kong in 2003, Mr Chow was a global corporate executive managing companies in the United Kingdom, United States, Japan and Australia. He also served as an independent non-executive director of a number of large global corporations.

Mr Chow is a Chartered Engineer, with a Bachelor of Science degree and a Master of Science degree from the University of Wisconsin and the University of California respectively. He holds an MBA degree from the Chinese University of Hong Kong and completed the Advanced Management Program of Harvard Business School. He was awarded Honorary Doctor of Engineering degree by the University of Bath. He was knighted in the United Kingdom in 2000, and was awarded the Gold Bauhinia Star in 2015 and the Grand Bauhinia Medal in 2021.

Managing Director

Ar Donald CHOI Wun Hing, BBS, JP (from 15 June 2025)

Ar Donald Choi is a Registered Architect and Authorized Person. He joined the URA on 15 June 2025 as Managing Director and Deputy Chairman. He has over 40 years of management experience across real estate investment, property development, and worked as a professional architect globally. Ar Choi believes in the power of people-centric development and humane design to create economic value and enhance the quality of life for all.

Ar Choi served as the CEO of Chinachem Group from 2018 to August 2024 before his retirement. Prior to this, he was the Managing Director of the Nan Fung Group and a Director at Foster + Partners. He was the Authorized Person for the CLK HK International Airport, voted one of the Top 10 construction projects of the 20th Century. Ar Choi was awarded the Executive of the Year Award 2021 by DHL-SCMP and won the CEO of the Year Award 2022 given by Real Estate Asia.

Alongside his professional career, Ar Choi has held multiple leadership roles in NGOs and professional bodies that focus on design, innovation, shared value creation, and the community well-being, making him a leading figure in the architecture and development sector. He is currently a Trustee of Rhode Island School of Design (RISD), an Adjunct Professor at both the University of Hong Kong and Hong Kong Polytechnic University and Professor of Practice at the School of Design. Ar Choi is an Advisor of Our Hong Kong Foundation, Urban Land Institute Asia Pacific Housing Council Member, a Member of the Antiquity Advisory Board, a member of the Hospital Governing Committee (HGC) of Hong Kong Eye Hospital & Kowloon Hospital and the Chairman of Sub-committee on Capital Works of the HGC of North District Hospital, and an Honorary Advisor of Hong Kong Workers' Health Centre. He was the Board Vice President of the Real Estate Developers Association of Hong Kong, Honorary Advisor of the Hong Kong PropTech Association, a Member of the Council for Carbon Neutrality and Sustainable Development, Advisory Committee Member of the HKTDC Infrastructure Development, Advisory Committee Member of PolyU Jockey Club Design Institute for Social Innovation, Member of the HKU Campus Development and Planning Committee, Land and Development Advisory Committee, Chairman of Architects Registration Board, Past President of the Hong Kong Institute of Architects, the Hong Kong Institute of Urban Design and the Hong Kong Institute of Real Estate Administrators. He had served as the Chairperson of the Construction Innovation and

Executive Directors

Mr Wilfred AU Chun Ho

Mr Wilfred Au is a Registered Architect and Authorized Person. He joined the URA in 2008 and assumed the position of Director (Planning and Design) in 2017 to oversee planning strategy and design development of urban renewal projects as well as Urban Renewal Information System development. He was appointed as Executive Director of the URA with effect from July 2023.

Mr Au obtained his master's degrees in Architecture from the University of Hong Kong, and Construction and Real Estate from the Hong Kong Polytechnic University. Other than a qualified architect, he is also a professional member of the Hong Kong Institute of Architectural Conservationists.

Technology Application Centre for six years and was a Board Member of Business Environment Council, Habitat of Humanity Hong Kong, Hong Kong Green Building Council, Hong Kong Design Centre and the Hong Kong Science and Technology Parks Corporation.

Ar Choi holds a Bachelor of Fine Arts and a Bachelor of Architecture from RISD, a Bachelor of Science from the University of British Columbia, and a Master of Arts from The Chinese University of Hong Kong. Additionally, he attained a joint Master of Business Administration degree from the University of Hong Kong, London Business School, and Columbia Business School.

Ir WAI Chi Sing, GBS, JP, FHKEng (up to 14 June 2025)

Ir Wai Chi Sing has been appointed the Managing Director of the URA from 15 June 2016 to 14 June 2025. By virtue of holding that office, he was also the Deputy Chairman of the Board. He has also been appointed a Director of the Board of Urban Renewal Fund from 13 July 2016 to 14 June 2025 and the Chairman of the Independent Monitoring Panel of the MTR Corporation Limited since 23 December 2022 to oversee the comprehensive review on asset management and maintenance regime.

Ir Wai is an engineer by profession. He joined the Hong Kong Government in August 1980, and has since served in the Transport Department, the Highways Department, and the former Environment, Transport and Works Bureau. He was the Director of Highways from November 2006 to June 2010 and was Permanent Secretary for Development (Works) from June 2010 to April 2015 before retirement.

Ir Wai holds a master's degree in transportation engineering from Purdue University in the United States. He has professional experience in civil, structural and geotechnical engineering and is a fellow of the Hong Kong Academy of Engineering Sciences. In recognition of his professional achievements and contributions, he was awarded the Gold Medal 2023 by the Hong Kong Institution of Engineers, Honorary Fellow by the Hong Kong Institute of Surveyors in 2023 and the Lifetime Achievement Award 2022 by the Royal Institution of Chartered Surveyors.

Ms Carolin FONG Suet Yuen

Ms Carolin Fong Suet Yuen is a professional architect. She was appointed as Executive Director of the URA with effect from October 2022. Before joining the URA, she was the Director of Estates of the Hong Kong Baptist University from 2019 to 2022, the Director and Head of Sustainability of DLN Architects (HK) Ltd. from 2009 to 2019, and an Assistant Professor in the Department of Architecture of the University of Hong Kong from 2007 to 2009.

Ms Fong obtained her master's degree in Environmental Design in Architecture from the University of Cambridge. She is a Fellow of the Hong Kong Institute of Architects, Registered Architect and Authorized Person, and holds the qualification of the PRC Class 1 Registered Architect.

Non-Executive Directors (Non-Official)

The Honourable CHAN Hok Fung, MH, JP

Hon. Chan Hok Fung is currently a member of the Legislative Council of the HKSAR for the geographical constituency of Hong Kong Island West. He is now the vice-chairman of Democratic Alliance for the Betterment and Progress of Hong Kong, as well as a member of the Court of the University of Hong Kong. Hon. Chan has previously served as a member of Appeal Panel (Housing), and a member of Harbourfront Commission. Hon. Chan has been an elected member of the Central and Western District Council for nine years and he was the vice-chairman of the Central & Western District Council.

Dr CHAN Ka Kui, GBS, JP

Dr Chan Ka Kui is the Immediate Past Chairman of the Construction Industry Council (CIC). He is a Fellow Member of the Hong Kong Institute of Surveyors with over 40 years of experience in the construction field.

During the tenure of his chairmanship between the years of 2016-2022, the CIC had successfully implemented various initiatives to improve the overall performance of the construction industry. It set up the Construction Industry Innovation and Technology Application Centre to promote adoption of advanced technology and to nurture a culture of innovation within the industry.

Dr Chan was appointed as the first Honorary Supervisor of the Hong Kong Construction Association in 2021 and conferred the degree of Doctor of Social Sciences honoris causa from the Hong Kong Metropolitan University in 2022 for his outstanding contribution to the Hong Kong construction industry.

The Honourable CHAN Kin Por, GBS, JP

Hon. Chan Kin Por is currently a Member of the Executive Council of the HKSAR Government, a Legislative Council (LegCo) Member (Insurance Functional Constituency), and the Deputy Chairman of the LegCo House Committee. He served as the Chairman of the LegCo Financial Committee for almost seven years and was formerly the Chairman of the LegCo Panel on Financial Affairs.

Hon. Chan has been appointed by the Government to many public roles. He currently serves as an Independent Non-Executive Director of the Hong Kong Exchanges and Clearing Limited; the Chairman of the Advisory Committee on the Corruption, Independent Commission Against Corruption (ICAC); a member of Honour and Non-official Justices of the Peace Selection Committee; a member of the Committee of the Presidium of the HKSAR of the 14th National People's Congress. He also serves as a Director of the Chinese University of Hong Kong Medical Centre.

Hon. Chan was the first Chinese CEO of Munich Reinsurance Company's Hong Kong Branch between 2005 and 2009. Before joining Munich Reinsurance Company, he had served Hang Seng Bank for 31 years in the businesses of retail banking, planning & development and Insurance business, and his last position was the Assistant General Manager and Head of Insurance Group of Hang Seng Bank, responsible for the Bank's General Insurance, Life Insurance and MPF businesses. Hon. Chan was an Independent Non-Executive Director of Bank of East Asia and the Chief Executive of Well Link Insurance Group Holdings Limited.

Hon. Chan has been serving the insurance industry for long years. He was the Chairman of the Hong Kong Federation of Insurers, the Chairman of the Employees Compensation Insurer Insolvency Bureau, the Chairman of the General Insurance Council, and the Chairman of the Chinese Insurance Association of Hong Kong. Hon. Chan is actively involved in public service. He was appointed as the Vice-Chairman of the Independent Police Complaints Council, a member of the Greater Pearl River Delta Business Council, a non-official member to the Commission on Strategic Development, the Director of the Hong Kong Mortgage Corporation Limited, and a member of the Insurance Advisory Committee.

In 2005, Hon. Chan was appointed as a Justice of the Peace and was awarded the Gold Bauhinia Star in 2017 by the HKSAR Government.

Hon. Chan is a Chartered Insurance Practitioner and an Associate of the Chartered Insurance Institute, UK.

Mr William CHAN Fu Keung, BBS

Mr William Chan was a member of the Executive Directorate and the Human Resources Director of MTR Corporation Limited. He was responsible for human resource management, training and development, talent management for over 30,000 employees in Hong Kong and overseas. Prior to joining MTR, he held senior management positions in the public, commercial and utility sectors, including the Government, the Hong Kong Productivity Council, Hutchison Whampoa Limited and Hong Kong Telecommunications Limited.

During his employment, Mr Chan had served in a number of Government's advisory and statutory bodies, including the Standing Committee on Disciplined Services Salaries and Conditions of Service, Pension Appeal Panel and Committee on Labour Relations under Labour Advisory Board.

Having worked for MTR for 23 years, Mr Chan retired in 2012. After retirement, Mr Chan was still active in community service. He was a Board Member of Hospital Authority from 2012 to 2018, the Chairman of Tuen Mun Hospital Governing Committee from 2014 to 2020, and Director of CUHK Medical Centre from 2020 to March 2025.

Currently, Mr Chan is the Independent Non-Executive Director of two listed companies, Stella International Holdings Limited and Analogue Holdings Limited. He is a member of Grantham Hospital Governing Committee. Mr Chan obtained a Bachelor of Social Science degree from the University of Hong Kong in 1971. He received the Bronze Bauhinia Star Award in 2014 for his meritorious community service and enhancement of professional human resource management standard in Hong Kong.

Mr CHIU Kam Kuen

Mr Chiu Kam Kuen is the International Director and Chief Executive of Greater China at Cushman & Wakefield with over 40 years' experience in the real estate industry. He is the Past President and currently the Chairman of Housing Policy Panel and co-Chair of Working Group on Sustainability as well as the Vice Chairman of Mainland Affairs Committee of The Hong Kong Institute of Surveyors. He is also the Hong Kong representative at the International Valuation Standards Council. He was the non-executive member of the Royal Institute of Chartered Surveyors (RICS) APAC World Regional Board and now the Chair of RICS China Regional Advisory Board.

Appointed by the HKSAR Government, Mr Chiu is currently a member of the Sub-committee on Planning, Land and Conservation of the Advisory Committee on the Northern Metropolis, a panel member of the Appeal Board Panel of Town Planning under Town Planning Ordinance, a member of the Estate Agents Authority under the Estate Agents Ordinance, a member of Antiquities Advisory Board, a committee member of Real Estate Investment Trusts of Securities and Futures Commission under the Securities and Futures Ordinance and Infrastructure Development Advisory Committee under Hong Kong Trade Development Council. In addition, he was a member of the Land and Development Advisory Committee under the Development Bureau (2021-2024) and a panel member of the Private Columbaria Appeal Board under the Private Columbaria Ordinance (2017-2023).

The Honourable KWOK Wai Keung, BBS, JP

Hon. Kwok Wai Keung is currently a member of the Legislative Council of the HKSAR representing the Labour Constituency. Hon. Kwok was a member of the Legislative Council of the HKSAR representing Hong Kong Island Constituency from 2016 to 2021 and Labour Constituency from 2012 to 2016. He has also been a member of the Eastern District Council from 2008 to 2023. Hon. Kwok was also a member of Hong Kong Housing Authority from 2015 to 2021.

Hon. Kwok is now a member of the Lantau Development Advisory Committee, a member of Security and Guarding Service Industry Authority and the Chairman of Hong Kong Youth Power Association.

MEMBERS OF THE BOARD AND PROFILES

Ir Janice LAI Wai Man

Ir Janice Lai is a Member of the Hong Kong Institution of Engineers' Civil Discipline and Chartered Civil Engineer. She graduated from the University of California, Berkeley with a Bachelor's Degree and Master's Degree in Civil and Environmental Engineering.

Ir Lai has served on various Hong Kong Government's advisory and statutory bodies including Energy Advisory Committee, Town Planning Board, Harbourfront Commission and Land and Development Advisory Committee since 2010. She currently is also the Vice-chairperson of the Works and Development Committee of the Board of Management of the Chinese Permanent Cemeteries and Director of the Board of the Urban Renewal Fund.

Sr Alexander LAM Tsan Wing

Sr Alexander Lam is a professional General Practice Surveyor and holds a number of local and international professional qualifications, including Fellow of the Hong Kong Institute of Surveyors (HKIS), Fellow of the Royal Institution of Chartered Surveyors (RICS), Member of the Chartered Institute of Arbitrators, Registered China Real Estate Appraisers and Member of China Institute of Real Estate Appraisers and Agents. Sr Lam has extensive experience in real estate development. He set up ATWL International Consultancy Ltd in 2003 and has been focusing on retail planning for mixed-use development projects in China in recent years.

Sr Lam has been actively serving the HKIS. He has been elected as Honorary Treasurer and Council Member of General Council (2023-2024), Assessment of Professional Competence Assessor of General Practice Division (GPD), Chairman of GPD Annual Conference 2022 Organizing Committee, Chairman of HKIS Best Development and Conservation Awards 2021 Organizing Committee, and Honorary Secretary of General Council (2018-2019). He was a Committee Member of Surveyors Registration Board (2017-2023) and China Institute of Real Estate Appraisers and Agents (2003-2021). He is also a Member of HKSAR Appeal Tribunal Panel (Buildings), External Examiner of SPEED of the Hong Kong Polytechnic University and Fellow Member of Institute of Shopping Centre Management.

He is also the Honorary Advisor of Property and Works Committee of Po Leung Kuk (since 2019) and a Committee Member of the Chinese General Chamber of Commerce (1994-2023).

Mrs Sylvia LAM YU Ka Wai, SBS

Born and educated in Hong Kong, Mrs Sylvia Lam is an architect by profession and is the former Director of the Architectural Services Department of the HKSAR Government.

After her retirement, Mrs Lam continues to link up with the professional circle, the construction industry and the community in other capacities. Besides being one of the Board Members for the URA, she is also a Board Member for the Hospital Authority, the Vice-Chairperson of the Maryknoll Convent School Foundation, the Honorary Architect of the Chinese University of Hong Kong and the Honorary Auditor of the Hong Kong Institute of Architects.

Ms Lilian LAW Suk Kwan, MH, JP

Ms Lilian Law has over 30 years of dedicated experiences in social services for children and youth, women, elderlies and community development. Before retirement, she was the Executive Director of the Boys' & Girls' Clubs Association of Hong Kong which has been serving Hong Kong for more than 80 years and around 1000 staff.

Ms Law has been and is serving as member in different Government's advisory and statutory bodies including Town Planning Board, Community Investment & Inclusion Fund, Urban Renewal Fund, Community Care Fund Task Force, Commission on Poverty; and convenor of Sub-committee on Promotion of Student & Youth Volunteering of Social Welfare Department etc. She also taught for the Master course on Social Service Management as Adjunct Associate Professor of University of Hong Kong in Department of Social Work and Social Administration.

Ms Jasmine LEE Shun Yi

Ms Jasmine Lee is the Managing Partner for EY Hong Kong and Macau, leading a professional team of 3,500 people and overseeing all aspects of business operations in these locations. Prior to this position, Jasmine led EY Financial Services practice in Hong Kong and managed numerous significant business development initiatives for financial institutions in Hong Kong and Macau with substantial exposure to the Chinese Mainland market.

With over 30 years of professional experience including 12 years working in Beijing, Shanghai and Guangzhou, Ms Lee has developed extensive expertise in working with Chinese Mainland, Hong Kong and Macau financial institutions across a broad spectrum of assurance, strategy and consulting services. She also advises senior management executives of leading multinational and Chinese organisations as well as local Hong Kong companies on their business growth and innovation strategies, offering advice on topics such as strategy formulation, risk assessment, mergers and acquisitions, regulatory compliance and operational transformation.

Ms Lee actively participates in public service through various roles. Currently, she is the Executive Committee Member of the Guangdong Provincial Women's Federation. Ms Lee also serves as an appointed member of the HKSAR Government's Securities and Futures Commission Process Review Panel; the Mandatory Provident Fund Schemes Authority Process Review Panel; the Air Transport Licensing Authority; the Resolution Compensation Tribunal; and the Investment Task Force of the Construction Industry Council. She is also the Chairman of the Accountancy Training Board of the Vocational Training Council.

Ms Lee is the Vice President of the Hong Kong Institute of Certified Public Accountants and the President of the Association of Women Accountants (Hong Kong). Additionally, Ms Lee is the Chair of the Professional Accounting Sector of the Guangdong-Hong Kong-Macau Bay Area Economic and Trade Association and the Chair of the Finance Task Force at the Golden Age Foundation. She also holds council member positions at the Hong Kong Association of Registered Public Interest Entity Auditors, and the Hong Kong Management Association.

Ir The Honourable Michael LEE Chun Keung, BBS, JP

Ir Hon. Michael Lee has been a member of the Legislative Council of the HKSAR for the constituency of Election Committee since 2022. Ir Hon. Lee has been appointed as member of the 14th National Committee of the Chinese People's Political Consultative Conference and a Justice of the Peace in 2023, and has been awarded the Bronze Bauhinia Star in 2025.

Ir Hon. Lee is serving various public services, including a Member of Appeal Board (Bedspace Apartments) of the Home and Youth Affairs Bureau, a Member of Appeal Panel (Property Management Services) of the Home Affairs Department, a Member of the Committee on Taxi Service Quality and the Consultant of the Hong Kong Taxi Council. He had previously served as an elected member of the Eastern District Council for eight years.

Ms Florence LEUNG Chi Hang

Ms Florence Leung had worked for over 26 years with Hong Kong Exchanges and Clearing Limited (HKEX) before retiring in 2024. During her employment with HKEX, she had served as Deputy General Counsel and Head of the Legal Services Department. Prior to becoming an in-house counsel, she had worked as an associate at Baker McKenzie.

Ms Leung holds a Bachelor of Science Degree in Nutritional Sciences from the University of Toronto and a Postgraduate Certificate in Laws from the University of Hong Kong. She was admitted as a solicitor in Hong Kong and in England and Wales in 1994 and 1995 respectively.

Ms Leung is also currently a member of the Board of Governors of Hong Kong Sinfonietta Limited.

MEMBERS OF THE BOARD AND PROFILES

The Honourable Tony TSE Wai Chuen,

SBS, JP

Hon. Tony Tse Wai Chuen is currently a member of the Legislative Council of the HKSAR for the Architectural, Surveying, Planning and Landscape functional constituency. He is a Fellow of the Hong Kong Institute of Surveyors (HKIS), Founding President of Hong Kong Property and Facilities Management Association of the Greater Bay Area, the Standing Committee on Disciplined Services Salaries and Conditions of Service and member of Advisory Committee on the Northern Metropolis. Hon. Tse has been awarded the Bronze Bauhinia Star in 2014 and has been appointed as member of the 13th National Committee of the Chinese People's Political Consultative Conference in 2018 and a Justice of the Peace in 2020, and has been awarded the Silver Bauhinia Star in 2025.

After graduating from the Hong Kong Polytechnic (now known as the Hong Kong Polytechnic University) in 1976, Hon. Tse joined the Hong Kong Government's then Public Works Department as Estate Surveyor Graduate and had served in the Department for 12 years. His last position held was Senior Estate Surveyor. Thereafter, he has held senior positions in several public organisations and private enterprises in Hong Kong. He has set up property development consultant companies in recent years and is now the Founder and Director of Brand Star Ltd.

Hon. Tse has been engaged in the property development field for almost 50 years. Besides being active in the development circle, he participates enthusiastically in public affairs and has been appointed to public services by the Government on many occasions, including Chairperson of the Property Management Services Authority, Member of the Land and Building Advisory Committee and Town Planning Board, Vice-Chairman of the Independent Police Complaints Council, Chairman of VTC Real Estate Services Training Board, the Court of Lingnan University and Chairman of HKTDC Infrastructure Development Advisory Committee, etc. He has also been appointed Chairman of the Surveyors Registration Board in 2002-2003, elected as President of the HKIS in 2003-2004, and Member of the 5th Legislative Council of the HKSAR for the Architectural, Surveying and Planning functional constituency in 2012.

Ms Yvonne YEUNG Kin Ha

Ms Yvonne Yeung is the Chief Executive of Hong Kong Young Women's Christian Association (YWCA), and proactively explores innovative services to meet with the ever-changing social needs. Services provided by Hong Kong YWCA include youth development, women service & family service, Christian ministry, membership service, aged care, primary and community health service, early childhood education, career development & continuing education, social business & hospitality etc.

Previously she had worked as a Financial Consultant in banking industry and later established a social enterprise to create job opportunities for disadvantaged people. She has been actively engaging in enhancing social impact via cross-sector collaboration. Her volunteer services include Chairperson of Standing Committee on Sector Development & Finance, and Strategy Committee on Talent Development of the Hong Kong Council of Social Service, Council Member of Hong Kong Social Welfare Sector Heart to Heart Joint Action, Non-Official Non-Executive Director of the Board of Urban Renewal Authority, Member of the District Health Centre Scheme Liaison Committee, Advisor of Our Hong Kong Foundation, Panel Member of Human Organ Transplant Board, Department of Health, Ex-officio Member of Advisory Committee for the PHARM+ Community Medication Service Network, Carer Space Project, Community eHealth Care Project and JoyAge Project of the Hong Kong Jockey Club Charities Trust. She was also Associate Member of the Central Policy Unit, Member of the Women's Commission, Member of the Corruption Prevention Advisory Committee of the Independent Commission Against Corruption and Member of Advisory Committee on Enhancing Self-Reliance Through District Partnership Programme of Home Affairs Department. She was awarded as the JESSICA Most Successful Women 2022.

Ms Yeung holds a Master's degree in Business Administration, a Bachelor's degree in Business Administration and a Bachelor's degree in Psychology. Afterwards she completed the Executive Education programmes at Harvard Business School, Harvard University and Singapore National University Business School.

Non-Executive Directors (Official)

Director of Buildings Mr HO Chun Hung, JP

Mr Ho Chun Hung has been working in the Buildings Department for over 30 years administering the Buildings Ordinance for the control of new private developments and existing private buildings. Mr Ho is a professional building surveyor. He holds a Bachelor of Science Degree in Building Surveying and a Master Degree in Public Administration.

Director of Lands Mr Maurice LOO Kam Wah, JP

Mr Maurice Loo joined the Administrative Service in July 1996. He has served in various bureaux and departments, including the former Home Affairs Branch, the former Transport Branch, the Home Affairs Department, the former Planning, Environment and Lands Bureau, the former Environment and Food Bureau, the Civil Service Bureau, the Innovation and Technology Commission, the former Commerce, Industry and Technology Bureau and the Hong Kong Economic and Trade Office in Washington D.C.

He was Principal Assistant Secretary (Financial Services) from April 2011 to June 2014, Deputy Secretary for Development (Planning and Lands) from July 2015 to August 2020, and Deputy Secretary for Financial Services and the Treasury (Treasury) from August 2020 to September 2024. Mr Loo has been serving as Director of Lands since 5 September 2024.

Director of Planning Mr Tom YIP Chi Kwai, JP

Mr Tom Yip is a professional town planner and a member of the Hong Kong Institute of Planners. He has been working in the Government for over 30 years. He leads the Planning Department to formulate territorial planning policies and development strategies and provide a rational pattern of land use to guide the developments in Hong Kong.

Deputy Director of Home Affairs (2) Mr TE Chi Wang, JP

Mr Te Chi Wang joined the Administrative Service of the Government of the HKSAR in 2002. He served in various Government bureaux and departments, including the Chief Executive's Office, the Financial Secretary's Office, the Financial Services and the Treasury Bureau, the then Commerce and Industry Bureau, the Transport and Logistics Bureau, the Constitutional and Mainland Affairs Bureau and the Civil Service Bureau. He was seconded to the European Commission in 2009.

Mr Te took up the present post of Deputy Director of Home Affairs in November 2022. His major responsibilities include overseeing the policy on district governance and supervising the work of nine district offices in the urban districts.

Note:

The Honourable Vincent CHENG Wing Shun, Ms Ivy CHUA Suk Lin, Mr Andy HO Wing Cheong, Ms Elaine LO Yuen Man, Professor TANG Bo Sin and Ms Judy TONG Kei Yuk served the Board as Non-Executive Directors (Non-Official) until 30 April 2025.
Ms Clarice YU Po Mei served the Board as Non-Executive Director (Official) until 12 April 2025.
Mr Andrew LAI Chi Wah served the Board as Non-Executive Director (Official) until 22 July 2024.
Mr Ivan CHUNG Man Kit served the Board as Non-Executive Director (Official) until 17 March 2025.

MEMBERS OF COMMITTEES

AUDIT COMMITTEE

Chairperson

Ir Janice LAI Wai Man

Members

Dr CHAN Ka Kui, GBS, JP
Ms Jasmine LEE Shun Yi (from 1 May 2025)
Ms Yvonne YEUNG Kin Ha

Co-opted Member

Ms Rosanna CHOI Yi Tak, MH

DEVELOPMENT PROJECT OBJECTION CONSIDERATION COMMITTEE

Chairperson

Sr Alexander LAM
Tsan Wing

Members

Mr CHIU Kam Kuen (from 1 May 2025)
The Honourable KWOK Wai Keung, BBS, JP
Mrs Sylvia LAM YU Ka Wai, SBS
Ms Lilian LAW Suk Kwan, MH, JP (from 1 May 2025)
The Honourable Tony TSE Wai Chuen, SBS, JP

Co-opted Members

Mr Patrick LAU Lai Chiu, SBS
Mr Timothy MA Kam Wah, MH, JP

FINANCE COMMITTEE

Chairperson

Mr CHOW Chung Kong,
GBM, GBS, JP

Members

The Honourable CHAN Kin Por, GBS, JP
(from 1 May 2025)
Sr Alexander LAM Tsan Wing
Ms Jasmine LEE Shun Yi (from 1 May 2025)
Ir The Honourable Michael
LEE Chun Keung, BBS, JP
Ms Florence LEUNG Chi Hang (from 1 May 2025)
The Honourable Tony TSE Wai Chuen, SBS, JP
Managing Director
(Ir WAI Chi Sing, GBS, JP, FHKEng) (up to 14 June 2025)
(Ar Donald CHOI Wun Hing, BBS, JP)
(from 15 June 2025)

HUMAN RESOURCES AND REMUNERATION COMMITTEE

Chairperson

Mr CHOW Chung Kong,
GBM, GBS, JP

Members

Mr William CHAN Fu Keung, BBS
The Honourable KWOK Wai Keung, BBS, JP
Ms Lilian LAW Suk Kwan, MH, JP (from 1 May 2025)
Ir The Honourable Michael
LEE Chun Keung, BBS, JP
Ms Florence LEUNG Chi Hang (from 1 May 2025)
Ms Yvonne YEUNG Kin Ha
Managing Director
(Ir WAI Chi Sing, GBS, JP, FHKEng) (up to 14 June 2025)
(Ar Donald CHOI Wun Hing, BBS, JP)
(from 15 June 2025)

LAND, REHOUSING AND COMPENSATION COMMITTEE

Chairperson

Dr CHAN Ka Kui, GBS, JP

Members

The Honourable CHAN Hok Fung, MH, JP
(from 1 May 2025)
Mr William CHAN Fu Keung, BBS
The Honourable KWOK Wai Keung, BBS, JP
Managing Director
(Ir WAI Chi Sing, GBS, JP, FHKEng) (up to 14 June 2025)
(Ar Donald CHOI Wun Hing, BBS, JP) (from 15 June 2025)
Executive Director (Operations)
(Ms Carolin FONG Suet Yuen)

Co-opted Members

Mr Patrick LAU Lai Chiu, SBS
Mr Timothy MA Kam Wah, MH, JP
Assistant Director/Specialist 3,
Lands Department
(Ms Karen LEUNG Mui Yin)

PLANNING, DEVELOPMENT AND CONSERVATION COMMITTEE

Chairperson

Mrs Sylvia LAM YU Ka Wai,
SBS

Members

The Honourable CHAN Hok Fung, MH, JP
(from 1 May 2025)
Mr CHIU Kam Kuen (from 1 May 2025)
Ir Janice LAI Wai Man
Sr Alexander LAM Tsan Wing
Ms Florence LEUNG Chi Hang (from 1 May 2025)
The Honourable Tony TSE Wai Chuen, SBS, JP
Director of Lands^Δ
(Mr Maurice LOO Kam Wah, JP)
Director of Planning^Δ
(Mr Tom YIP Chi Kwai, JP)
Managing Director
(Ir WAI Chi Sing, GBS, JP, FHKEng) (up to 14 June 2025)
(Ar Donald CHOI Wun Hing, BBS, JP)
(from 15 June 2025)
Executive Director (Commercial)
(Mr Wilfred AU Chun Ho)

Co-opted Members

Mr Andy LEUNG Kit Man
Assistant Director /
New Buildings 1,
Buildings Department
(Mr Lawsons YUE Chak Sang)

^Δ Director of Lands/Director of Planning
as members of the committee can be
represented by their representatives at
Assistant Director rank or above

REVIEW COMMITTEE

Chairperson

Mr William CHAN
Fu Keung, BBS

Members

The Honourable CHAN Hok Fung, MH, JP
(from 1 May 2025)
Mr CHIU Kam Kuen (from 1 May 2025)
Ir Janice LAI Wai Man

Co-opted Members

Dr Andrew CHAN Ping Chiu, BBS
Mr Henry CHAN Kai Wing
Mr CHUA Hoi Wai, JP
Ms LAM Tze Yan
Mr Tony LUK Ka Luen
Mr MOK Hing Luen
Mr Dickson PANG Kam Fai
Mr YUNG Ching Tat, BBS, JP

SUSTAINABILITY COMMITTEE

Chairperson

Ms Yvonne YEUNG Kin Ha

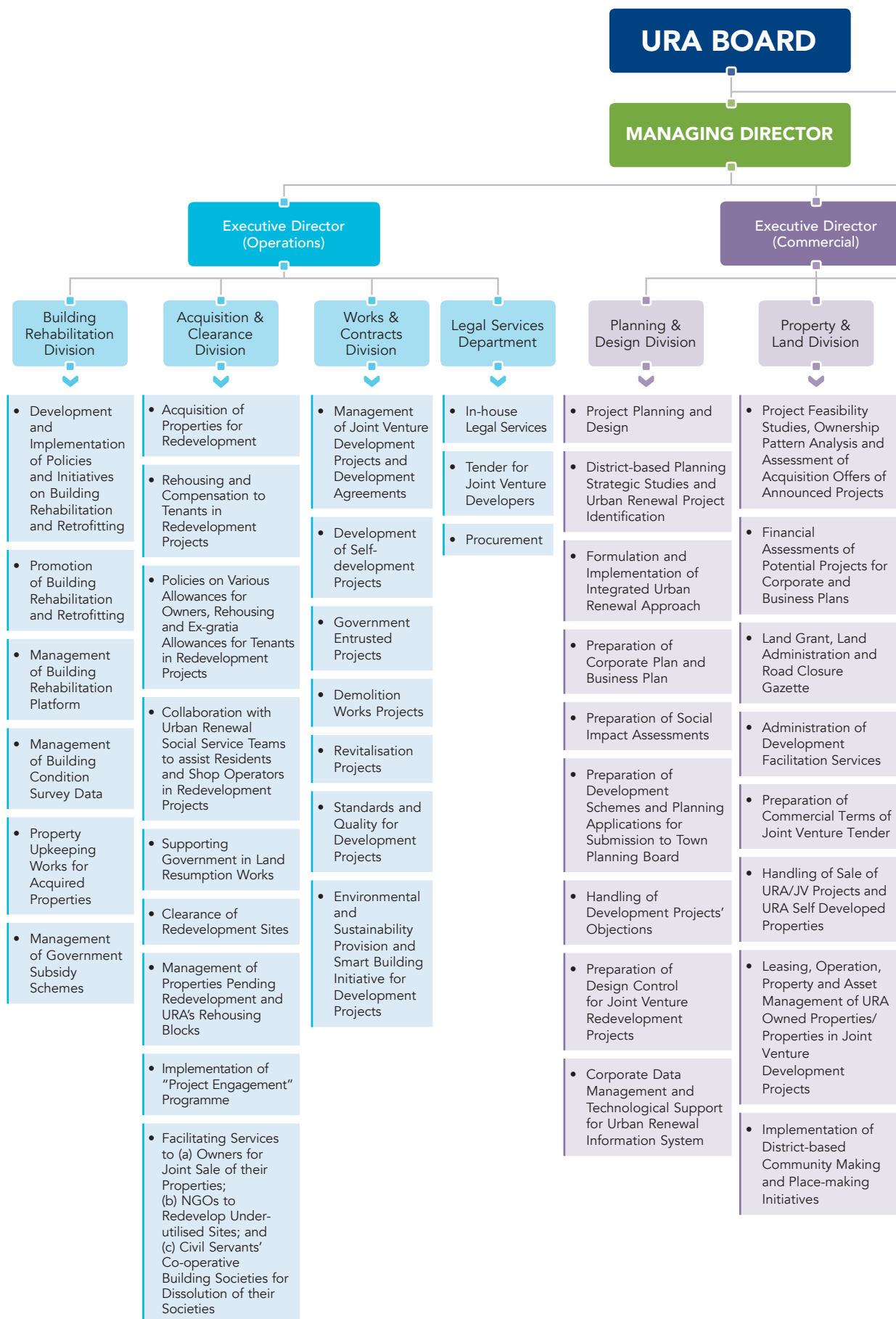
Members

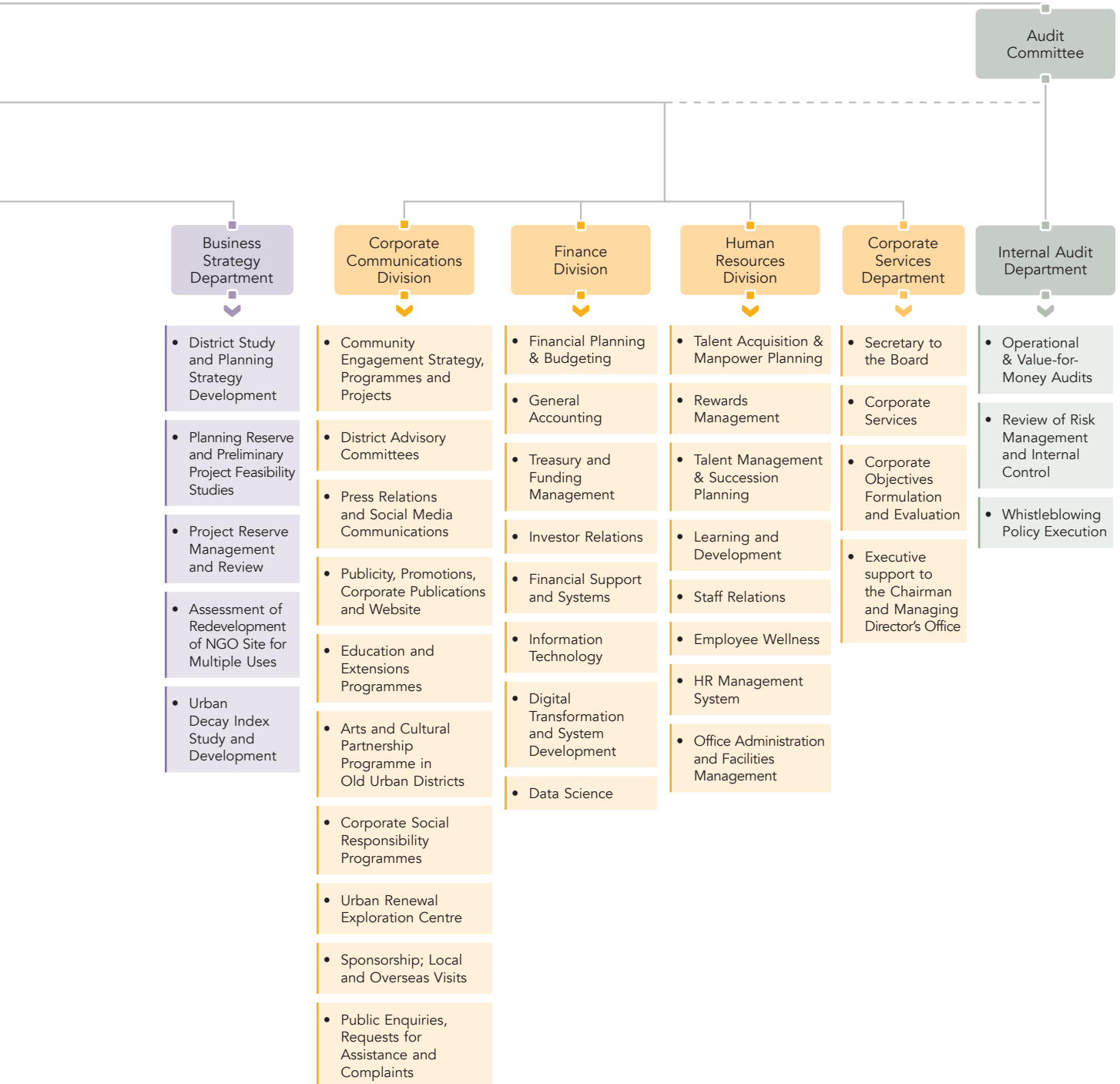
Ms Lilian LAW Suk Kwan, MH, JP (from 1 May 2025)
Managing Director
(Ir WAI Chi Sing, GBS, JP, FHKEng) (up to 14 June 2025)
(Ar Donald CHOI Wun Hing, BBS, JP)
(from 15 June 2025)
Executive Director (Commercial)
(Mr Wilfred AU Chun Ho)
Executive Director (Operations)
(Ms Carolin FONG Suet Yuen)

Co-opted Member

Ms Loretta FONG Wan Huen

ORGANISATION STRUCTURE





MEMBERS OF DISTRICT ADVISORY COMMITTEES

CENTRAL AND WESTERN DISTRICT ADVISORY COMMITTEE

Chairperson

The Honourable
Tony TSE Wai Chuen, SBS, JP
(from 10 September 2024)

Members

Professor Roger CHAN Chun Kwong
Mr Owen CHAN Chun Wah
Mr CHENG Po Hung
Ms CHEUNG Ka Yan
(from 14 February 2025)
Mr Kenneth LEE Fung Nin
Mr Simon LEE Wai Keung
(from 14 February 2025)
Mr LUI Hung Pan
Mr MAN Chi Wah, BBS, MH
(up to 30 September 2024)

Mr SHIH Jan Noel
(from 14 February 2025)
Mr PANG Ka Ho
(up to 30 September 2024)
Ms Anna YEN Lau Fan
Mr YEUNG Hok Ming, MH
Mr Jeremy YOUNG Chit On
Dr ZHANG Zong
(from 14 February 2025)
District Officer (Central & Western)

KOWLOON CITY DISTRICT ADVISORY COMMITTEE

Chairperson

Professor
TANG Bo Sin, MH
(up to 30 April 2025)

Members

Ms CHAN Wing Lam, Gwyneth
Mr CHING Yuk Yu, Eugene
(from 14 February 2025)
Mr CHO Wui Hung, MH
(up to 30 September 2024)
Mr HO Hin Ming, BBS, MH
(up to 30 September 2024)
Mr KU Ka Yin, MH
Mr KWAN Ho Yeung, MH
Ms LAI LEE Chui Ling
Sr LAM Ka Fai, Francis
(from 14 February 2025)
Mr LAM Pok
Dr LAW Lok Yin, Login
(from 14 February 2025)

Mr LUI Kwok Wai
(from 14 February 2025)
Mr NG Po Keung, MH
Mr PUN Kwok Wah, JP
Dr SIU Miu Man, MH
(up to 30 September 2024)
Mr TAM Man Chi
(up to 30 September 2024)
Ms WONG Man Lei, Vivian
(from 14 February 2025)
Mr WONG Yip Kwan, MH
Mr YEUNG Chun Yu
(up to 30 September 2024)
District Officer (Kowloon City)

YAU TSIM MONG DISTRICT ADVISORY COMMITTEE

Chairperson

Ir Janice LAI Wai Man

Members

Professor Paul CHU Hoi Shan
Mr CHUNG Chak Fai
Mr Frank HO Fu Wing
(up to 30 September 2024)
Mr HUI Tak Leung, JP
Mr Percy KWOK Lan Fung
(from 14 February 2025)
Mr Sunny LAI Wing Chun, MH
(from 14 February 2025)
Mr LAU Pak Kei, MH
(up to 30 September 2024)
Mr LEE Ka Hin
(from 14 February 2025)
Mr Edward LEUNG Wai Kuen, JP
(up to 30 September 2024)
Mr Edward LEUNG Yee Wah

Mr Ricky LO Shu Nam
(from 14 February 2025)
Mr Ernest NG Kwok Wa
Ir Michelle TANG Ming Sum
(up to 30 September 2024)
Sr Kenny TSE Chi Kin
Dr WAN Lap Man
(from 14 February 2025)
Mr WONG Kin San, MH
Ms WONG Shu Ming, MH, JP
(from 14 February 2025)
Mr Benny YEUNG Tsz Hei, BBS, MH
Dr Simon YUEN Sheung Man
District Officer (Yau Tsim Mong)

KWUN TONG DISTRICT ADVISORY COMMITTEE

Chairperson

The Honourable
KWOK Wai Keung, BBS, JP

Members

Ms CHAN Siu Hing
Mr Nelson CHAN Wah Yu, MH, JP
Professor Sr Ir James
CHAN Yuk Kit, MH, JP
(from 14 February 2025)
Mr CHEUNG Freeman
(up to 30 September 2024)
Mr CHONG Yam Ming, BBS, MH
(up to 30 September 2024)
Mr CHONG Yue Kwan
(from 14 February 2025)
Mr CHOW Yiu Ming, BBS, MH
(up to 30 September 2024)
Ms FU Pik Chun, MH
(up to 30 September 2024)
Mr KAN Ming Tung, MH
Mr Patrick LAI Shu Ho, BBS, MH, JP
(up to 30 September 2024)
Professor Sunnie LAU Sing Yeung
(from 3 March 2025)
Mr LEUNG Tang Fung
(up to 30 September 2024)
Mr LI Hung
(up to 30 September 2024)

Mr LING Chi Keung, MH
(up to 30 September 2024)
Mr LUI Tung Hai, MH
(from 14 February 2025)
Mr Francis NGAI Wah Sing
(from 14 February 2025)
Mr Wilson OR Chong Shing, MH
Mr Kevin SO Koon Chung
(up to 30 September 2024)
Ms SO Lai Chun, MH, JP
Mr WONG Chun Ping, BBS, MH, JP
(from 14 February 2025)
Sr Gary YEUNG Man Kai
Mr YIP Hing Kwok, BBS, MH, JP
(from 14 February 2025)
Ms YU Chun
(from 14 February 2025)
Ms YU Juliana
(from 14 February 2025)
District Officer (Kwun Tong)

SHAM SHUI PO DISTRICT ADVISORY COMMITTEE

Chairperson

The Honourable
Vincent CHENG Wing Shun, BBS, MH, JP
(up to 30 April 2025)

Members

Mr Paul CHAN Chi Yuen
(from 14 February 2025)
Mr CHAN Wai Ming, BBS, MH, JP
Dr Lennon CHOY Hung Tat
(up to 30 September 2024)
Mr Waillen CHUI Wai Lan
Mr CHUM Tak Shing
(up to 30 September 2024)
Mr Aaron LAM Ka Fai, BBS, JP
Mr Raymond LAM Wai Man
(from 14 February 2025)
Professor LAU Kwok Yu, JP
Ms LAU Pui Yuk, MH
Mr LEUNG Ping Kin
(from 14 February 2025)
Mr MAK Wai Ming
(up to 30 September 2024)

Ms POON Choi Chun
(up to 30 September 2024)
Dr SUN Yi
(from 14 February 2025)
Mr Garrie TAM Wai Man
(up to 30 September 2024)
Cr Alfred TANG Yu Chi
(from 14 February 2025)
Mr WAI Woon Nam
(up to 30 September 2024)
Dr WONG Joseph Francis
(up to 30 September 2024)
Ms WU Sze Wan
(from 14 February 2025)
District Officer (Sham Shui Po)

FINANCIAL SUMMARY

The financial results of the Authority for the past ten years are summarised in the table below.

	In HK\$'million									
Year ended 31 March	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	7,422	5,035	13,868	3,423	2,107	3,439	22,653	5,513	3,024	254
Operating surplus/(deficit) (Note 1)	5,215	2,311	11,512	1,489	1,143	49	7,240	(494)	(831)	(41)
Net surplus/(deficit)	4,451	3,142	12,038	2,330	118	150	6,568	(3,530)	(3,920)	(2,720)
Accumulated surplus	19,464	22,606	34,644	36,974	37,092	37,242	43,810	40,280	36,360	33,640
Capital	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Net assets	29,464	32,606	44,644	46,974	47,092	47,242	53,810	50,280	46,360	43,640
Bonds issued less unamortised finance charges	3,285	3,288	2,791	2,793	1,796	1,097	1,098	799	499	13,961
Properties under development (Note 2)	20,199	19,087	25,769	29,609	33,494	33,287	22,501	25,249	28,684	38,812
Land premia waived by the Government during the year	(940)	(180)	(4,077)	(190)	(4)	(17)	(1,106)	(2,137)	(2,362)	—
Surplus/(deficit) if no land premium waiver	3,511	2,962	7,961	2,140	114	133	5,462	(5,667)	(6,282)	(2,720)
Accumulated surplus if no land premium waiver	4,233	7,195	15,156	17,296	17,410	17,543	23,005	17,338	11,056	8,336

Notes:

1. "Operating surplus/(deficit)" refers to operating results before deducting provision for impairment on properties and committed projects.
2. "Properties under development" represents properties under development before provision for impairment.

REPORT OF THE MEMBERS OF THE BOARD

The members of the Board submit their report together with the audited financial statements for the year ended 31 March 2025.

BOARD MEMBERS

Members of the Board for the year and up to the date of this report are set out on page 95.

PRINCIPAL ACTIVITIES

The principal activities of the Urban Renewal Authority (the "Authority") and its subsidiaries (together, the "Group") have been to promote urban renewal in Hong Kong by way of redevelopment, rehabilitation, retrofitting, preservation and revitalisation. As a result of the Urban Renewal Strategy promulgated on 24 February 2011, the Group is to focus on redevelopment and rehabilitation as its core business.

CONSOLIDATED FINANCIAL STATEMENTS

The results of the Group for the year ended 31 March 2025 and the financial position of the Group and of the Authority at that date are set out in the consolidated financial statements on pages 117 to 165.

PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment during the year are set out in Note 8 to the consolidated financial statements.

WORKING CAPITAL

At 31 March 2025, the working capital of the Group was mainly financed by the Government's equity injection, accumulated surplus and bonds issued.

BOARD MEMBERS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS AND RIGHTS OF ACQUISITION OF SHARES

No contract of significance, to which the Authority or any of its subsidiaries was a party and in which a member of the Board had a material interest, subsisted at the end of the year or at any time during the year other than Note 21 to the consolidated financial statements.

At no time during the year was the Authority or any of its subsidiaries a party to any arrangement to enable the members of the Board to acquire benefits by means of the acquisition of shares in or debentures of any body corporate.

AUDITOR

The financial statements have been audited by KPMG who retire and, being eligible, offer themselves for re-appointment.

By order of the Board
CHOW Chung Kong
Chairman
Hong Kong, 19 June 2025

INDEPENDENT AUDITOR'S REPORT



TO THE MEMBERS OF THE BOARD OF THE URBAN RENEWAL AUTHORITY
(Incorporated in Hong Kong under the Urban Renewal Authority Ordinance)

OPINION

We have audited the consolidated financial statements of Urban Renewal Authority (the "Authority") and its subsidiaries (together the "Group") set out on pages 117 to 165, which comprise the consolidated statement of financial position as at 31 March 2025, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards ("HKFRSs") 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 OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") 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") and we have 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 opinion.

KEY AUDIT MATTER

Key audit matter is the matters that, in our professional judgement, was of most significance in our audit of the consolidated financial statements of the current period. This matter was addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on this matter.

Valuation of properties under development and property, plant and equipment

(Refer to notes 6(a), 8 and 9 to the consolidated financial statements and accounting policy notes 2(g), 2(h)(ii) and 2(k))

The Key Audit Matter

Properties under development and property, plant and equipment are the major assets of the Group, which accounted for 46% and 12% of the Group's total assets, respectively.

Recent economic environment in Hong Kong could lead to volatility on property valuations and therefore it would result in an indication of impairment for the properties held by the Group (including those under property, plant and equipment). Impairment assessments have been performed to determine the recoverable amounts of these assets. The recoverable amounts of these assets are primarily determined based on their fair value less costs of disposal, and the valuations of such are performed by management with the assistance of an external valuer. Such valuations involve significant management judgement and estimation, particularly in determining prevailing market rents, capitalisation rates, market selling prices and/or estimated costs to completion (for properties under development) where applicable.

We identified the valuation of properties under development and property, plant and equipment as a key audit matter because the valuations of these assets involves significant judgement and estimation, which increase the risk of error or potential management bias.

How the matter was addressed in our audit

Our audit procedures to assess the valuation of properties under development and property, plant and equipment included the following:

- Obtaining and reading the valuations prepared by management with the assistance of the external valuer;
- meeting the management and external valuer to discuss the valuation methodologies and the key assumptions adopted in the valuations of the underlying properties, including prevailing market rents, capitalisation rates, market selling prices and/or estimated costs to completion (for properties under development) where applicable adopted in the valuations of the underlying properties;
- assessing the competence, capabilities and objectivity of the external valuer in the properties being valued; and
- with the assistance of our internal property valuation specialists, assessing the appropriateness of the valuation methodologies adopted with reference to the requirements of the prevailing accounting standards and the reasonableness of the market rents, capitalisation rates, market selling prices and/or estimated costs to completion (for properties under development) where applicable, with available market data and/or government statistics, on a sample basis.

INDEPENDENT AUDITOR'S REPORT

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Board members are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon. We obtained Report of the Members of the Board prior to the date of this auditor's report and expect the remaining other information to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE BOARD MEMBERS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Board members are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the Board members determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board members are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board members either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Board members are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 18 of the Urban Renewal Authority Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board members.
- Conclude on the appropriateness of the Board members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Chan, Terence Tin Hang (practicing certificate number: P08060).

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
19 June 2025

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 March 2025
(expressed in Hong Kong Dollars)

	Note	2025 \$'000	2024 \$'000
Revenue	5(a)	253,959	3,023,922
Direct costs		<u>(131,260)</u>	<u>(3,599,198)</u>
Gross surplus/(deficit)		122,699	(575,276)
Other income, net	5(b)	1,144,521	1,023,515
Administrative expenses		(736,042)	(675,779)
Other expenses		<u>(571,689)</u>	<u>(603,490)</u>
Operating deficit before provision for impairment on properties and committed projects		(40,511)	(831,030)
Provision for impairment on properties and committed projects, net	6(a)	<u>(2,678,910)</u>	<u>(3,089,252)</u>
Operating deficit before income tax	6	(2,719,421)	(3,920,282)
Income tax expenses	7(a)	<u>—</u>	<u>—</u>
Deficit and total comprehensive income for the year		<u><u>(2,719,421)</u></u>	<u><u>(3,920,282)</u></u>

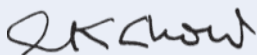
The notes on pages 122 to 165 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 March 2025
(expressed in Hong Kong Dollars)

	Note	2025 \$'000	2024 \$'000
Non-current assets			
Property, plant and equipment	8	7,616,116	7,883,903
Properties under development	9	28,329,072	21,048,425
Building rehabilitation loans	10	2,171	3,354
Prepayments		1,415,538	604,740
Investments	11	–	550,000
Bank deposits	12	834,857	–
		<u>38,197,754</u>	<u>30,090,422</u>
Current assets			
Properties held for sale	13	478,464	517,512
Properties under development for sale	9	1,314,801	1,121,976
Amounts due from joint development projects	14	35,349	17,521
Building rehabilitation loans	10	1,701	2,443
Trade and other receivables	15	571,846	447,429
Investments	11	550,000	1,100,000
Cash and bank balances	12	19,788,981	16,543,514
		<u>22,741,142</u>	<u>19,750,395</u>
Total assets		<u><u>60,938,896</u></u>	<u><u>49,840,817</u></u>
Capital and reserve			
Capital	16	10,000,000	10,000,000
Accumulated surplus		<u>33,640,089</u>	<u>36,359,510</u>
		<u>43,640,089</u>	<u>46,359,510</u>
Non-current liabilities			
Trade and other payables	17	366,819	400,806
Bonds issued	18	<u>13,461,364</u>	<u>499,111</u>
		<u>13,828,183</u>	<u>899,917</u>
Current liabilities			
Amounts due to joint development projects	14	280,021	256,653
Trade and other payables	17	2,691,005	2,324,737
Bonds issued	18	<u>499,598</u>	<u>–</u>
		<u>3,470,624</u>	<u>2,581,390</u>
Total capital, reserve and liabilities		<u><u>60,938,896</u></u>	<u><u>49,840,817</u></u>

Approved by the Board
on 19 June 2025



CHOW Chung Kong
Chairman



Carolin FONG Suet Yuen
Executive Director

The notes on pages 122 to 165 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2025
(expressed in Hong Kong Dollars)

	Note	2025		2024	
		\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Operating deficit before income tax		(2,719,421)		(3,920,282)	
Adjustments for:					
Interest income	5(b)	(933,569)		(890,008)	
Depreciation	6(a)	237,046		227,959	
Interest expenses	6(a)	996		1,067	
Gain on disposals of property, plant and equipment	5(b)	(5)		–	
Net foreign exchange loss		3,812		29,259	
Provision for impairment on properties and committed projects, net		<u>2,678,910</u>		<u>3,089,252</u>	
Operating deficit before working capital changes		(732,231)		(1,462,753)	
Changes in balances with joint development projects		5,540		21,984	
Increase in properties under development		(9,710,978)		(4,940,471)	
Decrease in properties held for sale		39,048		444,493	
Decrease in building rehabilitation loans		1,925		2,866	
Increase in prepayments		(928,627)		(18,188)	
Decrease/(increase) in trade and other receivables		10,851		(47,411)	
Increase in trade and other payables		<u>320,241</u>		<u>11,083</u>	
Cash used in operations		(10,994,231)		(5,988,397)	
Interest received		798,301		960,090	
Interest paid		<u>(227,395)</u>		<u>(20,928)</u>	
Net cash used in operating activities			(10,423,325)		(5,049,235)

The notes on pages 122 to 165 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2025
(expressed in Hong Kong Dollars)

	Note	2025		2024	
		\$'000	\$'000	\$'000	\$'000
Cash flows from investing activities					
(Increase)/decrease in bank deposits with original maturities of more than 3 months		(3,200,634)		4,109,543	
Payment for purchases of property, plant and equipment		(9,255)		(9,772)	
Redemption of investments at amortised cost		1,100,000		1,150,000	
Proceeds from disposals of property, plant and equipment		5		—	
Net cash (used in)/generated from investing activities			(2,109,884)		5,249,771
Cash flows from financing activities					
Redemption of bonds	12	—		(300,000)	
Proceeds from issuance of bonds	12	13,500,000		—	
Issuing costs of issuance of bonds	12	(43,015)		—	
Capital element of lease rentals paid	12	(37,386)		(37,825)	
Interest element of lease rentals paid	12	(2,886)		(3,564)	
Net cash generated from/(used in) financing activities			13,416,713		(341,389)
Net increase/(decrease) in cash and cash equivalents			883,504		(140,853)
Cash and cash equivalents at 1 April			1,448,858		1,616,755
Exchange gain/(loss) on cash and cash equivalents			10		(27,044)
Cash and cash equivalents at 31 March			<u>2,332,372</u>		<u>1,448,858</u>
Analysis of cash and bank balances					
Cash and cash equivalents			2,332,372		1,448,858
Bank deposits with original maturities of more than 3 months			<u>18,291,466</u>		<u>15,094,656</u>
Cash and bank balances at 31 March	12		<u>20,623,838</u>		<u>16,543,514</u>

The notes on pages 122 to 165 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2025
(expressed in Hong Kong Dollars)

	Capital	Accumulated surplus	Total
	\$'000	\$'000	\$'000
Balance at 1 April 2023	10,000,000	40,279,792	50,279,792
Deficit and total comprehensive income for the year	—	(3,920,282)	(3,920,282)
Balance at 31 March 2024	<u>10,000,000</u>	<u>36,359,510</u>	<u>46,359,510</u>
Balance at 1 April 2024	10,000,000	36,359,510	46,359,510
Deficit and total comprehensive income for the year	—	(2,719,421)	(2,719,421)
Balance at 31 March 2025	<u>10,000,000</u>	<u>33,640,089</u>	<u>43,640,089</u>

The notes on pages 122 to 165 form part of these consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

1. General information

The Urban Renewal Authority (the “Authority”) is a statutory body established by the Government of the Hong Kong Special Administrative Region (“Government”) under the Urban Renewal Authority Ordinance (Chapter 563). The principal activities of the Authority and its subsidiaries (the “Group”) have been to promote urban renewal in Hong Kong by way of redevelopment, rehabilitation, retrofitting, preservation and revitalisation. As a result of the Urban Renewal Strategy promulgated on 24 February 2011, the Group is to focus on redevelopment and rehabilitation as its core business.

The address of the Authority is 26/F, COSCO Tower, 183 Queen’s Road Central, Hong Kong.

As part of the financial support for the Authority, the Government has agreed that all urban renewal sites for new projects set out in the Corporate Plans and Business Plans of the Authority, approved by the Financial Secretary (“FS”) from time to time, may in principle be granted to the Authority at nominal premium, subject to satisfying FS of the need therefor.

2. Material accounting policies

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation of the financial statements

The consolidated financial statements have been prepared under the historical cost convention and comply with all applicable HKFRS Accounting Standards (“HKFRSs”) (which include all applicable individual HKFRSs, Hong Kong Accounting Standards and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

2. Material accounting policies (Continued)

(b) Relevant standards effective in the current year

The Group has applied the following amendments to HKFRSs issued by the HKICPA to these financial statements for the current accounting period:

Amendments to HKAS 1, *Presentation of financial statements — Classification of liabilities as current or non-current* ("2020 amendments") and amendments to HKAS 1, *Presentation of financial statements — Non-current liabilities with covenants* ("2022 amendments")

Amendments to HKFRS 16, *Leases — Lease liability in a sale and leaseback*

Amendments to HKAS 7, *Statement of cash flows* and HKFRS 7, *Financial instruments: Disclosures — Supplier finance arrangements*

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

(c) Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 March 2025

Up to the date of issue of these consolidated financial statements, the HKICPA has issued a number of new or amended standards, which are not yet effective for the year ended 31 March 2025 and which have not been adopted in these consolidated financial statements. These include the following which may be relevant to the Group.

	<i>Effective for accounting periods beginning on or after</i>
Amendments to HKAS 21, <i>The effects of changes in foreign exchange rates — Lack of exchangeability</i>	1 January 2025
Amendments to HKFRS 9, <i>Financial instruments</i> and HKFRS 7, <i>Financial instruments: disclosures — Amendments to the classification and measurement of financial instruments</i>	1 January 2026
Annual improvements to HKFRS Accounting Standards — Volume 11	1 January 2026
HKFRS 18, <i>Presentation and disclosure in financial statements</i>	1 January 2027
HKFRS 19, <i>Subsidiaries without public accountability: disclosures</i>	1 January 2027

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements, except for HKFRS 18, where the presentation and disclosures of the consolidated financial statements are expected to change.

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

2. Material accounting policies (Continued)

(d) Basis of consolidation

The consolidated financial statements include the financial statements of the Authority and all its subsidiaries made up to 31 March.

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

All intercompany transactions, balances and cash flows within the Group are eliminated in full on consolidation.

In the Authority's statement of financial position, investments in subsidiaries are stated at cost less any provision for impairment losses (see Note 2(h)). Any such provisions are recognised as an expense in profit or loss.

(e) Revenue recognition

Revenue is recognised when control over a product or service is transferred to the customer, or the lessee has the right to use the asset, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties.

Further details of the Group's revenue and other income recognition policies are as follows:

- (i) Income from sale of properties developed for sale in the ordinary course of business is recognised when legal assignment is completed, which is the point in time when the customer has the ability to direct the use of the property and obtain substantially all of the remaining benefits of the property. Deposits and instalments received on properties sold prior to the date of revenue recognition are included in contract liabilities (see Note 2(f)).
- (ii) Where the Group receives its share of surplus from property development projects undertaken as joint development projects, sharing of such surplus is recognised in accordance with the terms of the joint development agreements, unless the control of the underlying properties under development have not been transferred. Proceeds received in advance from sale of properties of joint development projects prior to their completion are included in trade and other payables.

2. Material accounting policies (Continued)

(e) Revenue recognition (Continued)

Further details of the Group's revenue and other income recognition policies are as follows:
(Continued)

- (iii) When the developer is obligated to settle the upfront premium to the Group at the inception of joint development agreement, such upfront premium is recognised as revenue when the Group has no further substantial acts to complete. Generally, such revenue is recognised as soon as the Group has performed its obligations in respect of the upfront premium and it has become non-refundable/non-cancellable.
- (iv) Interest income is recognised on a time-proportion basis using the effective interest method.
- (v) Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are earned.
- (vi) Income from Urban Redevelopment Facilitating Services Company Limited is recognised upon completion of the sale of the properties by the owners in accordance with the terms of the sale agreement.

(f) Contract liabilities

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see Note 2(e)). A contract liability would also be recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see Note 2(i)).

(g) Property, plant and equipment

Building comprises rehousing blocks, preservation properties, retained properties, and commercial premises held for self-use. Rehousing blocks represent properties held by the Group for the intended purpose of providing interim accommodation for affected tenants of development projects who are normally charged a rent which is substantially below the market value, with a view to assist primarily the dispossessed tenants who are yet to obtain public housing units. Preservation properties are properties that are of historical or architectural interest to be preserved by the Group. Retained properties represent redeveloped properties held by the Group for conserving the cultural characteristics of the projects before redevelopment and receives rental income.

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

2. Material accounting policies (Continued)

(g) Property, plant and equipment (Continued)

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses (see Note 2(h)). Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in profit or loss during the financial period in which they are incurred.

Amortisation on interests in leasehold land and depreciation on other assets is calculated to write off their costs less residual values, if any, over their anticipated useful lives on a straight line basis as follows:

Interests in leasehold land	– Over the period of the unexpired lease
Buildings	– 50 years or over the period of the unexpired lease if less than 50 years
Leasehold improvements	– Office: 10 years or over the life of the respective lease, whichever is the shorter Non-office: 50 years or over the period of the unexpired terms of the leases if less than 50 years
Plant and machinery	– 10 years
Motor vehicles	– 4 years
Furniture and office equipment	– 3 to 5 years
Properties leased for own use	– Over the period of the lease

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (see Note 2(h)).

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount. These are included in profit or loss.

2. Material accounting policies (Continued)

(h) Credit losses and impairment of assets

(i) Credit losses from financial instruments and lease receivables

The Group recognises a loss allowance for expected credit loss ("ECLs") on the following items:

- financial assets measured at amortised cost (including cash and bank balances, trade receivables, investments at amortised cost, financial assets included in prepayments, deposits and other receivables, building rehabilitation loans and amounts due from joint development projects); and
- lease receivables.

Financial assets measured at fair value, including investments measured at fair value through profit or loss ("FVPL"), are not subject to the ECLs assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets and trade and other receivables: effective interest rate determined at initial recognition or an approximation thereof;
- variable-rate financial assets: current effective interest rate;
- lease receivables: discount rate used in the measurement of the lease receivable.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

2. Material accounting policies (Continued)

(h) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and lease receivables (Continued)

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECLs model applies.

Loss allowances for trade receivables and lease receivables are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

2. Material accounting policies (Continued)

(h) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and lease receivables (Continued)

Significant increases in credit risk (Continued)

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECLs amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or past due event;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset or lease receivable is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Impairment of other assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

2. Material accounting policies (Continued)

(i) Financial assets and liabilities

The Group classifies its financial assets in the following categories: financial assets measured at amortised cost, at FVPL and at fair value through other comprehensive income ("FVOCI"). The classification of the financial asset is based on the business model under which the financial asset is managed and its contractual cash flow characteristics. Management determine the classification of its financial assets at initial recognition.

The Group's policies for investments in debt securities are set out below.

Investments in debt securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at FVPL for which transaction costs are recognised directly in profit or loss. These investments are subsequently accounted for as follows, depending on their classification:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method.
- FVOCI — recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.
- FVPL, if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

Purchases and sales of financial assets are recognised on the trade-date — the date on which the Group commits to purchase or sell the asset. Investments at FVPL are initially recognised at fair value and transaction costs are expensed in profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Financial liabilities are recognised initially at fair value, net of transaction costs incurred. Financial liabilities are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2. Material accounting policies (Continued)

(j) Leased assets

(i) *As a lessee*

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

2. Material accounting policies (Continued)

(j) Leased assets (Continued)

(i) As a lessee (Continued)

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("lease modification") that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

The Group presents right-of-use assets in "property, plant and equipment" and presents lease liabilities under "trade and other payables" in the consolidated statement of financial position.

(ii) As a lessor

When the company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the company allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with Note 2(e)(v).

(k) Properties under development

Properties under development represent all costs incurred by the Group in connection with property development, and include mainly acquisition costs, cost of development, borrowing costs, costs of rehousing units (see Note 2(m)) and other direct costs incurred in connection with the development, less any provisions for impairment losses (see Note 2(h)). For preservation properties and retained properties, the properties are transferred to property, plant and equipment at cost upon completion.

Upon disposal of the development properties, the relevant cost of the properties will be apportioned between the part to be retained and the part to be sold on an appropriate basis.

The relevant cost for the part to be sold will be charged as "direct costs" to profit or loss at the inception of the joint development agreement.

(l) Properties held for sale and properties under development for sale

Properties held for sale and properties under development for sale at the end of the reporting period are stated at the lower of cost and net realisable value.

(m) Costs of rehousing units provided by the Hong Kong Housing Authority and the Hong Kong Housing Society

The Hong Kong Housing Authority and the Hong Kong Housing Society have agreed to provide certain rehousing units to the Group. In return, the Group will pay for the reservation fees until a tenant is moved into the unit and the allocation costs of the rehousing unit. These costs are recognised as part of the cost of properties under development referred to in Note 2(k).

2. Material accounting policies (Continued)

(n) Provisions, contingencies and onerous contracts

(i) Provisions and contingencies

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of economic benefits will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognised for future operating losses, except for those cases where the Group has a present obligation as a result of committed events.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow of economic benefits with respect to any one item included in the same class of obligations may be small.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group.

A contingent asset is not recognised but is disclosed in the notes to the consolidated financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic benefits will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow of economic benefits occurs so that the outflow is probable, it will then be recognised as a provision.

(ii) Onerous contracts

An onerous contract exists when the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. Provisions for onerous contracts are measured at the present value of the lower of the expected cost of terminating the contract and the net cost of fulfilling the contract. The cost of fulfilling the contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling that contract.

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

2. Material accounting policies (Continued)

(o) Current and deferred income tax

Income tax expenses comprise current tax and movements in deferred tax assets and liabilities.

Current tax is the expected tax payable on the taxable profit for the year. Taxable profit differs from profit as reported in profit or loss because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes profit or loss items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted at the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilised.

The Group recognised deferred income tax assets and deferred income tax liabilities separately in relation to its lease liabilities and right-of-use assets.

(p) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset.

Other borrowing costs are charged to profit or loss in the period in which they are incurred.

(q) Translation of foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Hong Kong Dollars, which is the Group's presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

2. Material accounting policies (Continued)

(r) Joint development projects

The arrangements entered into by the Group with property developers for redevelopment projects are considered to be joint development and are accounted for in accordance with the terms of the development agreements. The Group's share of income earned from such development is recognised in profit or loss in accordance with the bases set out in Notes 2(e)(ii) and (iii).

Where property is received by the Group as its share of distribution of assets from joint development projects, such property is recorded within non-current assets at its fair value at the time when agreement is reached or, if a decision is taken for it to be disposed of, at the lower of this value and net realisable value within current assets.

(s) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances and deposits held at call with banks with original maturities of three months or less.

(t) Employee benefits

Salaries and annual leave are accrued and recognised as an expense in the year in which the associated services are rendered by the employees of the Group.

The Group operates defined contribution schemes and pays contributions to scheme administrators on a mandatory or voluntary basis. The contributions are recognised as an expense when they are due.

(u) Related parties

(i) ***A person, or a close member of that person's family, is related to the Group if that person:***

- (1) has control or joint control over the Group;
- (2) has significant influence over the Group; or
- (3) is a member of the key management personnel of the Group or the Group's parent.

(ii) ***An entity is related to the Group if any of the following conditions applies:***

- (1) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (2) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (3) The entity is controlled or jointly controlled by a person identified in (i).
- (4) A person identified in (i)(1) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

3. Financial risk management and fair value of financial instruments

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: interest rate risk, credit risk, liquidity risk and foreign exchange risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects on the Group's financial performance.

(i) Interest rate risk

The Group is exposed to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on bank deposits, and fair value interest rate risk arising from the bonds issued at fixed rates. Nevertheless, the Group's surplus/deficit and operating cash flows are substantially independent of changes in market interest rates. The Group did not hold any financial instruments that are measured at fair value.

(ii) Credit risk

Credit risk is managed on a group basis. Credit risk arises from investments, cash and bank balances, building rehabilitation loans, and trade and other receivables.

The credit risk on investments at amortised cost is limited as issuers are mainly with high credit ratings assigned by international credit rating agencies.

The credit risk on cash and bank balances (including interest receivables) is limited because most of the funds are placed in banks with credit ratings, mainly ranging from Aa1 to A3 and there is no concentration in any particular bank.

The credit risk on building rehabilitation loans is limited as the Group has monitoring procedures to ensure that follow-up action is taken to recover overdue debts and place charges on the properties.

The credit risk on trade receivables is limited as rental deposits in the form of cash are usually received from tenants.

The Group measures loss allowances for trade and lease receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. Given the Group has not experienced any significant credit losses in the past, the allowance for expected credit losses is insignificant.

(iii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through committed credit facilities.

Management monitors rolling forecasts of the Group's cash and bank balances on the basis of expected cash flow.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period from the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts (except for bonds issued which include interest element), as the impact of discounting is insignificant.

3. Financial risk management and fair value of financial instruments (Continued)

(a) Financial risk factors (Continued)

(iii) Liquidity risk (Continued)

	2025	2024
	\$'000	\$'000
Less than 1 year		
Trade and other payables	2,553,349	2,214,926
Amounts due to joint development projects	280,021	256,653
Bonds issued	<u>984,750</u>	<u>19,197</u>
Between 1 to 3 years		
Trade and other payables	25,195	56,132
Bonds issued	<u>4,864,358</u>	<u>519,250</u>
Between 3 to 5 years		
Trade and other payables	14,920	14,920
Bonds issued	<u>5,576,041</u>	<u>–</u>
Over 5 years		
Trade and other payables	326,799	330,862
Bonds issued	<u>5,084,540</u>	<u>–</u>

(iv) Foreign exchange risk

The Group has certain cash and bank balances denominated in foreign currencies, which are exposed to foreign currency risk. When the exchange rates of foreign currencies against the Hong Kong dollar fluctuate, the value of the cash and bank balances and investments denominated in foreign currencies translated into Hong Kong dollar will vary accordingly.

Foreign exchange risk sensitivity

As at 31 March 2025, if Hong Kong dollar had weakened/strengthened by 1% against foreign currencies with all other variables held constant, the deficit of the Group would increase/decrease by approximately \$13,646,000 (2023/24: \$11,390,000) resulting from the foreign exchange gains/losses on translation of cash and bank balances denominated in foreign currencies.

(b) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to promote urban renewal in Hong Kong by way of redevelopment, rehabilitation, retrofitting, revitalisation and heritage preservation.

The Group's working capital is mainly financed by the Government's equity injection, accumulated surplus and bonds issued. The Group also maintains credit facilities to ensure the availability of funding when needed.

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

3. Financial risk management and fair value of financial instruments (Continued)

(c) Fair value measurement

The carrying amounts of the Group's financial assets including amounts due from joint development projects, cash and bank balances (including bank deposits), investments at amortised cost and trade and other receivables; and financial liabilities including amounts due to joint development projects and trade and other payables, approximate their fair values.

The carrying amounts of the Group's building rehabilitation loans and bonds issued approximate their fair value as the impact of discounting is insignificant.

4. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of properties and provision for a committed project

Properties are tested for impairment annually or more frequently if events or changes in circumstances indicate that the asset might be impaired in accordance with the accounting policy stated in Note 2(h).

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past and committed events in accordance with the accounting policy stated in Note 2(n). When the estimated value of the committed project is lower than the estimated development and related costs of the project, a provision would be recognised.

The valuations of properties and provision for committed projects are made on the basis of the "Market Value" adopted by the Hong Kong Institute of Surveyors ("HKIS"). The valuation is assessed annually by external/internal valuers who are qualified members of the HKIS. The Group's management review the assumptions used by the valuers by considering the information from a variety of sources including (i) current prices in an active market for properties of different nature, condition or location, adjusted to reflect those differences; (ii) recent prices of comparable properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; (iii) expected arrangement with property developers on tender awarded; (iv) estimated development and related costs and allocation thereof; and (v) discount rate used in land value assessment, which is made with reference to the Prime Rate.

4. Critical accounting estimates and judgements (Continued)

Impairment of properties and provision for a committed project sensitivity

As at 31 March 2025, if the respective estimated upfront premium to be received on the projects had been increased/decreased by 5% with all other variables held constant, the deficit of the Group for the year would decrease/increase by approximately \$937,500,000 (2023/24: \$298,500,000) resulting from the change in provision for impairment on properties and committed projects.

The final impairment amount for properties and the ultimate losses arise from the committed projects would be affected by the actual realised value and development and related costs and the final arrangements with the property developers.

5. Revenue and other income, net

(a) Revenue

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	2025	2024
	\$'000	\$'000
Revenue recognised outside the scope of HKFRS 15		
– Upfront premium from property developers	–	1,940,000
– Share of property development surplus on joint development projects	195,429	448,976
Revenue from contracts with customers within the scope of HKFRS 15		
– Sale of properties	58,530	634,946
	<u>253,959</u>	<u>3,023,922</u>

(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

At 31 March 2025, the cumulative aggregate amount of revenue expected to be recognised in the consolidated statement of comprehensive income in the future from pre-completion sales contracts entered into in relation to the Group's properties held for sale pending transfer of control amounted to \$960,801,000 (2023/24: \$969,414,000) which will be recognised when the properties are legally assigned to the customers. The Group will recognise the expected revenue in future on the basis that control over ownership of the property has been passed to the customer, which is expected to occur over the next 24 months.

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

5. Revenue and other income, net (Continued)

(b) Other income, net

Other income, net recognised during the year represents:

	2025	2024
	\$'000	\$'000
Interest income	933,569	890,008
Rental income	205,578	181,084
Miscellaneous income	3,688	6,155
Gain on disposals of property, plant and equipment	5	–
Net foreign exchange gain/(loss)	1,681	(53,732)
	<u>1,144,521</u>	<u>1,023,515</u>

6. Operating deficit before income tax

Operating deficit before income tax is arrived at after charging/(crediting) the following items:

(a) Other items

	2025	2024
	\$'000	\$'000
Cost of properties under joint development projects	32,450	3,095,501
Cost of properties sold	38,197	445,268
Staff costs* (excluding directors' and senior management's remuneration)	584,675	523,424
Rehabilitation, revitalisation, preservation and retrofit expenses	89,199	102,442
Place-making expenses^	7,456	6,155
Outgoings in respect of preservation properties, retained properties and rehousing units	<u>153,080</u>	<u>155,231</u>
Depreciation		
– Depreciation	261,634	253,082
– Less: Depreciation capitalised	<u>(24,588)</u>	<u>(25,123)</u>
	<u>237,046</u>	<u>227,959</u>
Auditor's remuneration		
– Audit services	550	534
– Non-audit services	<u>250</u>	<u>–</u>

6. Operating deficit before income tax (Continued)

Operating deficit before income tax is arrived at after charging/(crediting) the following items: (Continued)

(a) Other items (Continued)

	2025	2024
	\$'000	\$'000
Impairment on properties		
– Provision for impairment on properties held for sale	–	2,060
– Provision for/(write back of provision for) impairment on property, plant and equipment	24,710	(14,408)
– Provision for impairment on properties under development	2,654,200	3,101,600
	<u>2,678,910</u>	<u>3,089,252</u>
Interest expenses		
– Interest on lease liabilities	2,886	3,564
– Less: Interest on lease liabilities capitalised	(1,890)	(2,497)
	996	1,067
– Interest expenses on bonds issued	267,520	19,992
– Less: Interest expenses capitalised [#]	(267,520)	(19,992)
	<u>–</u>	<u>–</u>
	<u>996</u>	<u>1,067</u>

* Including salaries and other benefits of \$545,799,000 (2023/24: \$488,010,000) and contribution to provident fund scheme of \$38,876,000 (2023/24: \$35,414,000).

^ Excluding depreciation of \$939,000 (2023/24: \$942,000) and interest expenses of \$11,000 (2023/24: \$35,000) for properties leased for own use.

The borrowing costs have been capitalised at rates ranging from 3.35% to 3.85% per annum (2023/24: 2.15% to 3.85% per annum).

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

6. Operating deficit before income tax (Continued)

Operating deficit before income tax is arrived at after charging/(crediting) the following items: (Continued)

(b) Managing Director, Executive Directors and senior management's remuneration paid or payable during the year

	2025					
	Fees	Salaries	Provident fund scheme contributions	Sub-total	Variable pay	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Managing Director						
– WAI Chi Sing	–	4,694	–	4,694	1,401	6,095
Executive Directors						
– Carolin FONG Suet Yuen	–	3,084	18	3,102	770	3,872
– Wilfred AU Chun Ho	–	3,303	421	3,724	825	4,549
9 Senior management staff & 2 Ex-senior management staff	–	22,012	2,450	24,462	6,554	31,016
Total ¹	–	33,093	2,889	35,982	9,550	45,532
	2024					
	Fees	Salaries	Provident fund scheme contributions	Sub-total	Variable pay	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Managing Director						
– WAI Chi Sing	–	4,692	–	4,692	1,401	6,093
Executive Directors						
– Carolin FONG Suet Yuen	–	3,082	18	3,100	770	3,870
– Wilfred AU Chun Ho ²	–	2,351	300	2,651	588	3,239
– Eric POON Shun Wing ³	–	887	168	1,055	221	1,276
9 Senior management staff & 2 Ex-senior management staff ²	–	23,551	2,641	26,192	6,692	32,884
Total ¹	–	34,563	3,127	37,690	9,672	47,362

Notes:

1. Excluding compensation in lieu of leave in the aggregate sum of \$538,000 (2023/24: \$881,000).
2. The Executive Director ceased to be a senior management staff on 14 July 2023 and assumed his role with effect from 15 July 2023.
3. The Executive Director retired on 14 July 2023.

6. Operating deficit before income tax (Continued)

Operating deficit before income tax is arrived at after charging/(crediting) the following items: (Continued)

(b) Managing Director, Executive Directors and senior management's remuneration paid or payable during the year (Continued)

	2025	2024
Their remuneration fell within the following bands:		
	No. of Individuals	No. of Individuals
\$1 to \$500,000	1	–
\$1,000,001 to \$1,500,000	1	2
\$2,000,001 to \$2,500,000	2	2
\$3,000,001 to \$3,500,000	4	4
\$3,500,001 to \$4,000,000	3	2
\$4,000,001 to \$4,500,000	1	2
\$4,500,001 to \$5,000,000	1	1
\$6,000,001 to \$6,500,000	1	1
Total	<u>14</u>	<u>14</u>

There were no payments made or benefits provided in respect of the termination of director service or consideration provided to/receivable by third parties in respect of the services of directors, whether in the capacity of directors or in any other capacity while directors.

There were no loans or quasi-loans provided to the directors.

No significant transactions, arrangements or contracts in relation to the Group's business to which the Authority was a party, and in which a director of the Authority had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

6. Operating deficit before income tax (Continued)

Operating deficit before income tax is arrived at after charging/(crediting) the following items: (Continued)

(c) Other members of the Board

Fees for the Chairman and Non-Executive members of the Board (excluding the government public officers who are not entitled to receive any fees) are as follows:

	2025	2024
	\$'000	\$'000
Chairman		
Mr CHOW Chung Kong, GBM, GBS, JP	100	100
Non-Executive Directors (non-public officers)		
Mr Evan AU Yang Chi Chun (<i>up to 30 Nov 2023</i>)	–	43
Mr William CHAN Fu Keung, BBS	65	65
Dr CHAN Ka Kui, GBS, JP	65	65
The Honourable Vincent CHENG Wing Shun, MH, JP (<i>up to 30 Apr 2025</i>)	65	65
Ms Ivy CHUA Suk Lin (<i>up to 30 Apr 2025</i>)	65	65
Mr Andy HO Wing Cheong, MH (<i>up to 30 Apr 2025</i>)	65	65
The Honourable KWOK Wai Keung, BBS, JP	65	65
Ir Janice LAI Wai Man	65	65
Sr Alexander LAM Tsan Wing (<i>from 1 Dec 2023</i>)	65	22
Mrs Sylvia LAM Yu Ka Wai, SBS	65	65
Ir The Honourable Michael LEE Chun Keung, JP (<i>from 1 Dec 2023</i>)	65	22
Dr LEE Ho Yin (Note) (<i>up to 30 Nov 2023</i>)	–	–
Ms Elaine LO Yuen Man, MH (<i>up to 30 Apr 2025</i>)	65	65
Professor TANG Bo Sin, MH (<i>up to 30 Apr 2025</i>)	65	65
Ms Judy TONG Kei Yuk (<i>up to 30 Apr 2025</i>)	65	65
The Honourable Tony TSE Wai Chuen, BBS, JP	65	65
Ms Yvonne YEUNG Kin Ha	65	65
	<u>1,075</u>	<u>1,032</u>

Note: The Non-Executive Director ceased to receive any fees from the Authority from 4 August 2022 to 30 November 2023.

6. Operating deficit before income tax (Continued)

Operating deficit before income tax is arrived at after charging/(crediting) the following items: (Continued)

(d) Five highest paid individuals

	2025	2024
	\$'000	\$'000
The five individuals whose emoluments were the highest in the Group for the years ended 31 March 2025 and 2024 include the Managing Director, two Executive Directors and two senior management staff.		
The total emoluments earned by the five highest paid individuals during the year are as follows:		
Fixed – Salaries	16,914	17,271
– Provident fund scheme contributions	935	1,105
Sub-total	17,849	18,376
Variable pay	4,896	4,969
Total **	<u>22,745</u>	<u>23,345</u>

Their remuneration fell within the following bands:

	No. of Individuals	No. of Individuals
\$3,500,001 to \$4,000,000	2	1
\$4,000,001 to \$4,500,000	1	2
\$4,500,001 to \$5,000,000	1	1
\$6,000,001 to \$6,500,000	1	1
Total	<u>5</u>	<u>5</u>

** For the year ended 31 March 2025, no compensation in lieu of leave (2023/24: \$240,000) were excluded from the aggregate sum.

7. Income tax expenses

- (a) In accordance with Section 19 of the Urban Renewal Authority Ordinance, the Authority is exempted from taxation under the Inland Revenue Ordinance (Chapter 112).

No provision for Hong Kong profits tax has been made for the Group's subsidiaries as they have no estimated assessable profits for the year (2023/24: Nil).

- (b) As at 31 March 2025, the subsidiaries of the Group have unrecognised deductible temporary differences arising from capital allowance of \$2,847,000 (31 March 2024: \$2,710,000) and tax losses of \$63,936,000 (31 March 2024: \$54,082,000) to carry forward against future taxable income. These tax losses have no expiry date.

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

8. Property, plant and equipment

(a) Reconciliation of carrying amount

	Other property, plant and equipment							
	Retained properties ¹	Preservation properties	Land and buildings	Leasehold improvements	Plant and machinery	Furniture and equipment and motor vehicles	Properties leased for own use	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 31 March 2023								
Cost	4,116,643	3,325,291	2,057,183	358,433	138,416	41,323	141,082	10,178,371
Accumulated depreciation	(280,566)	(349,960)	(410,400)	(91,379)	(68,718)	(26,098)	(103,382)	(1,330,503)
Accumulated impairment	(20,209)	(1,265,057)	(412,907)	–	–	–	–	(1,698,173)
Net book value	<u>3,815,868</u>	<u>1,710,274</u>	<u>1,233,876</u>	<u>267,054</u>	<u>69,698</u>	<u>15,225</u>	<u>37,700</u>	<u>7,149,695</u>
Year ended 31 March 2024								
Opening net book value	3,815,868	1,710,274	1,233,876	267,054	69,698	15,225	37,700	7,149,695
Additions/Adjustments ²	–	1,126	–	3,186	273	5,187	73,610	83,382
Transfer from properties under development	889,500	–	–	–	–	–	–	889,500
Depreciation	(105,811)	(42,125)	(33,393)	(18,188)	(8,952)	(5,501)	(39,112)	(253,082)
Write back of provision for impairment	553	11,866	1,989	–	–	–	–	14,408
Closing net book value	<u>4,600,110</u>	<u>1,681,141</u>	<u>1,202,472</u>	<u>252,052</u>	<u>61,019</u>	<u>14,911</u>	<u>72,198</u>	<u>7,883,903</u>
At 31 March 2024								
Cost	5,329,743	3,326,417	2,057,183	361,619	138,689	44,833	214,692	11,473,176
Accumulated depreciation	(386,377)	(392,085)	(443,793)	(109,567)	(77,670)	(29,922)	(142,494)	(1,581,908)
Accumulated impairment	(343,256)	(1,253,191)	(410,918)	–	–	–	–	(2,007,365)
Net book value	<u>4,600,110</u>	<u>1,681,141</u>	<u>1,202,472</u>	<u>252,052</u>	<u>61,019</u>	<u>14,911</u>	<u>72,198</u>	<u>7,883,903</u>
Year ended 31 March 2025								
Opening net book value	4,600,110	1,681,141	1,202,472	252,052	61,019	14,911	72,198	7,883,903
Additions/Adjustments ²	–	1,121	–	938	1,500	5,696	9,772	19,027
Write-off	–	–	–	–	–	–	(470)	(470)
Depreciation	(112,345)	(42,864)	(34,135)	(18,043)	(9,370)	(6,328)	(38,549)	(261,634)
Provision for impairment	(5,896)	(14,977)	(3,837)	–	–	–	–	(24,710)
Closing net book value	<u>4,481,869</u>	<u>1,624,421</u>	<u>1,164,500</u>	<u>234,947</u>	<u>53,149</u>	<u>14,279</u>	<u>42,951</u>	<u>7,616,116</u>
At 31 March 2025								
Cost	5,329,743	3,327,538	2,057,183	356,574	136,117	49,890	221,835	11,478,880
Accumulated depreciation	(498,722)	(434,949)	(477,928)	(121,627)	(82,968)	(35,611)	(178,884)	(1,830,689)
Accumulated impairment	(349,152)	(1,268,168)	(414,755)	–	–	–	–	(2,032,075)
Net book value	<u>4,481,869</u>	<u>1,624,421</u>	<u>1,164,500</u>	<u>234,947</u>	<u>53,149</u>	<u>14,279</u>	<u>42,951</u>	<u>7,616,116</u>

Notes:

- The Group receives rental income for the retained properties and their aggregate fair value as at 31 March 2025 was \$4,995,500,000 (31 March 2024: \$5,251,000,000).
- Adjustments represent the changes in estimated resumption and construction costs of properties and leasehold improvements.

The Group's land and buildings comprise mainly rehousing blocks held for the purpose of rehousing affected tenants of development projects and commercial premises held for self-use.

8. Property, plant and equipment (Continued)

(b) Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	31 March 2025	31 March 2024
	\$'000	\$'000
Properties leased for own use, carried at depreciated cost, with remaining lease term of less than 5 years	<u>42,951</u>	<u>72,198</u>

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

	2025	2024
	\$'000	\$'000
Net depreciation charge of right-of-use assets by class of underlying asset:		
– Properties leased for own use	<u>13,961</u>	<u>13,989</u>
Interest on lease liabilities (Note 6(a))	<u>996</u>	<u>1,067</u>

9. Properties under development

As at 31 March 2025, the properties under development are analysed as follows:

	2025	2024
	\$'000	\$'000
Cost, including Home Purchase Allowance ("HPA") (Note (i))		
At 1 April	28,684,201	25,248,900
Add: Additions during the year*	10,127,672	8,174,368
Less: Charged to profit or loss during the year	–	(3,430,367)
Transferred to property, plant and equipment	–	(1,213,100)
Transferred to properties held for sale	–	(95,600)
At 31 March**	38,811,873	28,684,201
Provision for impairment at 31 March	<u>(9,168,000)</u>	<u>(6,513,800)</u>
Balance as at 31 March	<u>29,643,873</u>	<u>22,170,401</u>

* The amount includes depreciation of \$24,588,000 (2023/24: \$25,123,000) and interest expense of \$1,890,000 (2023/24: \$2,497,000) for properties leased for own use and capitalised.

** The amount includes accumulated interest and other borrowing costs capitalised of \$547,297,000 (31 March 2024: \$265,261,000).

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

9. Properties under development (Continued)

As at 31 March 2025, the properties under development are analysed as follows:

	2025	2024
	\$'000	\$'000
Non-current portion	28,329,072	21,048,425
Current portion (development for sale)	1,314,801	1,121,976
	<u>29,643,873</u>	<u>22,170,401</u>

Notes:

- (i) In March 2001, the Finance Committee of the Legislative Council approved, inter alia, the revised basis for calculating the HPA payable to owners of domestic properties and ex-gratia allowances payable to owners and owner-occupiers affected by land resumption. The relevant policies governing the Authority's payment of HPA and ex-gratia allowances for properties acquired/resumed and the clearance of occupiers are based on the above framework which have resulted in a high cost base for the Group's redevelopment projects.

In respect of domestic properties, the assessment of HPA is based on a notional replacement flat of 7 years old which is assumed to be in a comparable quality building, situated in a similar locality in terms of characteristics and accessibility, being at the middle floor with average orientation not facing south or west, and without seaview. The HPA paid to the owner-occupiers represents the difference between the assessed value of the notional 7-year-old flat and estimated market value of the acquired property at the offer date. The owner will also receive the estimated market value of his flat in addition to the HPA.

- (ii) The Group launched the Flat-for-Flat ("FFF") Scheme to provide domestic owner-occupiers affected by the Group's redevelopment projects commenced after 24 February 2011 with an alternative option to cash compensation. The owner-occupier taking the option of FFF will have to top up if the price of the new flat is higher than the cash compensation for his old flat. The domestic owner-occupiers could have a choice of "in-situ" flats on the lower floors of the new development or flats in an FFF Scheme at Kai Tak.

10. Building rehabilitation loans

As at 31 March 2025, the building rehabilitation loans are analysed as follows:

	2025	2024
	\$'000	\$'000
Non-current portion	2,171	3,354
Current portion	1,701	2,443
	<u>3,872</u>	<u>5,797</u>

The building rehabilitation loans are interest-free, except for default, in which case interest will be charged on the overdue amount at the Prime Lending Rate quoted by The Hongkong and Shanghai Banking Corporation Limited. The Group reserves the right to impose legal charges over the properties for loans of amounts between \$25,001 and \$100,000. All non-current portion of building rehabilitation loans are due within five years from the end of the reporting period.

The maximum exposure to credit risk of the Group is the carrying value of the building rehabilitation loans.

11. Investments

As at 31 March 2025, the debt securities investments are analysed as follows:

	2025	2024
	\$'000	\$'000
Investments at amortised cost		
– Non-current portion	–	550,000
– Current portion	550,000	1,100,000
	<u>550,000</u>	<u>1,650,000</u>

As at 31 March 2025, the Group's debt securities investments represent high quality corporate bonds.

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

12. Cash and bank balances

	2025	2024
	\$'000	\$'000
Bank deposits		
Original maturities of 3 months or less	2,165,207	1,361,698
Original maturities of more than 3 months	18,291,466	15,094,656
	20,456,673	16,456,354
Less: Amounts held in trust for joint development projects	(1,342)	(1,244)
	20,455,331	16,455,110
Cash at banks and in hand	168,507	88,404
	<u>20,623,838</u>	<u>16,543,514</u>
Maximum exposure to credit risk	<u>20,623,838</u>	<u>16,543,514</u>
Representing:		
	2025	2024
	\$'000	\$'000
Non-current portion		
– Bank deposits	<u>834,857</u>	<u>–</u>
Current portion		
– Cash at banks and in hand	168,507	88,404
– Bank deposits	19,620,474	16,455,110
	<u>19,788,981</u>	<u>16,543,514</u>

As at 31 March 2025, cash and bank balances of the Group are denominated in Hong Kong Dollars except for an amount of \$1,364,624,000 and \$1,000 (31 March 2024: \$662,547,000 and \$476,477,000) which are denominated in USD and Renminbi respectively.

The average effective interest rate of time deposits with banks was 4.31% per annum (2023/24: 4.75% per annum). These deposits have an average maturity of 177 days (2023/24: 103 days).

12. Cash and bank balances (Continued)

The credit quality of the cash and bank balances, deposited with financial institutions, which are Hong Kong Dollars and denominated in foreign currencies, can be assessed by reference to external credit ratings of the financial institutions and are analysed as follows:

	2025	2024
<u>Rating (Moody's)</u>	<u>\$'000</u>	<u>\$'000</u>
Aa1 – Aa3	8,144,516	9,768,829
A1 – A3	12,431,821	6,260,446
Others	47,501	514,239
	<u>20,623,838</u>	<u>16,543,514</u>

Reconciliation of liabilities arising from financing activities:

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities and liabilities for which cash flows were, or future cash flow will be, classified in the Group's consolidated statement of cash flows as cash flow from financing activities.

	<u>Bonds issued</u>	
	<u>2025</u>	<u>2024</u>
	<u>\$'000</u>	<u>\$'000</u>
At 1 April	499,111	798,601
Changes from financing cash flows:		
– Proceeds from issuance of bonds	13,500,000	–
– Issuing costs on issuance of bonds	(43,015)	–
– Redemption of bonds	–	(300,000)
Other change:		
– Amortisation of bonds issuing costs	4,866	510
At 31 March	<u>13,960,962</u>	<u>499,111</u>

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

12. Cash and bank balances (Continued)

Reconciliation of liabilities arising from financing activities: (Continued)

Representing:

	Bonds issued	
	2025	2024
	\$'000	\$'000
Non-current portion		
– Bonds issued	13,500,000	500,000
– Less: Unamortised finance charges	(38,636)	(889)
	<u>13,461,364</u>	<u>499,111</u>
Current portion		
– Bonds issued	500,000	–
– Less: Unamortised finance charges	(402)	–
	<u>499,598</u>	<u>–</u>
	Lease liabilities	
	2025	2024
	\$'000	\$'000
At 1 April	77,314	41,529
Changes from financing cash flows:		
– Capital element of lease rentals paid	(37,386)	(37,825)
– Interest element of lease rentals paid	(2,886)	(3,564)
Total changes from financing cash flows	<u>(40,272)</u>	<u>(41,389)</u>
Other changes:		
– Increase in lease liabilities from entering into new leases during the year	9,772	73,610
– Termination of lease arrangements during the year	(481)	–
– Interest expense (Note 6(a))	2,886	3,564
Total other changes	<u>12,177</u>	<u>77,174</u>
At 31 March	<u>49,219</u>	<u>77,314</u>

13. Properties held for sale

The Group's properties held for sale are located in Hong Kong and their carrying amounts are analysed as follows:

	2025	2024
	\$'000	\$'000
In Hong Kong, with remaining lease term of:		
– 50 years or more	5,674	5,674
– between 10 and 50 years	472,790	511,838
	<u>478,464</u>	<u>517,512</u>

14. Balances with joint development projects

	2025	2024
	\$'000	\$'000
Amounts due from joint development projects	35,349	17,521
Amounts due to joint development projects	(280,021)	(256,653)
	<u>(244,672)</u>	<u>(239,132)</u>

All amounts due from/(to) joint development projects are expected to be recovered/settled within one year.

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

14. Balances with joint development projects (Continued)

The Group has the following active joint development projects as at 31 March 2025:

Project Name/Location	Land use	Total gross floor area (m ²)	Actual completion date (calendar year)	Expected completion date (calendar year)
The Zenith/One Wanchai (Wan Chai)	Commercial/Residential	62,310	2006 (Site A & B) 2013 (Site C)	–
* Vision City/Citywalk (Tsuen Wan)	Commercial/Residential	137,885	2007	–
* The Dynasty/Citywalk 2 (Tsuen Wan)	Commercial/Residential	44,404	2008	–
* Vista (Sham Shui Po)	Commercial/Residential	12,708	2009	–
Lime Stardom (Tai Kok Tsui)	Commercial/Residential	19,735	2011	–
* Park Summit (Tai Kok Tsui)	Commercial/Residential	21,402	2012	–
Park Metropolitan (Kwun Tong)	Residential	27,830	2014	–
Park Ivy (Tai Kok Tsui)	Commercial/Residential	4,843	2014	–
* The Avenue/Lee Tung Avenue (Wan Chai)	Commercial/Residential	83,898	2015	–
My Place (Ma Tau Kok)	Commercial/Residential	6,944	2016	–

14. Balances with joint development projects (Continued)

The Group has the following active joint development projects as at 31 March 2025: (Continued)

Project Name/Location	Land use	Total gross floor area (m ²)	Actual completion date (calendar year)	Expected completion date (calendar year)
* SKYPARK/The Forest (Mong Kok)	Commercial/Residential	22,301	2017	—
City Hub (To Kwa Wan)	Commercial/Residential	8,378	2018	—
The Ascent (Sham Shui Po)	Commercial/Residential	7,159	2018	—
93 Pau Chung Street (Ma Tau Kok)	Commercial/Residential	10,345	2018	—
Downtown 38 (Ma Tau Kok)	Commercial/Residential	9,783	2020	—
Monti (Sai Wan Ho)	Residential	5,680	2020	—
Madison Park (Sham Shui Po)	Commercial/Residential	4,884	2020	—
Artisan Garden (Ma Tau Kok)	Commercial/Residential	12,456	2021	—
Grand Central (Kwun Tong)	Commercial/Residential	179,376	2021	—
Seaside Sonata (Sham Shui Po)	Commercial/Residential	58,899	2021	—
Sablier (Tai Kok Tsui)	Commercial/Residential	5,738	2021	—

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

14. Balances with joint development projects (Continued)

The Group has the following active joint development projects as at 31 March 2025: (Continued)

Project Name/Location	Land use	Total gross floor area (m ²)	Actual completion date (calendar year)	Expected completion date (calendar year)
L • LIVING 23 (Tai Kok Tsui)	Commercial/Residential	6,597	2021	–
One Soho (Yau Ma Tei)	Commercial/Residential	12,507	2023	–
The Symphonie (Sham Shui Po)	Commercial/Residential	13,409	2023	–
The Harmonie (Sham Shui Po)	Commercial/Residential	14,841	2023	–
Bal Residence (Kwun Tong)	Commercial/Residential	6,661	2024	–
Echo House (Sham Shui Po)	Commercial/Residential	9,675	2025	–
One Central Place (Sheung Wan)	Commercial/Stadium and Youth Centre/Residential	9,646	–	2025
Peel Street/Graham Street — Site C (Sheung Wan)	Commercial/Office/Hotel	41,461	–	2026
Oak Street/Ivy Street (Yau Tsim Mong)	Commercial/Residential	5,565	–	2026
Bailey Street/ Wing Kwong Street (Kowloon City)	Commercial/Residential	66,654	–	2027
Hung Fook Street/ Ngan Hon Street (Kowloon City)	Commercial/Residential	41,229	–	2027

14. Balances with joint development projects (Continued)

The Group has the following active joint development projects as at 31 March 2025: (Continued)

Project Name/Location	Land use	Total gross floor area (m ²)	Actual completion date (calendar year)	Expected completion date (calendar year)
Sung Hing Lane/Kwai Heung Street (Central & Western)	Commercial/Residential	8,739	–	2027
Wing Kwong Street/ Sung On Street (Kowloon City)	Commercial/Residential	25,884	–	2027
Hung Fook Street/ Kai Ming Street/ Wing Kwong Street (Kowloon City)	Commercial/Residential	48,942	–	2028
Queen's Road West/ In Ku Lane (Central & Western)	Commercial/Residential	12,530	–	2028
Shing Tak Street/ Ma Tau Chung Road (Kowloon City)	Commercial/Residential	38,547	–	2029

* Projects with commercial portions jointly held by the developer and the Group for letting and pending for sale

The Group is entitled to returns which are predetermined in accordance with the provisions of the joint development agreements.

In respect of the commercial portions of certain projects, the Group has reached supplemental agreements with the respective developers to extend the sale of the commercial portions to a few years after the issuance of the occupation permits. The Group shares certain percentage of any net proceeds derived from the operation of the commercial portions before the sale and includes it as surplus for the year and would also share the future sales proceeds at the same ratio. The Group would account for its share of sales proceeds as surplus from the joint development projects when these commercial portions are sold in the future.

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

15. Trade and other receivables

As at 31 March 2025, the trade and other receivables are current in nature and analysed as follows:

	2025	2024
	\$'000	\$'000
Trade receivables and prepayments	208,839	219,932
Interest receivables	332,640	197,372
Other receivables and deposits	30,367	30,125
Balance at 31 March	<u>571,846</u>	<u>447,429</u>

All of trade and other receivables are expected to be recovered within one year.

The maximum exposure to credit risk of the Group is the carrying amount of trade and other receivables.

16. Capital

On 21 June 2002, the Finance Committee of the Legislative Council approved a commitment of \$10 billion for injection as equity into the Authority. The Government injected the equity into the Authority in phases over the five financial years from 2002/03 to 2006/07. At 31 March 2025, the Authority had received all five tranches of equity injection of \$10 billion in total.

17. Trade and other payables

As at 31 March 2025, the trade and other payables are analysed as follows:

	Note	2025 \$'000	2024 \$'000
Contract liabilities	(a)	138,920	112,592
Lease liabilities		49,219	77,314
Trade payables		101,525	83,708
Rental and other deposits received		266,069	90,848
Other payables		43,547	3,383
Accrued expenses		2,458,544	2,357,698
		<u>3,057,824</u>	<u>2,725,543</u>

Representing:

	2025 \$'000	2024 \$'000
Non-current portion	366,819	400,806
Current portion	<u>2,691,005</u>	<u>2,324,737</u>
	<u>3,057,824</u>	<u>2,725,543</u>

Note:

(a) Contract liabilities

Contract liabilities recognised arise from property development activities. Typical payment terms are as follows:

The Group receives certain percentage of the contract value as deposit from customers when they sign the sale and purchase agreement. The deposit is recognised as a contract liability until the properties are completed and transferred to the customers. The rest of the consideration is typically paid when the property is assigned to the customer.

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

17. Trade and other payables (Continued)

Note: (Continued)

(a) Contract liabilities (Continued)

Movements in contract liabilities

	2025	2024
	\$'000	\$'000
Balance at 1 April	112,592	61,561
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the period	(861)	(18,721)
Increase in contract liabilities as a result of receiving forward sales deposits and instalments during the year in respect of property sales not yet completed as at 31 March	27,189	69,752
Balance at 31 March	<u>138,920</u>	<u>112,592</u>

18. Bonds issued

As at 31 March 2025, the Group has issued the following fixed rate notes under a Medium Term Note programme:

	2025	2024
	\$'000	\$'000
Non-current portion		
HK dollar fixed rate notes with coupon of 3.85% due 2026	–	500,000
HK dollar fixed rate notes with coupon of 3.35% due 2027	4,000,000	–
HK dollar fixed rate notes with coupon of 3.45% due 2029	5,000,000	–
HK dollar fixed rate notes with coupon of 3.50% due 2032	1,500,000	–
HK dollar fixed rate notes with coupon of 3.55% due 2034	3,000,000	–
Less: Unamortised bonds issuing costs	(38,636)	(889)
	<u>13,461,364</u>	<u>499,111</u>
Current portion		
HK dollar fixed rate notes with coupon of 3.85% due 2026	500,000	–
Less: Unamortised bonds issuing costs	(402)	–
	<u>499,598</u>	<u>–</u>
Total	<u>13,960,962</u>	<u>499,111</u>

19. Provident fund schemes

The Group provides retirement benefits to its eligible employees under defined contribution schemes. In accordance with the Mandatory Provident Fund Schemes Ordinance, the eligible employees enjoy retirement benefits under the Mandatory Provident Fund Exempted ORSO Scheme or the Mandatory Provident Fund Scheme (the "Schemes") under which employer's voluntary contributions have been made. The assets of the Schemes are held separately from those of the Group and managed by independent administrators. The Group normally makes voluntary contributions ranging from 5% to 10% of the employees' monthly salaries depending on the years of service of the employees.

The total amount contributed by the Group into the Schemes for the year ended 31 March 2025 was \$41,765,000 (2023/24: \$38,541,000), net of forfeitures of \$2,270,000 (2023/24: \$2,917,000), which has been charged to the Group's profit or loss for the year.

20. Commitments

(a) Capital commitments

Capital commitments in respect of acquisition of property, plant and equipment at 31 March 2025 are as follows:

	2025	2024
	\$'000	\$'000
Contracted but not yet incurred	778	4,800

(b) Operating lease rental receivable

As at 31 March 2025, undiscounted lease payments under non-cancellable operating leases in place in respect of properties will be receivable by the Group in future periods, except for those commercial portions jointly developed by the developer and the Group, are as follows:

	2025	2024
	\$'000	\$'000
Within 1 year	137,297	128,041
After 1 year but within 2 years	63,600	87,159
After 2 years but within 3 years	22,448	21,736
After 3 years but within 4 years	8,031	8,873
After 4 years but within 5 years	2,964	5,026
After 5 years	988	–
	235,328	250,835

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

21. Significant related party transactions

Transactions entered into by the Group with members of the Board, parties related to them, Government Departments, agencies or Government controlled entities, other than those transactions which are entered into by parties in general in the course of their normal dealings, are considered to be related party transactions pursuant to HKAS 24 (Revised) "Related Party Disclosures".

During the year, the Authority reimbursed the Government an amount of \$55,050,000 (2023/24: \$53,533,000) for actual costs incurred by the Lands Department of the Government (the "Lands Department") in connection with statutory resumption and site clearance work conducted for the redevelopment projects of the Authority. As at 31 March 2025, there was an amount of \$4,542,000 (31 March 2024: \$4,506,000) due to the Lands Department yet to be settled. The amount is unsecured, interest-free and repayable on demand and included in trade and other payables.

In 2011/12, the Authority has contributed \$500,000,000 to Urban Renewal Trust Fund (the "Fund"). As at 31 March 2025, there was an amount of \$62,151,000 (31 March 2024: \$126,889,000) remained in the Fund. The Authority has committed to make further contribution to the Fund in future in the event that its fund balance is fully utilised. During the year, the Authority provided administrative and support services to the Fund for \$2,539,000 (2023/24: \$2,418,000), and charged the said Fund \$25,000 (2023/24: \$26,000) for office accommodation expenses.

The key management of the Authority refers to members of the Board and their compensations are set out in Notes 6(b) and (c).

22. Statement of Financial Position of the Authority

In accordance with the disclosure requirements of the Hong Kong Companies Ordinance, the statement of financial position of the Authority as at 31 March 2025 is set out as follows:

	Note	2025 \$'000	2024 \$'000
Non-current assets			
Property, plant and equipment		7,577,897	7,844,728
Properties under development		28,329,072	21,048,425
Interest in subsidiaries	22(a)	46,808	40,320
Loan to a subsidiary		14,600	14,600
Building rehabilitation loans		2,171	3,354
Prepayments		1,415,538	604,740
Investments		–	550,000
Bank deposits		834,857	–
		<u>38,220,943</u>	<u>30,106,167</u>
Current assets			
Properties held for sale		478,464	517,512
Properties under development for sale		1,314,801	1,121,976
Amounts due from joint development projects		35,349	17,521
Building rehabilitation loans		1,701	2,443
Trade and other receivables		574,270	450,512
Investments		550,000	1,100,000
Cash and bank balances		19,788,981	16,543,514
		<u>22,743,566</u>	<u>19,753,478</u>
Total assets		<u><u>60,964,509</u></u>	<u><u>49,859,645</u></u>
Capital and reserve			
Capital		10,000,000	10,000,000
Accumulated surplus		33,665,991	36,378,641
	22(b)	<u>43,665,991</u>	<u>46,378,641</u>
Non-current liabilities			
Trade and other payables		366,819	400,806
Bonds issued		13,461,364	499,111
		<u>13,828,183</u>	<u>899,917</u>
Current liabilities			
Amounts due to joint development projects		280,021	256,653
Trade and other payables		2,690,716	2,324,434
Bonds issued		499,598	–
		<u>3,470,335</u>	<u>2,581,087</u>
Total capital, reserve and liabilities		<u><u>60,964,509</u></u>	<u><u>49,859,645</u></u>

NOTES TO THE FINANCIAL STATEMENTS

(expressed in Hong Kong Dollars)

22. Statement of Financial Position of the Authority (Continued)

(a) Interest in subsidiaries

	2025	2024
	\$'000	\$'000
Unlisted shares, at cost	1	1
Amounts due from subsidiaries (Note)	95,989	85,344
Less: Provision for impairment	(49,182)	(45,025)
	<u>46,808</u>	<u>40,320</u>

Note:

The amounts due from subsidiaries are unsecured, interest-free and have no fixed terms of repayment. The balances are expected to be recovered more than one year.

The names of the principal subsidiaries, all of which are wholly and directly owned by the Authority and incorporated in Hong Kong, are as follows:

Name	Number of shares	Total share capital \$	Principal activities
Champ Dragon Properties Limited	1	1	Property holding
Ease Shine Development Limited	1	1	Property holding
Full Wisdom Enterprises Limited	1	1	Property holding
High Union Development Limited	1	1	Property holding
Hong Kong Building Rehabilitation Facilitation Services Limited	1	1	Building rehabilitation facilitation services
Joyful Success Investment Limited	1	1	Property holding
Max Grace Properties Limited	1	1	Property holding
Opalman Limited	2	2	Property holding
Sunny Joy Properties Limited	1	1	Property holding
Support Service Centre for Minority Owners under Compulsory Sale*	–	–	Support services to minority owners
Urban Redevelopment Facilitating Services Company Limited	1	10	Urban redevelopment facilitating services
Well Nice Properties Limited	1	1	Property holding

* The company is limited by guarantee and does not have a share capital.

22. Statement of Financial Position of the Authority (Continued)

(b) Statement of Changes in Equity

	Capital	Accumulated surplus	Total
	\$'000	\$'000	\$'000
Balance at 1 April 2023	10,000,000	40,298,403	50,298,403
Deficit and total comprehensive income for the year	—	(3,919,762)	(3,919,762)
Balance at 31 March 2024	<u>10,000,000</u>	<u>36,378,641</u>	<u>46,378,641</u>
Balance at 1 April 2024	10,000,000	36,378,641	46,378,641
Deficit and total comprehensive income for the year	—	(2,712,650)	(2,712,650)
Balance at 31 March 2025	<u>10,000,000</u>	<u>33,665,991</u>	<u>43,665,991</u>

23. Non-adjusting event after the reporting period

On 6 June 2025, the Government announced that the Chief Executive in Council approved granting a site at Bailey Street, Hung Hom, and a site in Tseung Kwan O Area 137 to the Authority by private treaty at nominal premium of \$1,000 for a term of 50 years from the date of execution, on the understanding that the two sites would be rezoned for residential use through statutory town planning procedures in due course. These land resources are additional financial support from the Government to enable the Authority to increase its net asset value and hence borrowing capacity and to tide over its liquidity needs in the coming years for, amongst other things, issuing acquisition offers for the commenced redevelopment projects to maintain the momentum of redevelopment.

24. Approval of financial statements

The financial statements were approved by the Board on 19 June 2025.

Acknowledgment

Heartfelt gratitude is extended to the following URA staff members for their participation in the photo-taking for this Annual Report.

Names are listed in alphabetical order by surname:

Nathan Au	Karl Chan	Ken Chan
Choi Ka Ho	Marco Chu	Vicki Fok
Clarice Ho	Felix Ip	Charles Kwan
Rio Lau	Edmond Lee	Lauren Lee
Moon Lee	Anderson Leung	Christine Liu
Shirley Seto	Peter Wu	

