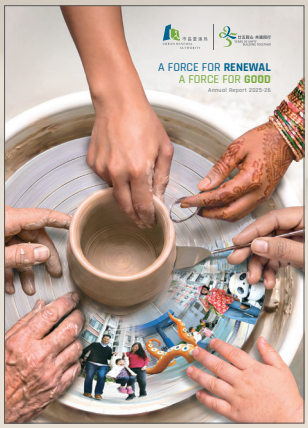
市區重建局
URBAN RENEWAL AUTHORITY

廿五同心 共建同行
YEARS OF UNITY BUILDING TOGETHER

A FORCE FOR **RENEWAL**
A FORCE FOR **GOOD**

Annual Report 2025-26





廿五同心 共建同行
YEARS OF UNITY
BUILDING TOGETHER

A Force for Renewal, A Force for Good

In pursuit of quality urban living and vibrant communities for Hong Kong, the Urban Renewal Authority (URA) approaches its work as a potter crafts clay. It shapes communities with vision and care, guided by the "people first, district-based, public participatory" approach to co-create with the people it serves, striving to be "A Force for Renewal, A Force for Good".

The core value of this approach finds visual expression on the cover, where hands young and old, and from diverse ethnic backgrounds, unite at the potter's wheel to collectively shape the city's future with the URA. In the pages that follow, different facets of the pottery craft mirror the many dimensions of the URA's work in making Hong Kong a better home for generations to come.

The 25th Anniversary Logo

The year 2026 marks the 25th anniversary of the establishment of the URA. To commemorate this milestone, an anniversary logo was designed to reflect the URA's core value of "people first". At the centre of the design is the Chinese character "人" (People), which echoes the corporate logo and serves as a visual anchor for its longstanding people-first approach. Accompanied by the tagline "25 Years of Unity, Building Together", the logo celebrates a quarter-century of trust, partnership, and shared progress with the community we serve.

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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.

OUR VALUES

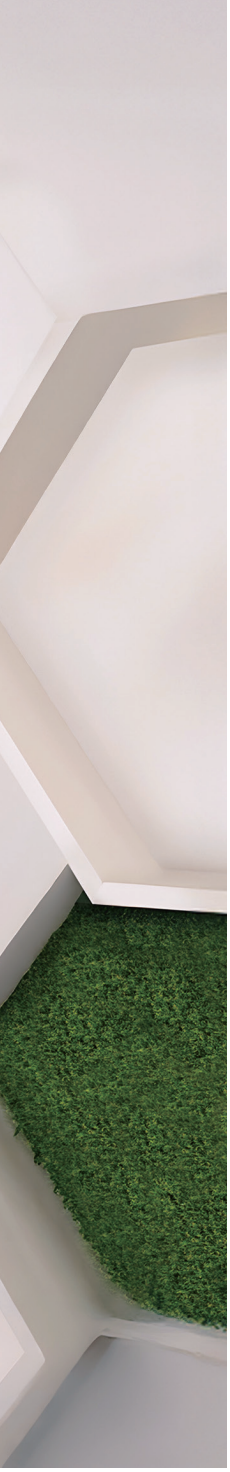
- LEADERSHIP
- PEOPLE ORIENTED
- VALUE ASPIRATION
- ACCOUNTABILITY
- TEAMWORK
- INNOVATION



Mr CHOW Chung Kong,
GBM, GBS, JP

CHAIRMAN'S STATEMENT

"Given the complexity and volatility of the external environment, the property market remains tentative. To achieve long term sustainability, the URA must focus on two priorities: strengthening its foundation and driving innovation."



Establish a Strong Foundation for Sustainable Urban Renewal

Last year, the Urban Renewal Authority (URA) remained agile under economic uncertainties. We continued to advance urban renewal initiatives in an orderly manner.

There are signs of gradual recovery in Hong Kong's property market. In 2025/26, the URA successfully awarded the Shantung Street/Thistle Street Development Scheme, generating an upfront payment of HK$861 million. Together with other incomes, and after deducting operating expenses, the URA recorded an operating surplus of HK$338 million. As the property market improved, the valuation of properties held by the URA and committed projects also increased, resulting in a net write-back of provision for impairment of HK$138 million. Taking this into account, the net surplus for the year was HK$476 million, with net assets amounting to HK$44.1 billion.

After incurring net losses in the preceding three consecutive years, the URA returned to surplus in 2025/26. Nevertheless, given the complexity and volatility of the external environment, the property market remains tentative. To achieve long term sustainability, the URA must focus on two priorities: strengthening its foundation and driving innovation.

Strengthening Resources to Sustain Momentum

Strengthening foundations begins with building a sound financial and resource base. Over the past year, the URA took a series of measures to strengthen its financial position. These included raising funds through bond issuances and syndicated loans, exploring ways to make our project tenders more attractive, adopting a dynamic approach to manage the timing of property acquisitions, and implementing measures to control operating expenses. The Government's grant of two sites at Bailey Street in Hung Hom and Tseung Kwan O Area 137 also strengthened our asset base and financing capacity. Together, these measures helped stabilise cash flow and improved URA's financial position, providing a stronger base for the continued advancement of urban renewal.

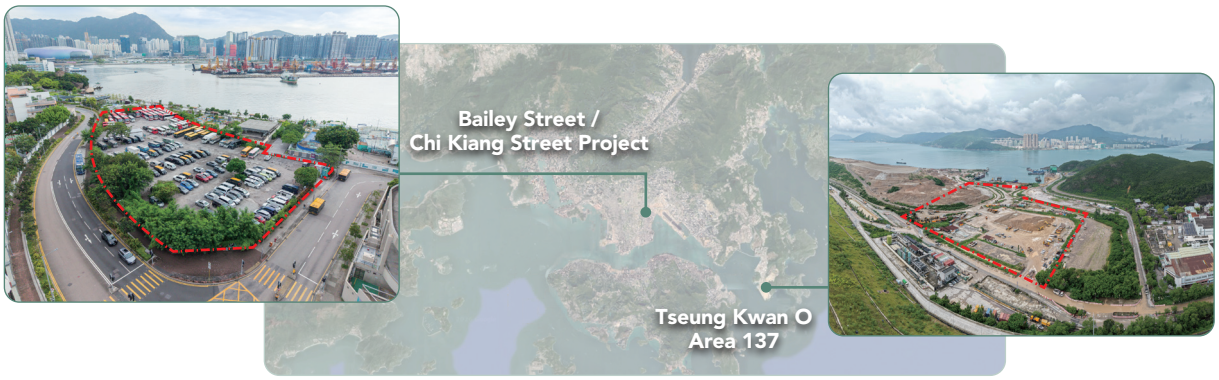
The challenge of urban decay in Hong Kong is ever increasing. This important mission of urban renewal cannot be accomplished by the URA alone; it requires broader participation from the commercial sector. Against this backdrop, the URA has not only strengthened its financial position, but also promoted institutional "renewal", working with the Government to fundamentally review its existing mode of operation. This includes revisiting an acquisition mechanism that has remained largely unchanged for more than two decades, with a view to developing new solutions that are better aligned with the original purpose of improving the living environment of residents in old districts. We are also reviewing our financing and operating model, as well as reassessing strategic priorities for future renewal projects. In building rehabilitation, we will roll out enhanced owners support services in collaboration with the Government to provide stronger assistance to property owners undertaking large-scale maintenance and rehabilitation works, while strengthening professional practice and raising standards across the sector.

The URA will continue to adopt forward-looking and innovative strategies to improve the efficiency, social value and long-term sustainability of urban renewal. We remain committed to maintaining strong financial resources and the agility needed to respond to changes in the external environment, as well as the dual challenges of an ageing urban fabric and building stock.

Optimising Asset Portfolio and Leveraging Resources

Over the past year, the URA continued to deploy its financial resources prudently to advance targeted urban renewal initiatives that deliver greater social benefits.

In May 2025, the Government granted the URA two sites – Bailey Street in Hung Hom and Tseung Kwan O Area 137 – by private treaty at a nominal land premium. This additional support significantly expanded our usable resources and financing capacity, enabling us to continue progressing ongoing redevelopment projects. In August of the same year, the Government approved an increase in the URA's borrowing limit from HK$25 billion to HK$35 billion.



In early 2026, the URA further strengthened its cash flow through the issuance of HK$8 billion dual-tranche bonds. This gave us greater flexibility in financial planning to support redevelopment initiatives at different stages, and enabled us to spend over HK$10 billion in 2025/26 to progress acquisitions for all commenced renewal projects under our Corporate Plan.

The URA enhanced the attractiveness of its development projects to improve the chances of successful tenders and generate more resources for urban renewal. Before launching tendering process for redevelopment projects, we introduced Development Facilitation Services, under which commercial developers or consortia are briefed in advance on development parameters and technical assessments. This improves transparency and gives tenderers more time to conduct technical and financial assessments and prepare more competitive bids.

For the Shantung Street/Thistle Street Development Scheme, we applied the "interchangeability of domestic and non-domestic plot ratio" such that the maximum domestic plot ratio was released from 7.5 to 8.5, providing greater design flexibility. The project was successfully awarded in May 2025, generating more than HK$860 million in revenue and replenishing resources for urban renewal.

In 2025, we also optimised our asset portfolio through the sale of the remaining 59 units at 3 Muk Chui Street of Kai Tak and two commercial properties, generating total proceeds of approximately HK$700 million.

In a volatile economic environment, the URA has continued to maintain prudent financial discipline. We have managed ongoing redevelopment projects with flexibility, adjusting timelines across different stages where appropriate, and have also undertaken some new building projects ourselves. Meanwhile, we have continued to pursue an integrated approach to urban regeneration through holistic planning that improves the living environment of older districts, enhances residents' access to modern housing and community facilities, and, at the same time, preserves local character and culture. This approach has already been proven in Central and Sheung Wan on Hong Kong Island, providing a useful reference for projects such as those in the Lung Shing area in Kowloon City and the Flower Market in Mong Kok.

Subject to a more stable economic and property market outlook in Hong Kong, the URA will roll out tenders in phases for projects that have completed property acquisition and site formation. Aside from inviting developers or consortia to tender for the Bailey Street/Chi Kiang Street Project in Kowloon in July 2026, we expect another project in To Kwa Wan to be tendered within the year.

Adding to measures that enhanced revenue and strengthened cash flow, the URA implemented a range of cost control and operational efficiency improvement measures over the past year. These included adopting Modular Integrated Construction (MiC) to shorten construction periods, deploying innovative technologies to automate workflows, reducing manual processes, optimising manpower deployment and refining procurement arrangements to achieve greater cost efficiency.

Taken together, these procedures strengthened the URA's operational capacity, enabled us to achieve all of our targets, and resulted in an operating surplus of HK$338 million for 2025/26.

Giving Priority to the Redevelopment of Dilapidated Buildings

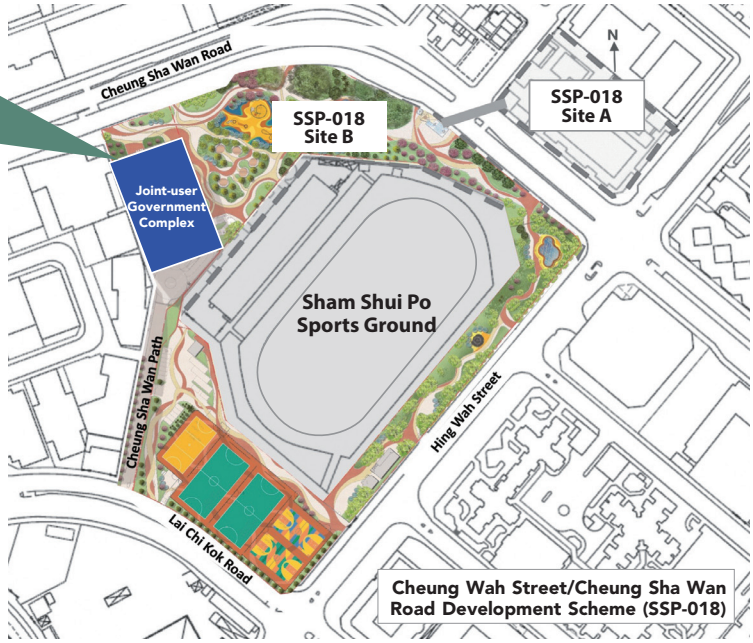
Keeping pace with urban decay by renewing dilapidated buildings is a race against time. Over the past decade, the number of buildings aged 50 years or above in Hong Kong has increased by around 510 a year, while the combined number of old buildings redeveloped by the URA and private developers over the same period has been only about 160 a year. It is projected that by 2043, the number of buildings aged 50 years or above will rise to 24,300. Many of these buildings are deteriorating and lack lifts and proper management, posing risks to residents and raising public safety concerns.

To focus resources more effectively, the URA has carried out a comprehensive review of its Five-year Corporate Plan. Going forward, we will direct resources towards clusters of old buildings with the most pressing redevelopment needs, particularly those that are very old and do not have passenger lift facilities. We will also make greater use of relevant Government data to assess more accurately the extent of ageing in old districts and buildings, so as to better prioritise redevelopment projects. The URA will continue to adopt a district-based and people-first approach to urban renewal, ensuring that resources are deployed in a timely and focused manner.

The URA will continue to integrate its projects with adjacent under-utilised Government land, as well as Government, Institution or Community (G/IC) sites with ageing or substandard facilities, to support comprehensive planning and development. This approach will optimise land use, create synergies, and enhance planning gains with social benefits. At the same time, forward-looking planning tools such as the "Single Site, Multiple Use" model and the local/cross-district transfer of plot ratio will be used to improve the financial viability of redevelopment projects.

The URA will adhere to financial discipline and advance these initiatives in an orderly manner under its Five-year Corporate Plan. By optimising the asset mix and leveraging cross-subsidisation mechanism among different projects, we will implement urban renewal work in a sustainable manner.





Under the "Single site, Multiple Use" model, the URA is building a Joint-user Government Complex (above) to reprovision the Cheung Sha Wan Sports Centre (originally at Site A of SSP-018 Project), thereby freeing up Site A for residential development to increase flat supply.

Strengthening Rehabilitation Support

Redevelopment is a lengthy process that consumes significant social resources, and by itself it is not enough to fully address the challenges of ageing buildings. Proper maintenance, which extends the service life of buildings, remains the most direct and effective way to slow urban decay.

Supporting building rehabilitation has been an important part of URA's work. In line with our statutory roles and functions under the Urban Renewal Authority Ordinance, the URA promotes building rehabilitation through advocacy and facilitation. By providing financial assistance and professional technical support, we encourage and assist property owners to carry out timely maintenance and repair works. A key initiative in this regard is the Smart Tender Building Rehabilitation Facilitating Services Scheme (Smart Tender), launched in 2016.

Ten years ago, in the course of assisting owners to organise maintenance works, the URA identified cases of tender manipulation by unscrupulous operators. These included situations where tender documents were sent only to selected contractors, interested bidders were deterred through improper means, tender submissions were deliberately misplaced after the closing deadline, tender results were tampered with, and lower-priced bids were intentionally disregarded during tender opening. To address these irregularities, the URA introduced Smart Tender to provide an open and transparent tendering platform, foster a fair and impartial environment, and reduce the risks of collusion and manipulation.

However, the tragic fire at Wang Fuk Court in Tai Po in November 2025 revealed even deeper systemic risks associated with certain building maintenance works, highlighting the potential for collusion and corruption in the process. While the URA cannot by itself eliminate unlawful intent or conduct, we have worked closely with the Government to carry out a comprehensive review of the Smart Tender service and strengthen related measures to provide better support for property owners.

In February 2026, the Government announced funding of HK$300 million for the URA to introduce enhanced owners support services with the aim of providing property owners with more comprehensive assistance in appointing works consultants and contractors, along with subsidies to encourage uptake of the enhanced services and better safeguard their interests. The URA is now working with the Development Bureau to finalise the implementation details. These include working with relevant Government departments and law enforcement agencies to establish more stringent pre-qualification criteria for consultancy firms and contractors, and to update the relevant register on an ongoing basis. The URA will also assist Owners' Corporations and property owners with a range of tendering processes, including tender preparation, submission and evaluation.

For the more than 30 housing estates that had engaged Will Power Architects Company Limited (the consultant involved in the Wang Fuk Court fire), and are now facing suspension of maintenance works because of the firm's inability to discharge its duties, the URA has taken proactive steps to provide support. This includes appointing Independent Reviewers to conduct third-party professional assessments and prepare tender documentation. This will allow the aforementioned estates to restart the tendering process for new works consultants as soon as the enhanced owners support services are launched, so that their maintenance work can get back on track.

The enhanced owners support services will focus primarily on providing comprehensive, targeted tendering and related support to property owners and Owners' Corporations, with a view to minimising collusive tendering practices when procuring consultancy and contractor services. However, building maintenance involves complex procedures and a wide range of stakeholders. Relying solely on enhanced support measures will not fully resolve all associated issues. All parties involved in building rehabilitation, including Owners' Corporations, individual owners, property management companies, industry practitioners, and the relevant law enforcement and regulatory agencies, must step up their participation and oversight at every stage of the process. Any suspected irregularities should be promptly reported to the relevant authorities. Ultimately, strengthening professional practices and eliminating industry shortcomings are essential to addressing the root causes.

Looking ahead, the URA will continue to use a variety of channels to raise property owners' awareness of building maintenance and strengthen their capacity to organise such works.

> *"Relying solely on enhanced support measures will not fully resolve all associated issues. All parties involved in building rehabilitation must step up their participation and oversight at every stage of the process."*

Moving Forward with a Sustainable Compensation Framework

For severely dilapidated buildings that can no longer be rehabilitated, redevelopment may be the only solution. However, redevelopment requires substantial resources in terms of acquisition costs, manpower and time. This has long placed a heavy financial burden on the URA and directly affected the long-term sustainability of urban renewal.

Since the establishment of the URA, we have adopted the "Seven-year-old" principle in determining the acquisition price per square foot for owner-occupied domestic properties. In addition to prevailing market value, this approach provides a substantial ex-gratia allowance so that affected owners may purchase relatively newer replacement flats with better facilities. During economic downturns or property market declines, however, this generous compensation mechanism means that the proceeds from redevelopment tenders may fall short of the earlier acquisition costs, creating a "buy high, sell low" risk for developers. At the same time, the mechanism makes the commercial sector's participation in urban redevelopment unattractive. If this situation continues, it will place increasing pressure on resources for urban renewal and slow the overall pace of redevelopment.

As buildings in need of redevelopment continue to age, their market value also declines. If buildings of different ages and maintenance conditions are treated under the same acquisition price per square foot based on the "Seven-year-old" principle, this raises concerns about the appropriate use of public resources. Moreover, offering generous compensation to owners of poorly maintained buildings for redevelopment may inadvertently encourage them to neglect their maintenance and repair responsibilities, resulting in an undesirable situation where the interests of a small group of owners are placed above public safety.

In view of this, the URA and the Government are reviewing the existing acquisition mechanism. One of the directions is to revamp and improve the current Flat-for-Flat (FFF) Scheme by offering it as an option other than the cash offer.

The new FFF arrangement carries two important benefits. It enables the affected owners to move from poor living conditions to newly built homes with better planning, design and facilities, thereby improving their overall quality of life. At the same time, replacing cash acquisition of old properties with newly built replacement flats will help ease the URA's cost pressures and reduce exposure to market fluctuations during the period between acquisition and redevelopment. As a result, redevelopment projects can proceed in a more sustainable and effective manner across different market cycles.

The URA is currently advancing planning for residential development and supporting facilities on the Tseung Kwan O Area 137 site granted by the Government, in preparation for the enhanced FFF arrangement. In the meantime, we are carrying out preliminary feasibility studies for the three reserved sites in the Northern Metropolis, namely those in the Kwu Tung North and Fanling North New Development Areas.

Revitalising Old Districts – "People First"

In advancing urban renewal, the URA upholds the people-first principle and places great importance on the needs of residents affected by redevelopment projects. Timely and appropriate support is provided throughout the rehousing process.

In Kowloon City, the URA launched the Lung Shing Thai Community Support Programme to address the needs of the Thai community affected by redevelopment. The programme is designed to support Thai households, businesses and employees who are not proficient in Chinese, helping them overcome language and cultural barriers and settle more readily into their new environments. We also provided comprehensive support to Thai businesses that needed to relocate, including tenancy referrals and assistance in liaising with estate agents, enabling them to secure suitable premises and continue operating in the same district. The URA team also provided hands-on relocation assistance and prepared bilingual Chinese-Thai posters to support the reopening of their businesses.



Under the Lung Shing Thai Community Support Programme, the Lams, owners of "Cheong Thai" grocery store in Kowloon City (left), successfully relocated to a new shop in the same neighbourhood, seizing the redevelopment opportunity to expand their business. Volunteers under the programme (right) provided assistance during relocation.

For the Sai Yee Street/Flower Market Road Development Scheme in Mong Kok, the URA worked with florists, local organisations and residents to organise a series of activities at the Flower Market. These included festive installations, lighting displays, workshops and promotional campaigns, helping to sustain the area's vibrancy.

Interim settlement and relocation arrangements were put in place for more than 20 flower shop operators within the project area, enabling them to continue operating in the Flower Market both during and after redevelopment. A centrally located Flower Market 2.0 Pilot Space (the Pilot Space) was reserved as an interim arrangement. To facilitate the design of the Pilot Space, the URA engaged directly with individual operators to understand their plans and operational needs. Each shop in the Pilot Space will be equipped with water and electricity supply for refrigerators to keep flowers fresh, and with designated areas for display. The URA also commissioned a consultant to engage with merchants, residents and community partners to help co-create a sustainable and vibrant Flower Market community and support the long-term development of the area.

Beyond redevelopment and building rehabilitation, the URA adopts a holistic approach by integrating various urban renewal strategies to improve the overall environment of old districts. Our development projects are closely aligned with place-making principles to showcase the unique historical heritage and character of different neighbourhoods. The URA's Peel Street/Graham Street Development Scheme in Central is a showcase of how old and new elements can be successfully integrated while enhancing the value of an old district. Alongside new developments, the URA has continued to enhance the surrounding streets and community facilities while preserving the distinctive character and atmosphere of the century-old Graham Market. In collaboration with local stakeholders, regular events such as the Graham Festival and other promotional activities have been organised to attract visitors, stimulate economic activity and inject renewed vitality into the district.

Moving Forward Together

The past year was full of challenges. We thank the HKSAR Government for its policy support, for granting new land resources, and for working with us to review and improve various policies and measures, thereby laying a solid foundation for the long-term strategic development of urban renewal in Hong Kong.

I would also like to take this opportunity to express my appreciation to members of the Board for their guidance, the management team for their teamwork, and all URA colleagues for their dedication and tireless efforts. It is through this collective commitment that we are able to continue our work in urban renewal under a rapidly changing world.



Presenting the Chairman's Award 2026 to recognise employees who demonstrate exceptional work performance alongside a strong commitment to serving the community.

As the URA marks the milestone of its 25th anniversary in 2026, we remain fully aware of the responsibilities entrusted to us as Hong Kong's statutory body for regenerating the city's older districts. Looking ahead, we will continue to uphold professionalism and rigour, working closely with the Government and all sectors of the community to drive continuous improvement. We are committed to responding proactively to the community's needs for urban renewal, striving for excellence, and contributing to a better Hong Kong.

CHOW Chung Kong, GBM, GBS, JP
Chairman
31 August 2026



Ar Donald CHOI Wun Hing,
BBS, JP

MANAGING DIRECTOR'S STATEMENT

> *"Our pursuit of operational excellence across all areas is underpinned by a "people first" approach, with the aim of advancing urban renewal and delivering tangible benefits to the community."*



Advancing with Agility and Innovating for Social Benefits

In June 2025, I took up the position of Managing Director of the URA. Moving from the private sector to public service, and taking on the responsibility of advancing urban renewal in Hong Kong, I am deeply conscious of the important mission entrusted to me. I also recognise that every aspect of our work must be guided by a "people first" approach and a commitment to delivering tangible benefits to the community.

Unlike property developers, the URA's decisions are not driven solely by commercial considerations. Our core mission is to create a better living environment for Hong Kong and enhance the quality of life of its residents. In planning and implementing urban renewal initiatives, we seek to balance the needs and well-being of the community with our long-term objective of maintaining self-financing. This is essential to safeguarding financial resilience and ensuring the sustainable delivery of urban renewal over the long term.

Over the past year, volatility in the economic environment and property market has placed pressure on our cash flow. These challenges have prompted us to move beyond resource constraints and established approaches, and to adopt more agile, innovative and forward-looking strategies to sustain the momentum of urban renewal while continually improving the way we work.

In response to changing market conditions, the URA has strategically leveraged planning tools to enhance design flexibility and strengthen the financial viability of its projects. We have also dynamically adjusted the pace of project implementation, seized appropriate opportunities to advance preliminary works and enhanced engagement with private developers before tenders are launched. These efforts have helped improve the attractiveness of our projects and maximise the prospects for successful tender outcomes. In the area of building rehabilitation, the tragic fire at Wang Fuk Court in Tai Po heightened public expectations for further enhancements to the support to building owners, which we take very seriously. A comprehensive review has been conducted to enhance and refine the services, supported by strengthened measures to provide building owners with more targeted, robust and professional technical support.

We also undertake place-making and community-making initiatives in old districts, applying creative approaches to highlight distinctive local characteristics, revitalise ageing neighbourhoods, attract footfall and stimulate local economic activity. At the former Mong Kok Market Building, the URA carried out comprehensive adaptive retrofitting and upgraded the building's structural elements and building services installations. The project has not only extended the service life of the building, but has also repurposed it as an interim District Health Centre, supporting the Government in delivering primary healthcare services for the benefit of residents in the district.

To enhance the quality and effectiveness of our work, we have actively applied innovative technologies to support the formulation of urban renewal proposals and to streamline business processes through automation. Our pursuit of operational excellence across all areas is underpinned by a "people first" approach, with the aim of advancing urban renewal and delivering tangible benefits to the community.

Forward-looking Planning: Agility in Project Design and Implementation

To navigate market shifts effectively, the URA adopts an agile and responsive approach to project planning and implementation. By embedding flexibility into planning and aligning project parameters with market demand, we enhance financial viability and project attractiveness. This, in turn, strengthens tender outcomes and generates essential resources to support the implementation of other urban renewal initiatives.

In particular, the URA has applied the versatile planning tool of "interchangeability of domestic and non-domestic plot ratio" to selected projects. This enables an increase in the maximum domestic plot ratio within the approved maximum Gross Floor Area (GFA), providing greater flexibility in project design. Under the Shantung Street/ Thistle Street Development Scheme, the maximum domestic plot ratio has been relaxed from 7.5 to 8.5, yielding more than 14,000 square metres of residential GFA and providing 356 residential units. We will continue to apply this planning tool to other suitable projects to unlock their development potential.

In parallel, we regularly review project designs to ensure that ancillary facilities appropriately meet the needs of individual districts. For the projects in the Lung Shing area of Kowloon City, for example, we evaluated the feasibility of reducing the number of public parking spaces in light of findings from the latest local transport demand survey. Such an adjustment would shorten the time required for, and reduce the costs associated with, basement construction. It would also expedite project implementation, support the regeneration of old districts and facilitate their earlier integration with the adjoining Kai Tak Development Area.

In project implementation, the URA adopts a dynamic development management strategy, adjusting acquisition timelines in response to cash-flow projections and prevailing economic conditions. To expedite implementation, the URA also undertakes preliminary works for redevelopment projects to address uncertainties at an early stage. This reduces the time required by successful developers upon site handover, enabling them to focus on building design and construction to complete projects sooner and improve district environments more efficiently.

For the Kai Tak Road/Sa Po Road Development Scheme in Kowloon City, the URA commenced a series of preliminary works in March 2026, including foundation construction and basement excavation, to expedite basement works. The URA is currently pursuing the project under a self-development model and will determine the future development approach at a later stage, subject to market conditions. For the final phase of Kwun Tong Town Centre 2.0 (KTTC 2.0), the URA has also commenced various preliminary works in phases. While implementing road closures at Tung Yan Street and Yue Man Square in June 2026 to facilitate underground utilities diversion works, design plans were submitted to the Buildings Department and MTR Corporation for early approval of the footbridge connecting KTTC 2.0 and the MTR's elevated platform.

To refine tender preparation, the URA has enhanced its forward-looking planning by introducing the Development Facilitation Services (DFS). Under the DFS, private developers are provided with detailed information on development parameters, lease terms, and planning and design requirements. This initiative enhances information transparency and gives developers sufficient time to conduct initial design assessments and financial estimates, thereby facilitating their subsequent participation in tender exercises. During the year, the URA rolled out the DFS for four projects and received positive feedback from the industry.

Innovative Thinking for Revitalising Old Districts and Fostering Long-term Community Development

The renewal and revitalisation of old districts should extend beyond the planning and construction of physical infrastructure. In addition to delivering the physical components of our projects, we adopt a district-based approach that creates diverse benefits through functional enhancement and district revitalisation. This approach provides communities with sustained momentum and supports the development of sustainable, liveable environments over the long term.

The Sai Yee Street/Flower Market Road Development Scheme illustrates this approach. Although the project involves only a small proportion of old buildings and shops within the Flower Market, we seek to improve its overall environment and enhance its urban value through comprehensive land-use restructuring, urban spatial enhancement, road network replanning, and community facility upgrades. Through place-making initiatives, we will further reinforce the Flower Market's distinctive character, increase footfall, and foster collaboration among local shop operators to stimulate the district economy and strengthen its long-term business ecosystem.

Guided by our "people first" and "public participatory" principles, the URA commissioned a consultant to engage with Flower Market operators before project commencement. The engagement highlighted structural district challenges, including inadequate parking provision, traffic-pedestrian conflicts, and ageing infrastructure, which hinder business operations and long-term district development.

To address these challenges, the URA has adopted a "Single Site, Multiple Use" model for the Sai Yee Street/ Flower Market Road Development Scheme. A multi-purpose complex will be developed with a spacious underground car park. The project will also provide additional shop frontages and at-grade spaces for floral displays, widen pavements to improve the shopping experience, and consolidate land resources to create a sizeable public Waterway Park for community enjoyment. The URA will also revitalise the back lane of the Prince Edward Road West/Yuen Ngai Street Project and transform it into a pedestrian street featuring the distinctive character of the Flower Market.

These forward-looking initiatives will increase footfall and commercial activity, address long-standing local bottlenecks, expand the Flower Market's development potential and promote more diversified district development. It will also help shop operators in responding to changes in the business environment and meeting their long-term development needs.

Throughout project implementation, the URA places strong emphasis on preserving business continuity and the distinctive identity of the Flower Market. To support the affected operators, we provide relocation proposals and decanting arrangements, encouraging them to maintain a business presence within the Flower Market during and after redevelopment.

A Flower Market 2.0 Pilot Space (the Pilot Space) will be developed at the heart of the Flower Market using Modular Integrated Construction (MiC), enabling shops to continue operating during the redevelopment period. In addition to front-of-shop display areas, the Pilot Space will include car-stopping areas to facilitate the loading and unloading of goods. The URA will also explore the organisation of activities in the public spaces to attract visitors, sustain district vibrancy and promote the local economy.



Adjacent to Mong Kok Stadium and the future Waterway Park, the Pilot Space will provide versatile open spaces for diverse events to infuse community vitality and drive foot traffic and economic vibrancy, ensuring business continuity for florists throughout redevelopment.

Our relocation and decanting arrangements have received recognition and support from flower shop operators. Construction of the first phase of the Pilot Space is scheduled to commence in the first quarter of 2027 and is expected to be completed as early as in 2028, enabling a seamless operational transition for participating flower shops.

Furthermore, our community-making consultant continues to strengthen stakeholder engagement in order to better understand operators' needs. Through workshops, consumer reward schemes and cross-sector promotional activities, we build mutual trust, reinforce community cohesion and foster greater collaboration among local shop operators. These efforts encourage local merchants to initiate and participate in district regeneration, helping to ensure that the Flower Market remains vibrant over time.



Through workshops, the URA and its community-making consultant seek to understand local stakeholders' needs, building trust and fostering collaboration to support the sustainable development of the Flower Market.

In the historic Central and Sheung Wan district on Hong Kong Island, the URA has established a "3B" district revitalisation framework to promote organic synergy among the "**B**uilt environment", "**B**usiness environment" and "local **B**onding". This framework reinforces local characteristics, attracts visitors, stimulates economic activity and advances sustainable urban renewal.

In conjunction with redevelopment projects in the district, the URA has enhanced surrounding streetscapes and subsidised building owners to commission artists to create large-scale murals that highlight the district's cultural character. We also organised activities for the century-old Graham Market. In March 2026, we partnered with over 100 market vendors, nearby shop operators and local organisations to host the Graham Festival, showcasing the market's unique history while increasing visitor traffic and business opportunities. Through the "Touring Central with Locals" programme, local residents serve as volunteer docents, connecting heritage preservation with revitalisation initiatives and sharing authentic district stories with local and overseas visitors.



A visit to stall operators during the Graham Festival to understand how creative product packaging and promotion activities help boosting the market's vitality.

Innovating for Progress and Enhancing Services

A safe and stable living environment forms the bedrock of a liveable city. Against the backdrop of Hong Kong's rapidly ageing building stock, one of the URA's key responsibilities is to encourage and facilitate building owners in maintaining their properties properly, thereby creating safer homes.

The tragic fire at Wang Fuk Court in Tai Po last year drew public attention to systemic issues in the building rehabilitation sector and heightened calls for the enhancement of support services for building owners. In response, the URA and the Government jointly conducted a comprehensive review of the Smart Tender Scheme, with a view to establishing a new and enhanced owners support services framework underpinned by strengthened measures and implementation arrangements. These include the establishment of more stringent "pre-qualification lists" for works consultants and contractors, as well as arrangements under which the URA conducts tendering and tender assessments on behalf of building owners, thereby assisting them in selecting suitable works consultants and contractors.

Of the HK$300 million allocated by the Government, up to HK$100 million will be used as start-up funding to establish a dedicated subsidiary, recruit a professional team and develop an "AI-first" automated workflow system for in-depth data verification and precise analysis. The remaining funding will be used to subsidise building owners who use the enhanced owners support services.

However, it is important to emphasise that the maintenance malpractices exposed by the fire stem from long-standing systemic shortcomings and entrenched vested interests within the building maintenance sector. These issues cannot be resolved by the URA or the enhanced support services alone. Preventing similar tragedies requires concerted efforts by the Government, regulatory authorities, industry participants, relevant stakeholders and building owners to address these issues at both institutional and operational levels.

Over the longer term, it remains essential to enhance building owners' awareness of and participation in building maintenance, strengthen technical support, and build their capacity to monitor the performance of works consultants and contractors. Building owners should also embrace preventive maintenance to preserve building conditions so as to mitigate the substantial costs and potential risks associated with large-scale repair works arising from prolonged disrepair.

The URA will adopt a multi-pronged approach to promote building rehabilitation and preventive maintenance, deepen technical support and assist owners in extending the service life of their buildings. These efforts will also help alleviate the pressure for redevelopment.

Leveraging Technologies to Enhance Operational Efficiency and Decision-making Accuracy

In the face of growing challenges arising from urban decay, technology is a powerful enabler for the URA to enhance quality, improve efficiency and pursue continuous improvement.

To strengthen operational and project management efficiency, the URA utilises data analytics to assess urban renewal needs across different districts and formulate practicable response strategies. We are also actively exploring the application of generative artificial intelligence (AI) tools powered by large language models. These tools can simulate and automatically generate various feasible master building layout options under a range of scenarios, enabling our teams to conduct rapid, data-driven evaluations and select options that optimise planning gains. This technology significantly shortens preliminary design cycles while reducing consultancy costs. The first phase development of the AI tools has been completed and is now being rolled out for planning and design work relating to Master Layout Plans.

The URA is also developing an AI-enabled streetscape assessment and design-generation tool to further strengthen our place-making and community-making capabilities. The tool is designed to identify streetscape related issues automatically and generate instant visual renderings of proposed improvements. It will serve as an interactive platform for public engagement, enabling residents to understand revitalisation measures more directly and concretely, while providing feedback on proposed improvements. This tool has been applied in community design activities in partnership with the Hong Kong Institute of Architects. During the year, we also organised a series of AI training programmes to enhance employees' digital skills and foster an innovative corporate culture.



▲ The URA's AI Street View tool instantly generates visualisations of improvement or beautification schemes, helping the public easily understand revitalisation proposals.

As part of our digital transformation, we attach great importance to information security. We are planning to develop a centralised AI tools platform to centralise AI data management and safeguard data security, ensuring that technological applications comply with rigorous compliance and safety standards.

At the construction stage, we actively promote MiC in residential development projects to streamline construction processes, enhance site safety and minimise impacts on the surrounding environment. Looking ahead, we will continue to leverage technology to improve quality and efficiency, with a view to accelerating urban renewal in a more precise and cost-effective manner.

Deepening Communication and Collaboration to Build a Liveable Future Together

Urban renewal is a complex and highly challenging social undertaking that requires substantial resources. Its successful implementation depends on the concerted efforts of all sectors of the community. Over the past year, we have worked closely with Government departments, professional bodies, councils at different levels, developers and district stakeholders. These collaborative experiences have provided me with invaluable insights and reinforced the importance of partnership in advancing urban renewal.

I also firmly believe that internal cohesion is fundamental to organisational progress, making open and transparent communication indispensable. During my tenure, I have actively listened to stakeholders and frontline colleagues and established multiple internal communication channels. During the year, we held two Townhall Meetings for all staff, fostering constructive dialogue and transforming colleagues' professional aspirations into a driving force for the URA's advancement.



Fostering organisational progress through sincere communication and positive interaction with URA staff.

Over the past year, the Board's outstanding leadership, together with the dedication and close collaboration of all colleagues, has been instrumental in supporting the URA's steady development and the orderly implementation of urban renewal initiatives. I extend my sincere gratitude to each of them.

Looking ahead, challenges and opportunities will continue to arise in parallel. As the URA reviews its operational strategies and undertakes business reforms, we will further strengthen public communication and seek the understanding and support of the public and relevant stakeholders. I will continue to lead the URA team in upholding the professional spirit of "Advancing with Agility and Innovating for Social Benefits", maintaining an innovative mindset to drive urban renewal. Together with the community, we will strive to build a higher-quality and more liveable Hong Kong.

Ar Donald CHOI Wun Hing, BBS, JP
Managing Director
31 August 2026

MAJOR EVENTS OF THE YEAR 2025

APR

The URA's place-making initiative at the Kwun Tong Town Centre Project's "Free Space" won the "2024 Place Leader Awards – Pop-up Placemaking" in Australia for its innovative design and community contributions.





JUL

The URA co-organised the Innovative Design Competition with the Hong Kong Institute of Vocational Education. The Gold Award winning project, the "Smart Building Management Robot", offers a smart technology-driven solution for enhancing fire safety and property management in ageing and "three-nil" buildings.



AUG

The URA separately signed Memoranda of Understanding with City University of Hong Kong and Hong Kong Baptist University to establish frameworks for expanding their off-campus facilities within the Kwun Tong Town Centre Project, underscoring the project's versatility and long term potential.

SEP

- HONG KONG 地膽遊龍城

  A collaborative campaign, "Backstreet Alliance – The Local's Guide to Kowloon City", was launched jointly by the URA, the Hong Kong Small and Medium Enterprises Association (HKSME) and CLP Power, successfully engaging over 60 local businesses and boosting cultural tourism and local spending through streetscape beautification, augmented reality photo spots and promotional offers.



- The URA welcomed the Chief Executive's 2025 Policy Address initiative to reserve three sites in the Northern Metropolis for the future Flat-for-Flat arrangement. This forward-looking measure enables the URA to enhance its acquisition and compensation mechanism and pave the way for more flexible rehousing options for affected owners.

MAY

- Mr Chow Chung Kong, who was reappointed by the Government, began a new two-year term as Chairman of the URA Board on 1 May 2025. The Government also appointed or reappointed 10 non-executive directors (non-official) for a three-year term.
- The award of the development contract for the Shantung Street/Thistle Street Development Scheme in Mong Kok marked the successful implementation of the new Development Facilitation Services initiative, which facilitates developers' bid preparation through pre-tender engagement, thereby increasing the likelihood of a successful tender.



JUN

- Ar Donald Choi Wun Hing commenced his three-year term as Managing Director of the URA on 15 June 2025. He succeeded Ir Wai Chi Sing, who retired after nine years of service.
- The Government announced the grant of two sites, at Bailey Street in Hung Hom (left) and Tseung Kwan O Area 137 (right), to the URA by private treaty at a nominal premium to provide additional support in the form of land resources for implementing urban renewal.





OCT

The Government reappointed Ms Carolin Fong Suet Yuen as Executive Director (Operations) for another three-year term, effective 3 October 2025.

NOV

The URA's commitment to cultivating a future-ready workforce was recognised with several prestigious Human Resources accolades. These included the Grand Award of the Year and the Excellent Employer of the Year at the HKIHRM HR Excellence Awards 2025/26, the Human Resources Online's HR Excellence Awards 2025 and the HKMA Award for Excellence in Training and Development 2025.

DEC



The URA convened its first Staff Townhall Meeting to forge a cohesive workforce with shared visions. During the session, senior management outlined a strategic vision focused on innovation and operational excellence to advance urban renewal.

MAJOR EVENTS OF THE YEAR 2026

JAN

The first ever Flower Market Festival: Coffee Blossoms attracted over 9,000 visitors and brought together over 20 flower shops. Together with a coffee fair, the festival offered shopping incentives and an online game with e-voucher prizes, boosting local spending and injecting vibrancy to the district.



MAR



The 2026 Graham Festival brought together Vocational Training Council students and stall operators to co-create a new brand identity for the historic Graham Market, alongside souvenir redemption campaigns, docent tours, and an exhibition for cultural and creative design, breathing new vitality into the community.

APR

The "Backstreet Alliance" campaign was extended to Central in collaboration with the HKSME, connecting community stakeholders to promote local character and cultural tourism through unique heritage tours, while stimulating local spending with shopping discounts.

MAY

The URA and The Hong Kong Polytechnic University co-organised the Igniting Social Innovation Competition, attracting nearly 400 secondary students. Participants learned and applied emerging technologies such as artificial intelligence, geospatial data, and design thinking to develop place-making and community-making solutions for the Sai Yee Street/Flower Market Road Development Scheme and Peel Street/Graham Street Development Scheme.





The URA issued its HK$8 billion dual-tranche bond with strong investors' response, reflecting investor confidence in the URA's financial strength and the long-term vision. The proceeds will fund capital expenditure across upcoming renewal projects, sustaining the URA's commitment to community-centric urban renewal.

The URA and the Hong Kong Institute of Architects concluded the Urban Renewal Design Ideas Competition for Yau Ma Tei and Mong Kok. 35 cross-disciplinary professional teams applied new planning tools from the Yau Mong District Study to create sustainable design blueprints that help shape a more liveable city.



FEB

- The Financial Secretary announced in the 2026/27 Budget the allocation of HK$300 million to facilitate the launch of enhanced owners support services, and provide subsidies to use the future paid services to organise building maintenance works.

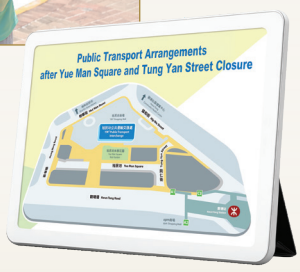
- The Yue Man Hops event at the Kwun Tong Town Centre "Free Space" combined a Chinese New Year market with inclusive sports experiences. The event successfully drove footfall, fostered community bonding and stimulated local business vitality.



JUN



To facilitate underground utility diversion works for the Kwun Tong Town Centre 2.0 Project, the URA implemented temporary road closures and traffic diversions at Yue Man Square and Tung Yan Street. Proactive, multi-channel measures were introduced to enhance public awareness of the traffic arrangements.





OPERATING HIGHLIGHTS

(Figures are up to 30 June 2026, unless specified otherwise)

Putting People First, Enriching Urban Lives

80*
Projects have been undertaken since the establishment of URA in 2001

334,700 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



70,800 m²
Open space created

37,300
New flats supplied

4,540
Households rehoused or to be rehoused in public rental housing units



177,000 m²
Government, Institution or Community facilities space created

REHABILITATION

Around
10,500
Building blocks rehabilitated or undergoing rehabilitation with various assistance schemes

Around
1,050,000
Households benefitting from the URA's rehabilitation schemes and five Government subsidised schemes



Around
HK$4,498 million
Building rehabilitation loan and subsidies released

* 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 spaces

68,112

Average daily visitors

1,559

Events held in 2025/26

BRINGING SOCIAL BENEFITS

11,194

Households benefitting from home repair or improvement programmes

3,610

People benefitting from Community Service Partnership Scheme

More details in our "Sustainability Performance Highlights" from page 58 to 59.



OPERATING REVIEW

Sustaining Dynamic Momentum in Urban Regeneration

Navigating changing market conditions and financial position, the URA adopts a dynamic approach to flexibly pace and steadily advance its projects. Much like a craftsman at a potter's wheel who must maintain steady momentum while applying skillful, rhythmic pressure with both hands, we strive to sustain the driving force of urban renewal to sculpt a liveable city for all.



Strategic Studies for Effective Urban Renewal

The URA continues to navigate mounting challenges in its urban renewal mission, driven by a growing number of ageing buildings that increasingly outpace redevelopment efforts, as well as a diminishing residual plot ratio in urban areas. A new mindset and innovative strategies are essential to transcend the limitations of conventional redevelopment models.

Building on the completed and ongoing district planning studies, the URA is actively identifying urban renewal opportunities through an integrated and multi-pronged approach, and establishing planning reserves through a holistic, district-based, and planning-led approach. In parallel, a framework has been set to promote timely building maintenance and slow urban decay. The URA has also expanded its planning horizon to key waterfront precincts, exploring opportunities to integrate urban fabrics with coastal infrastructure to drive district-wide revitalisation. As each study concludes, the URA makes recommendations to the Government and seeks to implement them, where appropriate, with several key initiatives already delivering progress.

Yau Mong District Study (YMDS)

The YMDS has strategically developed new planning tools and implementation mechanisms to overcome urban renewal challenges. Following its completion, significant progress has been made particularly in implementing the proposals outlined in the Master Urban Renewal Concept Plan and applying new planning tools in collaboration with the Government to seize renewal opportunities and encourage private sector participation. Key achievements include:

Implementation of the First Nodal Development under YMDS

Commenced in March 2024, the Sai Yee Street/Flower Market Road Development Scheme (YTM-013) marks the first phase of the Nullah Road Urban Waterway Development Node implementation.

Adopting a flexible mixed-use development model, the project replans and restructures land use to enhance the Flower Market area and support Mong Kok East's transformation into an "Exuberant Commercial District" with novel "blue-green" amenities like the Urban Waterway and Waterway Park. Following the approval of the draft Development Scheme Plan (DSP) in April 2025 and the issuance of acquisition offers in January 2026, a planning application was submitted to the Town Planning Board (TPB) in June 2026 to increase Site B's maximum domestic plot ratio (DPR) from 6.5 to 7.5 to enhance the project's overall financial viability. (More details on YTM-013 Project as noted on pages 35 and 36 under Redevelopment.)

Facilitating Private Market Participation

To incentivise private sector participation, the URA supported the Government in amending the Outline Zoning Plans (OZPs) of Mong Kok and Yau Ma Tei (approved in 2023 and 2024) to allow more flexibility in the interchangeability of domestic and non-domestic plot ratio; provide more design flexibility for mixed developments along character streets in selected areas; increase the plot ratio for the Nathan Road commercial spine; and relax building height restrictions.

Concurrently, the Transfer of Plot Ratio (TPR) pilot mechanism since 2023 has unlocked the development potential of small and isolated sites in Yau Ma Tei and Mong Kok by allowing development rights from sites with limited development potential to be transferred to strategic "receiving site", significantly improving project financial viability and therefore encouraging private sector participation in urban renewal. The 2025 Policy Address proposed extending TPR to five additional areas, including Cheung Sha Wan, Ma Tau Kok, Sai Ying Pun and Sheung Wan, Tsuen Wan, and Wan Chai, introducing cross-district transfer of plot ratio and streamlining requirements to further accelerate urban renewal.

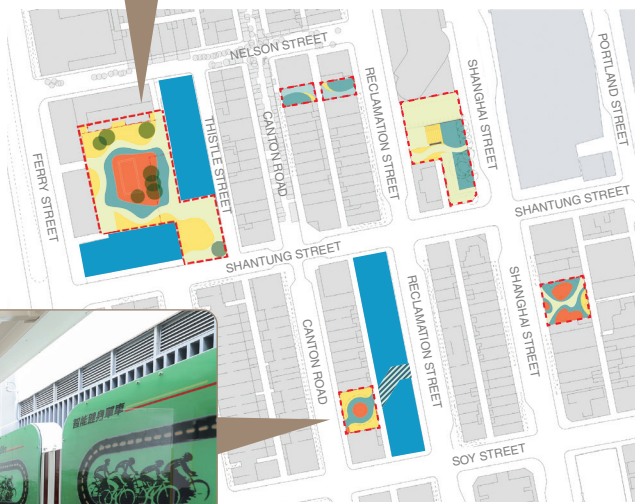
Renewal of Public Facilities: The Nano-Parks System

The URA is reinventing the open space network with the Nano-Parks system, one of the initiatives under YMDS. By connecting and revitalising six small and scattered parks in the densely populated Shantung Street precinct, the initiative aims to create greater design opportunities and impacts for community enjoyment.

The pilot implementations at Thistle Street Rest Garden and Canton Road/Soy Street Sitting-out Area are progressing well. Canton Road/Soy Street Sitting-out Area was handed over to the Leisure and Cultural Services Department in late January 2026, while works for Thistle Street Rest Garden were substantially completed in June 2026.

The second batch of schematic designs for the remaining four Nano-Parks was endorsed by the Government in the third quarter of 2025. Approval of the detailed design proposal by the Government is expected in the second half of 2026.







The revitalised Nano-Parks on Thistle Street (above) and Canton Road (below) provide quality open space with fitness equipment for seniors promoting healthy lifestyles and community wellness.

Fostering Public Understanding of Yau Mong District's Renewal

Jointly organised by the URA and The Hong Kong Institute of Architects, a design idea competition concluded in January 2026 to foster public engagement in the renewal of the Yau Mong area. The event received 35 submissions from local, Chinese Mainland, and international teams, spanning multidisciplinary professions in architecture, urban planning, surveying, and other urban renewal-related fields. These visionary proposals visually articulated the concepts of urban renewal under the YMDS, making complex planning ideas more accessible and easier for the public to understand.



The winning team for the "Heritage Park in Yau Ma Tei" category received their award at the competition, alongside an exhibition displaying the participating entries.



Sham Shui Po and Tsuen Wan District Studies

Building on the YMDS, the Sham Shui Po District Study (SSPDS) and the Tsuen Wan District Study (TWDS), which commenced in 2022, adopted a holistic "district-based" and "planning-led" approach to formulate long-term Master Renewal Plans (MRPs) to guide future planning and urban renewal in these two old districts.

Incorporating views collected through a comprehensive series of public engagement and consultation with owners, tenants, and the wider community via district opinion surveys, the Planning and Urban Design Frameworks (P&UDFs) were developed as the basis for the three MRP scenarios ("+", "0", and "-"), representing different development intensities to meet a range of planning objectives. District Councils of the study areas were consulted in the second half of 2024 (for SSPDS) and early 2025 (for TWDS).

The "+" scenarios for both studies were developed, supported by comprehensive technical assessments and submitted to the Government in December 2025. Following Government feedback, revisions to the MRP proposals of SSPDS are underway to facilitate onward public engagement. In April 2026, work commenced on developing an additional MRP "++" scenario to consider higher plot ratios for TWDS. Initiated under Government direction, the MRP "++" scenario aims to address departmental feedback and accommodate stakeholder views to provide greater incentives for market participation in redevelopment.

In parallel, the new planning tools proposed in the YMDS have been further reviewed to encourage private sector participation and optimise planning gains through urban restructuring and regeneration. Mechanisms including TPR, linked-sites, relaxation of building height controls, and the interchangeability of domestic and non-domestic plot ratio are being adopted in both SSPDS and TWDS. The identification of under-utilised Government sites as solution spaces also remains an important part of efforts to support the restructuring and revitalisation of old urban areas.

Victoria Cove Area Study

In March 2025, the URA commenced a study for the Kowloon City and Kai Tak Development Area, together with their adjacent waterfront and cove along Victoria Harbour, collectively known as the Victoria Cove Area (VCA). The study aims to enhance the area's vibrancy by fostering better integration of old and new development zones, spanning the cove, waterfront, and inland areas, and leveraging the planning gains generated from the URA's projects to create participation opportunities for relevant stakeholders and the wider community. New initiatives were also proposed to bring additional social, place and economic values, highlighting the growing importance of the eastern part of Victoria Harbour as a waterfront on par with other world-famous examples. The draft final report and quick-win proposals were submitted to the Development Bureau in January 2026.



Transcending conventional constraints, the study adopts holistic planning for the old inland area, the waterfront, and the adjacent water bodies to create a world-class Victoria Cove Area.

Promoting Building Rehabilitation

Following a 2020 study to develop more effective building rehabilitation strategies aimed at arresting urban decay, the URA has adopted a multi-pronged approach to extend building lifespans and enhance serviceability. These coordinated initiatives assist property owners in undertaking rehabilitation works, raise awareness and provide guidance on preventive maintenance, and offer incentives to encourage regular contributions to a special fund. Collectively, these measures have achieved substantial progress in recent years.

Initiatives to Encourage Preventive Maintenance

Preventive Maintenance Subsidy Scheme (PMSS)

The URA has been actively encouraging property owners of domestic and composite buildings to plan ahead for the maintenance of common areas of their buildings. To this end, the URA launched the self-funded Preventive Maintenance Subsidy Scheme (PMSS) in April 2024, under which property owners will engage an Authorised Person (AP) to prepare building maintenance manuals and formulate 10-year budgets for inspection and repair works. This initiative enables owners to forecast maintenance costs and to commence early contributions to the building's special fund. In addition, the URA provides enhanced financial incentives to owners who make regular contributions to their special funds.

As of June 2026, the URA has handled 23 valid applications under the scheme, of which 21 have been granted Approvals-in-Principle (AIPs). A total of 16 valid applications covering 11,045 units are currently being processed. Among the four applicants that have engaged an AP, one has completed the drafting of a building maintenance manual and is proceeding to convene an owners' general meeting in the third quarter of 2026 to discuss the setting up of a special fund.



11,045
residential units involved
in the 16 PMSS valid applications

The URA is actively reaching out to Property Management Companies (PMCs) of estates and larger buildings to strengthen promotion of the scheme and encourage more property owners to maintain their buildings in good conditions through preventive maintenance. The URA also continues to collaborate with non-governmental organisations on wider community engagement and public education initiatives, with a view to sustaining awareness of preventive maintenance across all building types.

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

To address the lack of market templates for building maintenance planning, the URA, following extensive consultation with over 100 industry stakeholders, developed and published a set of Guidelines and Templates for Preparing Maintenance Manual for Residential and Composite Buildings (GTMM). Launched on the Building Rehabilitation Platform in January 2025, the GTMM provides standardised guidelines and templates to streamline maintenance planning and financial budgeting for property owners.

In the same year, the URA partnered with the Owners' Committee of Residence Bel-Air, a large private estate, to pilot the GTMM. Although the estate is not yet subject to mandatory inspection, both the owners and the property management company proactively planned for preventive maintenance and have successfully appointed a Registered Inspector to develop a customised 15-year maintenance plan based on the GTMM. Subject to approval by formal resolution of the owners, the maintenance plan will be implemented to uphold the estate's condition, establishing a benchmark for proactive building rehabilitation across the city.



Residence Bel-Air leads Hong Kong's preventive maintenance efforts as the first housing estate to formulate a 15-year plan using the URA's Guidelines and Templates for Preparing Maintenance Manual for Residential and Composite Buildings.

Kowloon City District-based Building Rehabilitation Pilot Scheme

To elevate the urban fabric of Kowloon City, the URA has pioneered an "Integrated Approach" to urban renewal. This strategy prioritises rehabilitation and revitalisation across a 40-building pilot area where immediate redevelopment is not warranted, thereby preserving the district's distinctive character. Following extensive community engagement, the scheme has secured strong support from building owners and the wider community.

To further highlight the district's unique qualities, the URA has developed a cohesive place-making theme drawing on Chiu-chow and Thai influences, as well as the historical legacy of Kai Tak Airport. Special subsidies have been provided to enable seven buildings to integrate façade beautification works with their comprehensive rehabilitation programmes. External refurbishment of the first building was completed in March 2026, featuring a large-scale mural created by Thai artists that enhances the area's cultural appeal. Rehabilitation works on the second building commenced in April 2026, with its mural scheduled for completion by the third quarter of 2026. Works on the remaining five buildings are expected to begin in 2027.

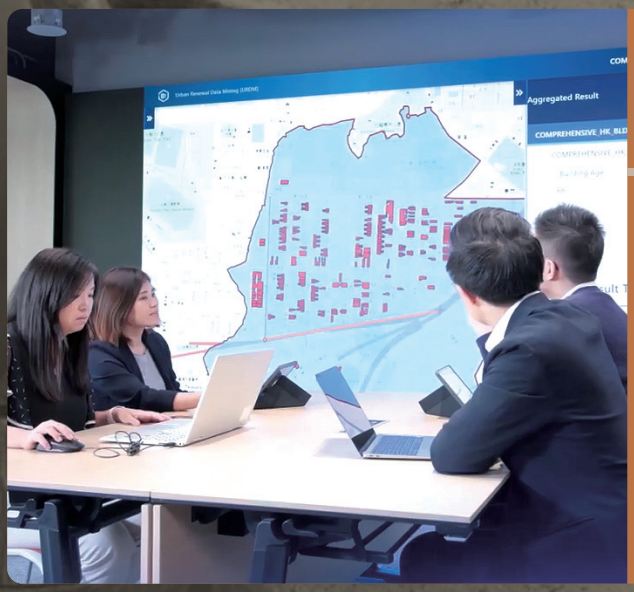
Beyond building façade enhancement, the URA continues to advance place-making initiatives designed to celebrate and preserve the distinct Chiu-chow and Thai cultural heritage of the district. In September 2025, the URA facilitated a collaborative community art project engaging local artists and 40 commercial premises along Lung Kong Road and South Wall Road. Through bespoke shopfront enhancements infused with authentic local motifs, the initiative has reinforced neighbourhood identity and stimulated local economic vitality.

Public realm enhancements also gained substantial momentum, marked by the completion of the Tak Ku Ling Road Rest Garden revitalisation in June 2026. In parallel, multi-phase streetscape works were launched in the surrounding precinct, with phase one delivered in the second quarter of 2026 and the wider street revitalisation project on track for target completion in the second quarter of 2028.



▲ Through a place-making approach, the URA beautified façades, shopfronts, and streets to showcase Kowloon City's unique Chiu-chow and Thai culture, as well as historic Kai Tak Airport character.

REDEVELOPMENT



Empowering Data-driven, Visionary Planning

Just as a craftsman meticulously calibrates every detail, the URA developed the Urban Renewal Information System (URIS) which enables the team to pursue a "district-based, planning-led" approach to urban renewal with precision and vision. By integrating geospatial intelligence, the URIS supports the development of more effective solutions for older urban districts while maximising planning and social benefits for the community.

Progress of Ongoing Key Projects

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

Commenced in March 2024, the YTM-013 is the first phase of the Nullah Node implementation under the YMDS. The project comprises two sites: Site A utilises the Transfer of Plot Ratio mechanism to optimise private land use in the Flower Market vicinity, while Site B adopts the "Single Site, Multiple Use" (SSMU) model to deliver a Waterway Park and a multi-purpose complex. Following the Chief Executive in Council's (CE-in-C's) approval of the draft DSP in April 2025 and additional Government resource support in May 2025, the URA commenced acquisition in January 2026. To allow more flexible use of development potential and optimise the project's financial viability, a planning application was submitted to the Town Planning Board (TPB) in June 2026 to increase the maximum domestic plot ratio in Site B from 6.5 to 7.5 while keeping the overall plot ratio unchanged.

To support Flower Market's long-term development, an integrated approach will allow the affected flower shops to continue operating during and after redevelopment, while place-making initiatives will enhance its overall vitality and ambience. This Flower Market 2.0 initiative marks an important milestone in people-centred urban renewal.

Flower Market 2.0



The relocation arrangement received an encouraging response, with all affected and eligible flower shop operators opting to move to the interim retail space.

To maintain business continuity and preserve the vibrancy of the Flower Market, the affected flower shops will be relocated during redevelopment to a specially designed interim market-like retail space within the project area, built using a Modular Integrated Construction (MiC) method and engineered for future adaptation in the new Flower Market context. The URA will also assist the continued business transformation of the local flower shops to meet new external challenges.



The Flower Market 2.0 interim retail space is built to support flower shops' operations during redevelopment and sustain local business vibrancy.

Recognising the community's aspiration to preserve the unique character of the Flower Market, the URA engaged Social Ventures Hong Kong in October 2025 to launch community-making initiatives that foster stakeholder engagement and collaboration during the urban renewal process. Through ongoing interviews, co-creation workshops and other engagement activities, the URA seeks to understand the operators' business needs, drive long-term growth, and promote community empowerment that ultimately sustains the development of a vibrant Flower Market.





At the Flower Market community-making workshop, local stakeholders shared their community visions and proposed collaborations to foster new business opportunities.

In January 2026, the Flower Market Festival: Coffee Blossoms was launched in collaboration with more than 20 Flower Market shops, attracting over 9,000 visitors and receiving positive community feedback. Building on this success, the URA plans to establish the Flower Market Festival as an annual event to inject vibrancy into the area and support local businesses.

In addition, the URA is constructing an interim 11-a-side football pitch in Kai Tak to temporarily reprovision the existing pitch until the permanent pitch in Site B is completed. The interim football pitch is targeted for completion in 2027.



Visitors enjoying coffee alongside flower-themed art installations at the Flower Market Festival: Coffee Blossoms, an event successfully fostered community connection, attracted foot traffic and boosted local businesses.



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

Commenced in May 2022, KC-017 employs an integrated urban renewal approach to revitalise the ageing district. Through holistic replanning and restructuring, it will uplift the living environment and streetscape, and showcase Kowloon City's unique local culture. Prior to the reversion of land to the Government in October 2025, more than 95 percent of the project area's property interests were acquired.

Under the "Single Site, Multiple Use" model, the northern site at Carpenter Road Park (CRP) has been replanned to house a new Joint-user Government Complex (JUC) for community facilities. As the Government's works agent for the new JUC, the URA has continued to lead its design and implementation in close coordination with relevant bureaux and departments. Following the Legislative Council Finance Committee's funding approval in June 2026, the design and build contract is scheduled to be awarded in August 2026, with works expected to commence in the fourth quarter of 2026.



Occupying the project's northern site, the new JUC in Kowloon City will reprovision the Kowloon City Market and its adjoining community services with modernised facilities.

Phased revitalisation works at CRP to modernise existing park facilities and reprovision the affected amenities are progressing on schedule. The completion of the first section of phase one is targeted for the third quarter of 2026, while the second section is expected in the first quarter of 2027 at the earliest.

In parallel, the URA has been engaging the affected shop operators to formulate decanting strategies. Over 50 percent of the shop operators selling market-related food have opted for the URA's interim arrangement, progressively relocating to transitional shops since June 2025 to continue their businesses.

For the adjacent KC-015, the URA has adopted a self-development approach to accelerate the project's development. Contractors were appointed to commence preliminary works in March 2026, including foundation construction and basement excavation. By taking up these early works before site handover, the URA minimises post-handover preparation time for developers, enabling them to focus on building design and construction.

To enhance the attractiveness and planning flexibility of KC-015, a planning application was submitted to the TPB in June 2026 to relax building height restriction for MiC and to raise the maximum domestic plot ratio from 7.5 to 8 while keeping the overall plot ratio unchanged. In July 2025, the Development Facilitation Services (DFS) was launched to gather feedback from potential developers and inform the review of tender strategy, programme and principal tender terms. The URA will continue to adopt a dynamic strategy to manage the development of KC-015 to further strengthen the project's competitiveness.

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

Launched in October 2022, the two adjoining projects of KC-018 and KC-019 aim to holistically restructure the "Five Streets" area, redeveloping dilapidated buildings covering 101 street numbers and two adjacent industrial buildings to enhance the living environment and connectivity to the waterfront. To support the Government's vision of enhancing the Kowloon East harbourfront, the projects will create a 20-metre-wide waterfront promenade at the eastern boundary to link with the adjoining planned waterfront promenade and the Kai Tak Sports Park. In addition, a two-storey retail belt along the waterfront promenade and an at-grade waterfront plaza will be created to enhance vibrancy and walkability between the old Kowloon City district and the waterfront area.

The draft DSPs for both projects were approved by the CE-in-C in May 2024. With the Government's resource support through the granting of two sites in May 2025, which further strengthened the URA's financial capacity, acquisition offers for the two projects were subsequently issued in September 2025. By June 2026, the URA achieved an acceptance rate of over 92 percent for both projects.

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

Commenced in August 2024, KC-020 is being holistically planned together with the adjacent Kau Pui Lung Road/Chi Kiang Street Development Scheme (CBS-2:KC) to create an integrated renewal area. The design for KC-020 will integrate open spaces and pedestrian avenues planned for CBS-2:KC, further improving visual comfort, as well as access to To Kwa Wan Market, Government facilities, and public transport.

The planning and development proposal for KC-020 was authorised by the Secretary for Development (SDEV) in August 2025. Acquisition offers were issued in January 2026, yielding an acceptance rate of over 90 percent as of June 2026. A planning application was approved in July 2026 allowing the relaxation of the maximum domestic plot ratio from 7.5 to 8 and building height restriction, aligning with the development parameters of CBS-2:KC for a combined development.

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

Commenced in 2021, the two projects unleash land potential by replanning and restructuring under-utilised Government facilities and lands to increase public open space, deliver upgraded community facilities, and transform dilapidated buildings into modern residential developments with podium commercial/retail spaces.

For SSP-017, which comprises 101 building blocks over 50 years old, over 96 percent of the property interests were acquired prior to the reversion of land to the Government in February 2025, with site clearance completed in February 2026.

For SSP-018, Site A, involving Government land and a private lot for electricity substation, will be optimised for residential use to help increase housing supply, while Site B is replanned for a new JUC under the "Single Site, Multiple Use" concept to provide expanded community facilities. Funding approval was obtained from the Legislative Council Finance Committee in September 2025. The design and build works, which commenced in October 2025, will improve the connectivity and enhance the leisure facilities upon targeted completion in 2030.

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

K7, the URA's largest and most complex redevelopment project, aims to transform Kwun Tong Town Centre into a modern and vibrant hub across five phased Development Area (DAs). DA 1 (Park Metropolitan) was completed in 2014, followed by DAs 2 and 3 (Grand Central and Yue Man Square) in 2021, featuring Hong Kong's first public transport interchange with an indoor air-conditioned waiting area for passengers.

For DAs 4 and 5, the URA incorporated a mixed-use development model to optimise the site's potential by introducing domestic use. Under the "Floating Planning Parameters" arrangement, this model provides greater flexibility in allocating residential and commercial uses to adapt to evolving market conditions. The zoning amendments for DAs 4 and 5 were approved by CE-in-C in September 2024, preceded by the formalisation of the land grant in July.

Concurrently, essential advance works for underground utilities diversion are underway, with completion target for 2028. To facilitate these works, road closures at Tung Yan Street and Yue Man Square were implemented in June 2026 following extensive publicity and community engagement to enhance awareness. Plans regarding the footbridges and elevated deck connecting to the Kwun Tong MTR Station have been submitted to the relevant Government departments and MTR Corporation for approval.

In 2025, the URA signed Memoranda of Understanding with The Hong Kong University of Science and Technology, City University of Hong Kong, and Hong Kong Baptist University to cooperatively expand their off-campus education and research space within the non-domestic portion of DAs 4 and 5 upon completion. The collaboration underscores the competitive advantages of integrating diverse functions in a mixed-use development.

In March 2026, the URA launched the DFS for DAs 4 and 5 providing a platform for potential investors and developers to gain early access to key project information for their initial design and financial assessments. Consultations with potential investors and developers are underway to seek their inputs and incorporate feedback from relevant stakeholders to enhance the redevelopment project. Through the DFS and stakeholder engagement, the URA aims to further enhance the development flexibility and planning gains to create additional economic and social value, and seeks to establish a future landmark in Kwun Tong, the designated second core business district of Hong Kong.

Over the past years, the URA has also strengthened community engagement by partnering with Government departments and local organisations to organise various events at "Free Space", the Government land in DAs 4 & 5 for interim use. In February 2026, the two-day "Yue Man Hops" community event was organised, attracting approximately 2,000 visitors with inclusive sports experiences and a Chinese New Year market to support the local economy.





The "Yue Man Hops" event offered an inclusive sports experience, showcasing diverse community participation and fostering social cohesion.

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

Commenced in December 2022, the C&W-007 involves the redevelopment of old buildings in poor conditions across 15 street numbers. By synergising with the adjacent C&W-005 site, the project aims to optimise land use and connectivity. It will also facilitate the expansion of Sung Hing Lane Children's Playground by more than 40 percent. Subject to the Leisure and Cultural Services Department's approval, these facilities will be modernised to better serve the community.

Following authorisation for the project from SDEV in 2023, the Appeal Board dismissed an appeal against SDEV's decision in May 2024. A subsequent judicial review application against the Appeal Board's decision was dismissed by the Court in May 2025. Acquisition offers were issued in September 2025, yielding an acceptance rate of over 74 percent as of June 2026.



74%+

acquisition acceptance rate achieved for C&W-007 as of June 2026

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 established at the centre of the site to showcase the preserved archaeological elements. Following the completion of the archaeological rescue excavation in July 2025, the URA submitted the archaeological report and conservation plan to the Antiquities and Monuments Office (AMO). With preliminary agreement reached between the URA and AMO on the conservation design concept, the project team is advancing the detailed development, with foundation works currently underway and targeted for completion in 2027.

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

Commenced in May 2020, the two pilot projects to redevelop CBS buildings are advancing. The Shing Tak Street/Ma Tau Chung Road Development Project (CBS-1:KC) site was handed over to the joint venture (JV) developer in April 2024. Foundation works there are set for completion in October 2026, with superstructure works scheduled to begin in the fourth quarter of 2026.

For Kau Pui Lung Road/Chi Kiang Street Development Scheme (CBS-2:KC), CE-in-C approved the draft revised DSP in February 2024. To expedite the project, the URA provided free legal and administrative support to facilitate the dissolution of nine CBSs on-site, which was completed by September 2024. Over 97 percent of the property interests were acquired prior to the reversion of land to the Government in April 2026.

With the support of the Development Bureau, the Housing Bureau had no objection to URA's conversion of the 950 units originally proposed as Starter Homes (SH) units in the revised DSP into private residential units to optimise cash flow, noting that other SH projects in the pipeline would be sufficient to meet prevailing demand.

The project will be integrated with KC-020 at Ma Tau Wai Road/Lok Shan Road to create planning synergies and enhance the overall development of the area. The URA has been exploring various measures to enhance the attractiveness of the JV tender, including dividing the combined site into separate land grants for tendering, reconfiguring basement carpark construction to aboveground levels and optimising underground connection details with the To Kwa Wan MTR station concourse exits.

Responding to Redevelopment Requests from Owners

Facilitating Services Scheme

Urban Redevelopment Facilitating Services Company Limited (URFSL), a wholly-owned subsidiary of the URA, assists owners in assembling titles to collectively sell their properties to private developers for redevelopment through its Joint Sale (JS) Services.

In 2024/25, URFSL aligned its application threshold with the amended Land (Compulsory Sale for Redevelopment) Ordinance, and introduced a conditional second tender or auction attempt, enabling owners to reassess and reconsider their base price following an initial unsuccessful sale. Between April 2025 and June 2026, URFSL received five qualified JS applications, four of which are currently being processed.



4

qualified Joint Sale applications being processed to help property owners collectively sell their properties for redevelopment

URFSL also provides dedicated assistance to shop operators affected by the URA redevelopment projects such that they can relocate and continue operating in the same district. During the same period, its appointed estate agent consultant identified 79 local relocation premises for shop operators' consideration.

In addition, URFSL offered support for CBS dissolution under the CBS pilot projects, as well as for the "Single Site, Multiple Use" Facilitation Scheme. (Refer to the respective section on page 43 for details.)

Flat-for-Flat (FFF) Scheme

Since its introduction in 2011, the FFF Scheme has been offered to affected owners in 36 redevelopment projects. In addition to the standard acquisition package under the URA's acquisition policy, domestic owner-occupiers were given the option to purchase in-situ FFF units within their redevelopment sites, in selected nearby URA development projects, or in the completed URA self-developed Kai Tak Development. As of June 2026, 69 owners had taken up these offers, including 59 units in the Kai Tak Development and 10 in-situ units.



69

affected owners have taken up FFF offers as of June 2026

The URA is currently formulating the details of a new FFF arrangement in collaboration with the Government. (See details in the relevant section on page 42.)

Policy Address Initiatives

Granting of Two Sites for Urban Renewal Purpose

In May 2025, the CE-in-C approved the granting of two sites to the URA by private treaty at a nominal land premium to support the URA in enhancing its financial capability to maintain the sustainability of urban renewal. One site is at Bailey Street, Hung Hom, and the other at Tseung Kwan O Area 137 (TKO Site). The URA has made effective use of these assets to further strengthen its financial situation, and issued acquisition offers for all commenced redevelopment projects over the past year. To fulfil the grant's requirements, the URA is collaborating with the Government to review and refine the URA's financing and operating model, focusing on the acquisition and compensation mechanism, redevelopment strategies, and building rehabilitation, with the aim of enhancing its long-term financial sustainability for urban renewal regardless of market fluctuations.

The URA has also proactively explored development options for the two sites:

- To leverage the Victoria Cove Area Study framework, the URA worked with the Planning Department to rezone the Bailey Street site from "Government, Institution or Community (G/IC)" to "Residential (A)". The draft OZP was gazetted in September 2025 and approved by the CE-in-C in May 2026. This development aims to create synergy with Hoi Sham Park, activate the waterfront, and enhance local connectivity. Following the DFS in March 2026 to collect feedback from potential developers, 27 Expressions of Interest were received. The contract was awarded in July 2026 following a tender exercise. The project will include a privately-run Residential Care Home for the Elderly to address the rising demand for high quality elderly residential homes.

- Spanning approximately nine hectares, the TKO site will be developed in phases. Following the completion of the feasibility study in September 2025, the URA submitted the land grant application for Site 1 in March 2026. A consultant was subsequently appointed in April 2026 to lead the overall master planning, including various design and technical studies to pave the way for the new FFF typology as a better home for the potentially affected owner-occupiers. Site works are targeted to commence in 2027.

Reservation of Three Sites in the Northern Metropolis for New FFF Arrangement

In the 2025 Policy Address, the Chief Executive proposed reserving three sites in Kwu Tung North and Fanling North New Development Areas within the Northern Metropolis for the URA to consider constructing new flats as replacement units under the forthcoming new FFF arrangement. This initiative, currently being formulated in collaboration with the Government, aims to provide affected owner-occupiers with a rehousing option other than the cash offer, as part of the ongoing review of the prevailing acquisition policy and existing FFF Scheme. Baseline reviews on the development potential for these three sites were completed in March 2026.

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

To accelerate the private redevelopment of old and dilapidated buildings, the Compulsory Sale Ordinance took effect in December 2024, streamlining the statutory compulsory sale regime to facilitate more efficient urban renewal. As an administrative support initiative for minority owners affected by compulsory sale, the URA established SMOCS, a wholly owned subsidiary, to serve as the executive arm of the Dedicated Office of Support Services for Minority Owners under Compulsory Sale (DOSS) in the Development Bureau.



SMOCS regularly organises district-based and territory-wide educational talks to enhance public understanding of the Compulsory Sale Ordinance and support services for minority owners.

Opened in August 2024 and reporting to DOSS, SMOCS provides owners with subsidised mediation, concessionary third-party property valuation reports, and referrals to professional services for compulsory sale litigation, counselling, and relocation assistance. To proactively engage minority owners, SMOCS conducts outreach visits, free briefings, and educational programmes. As of June 2026, SMOCS has organised 10 district-based and territory-wide educational talks, six pro bono legal service sessions, four pro bono surveyor briefings, two mediation meetings and four mediator workshops.

Provision of Starter Homes (SH)

Building on the success of eResidence Towers 1 and 2, the 2019 and 2020 Policy Addresses tasked the URA with providing more SH units in its redevelopment projects. In response, the adjacent Chun Tin Street/Sung Chi Street Project was designated as eResidence Tower 3. As of March 2024, 172 of the 260 SH units (66 percent) in Tower 3 had been sold at discounted prices to eligible first-time home buyers, with the URA and the Government working to finalise sales arrangements for the remaining units. Additionally, the URA will provide approximately 2,000 more SH units through the redevelopment of Tai Hang Sai Estate (THSE) in collaboration with the Hong Kong Settlers Housing Corporation Limited (HKSHCL).

In response to changing demand for SH units during market downturn, the URA submitted a draft report to the Government in March 2025 on its role in providing SH units. An updated version is currently underway to align with the latest market situation. Further liaison with the Housing Bureau will follow.

Redevelopment of Tai Hang Sai Estate (THSE)

Following the 2020 Policy Address, the Government approved the joint redevelopment proposal for THSE by the HKSHCL and the URA, on the condition that HKSHCL would provide appropriate rehousing arrangements for the tenants. The redevelopment is being implemented in two parts: Site 1 for rehousing existing residents, and Site 2 for SH units to be disposed of by the URA.

Subsequent to the Project Implementation Agreement in 2023, HKSHCL issued rehousing and compensation offers to THSE tenants, and as of June 2026, over 99 percent of tenants have moved out. Demolition is actively underway, with four of the eight buildings cleared by June 2026. While site clearance (originally targeted for mid-2025) was delayed due to legal proceedings and judicial review, project preparations continue.

For Site 2, the first General Building Plan was approved in August 2024, and the URA accepted the Provisional Basic Terms Offer in May 2025. Land grants execution is scheduled for 2026/27, with foundation works set to begin in the fourth quarter of 2026. The project is expected to take approximately five years to complete after the demolition of all buildings.

To increase housing supply, the design is being optimised using MiC and enhanced development parameters, with a planning application to be submitted to the TPB in due course.

"Single Site, Multiple Use" (SSMU) Facilitation Scheme

In response to the 2019 Policy Address, the URA serves as the consultant for the SSMU Facilitation Scheme launched in 2021. Through the scheme, the URA provides consultancy and facilitation services with the aim to help non-governmental organisations (NGOs) optimise site potential and modernise facilities under the SSMU model.

As of June 2026, five applications had been received. Four did not proceed due to ineligibility or the financial non-viability of the proposed projects. For the remaining application, which involved an NGO site in Yau Ma Tei, preliminary technical reviews in early 2026 identified significant challenges impacting overall development feasibility and cost effectiveness. It was concluded and agreed with the Government in June 2026 that the application would not proceed.

REHABILITATION AND RETROFITTING



Unwavering Support to Strengthen Building Resilience

Through the provision of financial and technical support, the URA is dedicated to assisting property owners to carry out building rehabilitation to prolong service life. In a process reminiscent of the art of Kintsugi, where fractured pottery is beautifully restored, rehabilitated buildings are completely refreshed, elevating both their resilience and enduring value.

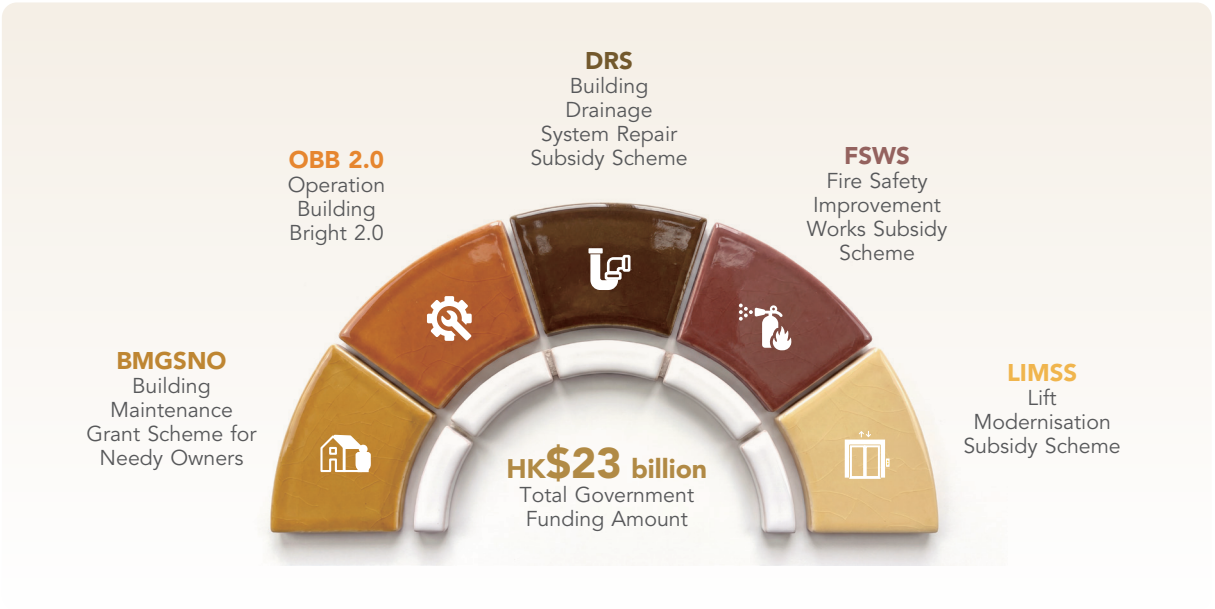
Building Rehabilitation Subsidy Schemes

The URA remains steadfast in its commitment to arresting urban decay by strategically extending the service life of buildings through various facilitation schemes, thereby mitigating the immediate need for redevelopment. Through a range of Government-funded and URA-led rehabilitation initiatives, the URA provides Owners' Corporations (OCs) with essential financial incentives and technical assistance to facilitate the effective upkeep, maintenance, and renewal of their properties.

Government Subsidies

The URA continues to administer five Government-funded subsidy schemes – Operation Building Bright 2.0 (OBB 2.0), the Building Drainage System Repair Subsidy Scheme (DRS), the Fire Safety Improvement Works Subsidy Scheme (FSWS), the Lift Modernisation Subsidy Scheme (LIMSS), and the Building Maintenance Grant Scheme for Needy Owners (BMGSNO). Following the HK$4 billion funding injection announced in the 2026/27 Budget, the Government's total allocation to assist building owners with essential maintenance and safety-related repairs has reached HK$23 billion.

Of this new funding, HK$1 billion has been earmarked for LIMSS to modernise approximately 1,200 lifts across the territory. The remaining HK$3 billion will support around 2,000 buildings, assisting eligible owners of residential or composite buildings under a new version of Operation Building Bright. The URA is working closely with the Development Bureau to finalise the operational arrangements for these initiatives and will commit its own resources to ensure their effective promotion and management. (For details on the progress of individual subsidy schemes, please refer to the infographics on pages 46 and 47.)



The URA-funded Subsidies

To complement Government initiatives, the URA funds and manages schemes to cover rehabilitation work items falling outside the scope of existing Government programmes.

Since 2011, the URA has operated the self-financing Common Area Repair Works Subsidy to encourage owners to proactively rehabilitate their properties. The initiative was further strengthened in April 2024 with the launch of the Preventive Maintenance Subsidy Scheme (PMSS), which incentivises owners to carry out regular preventive maintenance. (Further details on PMSS are provided on pages 31 and 32 under "Initiatives to Encourage Preventive Maintenance".)

Progress of Various Building Rehabilitation Subsidy Schemes (up to 30 June 2026)

IBRAS*

Integrated Building Rehabilitation Assistance Scheme

Building blocks rehabilitated
150 in 2025/26
2,670 since 2004

Units rehabilitated
11,000 in 2025/26
144,000 since 2004

IBRAS cases in progress: 9,350 (10,870 building blocks)

Managing Government-funded Subsidies

OBB 2.0
Operation Building Bright (OBB) 2.0

79% (2,519 AIPs issued)

3,189 Applications received

Buildings with repair / improvement works completed
Cat.1 294
Cat.2 949

FSWS
Fire Safety Improvement Works Subsidy Scheme

5,092 Applications received

80% (4,099 AIPs issued)

167 Buildings with improvement works completed

LIMSS
Lift Modernisation Subsidy Scheme

91% (1,822 AIPs issued involving 6,596 lifts)

996 Applications with work completed (involving 2,304 lifts)

2,000 Applications received (involving 8,200 lifts)

DRS
Building Drainage System Repair Subsidy Scheme

3,025 Category 1 applications received

62% (1,890 AIPs issued)

1,762 Category 1 applications with investigation or repair works commenced

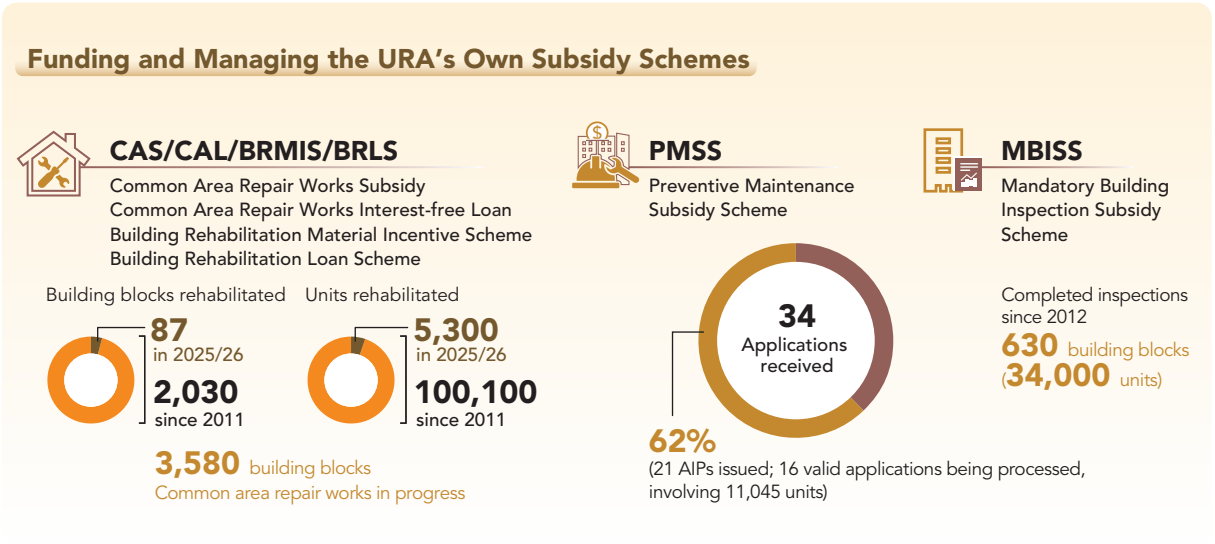
1,550 Category 2 buildings with investigation or repair works commenced

BMGSNO
Building Maintenance Grant Scheme for Needy Owners

60% (24,500 AIPs granted)

41,000 Applications received

* 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).



Technical Assistance to Building Owners

Since 2016, the URA has supported building owners in addressing technical matters and conducting procurement exercises through its Smart Tender and Open E-Tendering platforms. These initiatives facilitate OCs and property managers to conduct online tendering processes for the appointment of consultants and contractors.

Review and Enhancement of Owners Support Services Following the Tai Po Fire

The tragic fire at Wang Fuk Court in Tai Po in November 2025 caused profound grief throughout society and exposed systemic risks associated with certain building rehabilitation projects. In response, the URA undertook a comprehensive review of its existing services, reaffirming its commitment to strengthening support for property owners.

Working closely with the Development Bureau and relevant Government departments, the URA has since redesigned its owners' support services to deliver more targeted and effective assistance to property owners undertaking building repair works, while minimising the risk of tender rigging.

The Government's 2026/27 Budget proposed a HK$300 million allocation to support the enhancement of owners' support services: HK$100 million as start-up funding to establish a subsidiary for delivering the enhanced services, and HK$200 million to subsidise property owners in utilising these services. The URA is actively progressing the setting up of this subsidiary ahead of launching the enhanced owners support services.

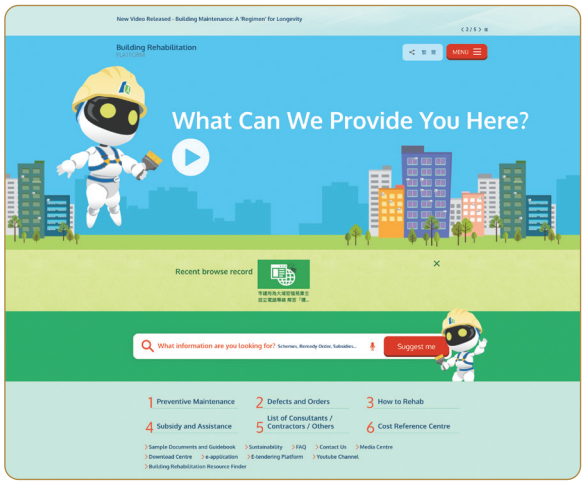
Assistance for Other Affected Building Estates

Furthermore, as Will Power Architects Company Limited (Will Power) is currently under investigation by law enforcement agencies and is unable to discharge its statutory duties and consultancy responsibilities for building repair projects, the OCs of buildings that had engaged Will Power and had maintenance works in progress were compelled to suspend their projects while confronting complex contractual issues and the risk of potential claims.

To address these challenges, the URA provided transitional assistance for the affected cases that were also users of the Smart Tender Scheme. This assistance included facilitating the engagement of Independent Reviewers to expedite the completion of third-party assessments and the drafting of tender documents for the appointment of replacement consultants. All relevant fees associated with the engagement of Independent Reviewers will be fully subsidised by the URA, enabling OCs to appoint new consultants and resume rehabilitation works as soon as practicable.

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 2.7 million hits as of June 2026. It provides building owners and stakeholders with comprehensive information and support services, including a cost reference centre listing unit rates for common works, 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. In pursuit of continuous improvement, the BRP will be revamped in the fourth quarter of 2026 to enhance the user browsing experience.



The Building Rehabilitation Platform provides practical tools and regularly updates its online resources to assist building owners in properly maintaining their buildings.

2.7 million+

hits recorded on the Building Rehabilitation Platform since launch

Building Rehabilitation Resource Centre (BRRC)

Opened in 2023 at eResidence in Hung Hom, the BRRC is the first centre to offer one-stop building rehabilitation information and assistance services leveraging multimedia displays and digital technology. In addition to facilitating video consultations for subsidy scheme applications, the BRRC provides dedicated spaces for mediating disputes related to building rehabilitation. As of 30 June 2026, the BRRC has welcomed approximately 65,000 visitors. To further enhance efficiency and convenience for building owners, the URA has integrated its Urban Renewal Resource Centre in Tai Kok Tsui into the BRRC, thereby consolidating comprehensive services within a single, purpose-built facility.

65,000+

members of the public visited the BRRC, receiving one-stop information and assistance services



The BRRC provides building owners with multimedia educational information and one-stop support, actively promoting preventive building maintenance.

Retrofitting Project

Ex-Mong Kok Market Building (Ex-MKM)

The URA initiated the retrofitting of Ex-MKM into an interim Yau Tsim Mong District Health Centre (DHC) to be managed by the Health Bureau. Following renovation and 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 centre located at the Joint-user Government Complex planned under the Sai Yee Street/Flower Market Road Development Scheme (YTM-013).







The Ex-MKM has been retrofitted and opened to serve as the interim DHC, delivering primary healthcare services to local residents. Taking into account the diverse needs of visitors, the URA has introduced multiple barrier-free facilities, including accessible passages (bottom left) that enable wheelchair users and the elderly to move smoothly between floors.

PRESERVATION AND REVITALISATION



Rejuvenating Local Character, Sustaining District Renewal

A novel three-dimensional (3D) transparent restoration technique uses resin to reconstruct missing ceramic fragments, creating a refreshed look that beautifully preserves their historical imprints. Similarly, through preservation, revitalisation, and initiatives like place-making and community-making, the URA strives to highlight the historical and cultural character of old districts and heritage buildings. In addition to enhancing the built environment, we strengthen community networks and boost local economies, with the aim of injecting vibrancy into old districts and driving sustainable district renewal.

District-based Place-making Initiatives

Through the collaborative "3B" framework, which integrates the "**B**uilt environment", "**B**usiness environment", and "local **B**onding", the URA has driven forward a diverse portfolio of projects aimed at preserving local characteristics and weaving stronger community ties to create vibrant urban environments and stimulate local economies in older districts, thereby fostering community-led and sustainable urban renewal. District-based place-making and community-making programmes were introduced as integrated strategies to create synergy and amplify impact, particularly in Kowloon City and Central and Western District.

Kowloon City

Phased place-making initiatives began with the launch of the "Backstreet Alliance – The Local's Guide to Kowloon City" in September 2025. Partnering with the Hong Kong Small and Medium Enterprises Association (HKSME) and CLP Power Hong Kong Limited, this campaign engaged over 60 local restaurants and shops to deliver multifaceted immersive experiences. Through heritage tours, Chiu-chow and Thai cultural storytelling, iconic movie-scenes showcases, low-carbon initiatives, and merchant promotions, the collaboration successfully celebrated the district's distinctive character and boosted local businesses. More than 59 percent of responding merchants recorded a sales increase exceeding five percent.

60+

local restaurants and shops engaged in the Kowloon City "Backstreet Alliance" campaign, successfully boosting local businesses

Complementing these efforts, the URA partnered with the China Academy of Art to launch three augmented reality (AR) check-in spots at Lung Kong Road, Tak Ku Ling Road, and Carpenter Road, showcasing the district's history and culture. The URA also helped beautify 40 shopfronts along Lung Kong Road and South Wall Road and commissioned a group of Thai mural artists to create large-scale murals on selected building façades to enhance local characteristics and inject vibrancy into the area. (More details about place-making initiatives in Kowloon City as noted on page 33 under Kowloon City District-based Building Rehabilitation Pilot Scheme.)



In Kowloon City, visitors experienced the AR photo spots, enjoying an interactive blend of technology and history that brings back the scenes and charm of the former Kai Tak Airport.

Central and Western District (C&WD)

To enliven the C&WD, URA launched a series of place-making initiatives to enhance the "3B" environment and foster local collaboration. This network actively engages local hawkers, retailers, community partners and developers from the Peel Street/Graham Street Development Scheme (H18). A key highlight was the Graham Festival in March 2026, which featured targeted retail promotions and creative product packaging designed to boost market vibrancy. The campaign delivered outstanding results: footfall on weekends and public holidays in the Graham Market and H18 project area increased by over 120 percent, while over 65 percent of participating retailers grew sales by more than five percent.



120%+

increase in weekend and holiday footfall during the Graham Festival, boosting market vibrancy





At the Graham Festival, stall owners showcased their new brand images and the creatively packaged "Graham Souvenirs", alongside giant inflatable installations that bring vibrant energy to the historic market.

"City Walk" – Touring with Locals Series

In 2024/25, the URA pioneered the "City Walk" series, a district-based place-making initiative designed to seamlessly connect urban renewal efforts in the C&WD with the area's unique historical and local characteristics.

Building on the success, the programme was extended to Wan Chai in July 2025 to highlight the area's heritage, literature and gourmet experiences. In collaboration with the Museum of Hong Kong Literature and The Salvation Army, 14 public tours and 2 media tours were organised, engaging approximately 200 participants. Riding on this initiative, "Backstreet Alliance – Wan Chai" was organised in collaboration with the HKSME, with over 25 retailers participated, recording an increase in sales from five percent to 12 percent.



"City Walk" docents sharing the history of Central Market and local stories with visitors.

In April 2026, the programme was enriched to offer 62 public heritage tours in the Central area. Led by 60 young-old docents who shared first-hand verbal recollections of the area's evolution, these tours successfully engaged over 900 visitors. Recognising its impact, the programme clinched the DFA Design for Asia Awards 2025 (Merit under Service & Experience) in December 2025.

Community-making at Staunton Street/Shing Wong Street Neighbourhood (H19) (With 88-90 Staunton Street as Grade II Historic Building)

Following the revitalisation of the URA's acquired buildings in the neighbourhood, a co-living space comprising 38 domestic units launched in 2024 as "Habyt Bridges". It was later rebranded as "Hmlet Bridges" in May 2026.

The community-making process continues to evolve, integrating the shared visions of the existing neighbourhood while deepening engagement with new community members, including both the operator and residents. Concurrently, building rehabilitation and artists' murals for adjacent buildings are being promoted to continuously uplift the environment for the neighbourhood. Through the URA's "City Walk" series, this revitalised pocket of the district has gradually emerged as a popular tourist hotspot.



The URA commissioned two artists from Hong Kong and Italy to revitalise the Wa On Lane public open space into an "urban oasis", reconnecting city residents with nature.

In 2025/26, the URA continued earning recognitions for its outstanding heritage preservation and revitalisation in the Staunton Street/Shing Wong Street Neighbourhood. Accolades include the Hong Kong Institute of Urban Design – The Greater Bay Area Urban Design Awards 2024 (Grand Award in Urban Invention Category) presented in June 2025. The project also received the Singapore Institute of Planners and Hong Kong Institute of Planners – SIP Planning Awards 2025 for Excellence in Planning – Silver Award for H19 Integrated Urban Renewal Approach Driven by the Community. Furthermore, a submission for the UNESCO Asia-Pacific Awards for Cultural Heritage Conservation was made in June 2026.

Central Market (Grade III Historic Building)

Since its official opening in April 2022, Central Market has established itself as a vibrant landmark, attracting a record high of over 72 million visitors. The venue hosted more than 350 events and workshops. Recognising its contribution to historical building preservation and revitalisation, the project received the Merit award in the Pre-construction Category of the Hong Kong Institute of Surveyors Awards 2024.





Central Market hosted bustling events during the year, offering quality public spaces and activities to foster community connections.

Western Market (Declared Monument)

In 2021, the Government granted the URA a five-year "hold-over" of the land lease to undertake repair and renovation works of Western Market. Following the completion of a comprehensive condition survey and consultation with the AMO, the building was vacated for major renovation and repair works in October 2025, and was handed over to the contractor in November 2025.



Comprehensive renovation at Western Market includes the removal of non-original paint layers (right).



M7 (Grade II Historic Buildings)

Situated at Mallory Street, Wan Chai, M7 serves as a vibrant community hub themed under "Culture Meets Community". This preserved heritage site continues to promote artistic and cultural discovery, fostering inter-generational exchanges and enhancing local community network. Since the grand opening of The Museum of Hong Kong Literature, the venue has regularly hosted exhibitions and workshops, attracting literary enthusiasts.





The Museum of Hong Kong Literature hosted an "Old Master Q" exhibition and activities at the revitalised M7, attracting many young participants to carry forward local pop culture.

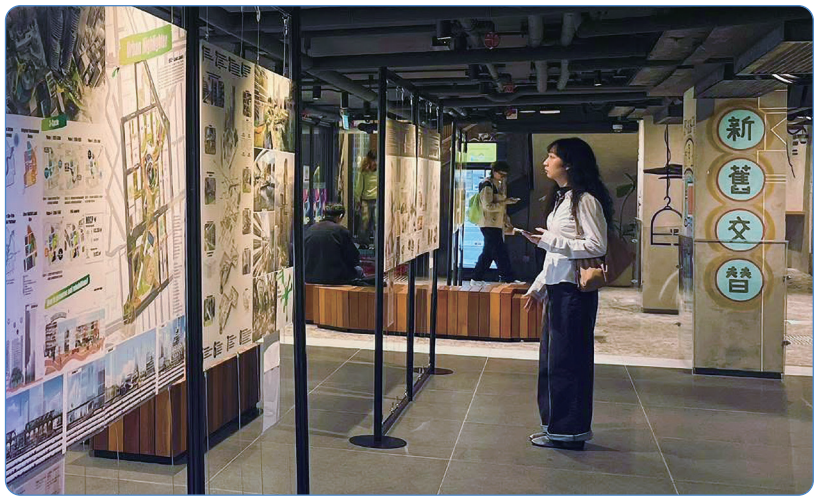
618 Shanghai Street (Grade II Historic Buildings)

Opened in November 2019, 618 Shanghai Street is a heritage and cultural destination promoting community, innovation and creativity. Its retail and dining tenants are curated to accentuate the area's unique historical character while serving local needs. During 2025/26, the venue hosted 186 events, weekend markets, exhibitions and workshops, which proved successful in engaging the younger generation.



186

vibrant community events hosted at 618 Shanghai Street including weekend markets, exhibitions and workshops, promoting community, innovation and creativity



The revitalised 618 Shanghai Street successfully attracted young visitors with many themed exhibitions on local history and creative culture.

CORPORATE SUSTAINABILITY

Nurturing a Sustainable Future for Generations

The URA works hand-in-hand with the community, weaving agile Environmental, Social, and Governance (ESG) strategies into the very fabric of our urban renewal works. Through this shared effort, we are not only cultivating a healthy, low-carbon urban environment and optimising public facilities today, but also creating enduring sustainable values for the next generation to inherit and thrive on.



SUSTAINABILITY PERFORMANCE HIGHLIGHTS

(Cumulative figures are up to 30 June 2026, and the annual figures for 2025/26 are as at 31 March 2026)

ECONOMY

~230 business partners & retailers

Collaborated across Central & Western District, Wan Chai and Kowloon City, through initiatives including the Graham Festival and "Backstreet Alliance" in 2025/26. Around 65% of the participating retailers reported sales growth from 5% to over 20%

4,400 m²

URA property spaces rented to 25 NGOs and Social Enterprises at concessionary rates

740 buildings

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

~1,520 applications

Completed or ongoing for lift improvement works under the Government's Lift Modernisation Subsidy Scheme by March 2026

ENVIRONMENT

41 projects

Attained final BEAM/BEAM Plus Rating for sustainable building design

44 tonnes

Food waste collected from Yue Man Square and eResidence Shopping Arcade in 2025/26

~60 tonnes paper
~700 kg metal
~13,760 kg plastic
~4,910 kg glass

Recyclables collected at Central Market, Yue Man Square and 618 Shanghai Street in 2025/26

PROCESS

100 %

Percentage of the URA staff completing introductory talks on the Prevention of Bribery Ordinance in 2025/26

99 %

Percentage of homeowner-occupiers affected by the URA's redevelopment projects accepting acquisition offers in 2025/26

238 tenants

Rehoused in public housing or URA's rehousing blocks due to URA's redevelopment in 2025/26

SOCIETY

19,132
Volunteering hours attained since 2012/13

~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 2025/26

3,610
People benefitted from Community Service Partnership Scheme since 2012/13

~1.0 million
participants
Engaged in programmes supported by URA across 7 designated community venues (Central Market, SPORTS EXPO, 618 Shanghai Street, H19, H6 CONET, M7, and Graham Hall) in 2025/26. Over 85% benefitted from various art and cultural exchange programmes

~90 docent tours
~68 trained young-old docents
~1,350 participants
Number of docent tours organised and people benefitted from the "City Walk" series in 2025/26

PEOPLE

~80
training sessions
Offered to employees in 2025/26

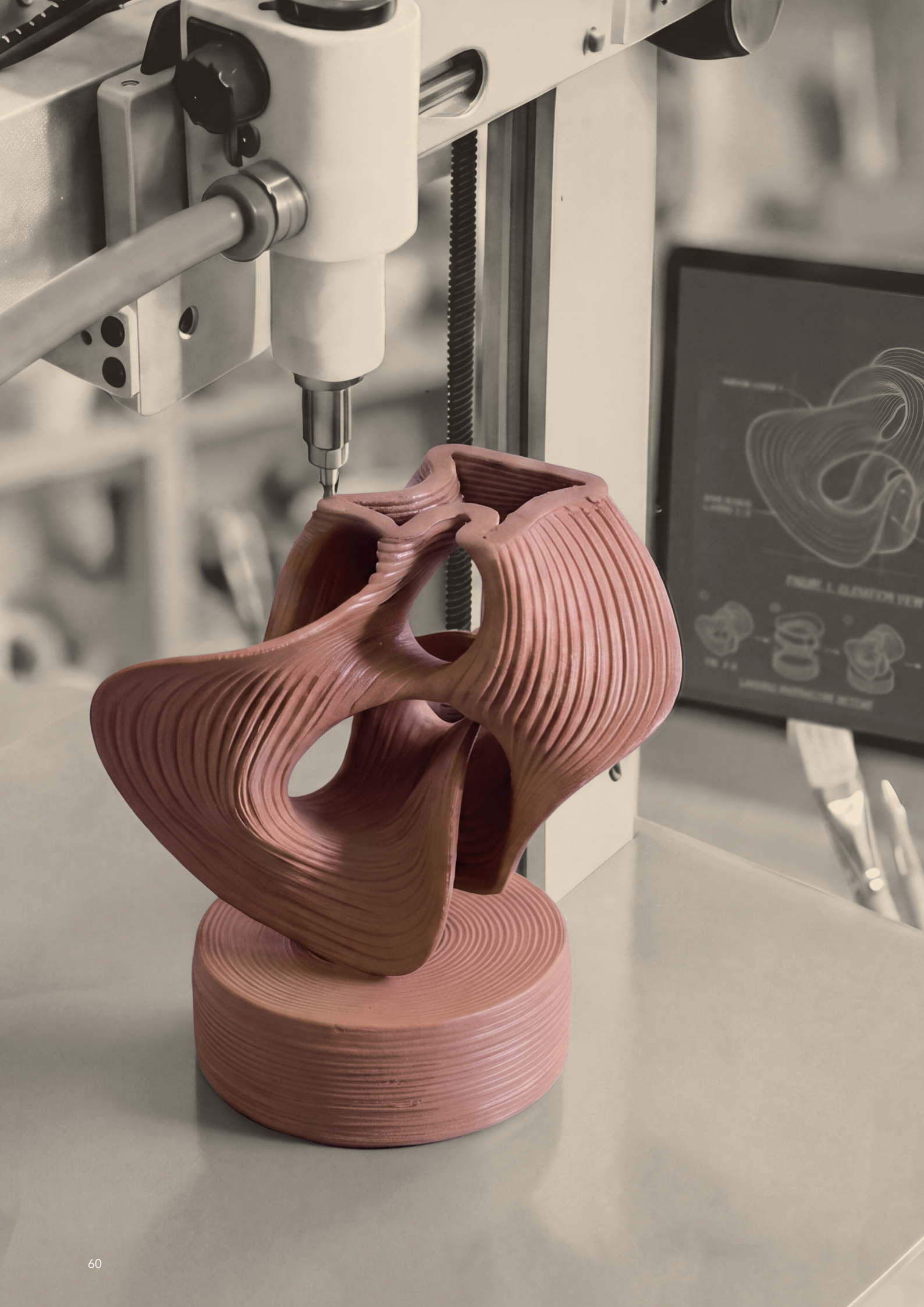
~16
training hours
Average training hours per employee in 2025/26

19
summer interns
Enrolment in URA's Summer Internship Programme in 2025/26

5,000 hours
Accumulated collectively by all staff across the 60-day "URA Sports Passport Challenge" in 2025/26

The URA Sustainability Report 2025-26





MANAGEMENT DISCUSSION AND ANALYSIS

Transforming Innovative Visions into a More Liveable City

Through the use of 3D printing technology, artists can push the boundaries of traditional ceramics to pioneer new creative realms. In a similar vein, the URA embraces innovative and forward-looking thinking to reshape its financing and operating model. By applying new technologies, we enhance planning and workflow efficiency, while expanding the dimensions of urban renewal, helping to create a liveable city.

MANAGEMENT DISCUSSION AND ANALYSIS

Challenges

Navigating a Mixed Economic Climate

The Hong Kong economy demonstrated remarkable resilience in 2025/26, with the property market showing signs of recovery, as evidenced by a notable rebound in residential transactions and a gradual restoration of market confidence. This improvement was supported by the Government's key move in February 2025 to expand the HK$100 stamp duty to properties valued from HK$3 million up to HK$4 million, alongside a sustained low-interest-rate environment, both encouraging greater activity among buyers and investors. Additional demand was spurred by new arrivals to Hong Kong under various talent schemes, as well as increased investment from Chinese Mainland buyers. Alongside the rise in home purchases, the overall residential property prices in 2025 recorded a 4% year-on-year increase in December 2025 according to the Rating and Valuation Department, following three years of decline.

Despite this positive shift in sentiment, property developers continued to face significant challenges in managing high inventory levels. While the supply of private flats available for sale over the next three to four years (including unsold completed units and units under construction less units sold by presale) decreased by 11,000 units year-on-year as published by the Housing Bureau as at end of June 2026, the total supply remained at a high level of approximately 80,000 units. In an effort to clear stock, developers introduced more incentives and flexible financing schemes, which, together with elevated construction costs and debt servicing requirements, have continued to place pressure on profit margins and led to a more cautious approach toward new cash-intensive acquisitions.

In the past year, the global economic outlook has remained clouded by heightened geopolitical tensions and macroeconomic uncertainties. Notably, the outbreak of the Iran War in February 2026 has triggered volatility in energy market and increased risks to inflation, economic growth, and global stability. Ongoing spikes in energy prices and prolonged conflict may intensify inflationary pressures and force central banks to delay or reverse anticipated rate cuts. At the same time, elevated business expenses and eroding household incomes could further stifle growth and raise the risk of recession, particularly within a global economy impacted by escalating trade tensions and rising tariffs. Against this backdrop of persistent market volatility and a decelerating global economy, investor confidence and consumer demand may be dampened, potentially weighing on the Hong Kong property market and impacting the financial viability and returns of the URA's redevelopment projects.

Grappling with Long-Term Financial Sustainability

With improved market sentiment, land sales over the past year have reflected a gradual restoration of confidence in the local residential property sector. In May 2025, the URA successfully awarded the development contract for the Shantung Street/Thistle Street Development Scheme (YTM-012) at a tender price of HK$861 million. Although the amount exceeded market expectations, it remained insufficient to cover the site assembly costs. This highlights the ongoing challenge to the financial viability of the URA's redevelopment projects, as the Home Purchase Allowance (HPA) under the existing acquisition policy, which compensates affected owner-occupiers based on the value of a notional seven-year-old replacement flat of a similar size in the vicinity (also known as the "Seven-Year Rule"), creates a structural "buy high, sell low" risk, particularly in volatile market conditions. With project revenue insufficient to offset the high acquisition costs required under the "Seven-Year Rule", the long-term sustainability of urban renewal initiatives remains under significant pressure.

Governed by the Urban Renewal Authority Ordinance and the Urban Renewal Strategy (URS), the URA is committed to improving the standard of housing and the built environment. It is also mandated to promptly initiate and continue property acquisitions following project authorisation, irrespective of market fluctuations. To support these obligations, the URA secured external financing, including bond issuance and bank loan facilities, to fund the acquisition offers for all remaining commenced projects in 2025/26. While external financing has replenished operating cash flow, prudent management of project acquisitions remains crucial to safeguarding the URA's financial position.

Fighting on Two Fronts: Accelerating Urban Decay and Systemic Issues in the Rehabilitation Service Sector

Hong Kong is facing a formidable challenge as its urban landscape ages, with the number of buildings aged 50 years or above increasing by about 510 per year over the past decade, while only an average of 160 buildings are demolished annually for redevelopment by the URA and private sector. This growing disparity is expected to intensify, with the number of such aged buildings projected to soar to 16,900 by 2033 and 24,300 by 2043.

Despite being mostly constructed from durable reinforced concrete designed for longevity, many poorly managed buildings in Hong Kong are falling into dangerous disrepair well before reaching 50 years. Underlying this aggravated urban decay are interconnected issues, including a lack of knowledge, financial resources, and organisational capability among property owners for proper maintenance. This vulnerability is coupled with persistent problems in the building rehabilitation service sector, such as bid-rigging, inflated quotations, and substandard workmanship, which have created significant barriers for property owners, leading to serious delays in repair and maintenance works, and leaving essential rehabilitation needs unmet.

The proliferation of Sub-divided Units (SDUs) in older districts further accelerates the structural deterioration by placing excessive strain on buildings and drainage systems, thereby worsening the living environment of the underprivileged residents. In response, the Government gazetted the Basic Housing Units Bill in June 2025 to establish a regulatory regime aimed at improving SDUs standards and mitigating their adverse impacts.

Further compounding these challenges is the low redevelopment potential of many older building clusters, which, due to excessive development intensity and various constraints, remain commercially unattractive to private developers, while pressures on rehousing resources make large-scale redevelopment difficult to achieve. Recognising these challenges, the Chief Executive's 2025 Policy Address introduced a number of innovative measures such as cross-district transfer of plot ratio and bonus plot ratios to incentivise private sector participation, and a new approach to explore the use of new land resources to support the redevelopment of old districts.

Solutions and Opportunities

Given the escalating urgency of urban decay and the sheer complexity of the challenges involved, the URA recognises that it cannot address the immense task of urban regeneration alone. Tackling this long-standing issue requires concerted efforts and robust, sustained collaboration among the Government, private sector partners, property owners, and the public, ensuring a united front to navigate the path toward sustainable urban renewal.

Reforming the Acquisition and Compensation Framework

The intricate process of urban renewal is highly resource-intensive, necessitating a new paradigm to overcome existing constraints and accelerate redevelopment in a sustainable manner. In response to the Government's request to review the URA's financing and operating model following the granting of two sites to the URA in May 2025, a comprehensive review of the URA's overall acquisition and compensation mechanisms, including the Seven-Year Rule and the "Flat-for-Flat" (FFF) Scheme, has been underway. Drawing on compensation practices from cities such as Beijing, Shanghai, and Singapore, the review aims to establish a new acquisition and compensation mechanism that offers replacement units as an option other than cash offers.

To support the initiative, the Government has reserved three sites in Kwu Tung North and Fanling North New Development Areas within the Northern Metropolis, enabling the URA to construct new flats as replacement units under a new FFF arrangement. With purpose-built replacement units available at the time of decanting and site clearance, the new acquisition and compensation mechanism and FFF arrangement are poised to address the rehousing needs of affected owner-occupiers while enhancing the financial sustainability of the URA's acquisition and compensation policy.

Dynamic Financial and Project Management

To mitigate financial risks amid a declining property market in the past three years, the URA has adopted a dynamic acquisition approach, ensuring that property purchases for ongoing projects commence only when sufficient funding is secured through revenues from joint venture (JV) development tenders and other income sources.

Recognising the URA's pivotal role in advancing urban renewal, the Government provided substantial support by granting two sites to the URA, one at Bailey Street, Hung Hom, and another in Tseung Kwan O Area 137, by private treaty at a nominal land premium in May 2025. Furthermore, the Government approved an increase in the URA's borrowing limit from $25 billion to $35 billion in August 2025, significantly boosting its borrowing capacity to address future liquidity needs and facilitate the timely acquisition of projects and the implementation of urban renewal initiatives. Nonetheless, with the long-term objective of maintaining a self-financing urban renewal programme as set out in the URS, the URA continues to rigorously uphold financial prudence and stability. To this end, the URA is collaborating with the Government to review and refine its financing and operating model to maintain the urban renewal momentum in a financially sustainable manner in the long run.

In parallel, the URA has enhanced the development potential and planning gains of its projects, optimised property sales strategies, and launched enabling works and Development Facilitation Services (DFS) to improve project transparency and thereby, tender attractiveness. DFS was introduced for key projects in 2025/26, including Kwun Tong Town Centre 2.0, To Kwa Wan Road/Wing Kwong Street Development Scheme (KC-016), and Bailey Street/Chi Kiang Street Project, engaging stakeholders and incorporating investor and developer input to bolster project viability and tender success.

Preliminary works for Development Areas 4 and 5 of Kwun Tong Town Centre 2.0, such as underground utilities diversion and early preparations of relevant plans and data to secure approval for an MTR-connected footbridge, were carried out to reduce downstream development timeframes and allow future developers to focus on construction and design. Other measures being explored to increase the appeal of the URA's redevelopment projects include 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. The URA is also proactively examining the optimisation of Public Vehicle Parking (PVP) provisions in its projects. By conducting updated traffic demand surveys in close partnership with the Government, the URA strives to reduce the need for constructing basement car parks to save construction time and costs, thereby enhancing flexibility, financial viability, and the attractiveness of JV tenders, ultimately maximising potential revenue returns and reinforcing the sustainability of the URA's urban renewal programme. The URA is also exploring the adoption of Modular Integrated Construction for maximising the constructed floor and enhancing the financial viability of its projects.

Fostering Public-Private Partnerships to Accelerate Renewal

Confronting the deep-rooted challenge of urban decay requires a collective effort, and meaningful, lasting progress can only be achieved through the active cultivation and promotion of private sector participation. Building on the experience of the Yau Ma Tei and Mong Kok District Study (YMDS), the URA, in response to Government's invitation under the 2021 Policy Address, has initiated district studies in Sham Shui Po and Tsuen Wan to formulate master renewal plans with the aim to guide long-term development and tackle urban decay in these districts. These studies are exploring new planning tools and mechanisms aimed at encouraging private sector involvement in urban renewal and achieving planning gain through restructuring and regeneration.

Guided by the Government directives, the URA submitted its report on the Building Concession Study to the Government in 2025. The report put forward recommendations to optimise Gross Floor Area concessions in four key areas: open space provision, building interface with public streets, horizontal screen and covered walkways, and communal spaces in both domestic and non-domestic buildings. These recommendations are formulated to drive market participation, encourage innovative designs, thereby delivering greater planning benefits and enhancing the built environment.

The Transfer of Plot Ratio (TPR) mechanism enables the consolidation and transfer of redevelopment potential from small, scattered sites to larger projects. However, initial market response has been subdued, likely reflecting a soft property market and implementation constraints within the existing mechanism. To further incentivise market utilisation of the TPR tool and expedite urban renewal, the Government has pledged to explore cross-district plot ratio transfers, relaxing restrictions on the number and size of receiving sites. In addition, the Government is exploring a pilot scheme to increase the plot ratio for private redevelopment projects by up to 20 percent in seven designated areas with more pressing need, specifically for sites over 700 square metres, with a building age of at least 50 years or above, and with residential components. The value of these "bonus" plot ratios may also be used to offset development premiums in other districts, including the New Development Areas. The Government aims to finalise and implement these measures in 2026, thereby providing higher planning flexibility, unlocking additional redevelopment potential, and strengthening incentives for private sector participation in the urban renewal process.

Combating Decay through Enhanced Rehabilitation and Governance

Building rehabilitation stands as a critical pillar in the fight against urban decay. It complements redevelopment efforts by addressing the widening gap between the accelerating rate of building degradation and the current pace of redevelopment. Timely rehabilitation is essential to extend the serviceable lifespans of existing buildings, thereby allowing redevelopment resources to be strategically directed toward structures that are beyond repair. This dual-pronged approach is vital to achieving sustainable urban renewal.

Beyond managing Government subsidy schemes, the URA has long partnered with professional institutes and practitioners to provide broad-based technical support to building owners undertaking rehabilitation projects. The Tai Po fire incident brought to light the problem of bid-rigging in building maintenance works. In response, the URA is working in close collaboration with the Development Bureau to comprehensively enhance owners support services. The enhanced services will strengthen various measures to assist Owners' Corporations and individual owners in the procurement of reputable consultants and contractors to carry out building maintenance works properly.

A new subsidiary will be established to implement more stringent "pre-qualified lists" for consultants and contractors, actively manage tendering and tendering assessment processes, and introduce enhanced governance and reporting requirements for projects receiving Government subsidy. These measures will enable the URA to provide timely advisory support to owners at critical junctures throughout the rehabilitation process.

Central to the success of building rehabilitation is raising owners' awareness of the importance of regular inspection and maintenance for buildings of all ages. To this end, the URA continues to promote the Preventive Maintenance Subsidy Scheme (PMSS), encouraging owners of buildings in acceptable condition to implement periodic maintenance plans and establish dedicated financial reserves for future upkeep. Since the release of the Guidelines and Templates for Preparing Maintenance Manual for Residential and Composite Buildings (GTMM) in January 2025, many estates have adopted these frameworks in their maintenance planning. The practice of preventive maintenance has been further strengthened through the inclusion of relevant clauses in the Deed of Mutual Covenant (DMC) of new developments, such as the URA self-developed eResidence Tower 3.

Looking ahead, the URA will continuously review its strategies and initiatives in the promotion of building rehabilitation among property owners to better empower them in undertaking rehabilitation efforts for their properties.

Driving Operational Efficiency and Resilience through Agility and Innovation

Amid prevailing economic uncertainties and challenges in building rehabilitation, the URA is motivated to look beyond traditional operations and routine planning cycles and undertake a fundamental review of its business model and operational regime. The Government's ongoing financial support, including tax exemptions, land premium waivers, and the initial HK$10 billion capital injection, alongside the recent granting of two sites at Bailey Street and Tseung Kwan O Area 137, has further strengthened the URA's financial position. To maintain a financially stable portfolio, the URA will continue to leverage its borrowing limit, raise funds through bond issuance and bank loan facilities, and explore measures to improve tender attractiveness and cash flow. A dynamic management approach will continue to be adopted to adjust acquisition pace and implement cost optimisation measures, ensuring rigorous control of operating expenditure. Concurrently, a comprehensive review of the financing and operating model is being conducted to reinforce the URA's ability to deliver sustainable urban renewal regardless of market conditions.

To facilitate steadfast implementation of redevelopment and rehabilitation initiatives, the URA is committed to innovative and technology-driven operations in various fronts to enhance the efficiency in urban renewal, including the evaluation of urban renewal demands through analytics and the development of viable strategies, by utilising the self-developed Urban Renewal Information System (URIS) and 3D iMap. In 2024/25, the URA launched a case management system to expedite the release of rehabilitation subsidies and automated several acquisition and compensation processes.

The URA has also been actively exploring and applying artificial intelligence (AI) to further improve efficiency. An example would be the development of AI-based generative design tools for feasibility design and option analysis currently in use for master building layout, which has shortened preliminary design cycles and saved consultancy cost. Additionally, an AI-based street view evaluation and design tool is developed to enhance place-making and community-making capabilities, offering automated assessments, improvement recommendations, and visual presentations for stakeholder engagement. The URA will continue to research and pilot further AI applications to automate processes and advance effective solutions for urban renewal.

Looking ahead

The URA remains steadfast in its commitment to advancing urban renewal in Hong Kong as it navigates ongoing economic uncertainties and an increasing complex and challenging operating environment. The URA will continue to adopt a forward-looking, innovative, and technology-driven approach to deliver practical and effective solutions for sustainable urban regeneration. Close collaboration with the Government, the private sector, and the community will be central to maximising redevelopment opportunities, addressing building rehabilitation challenges, and driving public-private partnerships. Through these adaptive and collaborative strategies, the URA endeavours to revitalise urban areas and support a more vibrant, resilient, and liveable Hong Kong for future generations.

Financial Review

(I) Review of 2025/26 Results

(a) Revenue

The revenue for the year ended 31 March 2026 was HK$1,749 million, which comprised the upfront payment from one tendered project, share of surplus from joint development projects and proceeds from sale of properties. The amount was higher than the revenue of HK$254 million in 2024/25 by HK$1,495 million.

The upfront payment in 2025/26 of HK$861 million was attributable to the successful tender of one project, namely Shantung Street/Thistle Street. In comparison, no upfront payment was received in 2024/25 due to the failure to award the only one tender for Kai Tak Road/Sa Po Road Project in that year amidst the prevailing weak property market.

The share of surplus from joint development projects of HK$170 million in 2025/26 (2024/25: HK$195 million), was revenue from the projects where the sales proceeds exceeded the thresholds stipulated in their respective development agreements. The majority was related to the net rental income of unsold commercial properties of certain joint venture projects, such as Citywalk in Tsuen Wan, which were held with a view to materialising a higher disposal value in the future. Their net rental income is treated as part of sales proceeds as per their Supplemental Agreements.

The revenue from sale of properties of HK$718 million in 2025/26 (2024/25: HK$59 million) was mainly related to the sale of remaining residential units at Kai Tak in the open market at market prices.

(b) Other Income

Of the HK$926 million (2024/25: HK$1,145 million) in other income for 2025/26, HK$648 million (2024/25: HK$934 million) were interest income from bank deposits and fixed income investments, with an overall yield of 3.32% p.a. (2024/25: 4.23% p.a.). The lower yield reflected the gradual decrease in interest rates as a result of interest rate cut over the year.

Other income also included rental income of HK$213 million (2024/25: HK$206 million) from certain properties retained by the URA, and gain on disposals of two commercial properties of HK$43 million (2024/25: Nil).

(c) Administrative Expenses

Administrative expenses for 2025/26 of HK$730 million (2024/25: HK$736 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(o) to the financial statements, a net write back of provision for impairment on properties and committed projects of HK$138 million was made in 2025/26, principally resulting from rising property prices during the year and recent updates of project development plans.

(e) Result for the Year

For the year 2025/26, the URA recorded an operating surplus of HK$338 million. After inclusion of the write back of provision for impairment on properties and committed projects, the net surplus was HK$476 million, compared to the net deficit of HK$2,720 million for 2024/25. The favourable performance for 2025/26 was mainly attributable to the rebound of the property market in the year, which led to the successful tender of one project and write back of provision for impairment made for committed projects as mentioned in paragraphs (I)(a) and (I)(d) respectively.

(II) Financial Position at 31 March 2026

(a) Properties under Development

Properties under development before provision for impairment was HK$51,206 million as at 31 March 2026 (31 March 2025: HK$38,812 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 93 percent of the total value.

The aforesaid value was off-set against the cumulative provision for impairment totalling HK$7,658 million (31 March 2025: HK$9,168 million), resulting in a net value of HK$43,548 million (31 March 2025: HK$29,644 million). The increase in the net value was mainly due to the costs incurred for property acquisitions for the Kau Pui Lung Road/Chi Kiang Street Project, Ming Lun Street/Ma Tau Kok Road Project, and Nga Tsin Wai Road/Carpenter Road Project.

(b) Total Liquidity

Liquidity refers to cash, bank deposits and debt securities investments. The URA placed its surplus cash on deposits with a number of financial institutions. It would also invest in fixed income products with the required credit rating should suitable opportunities with attractive returns arise, in accordance with the investment guidelines approved by the Financial Secretary with capital preservation as the priority.

As at 31 March 2026, the URA's total liquidity was HK$22,102 million (31 March 2025: HK$21,174 million).

(c) Borrowings

The URA is rated at "AA+" with "Stable" outlook by Standard & Poor (S&P) Global Ratings. As at 31 March 2026, the total borrowings of the URA amounted to HK$27,238 million (31 March 2025: HK$13,961 million), comprising HK$23,338 million outstanding bonds issued under the Medium Term Note (MTN) Programme and HK$3,900 million bank loans. The net gearing as at 31 March 2026 was 10.4%.

(d) Net Asset Value

The URA's net asset value as at 31 March 2026 was HK$44,116 million (31 March 2025: HK$43,640 million), representing the Government's capital injection of HK$10,000 million (31 March 2025: HK$10,000 million) and an accumulated surplus of HK$34,116 million (31 March 2025: HK$33,640 million).

The financial summary of the past ten years is described on page 104 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 58 land grants have been waived with aggregate land premia totalling HK$26,286 million up to 31 March 2026.

Without this waiver, the URA's accumulated surplus as at 31 March 2026 would have been lowered by HK$26,286 million to HK$7,830 million; and its net asset value as at 31 March 2026 would have been decreased to HK$17,830 million.

(V) Financial Outlook and Management

In 2026, the Hong Kong property market transitioned into a phase of relatively stable recovery, spearheaded by the residential sector. The land market has also recorded a modest rebound, supported by improved market sentiment and recent transactions. Capitalising on these favourable market conditions, the URA will seize opportune moments to tender out its project sites in an orderly and strategic manner over the coming years.

However, the external macroeconomic environment remains clouded by uncertainties. Ongoing geopolitical tensions continue to threaten global financial stability, potentially triggering volatility in interest rates and property prices. These headwinds pose a risk to the URA's cash inflows from future project tenders, which could impact its overall financial position. In response, the URA will continue to exercise prudent financial stewardship, applying a cautious yet flexible approach to project and business management to safeguard financial sustainability and mitigate downside risks.

With the Government's support by granting two sites, one in Bailey Street, Hung Hom and another in Tseung Kwan O Area 137, to the URA in May 2025, the Authority has issued acquisition offers for all remaining commenced projects in 2025/26. The URA intends to meet its future funding requirements through a combination of cash on hand, cash flow from operations, and external financing.

In August 2025, the Financial Secretary approved the URA's request to raise its borrowing limit from HK$25 billion to HK$35 billion to accommodate its future funding requirements to meet operational needs. In April 2026, 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 at "Almost Certain".

Subsequently, on 16 June 2026, the URA updated its MTN Programme to facilitate future bond issuance. 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 for taking up new urban renewal projects or refinancing, when necessary.

Currently, the URA is working with the Government to review and refine its financing and operating model. The review covers the redevelopment approach and cycle, the acquisition policy, building rehabilitation strategies, and revenue-generating and cost-saving initiatives. After implementation of the new policies and measures under the review, it is expected that the URA will achieve a healthy and stable financial position, enabling it to maintain the momentum of urban redevelopment irrespective of market ups and downs.

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
1-43 – 43 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	See Remarks		
2 [2]	YTM-013	Sai Yee Street / Flower Market Road, Mong Kok	2023/24	March		29,315	18,608	31	580	1,508	116,284	75,403
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	4,394	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		7,459	50,082	90	3,149	1,000	55,773	46,478
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	356	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	2,840	157,212	135,744

Project Development Information					
Commercial GFA m^2	Other Uses GFA m^2	G/IC GFA m^2	Public Open Space [1] m^2	Remarks	Status
See Remarks				Eligible domestic owner-occupiers can join the Flat-for-Flat Scheme KC-020 Project will combine with CBS-2:KC Project for development	Project commencement gazetted on 09-08-24 SDEV authorised the URA to proceed on 26-08-25 Initial acquisition offers issued on 28-01-26 Application to SDEV for resumption was submitted on 13-04-26
28,574	0	12,307	17,500	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 office and 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 Initial acquisition offers issued on 08-01-26 Application to SDEV for resumption was submitted on 01-04-26
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 Initial acquisition offers issued on 04-09-25
7,816	0	500	0	Industrial building, Flat-for-Flat Scheme is not applicable	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 Initial acquisition offers issued on 26-09-25
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 Initial acquisition offers issued on 26-09-25
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 Resumption gazetted on 18-07-25 Site reverted to Government on 18-10-25 Site clearance in progress The funding proposal for the construction of the standalone G/IC complex at Site B was approved by Finance Committee of the Legislative Council on 26-06-26. Construction works will be commenced in Q3 2026
5,197	0	38,893	10,395	SSP-018 Project 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 Foundation works for the standalone G/IC complex at Site B in progress
9,295	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 Site clearance completed on 20-02-26
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 completed DFS launched on 03-11-25
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 Land grant executed on 22-08-25 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 works in progress
16,968	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 KC-020 Project for development	Initial acquisition offers issued on 03-02-25 Application to SDEV for resumption was submitted on 04-02-25 Resumption gazetted on 23-01-26 Site reverted to Government on 23-04-26 Site clearance 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
13 [2]	KC-015	Kai Tak Road / Sa Po Road, Kowloon City	2018/19	February		6,106	23,204	41	940	864	48,563	42,456
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	YTM-011	Oak Street / Ivy Street, Tai Kok Tsui	2017/18	March	foto+	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	10,390
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	One Victoria Cove	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	2,918	2,847
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-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
29 [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
30 [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

Project Development Information					
Commercial GFA m^2	Other Uses GFA m^2	G/IC GFA m^2	Public Open Space [1] m^2	Remarks	Status
5,307	0	800	0	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 To be self-developed by URA Foundation works 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	Flat sales launched on 27-03-26 Occupation Permit issued on 09-04-26
452	0	1,179	538	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat Scheme	Main contract works 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 KC-013 Project has combined with KC-012 Project 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 KC-012 Project has combined with KC-013 Project for development under a single land grant (please refer to KC-013 Project 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 KC-011 Project has combined with DL-8:KC Project 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 172 flats sold Occupation Permit issued on 08-06-26
11,109	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat Scheme	Main contract works in progress Flat Sales launched on 30-04-26
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 22-03-24 All flats sold. Leasing of shops 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 DL-8:KC Project has combined with KC-011 Project for development under a single land grant (Please refer to KC-011 Project for the details of development parameters)	Main contract works 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"
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 All flats sold. Leasing of shops in progress
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

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
31	YTM-010	Reclamation Street / Shantung Street, Mong Kok	2011/12	February	One Soho	1,640	10,024	20	637	322	12,507	10,422
32 [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
33 [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
34	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
35 [2,5]	K1	Nga Tsin Wai Village, Wong Tai Sin	2007/08	October		6,013	2,051	116	124	875	37,097	34,778
36 [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
37 [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
38 39 40	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

Project Development Information					
Commercial GFA m^2	Other Uses GFA m^2	G/IC GFA m^2	Public Open Space [1] m^2	Remarks	Status
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
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 completed Foundation 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 Certificate of Compliance issued on 24-07-25 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
157,904	0	39,716	18,376	Commercial GFA include 66,000m^2 for offices and 10,000m^2 for hotel G/IC includes 6,200m^2 for Kwun Tong Jockey Club Health Centre in YWS Site and 17,200m^2 for Government uses in Main Site and 16,316m^2 for Public Transport Interchange (PTI) in Main Site. Commercial Space includes 1,300m^2 for social enterprises. 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) Public space includes a minimum of 9,600m^2 at-grade public open space and 8,776m^2 podium public open space.	**YWS Site (DA 1)** Occupation Permit obtained on 08-07-14 Certificate of Compliance obtained on 29-10-14 Completed in 2021-22 **Main Site (DAs 2 & 3)** Occupation Permit issued on 26-11-20 Certificate of Compliance issued on 28-04-21 Completed in 2024-25 **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 Demolition works completed The revised DSP with "Vertical City" planning concept 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 commenced in 09-25 DFS launched on 02-03-26
5,317	0	2,058	1,500	Three projects taken forward as one G/IC includes 1,900m^2 for Special Child Care Centre cum Early Education Centre, Day Care Centre for Elderly and Sub-base for a Neighbourhood Elderly Centre; 150m^2 for either social enterprise or non-domestic use	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 All flats sold. Sale of shops 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 [7]	WC/001	Mallory Street / Burrows Street, Wan Chai	2004/05	March	M7	780	2,687	10	122	0	2,435	0
42	K32	Pine Street / Anchor Street, Tai Kok Tsui	2004/05	December	Park Summit	2,328	11,802	30	518	462	20,952	17,460
43 [7]	H19	Staunton Street / Wing Lee Street, Sheung Wan	2002/03	March		1,997	3,049	24	98	0	1,828	1,097
1-43 Ongoing Sub-Total (A)						271,543	696,320	1,238	29,669	28,018	1,960,682	1,393,435
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)						271,543	696,320	1,238	29,669	28,018	1,960,682	1,393,435
44-74 - 31 Completed projects commenced by the URA [9]												
44 [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
45	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
46 [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
47	SSP/3/001	Shun Ning Road, Sham Shui Po	2009/10	June	The Ascent	825	3,820	8	130	157	7,159	5,959
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
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

Project Development Information					
Commercial GFA m^2	Other Uses GFA m^2	G/IC GFA m^2	Public Open Space [1] m^2	Remarks	Status
0	2,435	0	300	Rezoned "Other Specified Uses" annotated "Open Space and Historical Buildings Preserved for Cultural and Commercial Uses" GFA includes retained façade at Burrows Street and two elevated walkways	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
3,492	0	0	450	Public Open Space not required under lease	Occupation Permit issued on 20-09-12 Certificate of Compliance issued on 27-12-12 All flats sold. Sale of shops in progress
331	400	0	135	The project is switched from redevelopment to revitalisation	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
404,086	3,097	160,064	63,325		
0	0	0	0		
0	0	0	0		
0	0	0	0		
0	0	0	0		
404,086	3,097	160,064	63,325		
637	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat Scheme	Project completed in 2025-26
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	Project completed in 2025-26
989	0	0	0	Eligible domestic owner-occupiers were allowed to join the Flat-for-Flat Scheme	Project completed in 2025-26
1,200	0	0	0		Project completed in 2025-26
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
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

						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
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
44-74 Completed Sub-Total (D)						51,555	211,447	530	10,399	7,791	463,904	386,568
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
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

Project Development Information					
Commercial GFA m^2	Other Uses GFA m^2	G/IC GFA m^2	Public Open Space [1] m^2	Remarks	Status
245	0	0	1,304	Commercial space includes 24.9m^2 for shop, 84.4m^2 of other covered areas, and 135.5m^2 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
64,131	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
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 25,816m^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

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
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)						138,009	472,657	1,111	26,557	15,545	1,263,547	882,673
Commenced + Completed						409,552	1,168,977	2,349	56,226	43,563	3,224,229	2,276,108

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					
	Commercial GFA m^2	Other Uses GFA m^2	G/IC GFA m^2	Public Open Space [1] m^2	Remarks	Status
	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		
	341,029	952	38,893	19,031		
	745,115	4,049	198,957	82,356		

Glossary of Terms

AAB = Antiquities Advisory Board
CE-in-C = Chief Executive in Council
DA = Development Area
DFS = Development Facilitation Services
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
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 2026, 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 an executive councillor and two 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	• 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	• Consideration and deliberation of objections lodged under Section 24(1) of the URA Ordinance • Deliberations on objections for submission to the Secretary for Development in accordance with Section 24(3)(b) of the URA Ordinance
Finance Committee	• 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	• 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	• 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 the 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 enquiries, 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 2025/26, the URA has handled a total of 49,886 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)



Mr William CHAN Fu Keung, BBS



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



Dr CHAN Ka Kui, GBS, JP



The Honourable
CHAN Kin Por, GBM, GBS, JP
(from 1 May 2025, and suspended with effect from 12 January 2026)



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)



Mr 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)



Mr 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



Mr Tom YIP Chi Kwai, JP
Director of Planning



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):

Mr William CHAN Fu Keung, BBS
The Honourable CHAN Hok Fung, MH, JP (from 1 May 2025)
Dr CHAN Ka Kui, GBS, JP
The Honourable CHAN Kin Por, GBM, GBS, JP (from 1 May 2025, and suspended with effect from 12 January 2026)
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)
Mr 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)
Mr 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
Mr Tom YIP Chi Kwai, JP, Director of Planning
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

Ar Donald Choi is a Registered Architect and Authorized Person. He joined the Urban Renewal Authority 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 a Member of the Corruption Prevention Advisory Committee, an Advisor of Our Hong Kong Foundation, Urban Land Institute Asia Pacific Housing Council Member, a Member of the Antiquities 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, an Honorary Advisor of Hong Kong Workers' Health Centre, and a Member of the CreateSmart Initiative Vetting Committee. 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 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.

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 and an Advisor to the Institute of Community Making.

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. Ms Fong is currently Adjunct Professor of the Faculty of Architecture, the University of Hong Kong.

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 the Vice Chairperson of the Building Technology Research Institute and 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 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, GBM, GBS, JP

(suspended with effect from 12 January 2026)

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

Hon. Chan has been appointed by the Government to many public roles. He has been appointed by the HKSAR Government as a member of the Independent Committee in relation to the fire at Wang Fuk Court in Tai Po in December 2025 and currently serves as an Independent Non-Executive Director of the Hong Kong Exchanges and Clearing Limited; the Chairman of the Advisory Committee on 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. Mr 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. Mr 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 and the Grand Bauhinia Medal in 2026 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 Statutory and Advisory Committees, 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, and 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 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 Government of Hong Kong SAR, 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).

Mr KWOK Wai Keung, BBS, JP

Mr Kwok Wai Keung was a member of Hong Kong Legislative Council representing the Labour Constituency from 2012 to 2016 and from 2022 to 2025. He was also a member of the Hong Kong Legislative Council representing Hong Kong Island Constituency from 2016 to 2021, a member of the Eastern District Council from 2008 to 2023, and a member of Hong Kong Housing Authority from 2015 to 2021.

Mr 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.

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, Land and Development Advisory Committee and Transport Advisory Committee since 2010. She currently is also the Director of the Board of the Urban Renewal Fund.

Sr Alexander LAM Tsan Wing

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

Sr Lam has been actively serving the Hong Kong Institute of Surveyors (HKIS). He has been elected as Honorary Treasurer of General Council (2023 till present), Chairman of Professional Competence Assessment of General Practice Division (GPD), Committee Member of Surveyors Registration Board, a Member of HKSAR Appeal Tribunal Panel (Buildings), the Honorary Advisor of Property and Works Committee of Po Leung Kuk (2019 till present). He was the Chairman of GPD Annual Conference 2022 Organizing Committee, Chairman of HKIS Best Development and Conservation Awards 2021 Organizing Committee, Honorary Secretary of General Council (2018-2019). China Institute of Real Estate Appraisers and Agents (2003-2021).

He is also an External Examiner of SPEED of the Hong Kong Polytechnic University and was 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 Hong Kong SAR 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 Urban Renewal Authority, she is also a Board Member for the Hospital Authority, Executive Committee Member of the Hong Kong Housing Society, Council Member of the Hong Kong Baptist University and the Vice-Chairperson of the Maryknoll Convent School Foundation.

Ms Lilian LAW Suk Kwan, MH, JP

Ms Lilian Law has over 30 years of dedicated experience in social services and organisation development. She had engaged in social services for welfare of 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 1,000 staff.

Ms Law has been and is serving as member in different statutory and Government advisory committees 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 and served as Senior Consultant in an organisation capacity building project 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 Hong Kong SAR Government's Securities and Futures Commission Process Review Panel; the Mandatory Provident Fund Schemes Authority Process Review Panel; the Air Transport Licensing Authority; 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). In addition, she serves as Chairman of the Professional Accounting Sector of the Guangdong-Hong Kong-Macau Bay Area Economic and Trade Association; Chairman of the Finance Task Force at the Golden Age Foundation; Deputy Director of the third Accounting Professional Committee (Hong Kong Division) of the Council for the Promotion of Guangdong-Hong Kong-Macao Cooperation; and Advisor to Our Hong Kong Foundation. She also holds council member positions at the SMART Accountants Association 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 Hong Kong Special Administrative Region 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. Ir Hon. Lee has been awarded the Bronze Bauhinia Star (BBS) in 2025.

Ir Hon. Lee is serving various public services, including the Vice-Chairman of The Independent Police Complaints Council (IPCC), 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 8 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.

Mr Tony TSE Wai Chuen, SBS, JP

Mr Tony Tse Wai Chuen is currently a Fellow of the Hong Kong Institute of Surveyors, Founding President of Hong Kong Property and Facilities Management Association of the Greater Bay Area. Mr Tse was awarded the Bronze Bauhinia Star in 2014, was appointed as a 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 was awarded the Silver Bauhinia Star in 2025.

After graduating from the Hong Kong Polytechnic (now known as the Hong Kong Polytechnic University) in 1976, Mr 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.

Mr 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 was appointed to public services by the Government on many occasions, including Chairperson of the Property Management Services Authority, a 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, a member of the Court of Lingnan University and Chairman of HKTDC Infrastructure Development Advisory Committee, etc. He was also appointed Chairman of the Surveyors Registration Board in 2002-2003, elected President of the Hong Kong Institute of Surveyors in 2003-2004, and served as a member of the Hong Kong Legislative Council for the Architectural, Surveying and Planning functional constituency from 2012 to 2025.

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 Member of Strategy Committee on Talent Development of the Hong Kong Council of Social Service, Council Member of Connecting Hearts, Non-Official Non-Executive Director of the Board of Urban Renewal Authority, Member of the District Health Centre Scheme Liaison Committee, Primary Healthcare Commission, Health Bureau, Advisor of Our Hong Kong Foundation, Member of Committee on Services for Youth at Risk, Social Welfare Department, 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, and Adjunct Clinical Professor at School of Social Work, Gratia Christian College. 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.

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:
Ir WAI Chi Sing served the Board as Managing Director until 14 June 2025.
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.

MEMBERS OF COMMITTEES

AUDIT COMMITTEE

Chairperson	Members	Co-opted Member
Ir Janice LAI Wai Man	Dr CHAN Ka Kui, GBS, JP Ms Jasmine LEE Shun Yi Ms Yvonne YEUNG Kin Ha	Ms Rosanna CHOI Yi Tak, MH

DEVELOPMENT PROJECT OBJECTION CONSIDERATION COMMITTEE

Chairperson	Members	Co-opted Members
Sr Alexander LAM Tsan Wing	Mr CHIU Kam Kuen Mr KWOK Wai Keung, BBS, JP Mrs Sylvia LAM YU Ka Wai, SBS Ms Lilian LAW Suk Kwan, MH, JP Mr Tony TSE Wai Chuen, SBS, JP	Mr Patrick LAU Lai Chiu, SBS Mr Timothy MA Kam Wah, MH, JP

FINANCE COMMITTEE

Chairperson	Members
Mr CHOW Chung Kong, GBM, GBS, JP	The Honourable CHAN Kin Por, GBM, GBS, JP (suspended with effect from 12 January 2026) Sr Alexander LAM Tsan Wing Ms Jasmine LEE Shun Yi Ir The Honourable Michael LEE Chun Keung, BBS, JP Ms Florence LEUNG Chi Hang Mr Tony TSE Wai Chuen, SBS, JP Managing Director (Ar Donald CHOI Wun Hing, BBS, JP)

HUMAN RESOURCES AND REMUNERATION COMMITTEE

Chairperson	Members
Mr CHOW Chung Kong, GBM, GBS, JP	Mr William CHAN Fu Keung, BBS Mr KWOK Wai Keung, BBS, JP Ms Lilian LAW Suk Kwan, MH, JP Ir The Honourable Michael LEE Chun Keung, BBS, JP Ms Florence LEUNG Chi Hang Ms Yvonne YEUNG Kin Ha Managing Director (Ar Donald CHOI Wun Hing, BBS, JP)

LAND, REHOUSING AND COMPENSATION COMMITTEE

Chairperson	Members	Co-opted Members
Dr CHAN Ka Kui, GBS, JP	The Honourable CHAN Hok Fung, MH, JP Mr William CHAN Fu Keung, BBS Mr KWOK Wai Keung, BBS, JP Managing Director (Ar Donald CHOI Wun Hing, BBS, JP) Executive Director (Operations) (Ms Carolin FONG Suet Yuen)	Mr Patrick LAU Lai Chiu, SBS Mr Timothy MA Kam Wah, MH, JP Assistant Director/Specialist 3, Lands Department (Ms Karen LEUNG Miu Yin)

PLANNING, DEVELOPMENT AND CONSERVATION COMMITTEE

Chairperson

Mrs Sylvia LAM YU Ka Wai, SBS

Members

The Honourable CHAN Hok Fung, MH, JP
Mr CHIU Kam Kuen
Ir Janice LAI Wai Man
Sr Alexander LAM Tsan Wing
Ms Florence LEUNG Chi Hang
Mr 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
(Ar Donald CHOI Wun Hing, BBS, JP)
Executive Director (Commercial)
(Mr Wilfred AU Chun Ho)

Co-opted Members

Mr Andy LEUNG Kit Man
(up to 6 March 2026)
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
Mr CHIU Kam Kuen
Ir Janice LAI Wai Man

Co-opted Members

Dr Andrew CHAN Ping Chiu, BBS
(up to 6 February 2026)
Mr Henry CHAN Kai Wing
Mr CHUA Hoi Wai, JP
Ms LAM Tze Yan (deceased)
Mr Tony LUK Ka Luen
Mr MOK Hing Luen
(up to 6 February 2026)
Mr Dickson PANG Kam Fai
Mr YUNG Ching Tat, BBS, JP

SUSTAINABILITY COMMITTEE

Chairperson

Ms Yvonne YEUNG Kin Ha

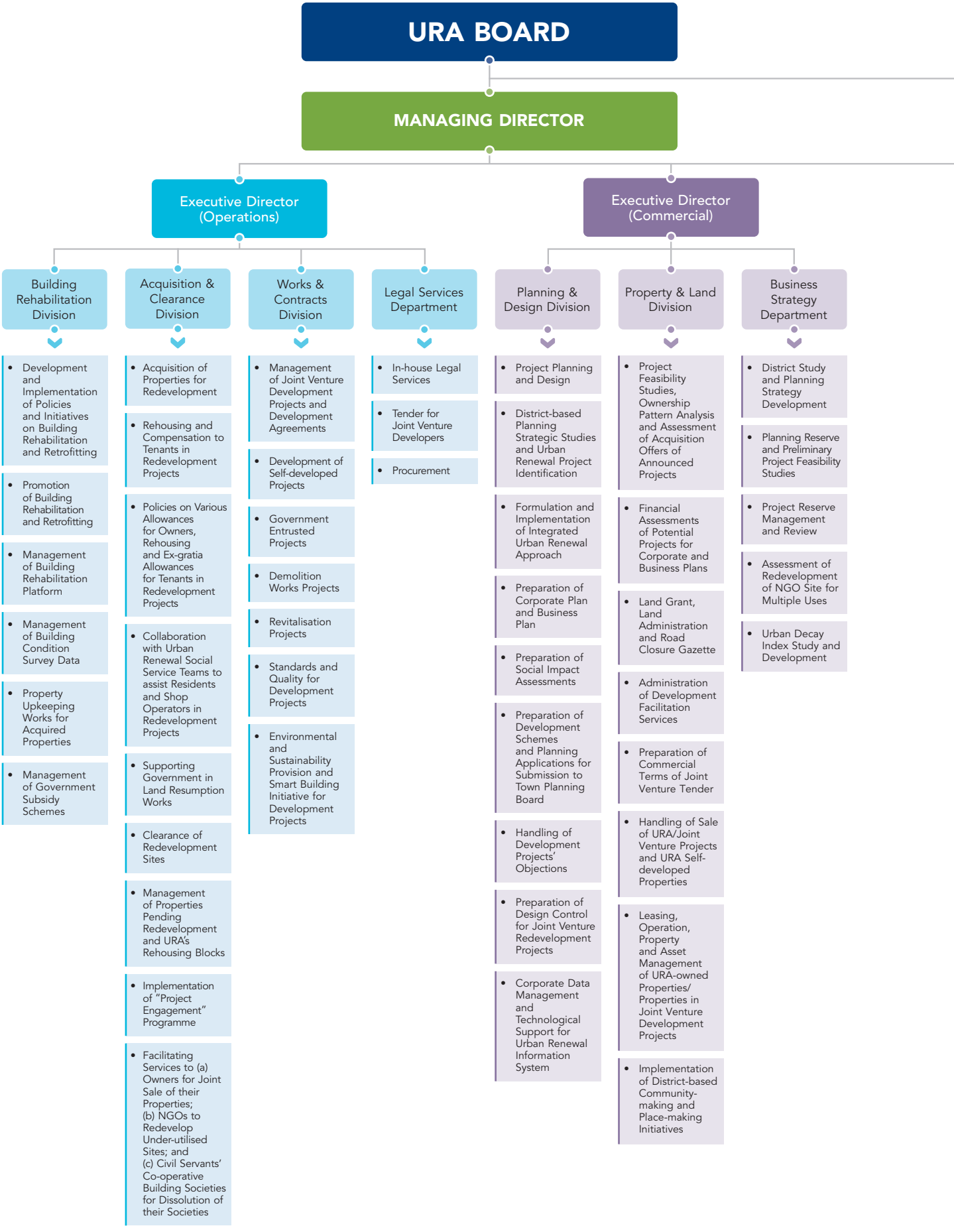
Members

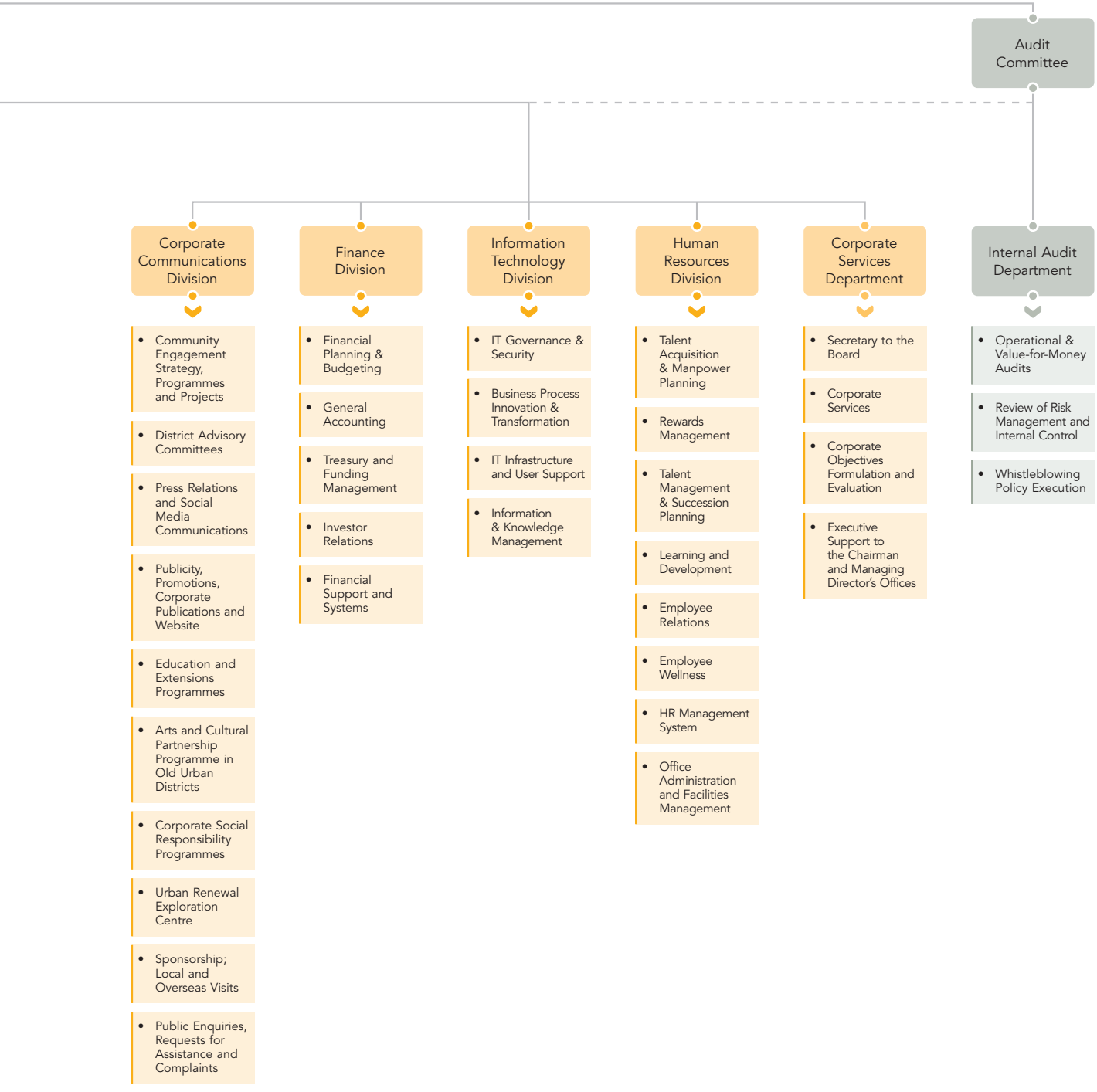
Ms Lilian LAW Suk Kwan, MH, JP
Managing Director
(Ar Donald CHOI Wun Hing, BBS, JP)
Executive Director (Commercial)
(Mr Wilfred AU Chun Ho)
Executive Director (Operations)
(Ms Carolin FONG Suet Yuen)

Co-opted Member

Ms Loretta FONG Wan Huen

ORGANISATION STRUCTURE




Audit Committee
Corporate Communications Division
Community Engagement Strategy, Programmes and Projects
District Advisory Committees
Press Relations and Social Media Communications
Publicity, Promotions, Corporate Publications and Website
Education and Extensions Programmes
Arts and Cultural Partnership Programme in Old Urban Districts
Corporate Social Responsibility Programmes
Urban Renewal Exploration Centre
Sponsorship; Local and Overseas Visits
Public Enquiries, Requests for Assistance and Complaints
Finance Division
Financial Planning & Budgeting
General Accounting
Treasury and Funding Management
Investor Relations
Financial Support and Systems
Information Technology Division
IT Governance & Security
Business Process Innovation & Transformation
IT Infrastructure and User Support
Information & Knowledge Management
Human Resources Division
Talent Acquisition & Manpower Planning
Rewards Management
Talent Management & Succession Planning
Learning and Development
Employee Relations
Employee Wellness
HR Management System
Office Administration and Facilities Management
Corporate Services Department
Secretary to the Board
Corporate Services
Corporate Objectives Formulation and Evaluation
Executive Support to the Chairman and Managing Director's Offices
Internal Audit Department
Operational & Value-for-Money Audits
Review of Risk Management and Internal Control
Whistleblowing Policy Execution

MEMBERS OF DISTRICT ADVISORY COMMITTEES

CENTRAL AND WESTERN DISTRICT ADVISORY COMMITTEE

Chairperson

Mr Tony TSE Wai Chuen, SBS, JP

Members

Professor Roger CHAN Chun Kwong
Mr Owen CHAN Chun Wah
Mr CHENG Po Hung
Ms CHEUNG Ka Yan
Mr Kenneth LEE Fung Nin
Mr Simon LEE Wai Keung
Mr LUI Hung Pan
Mr SHIH Jan Noel
Ms Anna YEN Lau Fan
Mr YEUNG Hok Ming, MH
Mr Jeremy YOUNG Chit On
Dr ZHANG Zong
District Officer (Central & Western)

KOWLOON CITY DISTRICT ADVISORY COMMITTEE

Chairperson

Ir The Honourable Michael LEE Chun Keung, BBS, JP

Members

Ms Gwyneth CHAN Wing Lam
Ar Eugene CHING Yuk Yu
Mr KU Ka Yin, MH
Mr KWAN Ho Yeung, MH
Ms LAI LEE Chui Ling
Sr Francis LAM Ka Fai
Mr LAM Pok
Dr Login LAW Lok Yin
Mr LUI Kwok Wai
Mr NG Po Keung, MH
Mr PUN Kwok Wah, JP
Ms Vivian WONG Man Lei, MH
Mr WONG Yip Kwan, MH, JP
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, MH
Mr HUI Tak Leung, JP
Mr Percy KWOK Lan Fung
Mr Sunny LAI Wing Chun, MH
Mr LEE Ka Hin
Mr Edward LEUNG Yee Wah
Mr Ricky LO Shu Nam
Mr Ernest NG Kwok Wa
Sr Kenny TSE Chi Kin
Dr WAN Lap Man
Mr WONG Kin San, MH
Ms WONG Shu Ming, MH, JP
Mr Benny YEUNG Tsz Hei, BBS, MH
Dr Simon YUEN Sheung Man
District Officer (Yau Tsim Mong)

KWUN TONG DISTRICT ADVISORY COMMITTEE

Chairperson

Mr 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
Mr CHONG Yue Kwan, MH
Mr KAN Ming Tung, MH, JP
Professor Sunnie LAU Sing Yeung
Mr LUI Tung Hai, MH
Mr Francis NGAI Wah Sing
Mr Wilson OR Chong Shing, MH
Ms SO Lai Chun, MH, JP
Mr WONG Chun Ping, BBS, MH, JP
Sr Gary YEUNG Man Kai
Mr YIP Hing Kwok, BBS, MH, JP
Ms YU Chun
Ms YU Juliana
District Officer (Kwun Tong)

SHAM SHUI PO DISTRICT ADVISORY COMMITTEE

Chairperson

Sr Alexander LAM Tsan Wing

Members

Mr Paul CHAN Chi Yuen
Mr CHAN Wai Ming, BBS, MH, JP
Mr Waillen CHUI Wai Lan
Mr Aaron LAM Ka Fai, BBS, JP
Mr Raymond LAM Wai Man
Professor LAU Kwok Yu, JP
Ms LAU Pui Yuk, MH
Mr LEUNG Ping Kin
Dr SUN Yi
Cr Alfred TANG Yu Chi
Ms WU Sze Wan
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	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Revenue	5,035	13,868	3,423	2,107	3,439	22,653	5,513	3,024	254	1,749
Operating surplus/(deficit) (Note 1)	2,311	11,512	1,489	1,143	49	7,240	(494)	(831)	(41)	338
Net surplus/(deficit)	3,142	12,038	2,330	118	150	6,568	(3,530)	(3,920)	(2,720)	476
Accumulated surplus	22,606	34,644	36,974	37,092	37,242	43,810	40,280	36,360	33,640	34,116
Capital	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Net assets	32,606	44,644	46,974	47,092	47,242	53,810	50,280	46,360	43,640	44,116
Borrowings (Note 2)	3,288	2,791	2,793	1,796	1,097	1,098	799	499	13,961	27,238
Properties under development (Note 3)	19,087	25,769	29,609	33,494	33,287	22,501	25,249	28,684	38,812	51,206
Land premia waived by the Government during the year	(180)	(4,077)	(190)	(4)	(17)	(1,106)	(2,137)	(2,362)	–	(982)
Surplus/(deficit) if no land premium waiver	2,962	7,961	2,140	114	133	5,462	(5,667)	(6,282)	(2,720)	(506)
Accumulated surplus if no land premium waiver	7,195	15,156	17,296	17,410	17,543	23,005	17,338	11,056	8,336	7,830

Notes:

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

2. "Borrowings" refers to bonds issued less unamortised finance charges and bank loans.

3. "Properties under development" represents properties under development before provision for impairment.

The members of the Board submit their report together with the audited financial statements for the year ended 31 March 2026.

BOARD MEMBERS

Members of the Board for the year and up to the date of this report are set out on page 89.

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 2026 and the financial position of the Group and of the Authority at that date are set out in the consolidated financial statements on pages 111 to 158.

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 2026, the working capital of the Group was mainly financed by the Government's equity injection, accumulated surplus and borrowings.

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 22 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,
11 June 2026

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 111 to 158, which comprise the consolidated statement of financial position as at 31 March 2026, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity 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 2026 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards 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"), as applicable to audits of financial statements of public interest entities. 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, properties under development for sale 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), 2(k) and 2(l))

The Key Audit Matter

Properties under development, properties under development for sale and property, plant and equipment are the major assets of the Group, which accounted for 49%, 9% and 10% 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 and properties under development for sale) where applicable.

We identified the valuation of properties under development, properties under development for sale 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, properties under development for sale 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 and properties under development for sale) 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 and properties under development for sale) where applicable, with available market data and/or government statistics, on a sample basis.

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 HKFRS Accounting Standards 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 HKSAs 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 HKSAs, 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 consolidated 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.

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 (practising certificate number: P08060).

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
11 June 2026

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 March 2026
(expressed in Hong Kong Dollars)

	Note	2026	2025
		$'000	$'000
Revenue	5(a)	1,748,960	253,959
Direct costs		(1,013,826)	(131,260)
Gross surplus		735,134	122,699
Other income, net	5(b)	925,824	1,144,521
Administrative expenses		(729,994)	(736,042)
Other expenses		(593,048)	(571,689)
Operating surplus/(deficit) before provision for impairment on properties and committed projects		337,916	(40,511)
Write-back of provision/(provision) for impairment on properties and committed projects, net	6(a)	137,820	(2,678,910)
Operating surplus/(deficit) before income tax	6	475,736	(2,719,421)
Income tax expenses	7(a)	–	–
Surplus/(deficit) and total comprehensive income for the year		475,736	(2,719,421)

The notes on pages 116 to 158 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 March 2026
(expressed in Hong Kong Dollars)

	Note	2026	2025
		$'000	$'000
Non-current assets			
Property, plant and equipment	8	7,379,149	7,616,116
Properties under development	9	36,997,275	28,329,072
Building rehabilitation loans	10	1,274	2,171
Prepayments		1,468,629	1,415,538
Bank deposits	11	1,540,412	834,857
		47,386,739	38,197,754
Current assets			
Properties held for sale	12	69,747	478,464
Properties under development for sale	9	6,551,200	1,314,801
Amounts due from joint development projects	13	25,012	35,349
Building rehabilitation loans	10	874	1,701
Trade and other receivables	14	365,140	571,846
Investments	15	–	550,000
Cash and bank balances	11	20,561,869	19,788,981
		27,573,842	22,741,142
Total assets		74,960,581	60,938,896
Capital and reserve			
Capital	16	10,000,000	10,000,000
Accumulated surplus		34,115,825	33,640,089
		44,115,825	43,640,089
Non-current liabilities			
Trade and other payables	17	387,882	366,819
Bonds issued	18	23,337,897	13,461,364
Bank loans	19	3,900,000	–
		27,625,779	13,828,183
Current liabilities			
Amounts due to joint development projects	13	155,910	280,021
Trade and other payables	17	3,063,067	2,691,005
Bonds issued	18	–	499,598
		3,218,977	3,470,624
Total capital, reserve and liabilities		74,960,581	60,938,896

Approved by the Board
on 11 June 2026

CHOW Chung Kong
Chairman

Donald CHOI Wun Hing
Managing Director

The notes on pages 116 to 158 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2026
(expressed in Hong Kong Dollars)

	Note	2026		2025	
		$'000	$'000	$'000	$'000
Cash flows from operating activities					
Operating surplus/(deficit) before income tax		475,736		(2,719,421)	
Adjustments for:					
Interest income	5(b)	(648,372)		(933,569)	
Depreciation	6(a)	235,373		237,046	
Interest expenses	6(a)	583		996	
Gain on disposals of property, plant and equipment	5(b)	(43,061)		(5)	
Net foreign exchange (gain)/loss		(12,184)		3,812	
(Write-back of provision)/provision for impairment on properties and committed projects, net		(137,820)		2,678,910	
Operating deficit before working capital changes		(129,745)		(732,231)	
Changes in balances with joint development projects		(113,775)		5,540	
Increase in properties under development		(12,932,868)		(9,710,978)	
Decrease in properties held for sale		408,717		39,048	
Decrease in building rehabilitation loans		1,724		1,925	
Increase in prepayments		(202,401)		(928,627)	
Decrease in trade and other receivables		63,218		10,851	
Increase in trade and other payables		323,248		320,241	
Cash used in operations		(12,581,882)		(10,994,231)	
Interest received		791,859		798,301	
Interest paid		(612,231)		(227,395)	
Net cash used in operating activities			(12,402,254)		(10,423,325)

The notes on pages 116 to 158 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2026
(expressed in Hong Kong Dollars)

	Note	2026		2025	
		$'000	$'000	$'000	$'000
Cash flows from investing activities					
Decrease/(increase) in bank deposits with original maturities of more than 3 months		1,811,144		(3,200,634)	
Payment for purchases of property, plant and equipment		(9,391)		(9,255)	
Redemption of investments at amortised cost		550,000		1,100,000	
Proceeds from disposals of property, plant and equipment		100,110		5	
Net cash generated from/(used in) investing activities			2,451,863		(2,109,884)
Cash flows from financing activities					
Redemption of bonds	11	(500,000)		–	
Proceeds from issuance of bonds	11	9,900,000		13,500,000	
Issuing costs of issuance of bonds	11	(35,457)		(43,015)	
Proceeds from new bank loans	11	3,900,000		–	
Capital element of lease rentals paid	11	(34,703)		(37,386)	
Interest element of lease rentals paid	11	(2,047)		(2,886)	
Net cash generated from financing activities			13,227,793		13,416,713
Net increase in cash and cash equivalents			3,277,402		883,504
Cash and cash equivalents at 1 April			2,332,372		1,448,858
Exchange gain on cash and cash equivalents			281		10
Cash and cash equivalents at 31 March			5,610,055		2,332,372
Analysis of cash and bank balances					
Cash and cash equivalents			5,610,055		2,332,372
Bank deposits with original maturities of more than 3 months			16,492,226		18,291,466
Cash and bank balances at 31 March	11		22,102,281		20,623,838

The notes on pages 116 to 158 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2026
(expressed in Hong Kong Dollars)

	Capital	Accumulated surplus	Total
	$'000	$'000	$'000
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	10,000,000	33,640,089	43,640,089
Balance at 1 April 2025	10,000,000	33,640,089	43,640,089
Surplus and total comprehensive income for the year	–	475,736	475,736
Balance at 31 March 2026	10,000,000	34,115,825	44,115,825

The notes on pages 116 to 158 form part of these consolidated 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 (which include all applicable individual Hong Kong Financial Reporting Standards, 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 HKFRS Accounting Standards 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 HKFRS Accounting Standards issued by the HKICPA to these financial statements for the current accounting period:

Amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability*

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 2026

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 2026 and which have not been adopted in these consolidated financial statements. These include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKFRS 9, *Financial instruments* and HKFRS 7, *Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments*	1 January 2026
Annual improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18, *Presentation and disclosure in financial statements*	1 January 2027
HKFRS 19, *Subsidiaries without public accountability: disclosures*	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.

(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.

(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	–	The period of the unexpired lease
Buildings	–	50 years or the period of the unexpired lease, whichever is the shorter
Leasehold improvements	–	Office: 10 years or the life of the respective lease, whichever is the shorter Non-office: 10 to 50 years or the period of the unexpired leases, whichever is the shorter
Plant and machinery	–	10 years or the life of the respective lease, whichever is the shorter
Motor vehicles	–	4 years
Furniture and office equipment	–	3 to 5 years
Properties leased for own use	–	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.

(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.

(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.

(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) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequently, these borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with Note 2(q).

(o) 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.

(expressed in Hong Kong Dollars)

2. Material accounting policies (Continued)

(p) 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 substantially 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.

(q) 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.

(r) 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)

(s) 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.

(t) 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.

(u) 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.

(v) 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.

(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 and the bank loans drawn at floating 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 and bank loans 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)

	2026	2025
	$'000	$'000
Less than 1 year		
Trade and other payables	2,915,118	2,553,349
Amounts due to joint development projects	155,910	280,021
Bonds issued	778,851	984,750
Bank loans	117,780	–
Between 1 to 3 years		
Trade and other payables	50,342	25,195
Bonds issued	5,350,949	4,864,358
Bank loans	253,890	–
Between 3 to 5 years		
Trade and other payables	15,849	14,920
Bonds issued	12,909,928	5,576,041
Bank loans	3,997,023	–
Over 5 years		
Trade and other payables	322,742	326,799
Bonds issued	8,447,826	5,084,540

(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 2026, if Hong Kong dollar had weakened/strengthened by 1% against foreign currencies with all other variables held constant, the surplus of the Group would increase/decrease by approximately $17,363,000 (2024/25: the deficit of the Group would decrease/increase by approximately $13,646,000) 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 borrowings. The Group also maintains credit facilities to ensure the availability of funding when needed.

(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 rehabilitation loans, bonds issued and bank loans carried at cost or amortised cost were not materially difference from their fair values.

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(o). 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 2026, if the respective estimated upfront premium and sales proceeds to be received on the projects had been increased/decreased by 5% with all other variables held constant, the surplus of the Group for the year would increase by approximately $2,081,600,000 (2024/25: the deficit of the Group would decrease by approximately $1,446,900,000)/decrease by approximately $2,561,900,000 (2024/25: the deficit of the Group would increase by approximately $1,523,900,000) 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:

	2026	2025
	$'000	$'000
Revenue recognised outside the scope of HKFRS 15		
– Upfront premium from property developers	860,680	–
– Share of property development surplus on joint development projects	169,664	195,429
Revenue from contracts with customers within the scope of HKFRS 15		
– Sale of properties	718,616	58,530
	1,748,960	253,959

(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

At 31 March 2026, 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 $1,065,587,000 (2024/25: $960,801,000) 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 12 months (2024/25: 24 months).

(expressed in Hong Kong Dollars)

5. Revenue and other income, net (Continued)

(b) Other income, net

Other income, net recognised during the year represents:

	2026	2025
	$'000	$'000
Interest income	648,372	933,569
Rental income	213,348	205,578
Miscellaneous income	8,859	3,688
Gain on disposals of property, plant and equipment	43,061	5
Net foreign exchange gain	12,184	1,681
	925,824	1,144,521

(c) Segmental reporting

Information reported to the Group's management for the purposes of resource allocation and assessment of performance is focused on the Group as a whole, as the Group proactively adopted an integrated approach, which complements redevelopment with building rehabilitation. This strategy not only addresses the need to redevelop dilapidated buildings but also supports the continued good condition of neighbouring structures and do not require immediate redevelopment. Resources are allocated based on what is beneficial for the Group in accomplishing its urban renewal missions while maintaining long-term sustainability. Consequently, management considers there to be only one operating segment under the requirements of HKFRS 8, "Operating segments", and believes that this presentation provides more relevant information.

Information provided to management in respect of the Group's revenues, expenses, assets, and liabilities is materially similar to that reported in these consolidated financial statements.

6. Operating surplus/(deficit) before income tax

Operating surplus/(deficit) before income tax is arrived at after charging/(crediting) the following items:

(a) Other items:

	2026	2025
	$'000	$'000
Cost of properties under joint development projects	544,922	32,450
Cost of properties sold	408,392	38,197
Staff costs* (excluding directors' and senior management's remuneration)	572,275	584,675
Rehabilitation, revitalisation, preservation and retrofit expenses	72,016	89,199
Place making expenses	6,861	7,456
Outgoings in respect of preservation properties, retained properties and rehousing units	168,427	153,080

6. Operating surplus/(deficit) before income tax (Continued)

Operating surplus/(deficit) before income tax is arrived at after charging/(crediting) the following items: (Continued)

(a) Other items: (Continued)

	2026	2025
	$'000	$'000
Depreciation		
– Depreciation	257,425	261,634
– Less: Depreciation capitalised	(22,052)	(24,588)
	235,373	237,046
Auditor's remuneration		
– Audit services	561	550
– Non-audit services	450	250
Impairment on properties and committed projects		
– Provision for impairment on property, plant and equipment, net	11,380	24,710
– (Write-back of provision)/provision for impairment on properties under development, net	(149,200)	2,654,200
	(137,820)	2,678,910
Interest expenses		
– Interest on lease liabilities	2,047	2,886
– Less: Interest on lease liabilities capitalised	(1,464)	(1,890)
	583	996
– Interest expenses on bonds issued and bank loans	666,934	267,520
– Less: Interest expenses capitalised#	(666,934)	(267,520)
	–	–
	583	996

* Including salaries and other benefits of $533,132,000 (2024/25: $545,799,000) and contribution to provident fund scheme of $39,143,000 (2024/25: $38,876,000).

The borrowing costs have been capitalised at rates ranging from 2.89% to 4.08% per annum (2024/25: 3.35% to 3.85% per annum).

(expressed in Hong Kong Dollars)

6. Operating surplus/(deficit) before income tax (Continued)

Operating surplus/(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

	2026					
	Fees	Salaries	Provident fund scheme contributions	Sub-total	Variable pay	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Managing Directors[1]						
– Donald CHOI Wun Hing[2]	–	3,464	–	3,464	988	4,452
– WAI Chi Sing[3]	–	965	–	965	282	1,247
Executive Directors[1]						
– Carolin FONG Suet Yuen	–	3,086	140	3,226	724	3,950
– Wilfred AU Chun Ho	–	3,305	421	3,726	825	4,551
10 Senior management staff	–	22,326	2,402	24,728	6,032	30,760
Total[4]	–	33,146	2,963	36,109	8,851	44,960

	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[4]	–	33,093	2,889	35,982	9,550	45,532

Notes:

1. Variable pay for the year 2025/26 is pending the Government's approval.
2. Ar Donald CHOI Wun Hing assumed his role as Managing Director with effect from 15 June 2025.
3. The Former Managing Director, Ir WAI Chi Sing, retired on 14 June 2025.
4. Excluding compensation in lieu of leave in the aggregate sum of $753,000 (2024/25: $538,000).

6. Operating surplus/(deficit) before income tax (Continued)

Operating surplus/(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)

	2026	2025
Their remuneration fell within the following bands:		
	No. of Individuals	No. of Individuals
$1 to $500,000	1	1
$1,000,001 to $1,500,000	1	1
$2,000,001 to $2,500,000	–	2
$3,000,001 to $3,500,000	6	4
$3,500,001 to $4,000,000	3	3
$4,000,001 to $4,500,000	2	1
$4,500,001 to $5,000,000	1	1
$6,000,001 to $6,500,000	–	1
Total	14	14

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.

(expressed in Hong Kong Dollars)

6. Operating surplus/(deficit) before income tax (Continued)

Operating surplus/(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:

	2026	2025
	$'000	$'000
Chairman		
Mr CHOW Chung Kong, GBM, GBS, JP [1]	8	100
Non-Executive Directors (non-public officers)		
Mr William CHAN Fu Keung, BBS	65	65
The Honourable CHAN Hok Fung, MH, JP *(from 1 May 2025)*	60	–
Dr CHAN Ka Kui, GBS, JP	65	65
The Honourable CHAN Kin Por, GBS, JP *(from 1 May 2025)* [2]	45	–
The Honourable Vincent CHENG Wing Shun, BBS, MH, JP *(up to 30 Apr 2025)*	5	65
Mr CHIU Kam Kuen *(from 1 May 2025)* [1]	–	–
Ms Ivy CHUA Suk Lin *(up to 30 Apr 2025)*	5	65
Mr Andy HO Wing Cheong, MH *(up to 30 Apr 2025)*	5	65
Mr KWOK Wai Keung, BBS, JP	65	65
Ir Janice LAI Wai Man	65	65
Sr Alexander LAM Tsan Wing	65	65
Mrs Sylvia LAM Yu Ka Wai, SBS	65	65
Ms Lilian LAW Suk Kwan, MH, JP *(from 1 May 2025)*	60	–
Ir The Honourable Michael LEE Chun Keung, BBS, JP	65	65
Ms Jasmine LEE Shun Yi *(from 1 May 2025)* [1]	–	–
Ms Florence LEUNG Chi Hang *(from 1 May 2025)*	60	–
Ms Elaine LO Yuen Man, MH *(up to 30 Apr 2025)*	5	65
Professor TANG Bo Sin, MH *(up to 30 Apr 2025)*	5	65
Ms Judy TONG Kei Yuk *(up to 30 Apr 2025)*	5	65
Mr Tony TSE Wai Chuen, SBS, JP	65	65
Ms Yvonne YEUNG Kin Ha	65	65
	848	1,075

Notes:

1. The Chairman and the Non-Executive Directors opted not to receive any fees from the Authority with effect from 1 May 2025.

2. The Non-Executive Director suspended his position with effect from 12 January 2026.

6. Operating surplus/(deficit) before income tax (Continued)

Operating surplus/(deficit) before income tax is arrived at after charging/(crediting) the following items: (Continued)

(d) Five highest paid individuals

	2026 $'000	2025 $'000
The five individuals whose emoluments were the highest in the Group for the years ended 31 March 2026 and 2025 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	15,692	16,914
– Provident fund scheme contributions	1,058	935
Sub-total	16,750	17,849
Variable pay	4,096	4,896
Total **	20,846	22,745

Their remuneration fell within the following bands:

	No. of Individuals	No. of Individuals
$3,500,001 to $4,000,000	2	2
$4,000,001 to $4,500,000	2	1
$4,500,001 to $5,000,000	1	1
$6,000,001 to $6,500,000	–	1
Total	5	5

** For the year ended 31 March 2026, compensation in lieu of leave of $139,000 (2024/25: Nil) 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 (2024/25: Nil).

(b) As at 31 March 2026, the subsidiaries of the Group have unrecognised deductible temporary differences arising from capital allowance of $2,780,000 (31 March 2025: $2,847,000) and tax losses of $77,288,000 (31 March 2025: $63,936,000) to carry forward against future taxable income. These tax losses have no expiry date.

(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 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	4,600,110	1,681,141	1,202,472	252,052	61,019	14,911	72,198	7,883,903
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, net	(5,896)	(14,977)	(3,837)	–	–	–	–	(24,710)
Closing net book value	4,481,869	1,624,421	1,164,500	234,947	53,149	14,279	42,951	7,616,116
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	4,481,869	1,624,421	1,164,500	234,947	53,149	14,279	42,951	7,616,116
Year ended 31 March 2026								
Opening net book value	4,481,869	1,624,421	1,164,500	234,947	53,149	14,279	42,951	7,616,116
Additions/Adjustments[2]	1,721	2,747	–	(269)	662	4,530	45,496	54,887
Transfer from properties under development	34,000	–	–	–	–	–	–	34,000
Disposals/write-off	–	–	(55,949)	(997)	–	(103)	–	(57,049)
Depreciation	(112,873)	(42,560)	(33,470)	(18,296)	(9,141)	(6,842)	(34,243)	(257,425)
(Provision)/write-back of provision for impairment, net	(13,785)	2,930	(525)	–	–	–	–	(11,380)
Closing net book value	4,390,932	1,587,538	1,074,556	215,385	44,670	11,864	54,204	7,379,149
At 31 March 2026								
Cost	5,365,464	3,330,285	1,975,735	344,163	134,649	52,208	265,811	11,468,315
Accumulated depreciation	(611,595)	(477,509)	(488,993)	(128,778)	(89,979)	(40,344)	(211,607)	(2,048,805)
Accumulated impairment	(362,937)	(1,265,238)	(412,186)	–	–	–	–	(2,040,361)
Net book value	4,390,932	1,587,538	1,074,556	215,385	44,670	11,864	54,204	7,379,149

Notes:

1. The Group receives rental income for the retained properties and their aggregate fair value as at 31 March 2026 was $4,828,300,000 (31 March 2025: $4,995,500,000).

2. Adjustments represent the changes in estimated resumption and construction costs of properties and leasehold improvements.

8. Property, plant and equipment (Continued)

(a) Reconciliation of carrying amount (Continued)

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.

(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 2026	31 March 2025
	$'000	$'000
Properties leased for own use, carried at depreciated cost, with remaining lease term of less than 5 years	54,204	42,951

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

	2026	2025
	$'000	$'000
Depreciation charge of right-of-use assets by class of underlying asset:		
– Properties leased for own use	12,191	13,961
Interest on lease liabilities (Note 6(a))	583	996

9. Properties under development

As at 31 March 2026, the properties under development are analysed as follows:

	2026	2025
	$'000	$'000
Cost, including Home Purchase Allowance ("HPA") (Note (i))		
At 1 April	38,811,873	28,684,201
Add: Additions during the year*	14,356,078	10,127,672
Less: Charged to profit or loss during the year	(1,927,676)	–
Transferred to property, plant and equipment	(34,000)	–
At 31 March**	51,206,275	38,811,873
Provision for impairment at 31 March	(7,657,800)	(9,168,000)
Balance as at 31 March	43,548,475	29,643,873

* The amount includes depreciation of $22,052,000 (2024/25: $24,588,000) and interest expense of $1,464,000 (2024/25: $1,890,000) for properties leased for own use and capitalised.

** The amount includes accumulated interest and other borrowing costs capitalised of $1,231,510,000 (31 March 2025: $547,297,000).

(expressed in Hong Kong Dollars)

9. Properties under development (Continued)

As at 31 March 2026, the properties under development are analysed as follows:

	2026	2025
	$'000	$'000
Non-current portion	36,997,275	28,329,072
Current portion (development for sale)	6,551,200	1,314,801
	43,548,475	29,643,873

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. Under the FFF Scheme, eligible owner-occupiers of domestic properties may choose "in-situ" flat-for-flat units in the redevelopment area for which the acquisition is made, or flat-for-flat units in the Group's completed residential developments in other areas.

10. Building rehabilitation loans

As at 31 March 2026, the building rehabilitation loans are analysed as follows:

	2026	2025
	$'000	$'000
Non-current portion	1,274	2,171
Current portion	874	1,701
	2,148	3,872

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. Cash and bank balances

	2026	2025
	$'000	$'000
Bank deposits		
Original maturities of 3 months or less	5,174,067	2,163,865
Original maturities of more than 3 months	16,492,226	18,291,466
	21,666,293	20,455,331
Cash at banks and in hand	435,988	168,507
	22,102,281	20,623,838
Maximum exposure to credit risk	22,102,281	20,623,838

(expressed in Hong Kong Dollars)

11. Cash and bank balances (Continued)

Representing:

	2026	2025
	$'000	$'000
Non-current portion		
– Bank deposits	1,540,412	834,857
Current portion		
– Cash at banks and in hand	435,988	168,507
– Bank deposits	20,125,881	19,620,474
	20,561,869	19,788,981

As at 31 March 2026, cash and bank balances of the Group are denominated in Hong Kong Dollars except for an amount of $1,736,324,000 and $1,000 (31 March 2025: $1,364,624,000 and $1,000) which are denominated in USD and Renminbi respectively.

The average effective interest rate of time deposits with banks was 3.32% per annum (2024/25: 4.31% per annum). These deposits have an average maturity of 213 days (2024/25: 177 days).

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:

	2026	2025
Rating (Moody's)	$'000	$'000
Aa1 – Aa3	9,053,029	8,144,516
A1 – A3	12,980,007	12,431,821
Others	69,245	47,501
	22,102,281	20,623,838

11. Cash and bank balances (Continued)

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 are 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.

	Bonds issued	Bank loans	Lease liabilities	Total
	$'000	$'000	$'000	$'000
At 1 April 2025	13,960,962	–	49,219	14,010,181
Changes from financing cash flows:				
– Proceeds from issuance of bonds	9,900,000	–	–	9,900,000
– Issuing costs on issuance of bonds	(35,457)	–	–	(35,457)
– Redemption of bonds	(500,000)	–	–	(500,000)
– Proceeds from new bank loans	–	3,900,000	–	3,900,000
– Capital element of lease rentals paid	–	–	(34,703)	(34,703)
– Interest element of lease rentals paid	–	–	(2,047)	(2,047)
Total changes from financial cash flows	9,364,543	3,900,000	(36,750)	13,227,793
Other changes:				
– Amortisation of bonds issuing costs	12,392	–	–	12,392
– Increase in lease liabilities from entering into new leases during the year	–	–	45,496	45,496
– Interest expenses (note 6(a))	–	–	2,047	2,047
Total other changes	12,392	–	47,543	59,935
At 31 March 2026	23,337,897	3,900,000	60,012	27,297,909

(expressed in Hong Kong Dollars)

11. Cash and bank balances (Continued)

Reconciliation of liabilities arising from financing activities: (Continued)

	Bonds issued	Bank loans	Lease liabilities	Total
	$'000	$'000	$'000	$'000
At 1 April 2024	499,111	–	77,314	576,425
Changes from financing cash flows:				
– Proceeds from issuance of bonds	13,500,000	–	–	13,500,000
– Issuing costs on issuance of bonds	(43,015)	–	–	(43,015)
– Capital element of lease rentals paid	–	–	(37,386)	(37,386)
– Interest element of lease rentals paid	–	–	(2,886)	(2,886)
Total changes from financial cash flows	13,456,985	–	(40,272)	13,416,713
Other changes:				
– Amortisation of bonds issuing costs	4,866	–	–	4,866
– Increase in lease liabilities from entering into new leases during the year	–	–	9,772	9,772
– Termination of lease arrangements during the year	–	–	(481)	(481)
– Interest expenses (note 6(a))	–	–	2,886	2,886
Total other changes	4,866	–	12,177	17,043
At 31 March 2025	13,960,962	–	49,219	14,010,181

12. Properties held for sale

The Group's properties held for sale are located in Hong Kong and their carrying amounts are analysed as follows:

	2026	2025
	$'000	$'000
In Hong Kong, with remaining lease term of:		
– 50 years or more	5,674	5,674
– between 10 and 50 years	64,073	472,790
	69,747	478,464

13. Balances with joint development projects

	2026	2025
	$'000	$'000
Amounts due from joint development projects	25,012	35,349
Amounts due to joint development projects	(155,910)	(280,021)
	(130,898)	(244,672)

All amounts due from/(to) joint development projects are expected to be recovered/settled within one year.

The Group has the following active joint development projects as at 31 March 2026:

	Project Name/Location	Land use	Total gross floor area (m^2)	Actual completion date (calendar year)	Expected completion date (calendar year)
*	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	–

(expressed in Hong Kong Dollars)

13. Balances with joint development projects (Continued)

The Group has the following active joint development projects as at 31 March 2026: (Continued)

	Project Name/Location	Land use	Total gross floor area (m^2)	Actual completion date (calendar year)	Expected completion date (calendar year)
	My Place (Ma Tau Kok)	Commercial/Residential	6,944	2016	–
*	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	–
	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	–
	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	–

13. Balances with joint development projects (Continued)

The Group has the following active joint development projects as at 31 March 2026: (Continued)

Project Name/Location	Land use	Total gross floor area (m^2)	Actual completion date (calendar year)	Expected completion date (calendar year)
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	5,566	–	2026
One Victoria Cove (Kowloon City)	Commercial/Residential	66,654	–	2027
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/ Ngan Hon Street (Kowloon City)	Commercial/Residential	41,229	–	2028

(expressed in Hong Kong Dollars)

13. Balances with joint development projects (Continued)

The Group has the following active joint development projects as at 31 March 2026: (Continued)

Project Name/Location	Land use	Total gross floor area (m^2)	Actual completion date (calendar year)	Expected completion date (calendar year)
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	12,559	–	2028
Shing Tak Street/ Ma Tau Chung Road (Kowloon City)	Commercial/Residential	38,547	–	2029
@ Shantung Street/ Thistle Street (Yau Tsim Mong)	Commercial/Residential	15,929	–	2030

* Projects with commercial portions jointly held by the developer and the Group for letting and pending for sale

@ Newly awarded project during the year

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.

14. Trade and other receivables

As at 31 March 2026, the trade and other receivables are current in nature and analysed as follows:

	2026	2025
	$'000	$'000
Trade receivables and prepayments	143,608	208,839
Interest receivables	189,152	332,640
Other receivables and deposits	32,380	30,367
Balance at 31 March	365,140	571,846

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.

15. Investments

As at 31 March 2026, the debt securities investments are analysed as follows:

	2026	2025
	$'000	$'000
Investments at amortised cost		
– Current portion	–	550,000

As at 31 March 2025, the Group's debt securities investments represented high quality corporate bonds.

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 2026, the Authority had received all five tranches of equity injection of $10 billion in total.

(expressed in Hong Kong Dollars)

17. Trade and other payables

As at 31 March 2026, the trade and other payables are analysed as follows:

	Note	2026	2025
		$'000	$'000
Contract liabilities	(a)	149,399	138,920
Lease liabilities		60,012	49,219
Trade payables		231,316	101,525
Rental and other deposits received		282,448	266,069
Other payables		98,332	43,547
Accrued expenses		2,629,442	2,458,544
		3,450,949	3,057,824

Representing:

	2026	2025
	$'000	$'000
Non-current portion	387,882	366,819
Current portion	3,063,067	2,691,005
	3,450,949	3,057,824

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.

17. Trade and other payables (Continued)

Note: (Continued)

(a) Contract liabilities (Continued)

Movements in contract liabilities

	2026	2025
	$'000	$'000
Balance at 1 April	138,920	112,592
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)
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	10,479	27,189
Balance at 31 March	149,399	138,920

18. Bonds issued

As at 31 March 2026, the Group has issued the following fixed rate notes under a Medium Term Note programme:

	2026	2025
	$'000	$'000
Non-current portion		
HK dollar fixed rate notes with coupon of 3.35% due 2027	4,000,000	4,000,000
HK dollar fixed rate notes with coupon of 3.45% due 2029	5,000,000	5,000,000
HK dollar fixed rate notes with coupon of 3.10% due 2030	1,900,000	–
HK dollar fixed rate notes with coupon of 2.95% due 2031	5,000,000	–
HK dollar fixed rate notes with coupon of 3.50% due 2032	1,500,000	1,500,000
HK dollar fixed rate notes with coupon of 3.55% due 2034	3,000,000	3,000,000
HK dollar fixed rate notes with coupon of 3.48% due 2036	3,000,000	–
Less: Unamortised bonds issuing costs	(62,103)	(38,636)
	23,337,897	13,461,364
Current portion		
HK dollar fixed rate notes with coupon of 3.85% due 2026	–	500,000
Less: Unamortised bonds issuing costs	–	(402)
	–	499,598
Total	23,337,897	13,960,962

(expressed in Hong Kong Dollars)

19. Bank loans

As at 31 March 2026, the unsecured interest-bearing bank loans are repayable as follows:

	2026	2025
	$'000	$'000
After 2 years but within 5 years	3,900,000	–

The bank loans bear interest at HIBOR plus a margin per annum and are carried at amortised cost.

20. 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 2026 was $42,106,000 (2024/25: $41,765,000), net of forfeitures of $2,037,000 (2024/25: $2,270,000), which has been charged to the Group's profit or loss for the year.

21. Commitments

(a) Capital commitments

Capital commitments in respect of acquisition of property, plant and equipment at 31 March 2026 are as follows:

	2026	2025
	$'000	$'000
Contracted but not yet incurred	221	778

(b) Operating lease rental receivable

As at 31 March 2026, 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:

	2026	2025
	$'000	$'000
Within 1 year	136,738	137,297
After 1 year but within 2 years	88,132	63,600
After 2 years but within 3 years	53,600	22,448
After 3 years but within 4 years	37,263	8,031
After 4 years but within 5 years	35,904	2,964
After 5 years	1,873	988
	353,510	235,328

22. Significant related party transactions

Transactions entered into by the Group with members of the Board, key management personnel of the Group, 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".

Emoluments to members of the Board and the key management personnel of the Group are disclosed in Notes 6(b) and (c).

In addition to the balances and transactions disclosed elsewhere in these consolidated financial statements, the Group had the following material transactions with related parties during the year:

(a) During the year, the Authority reimbursed the Government an amount of $54,122,000 (2024/25: $55,050,000) 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 2026, there was an outstanding amount of $4,539,000 (31 March 2025: $4,542,000) due to the Lands Department. The amount is unsecured, interest-free and repayable on demand and included in trade and other payables.

(b) The Authority has entered into an entrustment agreement with the Architectural Services Department of the Government (the "Architectural Services Department"), under which the Authority was entrusted to design and construct a Joint-User Complex at Cheung Sha Wan Road, Sham Shui Po. During the year, the Architectural Services Department reimbursed the Authority an amount of $57,499,000 (2024/25: Nil) for the actual costs of the entrusted works and paid a project management fee of $5,519,000 to the Authority. As at 31 March 2026, there was an outstanding amount of $11,971,000 (31 March 2025: Nil) due from the Architectural Services Department. The amount is unsecured, interest-free and recoverable on demand and included in trade and other receivables.

(c) In 2011/12, the Authority has contributed $500,000,000 to Urban Renewal Trust Fund (the "Fund"). As at 31 March 2026, there was an amount of $16,154,000 (31 March 2025: $62,151,000) 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 $2,382,000 (2024/25: $2,539,000), and charged the said Fund $24,000 (2024/25: $25,000) for office accommodation expenses.

(expressed in Hong Kong Dollars)

23. 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 2026 is set out as follows:

	Note	2026	2025
		$'000	$'000
Non-current assets			
Property, plant and equipment		7,342,118	7,577,897
Properties under development		36,997,275	28,329,072
Interest in subsidiaries	23(a)	56,786	46,808
Loan to a subsidiary		14,600	14,600
Building rehabilitation loans		1,274	2,171
Prepayments		1,468,629	1,415,538
Bank deposits		1,540,412	834,857
		47,421,094	38,220,943
Current assets			
Properties held for sale		69,747	478,464
Properties under development for sale		6,551,200	1,314,801
Amounts due from joint development projects		25,012	35,349
Building rehabilitation loans		874	1,701
Trade and other receivables		366,727	574,270
Investments		–	550,000
Cash and bank balances		20,561,869	19,788,981
		27,575,429	22,743,566
Total assets		74,996,523	60,964,509
Capital and reserve			
Capital		10,000,000	10,000,000
Accumulated surplus		34,152,031	33,665,991
	23(b)	44,152,031	43,665,991
Non-current liabilities			
Trade and other payables		387,882	366,819
Bonds issued		23,337,897	13,461,364
Bank loans		3,900,000	–
		27,625,779	13,828,183
Current liabilities			
Amounts due to joint development projects		155,910	280,021
Trade and other payables		3,062,803	2,690,716
Bonds issued		–	499,598
		3,218,713	3,470,335
Total capital, reserve and liabilities		74,996,523	60,964,509

23. Statement of Financial Position of the Authority (Continued)

(a) Interest in subsidiaries

	2026	2025
	$'000	$'000
Unlisted shares, at cost	1	1
Amounts due from subsidiaries (Note)	110,137	95,989
Less: Provision for impairment	(53,352)	(49,182)
	56,786	46,808

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.

(expressed in Hong Kong Dollars)

23. 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 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	10,000,000	33,665,991	43,665,991
Balance at 1 April 2025	10,000,000	33,665,991	43,665,991
Surplus and total comprehensive income for the year	–	486,040	486,040
Balance at 31 March 2026	10,000,000	34,152,031	44,152,031

24. Approval of financial statements

The financial statements were approved by the Board on 11 June 2026.

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