

Circadian Limited

Annual report and financial statements

for the year ended 31 December 2025

Registered number: 03857131

Circadian Limited

Annual report and financial statements For the year ended 31 December 2025

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Circadian Limited

Strategic report

The directors present their strategic report for the year ended 31 December 2025.

Principal activities and review of business

The principal activity of the Company is the development of acquired land at Lots Road, London, SW10 as a mixed-use property scheme known as Chelsea Waterfront project and to sell the developed residential apartments and car park spaces. Planning, design and construction work have been undertaken in relation to the development proposals. The directors are satisfied with the level of business and year-end financial position of the Company.

Results and performance

The results and financial position of the Company for the year ended 31 December 2025 are set out in the financial statements.

As shown in the profit and loss account on page 11, the turnover is £85,857,621 (2024: £100,249,162) representing income from residential apartments and car park spaces sales and rental income receivable from development land. During the year there were 26 sale completions compared with 33 in 2024. Gross profit margin, at 42.4%, is lower than prior year (47.5%) due to the change in sales mix achieved during the year. Due to the repayment of the interest bearing loans in 2024, the Company has recognised profit for the financial year of £24,159,656 (2024: profit £3,478,101), this has been transferred to reserves. The net finance charge for the year includes a finance charge of £nil (2024: £35,745,983) relating to loans from fellow group companies.

The balance sheet on page 12 shows the Company's financial position at the year-end with net assets of £670,966,149 (2024: £686,257,493 net assets).

Financing

As at 31 December 2025 the Company has cash at bank of £95,347,009 (2024: £36,350,213).

Future developments

The Company will continue to develop the Chelsea Waterfront project and to sell the developed properties.

Principal risks and uncertainties

The key business risks and uncertainties affecting the Company are considered to relate to the external economic climate and demands in both commercial and residential property sectors.

During the year the increase in cost of living with the rising cost of energy, interest rate and inflation have had no material impact to ongoing activities. However, the Company continues to closely monitor the position and assess any possible impacts on the going concern of the Company.

Financial risk management

The management manages and assesses the exposures to the following financial risks by the Company to ensure appropriate measures are implemented on a timely and effective manner.

(i) Credit risk

The Company has no significant concentrations of credit risk with third parties.

(ii) Interest rate risk

The Company has no significant interest bearing assets, its income and operating cash flows are substantially independent of changes in market interest rates. Borrowings at market interest rates expose the Company to cash flow interest rate risk.

Circadian Limited

Strategic report (continued)

Financial risk management (continued)

(iii) Liquidity risk

The Company manages liquidity risk by ensuring that it can meet its financial obligations as and when they fall due. The Company expects to meet its financial obligations through management of resources and operating cash flows.

Key performance indicators (KPIs)

The principal activity of the Company is the development of residential property; accordingly, sale of development property is the main KPI of the company. The KPIs are presented in the results and performance section above.

Section 172(1) statement

As far as the directors are aware, all legal requirements under section 172 of the Companies Act 2006 have been complied with during the period and up to the date of signing the accounts.

The statement of actions and responsibilities of the Board below has been produced with regard to the matters set out in section 172(1)(a) to (f) of Companies Act 2006, as listed below:

- The likely consequences of any decision in the long term (approving the strategic direction and values);
- The interests of the company's employees, if any;
- The desirability of the company maintaining a reputation for high standards of business conduct;
- The need to foster the company's business relationships with suppliers, customers and others;
- The impact of the company's operations on the community and the environment; and
- The need to act fairly as between members of the company.

The Company is committed to pursuing leading governance practices as appropriate.

Actions and responsibilities of the Board

The Board is responsible for and makes key decisions on the following areas.

Approving the strategic direction and values, with consideration of the likely consequences in the long term

The Board is responsible to the shareholders for the strategic direction of the Company in both the short and long term and seeks to balance the best interests of the Company with the objective of enhancing shareholder value.

The long term primary objectives which reflect the strategic value of the Company to develop residential apartments and commercial units of high quality standards are to enhance shareholder value. The Board ensure they are aware of how well the Company is performing in these areas through the review of the operations and discussions with senior management during board meetings.

Each year the Board reviews senior management's projected results of the Company over the next five years, including the funding requirements, with reference to the strategic direction of the Company. If appropriate, the Board agrees these targets as the budget for the following financial year (short term objectives).

Interests of the Company's employees

The Company does not have any employees. The operations are managed by employees of related parties.

Maintaining a reputation for high standards of business conduct

As a company we believe that we are trusted by our stakeholders and have a good reputation for high standards of professionalism within the business we conduct. As part of this, the Board has oversight of and actively monitors the strong control environment managed by senior management to ensure a high standard of business conduct is met and the reputation of the Company is maintained.

Circadian Limited

Strategic report (continued)

Maintaining relationships with key suppliers, customers and others

The Board is focused on maintaining strong relationships with the Company's suppliers and other key stakeholders to ensure this is to the benefit of all parties. All contracts with suppliers and service providers, as well as transaction documents with counterparties are approved by directors, having first been reviewed by the legal department and other members of the senior management team. Payments to suppliers and service providers are authorised by directors and are made on a timely basis. The directors also review any feedback or requests made by suppliers and other key stakeholders upon receipt.

The Board is also committed on delivering quality customer focus to give the Company's customers and other key stakeholders an enjoyable and exciting experience. All hospitality events are reviewed and approved by the directors and delivered by senior management team. Our highly trained in-house sales and customer care teams are equipped with the skills and values to connect with our customers, to understand their needs and to support them throughout their journey from buying to settling into their new home.

Monitoring the impact of the company: environmental matters and community impact

Stakeholder engagement is very important to the Company and is encouraged by the Board. Local communities are engaged in consultation and considerations for the operational hours of construction are also made to minimise the disruption as well as the noise impact to the local residents.

Maintenance of the need to act fairly between members of the company

The Company is a wholly-owned subsidiary of Circadian (CH) Limited hence only has one member. The fiduciary duties of the Board include the promotion of the Company's success and ensuring the interests of the member are appropriately protected.

Approved by the Board and signed on its behalf by:



Raymond Chow
Director

19 August 2026

Circadian Limited

Directors’ report

The directors present their annual report and the audited financial statements of the Company for the year ended 31 December 2025. Details of principal risks and uncertainties, review of business, future developments, financial risk management, results and performance and KPIs can be found in the Strategic Report on pages 1 to 3.

Dividends

An interim dividend of £55,146,000 (2024: nil) was paid during the year.

Going concern

The Company has recorded a profit for the year of £24,159,656 and has net current assets of £659,887,316. The directors have assessed financial forecasts and have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date when the financial statements are authorised for issue. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Directors

The following held office as directors during the year and up to the date of signing the financial statements:

Hing Lam Kam
Justin Chiu
Raymond Chow
Raymond Tam

None of the directors had any interests in the shares of the Company during the year.

No director beneficially owns any of the ordinary shares or share options of the Company or has had a material interest in contracts of any significance during or at the end of the year.

Directors' and officers' liability insurance and qualifying third party indemnity are provided to the directors of the Company by another company within the CK Asset Holdings group. The CK Asset Holdings group is defined as CK Asset Holdings Limited and its subsidiaries.

A summary of how the directors have fostered the Company’s business relationships with suppliers, customers and others, including on the principal decisions taken by the Company during the financial year may be found in the Strategic Report.

Streamlined Energy and Carbon Report

The data included in the table below covers the reporting requirements detailed in the Streamlined Energy and Carbon Reporting (“SECR”) regulations and represents the carbon and energy performance of the Company for the year to 31 December 2025.

	2025	2024
Emissions from combustion of fuel for transport purposes, tCO ₂ e (scope 1)	6	7
Emissions from purchased electricity, heat and cooling, kWh (scope 2)	535,075	323,720
Intensity ratio (kWh per square foot of unsold apartments)	7	3

Circadian Limited

Directors' report (continued)

Streamlined Energy and Carbon Report (continued)

Carbon dioxide equivalent (CO2e) emissions are calculated using the UK Government GHG Conversion Factors and Methodology for Company Reporting 2022. The intensity measurement used is the unsold residential apartment floor area as the purchased electricity, heating and cooling are primarily from the unsold residential apartments.

Energy efficiency measures such as installation of smart meters and adjusting to lower temperature on the thermostat setting in the unsold residential apartments to reduce energy wastage.

Statement of disclosure of information to auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 (1) to (4) of the Companies Act 2006.

Independent auditor

Under section 487(2) of the Companies Act 2006, Deloitte LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Approved by the Board and signed on its behalf by:



Raymond Chow
Director

19 August 2026

Circadian Limited

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the CK Asset Holdings group company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Circadian Limited

Independent auditor's report to the members of Circadian Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Circadian Limited (the "Company"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 22.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Circadian Limited

Independent auditor's report to the members of Circadian Limited (continued)

Other information (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, 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 directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the Company's industry and its control environment, and reviewed the Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the Company's business sector.

We obtained an understanding of the legal and regulatory framework that the Company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding and relevant internal specialist including real estate valuation specialist regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

Circadian Limited

Independent auditor's report to the members of Circadian Limited (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

As a result of performing the above, we identified the greatest potential for fraud to be in the incentive for management to manipulate assumptions used in the assessment of the carrying value of stock. Our specific procedures performed to address it are described below:

- We evaluated management's impairment assessment by testing forecast development costs against costs incurred to date, approved budgets and contracted costs, and assessing the remaining costs to complete. We compared forecast sales prices per square foot for the principal unsold developments with recent sales achieved, prior-year forecasts and available market evidence, involving our internal real estate valuation specialists to assess the reasonableness of forecast sales prices against relevant industry and market data. We also tested the mathematical accuracy and integrity of the underlying project model, performed a retrospective review of prior-year sales and cost forecasts against actual outcomes, and assessed the effect on forecast profitability and headroom of reasonably possible adverse changes in sales prices, development costs and the timing of future sales.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic report or the Directors' Report.

Circadian Limited

Independent auditor's report to the members of Circadian Limited (continued)

Matters on which we are required to report by exception

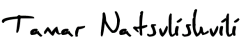
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

DAD898E5811C4E2...

Tamar Natsvlishvili (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

2026

19 August 2026 | 22:29:04 BST

Circadian Limited

Profit and loss account

For the year ended 31 December 2025

	Notes	2025 £	2024 £
Turnover	3	85,857,621	100,249,162
Cost of sales		(49,473,208)	(52,662,741)
Gross profit		36,384,413	47,586,421
Administrative expenses		(9,852,923)	(9,864,554)
Other operating income	4	753,950	4,750
Operating profit	5	27,285,440	37,726,617
Net interest receivable/(payable) and similar income/(expenses)	6	3,698,765	(33,283,285)
Finance lease income	7	405,541	396,864
Fair value gain on revaluation of investment properties	13	646,209	-
Profit before taxation		32,035,955	4,840,196
Tax on profit	9	(7,876,299)	(1,362,095)
Profit for the financial year and total comprehensive income		24,159,656	3,478,101

All results are from continuing operations.

There are no recognised gains or losses other than those shown above and consequently no separate statement of total comprehensive income is presented.

The notes on pages 14 to 26 form part of these financial statements.

Circadian Limited

Balance sheet

As at 31 December 2025

	Notes	2025 £	2024 £
Fixed assets			
Tangible assets	11	1,426	1,285
Investments	12	8,777,407	8,769,094
Investment properties	13	2,300,000	-
		<u>11,078,833</u>	<u>8,770,379</u>
Current assets			
Stocks	14	551,370,799	610,476,752
Debtors: amounts falling due after more than one year	15	25,810,225	25,512,433
Debtors: amounts falling due within one year	15	15,235,122	13,236,762
Cash at bank and in hand		95,347,009	36,350,213
		<u>687,763,155</u>	<u>685,576,160</u>
Creditors: amounts falling due within one year	16	<u>(27,875,839)</u>	<u>(8,089,046)</u>
Net current assets		<u>659,887,316</u>	<u>677,487,114</u>
Total assets less current liabilities		<u>670,966,149</u>	<u>686,257,493</u>
Creditors: amounts falling due after more than one year		<u>-</u>	<u>-</u>
Net assets		<u><u>670,966,149</u></u>	<u><u>686,257,493</u></u>
Capital and reserves			
Called up share capital	18	610,623,655	594,928,655
Profit and loss account		60,342,494	91,328,838
Total shareholder's funds		<u><u>670,966,149</u></u>	<u><u>686,257,493</u></u>

The financial statements of Circadian Limited (03857131) were approved by the Board of Directors and authorised for issue on 19 August 2026. They were signed on its behalf by:



Raymond Chow
Director



Raymond Tam
Director

The notes on pages 14 to 26 form part of these financial statements.

Circadian Limited

Statement of changes in equity

For the year ended 31 December 2025

	Called up share capital £	Profit and loss account £	Total £
Balance as at 1 January 2024	100	87,850,737	87,850,837
Preference shares (note 18)	594,928,555	-	594,928,555
Profit for the year and total comprehensive income	-	3,478,101	3,478,101
Balance as at 31 December 2024	594,928,655	91,328,838	686,257,493
Issue of share capital (note 18)	15,695,000	-	15,695,000
Profit for the year and total comprehensive income	-	24,159,656	24,159,656
Dividend paid	-	(55,146,000)	(55,146,000)
Balance as at 31 December 2025	610,623,655	60,342,494	670,966,149

The notes on pages 14 to 26 form part of these financial statements.

Circadian Limited

Notes to the financial statements

For the year ended 31 December 2025

1. Accounting policies

The principal accounting policies of the Company, which have been applied consistently during the current and previous years, are as follows:

a. General information and basis of accounting

Circadian Limited is a company incorporated in the United Kingdom under the Companies Act 2006. The Company is a private company limited by shares and is registered in England and Wales. The address of the registered office is Hutchison House, 5 Hester Road, Battersea, London, SW11 4AN, United Kingdom. The nature of the Company's operations and its principal activities are set out in the Strategic report on pages 1 to 3.

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102 issued by the Financial Reporting Council and the Companies Act 2006.

The functional and presentational currency of the Company is considered to be pounds sterling because this is the currency of the primary economic environment in which the Company operates.

The Company meets the definition of a qualifying entity under S9.3A of FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, for financial instruments, remuneration of key management personnel and cash flow statement. The Company has taken exemption under Companies Act 2006 S.401(1)(b) to present consolidated financial statements. The Company is consolidated in the financial statements of its ultimate parent undertaking and controlling party, CK Asset Holdings Limited and its registered address is disclosed in note 20.

b. Going concern

The Company has recorded a profit for the year of £24,159,656 and has net current assets of £659,887,316. The directors have assessed financial forecasts and have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date when the financial statements are authorised for issue. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

c. Tangible assets

Tangible assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible assets, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Motor vehicles	20%
Computer and office equipment	20%

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

d. Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Circadian Limited

Notes to the financial statements (continued)

For the year ended 31 December 2025

1. Accounting policies (continued)

d. Financial assets and liabilities (continued)

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

e. Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost of stocks comprises land acquisition, construction and other development expenditure.

f. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

g. Investments

Investments in subsidiaries and associates are measured at cost less impairment.

h. Investment properties

Investment properties are interests in land and buildings in respect of which construction work has been completed and which are held for their investment potential. Such properties are included in fixed assets at their open market value based on existing use as determined by an annual professional valuation. Changes in the fair value of investment properties are dealt with in the profit and loss account. Investment properties are not depreciated except where the unexpired term of the lease is twenty years or less.

i. Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

j. Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments for periods that are different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more than likely that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Circadian Limited

Notes to the financial statements (continued)

For the year ended 31 December 2025

1. Accounting policies (continued)

k. Deferred tax (continued)

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

l. Turnover

Turnover is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Where payments are received from customers in advance of the residential apartments and car park spaces are legally transferred to the customers, the amounts are recorded as sales received in advance. Rental income is recognised as per the term of the tenancy at will between the Company and the tenant which is terminable at any time.

m. Finance lease income

The capital elements of future lease receivables are recorded as assets, whilst the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the asset.

n. Finance lease asset

Finance lease asset is initially recognised at fair value of the leased asset, or if lower, the present value of the minimum lease payments determined at the start of the lease.

o. Interest receivable

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

p. Other operating income

Other operating income from forfeited reservation fee are recognised when payments are received and the customers notify the Company of the forfeited sale. Licence fee for alteration and assignment are recognised when payments are received.

q. Foreign currency

Transactions denominated in foreign currencies are translated into sterling and recorded at the rate of exchange ruling at the date of the transaction, except when covered by a forward exchange contract when the contracted rate is used.

Balances at the year-end denominated in a foreign currency are translated into sterling at the rate of exchange ruling at the balance sheet date.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources, for example, accruals. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Circadian Limited

Notes to the financial statements (continued)

For the year ended 31 December 2025

Key accounting judgement

Management has exercised judgement in determining whether certain properties developed pursuant to planning requirements should be assessed separately or as part of the wider development project. In making this assessment, management concluded that these properties form an integral component of the overall development and are necessary to enable the construction and sale of the associated profit-generating properties. Accordingly, the costs associated with these properties have been assessed as part of the overall recoverability of the wider development rather than in isolation.

Key source of estimation uncertainty

Impairment of stock

Stock is valued at the lower of cost and estimated net realisable value. Determining whether stocks are impaired requires an estimation of their value in use to the Company. The value in use calculation requires the entity to estimate the future costs to complete the stock and their forecast sales income along with a suitable discount rate in order to calculate present value, taking into consideration of the sensitivities and movements in the market. The value of stock at the end of 2025 is £551,370,799 (2024: £610,476,752).

Fair value of investment properties

The fair value of investment properties is determined at the end of each reporting period where an external valuation that is in accordance with RICS valuation – global standards 2017 is obtained. The key estimates include the market rent and yield of comparable properties in nearby locations. Property values may change significantly over a short period of time and the drivers of the sensitivity are market-based movements. Increases in market rent and/or decreases in the yield of comparable properties could potentially result in higher valuation of the Company's property, whereas decreases in market rent and/or increase in the yield of similar properties could have an adverse impact on the valuation.

See note 13 for the fair value of investment properties.

3. Turnover

An analysis of the Company's turnover, which all arises in the United Kingdom, is as follows:

	2025 £	2024 £
Sale of residential apartments	83,681,505	98,054,212
Sale of car park spaces	2,085,000	2,150,000
Gross rental income	91,116	44,950
	<u>85,857,621</u>	<u>100,249,162</u>

Gross rental income represents rental income receivable from development land and investment properties in the United Kingdom.

At 31 December, the Company had minimum income receivable from the non-cancellable operating lease as follows:

	2025 £	2024 £
Within one year	178,033	-
Within two to five years	696,773	-
Over five years	1,399,361	-
	<u>2,274,167</u>	<u>-</u>

Circadian Limited

Notes to the financial statements (continued)

For the year ended 31 December 2025

4. Other operating income

	2025 £	2024 £
Sundry income	753,950	4,750
	<u>753,950</u>	<u>4,750</u>

Sundry income included a settlement sum of £750,000 in respect of damages and costs with a contractor in 2025.

5. Operating profit

Operating profit is stated after charging the following:

	2025 £	2024 £
Auditor's remuneration for auditing of the financial statements	24,802	22,478
Depreciation – owned asset (note 11)	468	411
Foreign currency loss	-	7,378
	<u>-</u>	<u>7,378</u>

There were no non-audit services provided by the auditor to the Company in either period.

6 Net interest receivable/(payable) and similar income/(expenses)

	2025 £	2024 £
Interest payable and similar expenses:		
Interest payable on loan from fellow group companies	-	(35,745,983)
	<u>-</u>	<u>(35,745,983)</u>
Interest receivable and similar income:		
Add: Interest receivable on loan to fellow group companies (note 19)	636,759	689,077
Add: Bank interest receivable	3,062,006	1,773,906
Add: Other interest receivable	-	(285)
	<u>3,698,765</u>	<u>(33,283,285)</u>
Net finance income/(charges)	<u>3,698,765</u>	<u>(33,283,285)</u>

7. Finance lease income

	2025 £	2024 £
Finance lease income	<u>405,541</u>	<u>396,864</u>

Ground rent is receivable from lease of freehold land in relation to residential property within the Chelsea Waterfront development in the UK.

8. Employees and directors' emoluments

No fees or other emoluments were paid to the directors in respect of their services to the Company during the year (2024: nil). The directors are remunerated through other group companies and a proportionate amount cannot be determined for their work for this Company.

The Company had no employees in both the current and prior year.

Circadian Limited

Notes to the financial statements (continued)

For the year ended 31 December 2025

9. Tax on profit

	2025 £	2024 £
Current tax:		
UK corporation tax on profit for the year at 25% (2024: 25%)	(7,714,532)	(6,897,553)
Adjustment in respect of prior years	5,357,924	1,670,531
	<u>(2,356,608)</u>	<u>(5,227,022)</u>
Deferred tax (note 17):		
Accelerated capital allowances	(402)	77
Corporate interest restriction	-	5,457,972
Adjustment in respect of prior years	(5,357,737)	(1,593,122)
Change in fair value on investment properties	(161,552)	-
	<u>(7,876,299)</u>	<u>(1,362,095)</u>
Tax charge on profit	<u>(7,876,299)</u>	<u>(1,362,095)</u>

Factors affecting the charge for the year

The tax charge assessed for the year is lower (2024: higher) than that resulting from applying the standard rate of corporation tax in the UK of 25% (2024: 25%). The differences are explained below:

	2025 £	2024 £
Profit before taxation	32,035,955	4,840,196
Taxation charge at 25% (2024: 25%)	<u>(8,008,989)</u>	<u>(1,210,049)</u>
Effects of:		
Adjustment in respect of prior years	187	77,409
Expenses not deductible for tax purposes	(5,405)	(11,857)
Capital allowance in excess of depreciation	-	365
Land remediation relief	228,059	259,493
Residential Property Development Tax	(90,151)	(477,456)
	<u>(7,876,299)</u>	<u>(1,362,095)</u>
Total tax charge	<u>(7,876,299)</u>	<u>(1,362,095)</u>

The corporation tax rate in the UK remained at 25% for 2025 (2024: 25%). Accordingly, the Company's taxation for this financial year has been calculated at an effective rate of 25% (2024: 25%).

10. Dividend

	2025 £	2024 £
Interim, paid of £551,460 (2024: nil) per ordinary share	<u>55,146,000</u>	<u>-</u>

Circadian Limited

Notes to the financial statements (continued)

For the year ended 31 December 2025

11. Tangible assets

	Motor vehicle £	Computers £	Office equipment £	Total £
Costs				
At 1 January 2025	49,743	2,055	-	51,798
Additions during the year	-	-	609	609
At 31 December 2025	49,743	2,055	609	52,407
Accumulated depreciation				
At 1 January 2025	49,743	770	-	50,513
Charge for the year	-	412	56	468
At 31 December 2025	49,743	1,182	56	50,981
Net book value				
At 31 December 2025	-	873	553	1,426
At 31 December 2024	-	1,285	-	1,285

12. Investments

	Interest in subsidiary companies £	Amounts owed from group undertaking £	Total £
As at 1 January 2025	200	8,768,894	8,769,094
Additions	-	8,313	8,313
As at 31 December 2025	200	8,777,207	8,777,407

Amounts owed from group undertaking are unsecured, interest free and are not expected to be settled by repayment within 12 months of the balance sheet date and therefore as of 31 December 2025 this is presented as Investments within Fixed assets.

Details of the subsidiary companies are as follows:

Name	Place of Incorporation	Principal activities and place of operation	Percentage of shareholding
Chelsea Waterfront Nominee 1 Limited	England and Wales	Property holding nominee in the United Kingdom	100%
Chelsea Waterfront Nominee 2 Limited	England and Wales	Property holding nominee in the United Kingdom	100%

The interest in subsidiary companies are unlisted ordinary shares at cost. The subsidiary companies' address of the registered office is Hutchison House, 5 Hester Road, London, SW11 4AN, United Kingdom.

Circadian Limited

Notes to the financial statements (continued)

For the year ended 31 December 2025

13. Investment properties

	2025 £	2024 £
Valuation		
At 1 January	-	-
Additions	1,653,791	-
Revaluation	646,209	-
At 31 December	2,300,000	-

The method of determining fair value was by professional valuation. The leasehold investment properties have been revalued as at 31 December 2025 by Allsop LLP, an independent RICS registered professional valuer, on the basis of market value in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors in the United Kingdom. There are no restrictions on the realisability of investment properties.

If the revalued investment properties were stated on historical cost basis, the amount would be £1,653,791 (2024: £nil).

As set out in note 3, property income earned during the year was £91,116 (2024: £44,950). No contingent rents have been recognised as income in the current or prior year.

At the balance sheet date, the Company had contracted with tenants for the following future minimum lease payments:

	2025 £	2024 £
Within one year	178,033	-
Within two to five years	696,773	-
Over five years	1,399,361	-
	2,274,167	-

14. Stocks

	2025 £	2024 £
Development land and work in progress		
- Land	30,910,993	33,561,479
- Construction and other costs	372,416,043	433,742,693
- Completed stock	148,043,763	143,172,580
	551,370,799	610,476,752

There is no material difference between the balance sheet value of stocks and their replacement cost.

The cost of inventories recognised as an expense during the year in respect of continuing operations was £49,473,208 (2024: £52,662,741).

Circadian Limited

Notes to the financial statements (continued)

For the year ended 31 December 2025

15. Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Amounts owed from group undertakings:		
- Chelsea Waterfront Limited	60,953	51,355
- Chelsea Waterfront Nominee 1 Limited	62,427	52,871
- Chelsea Waterfront Nominee 2 Limited	62,592	53,077
- KC4 Affordable (BVI) Limited	281,299	-
Interest receivable from fellow group companies	627,567	280,252
VAT recoverable	423,937	422,871
Prepayment	353,582	597,085
Other debtors	276,377	341,922
Corporation tax recoverable	7,846,333	677,583
Deferred tax asset (note 17)	5,240,055	10,759,746
	<u>15,235,122</u>	<u>13,236,762</u>

All debtors are due within one year. Amounts owed from fellow group undertakings are unsecured, interest free and repayable on demand.

Amounts falling due after more than one year:

	2025 £	2024 £
Loans to fellow group company	12,000,000	12,000,000
Finance lease receivable on the ground rent	13,810,225	13,512,433
	<u>25,810,225</u>	<u>25,512,433</u>

Loans issued to Convoys Properties Limited at a rate of SONIA +1% per annum and unsecured for £7,200,000 and £4,800,000 maturing on 3 December 2027 and 18 February 2028 respectively.

Finance lease on the ground rent are receivable as follows:

	2025 £	2024 £
Minimum lease payments		
Within one year	107,750	107,750
In the second to fifth years inclusive	431,000	431,000
After five years	3,030,037,750	3,030,145,500
Less future finance charge	(3,016,766,275)	(3,017,171,817)
	<u>13,810,225</u>	<u>13,512,433</u>

Present value of lease receivable

Circadian Limited

Notes to the financial statements (continued)

For the year ended 31 December 2025

15. Debtors (continued)

	2025 £	2024 £
Present value of minimum lease payments		
Within one year	104,610	104,610
In the second to fifth years inclusive	388,834	388,834
After five years	13,316,781	13,018,989
Present value of lease receivable	13,810,225	13,512,433

The terms of the finance leases are for 979 years from 29 September 2017 with the ground rent doubling at the end of the twenty fifth, fiftieth, seventy fifth, one hundredth and one hundred and twenty fifth year.

The ground rent to be received under a 979-year lease that was granted in previous periods in relation to residential property within the Chelsea Waterfront development was not recognised as a finance lease receivable as the point the transaction was entered into.

16. Creditors: amounts falling due within one year

	2025 £	2024 £
Amounts owed to group undertakings:		
- Ferrensby Limited	115,323	150,441
- Albion Residential Limited	6,147	5,589
- Convoys Properties Limited	489,543	737,085
- Bymoon Limited	9,839	41,730
- KC2 Affordable (BVI) Limited	1,667,573	-
- KC3 Affordable (BVI) Limited	18,952,600	-
Trade creditors	2,499,343	1,203,289
Amounts owed to related entities (note 19)	10,425	1,308,809
Rental deposits	28,700	500
Sales received in advance	971,800	2,894,655
Retention money payable to contractors	191,912	191,912
Accruals	2,932,634	1,555,036
	27,875,839	8,089,046

Amounts owed to fellow group undertakings and related entities are unsecured, interest free and repayable on demand.

Circadian Limited

Notes to the financial statements (continued)

For the year ended 31 December 2025

17. Deferred tax

Deferred tax asset

	2025 £	2024 £
Accelerated capital allowances	5,390	5,792
Corporate interest restriction	5,396,217	10,753,954
Change in fair value on investment properties	(161,552)	-
	<u>5,240,055</u>	<u>10,759,746</u>
Deferred tax asset		
At 1 January	10,759,746	6,894,819
Deferred tax at 25% for the financial year	(5,519,691)	3,864,927
	<u>5,240,055</u>	<u>10,759,746</u>
At 31 December		

Deferred tax assets and liabilities are offset only where the Company has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or another entity within the Company.

There is no expiry date on timing differences, unused tax losses or tax credits.

18. Called up share capital

	2025 £	2024 £
Allotted and fully paid		
15,695,100 (2024: 100) ordinary shares of £1	15,695,100	100
594,928,555 (2024: 594,928,555) preference shares of £1	594,928,555	594,928,555
	<u>610,623,655</u>	<u>594,928,655</u>

Ordinary shares have full voting, dividend and capital distribution rights and do not confer any rights of redemption.

Preference shares have no voting rights; have dividend and capital distribution rights and right to redemption at option of the Company.

On 28 March 2025 15,695,000 ordinary shares of £1 were subscribed by Circadian (CH) Limited.

19. Related party transactions

During the year, the Company incurred expenditure for project management fees charged by its fellow group company as follows:

	2025 £	2024 £
Hutchison Property Group (UK) Limited	<u>4,642,334</u>	<u>4,130,184</u>

Included in accruals is the not yet invoiced amount of £1,332,912 (2024: £573,169) relating to the Hutchison Property Group (UK) Limited project management fee as shown as above.

Circadian Limited

Notes to the financial statements (continued)

For the year ended 31 December 2025

19. Related party transactions (continued)

During the year, the Company incurred expenditure for sales consultancy fees charged by its fellow group companies as follows:

	2025 £	2024 £
Hutchison Property Group (UK) Limited	283,848	250,511
Bymoon Limited	428,832	501,021
	<u>712,680</u>	<u>751,532</u>

During the year, the Company incurred professional fees for licence fee for alteration and assignment on the resident units in the Chelsea Waterfront development by its fellow group company as follows:

	2025 £	2024 £
Hutchison Property Group (UK) Limited	<u>3,950</u>	<u>4,750</u>

The Company has issued loans to its fellow group company, Convoys Properties Limited. Finance incomes were accrued and recognised to the profit and loss account as follows:

	2025 £	2024 £
Convoys Properties Limited	<u>636,759</u>	<u>689,077</u>
	<u>636,759</u>	<u>689,077</u>

During the year, the Company has claimed group relief on its corporation tax from the following related entities:

	2025 £	2024 £
CK Noble (Jersey) Limited	2,474	2,115
CK Steel (UK) Limited	2,242	3,128
CK William Midco 1 Limited	2,501	2,666
Wellness Legion (Jersey) Limited	-	1,041,500
Wellness Legion (UK) Limited	3,208	1,717
Wellness Vision (Jersey) Limited	-	257,683
	<u>10,425</u>	<u>1,308,809</u>

All other amounts owed to or from related parties are disclosed in notes 12 and 15 to 16.

Circadian Limited

Notes to the financial statements (continued)

For the year ended 31 December 2025

20. Immediate and ultimate parent undertaking

The immediate parent undertaking of the Company is Circadian (CH) Limited, a company incorporated in the United Kingdom.

The Company's ultimate parent undertaking and controlling party is CK Asset Holdings Limited, a company listed on The Stock Exchange of Hong Kong Limited and incorporated in the Cayman Islands. The address of the registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The group financial statements of CK Asset Holdings Limited, which is both the largest and smallest group into which the financial results of the Company are consolidated, can be obtained from 7th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong.

21. Financial commitments

Capital commitments are as follows:

	2025 £	2024 £
Contracted for but not provided for		
- Properties under development	2,010,627	2,945,345

22. Subsequent event

On 25 June 2026 the Company reduced its preference share capital by £50,000,000 effected by cancelling and extinguishing 50,000,000 of issued preference shares of £1.00 each in the capital of the Company, each of which is fully paid up.