NETWORKS FOR A CONNECTED COMMUNITY

Interim Report 2026

Stock code: 66

2026 Interim Results Financial Highlights

Total Revenue	HK$**26.2** billion ▼ **4.1%**
Recurrent Business Profit	HK$**3.4** billion ▲ **1.3%**
Property Development Profit	HK$**12.2** billion ▲ **120.7%**
Gain from Fair Value Measurement of Investment Properties	HK$**0.2** billion (vs HK$1.2 billion loss from fair value measurement for the six months ended 30 June 2025)
Net Profit Attributable to Shareholders of the Company	HK$**15.9** billion ▲ **105.9%**
Interim Ordinary Dividend	HK$**0.42** per share (same as 2025 interim)
Total Assets	HK$**492.3** billion ▲ **23.4%** (vs 31 December 2025)
Net Assets	HK$**228.5** billion ▲ **5.6%** (vs 31 December 2025)
Net Debt-to-equity Ratio	**21.7** % ▼ **0.8% pt.** (vs 31 December 2025)

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Interim Report 2026

Sustainability Report 2025

Our Vision

We aim to be an internationally-recognised company that connects and grows communities with caring, innovative and sustainable services.

Our Purpose

Keep Cities Moving

Our Values

- Excellent Service
- Mutual Respect
- Value Creation
- Enterprising Spirit

Our Cultural Focus Areas

- Participative Communication
- Effectiveness & Innovation
- Agility to Change
- Collaboration

Corporate Strategy 3 Strategic Pillars

Hong Kong Core

Attain Full Potential of Hong Kong Core Business and Advance our Social Objectives

Chinese Mainland and International Businesses

Expand into New Hubs and New Products across Chinese Mainland and International Business, Maintaining a Steady Growth

New Growth Engine

Invest in New Technologies and Mobility Services to Reinforce our Core for Long-term Growth

Our Network

LEGEND

Station
Interchange Station
Proposed Station
Proposed Interchange Station
Shenzhen Metro Network
* Racing days only

EXISTING NETWORK

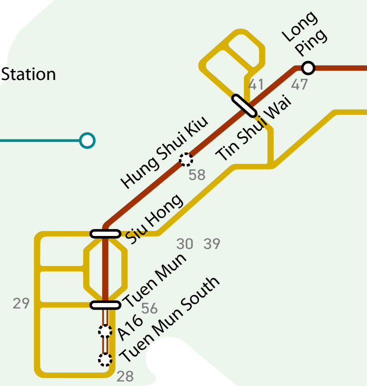
Airport Express
Disneyland Resort Line
East Rail Line
High Speed Rail
Island Line
Kwun Tong Line
Light Rail
South Island Line
Tseung Kwan O Line
Tsuen Wan Line
Tuen Ma Line
Tung Chung Line

PROJECTS IN PROGRESS

Tuen Mun South Extension
Kwu Tung Station
Hung Shui Kiu Station
Tung Chung Line Extension: Tung Chung East and Tung Chung West stations
Airport Railway Extended Overrun Tunnel
Oyster Bay Station
Northern Link (Part 1)

POTENTIAL FUTURE EXTENSIONS

Northern Link (Part 2)
Tseung Kwan O Line Southern Extension
South Island Line (West)
Pak Shek Kok Station



PROPERTIES OWNED / DEVELOPED / MANAGED BY THE CORPORATION

01 Telford Gardens / Telford Plaza I and II
02 World-wide House
03 Admiralty Centre
04 Argyle Centre
05 Luk Yeung Sun Chuen / Luk Yeung Galleria
06 New Kwai Fong Gardens
07 Sun Kwai Hing Gardens
08 Fairmont House
09 Kornhill / Kornhill Gardens
10 Fortress Metro Tower
11 Hongway Garden / Infinitus Plaza
12 Perfect Mount Gardens
13 New Jade Garden
14 Southorn Garden
15 Heng Fa Chuen / Heng Fa Villa / Paradise Mall
16 Park Towers
17 Felicity Garden
18 Tierra Verde / Maritime Square 1 / Maritime Square 2
19 Tung Chung Crescent / Citygate / Novotel Citygate / Seaview Crescent / Coastal Skyline / Caribbean Coast
20 Central Park / Island Harbourview / Park Avenue / Harbour Green / Bank of China Centre / HSBC Centre / Olympian City One / Olympian City Two
21 The Waterfront / Sorrento / The Harbourside / The Arch / Elements / The Cullinan / The Harbourview Place / W Hong Kong / International Commerce Centre / The Ritz-Carlton, Hong Kong
22 One International Finance Centre / Two International Finance Centre / IFC Mall / Four Seasons Hotel / Four Seasons Place
23 Central Heights / The Grandiose / The Wings / PopCorn 1 / PopCorn 2 / The Royal Garden Kowloon East / Vega Suites
24 Residence Oasis / The Lane
25 No.8 Clear Water Bay Road / Choi Hung Park & Ride
26 Metro Town
27 Royal Ascot / Plaza Ascot
28 Ocean Walk
29 Sun Tuen Mun Centre / Sun Tuen Mun Shopping Centre
30 Hanford Garden / Hanford Plaza
31 Citylink Plaza
32 MTR Hung Hom Building / Hung Hom Station Carpark
33 Trackside Villas
34 The Capitol / Le Prestige / Hemera / Wings at Sea / MALIBU / LP6 / MONTARA / GRAND MONTARA / SEA TO SKY / MARINI / GRAND MARINI / OCEAN MARINI / LP10 / VILLA GARDA / SEASONS PLACE / PARK SEASONS / GRAND SEASONS / The LOHAS
35 The Palazzo
36 Lake Silver
37 Festival City
38 The Riverpark
39 Century Gateway
40 THE PAVILIA FARM / The Wai
41 YOHO WEST / YOHO WEST PARKSIDE
42 The Austin / Grand Austin
43 SOUTHLAND / La Marina / Blue Coast / THE SOUTHSIDE / LA MONTAGNE
44 ONMANTIN / IN ONE
45 Ocean Pride / Ocean Supreme / PARC CITY / THE PAVILIA BAY / City Point
46 Cullinan West
47 The Spectra / Sol City
48 The YOHO Hub
49 GRAND MAYFAIR

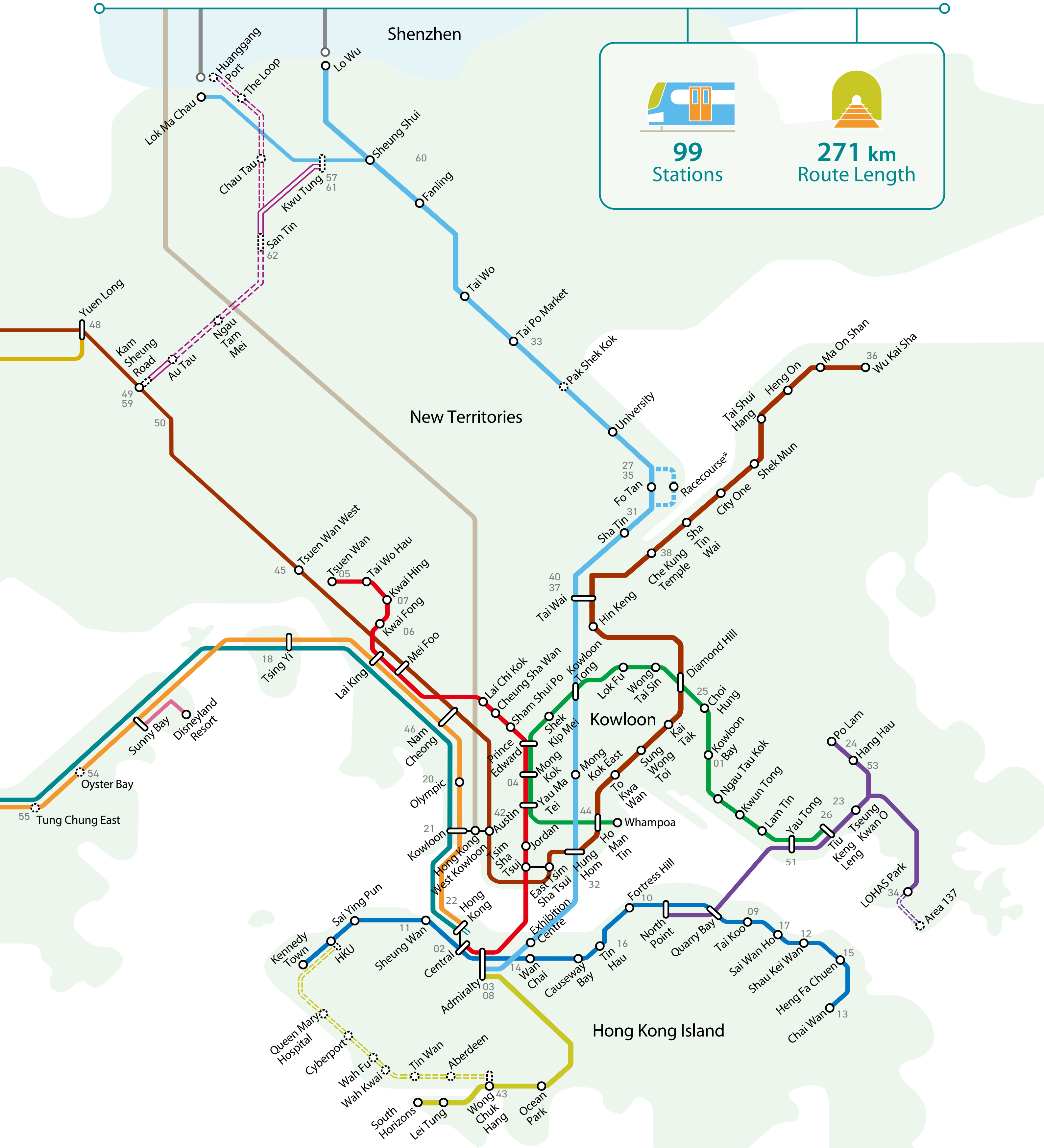
PROPERTY DEVELOPMENTS UNDER CONSTRUCTION / PLANNING

34 LOHAS Park Packages
43 THE SOUTHSIDE Packages
51 Yau Tong Ventilation Building
52 Tung Chung Traction Substation
53 Pak Shing Kok Ventilation Building
54 Oyster Bay Packages
55 Tung Chung East Station Packages
56 A16 Station Packages
57 Kwu Tung Station Packages
58 Hung Shui Kiu Station Packages
59 Kam Sheung Road Station Phase 2
60 Fanling North Packages
61 Kwu Tung North Packages
62 San Tin Station Packages

WEST RAIL PROPERTY DEVELOPMENTS (AS AGENT FOR THE RELEVANT SUBSIDIARIES OF KCRC)

39 Century Gateway
45 Ocean Pride / Ocean Supreme / PARC CITY / THE PAVILIA BAY / City Point
46 Cullinan West
47 The Spectra / Sol City
48 The YOHO Hub
49 GRAND MAYFAIR
50 Pat Heung Maintenance Centre

HONG KONG OPERATING NETWORK WITH FUTURE EXTENSIONS



Chairman's Letter

Dear Shareholders and other Stakeholders,

I am pleased to share that MTR achieved a productive and encouraging first six months of 2026 as the Company worked with great purpose and diligence to build Hong Kong's railway network of the future while once again providing exceptional transport services for millions of passengers and delivering strong value for shareholders. Our core businesses remained resilient, enabling us to protect and grow our recurrent revenue despite a stubbornly uncertain macroeconomic environment. We continued to support our vital railway construction and asset management programmes through high-quality transit-oriented property development and strong access to capital market funding. We have also set in motion a comprehensive five-year plan designed to further evolve our organisation through commitments to advanced technology and sustainable growth that will benefit the Company and Hong Kong as a whole.

MTR is making significant financial investments in several new railway projects. We are particularly honoured and excited to be taking part in the development of the vast Northern Metropolis, which is expected to strengthen Hong Kong's strategic position as an international innovation and technology ("I&T") hub, create new jobs, and foster cross-boundary economic integration. Late last year, we began work on the Northern Link, which will serve as the area's primary transport artery. This project presents enormous opportunities for us to contribute to the infrastructure and urban landscape of one of Government's biggest and most strategically important development initiatives. While the Northern Link represents the largest infrastructure development undertaking in MTR's history, it is not the first time we have been entrusted with delivering an essential railway of great scale and importance. We are up to the task, as signified by the confidence and diversity of global credit investors that participated in three separate green bond issuances during this period in support of our use of proceeds to design, construct and operate world-class, environmentally friendly mass transit networks. The green bonds' issuances, equivalent to a total of HK$56.5 billion denominated in Australian dollars, Hong Kong dollars and Euros, underline the prudent financial planning and management, experience, know-how, and innovation that have become synonymous with MTR in support of our aim to ensure the timely, on-budget delivery of the Northern Link and other crucial railway lines across the city.

Elsewhere, we are working hard to drive recurrent revenue – an important source of earnings as well as funding for on-going asset maintenance and upgrade programmes – and diversify our business streams in the domestic, Chinese Mainland and international markets. Earlier this year, we welcomed Government's announcement of the Transport Strategy Blueprint, which outlines the development of railway projects under the "Eight Vertical and Eight Horizontal Corridors" layout, smart railways, and "Transport Interchange Hubs" to enhance railway transfer connectivity and further encourage the use of environmentally friendly rail transit. As always, we stand ready to offer our full support for local and national development initiatives that push transport infrastructure forward while providing mutually beneficial growth opportunities.

Our five-year plan outlines the central role I&T will play in our efforts to achieve efficient railway delivery and asset management while building an agile, AI-fluent workforce that is ready to tackle the challenges of tomorrow. Highlights of this commitment in action include winning the prestigious "World Intellectual Property Organisation National Award for Inventors" at the International Exhibition of Inventions Geneva and launching the Capital Works Integration Lab, which enables large-scale off-site testing of electrical and mechanical systems through a virtual station environment.

We strive to be a trusted organisation that grows and evolves together with its communities. I believe I can speak for everyone at the Company when I express my confidence that the steps we have been taking in recent months and years have us firmly on pace to deliver Hong Kong's networks of the future and Keep Cities Moving.

BUSINESS PERFORMANCE AND GROWTH

Over the first six months of the year, MTR continued to "Go Beyond Boundaries" in railway design, construction and maintenance to support Hong Kong's long-term strategic planning and development. We have committed HK$140 billion towards our new railway projects – the Tung Chung Line Extension, Oyster Bay Station, the Tuen Mun South Extension, Kwu Tung Station on the East Rail Line, Hung Shui Kiu Station on the Tuen Ma Line and the Northern Link (Part 1) – and are progressing on schedule.

Our Rail plus Property business model enables us to reinvest profit from our transit-oriented property developments into new railway construction projects and operational upkeep. In the first half of 2026, we awarded the tender for the Kam Sheung Road Station Phase 2 property development. Other property development projects remain in progress with pre-sales activities continuing for many, contributing a total of approximately 9,300 units for sale to the local housing market.

We remain committed to identifying and pursuing new opportunities to drive business growth and strengthen our brand presence in the Chinese Mainland and overseas markets. On the Chinese Mainland, the operations and maintenance contract for Shenzhen Metro Line 13 Phase 2 Northern Extension was awarded in June, and we progressed multiple station commercial business ventures throughout the review period. In Australia, we secured the Sydney Metro West project in December 2025. Meanwhile, we continued to explore opportunities in high-potential markets including the Chinese Mainland, Belt and Road countries and other overseas regions.

FINANCIAL PERFORMANCE

During the period under review, MTR continued its strategic financial preparations to fuel on-going asset upgrade programmes and network expansion activities while maintaining prudent cost controls, adequate cashflow and a strong balance sheet. In the first half of 2026, profit attributable to equity shareholders from recurrent businesses increased slightly to HK$3,434 million when compared to the same period last year. This was primarily due to higher contributions from our Chinese Mainland and International businesses, which were partially offset by the higher depreciation and variable annual payment of our Hong Kong businesses. Together with property development profit of HK$12,233 million, profit arising from underlying businesses increased to HK$15,667 million compared to the first six months of 2025. Including the gain arising from fair value measurement of investment properties of HK$205 million, net profit attributable to shareholders of the Company increased to HK$15,872 million, representing earnings per share of HK$2.55. Your Board has declared an interim dividend of HK$0.42 per share, same as the first six months of 2025.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Sustainability and social responsibility are crucial to the Company's strategic priorities as a leading provider of accessible, low-carbon railway services. This year, we have set 31 key performance indicators to track our progress in 10 environmental, social and governance ("ESG") areas covering the primary objectives of reducing Greenhouse Gas Emissions, promoting Social Inclusion, and fostering Advancement & Opportunities.

One of the most innovative ways we give back to the community is by upcycling our retired train and railway components and donating them to local organisations and NGOs through an initiative called the "Legacy Train Revitalisation Programme". In the first half of 2026, we also continued to promote low-carbon living among young students through our "Green T Baby Environmental Education Programme" and reduce our carbon footprint by introducing electric buses to our fleet. Meanwhile, we continued to work towards reaching our 2030 science-based carbon reduction targets and achieving carbon neutrality by 2050.

In social outreach, our "More Time Reaching Community" volunteering scheme continued with a headcount of 2,684 participating volunteers taking part in 198 community services projects over the first half of the year. Meanwhile, "'Train' for Life's Journeys 2.0" continued to offer future skills training and mentorship to young participants, with a dedicated environmental stream alongside social inclusion.

At MTR, we adhere to a strong corporate governance framework that enables us to deliver on our corporate and fiduciary responsibilities and operate in an ethical and transparent manner for the benefit of our shareholders and stakeholders. We review our governance practices on a regular basis to ensure that we reach our ESG goals, and we remain committed to fostering diversity and inclusivity throughout our organisation.

ACKNOWLEDGEMENTS AND APPRECIATION

I would like to welcome Ms Mary Huen Wai-yi and Mr Michael Wong Yick-kam as Independent Non-Executive Directors ("INED") of the Board effective 27 May 2026 and thank Dr Carlson Tong, who retired as an INED on 27 May 2026, for his valuable contributions and services over the years. I would also like to welcome Miss Winnie Tse Wing-yee as a Non-executive Director ("NED") of the Board with effect from 1 April 2026 by virtue of her appointment as the Commissioner for Transport and thank Ms Angela Lee Chung-yan, who ceased to be an NED of the Board effective 1 April 2026 at the same time as she ceased to be the Commissioner for Transport, for her valuable contributions to the Company.

We are continuing to make all the necessary preparations to deliver critical new railways and support Hong Kong's economic development by further strengthening our robust financial position, continuing to invest heavily in I&T, and ensuring that our entire organisation is future-fit and ready to Keep Cities Moving. I am excited for MTR and Hong Kong to write this new chapter of our shared growth story, and I look forward to working with my fellow Board members, senior leadership, staff, Government and partners to help bring it to life.

Dr Jacob Kam Chak-pui
Chairman
Hong Kong, 13 August 2026

CEO's Review and Outlook

Dear Shareholders and other Stakeholders,

It is an exciting time to be part of the Hong Kong growth story. MTR is now actively progressing seven new railway projects that present fresh opportunities for the Company and the city's development. As we carry out one of the largest railway expansions in our history, we are also contending with external challenges such as global economic headwinds, shifting consumer and travel patterns, uncertainties in the retail and property markets, and increased competition both at home and abroad. However, I believe our stakeholders and shareholders should feel confident about the steps we are taking to ensure delivery of these critical infrastructure projects, maintain high standards for existing networks, meet our sustainability objectives, and Keep Cities Moving while simultaneously creating the MTR of tomorrow.

Earlier in the year, we completed a five-year plan to evolve the Company into a future-fit, AI- and tech-empowered organisation with the agility, capabilities and culture to ignite long-term business success and grow together with Hong Kong. This plan involves several important pillars. To Keep Cities Moving with sustainable world-class mass transit services, we are accelerating our adoption of AI and other advanced technologies to continuously enhance safety, reliability and customer experience, enable smart asset management, and strengthen our assets' efficiency and resilience. We are focusing on delivering our many new projects on time, within budget and to a high level of quality. We are pursuing growth opportunities at home, on the Chinese Mainland and overseas. We are increasing our efforts in being an engaged, socially responsible company and a preferred employer with an aligned, motivated and skilled workforce. Finally, to counter market challenges to our domestic and international businesses, we are sustaining and expanding our recurrent revenue streams while exercising prudent and proactive financial and cash flow management. Our new five-year plan signals our firm intent to achieve long-term organisational excellence through financial strength, innovation and technology, and steadfast commitments to communities and those we serve.

We believe our foresight, planning and preparations have us right on track, especially now that there are glimpses of recovery in various aspects of the local economy. Over the first six months of the year, we continued to maintain our Hong Kong services at world-class levels, a highlight of which was the successful replacement of a major signalling system along the Tsuen Wan Line. Recurrent revenue benefitted from increased patronage for our Cross-boundary Service and High Speed Rail. In our property business, the tender market and unit sales were both on the upswing, though the outlook for the second half of the year seems more uncertain. We also kick-started another new project, Pak Shek Kok Station, and won new business on the Chinese Mainland and in Australia. In the longer term, our new projects are progressing well, with many of them to be completed in the coming few years. We are currently in an intensive phase of financing and construction, advancing both in a professional and prudent manner to ensure smooth execution and long-term value creation for the Company. Railways form the core of the city's transportation infrastructure, and the city's rail network today is double that of 20 years ago. Upon completion of the seven new projects underway, together with the South Island Line (West) and Pak Shek Kok Station projects currently under planning and design, we expect the number of stations to increase by 20, enhancing connectivity and providing fresh impetus for Hong Kong.

BUSINESS PERFORMANCE AND GROWTH

Over the first six months of 2026, MTR once again achieved a world-class performance level of 99.9% in both passenger journeys on-time and train service delivery across its heavy rail network in Hong Kong. Cutting-edge innovations such as AI and data analytics continued to help us "Go Smart Go Beyond" in our efforts to achieve enhanced railway operations and maintenance as well as customer service. In March 2026, we announced that fares for 2026/2027 will remain unchanged based on the Fare Adjustment Mechanism. Meanwhile, we continued to offer on-going fare concessions for the elderly, children, eligible students, persons with disabilities and more.

In April 2026, we awarded the tender for the Kam Sheung Road Station Phase 2 property development, supporting the development of the Northern Link. In terms of existing projects, we had eight residential property projects under construction, and along with completed residential property projects, we anticipate contributing about 9,300 units for sale to the market while supporting the development of new rail lines.

We were invited by Government in July 2026 to commence detailed planning and design for Pak Shek Kok Station on the East Rail Line, a station that is important for the development of the Northern Metropolis as well as Hong Kong's technology industry due to its location next to the Science Park. We also continued to make strong progress on a number of new railway projects throughout the first half of the year, including the Tung Chung Line Extension, Oyster Bay Station, the Tuen Mun South Extension, Kwu Tung Station on the East Rail Line, Hung Shui Kiu Station on the Tuen Ma Line and the Northern Link (Part 1).

In support of the National 15th Five-Year Plan, and as part of our continued growth strategy, the Company partnered with a subsidiary of the state-owned enterprise CRRC Group and was awarded the Sydney Metro West project in December 2025. The operations and maintenance contract for Shenzhen Metro Line 13 Phase 2 Northern Extension was awarded in June 2026. We also continued to build our station commercial business on the Chinese Mainland, where we now have operations or agreements in four cities.

One of our top priorities is ensuring that we maintain a diversified funding base to drive growth and execute our capital investment programme. During the period under review, MTR raised an AU$2 billion green bond, a HK$18.8 billion green bond and a EUR 3 billion green bond, further diversifying the Company's investor base and underscoring market confidence in its fundamentals and long-term prospects. The Company maintains disciplined financial stewardship through prudent management, ensuring that obligations are met while supporting long-term growth.

FINANCIAL PERFORMANCE

Profit attributable to equity shareholders from recurrent businesses improved slightly to HK$3,434 million in the first half of 2026 compared to the HK$3,391 million that was recorded over the same period last year. This was due primarily to higher contributions from our Chinese Mainland and International businesses, which were partially offset by higher depreciation and variable annual payment for our Hong Kong businesses. The period under review also saw higher property development profit of HK$12,233 million, which was mainly derived from property development packages relating to our earlier railway projects. As a result, profit from underlying businesses increased by 75.4% to HK$15,667 million. Including the gain arising from fair value measurement of investment properties (a non-cash accounting item) of HK$205 million, net profit attributable to shareholders of the Company increased to HK$15,872 million, representing earnings per share of HK$2.55. Your Board has declared an interim dividend of HK$0.42 per share, same as the first six months of 2025.

OUTLOOK

Our network expansion programme in Hong Kong and our on-going asset maintenance, upgrade and replacement activities require significant capital outlay, which we will continue to manage effectively by sustaining and growing our recurrent revenue streams, securing external funding, and exercising prudent financial management.

In the second half of the year, we anticipate that our patronage will keep seeing mild increases based on recent trends, while our advertising and property rental businesses may also benefit from the gradual stabilisation of the retail and property markets. As always, we will keep a close eye on inflation and interest rate trends as macroeconomic and geopolitical conditions continue to fluctuate.

The performance of our property business and the wider property market will depend to some degree on prevailing local and global economic conditions and interest rate trends. Subject to the progress of construction and sales, we expect to book property development profit from THE SOUTHSIDE Package 6 and Yau Tong Ventilation Building and to continue booking profit from Tai Wai Station in the second half of the year. Much of the profit from property development will contribute to our asset replacement and management programmes as well as new railway projects. Property development projects typically span several years, from design to pre-sales, and the timing of profit recognition depends on both construction and sales progress. The tendering of the Tuen Mun A16 Station Package 2 property development project was launched in July 2026, and the project is expected to be completed in 2033 or after. Subject to market conditions, we expect to tender two projects in the coming 12 months or so. Together with Tuen Mun A16 Station Package 2, these projects could yield a total of about 8,000 units.

On top of commencing project design for the Pak Shek Kok Station project, we will continue discussions with Government in the second half of the year to finalise the Northern Link (Part 2) Project Agreement and move ahead at full steam on the Northern Metropolis' main transport artery. We will also continue to explore opportunities to participate in a range of Government initiatives to expand Hong Kong's transport networks, including additional railway lines as well as smart and green transit systems to serve various parts of the city.

Meanwhile, we are actively pursuing new growth opportunities outside of Hong Kong, a core part of our five-year plan to create diversified business streams and increase recurrent revenue. On the Chinese Mainland, we will seek to grow our core operations and maintenance business, explore transit-oriented development opportunities, and expand our station commercial activities in multiple cities across the country. Internationally, our priorities are to support our client in opening the southwest section of the Sydney Metro M1 Metro North West & Bankstown Line and continue growing our business elsewhere in Australia while also looking afield at high-potential opportunities in Asia, Europe and the Middle East.

In closing, I would like to say once again how excited we are to be participating in this crucial stage of Hong Kong's infrastructural and economic development. I also look forward to working together with our Board, our talented and passionate staff, and our business partners in the coming months and years as we continue building a caring, future-ready, financially robust organisation that our stakeholders can continue to rely on to Keep Cities Moving.

Jeny Yeung Mei-chun
Chief Executive Officer
Hong Kong, 13 August 2026

The First Half in Review

BUSINESS PERFORMANCE

HONG KONG BUSINESSES

MTR's Hong Kong businesses form the core of its operations. They span rail and bus transport services; station commercial activities such as retail rentals and advertising sales; property-related activities involving development, mall rental and management; and the creation of new railway lines, including their investment, design and construction. The Company's "Rail plus Property" business model ("R+P Model") enables it to apply funds generated from property developments towards future infrastructure projects and asset upgrades, carry out regular railway maintenance and operations programmes, and create vibrant, transport-centric communities while delivering shareholder value.

Hong Kong Transport Services

Transport Operations

HIGHLIGHTS

- Company continued to benefit from higher patronage for Cross-boundary Service and High Speed Rail
- MTR maintained 99.9% train service delivery and passenger journeys on-time
- Company continued to adopt the latest technologies for improved customer experience as part of its efforts to "Go Smart Go Beyond"

	Six months ended 30 June		
HK$ million	**2026**	2025	Inc./(Dec.) %
Hong Kong Transport Operations			
Total Revenue	**11,850**	11,509	3.0
Operating Profit before Depreciation, Amortisation and Variable Annual Payment ("EBITDA")	**4,056**	3,966	2.3
(Loss)/Profit before Interest, Finance Charges, Taxation and after Variable Annual Payment ("EBIT")	**(141)**	98	n/m
EBITDA Margin (in %)	**34.2%**	34.5%	(0.3)% pt.
EBIT Margin (in %)	**(1.2)%**	0.9%	(2.1)% pts.

n/m: not meaningful

In the first half of 2026, revenue from Hong Kong transport operations was HK$11,850 million, an increase of 3.0% compared to the same period last year. This was largely due to an increase in revenue from Cross-boundary Service and High Speed Rail ("HSR"). Loss before interest, finance charges and taxation and net of the variable annual payment to Kowloon–Canton Railway Corporation ("KCRC") was HK$141 million. As compared with the same period last year, the change in EBIT was mainly due to increases in depreciation and variable annual payment.

Patronage and Revenue

	Patronage In million		Revenue HK$ million	
	Six months ended 30 June 2026	Inc./(Dec.) %	**Six months ended 30 June 2026**	Inc./(Dec.) %
Hong Kong Transport Operations				
Domestic Service	**789.6**	0.5	**7,252**	0.2
Cross-boundary Service	**55.4**	8.2	**1,930**	6.6
HSR	**16.6**	12.8	**1,830**	10.5
Airport Express	**6.4**	0.6	**428**	6.5
Light Rail and Bus	**107.4**	1.8	**357**	0.6
	975.4	1.2	**11,797**	2.9
Others			**53**	17.8
Total			**11,850**	3.0

Patronage rose over the first six months of the year, which was primarily due to increases for Domestic Service, Cross-boundary Service and HSR. Total patronage for all rail and bus services was 975.4 million compared to the 963.7 million recorded over the first half of 2025, an increase of 1.2%. Average weekday patronage increased by 1.5% to 5.73 million.

Market Share

MTR's overall share of the franchised public transport market in Hong Kong was 50.2% in the first five months of 2026 compared with 50.0% over the same period in 2025. Of this total, our share of cross-harbour traffic was 72.9% compared with 72.5% in the first five months of 2025.

Our share of the cross-boundary transport business in the first five months of 2026 decreased to 47.9% from 48.8%, which was mainly attributable to the addition of more road-based control points. Our share of traffic to and from the airport in the first five months of the year decreased to 16.7% from 17.7%, mainly due to keen competition from other modes of transport.

Fare Adjustment, Promotions and Concessions

In March 2026, we announced that fares for 2026/2027 will remain unchanged based on the "Affordability Cap" arrangement, which stipulates that the calculated fare adjustment rate (+2.85%) cannot exceed the corresponding year-on-year change in median monthly household income (zero). The +2.85% fare adjustment rate will instead be recouped over the subsequent two years, of which +1.43% will be recouped in 2027/2028 and +1.42% will be recouped in 2028/2029. Additionally, the total rate of +1.96% to be recouped this year will also be carried forward to 2027/2028 for recoupment according to the Fare Adjustment Mechanism ("FAM"). The FAM provides an objective and transparent formula for MTR's annual fare adjustment, fully taking into account prevailing socioeconomic conditions and public affordability. Over the first six months of the year, we continued to offer on-going fare concessions for the elderly, children, eligible students, persons with disabilities and more. We also offer numerous fare promotions for the benefit of commuters, including "City Saver" and the HK$0.5 interchange discount for all Green Minibus routes. The "Monthly Pass" and "Early Bird Discount" were also extended for another year.

Service Performance

In the first half of 2026, MTR once again achieved world-class levels of 99.9% in passenger journeys on-time and train service delivery, exceeding the Company's Operating Agreement commitment as well as its own, even more demanding Customer Service Pledge. During the period, MTR ran over 0.92 million train trips on its Heavy Rail network and about 0.45 million trips on its Light Rail network, with three delays on Heavy Rail and no delays on Light Rail. Delays are defined as those lasting 31 minutes or more and attributable to factors within MTR's control. In all cases of delay, we investigated thoroughly to determine the cause and prevent reoccurrence from happening.

Safety Performance

Safety is always our number one priority. Over the first six months of the year, the total number of reportable events across our Heavy Rail and Light Rail networks was 408, unchanged year on year. We continued to focus our safety initiatives on areas such as escalator safety, platform gap awareness and Light Rail pedestrian safety.

Enhancing the Customer Service Experience

Every day, MTR strives to deliver a world-class passenger experience that is accessible, safe, efficient and comfortable. The period under review saw the continuation of several important network and service improvement initiatives aimed at enhancing the customer service experience at all touchpoints.

Boosting Passenger Convenience

In the first half of 2026, we increased frequencies along the Tuen Ma and South Island lines, adding more than 60 train trips every week. We also expanded our HSR network to cover 113 destinations on the Chinese Mainland starting from July 2026.

Upgrade of Automatic Fare Collection System

As at 30 June 2026, over 2,200 new or retrofitted Automatic Fare Collection ("AFC") system entry/exit gates had been installed as part of our HK$1.3 billion upgrade programme, and 72 stations had completed AFC gate replacement.

New Trains

We continued our programme to replace older trains with newer, more comfortable Q-trains during the period under review. As at 30 June 2026, 13 new trains were ready for use on the Tsuen Wan Line, while the first set of new trains for the Tuen Mun South Extension was scheduled for delivery to Hong Kong in 2027. A total of 41 Q-trains are ready for use along the Island, Kwun Tong and Tsuen Wan lines.

Replacement of Signalling System

In March 2026, the new communication-based train control signalling system commenced service on the Tsuen Wan Line. This is to be followed by progressive implementation on the Island, Kwun Tong and Tseung Kwan O lines. Overall project completion is targeted for 2029.

Replacement of Power Distribution Systems

The power system replacement project, aimed at improving equipment performance and enhancing the system reliability of power supply for train services and station operations, is in progress. It covers the systems along the Kwun Tong, Tsuen Wan, Island and Tseung Kwan O lines and will be completed gradually over the next decade.

Replacement of Air Conditioning Systems

We continued our Batch 3 programme to replace station chillers with newer models, an initiative that will improve energy efficiency and passenger comfort. During the first half of the year, we replaced eight chillers across three stations. The Batch 3 programme, which covers a total of 22 chillers across 10 stations, is targeted for completion in 2028.

Enhancing Station Facilities

In April 2026, the reprovisioning works for the Light Rail Tin Wing Stop platforms were completed, and the environment has been revitalised with enhancements made to barrier-free facilities and passenger information.

Operations Performance in the first half of 2026

Service Performance Item	Performance Requirement	Customer Service Pledge Target	**Actual Performance**
Train service delivery			
– Island Line and South Island Line	99.0%	99.5%	**99.9%**
– Kwun Tong Line, Tsuen Wan Line and Tseung Kwan O Line	99.0%	99.5%	**99.9%**
– Tung Chung Line, Disneyland Resort Line and Airport Express	99.0%	99.5%	**99.9%**
– East Rail Line	99.0%	99.5%	**99.9%**
– Tuen Ma Line	99.0%	99.5%	**99.9%**
– Light Rail	99.0%	99.5%	**99.9%**
Passenger journeys on-time			
– Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line and Disneyland Resort Line	99.0%	99.5%	**99.9%**
– Airport Express	98.5%	99.0%	**99.9%**
– East Rail Line	98.5%	99.0%	**99.9%**
– Tuen Ma Line	98.5%	99.0%	**99.9%**
Train punctuality			
– Island Line and South Island Line	98.5%	99.0%	**99.8%**
– Kwun Tong Line, Tsuen Wan Line and Tseung Kwan O Line	98.5%	99.0%	**99.8%**
– Tung Chung Line, Disneyland Resort Line and Airport Express	98.5%	99.0%	**99.9%**
– East Rail Line	98.5%	99.0%	**99.9%**
– Tuen Ma Line	98.5%	99.0%	**99.9%**
– Light Rail	98.5%	99.0%	**99.9%**
Train reliability: train car-km per train failure causing delays ≥5 minutes			
– Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express	N/A	1,000,000	**7,195,050**
– East Rail Line and Tuen Ma Line	N/A	1,000,000	**9,377,007**
Ticket reliability: smart ticket transactions per ticket failure			
– Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line, Airport Express, East Rail Line and Tuen Ma Line	N/A	18,000	**66,585**
Add value machine reliability			
– Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express	98.5%	99.0%	**99.9%**
– East Rail Line	98.5%	99.0%	**99.9%**
– Tuen Ma Line	98.5%	99.0%	**99.9%**
Ticket machine reliability			
– Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express	98.0%	99.0%	**99.9%**
– East Rail Line	98.0%	99.0%	**99.9%**
– Tuen Ma Line	98.0%	99.0%	**99.9%**
– Light Rail	N/A	99.0%	**99.9%**
Ticket gate reliability			
– Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express	98.0%	99.0%	**99.9%**
– East Rail Line	98.0%	99.0%	**99.9%**
– Tuen Ma Line	98.0%	99.0%	**99.9%**
Light Rail platform Octopus processor reliability	N/A	99.0%	**99.9%**
Escalator reliability			
– Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express	98.5%	99.0%	**99.9%**
– East Rail Line	98.5%	99.0%	**99.9%**
– Tuen Ma Line	98.5%	99.0%	**99.9%**
Passenger lift reliability			
– Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express	99.0%	99.5%	**99.8%**
– East Rail Line	99.0%	99.5%	**99.8%**
– Tuen Ma Line	99.0%	99.5%	**99.9%**
Temperature and ventilation			
– Trains, except Light Rail: to maintain a cool, pleasant and comfortable train environment generally at or below 26°C	N/A	97.5%	**99.9%**
– Light Rail: on-train air-conditioning failures per month	N/A	<3	**0**
– Stations: to maintain a cool, pleasant and comfortable environment generally at or below 27°C for platforms and 29°C for station concourses, except on very hot days	N/A	95.0%	**99.9%**
Cleanliness			
– Train compartment: cleaned daily	N/A	99.0%	**100%**
– Train exterior: washed every two days (on average)	N/A	99.0%	**100%**
Northwest transit service area bus service			
– Service Delivery	N/A	99.0%	**99.8%**
– Cleanliness: washed daily	N/A	99.0%	**100%**
Passenger enquiry response time within six working days	N/A	99.0%	**99.9%**

Smart Mobility, Operations and Maintenance

MTR is committed to "Go Smart Go Beyond" by incorporating the latest technological innovations for a more seamless railway transit experience. Our AI-powered Virtual Service Ambassador AI Tracy, a self-service channel that provides customers with instant, personalised support for wayfinding as well as information on station facilities and local attractions, is now available at 11 stations. We have also introduced an AI-powered instant translation service, fluent in over 20 languages, at six stations with high tourist traffic.

The new Integrated Wheelset Maintenance Centre, combining robotics, automation and data analytics, has boosted maintenance efficiency for Tuen Ma Line and East Rail Line train wheelsets, reducing wheelset servicing time from three to four working days to about 10 hours. Our Acoustic GearGuard applies acoustic technology and advanced algorithms to assess the condition of in-service train components, and technical feasibility tests have been successfully conducted on the East Rail Line.

Hong Kong Transport Services

Station Commercial Businesses

HIGHLIGHTS

- Our station retail business continues to be impacted by negative rental reversions, though the reduction improved compared to the same period last year
- Our advertising business benefitted from the gradual stabilisation of market conditions

HK$ million	Six months ended 30 June 2026	2025	Inc./(Dec.) %
Hong Kong Station Commercial Businesses			
Station Retail Rental Revenue	**1,828**	1,834	(0.3)
Advertising Revenue	**452**	451	0.2
Telecommunication Income	**268**	272	(1.5)
Other Station Commercial Income	**67**	64	4.7
Total Revenue	**2,615**	2,621	(0.2)
EBITDA	**2,242**	2,244	(0.1)
EBIT	**1,755**	1,798	(2.4)
EBITDA Margin (in %)	**85.7%**	85.6%	0.1% pt.
EBIT Margin (in %)	**67.1%**	68.6%	(1.5)% pts.

In the first half of 2026, total revenue from all Hong Kong station commercial activities was almost on par with the corresponding period last year, with a 0.2% year-on-year change to HK$2,615 million.

Station Retail

Station retail rental revenue over the first six months of 2026 decreased by 0.3% to HK$1,828 million. This was primarily attributed to negative rental reversions from certain station kiosk and bank services. As at 30 June 2026, the total number of retail shops in our stations was 1,593, covering 71,501 square metres of station retail area. As improved from same period last year, rental reversion and average occupancy rates for our station kiosks were -6.7% and 99.1%, respectively.

The Hong Kong retail market improved over the first half of the year, although it continued to be affected by shifting consumer trends like increased cross-boundary spending by local residents and lower consumption among visitors from the Chinese Mainland. In response, we leveraged our MTR Mobile app and MTR Points loyalty programme to help increase foot traffic at tenant shops and boost spending. We continued to offer flexible and/or shorter-term leases to support tenant businesses and strengthen relationships. Throughout the period, we also continued to review our tenant mix to drive rental revenue and ensure that our retail offerings reflect market trends.

As at 30 June 2026, the lease expiry profile of our station kiosks (including Duty Free shops) by area occupied was such that approximately 21% will expire in the second half of 2026, 42% in 2027, 27% in 2028, and 10% in 2029 and beyond.

In terms of trade mix, food and beverage accounted for approximately 39% of the leased area of our station kiosks (excluding Duty Free shops), followed by passenger services at 14%, convenience stores at 13%, cake shops at 12% and others at 22% as at 30 June 2026.

Advertising

Advertising revenue increased by 0.2% to HK$452 million in the first half of 2026, benefitting from the gradual stabilisation of market conditions. During the review period, we prioritised data-driven strategies, optimised our channel mix with emphasis on digital media, expanded media partnerships, and accelerated cross-platform innovation to drive growth and unlock new opportunities. As at 30 June 2026, the total number of advertising units in MTR stations and trains was 42,415.

Telecommunications

Revenue from our telecommunications business decreased by 1.5% to HK$268 million over the first six months of 2026, mainly due to fierce competition in the user market, which resulted in a reduction in rates charged to operators. A new commercial system supporting more 5G services is now available in 19 stations. We also completed enhancement works for free Wi-Fi services in 98 stations and Airport Express trains. Meanwhile, we continue to explore capacity expansion as well as other opportunities for our data centre business.

Property Businesses

HIGHLIGHTS

- Property development profit recognised mainly from Tai Wai Station and THE SOUTHSIDE Package 5
- Retail market sentiment has improved, though retailers remain conservative about rental affordability, placing pressure on retail rents

Property Rental and Management

HK$ million	Six months ended 30 June 2026	2025	Inc./(Dec.) %
Hong Kong Property Rental and Property Management Businesses			
Revenue from Property Rental	**2,426**	2,500	(3.0)
Revenue from Property Management	**167**	157	6.4
Total Revenue	**2,593**	2,657	(2.4)
EBITDA	**2,026**	2,101	(3.6)
EBIT	**2,011**	2,084	(3.5)
EBITDA Margin (in %)	**78.1%**	79.1%	(1.0)% pt.
EBIT Margin (in %)	**77.6%**	78.4%	(0.8)% pt.

Property rental

Property rental revenue recorded a slight decline of 3.0%, amounting to HK$2,426 million in the first half of 2026. While there was an improvement in retail market sentiment, business was continuously affected by northbound consumption and the new normal of the retail market. MTR shopping malls in Hong Kong recorded a rental reversion of -5.5% and an average occupancy rate of close to 100%. The Company's 18 floors in Two International Finance Centre were 99% let on average.

While retail market sentiment showed signs of improvement during the period under review, we continued to hold promotional campaigns delivered via the MTR Mobile app and MTR Points Loyalty Scheme to counter the northbound travel trend and drive traffic to tenant shops.

As at 30 June 2026, our attributable share of investment properties in Hong Kong was approximately 310,000 square metres of lettable floor area for retail properties, approximately 39,000 square metres of lettable floor area for office space and approximately 19,000 square metres of property for other use.

As at 30 June 2026, the lease expiry profile of our shopping malls by area occupied was such that approximately 15% will expire in the second half of 2026, 34% in 2027, 23% in 2028, and 28% in 2029 and beyond.

In terms of trade mix, food and beverage accounted for approximately 31% of the leased area of our shopping malls, followed by fashion, beauty and accessories at 21%, services at 19%, leisure and entertainment at 19%, and department stores and supermarkets at 10% as at 30 June 2026.

Property Development Packages Awarded and in Progress

Location	Developers	Type	Gross floor area *(sq. m.)*	Tender award date	Expected completion date
LOHAS Park Station					
LA MIRABELLE	Sino Land Company Limited, Kerry Properties Limited, K. Wah International Holdings Limited and China Merchants Land Limited	Residential	143,694	October 2020	By phases in 2026
Tai Wai Station					
THE PAVILIA FARM	New World Development Company Limited	Residential	190,480	October 2014	Completed by phases from 2022 to 2026
		Retail	60,620*		Completed in 2022
Wong Chuk Hang Station (THE SOUTHSIDE)					
Deep Water Pavilia	New World Development Company Limited, Empire Development Hong Kong (BVI) Limited, CSI Properties Limited and Lai Sun Development Company Limited	Residential	59,100	January 2021	Completed in 2026
DEEP WATER SOUTH	Wheelock Properties Limited	Residential	46,800	April 2021	2026
Yau Tong Ventilation Building					
ONE PARK PLACE	Sino Land Company Limited and CSI Properties Limited	Residential	30,225	May 2018	2026
Pak Shing Kok Ventilation Building					
Pak Shing Kok Ventilation Building	New World Development Company Limited and China Merchants Land Limited	Residential	27,006	April 2022	2031
Tung Chung Traction Substation					
Tung Chung Traction Substation	Chinachem Group	Residential	87,288	July 2022	2031
Tung Chung East Station					
Package 1	Nan Fung Group Holdings Limited	Residential	30,000	December 2024	2031
Tuen Mun A16 Station					
Package 1	Sun Hung Kai Properties Limited	Residential	55,847	November 2025	2031
Kam Sheung Road Station					
GRAND MAYFAIR#	Sino Land Company Limited, China Overseas Land & Investment Limited and K. Wah International Holdings Limited	Residential	114,896	May 2017	Completed by phases from 2024 to 2026
Phase 2	Sino Land Company Limited, China Overseas Land & Investment Limited, China Merchants Land Limited and Great Eagle Holdings Limited	Residential Retail	71,338 40,750	April 2026	2033

 # as a development agent for the relevant subsidiaries of KCRC
** excluding a bicycle park with cycle track*

Property Development Packages to be Awarded[1]

Location	Type	Gross floor area *(sq. m.)*	Period of package tenders	Expected completion date
Oyster Bay	Mixed-use Development	860,500	To be confirmed	To be confirmed
Tung Chung East Station	Mixed-use Development	598,400	To be confirmed	To be confirmed
Tuen Mun A16 Station	Mixed-use Development	341,900	2026 – 2027	2033 – 2037
Kwu Tung Station[2]	Mixed-use Development	303,300	To be confirmed	To be confirmed
Hung Shui Kiu Station[2]	Mixed-use Development	574,100	To be confirmed	To be confirmed
Fanling North[2] Kwu Tung North[2] San Tin Station[2]	Mixed-use Development Residential Mixed-use Development	1,109,700	To be confirmed	To be confirmed

Notes:
1 *Property development packages for which we are acting as development agent for the relevant subsidiaries of KCRC are not included.*
2 *These property development packages are subject to review in accordance with land grant conditions and completion of statutory processes.*

Property management

Property management revenue in Hong Kong increased by 6.4% to HK$167 million over the first six months of the year, which was mainly due to an increase in the number of residential units managed. As at 30 June 2026, MTR managed over 132,000 residential units and over 920,000 square metres of commercial and office space.

Property Development and Tendering

Hong Kong property development profit (post-tax) for the first half of 2026 was HK$12,223 million, mainly due to profit recognition from Tai Wai Station and THE SOUTHSIDE Package 5.

Pre-sales and Sales Activities

Sales and pre-sales activities continued for a number of other projects during the first half of the year. For Ho Man Tin Station packages, ONMANTIN and IN ONE were 72% and 90% sold, respectively, as at 30 June 2026. THE PAVILIA FARM I, THE PAVILIA FARM II and THE PAVILIA FARM III, located at Tai Wai Station, were 93% sold as at 30 June 2026.

For LOHAS PARK packages, pre-sales for LA MIRABELLE I (Package 13 Phase 13B) launched in March 2026 and were 65% sold as at 30 June 2026. Sales for SEASONS PLACE, PARK SEASONS and GRAND SEASONS (Package 12) continued and were 98% sold. Villa Garda I, Villa Garda II & Villa Garda III (Package 11) were 99% sold as at 30 June 2026.

At THE SOUTHSIDE, pre-sales for DEEP WATER SOUTH (Package 6 Phases 6A and 6B) launched in March 2026 and were 30% sold as at 30 June 2026, while pre-sales for Deep Water Pavilia and Deep Water Pavilia II (Package 5 Phases 5A and 5B) continued and were 96% sold. SOUTHLAND (Package 1), La Marina (Package 2), Blue Coast and Blue Coast II (Package 3 Phases 3B and 3C), and LA MONTAGNE (Package 4 Phases 4A and 4B) were 99%, 98%, 98% and 55% sold, respectively, as at 30 June 2026.

Pre-sales for YOHO WEST PARKSIDE (Tin Wing Stop Phase 2) were 97% sold as at 30 June 2026, while YOHO WEST (Tin Wing Stop Phase 1) was 97% sold. Pre-sales for ONE PARK PLACE (Yau Tong Ventilation Building) were 62% sold as at 30 June 2026. The applications for pre-sale consent for Phases 1 and 2 of the Tung Chung Traction Substation property development are in progress.

For West Rail properties, where we act as agent for relevant subsidiaries of KCRC, sales activities continued for the Cullinan West Development (Nam Cheong Station), where 99% of units were sold as at 30 June 2026. The YOHO Hub and The YOHO Hub II (Yuen Long Station) were 68% sold as at 30 June 2026, while GRAND MAYFAIR I, GRAND MAYFAIR II and GRAND MAYFAIR III (Kam Sheung Road Station Package 1) were 90% sold.

Property Tendering

We conduct regular reviews of our property tendering programme based on the latest market conditions and trends. We awarded the tender for Kam Sheung Road Station Phase 2 property development to the consortium formed by Sino Land Company Limited, China Overseas Land & Investment Limited, China Merchants Land Limited and Great Eagle Holdings Limited in April 2026. Tendering of the Tuen Mun A16 Station Package 2 property development project was launched in July 2026.

Expanding the Property Portfolio

As at mid-year, we had eight residential property projects under construction, and along with completed residential property projects, we anticipate to contribute about 9,300 units for sale to the market. During the period under review, we continued to work on development sites for Hong Kong railway expansion projects including Oyster Bay Station, the Tung Chung East Station site on the Tung Chung Line Extension, the A16 Station site on the Tuen Mun South Extension, Kwu Tung and Hung Shui Kiu stations, and the Northern Link project. We also continued to explore other sites with development potential along our existing and future railway lines. In addition, we are conducting studies at the waterfront to the south of Hung Hom Station for a new harbourfront landmark as well as studies of property development sites for the proposed Pak Shek Kok and Au Tau stations.

Hong Kong Network Expansion

HIGHLIGHTS

- MTR continued to progress several important new projects designed to support Hong Kong's future railway development and spur growth of new and existing communities
- The Company remains in discussions to finalise the Project Agreement for the Northern Link (Part 2)

MTR is committed to designing, constructing and operating world-class railways that "Go Beyond Boundaries", connect communities across Hong Kong, and support the city's economic growth while also ensuring shareholder and stakeholder value. Our teams are planning intensively and employing innovative construction technologies and methods to manage numerous challenges, such as carrying out works on or near operational lines and limiting impact on surrounding neighbourhoods. Meanwhile, our characteristically prudent cost management is helping ensure that projects are delivered on time and within budget. As a recognised global leader in railway development and management, we remain committed to advancing sustainable growth for Hong Kong and its communities.

Projects in Progress

Tung Chung Line Extension

In February 2026, a topping-out ceremony was held for Tung Chung East Station, and electrical and mechanical works remain in progress. In June 2026, we celebrated the breakthrough of the tunnels in both directions between the existing Tung Chung Station and the future Tung Chung West Station, marking a new milestone for the project. At Tung Chung West Station, we completed the concourse-level concrete slab in March, and excavation and construction works are on-going. This project is being funded by financial contributions from the R+P Model and the Company's internal resources. Completion of the Tung Chung Line Extension is targeted for 2029.

Oyster Bay Station

In the first half of 2026, we commenced site formation for bifurcation while piling works continued.

Tuen Mun South Extension

In February 2026, the Tuen Mun Swimming Pool opened to the public following reprovisioning works. Piling and foundation works at A16 and Tuen Mun South stations also continued during the period under review. This project is being funded by financial contributions from the R+P Model and the Company's internal resources, and completion is targeted for 2030.

Kwu Tung Station on the East Rail Line

We have now entered the electrical and mechanical phase of this project, and 12 escalator trusses were delivered and positioned during the review period. The project is being funded by financial contributions from the R+P Model and the Company's internal resources. It is expected to be completed in 2027.

Hung Shui Kiu Station on the Tuen Ma Line

Detailed design and piling works are in progress. Overall construction is expected to be completed by 2030. This project is being funded by financial contributions from the R+P Model and the Company's internal resources.

Northern Link

The commissioning of the Main Line and Spur Line is targeted for no later than 2034. During the first six months of the year, we progressed construction of launching shafts and other preparation works as laid out in the Part 1 Project Agreement. The construction works of the Part 1 Project Agreement are being funded by financial contributions from the R+P Model and the Company's internal resources.

Supporting New Railway Projects

Design, planning and negotiations for the signing of the Northern Link (Part 2) Project Agreement continued during the first half of the year. Discussions relate primarily to the financing and construction of the remaining works of the Main Line and Spur Line as well as the operation and maintenance of both lines. The railway scheme for the Northern Link Spur Line was gazetted under the Railways Ordinance in June 2026. Government has announced its intention to proceed with MTR using the ownership approach, and different funding models, including the R+P Model, may be deployed to ensure commercial returns on the Company's investments. We are proactively studying approaches for how best to finance this critical infrastructure project for the future Northern Metropolis and help deliver the next chapter of Hong Kong's railway growth story.

Meanwhile, we remain committed to supporting Government in advancing other railway initiatives. We welcome the approval given by the Chief Executive in Council for Government to invite the Company to commence detailed planning and design for Pak Shek Kok Station on the East Rail Line in July 2026 as well as South Island Line (West) in December 2025. We also continue to provide support to Government on the Tseung Kwan O Line Southern Extension, Central Rail Link, Northern Link Eastern Extension and Northeast New Territories Line as required. Elsewhere, we are closely monitoring developments for the Hong Kong–Shenzhen Western Rail Link as well as smart and green mass transit system initiatives in areas such as East Kowloon, Kai Tak, Hung Shui Kiu/Ha Tsuen and the Yuen Long South New Development Areas. The bid submission for the smart and green mass transit system in Kai Tak will be in August 2026, and Government commenced the invitation to tender for the East Kowloon project in July 2026. We will consider investing in these and other initiatives if returns are commercially justified.

Chinese Mainland and International Businesses

HIGHLIGHTS

- Shenzhen Metro Line 13 Phase 2 Northern Extension commenced service in June 2026
- Works continue on southwest section of Sydney Metro M1 Metro North West & Bankstown Line in preparation for opening in second half of 2026

MTR's Chinese Mainland and international businesses enable the Company to generate geographically diversified revenue streams while building a global Hong Kong brand. These include rail-related activities such as public-private partnership infrastructure projects and transit-oriented development ("TOD") projects as well as station commercial opportunities. In the first half of 2026, MTR, its subsidiaries, associates and joint ventures served approximately 1 billion passengers on the Chinese Mainland and in Australia.

	Chinese Mainland and International Businesses								
	Chinese Mainland and Macao Railway, Property Rental and Property Management Businesses			International Railway Businesses			Total		
Six months ended 30 June HK$ million	**2026**	2025	Inc./(Dec.) %	**2026**	2025	Inc./(Dec.) %	**2026**	2025	Inc./(Dec.) %
Recurrent Businesses									
Subsidiaries									
Revenue	**765**	514	48.8	**8,080**	9,669	(16.4)	**8,845**	10,183	(13.1)
EBITDA	**116**	40	190.0	**655**	636	3.0	**771**	676	14.1
EBIT	**(155)**	(161)	3.7	**585**	570	2.6	**430**	409	5.1
EBITDA Margin (in %)	**15.2%**	7.8%	7.4% pts.	**8.1%**	6.6%	1.5% pts.	**8.7%**	6.6%	2.1% pts.
EBIT Margin (in %)	**(20.3)%**	(31.3)%	11.0% pts.	**7.2%**	5.9%	1.3% pts.	**4.9%**	4.0%	0.9% pt.
Recurrent Business (Loss)/Profit (Net of Non-controlling Interests)	**(207)**	**(173)**	**(19.7)**	**317**	**329**	**(3.6)**	**110**	**156**	**(29.5)**
Associates and Joint Ventures									
Share of Profit	**471**	**377**	**24.9**	**69**	**12**	**475.0**	**540**	**389**	**38.8**
Total Recurrent Business Profit (before Business Development Expenses)	**264**	**204**	**29.4**	**386**	**341**	**13.2**	**650**	**545**	**19.3**
Profit Attributable to Shareholders of the Company for the Period									
– Arising from Recurrent Businesses (before Business Development Expenses)							**650**	**545**	**19.3**
– Business Development Expenses							**(133)**	(127)	(4.7)
– Arising from Recurrent Businesses (after Business Development Expenses)							**517**	**418**	**23.7**
– Arising from Chinese Mainland Property Development							**10**	12	(16.7)
– Arising from Underlying Businesses							**527**	**430**	**22.6**

Excluding Chinese Mainland property development, our railway, property rental and management subsidiaries (after business development expenses), together with our associates and joint ventures outside of Hong Kong, contributed a net after-tax profit of HK$517 million during the first six months of the year on an attributable basis compared with the net after-tax profit of HK$418 million that was recorded over the same period in 2025.

In our Chinese Mainland businesses, total recurrent business profit from our railway, property rental and property management subsidiaries, associates and joint ventures increased to HK$264 million in the first half of 2026. This was due to higher contributions from our Hangzhou businesses.

In our international businesses, total recurrent business profit from our railway subsidiaries, associates and joint ventures increased to HK$386 million in the first half of 2026. This was mainly due to increased contributions from both our Melbourne and Sydney operations in Australia.

Railway Businesses on the Chinese Mainland

Beijing

In Beijing, our associate operates Beijing Metro Line 4, the Daxing Line, Beijing Metro Line 14, Beijing Metro Line 16 and Beijing Metro Line 17. All lines achieved stable operations in the first half of 2026 with average on-time performance exceeding 99.9%.

Shenzhen

Shenzhen Metro Line 4

Shenzhen Metro Line 4 ("SZL4"), including the SZL4 North Extension, is operated by our wholly owned subsidiary. The line maintained stable operations during the first six months of the year with average on-time performance of 99.9%.

As previously stated, there has been no increase in fares for SZL4 since we began operating the line in 2010. We expect that the mechanism and procedures for fare adjustments will take time to implement and that patronage will remain at a lower level for longer than expected. If patronage remains at a lower level for a further period of time and a suitable fare increase and adjustment mechanism are not implemented soon, the long-term financial viability of this line will be impacted.

Shenzhen Metro Line 13

Full-line service for Shenzhen Metro Line 13 ("SZL13") Phase 1 commenced in December 2025, and the line achieved stable operations with on-time performance of 99.9% over the first six months of 2026. The SZL13 Phase 2 Northern Extension, where we participate in the line's operations and maintenance, commenced service in June 2026.

Hangzhou

Hangzhou Metro Line 1 and Its Extensions

In Hangzhou, Hangzhou Metro Line 1 ("HZL1"), the Xiasha Extension and Airport Extension achieved stable operations in the first half of 2026 with average on-time performance of 99.9%.

As we have previously reported, HZL1 has been loss-making in recent years due to slow growth in patronage and the pandemic. As there is no patronage protection mechanism under this concession agreement, the line's long-term financial viability will be impacted if patronage remains at a lower level over a further period of time, especially when compounded by the lower average fare resulting from the expanded network. We anticipate that patronage and average fare will remain at a lower level for longer than expected and therefore recognised a share of impairment provision of HK$380 million for the HZL1 railway assets in 2025.

Hangzhou Metro Line 5

Hangzhou Metro Line 5 achieved stable operations during the first six months of the year with average on-time performance of 99.9% and a gradual increase in patronage.

Property Business on the Chinese Mainland

In addition to its railway businesses, MTR also develops high-quality commercial and residential properties on the Chinese Mainland. We are currently studying strategic options for our malls on the Chinese Mainland due to challenges in the retail and property markets. Meanwhile, preparations remain underway for a targeted 2027 opening for the shopping mall at Tianjin's Beiyunhe Station.

Over the first six months of 2026, we continued to progress a TOD project at Hangzhou West Station while providing TOD consultancy services for the Shenzhen Xili Comprehensive Transportation Hub.

Other Business on the Chinese Mainland

Our station commercial business on the Chinese Mainland continues to progress and now includes more than 1,000 station shops covering Chengdu, Zhengzhou, Xi'an and Guangzhou. We have signed memoranda of understanding for Qingdao, Chongqing and Hangzhou and are actively exploring opportunities in other cities.

International Railway Businesses

Australia

The Melbourne metropolitan rail network continued to achieve steady operations in the first half of 2026. During the review period, we fully integrated the new Metro Tunnel into the network and enhanced passenger convenience by adding more than 1,000 weekly services. We also continue to support our client, the Victoria State Government, on various network improvement initiatives. In April, our submission for the new operations and maintenance contract for Melbourne's train network was shortlisted, and the tendering process followed. The result is expected to be announced in 2027.

The Tallawong-to-Sydenham section of the Sydney Metro M1 Metro North West & Bankstown Line continued to achieve stable operations during the period. Works for the southwest section continued in preparation for an opening in the second half of 2026. We are also progressing design works for the Sydney Metro West project and are targeting service commencement in 2032.

Growth Outside of Hong Kong

We submitted our bid for the Sydney Parramatta integrated station development project in December 2025, the result of which is expected in 2026. We also continue to seek opportunities for growth on the Chinese Mainland and overseas, including Belt and Road countries.

OTHER BUSINESSES

Ngong Ping 360

Revenue from Ngong Ping 360 increased by 2.1% to HK$246 million in the first half of 2026, and visitation was 0.71 million. Seasonal events, including a series of Chinese New Year festivities and the "NP360 x Garden Spring Delights Party" Easter celebration, helped drive visitation to the attraction, as did promotional offers such as express passes and discount tickets for children.

Octopus

Our share of profit from Octopus Holdings Limited increased by 9.0% year on year to HK$231 million over the first six months of 2026. As at 30 June 2026, over 150,000 service providers accepted Octopus payment across more than 210,000 acceptance points in Hong Kong and another 40 million worldwide. Total cards and stored-value products in circulation surpassed 36 million, processing an average of 15.9 million transactions worth HK$350 million per day. Octopus continues to demonstrate adaptability and resilience, and it remains focused on digital innovation, customer-centric service and expanding payment acceptance, thereby strengthening its role in supporting everyday mobility, retail and lifestyle activities while capturing future growth opportunities.

MTR Academy

Enrolment in the MTR Academy exceeded 200 students during the period under review, a 58% year-on-year increase that reflects the strength and quality of the Academy's offerings. There has also been a 57% increase in applications for the MTR Research Funding Scheme from Hong Kong's eight public universities. The Academy has also assumed a strategic transport and logistics role in the Belt and Road Office's "Belt and Road Capacity Building Platform".

MTR Lab

In the first half of 2026, MTR Lab completed two investments in advanced technology startups in Singapore and on the Chinese Mainland focusing on AI infrastructure services and large language models. It also established investment partnerships with Beijing Zhongguancun Science City Innovation Development Co., Ltd. and East Japan Railway Company's TAKANAWA GATEWAY Link Scholars' Hub, further expanding its technology investment ecosystem and strengthening its global deal-sourcing across AI, robotics, smart mobility and related sectors while supporting the growth of its portfolio companies.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

As a caring corporate citizen that provides green and accessible public transportation services to communities in Hong Kong and around the world, MTR places ESG ("Environmental, Social and Governance") at the heart of everything it does. For 2026, the Company set 31 ESG-related key performance indicators to drive performance and track its effectiveness in 10 focus areas spanning three core objectives: Greenhouse Gas Emissions Reduction, Social Inclusion, and Advancement & Opportunities.

Environmental Aspects

During the first half of the year, we continued our "Legacy Train Revitalisation Programme", through which we transform retired trains and components into community learning spaces and leisure facilities. Beneficiaries included a railway-themed school, the Hong Kong Baptist Assembly campsite in Fanling and Ronald McDonald House Charities Hong Kong. On Earth Day, we launched the "Green T Baby Environmental Education Programme" to share messages about the importance of low-carbon living with young students through a colourful, multimedia educational programme. By mid-year, 28 electric buses had been put into passenger service, helping the Company make further progress towards meeting its 2030 carbon reduction emission targets.

Social Aspects

In the first half of 2026, our "More Time Reaching Community" Scheme remained active to contribute to a more caring and inclusive society, with a participating headcount of 2,684 volunteers taking part in 198 volunteering projects. "'Train' for Life's Journeys 2.0" has scaled up to reach over 7,000 students, offering skills training and mentorship with a dedicated environmental stream alongside social inclusion. The pilot project, "MTR Buses – Onboard Announcement System", a previous cohort's winning idea serving visually impaired customers, commenced in May 2026. Full rollout to around 170 buses is expected in 2027.

In May, we reopened the large-scale railway exhibition at Hung Hom Station as "Station Rail Voyage: Explorer", which features new, expanded interactive experiences and a train simulator as well as retired trains. The "T Chai x Pharaoh Cat: A Journey into Ancient Egypt" thematic showcase, held in partnership with the Hong Kong Palace Museum, featured themed installations across stations and malls. We also participated in the Hong Kong Science Museum's "Living Tech Gallery", showcasing innovative railway achievements in the "Smart Transport" zone.

Governance

MTR is committed to achieving strong corporate governance and regularly reviews its practices to ensure that the Company operates ethically, transparently, and in the best interests of its shareholders and stakeholders. The comprehensive enterprise risk management framework addresses strategic, operational, financial, compliance and reputational risks. Key and emerging risks are reviewed regularly, supported by the adoption of the "Three Lines Model" for effective risk oversight.

HUMAN RESOURCES

As at 30 June 2026, MTR and its subsidiaries employed 19,003 staff in Hong Kong and 10,317 staff outside of Hong Kong. Our associates and joint ventures employed an additional 16,142 staff in Hong Kong and worldwide. In Hong Kong, the voluntary staff turnover rate remained low at 3.6%.

MTR strives to be an employer of choice by offering competitive rewards, including short- and long-term incentives. To attract talent, especially the "new generation workforce", we have adopted innovative recruitment marketing strategies and offered diverse career pathways through graduate and trainee programmes. We promote participative communication through the Staff Consultation Mechanism and foster a caring workplace through a spectrum of employee well-being initiatives and family-friendly practices. Meanwhile, our comprehensive learning and development programmes equip employees with future-ready capabilities.

The 2025 Employee Engagement Survey showed notable improvement in employee engagement and participation. Follow-up actions are underway to address key areas and further enhance the employee experience.

FINANCIAL PERFORMANCE

In addition to the above brief report of the Group's results and operations, this section discusses and analyses such results in more details.

CONSOLIDATED PROFIT OR LOSS

	Six months ended 30 June		Favourable/ (Unfavourable) Change	
HK$ million	**2026**	2025	HK$ million	%
Total Revenue	**26,231**	**27,360**	**(1,129)**	**(4.1)**
Recurrent Business Profit				
EBIT[ε]				
Hong Kong Transport Services				
– Hong Kong Transport Operations	**(141)**	98	(239)	n/m
– Hong Kong Station Commercial Businesses	**1,755**	1,798	(43)	(2.4)
Total Hong Kong Transport Services	**1,614**	1,896	(282)	(14.9)
Hong Kong Property Rental and Management Businesses	**2,011**	2,084	(73)	(3.5)
Chinese Mainland and International Railway, Property Rental and Management Subsidiaries	**430**	409	21	5.1
Other Businesses, Project Study and Business Development Expenses	**(181)**	(188)	7	3.7
Share of Profit of Associates and Joint Ventures	**771**	601	170	28.3
Total Recurrent EBIT	**4,645**	**4,802**	**(157)**	**(3.3)**
Interest and Finance Charges	**100**	(633)	733	n/m
Income Tax	**(564)**	(665)	101	15.2
Non-controlling Interests	**(129)**	(89)	(40)	(44.9)
Recurrent Business Profit Attributable to Shareholders and Perpetual Capital Securities Holders	**4,052**	**3,415**	**637**	**18.7**
Perpetual Capital Securities	**(618)**	(24)	(594)	n/m
Recurrent Business Profit	**3,434**	**3,391**	**43**	**1.3**
Property Development Profit (Post-tax)				
Hong Kong	**12,223**	5,530	6,693	121.0
Chinese Mainland	**10**	12	(2)	(16.7)
Property Development Profit (Post-tax)	**12,233**	**5,542**	**6,691**	**120.7**
Underlying Business Profit	**15,667**	**8,933**	**6,734**	**75.4**
Gain/(Loss) from Fair Value Measurement of Investment Properties (Post-tax)	**205**	**(1,224)**	**1,429**	**n/m**
Net Profit Attributable to Shareholders of the Company	**15,872**	**7,709**	**8,163**	**105.9**
Total Recurrent EBIT Margin[#] *(in %)*	**14.8%**	15.4%		(0.6)% pt.
Total Recurrent EBIT Margin[#] (excluding Chinese Mainland and International Subsidiaries) *(in %)*	**19.8%**	22.1%		(2.3)% pts.

ε : *EBIT represents profit before interest, finance charges and taxation*

\# : *Excluding share of profit of associates and joint ventures*

n/m : not meaningful

For the six months ended 30 June 2026, steady growth in Hong Kong patronage contributed to a solid increase in the Group's Hong Kong operating revenue, along with our property development business recorded profits mainly from Tai Wai Station and THE SOUTHSIDE Package 5.

Total Revenue

The Group's total revenue excluding our Chinese Mainland and international railway, property rental and management subsidiaries increased 1.3% to HK$17,386 million, mainly attributable to patronage growth in Hong Kong transport operations ("HKTO"), particularly on our Cross-boundary and HSR services. Including the revenue contributions from our Chinese Mainland and international railway, property rental and management subsidiaries, which decreased by HK$1,338 million, the Group's total revenue decreased 4.1% to HK$26,231 million, mainly due to the end of the services contracts of Elizabeth Line in May 2025 and Stockholm Metro in November 2025, partly offset by higher revenue from our Melbourne operations.

Recurrent Business Profit

Recurrent business profit attributable to shareholders and perpetual capital securities holders increased by HK$637 million or 18.7% to HK$4,052 million, mainly driven by higher revenue from HKTO, decrease in interest and finance charges and increase in share of profit of associates and joint ventures outside Hong Kong, partly offset by higher operating expenses and higher depreciation with increased capital expenditure. After accounting for HK$618 million attributable to perpetual capital securities holders, recurrent business profit attributable to shareholders was HK$3,434 million, an increase of HK$43 million or 1.3%.

Total Recurrent EBIT by Businesses

The Group's total recurrent EBIT (including share of profit of associates and joint ventures, and project study and business development expenses) decreased by HK$157 million or 3.3% to HK$4,645 million.

Hong Kong Transport Operations: EBIT decreased by HK$239 million to an EBIT loss of HK$141 million, mainly due to (i) higher railway support and maintenance expenses, (ii) increased depreciation and (iii) higher variable annual payment, while there was no fare increase under FAM in 2025/2026. These were partly offset by stronger patronage in Cross-boundary and HSR services, benefitted by higher frequency of two-way travel between Hong Kong and Chinese Mainland.

Hong Kong Station Commercial Businesses: EBIT decreased by HK$43 million or 2.4% to HK$1,755 million, mainly due to negative rental reversion of 6.7% for station kiosks.

Hong Kong Property Rental and Management Businesses: EBIT decreased by HK$73 million or 3.5% to HK$2,011 million, attributable to changing consumer behaviour under retail new normal and continued outbound consumption. Rental reversion during the period was negative 5.5%.

Chinese Mainland and International Railway, Property Rental and Management Subsidiaries: EBIT increased by HK$21 million or 5.1% to HK$430 million, mainly due to higher EBIT from our Melbourne operations.

Other Businesses, Project Study and Business Development Expenses: EBIT loss narrowed by HK$7 million or 3.7% to HK$181 million.

Share of Profit of Associates and Joint Ventures: Share of profit increased by HK$170 million or 28.3% to HK$771 million, primarily due to better performance of our railway businesses in Hangzhou.

Total Recurrent EBIT Margin

In the first half of 2026, total recurrent EBIT margin slightly dropped by 0.6% point to 14.8%.

Interest and Finance Charges

Interest and finance charges for recurrent businesses decreased by HK$733 million, which was mainly driven by more interest income generated from increased cash balance and investments in securities. A detailed review is provided in the "Financing Activities" section.

Income Tax

Income tax expenses for recurrent businesses decreased by HK$101 million or 15.2%, to HK$564 million, mainly due to a decrease in our recurrent business profit in Hong Kong.

On 6 August 2024, the Inland Revenue Board of Review issued its decision ("the Board of Review Decision") and disagreed with the deduction claims of the fixed annual payments and variable annual payments for the years of assessment from 2011/2012 to 2017/2018. It confirmed the relevant profits tax assessment/additional profits tax assessments in respect of the fixed annual payments and variable annual payments being non-tax deductible. On 4 September 2024, the Company lodged an application to the Court of First Instance of the High Court of the Hong Kong Special Administrative Region ("the Court of First Instance") for leave to appeal against the Board of Review Decision. On 27 May 2025, the Court of First Instance handed down its decision and granted leave for the Company to appeal against the Board of Review Decision. The Company has conferred with external legal counsel and its tax advisor and the advice obtained is that the Company continues to have strong legal grounds to support its position. As such, the Company has proceeded with its appeal against the Board of Review Decision and no additional tax provision has been made. The hearing of the appeal before the Court of First Instance is scheduled to be held in early 2027. Further details are set out in note 8B to this interim report.

Property Development Profit (Post-tax)

Property development profit (post-tax) increased by HK$6,691 million to HK$12,233 million, mainly contributed by Tai Wai Station and THE SOUTHSIDE Package 5.

Underlying Business Profit

Underlying business profit increased by HK$6,734 million or 75.4% to HK$15,667 million, as the result of an increase of HK$6,691 million in property development profit and an increase of HK$43 million in recurrent business profit.

Gain/(Loss) from Fair Value Measurement of Investment Properties (Post-tax)

The amount of HK$205 million in 2026 represented the gain from fair value remeasurement of investment properties for the six months ended 30 June 2026, representing an approximate 0.2% increase in the value of investment properties as at 31 December 2025.

Net Profit Attributable to Shareholders of the Company

Taking into account the Group's recurrent businesses, property development businesses and fair value measurement of investment properties, net profit attributable to shareholders increased by HK$8,163 million or 105.9% to HK$15,872 million.

CONSOLIDATED FINANCIAL POSITION

HK$ million	At 30 June 2026	At 31 December 2025	Inc./(Dec.) HK$ million	Inc./(Dec.) %
Fixed Assets	**248,102**	245,704	2,398	1.0
Railway Construction in Progress	**22,357**	17,879	4,478	25.0
Property Development in Progress	**43,378**	43,054	324	0.8
Interests in Associates and Joint Ventures	**14,435**	13,614	821	6.0
Investments in Securities	**17,973**	7,276	10,697	147.0
Debtors and Other Receivables	**15,524**	13,562	1,962	14.5
Cash, Bank Balances and Deposits	**113,997**	44,242	69,755	157.7
Other Assets	**16,572**	13,607	2,965	21.8
Total Assets	**492,338**	**398,938**	**93,400**	**23.4**
Total Loans and Other Obligations	**170,355**	88,923	81,432	91.6
Creditors and Other Liabilities	**66,570**	66,855	(285)	(0.4)
Obligations Under Service Concession	**9,839**	9,886	(47)	(0.5)
Deferred Tax Liabilities	**17,116**	16,879	237	1.4
Total Liabilities	**263,880**	**182,543**	**81,337**	**44.6**
Net Assets	**228,458**	**216,395**	**12,063**	**5.6**
Represented by:				
Total Equity Attributable to Shareholders of the Company	**204,274**	192,215	12,059	6.3
Perpetual Capital Securities	**23,496**	23,496	–	–
Non-controlling Interests	**688**	684	4	0.6
Total Equity	**228,458**	**216,395**	**12,063**	**5.6**

The Group's total assets increased by 23.4% to HK$492,338 million, mainly driven by (i) higher cash, bank balances and deposits following multiple bond issuances during the first half of 2026; (ii) increased investments in securities from subscriptions of bank medium-term notes, bonds and certificates of deposit; and (iii) an increase in railway construction in progress for various railway projects.

Total liabilities increased by 44.6% to HK$263,880 million, primarily due to bond issuances and net loan drawdowns.

As a result, the Group's net assets increased by HK$12,063 million or 5.6% to HK$228,458 million.

CONSOLIDATED CASH FLOWS

	Six months ended 30 June	
HK$ million	**2026**	2025
Net Cash Generated from Operating Activities	**7,862**	**6,481**
Net Receipts from Property Development	**10,045**	9,127
Variable Annual Payment	**(3,330)**	(3,025)
Capital Expenditure	**(10,496)**	(8,632)
Net Purchase of Investments in Securities	**(10,763)**	(4,760)
Other Net Cash Inflow from Investing Activities	**358**	372
Net Cash Used in Investing Activities	**(14,186)**	**(6,918)**
Net Drawdown of Debts, Net of Lease Rental and Interest Payments	**82,149**	10,913
Proceeds from Issuance of Perpetual Capital Securities	**–**	23,550
Distributions Paid to Perpetual Capital Securities	**(618)**	–
Dividends Paid to Shareholders of the Company	**(5,541)**	(5,541)
Other Net Cash Outflow from Financing Activities	**(250)**	(78)
Net Cash Generated from Financing Activities	**75,740**	**28,844**
Effect of Exchange Rate Changes	**339**	503
Net Increase in Cash, Bank Balances and Deposits	**69,755**	**28,910**
Cash, Bank Balances and Deposits as at 1 January	**44,242**	**27,886**
Cash, Bank Balances and Deposits as at 30 June	**113,997**	**56,796**

Net Cash Generated from Operating Activities
Net cash generated from operating activities increased by HK$1,381 million to HK$7,862 million, mainly due to changes in working capital.

Net Receipts from Property Development
Net receipts from property development amounted to HK$10,045 million, comprising (i) cash inflows of HK$11,520 million, mainly from various packages in relation to LOHAS Park, THE SOUTHSIDE, and Kam Sheung Road Station Phase 2; offset by (ii) cash outflows of HK$1,475 million, primarily for the Oyster Bay project.

Capital Expenditure
Capital expenditure totalled HK$10,496 million mainly represents (i) HK$5,360 million for asset enhancements such as station renovation, new trains and signalling systems for existing Hong Kong railways; and (ii) HK$4,695 million for Hong Kong railway extension projects.

Net Drawdown of Debts, Net of Lease Rental and Net Interest Payments
Net drawdown of debts, net of lease rental and net interest payments, amounted to HK$82,149 million, comprising (i) proceeds of HK$86,648 million from loans and capital market instruments; partly offset by (ii) debt repayments of HK$3,973 million; and (iii) net interest payments of HK$526 million.

Dividends Paid to Shareholders of the Company
The Group paid dividends of HK$5,541 million for the six months ended 30 June 2026 in cash, being the 2025 final dividend of HK$0.89 per share.

FINANCING ACTIVITIES

The Hong Kong economy expanded during the first quarter of 2026 as real GDP was 5.9% higher than the previous year with 2026 full year forecast at 2.5% to 3.5% and underlying inflation forecasted to be 2.5%. During the first half of 2026, Hong Kong's exchange rate and money markets continued to operate in a smooth and orderly manner as the U.S. Federal Open Market Committee maintained the federal funds rate at a target range of 3.50% to 3.75%.

During first half of 2026, the Company arranged a total of HK$58 billion equivalent of external funding that comprised of the issuance of a dual-tranche AUD2.0 billion green public bond in January; a three-tranche HK$18.8 billion green public bond in April; a three-tranche EUR 3.0 billion green public bond in June; and a HK$1.0 billion bilateral bank credit facility.

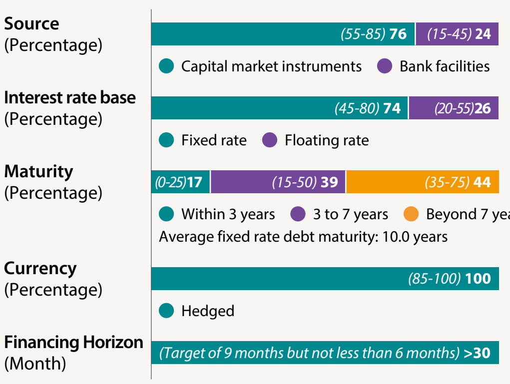
The Group's consolidated debt position at the end of June 2026 was HK$170.4 billion, with a cash and deposit balance of HK$114.0 billion, investment balance of HK$16.7 billion, and undrawn committed facilities of over HK$19.0 billion. The weighted average cost of the Group's interest bearing borrowings over the first six months in 2026 was 3.5% p.a., compared to 3.7% p.a. for the same period in 2025.

Diversified sources of funding will continue to be considered to support the Company's forward-looking financing needs wherein external factors such as foreign currency and interest rate movements; relevant international policy and events; and economic indicators will be carefully evaluated.

Preferred Financing Model and Debt Profile

The Preferred Financing Model exemplifies the Company's approach to debt management and helps ensure a prudent and well-balanced debt portfolio

(Preferred Financing Model) vs. **Actual debt profile** as at 30 June 2026



Net Debt-to-equity Ratio and Interest Coverage

The Group's gearing ratio (net debt-to-equity) was 21.7% as at 30 June 2026 and 22.5% as at 31 December 2025. Interest cover for the six months ended 30 June 2026 improved to 34.8 times, compared with 12.5 times for the same period in 2025.

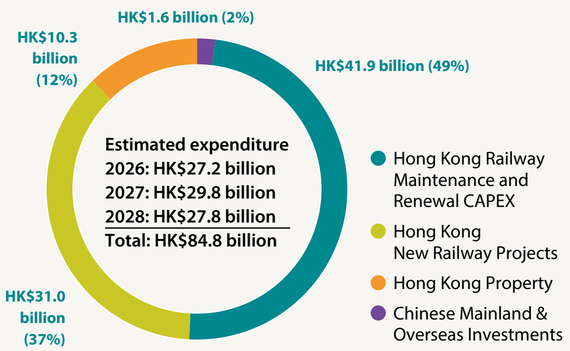
Capital Expenditure and Investment

The Group's capital expenditure and investments are categorised into Hong Kong railway projects (including maintenance of existing railways and new projects), Hong Kong property investments and development, and Chinese Mainland and overseas investments. Total expenditure for 2026 – 2028 is estimated at approximately HK$84.8 billion.

Capital expenditure on Hong Kong railway projects will continue to account for a significant portion of total spending over 2026 – 2028, following the signing of project agreements for the Oyster Bay project, Tung Chung Line Extension, Tuen Mun South Extension, Kwu Tung Station, Hung Shui Kiu Station and Northern Link Project – Part 1. Capital expenditure and funding arrangements for other projects will be determined upon execution of relevant agreements with the Government.

Taking into account the cash and deposit balances, bank medium-term notes, bonds and certificates of deposit, and undrawn committed banking facilities described under "Financing Activities", the Group believes that it possesses sufficient financial resources to support its capital expenditure requirements and investment programme.

Capital Expenditure and Investment (2026 – 2028)



Key Figures

	Six months ended 30 June				Favourable/ (Unfavourable) Change %
	2026		2025		
	HK$ million	**%**	HK$ million	%	
Total revenue					
Recurrent business revenue					
– Hong Kong transport services					
– Hong Kong transport operations	**11,850**	**45.2**	11,509	42.0	3.0
– Hong Kong station commercial businesses	**2,615**	**10.0**	2,621	9.6	(0.2)
– Total Hong Kong transport services	**14,465**	**55.2**	14,130	51.6	2.4
– Hong Kong property rental and management businesses	**2,593**	**9.9**	2,657	9.7	(2.4)
– Chinese Mainland and international railway, property rental and management subsidiaries	**8,845**	**33.7**	10,183	37.2	(13.1)
– Other businesses	**328**	**1.2**	376	1.4	(12.8)
	26,231	**100.0**	27,346	99.9	(4.1)
Property development business revenue					
– Chinese Mainland property development	**–**	**–**	14	0.1	n/m
Total revenue	**26,231**	**100.0**	27,360	100.0	(4.1)
Total EBITDA[1]					
Recurrent business EBITDA					
– Hong Kong transport services					
– Hong Kong transport operations	**4,056**	**17.2**	3,966	25.7	2.3
– Hong Kong station commercial businesses	**2,242**	**9.5**	2,244	14.5	(0.1)
– Total Hong Kong transport services	**6,298**	**26.7**	6,210	40.2	1.4
– Hong Kong property rental and management businesses	**2,026**	**8.6**	2,101	13.6	(3.6)
– Chinese Mainland and international railway, property rental and management subsidiaries	**771**	**3.3**	676	4.4	14.1
– Other businesses, project studies and business development expenses	**(141)**	**(0.6)**	(153)	(1.0)	7.8
	8,954	**38.0**	8,834	57.2	1.4
Property development business EBITDA					
– Hong Kong property development	**14,595**	**62.0**	6,594	42.8	121.3
– Chinese Mainland property development	**(1)**	**–**	4	–	n/m
	14,594	**62.0**	6,598	42.8	121.2
Total EBITDA	**23,548**	**100.0**	15,432	100.0	52.6
Total EBIT[2]					
Recurrent business EBIT					
EBIT					
– Hong Kong transport services					
– Hong Kong transport operations	**(141)**	**(0.7)**	98	0.9	n/m
– Hong Kong station commercial businesses	**1,755**	**9.1**	1,798	15.7	(2.4)
– Total Hong Kong transport services	**1,614**	**8.4**	1,896	16.6	(14.9)
– Hong Kong property rental and management businesses	**2,011**	**10.5**	2,084	18.3	(3.5)
– Chinese Mainland and international railway, property rental and management subsidiaries	**430**	**2.2**	409	3.6	5.1
– Other businesses, project studies and business development expenses	**(181)**	**(1.0)**	(188)	(1.7)	3.7
Share of profit of associates and joint ventures	**771**	**4.0**	601	5.3	28.3
	4,645	**24.1**	4,802	42.1	(3.3)
Property development business EBIT					
– Hong Kong property development	**14,595**	**75.9**	6,594	57.8	121.3
– Chinese Mainland property development	**(1)**	**–**	4	0.1	n/m
	14,594	**75.9**	6,598	57.9	121.2
Total EBIT	**19,239**	**100.0**	11,400	100.0	68.8
Gain/(loss) from fair value measurement of investment properties	**205**		(1,224)		n/m
Interest and finance charges	**112**		(620)		n/m
Profit before taxation	**19,556**		9,556		104.6
Income tax	**(2,937)**		(1,734)		(69.4)
Profit for the period	**16,619**		7,822		112.5
Non-controlling interests	**(129)**		(89)		(44.9)
Profit for the period attributable to shareholders of the Company and perpetual capital securities holders	**16,490**		7,733		113.2
Perpetual capital securities	**(618)**		(24)		n/m
Profit for the period attributable to shareholders of the Company	**15,872**		7,709		105.9
Profit for the period attributable to shareholders of the Company arising from:					
Recurrent businesses					
– in Hong Kong	**2,917**		2,973		(1.9)
– outside Hong Kong	**517**		418		23.7
	3,434		3,391		1.3
Property development businesses					
– in Hong Kong	**12,223**		5,530		121.0
– outside Hong Kong	**10**		12		(16.7)
	12,233		5,542		120.7
Underlying businesses	**15,667**		8,933		75.4
Fair value measurement of investment properties	**205**		(1,224)		n/m
Total profit for the period attributable to shareholders of the Company	**15,872**		7,709		105.9

Notes:

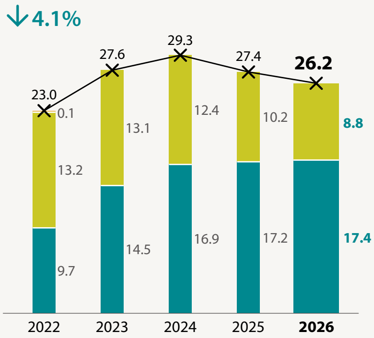
1 *EBITDA represents operating profit/(loss) before fair value measurement of investment properties, depreciation, amortisation, variable annual payment, share of profit of associates and joint ventures, interest, finance charges and taxation.*

2 *EBIT represents profit/(loss) before fair value measurement of investment properties, interest, finance charges and taxation and after variable annual payment.*

n/m: not meaningful

Total Revenue
(six months ended 30 June)
(HK$ billion)

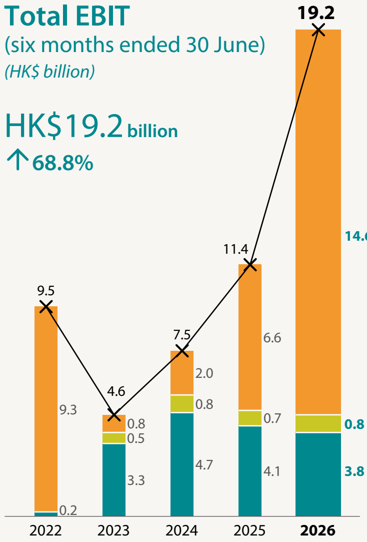
HK$26.2 **billion**
↓4.1%



- Chinese Mainland Property Development
- Recurrent Businesses – Chinese Mainland and International
- Recurrent Businesses – Hong Kong
- × Total Revenue

Total EBIT
(six months ended 30 June)
(HK$ billion)

HK$19.2 **billion**
↑68.8%

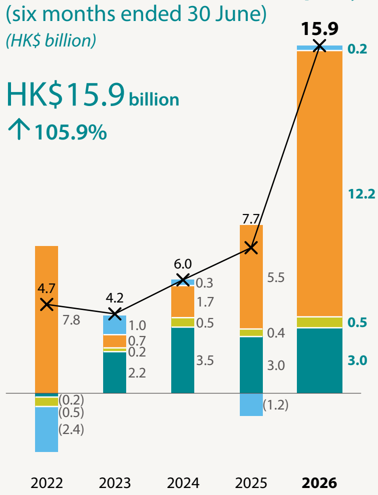


- Property Development Businesses
- Recurrent Businesses – Chinese Mainland and International*
- Recurrent Businesses – Hong Kong
- × Total EBIT

* *Including Share of Profit from Associates and Joint Ventures, and Project Studies and Business Development Expenses from Chinese Mainland and International Businesseses*

Net Profit Attributable to Shareholders of the Company
(six months ended 30 June)
(HK$ billion)

HK$15.9 **billion**
↑105.9%



- (Loss)/Gain from Fair Value Measurement of Investment Properties
- Property Development Profit
- Recurrent Business (Loss)/Profit – outside Hong Kong
- Recurrent Business (Loss)/Profit – in Hong Kong
- × Net Profit Attributable to Shareholders of the Company

	Six months ended 30 June		Favourable/ (Unfavourable)
	2026	2025	Change %
Financial ratios			
EBITDA margin[3] *(in %)*	**34.1**	32.3	1.8% pts.
EBITDA margin[3] (excluding Chinese Mainland and international subsidiaries[δ]) *(in %)*	**47.1**	47.5	(0.4)% pt.
EBIT margin[4] *(in %)*	**14.8**	15.4	(0.6)% pt.
EBIT margin[4] (excluding Chinese Mainland and international subsidiaries[φ]) *(in %)*	**19.8**	22.1	(2.3)% pts.
Net debt-to-equity ratio[5] (at 30 June 2026/31 December 2025) *(in %)*	**21.7**	22.5	0.8% pt.
Interest cover[6] *(times)*	**34.8**	12.5	22.3 times
Share information			
Basic earnings per share *(in HK$)*	**2.55**	1.24	105.6
Basic earnings per share arising from underlying businesses *(in HK$)*	**2.52**	1.44	75.0
Ordinary dividend per share *(in HK$)*	**0.42**	0.42	–
Share price (at 30 June 2026/31 December 2025) *(in HK$)*	**30.50**	29.80	2.3
Market capitalisation (at 30 June 2026/31 December 2025) *(in HK$ million)*	**189,857**	185,500	2.3
Hong Kong Transport Operations			
Total passenger boardings *(in million)*			
Domestic Service	**789.6**	786.0	0.5
Cross-boundary Service	**55.4**	51.2	8.2
High Speed Rail	**16.6**	14.7	12.8
Airport Express	**6.4**	6.4	0.6
Light Rail and Bus	**107.4**	105.4	1.8
Average number of passengers *(in thousand)*			
Domestic Service *(weekday)*	**4,704.5**	4,667.7	0.8
Cross-boundary Service *(daily)*	**306.0**	282.8	8.2
High Speed Rail *(daily)*	**91.8**	81.4	12.8
Airport Express *(daily)*	**35.6**	35.4	0.6
Light Rail and Bus *(weekday)*	**630.4**	618.8	1.9
Average fare *(in HK$)*			
Domestic Service	**8.79**	8.82	(0.3)
Cross-boundary Service	**33.30**	32.83	1.4
High Speed Rail	**81.47**	77.62	5.0
Airport Express	**66.38**	62.77	5.7
Light Rail and Bus	**3.33**	3.36	(0.9)
Proportion of franchised public transport boardings (January to May) *(in %)*	**50.2**	50.0	0.2% pt.

Notes:

3 *EBITDA margin represents total EBITDA (excluding Hong Kong property development profit from share of surplus, income and interest in unsold properties) as a percentage of total revenue.*

4 *EBIT margin represents total EBIT (excluding Hong Kong property development profit from share of surplus, income and interest in unsold properties, and share of profit of associates and joint ventures) as a percentage of total revenue.*

5 *Net debt-to-equity ratio represents loans and other obligations, short-term loans, obligations under service concession and loans from holders of non-controlling interests net of cash, bank balances and deposits and investment in bank medium-term notes/bonds/certificates of deposit in the consolidated statement of financial position as a percentage of total equity.*

6 *Interest cover represents operating profit before fair value measurement of investment properties, depreciation, amortisation, variable annual payment and share of profit of associates and joint ventures divided by interest and finance charges before capitalisation.*

δ *Excluding the relevant revenue and expenses of Chinese Mainland and international subsidiaries of HK$8,845 million and HK$8,075 million (2025: HK$10,197 million and HK$9,517 million) respectively.*

φ *Excluding the relevant revenue, expenses, depreciation and amortisation of Chinese Mainland and international subsidiaries of HK$8,845 million, HK$8,075 million, and HK$341 million (2025: HK$10,197 million, HK$9,517 million, and HK$267 million) respectively.*

Corporate Governance and Other Information

MEMBERS OF THE BOARD AND THE EXECUTIVE DIRECTORATE

List of Members of the Board and the Executive Directorate and their Roles and Functions (as at 13 August 2026)

		Board Committees/Advisory Panel						
	Executive Committee*	Audit & Risk Committee	Nominations Committee	Remuneration Committee	Capital Works Committee	Environmental & Social Responsibility Committee	Finance & Investment Committee	Technology Advisory Panel
Members of the Board								
Non-executive Directors ("NED")								
Dr Jacob Kam Chak-pui (Chairman)			M	M		C		
Christopher Hui Ching-yu (Secretary for Financial Services and the Treasury)				M			M	
Secretary for Transport and Logistics (Mable Chan)			M	M				
Permanent Secretary for Development (Works) (Ricky Lau Chun-kit)					M			M
Commissioner for Transport (Winnie Tse Wing-yee)		M				M		
Independent Non-executive Directors ("INED")								
Andrew Clifford Winawer Brandler		M					C	
Dr Bunny Chan Chung-bun				M		M		
Cheng Yan-kee				M	C			
Mary Huen Wai-yi			M					
Hui Siu-wai				M	M			
Ayesha Macpherson Lau		M					M	
Professor Sunny Lee Wai-kwong					M			C
Jimmy Ng Wing-ka			M					M
Susanna Shen Shuk-ching					M			M
Sandy Wong Hang-yee			C			M		
Adrian Wong Koon-man				C			M	
Professor Anna Wong Wai-kwan		C					M	
Michael Wong Yick-kam		M					M	
Executive Director								
Jeny Yeung Mei-chun (Chief Executive Officer)	C					M		
Members of the Executive Directorate								
Jeny Yeung Mei-chun (Chief Executive Officer)	C					M		
David Tang Chi-fai (Managing Director – Property and International Business)	M							
Margaret Cheng Wai-ching (Human Resources Director)	M					M		
Linda Choy Siu-min (Corporate Affairs and Branding Director)	M							
Carl Michael Devlin (Capital Works Director)	M							
Michael George Fitzgerald (Finance Director)	M							
Wilson Kwong Wing-tsuen (Hong Kong Transport Services Director)	M							
Gillian Elizabeth Meller (Legal and Governance Director)	M					M		
Sammy Wong Kwan-wai (Chinese Mainland Business Director)	M							

* The other Member of the Executive Committee is Ms Sylvia Ng Yuen-hung, Deputy Director – Corporate Development.

C : Chairman
M : Member

Corporate governance is the collective responsibility of all Members of the Board. The Board firmly believes that strong governance is essential to fulfilling the Company's purpose, achieving its vision, and ensuring its sound management in the interests of its stakeholders. The Board actively pursues continuous improvement in corporate governance practices and responds promptly to identified opportunities for enhancement.

As noted in the Company's Board Diversity Policy, which is available on the Company's website (www.mtr.com.hk), and Workforce Diversity Policy (a summary of which is set out on page 81 of the Annual Report 2025), the Company recognises the importance of maintaining gender diversity on the Board as well as in its workforce. To demonstrate its commitment and leadership from the top, the Board Diversity Policy provides that the Board will seek opportunities to increase the proportion of female Members over time and will actively seek to ensure that, at any time, no less than 25% of its Directors are female. Currently, the Board has eight female members, representing 42% of its membership. As at the date of this Report, all the Board Committees and the Advisory Panel of the Company have at least one female member, with the Audit & Risk Committee ("A&RC"), the Nominations Committee ("NC") and the Environmental & Social Responsibility Committee ("E&SRC") having a majority of female members, and the A&RC and the NC being chaired by a female Board member.

CORPORATE GOVERNANCE CODE COMPLIANCE

During the six months ended 30 June 2026 (the "Period"), the Company has complied with the code provisions set out in Appendix C1 (Corporate Governance Code) to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

BUSINESS ETHICS

Practising integrity and responsible business ethics is paramount to the Company's continued success. The Code of Conduct (the "Code"), available on the Company's public website (www.mtr.com.hk), sets out clear ethical standards, requiring staff to act transparently and uphold the highest principles of fairness, impartiality, and integrity across all business operations.

The Code is reviewed and updated periodically to align with corporate strategies, practices and regulatory requirements. The latest version was released to all staff in January 2026 and shared across the Company's hubs and subsidiaries in and outside Hong Kong to foster a consistent ethical culture. To further strengthen staff awareness and compliance, a series of ethics webinars has been arranged for staff members, covering relevant ordinances, including the anti-discrimination ordinances, the Personal Data (Privacy) Ordinance and the Prevention of Bribery Ordinance, and providing practical scenario based guidance. These webinars provide timely reinforcement of staff's understanding of ethical principles, enhancing their ability to exercise sound judgement and uphold high standards of integrity in daily operations. Additional educational initiatives, including mandatory online training on relevant ordinances, have also been introduced to further raise staff awareness and, to ensure adherence to the highest ethical standards, a policy on the prevention of bribery and corrupt practices is in place and reviewed regularly.

Staff members are encouraged to report existing, potential or perceived violations of the Code and malpractices. Proper procedures under the whistle-blowing policy enable staff members (and other stakeholders) to raise concerns in a safe and confidential environment where they have genuine suspicions of wrongdoing.

To help new staff members embrace the Company's values and ethical commitments, they are briefed on the Code during induction and are required to complete mandatory online training within three months of joining.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules (the "Model Code"). After having made specific enquiry, the Company confirms that all Members of the Board and (where applicable) their Alternate Directors and all Members of the Executive Directorate have complied with the Model Code throughout the Period.

Senior managers, other nominated managers and staff who, because of their office in the Company, may be in possession of Inside Information (which term shall bear the same meaning as in the Securities and Futures

Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO")) of the Company (collectively the "Model Code Managers"), have also been requested to comply with the provisions of the Model Code.

For enhanced monitoring and effectiveness, the Company has implemented an electronic platform "Model Code Managers Management System" to provide one-stop access to the relevant key processes to support compliance with the Model Code. Periodic training is also required to be completed by Model Code Managers.

CHANGES DURING THE PERIOD FROM 1 JANUARY 2026 TO 13 AUGUST 2026

Changes in Composition of the Board and Board Committees

1. Dr Jacob Kam Chak-pui was appointed by the Board as a NED of the Company with effect from 1 January 2026. Pursuant to Article 117(a) of the Company's Articles of Association, The Financial Secretary Incorporated appointed Dr Kam as the Chairman of the Company with effect from 1 January 2026 until 31 December 2028 (both dates inclusive). He also became the chairman of the E&SRC and a member of each of the NC and the Remuneration Committee ("RC") of the Company, all with effect from 1 January 2026. Dr Kam was elected as a Board Member of the Company at the Company's Annual General Meeting held on 27 May 2026 (the "2026 AGM").

2. Ms Jeny Yeung Mei-chun was appointed as the Chief Executive Officer ("CEO") and a member of the E&SRC of the Company upon the expiry of Dr Jacob Kam Chak-pui's term as the CEO, with effect from 1 January 2026. She was also appointed as a Member of the Board with effect from the same date and has continued to be a Member of the Executive Directorate. Ms Yeung was elected as a Board Member of the Company at the 2026 AGM.

3. Ms Angela Lee Chung-yan ceased to be a NED of the Company at the same time as she ceased to hold the post of the Commissioner for Transport ("C for T") with effect from 1 April 2026. Ms Lee also ceased to be a member of each of the A&RC and the E&SRC, both with effect from the same date.

4. Miss Winnie Tse Wing-yee became a NED of the Company with effect from 1 April 2026 at the same time as she took up the post of the C for T. Miss Tse also became a member of each of the A&RC and the E&SRC with effect from the same date.

5. With effect from the conclusion of the 2026 AGM:

   (i) Dr Carlson Tong retired as an INED of the Company and ceased to be the chairman of the NC and a member of the A&RC;

   (ii) Ms Mary Huen Wai-yi was elected as a Member of the Board and has become an INED of the Company, and has been appointed by the Board as a member of the NC;

   (iii) Mr Michael Wong Yick-kam was elected as a Member of the Board and has become an INED of the Company, and has been appointed by the Board as a member of each of the A&RC and the Finance & Investment Committee of the Company; and

   (iv) Ms Sandy Wong Hang-yee, an INED of the Company and a member of each of the E&SRC and the NC, has been appointed by the Board as the chairman of the NC.

Changes of Alternate Directors

1. Ms Amy Wong Pui-man ceased to be an Alternate Director to the office of the Secretary for Transport and Logistics ("S for T&L") (Ms Mable Chan), a NED of the Company, with effect from 11 May 2026, as she ceased to hold the post of the Deputy Secretary for Transport and Logistics 1 ("DS (TL) 1") with effect from the same date.

2. Mr Eddie Lee Lik-kong took up the post of the DS (TL) 1 with effect from 11 May 2026 and, by virtue of holding such post, has become an Alternate Director to the office of the S for T&L (Ms Mable Chan), a NED of the Company, with effect from the same date.

Change in Composition of the Executive Directorate

Mr Wilson Kwong Wing-tsuen was appointed as the Hong Kong Transport Services Director of the Company with effect from 28 January 2026. He has also become a Member of the Executive Directorate of the Company with effect from the same date.

Changes in Information of Directors

Changes in information of Directors required to be disclosed pursuant to the Listing Rules are set out below:

(i) Changes in Biographical Details

Name	Change(s)	Nature and Effective Date of Change(s)
Dr Jacob Kam Chak-pui	The Hong Kong General Chamber of Commerce • Vice Chairman of the General Committee • Chairman	 Cessation (3 June 2026) Appointment (3 June 2026)
	The Chartered Institute of Logistics and Transport in Hong Kong • Council Member	 Cessation (11 June 2026)
	The Hong Kong Management Association • Council Member	 Cessation (2 July 2026)
Jeny Yeung Mei-chun	The Hong Kong Housing Authority • Non-official Member • Non-official Member of Commercial Properties Committee • Non-official Member of Finance Committee	 Cessation (1 April 2026) Cessation (1 April 2026) Cessation (1 April 2026)
	Justice of the Peace (Hong Kong)	Appointment (1 July 2026)
	The Hong Kong Management Association • Council Member	 Appointment (2 July 2026)
Christopher Hui Ching-yu	Hong Kong Precious Metals Central Clearing Company Limited • Chairman	 Appointment (2 February 2026)
Hui Siu-wai	Appeal Panel (Basic Housing Units) (Hong Kong) • Member	 Appointment (1 March 2026)
Professor Sunny Lee Wai-kwong	Hong Kong Professionals and Senior Executives Association • Council Member	 Cessation (1 April 2026)
	Committee on AI+ and Industry Development Strategy (Hong Kong) • Ex-officio Member	 Appointment (29 June 2026)
Jimmy Ng Wing-ka	Competition Commission (Hong Kong) • Member	 Cessation (30 April 2026)
Dr Carlson Tong (Retired on 27 May 2026)	Hong Kong Trade Development Council • Member of the Hong Kong – Europe Business Council	 Appointment (8 January 2026)
	Independent Commission on Remuneration for Members of the Executive Council and the Legislature, and Officials under the Political Appointment System (Hong Kong) • Chairman	 Cessation (1 April 2026)
Sandy Wong Hang-yee	Medal of Honour awarded by the Chief Executive of the Hong Kong Special Administrative Region	Award (1 July 2026)
	Hong Kong Advisory Council on AIDS • Member	 Cessation (31 July 2026)
Professor Anna Wong Wai-kwan	Financial Services Development Council (Hong Kong) • Member of the Human Capital Committee	 Cessation (16 January 2026)
	The Hong Kong Housing Authority • Member of the Finance Committee	 Cessation (31 March 2026)
	Competition Commission (Hong Kong) • Member	 Cessation (30 April 2026)
	HSBC Provident Fund Trustee (Hong Kong) Limited • Independent Non-executive Director	 Appointment (3 July 2026)
Michael Wong Yick-kam	Airport Authority Hong Kong • Board Member	 Appointment (1 June 2026)
David Tang Chi-fai	Ocean Park Corporation • Member of the Board	 Appointment (1 July 2026)
Margaret Cheng Wai-ching	Hospital Authority (Hong Kong) • Board Member	 Cessation (1 April 2026)
Linda Choy Siu-min	Lantau Development Advisory Committee (Hong Kong) • Member	 Cessation (31 January 2026)
	Energy Advisory Committee (Hong Kong) • Member	 Appointment (15 July 2026)
Carl Michael Devlin	The Institution of Civil Engineers • Fellow	 Appointment (13 July 2026)
	The Chartered Institution of Highways and Transportation • Fellow	 Conferment (31 March 2026)
Michael George Fitzgerald	Institute of Chartered Accountants in England and Wales • Member of the Hong Kong Strategy Advisory Group	 Cessation (1 August 2026)
Wilson Kwong Wing-tsuen	Hong Kong Trade Development Council • Member of Logistics Services Advisory Committee	 Cessation (1 April 2026)
	Tripartite Taskforce on Manpower Training (Aviation) (Hong Kong) • Member	 Cessation (1 May 2026)
	Employers' Federation of Hong Kong • Chairman • Chairman of Transportation Group of the General Committee	 Cessation (29 May 2026) Appointment (29 May 2026)
	Vocational Training Council (Hong Kong) • Council Member	 Appointment (1 July 2026)
Gillian Elizabeth Meller	The Chartered Governance Institute • Vice President of the Council • President of the Council	 Cessation (30 June 2026) Appointment (1 July 2026)

Full biographical details of the Directors are available on the Company's website (www.mtr.com.hk).

Changes in Information of Directors *(continued)*

(ii) Change in Director's Remuneration

Reference is made to the section headed "Changes in Composition of the Board and Board Committees" on page 34 of this report. As Ms Sandy Wong Hang-yee, an existing member of the NC of the Company, became its chairman with effect from the conclusion of the 2026 AGM, the annual fee payable by the Company to Ms Wong has been adjusted from HK$490,000 to HK$540,000 per annum effective from 27 May 2026. The actual amount receivable by Ms Wong for the year ending 31 December 2026 will be calculated on a pro rata basis.

INDUCTION PROGRAMME AND OTHER TRAINING

Induction Programme

Before appointment, all new Members of the Board (including Government-nominated Directors), Alternate Directors and Members of the Executive Directorate are required to be given pre-appointment legal advice (the "Legal Advice") from a firm of solicitors qualified to advise on Hong Kong law pursuant to Rule 3.09D of the Listing Rules. This advice covers:

- the roles of a director from the strategic, planning and management perspectives, as well as the essence of corporate governance and the trends in these areas;
- the general and specific duties of a director under general law (common law and legislation) and the Listing Rules; and
- the possible legal consequences of making a false declaration or giving false information to The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

During the Period, the following newly appointed Directors have received the Legal Advice on the respective dates set out below, and they have acknowledged and confirmed in writing their understanding of their obligations as a director of a listed issuer.

Name	Position	Date of Receipt of the Legal Advice	Date of Appointment
Jeny Yeung Mei-chun	Member of the Board	1 December 2025	1 January 2026
Dr Jacob Kam Chak-pui	Member of the Board	22 December 2025	1 January 2026
Michael Wong Yick-kam	Member of the Board	24 March 2026	27 May 2026
Winnie Tse Wing-yee	Member of the Board	31 March 2026	1 April 2026
Mary Huen Wai-yi	Member of the Board	27 April 2026	27 May 2026
Eddie Lee Lik-kong	Alternate Director	21 April 2026	11 May 2026
Wilson Kwong Wing-tsuen	Member of the Executive Directorate	11 December 2025	28 January 2026

In addition to the above, a familiarisation programme to understand the key areas of the Company's business and operations has been arranged for new appointees.

Training and Continuous Professional Development

To assist Members of the Board and the Executive Directorate in their continuing professional development, the Company Secretary encourages them to attend relevant seminars and courses at the Company's expense. Materials on corporate governance, including e-learning resources provided by the Stock Exchange and relevant professional firms and institutes, are circulated to Members of the Board, Alternate Directors and Members of the Executive Directorate to keep them abreast of the latest developments in corporate governance and related regulatory matters. Board visits are also arranged from time to time to enhance their understanding of the business and operations of the Company.

In order to comply with the Listing Rules requirements, in addition to the existing resources mentioned in the above paragraph, the Company has arranged a structured continuous professional development training programme covering, inter alia, the five specified topics set out in Rule 3.09G of the Listing Rules for Members of the Board, Alternate Directors and Members of the Executive Directorate to attend at their convenience.

BOARD MEETINGS AND WORKSHOP

The Board held three Regular Meetings, a Private Meeting and a Board Strategy Workshop during the Period.

Regular Meetings

At the Regular Meetings, the Board reviewed, discussed and, where appropriate, approved matters relating to the Company's different businesses and financial and operational performance. In addition, other key matters discussed at these Regular Meetings included:

- Environmental, Social and Governance:
  - Annual review of the size, structure and composition of the Board, and Board Skills Matrix and the Company's corporate governance functions for 2025; annual assessment of (i) the independence of the INEDs, and (ii) the effectiveness of the Company's risk management and internal control systems for 2025;
  - Recommendation of the appointment of two new Members of the Board and the re-election and election of certain retiring Members of the Board for approval by shareholders at the 2026 AGM;
  - Approval of renewal of service contracts with certain Members of the Board and changes in the composition of Board Committees;
  - Approval of Sustainability Report 2025; and
  - Receipt of Enterprise Risk Management Annual Report;
- Hong Kong Transport Services:
  - Approval of contract lease re-structuring for some station shops;
  - Receipt of quarterly updates on Hong Kong Transport Services; and
  - Noting of the Fare Freeze Outcome for 2026 under the Fare Adjustment Mechanism;
- Capital Works:
  - Receipt of Airport Railway Extended Overrun Tunnel Project update and approval of project budget;
- Property:
  - Approval of the tender strategies, tender award arrangements and property project costs budgets for the Kam Sheung Road Station Phase 2 Property development and the Tuen Mun A16 Station Package Two Property Development; and
  - Review of MTR Malls' business strategy;
- Chinese Mainland and International Businesses:
  - Receipt of the 2025 annual update on the Chinese Mainland business;
  - Review of the International Business Strategy's 2026 Outlook; and
  - Approval of a tender submission for an overseas project;
- Financial:
  - Review and approval of the 2025 Annual Report and financial statements; and
  - Receipt of the annual shareholder analysis and investor feedback;
- Human Resources:
  - Approval of the 2026 Annual Pay Review;
  - Approval of the renewal of the Group Medical Schemes; and
  - Receipt of the corporate results of the Employee Engagement Survey 2025;
- Corporate Affairs:
  - Receipt of quarterly update on Corporate Communications and Reputation Management.

Private Meeting

During the Period, one Private Meeting was held to discuss the Company's Executive Management.

Board Strategy Workshop

To seek Board Members' guidance on a 5-year strategic business plan; commitment to building an agile, future-ready workforce and growing the communities we serve, a Board Strategy Workshop was organised in March 2026 for Members of the Board, Alternate Directors and Members of the Executive Directorate.

COMMUNICATION WITH SHAREHOLDERS

Dissemination of Corporate Communications

The Company has adopted the dissemination of corporate communications* by publication on website (except for actionable corporate communications#) after the Companies (Amendment) Ordinance 2025 came into operation on 17 April 2025. Corporate communications are available electronically on the Company's website at www.mtr.com.hk^ and the website of the Stock Exchange at www.hkexnews.hk. In addition, pursuant to the Listing Rules, actionable corporate communications are sent individually to each of the Company's shareholders. To facilitate this arrangement, the Company recommends registered shareholders to provide their email address to the Company's share registrar, Computershare Hong Kong Investor Services Limited. More details are set out in the section "Dissemination of Corporate Communications" on the Company's website at www.mtr.com.hk.

* *Corporate communications refer to any documents from time to time issued by the Company to its shareholders including but not limited to (a) annual report; (b) interim report; (c) notice of meeting; (d) circular; and (e) proxy form*

\# *Actionable corporate communications refer to any corporate communications that are issued to seek instructions from the Company's shareholders on how they wish to exercise their rights or make an election as shareholders*

^ *Shareholders may access the Company's corporate communications by clicking "Investor's Information" under the "About MTR" section on the home page of the Company's website, then selecting "Financials and Reports" for the annual and interim reports and "Announcements/Circulars" for other corporate communications*

Annual General Meeting

The Company's 2026 AGM was held on 27 May 2026. The Chairman continued his practice of proposing separate resolutions for each substantially separate matter.

A total of 14 resolutions were passed at the 2026 AGM (with resolution no. 3 comprising six separate resolutions), all of which were supported by over 98% of the votes cast. The full text of the resolutions is set out in the 2026 AGM Circular (which comprised the Notice of the 2026 AGM) dated 17 April 2026.

All resolutions at the 2026 AGM were passed by way of a poll and the poll results were posted on the respective websites of the Company (www.mtr.com.hk) and the Stock Exchange on the same day of the 2026 AGM.

The 2026 AGM continued to be held in a hybrid format, which provided shareholders with an alternative option to participate through an online platform with a choice of language (Cantonese, English and Putonghua). Sign language interpretation and simultaneous interpretation services continued to be made available. Shareholders could submit questions in advance of the 2026 AGM or at the meeting either in person or through the online platform. For the benefit of the Company's shareholders who were unable to attend the 2026 AGM, a webcast of the whole proceedings was also posted on the Company's website for viewing.

CONSTITUTIONAL DOCUMENT

The Company's Articles of Association (in both English and Chinese) are available on the websites of both the Company (www.mtr.com.hk) and the Stock Exchange. During the Period, there was no change to the Company's Articles of Association.

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2026, the interests or short positions of the Members of the Board, Alternate Directors and Members of the Executive Directorate in the shares and underlying shares of the Company (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Members of the Board/ Alternate Directors/ Members of the Executive Directorate	No. of ordinary shares held		No. of award shares#		Percentage of aggregate interests to total no. of voting shares in issue∆
	Personal interests*	Family interests†	Personal interests*	Total interests	
Dr Jacob Kam Chak-pui	1,513,112	–	392,050 (Note 1)	1,905,162	0.03061
Jeny Yeung Mei-chun	959,835	–	325,017	1,284,852	0.02064
Cheng Yan-kee	–	2,000 (Note 2)	–	2,000	0.00003
Winnie Tse Wing-yee	1,303	–	–	1,303	0.00002
Adrian Wong Koon-man	–	558 (Note 2)	–	558	0.00001
David Tang Chi-fai	492,067	–	166,567	658,634	0.01058
Margaret Cheng Wai-Ching	400,287	–	161,268	561,555	0.00902
Linda Choy Siu-min	153,337	–	144,085	297,422	0.00478
Carl Michael Devlin	60,653	–	149,467	210,120	0.00338
Michael George Fitzgerald	80,750	1,500 (Note 2)	166,100	248,350	0.00399
Wilson Kwong Wing-tsuen	16,394	–	104,044	120,438	0.00194
Gillian Elizabeth Meller	363,796	–	142,767	506,563	0.00814
Sammy Wong Kwan-wai	98,435	–	139,085	237,520	0.00382

Notes:

1. *The 392,050 award shares represent performance shares that were awarded to Dr Jacob Kam Chak-pui under the Company's Executive Share Incentive Scheme on 8 April 2024, when he was the Chief Executive Officer of the Company. These performance shares will vest at the end of a three-year performance cycle, subject to review and approval by the RC of the Company.*
2. *As at 30 June 2026, these shares were held by the spouse of the relevant Member of the Board or Member of the Executive Directorate of the Company.*

\# *Details of the award shares are set out in the section headed "Executive Share Incentive Scheme" on pages 40 to 42*

* *Interests as beneficial owner*

† *Interests of spouse or child under 18 as beneficial owner*

∆ *The Company's total number of voting shares in issue as at 30 June 2026 was 6,224,823,171*

Save as disclosed above and in the section headed "Executive Share Incentive Scheme":

A as at 30 June 2026, no Member of the Board or Alternate Director or Member of the Executive Directorate of the Company had any interest or short position in the shares or underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO); and

B during the six months ended 30 June 2026, no Member of the Board or Alternate Director or Member of the Executive Directorate of the Company nor any of their spouses or children under 18 years of age held any rights to subscribe for equity or debt securities of the Company nor had there been any exercises of any such rights by any of them,

as recorded in the register kept by the Company under section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDER'S INTERESTS

Set out below is the name of the party which was interested in 5% or more of all the Company's voting shares in issue and the number of shares in which it was interested as at 30 June 2026 as recorded in the register kept by the Company under section 336 of the SFO:

Name	No. of ordinary shares held	Percentage of ordinary shares to total no. of voting shares in issue[Δ]
The Financial Secretary Incorporated ("FSI") (in trust on behalf of Government)	4,634,173,932	74.45%

Δ *The Company's total number of voting shares in issue as at 30 June 2026 was 6,224,823,171*

The Company has been informed by the Hong Kong Monetary Authority that, as at 30 June 2026, approximately 0.16% of the ordinary shares of the Company ("Ordinary Shares") in issue (not included in the FSI shareholding set out in the above table) were held for the account of the Exchange Fund. The Exchange Fund is a fund established under the Exchange Fund Ordinance (Cap. 66 of the Laws of Hong Kong) under the control of the Financial Secretary.

OTHER PERSONS' INTERESTS

Pursuant to section 337 of the SFO, the Company has maintained a register recording the shareholding information provided by persons in response to the Company's requests pursuant to section 329 of the SFO.

Save as disclosed above and in the sections headed "Directors' Interests in Shares and Underlying Shares of the Company" and "Substantial Shareholder's Interests", as at 30 June 2026, the Company has not been notified of any other persons who had any interests or short positions in the shares or underlying shares of the Company which would be required to be recorded in the register kept by the Company pursuant to section 336 of the SFO.

EXECUTIVE SHARE INCENTIVE SCHEME

The Company adopted the Executive Share Incentive Scheme with effect from 1 January 2015 ("Effective Date"), for an original term up to 31 December 2024. On 6 March 2025, the Board approved the renewal of the Executive Share Incentive Scheme until 31 December 2034. The purposes of the Executive Share Incentive Scheme are to retain management and key employees, to align participants' interests with the long-term success of the Company and to drive the achievement of strategic objectives of the Company.

Details on the operation of the Executive Share Incentive Scheme are set out in the sections headed "Long-Term Incentives" (pages 112 to 113), "Executive Share Incentive Scheme" (pages 138 to 140) and notes 2U(iii) (page 186), 11B (page 200) and 44 (pages 240 to 241) to the Consolidated Financial Statements, of the Company's 2025 Annual Report (www.mtr.com.hk).

Movements in award shares under the Executive Share Incentive Scheme during the six months ended 30 June 2026 are set out below:

Member of the Board, Members of the Executive Directorate and eligible employees	Date of award	Types of award shares granted (Note 1)		Award shares outstanding as at 1 January 2026	Award shares vested during the period	Award shares lapsed and/or forfeited during the period	Award shares outstanding as at 30 June 2026	Weighted average closing price of shares immediately before the date(s) on which the award shares were vested (HK$)
		Restricted shares (Note 2)	Performance shares (Note 3)					
Dr Jacob Kam Chak-pui (Note 4)	11/4/2023	54,700	–	–	–	–	–	–
	8/4/2024	87,100	392,050	392,050	–	–	392,050	–
	8/4/2025	90,600	–	–	–	–	–	–

EXECUTIVE SHARE INCENTIVE SCHEME *(continued)*

Member of the Board, Members of the Executive Directorate and eligible employees	Date of award	Types of award shares granted (Note 1) Restricted shares (Note 2)	Types of award shares granted (Note 1) Performance shares (Note 3)	Award shares outstanding as at 1 January 2026	Award shares vested during the period	Award shares lapsed and/or forfeited during the period	Award shares outstanding as at 30 June 2026	Weighted average closing price of shares immediately before the date(s) on which the award shares were vested (HK$)
Jeny Yeung Mei-chun	11/4/2023	25,100	–	8,368	8,368	–	–	32.62
	8/4/2024	41,700	93,550	121,350	13,900	–	107,450	32.62
	8/4/2025	40,000	–	40,000	13,333	–	26,667	31.98
	8/4/2026 (Note 7)	70,900	–	–	–	–	70,900	–
David Tang Chi-fai	11/4/2023	25,100	–	8,368	8,368	–	–	32.62
	8/4/2024	41,700	93,550	121,350	13,900	–	107,450	32.62
	8/4/2025	40,000	–	40,000	13,333	–	26,667	31.98
	8/4/2026 (Note 7)	32,450	–	–	–	–	32,450	–
Margaret Cheng Wai-ching	11/4/2023	23,300	–	7,768	7,768	–	–	32.62
	8/4/2024	38,650	93,550	119,317	12,883	–	106,434	32.62
	8/4/2025	37,100	–	37,100	12,366	–	24,734	31.98
	8/4/2026 (Note 7)	30,100	–	–	–	–	30,100	–
Linda Choy Siu-min	11/4/2023	17,550	–	5,850	5,850	–	–	32.62
	8/4/2024	24,200	93,550	109,684	8,066	–	101,618	32.62
	8/4/2025	28,750	–	28,750	9,583	–	19,167	31.98
	8/4/2026 (Note 7)	23,300	–	–	–	–	23,300	–
Carl Michael Devlin	11/4/2023	15,700	–	5,234	5,234	–	–	32.62
	8/4/2024	25,800	93,550	110,750	8,600	–	102,150	32.62
	8/4/2025	30,700	–	30,700	10,233	–	20,467	31.98
	8/4/2026 (Note 7)	26,850	–	–	–	–	26,850	–
Michael George Fitzgerald	25/9/2023	60,900	–	20,300	–	–	20,300	–
	8/4/2024	30,150	93,550	113,650	10,050	–	103,600	32.62
	8/4/2025	28,650	–	28,650	9,550	–	19,100	31.98
	8/4/2026 (Note 7)	23,100	–	–	–	–	23,100	–
Wilson Kwong Wing-tsuen (Note 5)	29/5/2026 (Note 7)	149,100	–	–	–	45,056	104,044	–
Gillian Elizabeth Meller	11/4/2023	19,550	–	6,518	6,518	–	–	32.62
	8/4/2024	25,950	93,550	110,850	8,650	–	102,200	32.62
	8/4/2025	30,850	–	30,850	10,283	–	20,567	31.98
	8/4/2026 (Note 7)	20,000	–	–	–	–	20,000	–
Sammy Wong Kwan-wai	11/4/2023	16,400	–	5,468	5,468	–	–	32.62
	8/4/2024	21,800	93,550	108,084	7,266	–	100,818	32.62
	8/4/2025	25,900	–	25,900	8,633	–	17,267	31.98
	8/4/2026 (Note 7)	21,000	–	–	–	–	21,000	–
Other eligible employees (Note 6)	11/4/2023	2,364,150	42,850	594,480	590,128	4,352	–	32.63
	8/4/2024	3,762,450	2,080,550	4,170,805	1,095,981	58,400	3,016,424	32.63
	8/4/2025	3,919,700	288,350	4,063,000	1,273,968	49,917	2,739,115	32.00
	8/4/2026 (Note 7)	3,125,800	20,200	–	7,900	6,100	3,132,000	33.68

EXECUTIVE SHARE INCENTIVE SCHEME *(continued)*

Notes:

1. *The award shares granted under the Executive Share Incentive Scheme are issued Ordinary Shares.*
2. *Restricted shares are awarded to selective eligible employees and vest over three years in equal tranches (unless otherwise determined by the RC of the Company).*
3. *Performance shares are awarded to selective eligible employees and generally vest at the end of a three-year performance cycle, subject to review and approval by the RC of the Company from time to time.*
4. *Non-executive Members of the Board are not eligible employees under the Company's Executive Share Incentive Scheme and, accordingly, are not eligible to receive performance shares. However, the 392,050 award shares outstanding as at 30 June 2026, as shown in the table above, represent performance shares that were awarded to Dr Jacob Kam Chak-pui under the Company's Executive Share Incentive Scheme on 8 April 2024, when he was the Chief Executive Officer of the Company. These performance shares will vest at the end of a three-year performance cycle, subject to review and approval by the RC of the Company. All restricted shares awarded to Dr Jacob Kam Chak-pui had vested on or before 31 December 2025.*
5. *Mr Wilson Kwong Wing-tsuen was appointed as Hong Kong Transport Services Director and became a Member of the Executive Directorate of the Company, both with effect from 28 January 2026.*
6. *Other eligible employees also include former employees of the Company.*
7. *The closing price of the Ordinary Shares immediately before the date on which the award shares were granted on 8 April 2026 and 29 May 2026 was HK$32.62 and HK$32.44 respectively.*
8. *No award shares were cancelled during the six months ended 30 June 2026.*

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The Group did not purchase, sell or redeem any of the Group's listed securities during the six months ended 30 June 2026. However, the Trustee of the Executive Share Incentive Scheme, pursuant to the terms of the rules and the trust deed of the Executive Share Incentive Scheme, purchased on the Stock Exchange a total of 3,959,800 Ordinary Shares for a total consideration of approximately HK$130 million during the same period. The Company did not hold any treasury shares as at 30 June 2026.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the Company's shareholders' entitlement to the 2026 interim dividend, the Register of Members of the Company was closed from 28 August 2026 to 2 September 2026 (both dates inclusive), and during such closure period, no transfer of shares in the Company was registered. To qualify for the 2026 interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on 27 August 2026 (Hong Kong time). The 2026 interim dividend is expected to be paid on 15 September 2026 to shareholders whose names appeared on the Register of Members of the Company as at the close of business on 2 September 2026, being the record date for determination of entitlement to the 2026 interim dividend.

UNAUDITED INTERIM FINANCIAL REPORT
CONSOLIDATED STATEMENT OF PROFIT OR LOSS

in HK$ million	Note	**Six months ended 30 June 2026 (Unaudited)**	Six months ended 30 June 2025 (Unaudited)
Revenue from Hong Kong transport operations		**11,850**	11,509
Revenue from Hong Kong station commercial businesses		**2,615**	2,621
Revenue from Hong Kong property rental and management businesses		**2,593**	2,657
Revenue from Chinese Mainland and international railway, property rental and management subsidiaries	2	**8,845**	10,183
Revenue from other businesses		**328**	376
		26,231	27,346
Revenue from Chinese Mainland property development	2	**–**	14
Total revenue		**26,231**	27,360
Expenses relating to Hong Kong transport operations			
– Staff costs and related expenses		**(4,086)**	(4,053)
– Maintenance and related works		**(1,293)**	(1,273)
– Energy and utilities		**(1,118)**	(1,094)
– General and administration expenses		**(412)**	(398)
– Stores and spares consumed		**(295)**	(300)
– Railway support services		**(295)**	(255)
– Government rent and rates		**(130)**	(116)
– Other expenses		**(165)**	(54)
		(7,794)	(7,543)
Expenses relating to Hong Kong station commercial businesses		**(373)**	(377)
Expenses relating to Hong Kong property rental and management businesses		**(567)**	(556)
Expenses relating to Chinese Mainland and international railway, property rental and management subsidiaries	2	**(8,074)**	(9,507)
Expenses relating to other businesses		**(285)**	(302)
Project study and business development expenses		**(184)**	(227)
		(17,277)	(18,512)
Expenses relating to Chinese Mainland property development	2	**(1)**	(10)
Operating expenses before depreciation, amortisation and variable annual payment		**(17,278)**	(18,522)
Operating profit/(loss) before Hong Kong property development, fair value measurement of investment properties, depreciation, amortisation and variable annual payment			
– Arising from recurrent businesses		**8,954**	8,834
– Arising from Chinese Mainland property development		**(1)**	4
		8,953	8,838
Hong Kong property development profit from share of surplus, income and interest in unsold properties	4	**14,595**	6,594
Gain/(loss) from fair value measurement of investment properties	5	**205**	(1,224)
Operating profit before depreciation, amortisation and variable annual payment		**23,753**	14,208
Depreciation and amortisation		**(3,374)**	(3,099)
Variable annual payment		**(1,706)**	(1,534)
Share of profit of associates and joint ventures	6	**771**	601
Profit before interest, finance charges and taxation		**19,444**	10,176
Interest and finance charges	7	**112**	(620)
Profit before taxation		**19,556**	9,556
Income tax	8	**(2,937)**	(1,734)
Profit for the period		**16,619**	7,822
Attributable to:			
– Shareholders of the Company		**15,872**	7,709
– Perpetual capital securities holders		**618**	24
– Non-controlling interests		**129**	89
Profit for the period		**16,619**	7,822
Profit/(loss) for the period attributable to shareholders of the Company:	3		
– Arising from recurrent businesses			
– in Hong Kong		**2,917**	2,973
– outside Hong Kong		**517**	418
		3,434	3,391
– Arising from property development			
– in Hong Kong		**12,223**	5,530
– outside Hong Kong		**10**	12
		12,233	5,542
– Arising from underlying businesses		**15,667**	8,933
– Arising from fair value measurement of investment properties		**205**	(1,224)
		15,872	7,709
Earnings per share:	10		
– Basic		**HK$2.55**	HK$1.24
– Diluted		**HK$2.55**	HK$1.24

The notes on pages 48 to 71 form part of this interim financial report.
Details of dividends payable to shareholders of the Company are set out in note 9.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in HK$ million	Note	**Six months ended 30 June 2026 (Unaudited)**	Six months ended 30 June 2025 (Unaudited)
Profit for the period		**16,619**	7,822
Other comprehensive income/(loss) for the period (after taxation and reclassification adjustments):	11		
Item that will not be reclassified to profit or loss:			
– Surplus/(loss) on revaluation of self-occupied buildings		**86**	(136)
Items that may be reclassified subsequently to profit or loss:			
– Exchange differences on translation of:			
– financial statements of subsidiaries, associates and joint ventures outside Hong Kong		**814**	728
– non-controlling interests		**(5)**	25
– Net movement in hedging reserve		**803**	(1,362)
		1,612	(609)
		1,698	(745)
Total comprehensive income for the period		**18,317**	7,077
Attributable to:			
– Shareholders of the Company		**17,575**	6,939
– Perpetual capital securities holders		**618**	24
– Non-controlling interests		**124**	114
Total comprehensive income for the period		**18,317**	7,077

The notes on pages 48 to 71 form part of this interim financial report.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

in HK$ million	Note	**At 30 June 2026 (Unaudited)**	At 31 December 2025 (Audited)
Assets			
Fixed assets			
– Investment properties	12A	**93,603**	93,188
– Other property, plant and equipment	12B	**112,411**	110,862
– Service concession assets	13	**42,088**	41,654
		248,102	245,704
Property management rights		**7**	7
Railway construction in progress	15	**22,357**	17,879
Property development in progress	16	**43,378**	43,054
Deferred expenditure	17	**98**	138
Interests in associates and joint ventures	18	**14,435**	13,614
Deferred tax assets	25	**530**	509
Investments in securities		**17,973**	7,276
Properties held for sale	19	**4,164**	2,862
Derivative financial assets	20	**2,178**	1,691
Stores and spares		**3,249**	3,021
Debtors and other receivables	21	**15,524**	13,562
Amounts due from related parties	22	**6,346**	5,379
Cash, bank balances and deposits		**113,997**	44,242
		492,338	398,938
Liabilities			
Short-term loans		**16**	49
Creditors, other payables and provisions	23	**57,217**	58,824
Current taxation		**4,056**	1,850
Amounts due to related parties	22	**2,777**	3,655
Loans and other obligations	24	**170,339**	88,874
Obligations under service concession		**9,839**	9,886
Derivative financial liabilities	20	**2,391**	2,401
Loans from holders of non-controlling interests		**129**	125
Deferred tax liabilities	25	**17,116**	16,879
		263,880	182,543
Net assets		**228,458**	216,395
Capital and reserves	26		
Share capital		**61,287**	61,287
Shares held for Executive Share Incentive Scheme		**(335)**	(298)
Other reserves		**143,322**	131,226
Total equity attributable to shareholders of the Company		**204,274**	192,215
Perpetual capital securities	27	**23,496**	23,496
Non-controlling interests		**688**	684
Total equity		**228,458**	216,395

The notes on pages 48 to 71 form part of this interim financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in HK$ million	Note	Share capital	Other reserves: Shares held for Executive Share Incentive Scheme	Other reserves: Fixed assets revaluation reserve	Other reserves: Hedging reserve	Other reserves: Employee share-based capital reserve	Other reserves: Exchange reserve	Retained profits	Total equity attributable to shareholders of the Company	Perpetual capital securities	Non-controlling interests	Total equity
30 June 2026 (Unaudited)												
Balance as at 1 January 2026 (Audited)		**61,287**	**(298)**	**3,559**	**(1,379)**	**161**	**(1,291)**	**130,176**	**192,215**	**23,496**	**684**	**216,395**
Changes in equity for the six months ended 30 June 2026:												
– Profit for the period		**–**	**–**	–	**–**	**–**	**–**	**15,872**	**15,872**	**618**	**129**	**16,619**
– Other comprehensive income/(loss) for the period		**–**	**–**	**86**	**803**	**–**	**814**	**–**	**1,703**	–	**(5)**	**1,698**
– Total comprehensive income for the period		**–**	**–**	**86**	**803**	**–**	**814**	**15,872**	**17,575**	**618**	**124**	**18,317**
– 2025 final ordinary dividend	9	**–**	**–**	**–**	**–**	**–**	**–**	**(5,541)**	**(5,541)**	**–**	**–**	**(5,541)**
– Unclaimed dividends forfeited		**–**	**–**	**–**	**–**	**–**	**–**	**93**	**93**	**–**	**–**	**93**
– Shares purchased for Executive Share Incentive Scheme	26B	**–**	**(130)**	**–**	**–**	**–**	**–**	**–**	**(130)**	**–**	**–**	**(130)**
– Vesting and forfeiture of award shares of Executive Share Incentive Scheme	26B	**–**	**93**	**–**	**–**	**(86)**	**–**	**(7)**	**–**	**–**	**–**	**–**
– Employee share-based payments		**–**	**–**	**–**	**–**	**62**	**–**	**–**	**62**	**–**	**–**	**62**
– Distributions paid to perpetual capital securities holders		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(618)**	**–**	**(618)**
– Dividends to holders of non-controlling interests		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(120)**	**(120)**
Balance as at 30 June 2026 (Unaudited)		**61,287**	**(335)**	**3,645**	**(576)**	**137**	**(477)**	**140,593**	**204,274**	**23,496**	**688**	**228,458**
31 December 2025 (Audited)												
Balance as at 1 January 2025 (Audited)		61,287	(299)	3,721	(253)	139	(2,424)	123,454	185,625	–	508	186,133
Changes in equity for the six months ended 30 June 2025:												
– Profit for the period		–	–	–	–	–	–	7,709	7,709	24	89	7,822
– Other comprehensive (loss)/income for the period		–	–	(136)	(1,362)	–	728	–	(770)	–	25	(745)
– Total comprehensive (loss)/income for the period		–	–	(136)	(1,362)	–	728	7,709	6,939	24	114	7,077
– Amounts transferred from hedging reserve to initial carrying amount of hedged items		–	–	–	2	–	–	–	2	–	–	2
– 2024 final ordinary dividend	9	–	–	–	–	–	–	(5,541)	(5,541)	–	–	(5,541)
– Shares purchased for Executive Share Incentive Scheme	26B	–	(113)	–	–	–	–	–	(113)	–	–	(113)
– Vesting and forfeiture of award shares of Executive Share Incentive Scheme	26B	–	104	–	–	(99)	–	(5)	–	–	–	–
– Employee share-based payments		–	–	–	–	64	–	–	64	–	–	64
– Issuance of perpetual capital securities, net of transaction costs		–	–	–	–	–	–	–	–	23,472	–	23,472
– Equity contributions from holders of non-controlling interests		–	–	–	–	–	–	–	–	–	124	124
– Dividends to holders of non-controlling interests		–	–	–	–	–	–	–	–	–	(89)	(89)
Balance as at 30 June 2025 (Unaudited)		61,287	(308)	3,585	(1,613)	104	(1,696)	125,617	186,976	23,496	657	211,129
Changes in equity for the six months ended 31 December 2025:												
– Profit for the period		–	–	–	–	–	–	6,968	6,968	612	156	7,736
– Other comprehensive (loss)/income for the period		–	–	(26)	244	–	405	204	827	–	12	839
– Total comprehensive (loss)/income for the period		–	–	(26)	244	–	405	7,172	7,795	612	168	8,575
– Amounts transferred from hedging reserve to initial carrying amount of hedged items		–	–	–	(10)	–	–	–	(10)	–	–	(10)
– 2025 interim ordinary dividend	9	–	–	–	–	–	–	(2,614)	(2,614)	–	–	(2,614)
– Vesting and forfeiture of award shares of Executive Share Incentive Scheme		–	10	–	–	(11)	–	1	–	–	–	–
– Employee share-based payments		–	–	–	–	68	–	–	68	–	–	68
– Distributions paid to perpetual capital securities holders		–	–	–	–	–	–	–	–	(612)	–	(612)
– Equity contributions from holders of non-controlling interests		–	–	–	–	–	–	–	–	–	12	12
– Dividends to holders of non-controlling interests		–	–	–	–	–	–	–	–	–	(153)	(153)
Balance as at 31 December 2025 (Audited)		61,287	(298)	3,559	(1,379)	161	(1,291)	130,176	192,215	23,496	684	216,395

The notes on pages 48 to 71 form part of this interim financial report.

CONSOLIDATED STATEMENT OF CASH FLOWS

in HK$ million	Note	**Six months ended 30 June 2026 (Unaudited)**		Six months ended 30 June 2025 (Unaudited)	
Cash flows from operating activities					
Cash generated from operations	29	**9,083**		7,438	
Purchase of tax reserve certificates		**(571)**		(571)	
Current tax paid					
– Hong Kong Profits Tax paid		**(502)**		(135)	
– Tax paid outside Hong Kong		**(148)**		(251)	
Net cash generated from operating activities			**7,862**		6,481
Cash flows from investing activities					
Capital expenditure					
– Purchase of assets for Hong Kong transport and related operations		**(5,360)**		(4,560)	
– Hong Kong railway extension projects		**(4,695)**		(3,838)	
– Investment property projects and fitting out work		**(167)**		(127)	
– Shenzhen Metro Line 13 project		**(178)**		(36)	
– Other capital projects		**(96)**		(71)	
		(10,496)		(8,632)	
Variable annual payment		**(3,330)**		(3,025)	
Receipts in respect of property development		**11,520**		10,421	
Payments in respect of property development		**(1,475)**		(1,294)	
(Increase)/decrease in bank deposits with more than three months to maturity when placed or pledged, and structured bank deposits		**(46,800)**		515	
Net capital recouped from associates and joint ventures		**36**		73	
Net purchase of investments in securities		**(10,763)**		(4,760)	
Dividends and distribution received from associates		**216**		188	
Others		**106**		111	
Net cash used in investing activities			**(60,986)**		(6,403)
Cash flows from financing activities					
Purchase of shares for Executive Share Incentive Scheme		**(130)**		(113)	
Proceeds from loans and capital market instruments		**86,648**		57,427	
Repayment of loans, capital market instruments and others		**(3,821)**		(45,508)	
Interest and finance charges paid		**(1,518)**		(1,473)	
Interest received		**992**		557	
Capital element of lease rentals paid		**(152)**		(90)	
Equity contributions from holders of non-controlling interests		**–**		124	
Proceeds from issuance of perpetual capital securities		**–**		23,550	
Distributions paid to perpetual capital securities holders		**(618)**		–	
Dividends paid to equity shareholders of the Company		**(5,541)**		(5,541)	
Dividends paid to holders of non-controlling interests		**(120)**		(89)	
Net cash generated from financing activities			**75,740**		28,844
Net increase in cash and cash equivalents			**22,616**		28,922
Cash and cash equivalents at 1 January			**38,608**		21,836
Effect of exchange rate changes			**339**		503
Cash and cash equivalents at 30 June			**61,563**		51,261
Analysis of the balances of cash and cash equivalents					
Cash, bank balances and deposits on the consolidated statement of financial position			**113,997**		56,796
Bank deposits with more than three months to maturity when placed or pledged			**(52,434)**		(5,535)
Cash and cash equivalents in the consolidated statement of cash flows			**61,563**		51,261

The notes on pages 48 to 71 form part of this interim financial report.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

1 Basis of Preparation

This interim financial report is unaudited but has been reviewed by the Company's auditor, KPMG, in accordance with Hong Kong Standard on *Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity,* as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). KPMG's review report to the Board of Directors is set out on page 72. In addition, this interim financial report has been reviewed by the Company's Audit & Risk Committee.

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim Financial Reporting*, as issued by the HKICPA.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

This interim financial report contains the condensed consolidated interim financial statements and selected explanatory notes, which include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Company and its subsidiaries (collectively referred to as the "Group") and the Group's interests in associates and joint ventures since the issuance of the 2025 annual financial statements. The condensed consolidated interim financial statements and notes thereto do not include all of the information required for a complete set of financial statements prepared in accordance with HKFRS Accounting Standards, and should be read in conjunction with the 2025 annual financial statements.

The financial information relating to the financial year ended 31 December 2025 included in this interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

- The Company has delivered the financial statements for the year ended 31 December 2025 to the Registrar of Companies in accordance with section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.
- The Company's auditor has reported on those consolidated financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.

The HKICPA has issued a number of amendments to HKFRS Accounting Standards that are first effective for the current accounting period of the Group. 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 in this interim financial report. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

The accounting policies adopted for the preparation of this interim financial report are the same as those adopted in the preparation of the 2025 annual financial statements, except for any accounting policy changes, if applicable, that will be reflected in the 2026 annual financial statements.

2 Revenue and Expenses Relating to Chinese Mainland and International Subsidiaries

Revenue and expenses relating to Chinese Mainland and international subsidiaries comprise:

	Six months ended 30 June 2026		Six months ended 30 June 2025	
in HK$ million	Revenue	Expenses	Revenue	Expenses
Australia	**8,024**	**7,497**	6,785	6,337
Chinese Mainland and Macao SAR	**765**	**650**	524	484
Sweden	**35**	**25**	1,492	1,398
United Kingdom	**21**	**(97)**	1,396	1,298
Total Chinese Mainland and international subsidiaries	**8,845**	**8,075**	10,197	9,517

3 Segmental Information

The Group's businesses consist of (i) recurrent businesses (comprising Hong Kong transport operations, Hong Kong station commercial businesses, Hong Kong property rental and management businesses, and other businesses (collectively referred to as "recurrent businesses in Hong Kong"), and Chinese Mainland and international railway, property rental and management businesses (referred to as "recurrent businesses outside of Hong Kong"), and both excluding fair value measurement of investment properties) and (ii) property development businesses (together with recurrent businesses referred to as "underlying businesses").

The Group manages its businesses by the various business executive committees. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified the following reportable segments:

(i) Hong Kong transport operations: The provision of passenger operation and related services on the domestic mass transit railway system in Hong Kong, the Airport Express serving both the Hong Kong International Airport and the AsiaWorld-Expo at Chek Lap Kok, cross-boundary railway connection with Chinese Mainland at Lo Wu and Lok Ma Chau, the Guangzhou-Shenzhen-Hong Kong Express Rail Link (Hong Kong Section) ("High Speed Rail"), light rail and bus feeder with railway system in the north-west New Territories.

3 Segmental Information *(continued)*

(ii) Hong Kong station commercial businesses: Commercial activities including the letting of advertising, retail and car parking spaces at railway stations, the provision of telecommunication, bandwidth and data centre services in railway and other premises, and other commercial activities within the Hong Kong transport operations network.

(iii) Hong Kong property rental and management businesses: The letting of retail, office and car parking spaces and the provision of property management services in Hong Kong.

(iv) Hong Kong property development: Property development activities at locations near the railway systems in Hong Kong.

(v) Chinese Mainland and international railway, property rental and management businesses: The construction, operation and maintenance of mass transit railway systems including station commercial activities outside of Hong Kong and the letting of retail spaces and provision of property management services in Chinese Mainland.

(vi) Chinese Mainland property development: Property development activities in Chinese Mainland.

(vii) Other businesses: Businesses not directly relating to transport operations or properties such as Ngong Ping 360, which comprises cable car operation in Tung Chung and related businesses at the Ngong Ping Village, railway consultancy business, investment in Octopus Holdings Limited and the provision of project management services to the Government of the Hong Kong Special Administrative Region (the "HKSAR Government" or "Government").

The results of the reportable segments and reconciliation to the corresponding consolidated totals in the interim financial report are shown below:

	Hong Kong transport services				Chinese Mainland and international affiliates				
in HK$ million	Hong Kong transport operations	Hong Kong station commercial businesses	Hong Kong property rental and management businesses	Hong Kong property development	Chinese Mainland and international railway, property rental and management businesses	Chinese Mainland property development	Other businesses	Un-allocated amount	Total
Six months ended 30 June 2026									
Revenue from contracts with customers within the scope of HKFRS 15	**11,850**	**795**	**214**	**–**	**8,832**	**–**	**305**	**–**	**21,996**
– Recognised at a point in time	**11,149**	**21**	**–**	**–**	**2,312**	**–**	**196**	**–**	**13,678**
– Recognised over time	**701**	**774**	**214**	**–**	**6,520**	**–**	**109**	**–**	**8,318**
Revenue from other sources	**–**	**1,820**	**2,379**	**–**	**13**	**–**	**23**	**–**	**4,235**
Total revenue	**11,850**	**2,615**	**2,593**	**–**	**8,845**	**–**	**328**	**–**	**26,231**
Operating expenses	**(7,794)**	**(373)**	**(567)**	**–**	**(8,074)**	**(1)**	**(285)**	**–**	**(17,094)**
Project study and business development expenses	**–**	**–**	**–**	**–**	**(133)**	**–**	**–**	**(51)**	**(184)**
Operating profit/(loss) before Hong Kong property development, fair value measurement of investment properties, depreciation, amortisation and variable annual payment	**4,056**	**2,242**	**2,026**	**–**	**638**	**(1)**	**43**	**(51)**	**8,953**
Hong Kong property development profit from share of surplus, income and interest in unsold properties	**–**	**–**	**–**	**14,595**	**–**	**–**	**–**	**–**	**14,595**
Gain/(loss) from fair value measurement of investment properties	**–**	**–**	**358**	**–**	**(153)**	**–**	**–**	**–**	**205**
Operating profit/(loss) before depreciation, amortisation and variable annual payment	**4,056**	**2,242**	**2,384**	**14,595**	**485**	**(1)**	**43**	**(51)**	**23,753**
Depreciation and amortisation	**(2,830)**	**(151)**	**(12)**	**–**	**(341)**	**–**	**(40)**	**–**	**(3,374)**
Variable annual payment	**(1,367)**	**(336)**	**(3)**	**–**	**–**	**–**	**–**	**–**	**(1,706)**
Share of profit of associates and joint ventures	**–**	**–**	**–**	**–**	**540**	**–**	**231**	**–**	**771**
(Loss)/profit before interest, finance charges and taxation	**(141)**	**1,755**	**2,369**	**14,595**	**684**	**(1)**	**234**	**(51)**	**19,444**
Interest and finance charges	**–**	**–**	**–**	**–**	**(13)**	**12**	**–**	**113**	**112**
Income tax	**–**	**–**	**–**	**(2,372)**	**(178)**	**(1)**	**–**	**(386)**	**(2,937)**
(Loss)/profit for the six months ended 30 June 2026	**(141)**	**1,755**	**2,369**	**12,223**	**493**	**10**	**234**	**(324)**	**16,619**

3 Segmental Information *(continued)*

in HK$ million	Hong Kong transport services: Hong Kong transport operations	Hong Kong transport services: Hong Kong station commercial businesses	Hong Kong property rental and management businesses	Hong Kong property development	Chinese Mainland and international affiliates: Chinese Mainland and international railway, property rental and management businesses	Chinese Mainland and international affiliates: Chinese Mainland property development	Other businesses	Un-allocated amount	Total
Six months ended 30 June 2025									
Revenue from contracts with customers within the scope of HKFRS 15	11,509	795	205	–	10,169	14	373	–	23,065
– Recognised at a point in time	10,813	18	–	–	1,908	14	241	–	12,994
– Recognised over time	696	777	205	–	8,261	–	132	–	10,071
Revenue from other sources	–	1,826	2,452	–	14	–	3	–	4,295
Total revenue	11,509	2,621	2,657	–	10,183	14	376	–	27,360
Operating expenses	(7,543)	(377)	(556)	–	(9,507)	(10)	(302)	–	(18,295)
Project study and business development expenses	–	–	–	–	(127)	–	–	(100)	(227)
Operating profit/(loss) before Hong Kong property development, fair value measurement of investment properties, depreciation, amortisation and variable annual payment	3,966	2,244	2,101	–	549	4	74	(100)	8,838
Hong Kong property development profit from share of surplus, income and interest in unsold properties	–	–	–	6,594	–	–	–	–	6,594
Loss from fair value measurement of investment properties	–	–	(1,061)	–	(163)	–	–	–	(1,224)
Operating profit/(loss) before depreciation, amortisation and variable annual payment	3,966	2,244	1,040	6,594	386	4	74	(100)	14,208
Depreciation and amortisation	(2,653)	(130)	(14)	–	(267)	–	(35)	–	(3,099)
Variable annual payment	(1,215)	(316)	(3)	–	–	–	–	–	(1,534)
Share of profit of associates and joint ventures	–	–	–	–	389	–	212	–	601
Profit/(loss) before interest, finance charges and taxation	98	1,798	1,023	6,594	508	4	251	(100)	10,176
Interest and finance charges	–	–	–	–	22	13	–	(655)	(620)
Income tax	–	–	–	(1,064)	(186)	(5)	–	(479)	(1,734)
Profit/(loss) for the six months ended 30 June 2025	98	1,798	1,023	5,530	344	12	251	(1,234)	7,822

For the six months ended 30 June 2026, profit attributable to shareholders of the Company arising from recurrent businesses in Hong Kong of HK$2,917 million (2025: HK$2,973 million) represents (i) the profit for the period of HK$3,859 million (2025: HK$4,231 million) arising from recurrent businesses in Hong Kong (after excluding gain from fair value measurement of investment properties of HK$$358 million (2025: loss of HK$1,061 million)), (ii) un-allocated expenses of HK$324 million (2025: HK$1,234 million) in Hong Kong, and (iii) net of profit attributable to perpetual capital securities holders of HK$618 million (2025: HK$24 million).

For the six months ended 30 June 2026, profit attributable to shareholders of the Company arising from recurrent businesses outside Hong Kong of HK$517 million (2025: HK$418 million) represents (i) the profit for the period of HK$646 million (2025: HK$507 million) arising from recurrent businesses outside Hong Kong (after excluding loss from fair value measurement of investment properties of HK$153 million (2025: HK$163 million)), and (ii) net of profit attributable to non-controlling interests of HK$129 million (2025: HK$89 million).

For the six months ended 30 June 2026, profit attributable to shareholders of the Company arising from fair value measurement of investment properties of HK$205 million (2025: loss of HK$1,224 million) represents gain from fair value measurement on investment properties of HK$205 million (2025: loss of HK$1,224 million).

3 Segmental Information *(continued)*

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of customers is based on the location at which the services were provided or goods were delivered.

in HK$ million	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Hong Kong SAR (place of domicile)	**17,438**	17,157
Australia	**8,024**	6,785
Chinese Mainland and Macao SAR	**713**	530
Sweden	**35**	1,492
United Kingdom	**21**	1,396
	8,793	10,203
	26,231	27,360

4 Hong Kong Property Development Profit from Share of Surplus, Income and Interest in Unsold Properties

Hong Kong property development profit from share of surplus, income and interest in unsold properties comprises:

in HK$ million	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Share of surplus, income and interest in unsold properties from property development	**14,565**	6,592
Agency fee and other income from West Rail property development	**32**	5
Overheads	**(2)**	(3)
Hong Kong property development profit (pre-tax)	**14,595**	6,594
Hong Kong property development profit (post-tax)	**12,223**	5,530

For the six months ended 30 June 2026, profit attributable to shareholders of the Company arising from Hong Kong property development of HK$12,223 million (2025: HK$5,530 million) represents Hong Kong property development profit of HK$14,595 million (2025: HK$6,594 million) and related income tax expenses of HK$2,372 million (2025: HK$1,064 million).

5 Gain/(Loss) from Fair Value Measurement of Investment Properties

The amount represents the result of fair value measurement of the Group's investment properties in Hong Kong and Chinese Mainland. Included in the amount for the six months ended 30 June 2025 was HK$1.5 billion gain from fair value measurement of investment properties on recognition from property development.

6 Share of Profit of Associates and Joint Ventures

Share of profit of associates and joint ventures comprises:

in HK$ million	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Share of profit before taxation	**1,049**	935
Share of income tax expenses	**(278)**	(334)
	771	601

7 Interest and Finance Charges

Interest and finance charges comprise:

in HK$ million	**Six months ended 30 June 2026**		Six months ended 30 June 2025	
Interest expenses in respect of:				
– Bank loans, overdrafts and capital market instruments	**1,899**		1,600	
– Obligations under service concession	**336**		336	
– Lease liabilities	**16**		8	
Finance charges	**43**		67	
Net exchange (gain)/loss	**(22)**		501	
		2,272		2,512
Derivative financial instruments:				
– Fair value hedges	**10**		61	
– Cash flow hedges:				
– transferred from hedging reserve to interest expenses	**(92)**		(121)	
– transferred from hedging reserve to offset exchange loss	**(164)**		(460)	
– hedge ineffectiveness	**(125)**		40	
– transferred from hedging reserve upon discontinuation of cash flow hedge	**(2)**		–	
– Transferred from costs of hedging reserve	**(3)**		–	
– Derivatives not adopting hedge accounting	**1**		–	
		(375)		(480)
Interest expenses capitalised		**(793)**		(610)
		1,104		1,422
Interest income in respect of:				
– Deposits with banks and investments in securities	**(1,132)**		(726)	
– Others	**(84)**		(76)	
		(1,216)		(802)
		(112)		620

8 Income Tax

A Income tax in the consolidated statement of profit or loss represents:

in HK$ million	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Current tax		
– Hong Kong Profits Tax	**2,690**	1,484
– Tax outside Hong Kong	**166**	174
	2,856	1,658
Deferred tax		
– Origination and reversal of temporary differences on:		
– tax losses	**3**	1
– depreciation allowances in excess of related depreciation	**146**	46
– provisions and others	**(68)**	27
– right-of-use assets	**(7)**	(1)
– lease liabilities	**7**	3
	81	76
	2,937	1,734

8 Income Tax *(continued)*

Except for the Company which is a qualifying corporation under the two-tiered Profits Tax rate regime in Hong Kong, the provision for Hong Kong Profits Tax for the six months ended 30 June 2026 is calculated at 16.5% (2025: 16.5%) on the estimated assessable profits for the period after deducting accumulated tax losses brought forward, if any. Under the two-tiered Profits Tax rate regime, the Company's first HK$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for the Company was calculated on the same basis as 2025.

Current taxes for subsidiaries outside Hong Kong are charged at the appropriate current rates of taxation ruling in the relevant tax jurisdictions.

Provision for deferred tax on temporary differences arising in Hong Kong is calculated at the Hong Kong Profits Tax rate at 16.5% (2025: 16.5%), while that arising outside Hong Kong is calculated at the appropriate current rates of taxation ruling in the relevant tax jurisdictions.

B Since the Rail Merger in 2007, the Company has claimed annual Hong Kong Profits Tax deductions in respect of the amortisation of upfront payment and cut-over liabilities, and fixed annual payments and variable annual payments relating to the Rail Merger (collectively "the Sums"). The total tax amount in respect of the Sums for the years of tax assessment from 2007/2008 to the first six months of 2026/2027 amounted to HK$6.8 billion (31 December 2025: for the years of tax assessment from 2007/2008 to 2025/2026 amounted to HK$6.5 billion).

(i) As of 30 June 2026, the Inland Revenue Department of Hong Kong ("IRD") issued notices of profits tax assessments/additional profits tax assessments for the years of assessment from 2009/2010 to 2019/2020 (31 December 2025: for the years of assessment from 2009/2010 to 2018/2019) disallowing deduction of the Sums in the computation of the Company's assessable profits. Based on the strength of advice from the external legal counsel and its tax advisor, the Company has lodged objections against these tax assessments (regarding the deductibility of the Sums) and has applied to hold over the additional tax demanded. The IRD has agreed to the holdover of the additional tax demanded subject to the purchases of tax reserve certificates ("TRCs") amounting to HK$3.3 billion (31 December 2025: HK$2.8 billion). The Company has purchased the required TRCs and the additional tax demanded has been held over by IRD. The purchases of TRCs do not prejudice the Company's tax position and the purchased TRCs were included in "Debtors and other receivables" in the Group's consolidated statement of financial position.

(ii) On 20 May 2022, the Commissioner of Inland Revenue issued a determination to the Company disagreeing with the objections lodged by the Company and confirming profits tax assessment/additional profits tax assessments in respect of the Sums in dispute for the years of assessment from 2011/2012 to 2017/2018 (i.e. holding that the Sums are not deductible in the computation of the Company's assessable profits for those years of assessment). The Company re-affirmed the case with the external legal counsel who advised the Company previously and its tax advisor, and obtained further advice from another external legal counsel. Based on the advice from the external legal counsel and its tax advisor, the Directors of the Company believe that the Company has strong legal grounds and have determined to contest and appeal against the assessments for the years of assessment from 2011/2012 to 2017/2018. Accordingly, the Company lodged a notice of appeal to the Inland Revenue Board of Review on 16 June 2022.

(iii) After discussing with the external legal counsel and its tax advisor on the approach to the appeal, the Company decided not to pursue its deduction claims in respect of the amortisation of upfront payment and cut-over liabilities during the opening submission before Board of Review. As the Company had already made the related tax provision for the amortisation of upfront payment and cut-over liabilities in the past years taking into account the uncertainty in their tax deductibility, no additional tax provision is required. The hearing of appeal was held before the Board of Review in early 2024.

(iv) On 6 August 2024, the Board of Review has issued its decision ("the Board of Review Decision") and has disagreed with the deduction claims of the fixed annual payments and variable annual payments for the years of assessment from 2011/2012 to 2017/2018. It confirmed the relevant profits tax assessment/additional profits tax assessments in respect of the fixed annual payments and variable annual payments being non-tax deductible.

(v) The Company, external legal counsel and its tax advisor have completed their review of the Board of Review Decision and the advice obtained continues to be that the Company has strong legal grounds to support its position. Based on the strength of advice from external legal counsel and its tax advisor, on 4 September 2024, the Company lodged an application to the Court of First Instance of the High Court of the Hong Kong Special Administrative Region ("the Court of First Instance") for leave to appeal against the Board of Review Decision. The hearing for the application of leave to appeal was held before the Court of First Instance in late February 2025.

(vi) On 27 May 2025, the Court of First Instance handed down its decision and granted leave for the Company to appeal against the Board of Review Decision. The Company has conferred with external legal counsel and its tax advisor and the advice obtained is that the Company continues to have strong legal grounds to support its position. As such, the Company has proceeded with its appeal against the Board of Review Decision and no additional tax provision has been made. The hearing of the appeal before the Court of First Instance is scheduled to be held in early 2027.

As mentioned above, the total tax amount in respect of the Sums for the years of assessment from 2007/2008 to the first six months of 2026/2027 amounted to HK$6.8 billion (31 December 2025: for the years of assessment from 2007/2008 to 2025/2026 amounted to HK$6.5 billion). As at 30 June 2026, the related tax provision made for the amortisation of upfront payment and cut-over liabilities amounted to HK$0.2 billion (31 December 2025: HK$0.2 billion) and HK$14 million was utilised during the six months ended 30 June 2026 (2025: HK$14 million) for the settlement of the related additional profits tax assessment.

8 Income Tax *(continued)*

C Pillar Two Income Taxes

The Group has key operations in Australia, Sweden, the United Kingdom and Hong Kong, where these jurisdictions have enacted or substantially enacted new tax laws to implement the Pillar Two model rules published by the OECD.

The Group has applied the temporary mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes and has accounted for the tax as current tax when incurred, if any. During the six months ended 30 June 2026, the Group has recognised HK$nil (2025: HK$nil) for the current tax relating to the Pillar Two model rules for Australia, Sweden, the United Kingdom and Hong Kong.

9 Dividends

Ordinary dividends to shareholders of the Company are as follows:

in HK$ million	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Ordinary dividends attributable to the period		
– Interim ordinary dividend declared after the end of the reporting period of HK$0.42 (2025: HK$0.42) per share	**2,614**	2,614
Ordinary dividends attributable to the previous year		
– Final ordinary dividend of HK$0.89 (2025: HK$0.89 per share attributable to year 2024) per share approved and paid during the reporting period	**5,541**	5,541

The 2026 interim ordinary dividend declared after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

10 Earnings Per Share

A Basic Earnings Per Share

The calculation of basic earnings per share is based on the profit attributable to shareholders of the Company for the six months ended 30 June 2026 of HK$15,872 million (2025: HK$7,709 million) and the weighted average number of ordinary shares in issue less shares held for Executive Share Incentive Scheme, which is calculated as follows:

	Six months ended 30 June 2026	Six months ended 30 June 2025
Issued ordinary shares at 1 January and 30 June	**6,224,823,171**	6,224,823,171
Less: Shares held for Executive Share Incentive Scheme	**(11,309,774)**	(9,837,631)
Weighted average number of ordinary shares in issue less shares held for Executive Share Incentive Scheme during the six months ended 30 June	**6,213,513,397**	6,214,985,540

B Diluted Earnings Per Share

The calculation of diluted earnings per share is based on the profit attributable to shareholders of the Company for the six months ended 30 June 2026 of HK$15,872 million (2025: HK$7,709 million) and the weighted average number of ordinary shares in issue less shares held for Executive Share Incentive Scheme after adjusting for the dilutive effect of the Company's Executive Share Incentive Scheme, which is calculated as follows:

	Six months ended 30 June 2026	Six months ended 30 June 2025
Weighted average number of ordinary shares in issue less shares held for Executive Share Incentive Scheme during the six months ended 30 June	**6,213,513,397**	6,214,985,540
Effect of shares awarded under Executive Share Incentive Scheme	**10,623,552**	10,235,274
Weighted average number of ordinary shares (diluted) during the six months ended 30 June	**6,224,136,949**	6,225,220,814

C Both basic and diluted earnings per share would have been HK$2.52 (2025: HK$1.44) if the calculation is based on profit attributable to shareholders of the Company arising from underlying businesses of HK$15,667 million (2025: HK$8,933 million).

11 Other Comprehensive Income/(Loss)

A Tax effects relating to each component of other comprehensive income/(loss) of the Group are shown below:

in HK$ million	**Six months ended 30 June 2026** Before-tax amount	Tax expenses	Net-of-tax amount	Six months ended 30 June 2025 Before-tax amount	Tax credit	Net-of-tax amount
Exchange differences on translation of:						
– Financial statements of subsidiaries, associates and joint ventures outside Hong Kong	**814**	**–**	**814**	728	–	728
– Non-controlling interests	**(5)**	**–**	**(5)**	25	–	25
	809	**–**	**809**	753	–	753
Surplus/(loss) on revaluation of self-occupied buildings (note 12B)	**103**	**(17)**	**86**	(162)	26	(136)
Net movement in hedging reserve (note 11B)	**962**	**(159)**	**803**	(1,631)	269	(1,362)
Other comprehensive income/(loss)	**1,874**	**(176)**	**1,698**	(1,040)	295	(745)

B The components of net movements of the hedging reserve are as follows:

in HK$ million	**Six months ended 30 June 2026** Cash flow hedge reserve	Costs of hedging reserve	Total hedging reserve	Six months ended 30 June 2025 Cash flow hedge reserve	Costs of hedging reserve	Total hedging reserve
Effective portion of changes in fair value of hedging instruments for cash flow hedges recognised during the period	**1,651**	**–**	**1,651**	(511)	–	(511)
Changes in fair value for costs of hedging during the period	**–**	**(406)**	**(406)**	–	(553)	(553)
Amounts transferred to profit or loss during the period:						
– Interest and finance charges (note 7)	**(256)**	**(3)**	**(259)**	(581)	–	(581)
– Other	**(24)**	**–**	**(24)**	14	–	14
	1,371	**(409)**	**962**	(1,078)	(553)	(1,631)
Tax effect resulting from:						
– Effective portion of changes in fair value of hedging instruments recognised during the period	**(272)**	**–**	**(272)**	84	–	84
– Changes in fair value for costs of hedging during the period	**–**	**67**	**67**	–	91	91
– Amounts transferred to profit or loss during the period	**46**	**–**	**46**	94	–	94
Other comprehensive income/(loss) (note 11A)	**1,145**	**(342)**	**803**	(900)	(462)	(1,362)

12 Investment Properties and Other Property, Plant and Equipment

A Investment Properties

Investment properties of the Group in Hong Kong and Chinese Mainland were remeasured at the reporting date by independent firms of surveyors, CBRE Limited (2025: Colliers International (Hong Kong) Limited) and Cushman & Wakefield Limited respectively. The valuations are based on the income capitalisation approach. Under this approach, the market value is derived from the capitalisation of the rental revenue to be received under existing tenancies and the estimated full market rental value to be received upon expiry of the existing tenancies with reference to the market rental levels prevailing as at the date of valuation by an appropriate single market yield rate.

Movements of the Group's investment properties, all of which being held in Hong Kong and Chinese Mainland and carried at fair value, are as follows:

in HK$ million	**Six months ended 30 June 2026 (Unaudited)**	Year ended 31 December 2025 (Audited)
At 1 January	**93,188**	96,322
Additions	**162**	344
Fair value remeasurement on investment properties (note 5)	**205**	(3,538)
Exchange differences	**48**	60
At 30 June/31 December	**93,603**	93,188

Investment properties are remeasured semi-annually and future market condition changes may result in further gains or losses to be recognised through consolidated statement of profit or loss in subsequent periods.

B Other Property, Plant and Equipment

(i) Acquisitions of Owned Assets

During the six months ended 30 June 2026, the Group acquired assets (other than right-of-use assets) at a total cost of HK$3,759 million (2025: HK$3,266 million) before offset by government grant.

(ii) Valuation

All of the Group's self-occupied buildings are held in Hong Kong and carried at fair value. All self-occupied buildings were revalued by using primarily the direct comparison approach assuming sale of properties in their existing state with vacant possession at the reporting date by an independent firm of surveyors, CBRE Limited (2025: Colliers International (Hong Kong) Limited). The valuation resulted in a revaluation gain of HK$103 million (2025: loss of HK$162 million) and related deferred tax expenses of HK$17 million (2025: deferred tax credit of HK$26 million), which has been recognised in other comprehensive income (note 11A) and accumulated in the fixed assets revaluation reserve account.

C Right-of-use Assets

During the six months ended 30 June 2026, additions to right-of-use assets were HK$190 million (2025: HK$211 million). This amount primarily related to additions of leasehold investment properties of HK$162 million (note 12A) (2025: HK$110 million) and office building and depot leased of HK$1 million (2025: HK$91 million).

13 Service Concession Assets

A During the six months ended 30 June 2026, the Group incurred HK$1,205 million (2025: HK$1,136 million) of expenditure for the replacement and upgrade of the Kowloon-Canton Railway Corporation ("KCRC") system ("Additional Concession Property") under the service concession arrangement in the Rail Merger, HK$147 million (2025: HK$57 million) and HK$128 million (2025: HK$101 million) of expenditure for the replacement and upgrade of the concession property of the High Speed Rail ("Additional Concession Property (High Speed Rail)") and the Shatin to Central Link ("Additional Concession Property (SCL)") respectively under the supplemental service concession arrangements with KCRC, as well as HK$nil (2025: HK$55 million) of expenditure for asset additions in respect of Shenzhen Metro Line 13 project.

B Shenzhen Metro Line 4 ("SZL4") forms part of the Shenzhen Metro, which is operated by a wholly owned subsidiary, MTR Corporation (Shenzhen) Limited ("MTRSZ"). In July 2020, the Shenzhen Municipal Government announced that a fare adjustment framework for the Shenzhen Metro network would come into effect on 1 January 2021. The framework was expected to enable the establishment of a mechanism for fare setting and the implementation procedures for fare adjustments. Up to 30 June 2026, there has been no increase in SZL4's fare since MTRSZ started operating the line in 2010 whilst the operating costs continue to rise. As disclosed in previous years, if a suitable fare increase and adjustment mechanism are not implemented soon, the long-term financial viability of this line will be impacted.

At 30 June 2022, as it was anticipated that the mechanism and procedures for fare adjustments will take a longer time to implement and patronage will remain at a lower level for a period of time, an impairment test was performed for SZL4 and an impairment provision of HK$962 million was recognised for the SZL4 service concession assets in the consolidated statement of profit or loss for the six months ended 30 June 2022.

Based on the review performed by the Group as at 30 June 2026 and 31 December 2025, no further impairment loss was recognised as at 30 June 2026 and 31 December 2025.

14 Railway Construction Projects under Entrustment by the HKSAR Government

A Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link ("High Speed Rail" or "HSR") Project

(a) Entrustment Agreements

The HKSAR Government and the Company entered into the HSR Preliminary Entrustment Agreement in 2008, and the HSR Entrustment Agreement in 2010 (together, the "**Entrustment Agreements**"), in relation to the HSR.

Pursuant to the HSR Preliminary Entrustment Agreement, the HKSAR Government is obligated to pay the Company the Company's in-house design costs and certain on-costs, preliminary costs and staff costs.

Pursuant to the HSR Entrustment Agreement, the Company is responsible for carrying out or procuring the carrying out of the agreed activities for the planning, design, construction, testing and commissioning of the HSR and the HKSAR Government, as owner of HSR, is responsible for bearing and financing the full amount of the total cost of such activities (the "**Entrustment Cost**") and for paying to the Company a fee in accordance with an agreed payment schedule (the "**HSR Project Management Fee**") (subsequent amendments to these arrangements are described below).

The HKSAR Government has the right to claim against the Company if the Company breaches the HSR Entrustment Agreement (including, if the Company breaches the warranties it gave in respect of its project management services) and, under the HSR Entrustment Agreement, to be indemnified by the Company in relation to losses suffered by the HKSAR Government as a result of any negligence of the Company in performing its obligations under the HSR Entrustment Agreement or any breach of the HSR Entrustment Agreement by the Company. Under the HSR Entrustment Agreement, the Company's total aggregate liability to the HKSAR Government arising out of or in connection with the Entrustment Agreements (other than for death or personal injury) is subject to a cap equal to the total of HSR Project Management Fee and any other fees that the Company receives under the HSR Entrustment Agreement and certain fees received by the Company under the HSR Preliminary Entrustment Agreement (the "**Liability Cap**"). In accordance with general principles of law, such Liability Cap could not be relied upon if the Company were found to be liable for the fraudulent or other dishonest conduct of its employees or agents, to the extent that the relevant loss had been caused by such fraudulent or other dishonest conduct. Although the HKSAR Government has reserved the right to refer to arbitration the question of the Company's liability for the Current Cost Overrun (as defined hereunder) (if any) under the HSR Preliminary Entrustment Agreement and the HSR Entrustment Agreement (as more particularly described in note 14A(b)(v) below), up to the date of this interim financial report, no formal claim has been received from the HKSAR Government. In 2024, the HKSAR Government informed the Company of a number of areas of interest to it arising out of the Company's performance under the HSR Entrustment Agreements ("**Areas of Interest**") for which the HKSAR Government was seeking further information and explanations from the Company. Subsequently, in late 2024, the HKSAR Government invited the Company to take part in a series of Senior Executive Meetings as a forum to discuss and endeavour to settle issues between the parties in connection with the HSR project (as was contemplated under a protocol entered into between the parties in December 2021 (the "**Protocol**")). The first such meeting was held on 13 December 2024, at which the HKSAR Government issued a "Position Paper" to the Company for the purpose of commencing discussions in accordance with the Protocol. The Company delivered its response in April 2025 and the HKSAR Government provided its response in a "Reply Paper" to the Company in late June 2026. Discussions with the HKSAR Government are ongoing.

(b) HSR Agreement

In 2015, as a result of the HSR programme being extended to the third quarter of 2018 and the Company and the HKSAR Government reaching agreement for revising the estimate project cost to HK$84.42 billion (the "**Revised Cost Estimate**"), the HKSAR Government and the Company entered into an agreement (the "**HSR Agreement**") relating to the further funding and completion of the HSR (and which made certain changes to the HSR Entrustment Agreement) which was subsequently approved by the Company's independent shareholders at an extraordinary general meeting, and the Legislative Council approved the HKSAR Government's additional funding obligations, during 2016. Pursuant to the HSR Agreement:

(i) The HKSAR Government will bear and finance the project cost up to HK$84.42 billion, which includes an increase in the project cost by the amount of HK$19.42 billion being the "**Current Cost Overrun**";

(ii) The Company will, if the project cost exceeds HK$84.42 billion, bear and finance the portion of the project cost which exceeds that sum (if any) (the "**Further Cost Overrun**") except for certain agreed excluded costs (namely, additional costs arising from changes in law, force majeure events or any suspension of construction contracts specified in the HSR Agreement);

(iii) The Company would pay a special dividend in cash of HK$4.40 in aggregate per share in two tranches in 2016 and 2017;

(iv) The HSR Project Management Fee increases from HK$4.59 billion to HK$6.34 billion. Consequently, the Liability Cap increases from up to HK$4.94 billion to up to HK$6.69 billion; and

(v) The HKSAR Government reserves the right to refer to arbitration the question of the Company's liability for the Current Cost Overrun (if any) under the Entrustment Agreements (including any question the HKSAR Government may have regarding the validity of the Liability Cap). The Entrustment Agreements contain dispute resolution mechanisms which include the right to refer a dispute to arbitration. If the arbitrator does not determine that the Liability Cap is invalid and determines that, but for the Liability Cap, the Company's liability under the Entrustment Agreements for the Current Cost Overrun would exceed the Liability Cap, the Company shall:

- bear such amount as is awarded to the HKSAR Government up to the Liability Cap;
- seek the approval of its independent shareholders, at another General Meeting (at which the FSI, the HKSAR Government and their Close Associates and Associates and the Exchange Fund will be required to abstain from voting), for the Company to bear the excess liability; and
- if the approval of the independent shareholders (referred to immediately above) is obtained, pay the excess liability to the HKSAR Government. If such approval is not obtained, the Company will not make such payment to the HKSAR Government.

14 Railway Construction Projects under Entrustment by the HKSAR Government *(continued)*

A Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link ("High Speed Rail" or "HSR") Project *(continued)*

(c) As at 30 June 2026, the Company has not made any provision in its interim financial report in respect of:

(i) any possible liability of the Company for any Further Cost Overrun (if any), given the Company does not currently believe based on information available to date there is any need to revise further the Revised Cost Estimate;

(ii) any possible liability of the Company that may be determined in accordance with any arbitration that may take place (as more particularly described in note 14A(b)(v) above), given that (a) the Company has not received any notification from the HKSAR Government of any formal claim by the HKSAR Government against the Company or of any referral by the HKSAR Government to arbitration as of 30 June 2026 and up to the date of this interim financial report and the eventual outcome of any dialogue between the Company and the HKSAR Government on the Areas of Interest remains highly uncertain at the current stage; (b) the Company has the benefit of the Liability Cap; and (c) as a result of the HSR Agreement, the Company will not make any payment to the HKSAR Government in excess of the Liability Cap pursuant to a determination of the arbitrator without the approval of its independent shareholders; and where applicable, because the Company is not able to measure with sufficient reliability the amount of the Company's obligation or liability (if any).

B Shatin to Central Link ("SCL") Project

(a) SCL Agreements

The Company and the HKSAR Government entered into the SCL Preliminary Entrustment Agreement ("**SCL EA1**") in 2008, the SCL Advance Works Entrustment Agreement ("**SCL EA2**") in 2011, and the SCL Entrustment Agreement ("**SCL EA3**") in 2012 (together, the "**SCL Agreements**"), in relation to the SCL.

Pursuant to the SCL EA1, the Company is responsible for carrying out or procuring the carrying out of the design, site investigation and procurement activities while the HKSAR Government is responsible for funding directly the total cost of such activities.

Pursuant to the SCL EA2, the Company is responsible for carrying out or procuring the carrying out of the agreed works while the HKSAR Government is responsible for bearing and paying to the Company all the work costs ("**EA2 Advance Works Costs**"). The EA2 Advance Works Costs and the Interface Works Costs (as described below) are reimbursable by the HKSAR Government to the Company. During the six months ended 30 June 2026, HK$10 million (2025: HK$9 million) of such costs were incurred by the Company, which are payable by the HKSAR Government. As at 30 June 2026, the amount of such costs which remained outstanding from the HKSAR Government was HK$91 million (31 December 2025: HK$130 million).

The SCL EA3 was entered into in 2012 for the construction and commissioning of the SCL. The HKSAR Government is responsible for bearing all the work costs specified in the SCL EA3 including costs to contractors and costs to the Company ("**Interface Works Costs**") (which the Company would pay upfront and recover from the HKSAR Government) except for certain costs of modification, upgrade or expansions of certain assets (including rolling stock, signalling, radio and main control systems) for which the Company is responsible under the existing service concession agreement with KCRC. The Company will contribute an amount in respect of the costs relating to such modifications, upgrades or expansions. This will predominantly be covered by the reduction in future maintenance capital expenditure which the Company would have otherwise incurred. The total sum entrusted to the Company by the HKSAR Government for the main construction works under the SCL EA3, including project management fee, was HK$70,827 million ("**Original Entrusted Amount**").

The Company is responsible for carrying out or procuring the carrying out of the works specified in the SCL Agreements for a project management fee of HK$7,893 million (the "**Original PMC**") which has been fully received by the Company and recognised in the consolidated statement of profit or loss in previous years.

(b) SCL EA3 Cost Overrun

(i) Cost to Complete

The Company has previously announced that, due to the continuing challenges posed by external factors, including issues such as delays due to the discovery of archaeological relics, the HKSAR Government's requests for additional scope and late or incomplete handover of construction sites, the Original Entrusted Amount under SCL EA3 would not be sufficient to cover the total estimated cost to complete ("**CTC**") and would need to be revised upwards significantly. After carrying out detailed reviews of the estimated CTC for the main construction works, on 10 February 2020, the Company submitted a revised estimated total CTC of HK$82,999 million ("**2020 CTC Estimate**"), including additional project management fee payable to the Company of HK$1,371 million ("**Additional PMC**"), being the additional cost to the Company of carrying out its remaining project management responsibilities under the SCL EA3, as detailed in note 14B(b)(ii) below but excluding the Hung Hom Incidents Related Costs in respect of which the Company had already recognised a provision of HK$2 billion in its consolidated statement of profit or loss for the year ended 31 December 2019 (as detailed in note 14B(c)(ii) below). The 2020 CTC Estimate represents an increase of HK$12,172 million from the Original Entrusted Amount of HK$70,827 million.

The HKSAR Government obtained the approval from Legislative Council on 12 June 2020 for additional funding required for the SCL Project amounting to HK$10,801 million ("**Additional Funding**") so that the SCL can be completed.

14 Railway Construction Projects under Entrustment by the HKSAR Government *(continued)*

B Shatin to Central Link ("SCL") Project *(continued)*

(ii) Provision for Additional PMC

As detailed in note 14B(b)(i) above and as previously disclosed by the Company, the programme for the delivery of the SCL Project has been significantly impacted by certain key external events. Not only do these matters increase the cost of works, they also increase the cost to the Company of carrying out its project management responsibilities under the relevant SCL entrustment agreement, which is estimated to be around HK$1,371 million.

The Additional Funding approved by the Legislative Council did not include any Additional PMC for the Company which the Company had previously sought from the HKSAR Government. Therefore, the cost to the Company of continuing to comply with its project management obligations under the SCL EA3 (which the Company has continued and will continue to comply with) is currently being met by the Company on an interim and without prejudice basis (to allow the SCL Project to progress in accordance with the latest programme) and the Company reserves its position as to the ultimate liability for such costs and as to its right to pursue the courses of action and remedies available under the SCL EA3.

After taking into account the matters described above, and in particular, the Company meeting, on an interim and without prejudice basis (on the basis outlined above), the cost to the Company of continuing to comply with its project management obligations, the Group recognised a provision of HK$1,371 million in its consolidated statement of profit or loss for the year ended 31 December 2020 for the estimated additional cost to the Company of continuing to comply with its project management responsibilities. During the six months ended 30 June 2026, the provision utilised amounted to HK$15 million (2025: HK$36 million) and no provision was written back (2025: HK$nil). As at 30 June 2026, the provision of HK$122 million (31 December 2025: HK$137 million), net of amount utilised, is included in "Creditors, other payables and provisions" in the consolidated statement of financial position.

This amount does not take into account any potential payment to the Company of any Additional PMC (whether as a result of an award, settlement or otherwise). Accordingly, if any such potential payment becomes virtually certain, the amount of any such payment will be recognised and credited to the Company's consolidated statement of profit or loss in that financial period.

(c) Hung Hom Incidents

As stated in the Company's announcement dated 18 July 2019, there were allegations in 2018 concerning workmanship in relation to the Hung Hom Station extension ("**First Hung Hom Incident**"). The Company took immediate steps to investigate the issues, report the Company's findings to the HKSAR Government and reserve the Company's position against relevant contractors.

In late 2018 and early 2019, the Company advised the HKSAR Government of an insufficiency of construction records and certain construction issues at the Hung Hom North Approach Tunnel ("**NAT**"), the South Approach Tunnel ("**SAT**") and the Hung Hom Stabling Sidings ("**HHS**"), forming an addition to the First Hung Hom Incident ("**Second Hung Hom Incident**").

*(i) Commission of Inquiry ("**COI**")*

On 10 July 2018, the COI was set up by the HKSAR Chief Executive in Council pursuant to the Commissions of Inquiry Ordinance (Chapter 86 of the Laws of Hong Kong). On 29 January 2019, the HKSAR Government made its closing submission to the first phase of the COI in which it stated its view that the Company ought to have provided the required skills and care reasonably expected of a professional and competent project manager but that the Company had failed to do so.

On 26 March 2019, the HKSAR Government published the redacted interim report of the COI in which the COI found that although the Hung Hom Station extension diaphragm wall and platform slab construction works are safe, they were not executed in accordance with the relevant contract in material aspects.

On 18 July 2019, the Company submitted to the HKSAR Government two separate final reports, one in respect of the First Hung Hom Incident and one in respect of the Second Hung Hom Incident, containing, inter alia, proposals for suitable measures required at certain locations to achieve code compliance. These suitable measures have been implemented.

On 22 January 2020, the HKSAR Government reiterated, in its closing submissions to the COI, that there was failure on the part of both the Company and the contractor Leighton Contractors Asia Limited to perform the obligations which the two parties undertook for the SCL project and that the Company, which was entrusted by the HKSAR Government as the project manager of the SCL project, ought to have provided the requisite degree of skill and care reasonably expected of a professional and competent project manager.

On 12 May 2020, the HKSAR Government published the final report of the COI in which the COI determined that it is fully satisfied that, with the suitable measures in place, the station box, NAT, SAT and HHS structures will be safe and also fit for purpose. The suitable measures for these structures were completed in 2020. The COI also made a number of comments on the construction process (including regarding failures in respect thereof such as unacceptable incidents of poor workmanship compounded by lax supervision and that in a number of respects also, management of the construction endeavour fell below the standards of reasonable competence) and made recommendations to the Company for the future.

14 Railway Construction Projects under Entrustment by the HKSAR Government *(continued)*

B Shatin to Central Link ("SCL") Project *(continued)*

(ii) Provision for the Hung Hom Incidents Related Costs

In order to progress the SCL Project and to facilitate the phased opening of the Tuen Ma Line in the first quarter of 2020, the Company announced in July 2019 that it would fund, on an interim and without prejudice basis, certain costs arising from the Hung Hom Incidents and certain costs associated with phased opening (being costs for alteration works, trial operations and other costs associated with the preparation activities for the phased opening) ("**Hung Hom Incidents Related Costs**"), whilst reserving the Company's position as to the ultimate liability for such costs.

The Company and the HKSAR Government will continue discussions with a view to reaching an overall settlement in relation to the Hung Hom Incidents and their respective funding obligations relating to the CTC and the Hung Hom Incidents Related Costs. If no overall settlement is reached between the Company and the HKSAR Government within a reasonable period, the provisions of the SCL EA3 shall continue to apply (as they currently do) including in relation to such costs, and the responsibility for the funding of such costs shall be determined in accordance with the SCL EA3.

After taking into account the matters described in note 14B(c) above, and in particular, the Company's decision to fund, on an interim and without prejudice basis, the Hung Hom Incidents Related Costs, the Company recognised a provision of HK$2,000 million in its consolidated statement of profit or loss for the year ended 31 December 2019. During the six months ended 30 June 2026, the provision utilised amounted to HK$3 million (2025: HK$10 million) and no provision was written back (2025: HK$nil). As at 30 June 2026, the provision of HK$718 million (31 December 2025: HK$721 million), net of amount utilised, is included in "Creditors, other payables and provisions" in the consolidated statement of financial position.

This amount does not take into account any potential recovery from any other party (whether in the circumstances that no overall settlement is reached and/or as a result of an award, settlement or otherwise). Accordingly, if any such potential recovery becomes virtually certain, the amount of any such recovery will be recognised and credited to the Company's consolidated statement of profit or loss in that financial period.

(d) Potential Claims from and Indemnification to the HKSAR Government

The HKSAR Government has the right to claim against the Company if the Company breaches the SCL Agreements (including, if the Company breaches the warranties it gave in respect of its project management services) and, under each SCL Agreement, to be indemnified by the Company in relation to losses incurred by the HKSAR Government as a result of the negligence of the Company in performing its obligations under the relevant SCL Agreement or breach thereof by the Company. Under the SCL EA3, the Company's total aggregate liability to the HKSAR Government arising out of or in connection with the SCL Agreements (other than for death or personal injury) is subject to a cap equal to the fees that the Company receives under the SCL Agreements. In accordance with general principles of law, such cap could not be relied upon if the Company were found to be liable for the fraudulent or other dishonest conduct of its employees or agents, to the extent that the relevant loss had been caused by such fraudulent or other dishonest conduct. Although the HKSAR Government has stated that it reserves all rights to pursue further actions against the Company and related contractors and has made the statements in its closing submission to the COI (as stated in note 14B(c)(i) above), up to the date of this interim financial report, no claim has been received from the HKSAR Government in relation to any SCL Agreement. It is uncertain as to whether such claim will be made against the Company in the future and, if made, the nature and amount of such claim.

The eventual outcome of the discussions between the Company and the HKSAR Government on various matters remain highly uncertain at the current stage. As a result, no additional provision other than as stated above has been made as the Company is currently not able to measure with sufficient reliability the ultimate amount of the Company's obligation or liability arising from the SCL Project as a whole in light of the uncertainties involved. While no provision in respect of the SCL Project related matters was recognised at 30 June 2026 other than as stated above, the Company will reassess on an ongoing basis the need to recognise any further provision in the future in light of any further development.

15 Railway Construction in Progress

Movements of railway construction in progress of the Group during the six months ended 30 June 2026 and the year ended 31 December 2025 are as follows:

in HK$ million	Balance at 1 January	Additions^	Utilisation of government grant	Balance at 30 June/ 31 December
At 30 June 2026 (Unaudited)				
Oyster Bay Station	**–**	**352**	**(352)**	**–**
Tung Chung Line Extension	**8,236**	**1,864**	**–**	**10,100**
Tuen Mun South Extension	**3,452**	**1,131**	**–**	**4,583**
Kwu Tung Station*	**5,009**	**849**	**–**	**5,858**
Hung Shui Kiu Station	**1,182**	**634**	**–**	**1,816**
	17,879	**4,830**	**(352)**	**22,357**
At 31 December 2025 (Audited)				
Oyster Bay Station	–	580	(580)	–
Tung Chung Line Extension	5,243	3,330	(337)	8,236
Tuen Mun South Extension	2,692	2,517	(1,757)	3,452
Kwu Tung Station*	2,879	2,130	–	5,009
Hung Shui Kiu Station	561	621	–	1,182
	11,375	9,178	(2,674)	17,879

^ The additions represent capital expenditure incurred and transferred from deferred expenditure.

* According to the project agreement of Kwu Tung Station signed on 5 September 2023 with the HKSAR Government, the Kwu Tung Station project works include, inter alia, (i) the construction of the Kwu Tung Station, and (ii) the detailed planning and design, and the advance works of the Northern Link (main line).

The Oyster Bay Station project is targeted to complete in 2030. Total capital cost for the Oyster Bay Station project based on the defined scope of works and programme is estimated at HK$6.7 billion (excluding finance costs). As at 30 June 2026, the Company has incurred cumulative expenditure of HK$1,446 million (31 December 2025: HK$1,110 million) (excluding finance costs), which was wholly offset by the government grant, and has authorised outstanding commitments totalling HK$5.3 billion in relation to the Oyster Bay Station project which are included in "Capital Commitments" (note 30A).

The Tung Chung Line Extension project is targeted to complete in 2029. Total capital cost for Tung Chung Line Extension project based on the defined scope of works and programme is estimated at HK$24.2 billion (excluding finance costs). As at 30 June 2026, the Company has incurred cumulative expenditure of HK$9,921 million (31 December 2025: HK$8,208 million) (excluding finance costs) and has authorised outstanding commitments totalling HK$14.3 billion in relation to the Tung Chung Line Extension project which are included in "Capital Commitments" (note 30A).

The Tuen Mun South Extension project is targeted to complete in 2030. Total capital cost for Tuen Mun South Extension project based on the defined scope of works and programme is estimated at HK$18.2 billion (excluding finance costs). As at 30 June 2026, the Company has incurred cumulative expenditure of HK$6,072 million (31 December 2025: HK$5,030 million) (excluding finance costs) and has authorised outstanding commitments totalling HK$12.2 billion in relation to the Tuen Mun South Extension project which are included in "Capital Commitments" (note 30A).

The Kwu Tung Station and advance works of the Northern Link (main line), and detailed planning and design of the Northern Link (main line) are targeted to complete in 2027 and 2034 respectively. Total capital cost for Kwu Tung Station project based on the defined scope of works and programme (including the detailed planning and design, and the advance works of the Northern Link (main line)) is estimated at HK$10.8 billion (excluding finance costs). As at 30 June 2026, the Company has incurred cumulative expenditure of HK$5,559 million (31 December 2025: HK$4,798 million) (excluding finance costs) and has authorised outstanding commitments totalling HK$5.3 billion in relation to the Kwu Tung Station project which are included in "Capital Commitments" (note 30A).

The Hung Shui Kiu Station project is targeted to complete in 2030. Total capital cost for Hung Shui Kiu Station project based on the defined scope of works and programme is estimated at HK$8.3 billion (excluding finance costs). As at 30 June 2026, the Company has incurred cumulative expenditure of HK$1,765 million (31 December 2025: HK$1,152 million) (excluding finance costs) and has authorised outstanding commitments totalling HK$6.5 billion in relation to the Hung Shui Kiu Station project which are included in "Capital Commitments" (note 30A).

16 Property Development in Progress

Movements of property development in progress of the Group during the six months ended 30 June 2026 and the year ended 31 December 2025 are as follows:

in HK$ million	Balance at 1 January	Net additions*	Transfer out to profit or loss	Balance at 30 June/ 31 December
At 30 June 2026 (Unaudited)				
Hong Kong Property Development Projects	**43,054**	**324**	**–**	**43,378**
At 31 December 2025 (Audited)				
Hong Kong Property Development Projects	42,300	1,651	(897)	43,054

* The net additions represent expenditure incurred for Hong Kong property development projects, including the amount of land premium, capital expenditure and development costs transferred from deferred expenditure, and be offset by payments or distributions of the assets received from developers and utilisation of government grant (if any).

17 Deferred Expenditure

As at 30 June 2026, deferred expenditure included costs of HK$98 million (31 December 2025: HK$138 million) mainly incurred for certain railway projects which the project agreements are yet to be reached with the HKSAR Government or the Group is yet to be obligated to operate the related railway. The future development of the respective projects is expected to bring future economic benefits to the Group. In the event that in a future period it is no longer considered probable that the corresponding project agreements can be reached, and the costs concerned are no longer considered as recoverable, the costs concerned will be charged to the consolidated statement of profit or loss in that reporting period.

18 Interests in Associates and Joint Ventures

Hangzhou MTR Corporation Limited ("HZMTR"), a 49% owned associate of the Group, operates Hangzhou Metro Line 1 ("HZL1"), the HZL1 Xiasha Extension and HZL1 Airport Extension. As previously mentioned, HZMTR has been loss making in recent years due to slow patronage growth and the pandemic. As there is no patronage protection mechanism under this concession agreement, the line's long-term financial viability will be impacted if patronage remains at a lower level over a further period of time, especially when compounded by the lower average fare resulting from the expanded network. As it is anticipated that the patronage will remain at a lower level for a period of time, an impairment test was performed for the related railway assets of HZMTR as of 31 December 2025 and a share of impairment loss provision of HK$380 million had been included in "share of profit of associates and joint ventures" in the consolidated statement of profit or loss for the year ended 31 December 2025. Based on the review performed by the Group as at 30 June 2026, no further impairment loss was recognised as at 30 June 2026.

19 Properties Held for Sale

in HK$ million	**At 30 June 2026 (Unaudited)**	At 31 December 2025 (Audited)
Properties held for sale		
– at cost	**3,575**	2,074
– at net realisable value	**589**	788
	4,164	2,862
Representing:		
Hong Kong property development	**4,158**	2,856
Chinese Mainland property development	**6**	6
	4,164	2,862

Properties held for sale represent the Group's interest in unsold properties or properties received by the Group as sharing-in-kind in Hong Kong, and the Group's unsold properties in Chinese Mainland.

For Hong Kong property development, the net realisable values as at 30 June 2026 and 31 December 2025 were determined by reference to an open market valuation of the properties as at those dates, undertaken by an independent firm of surveyors, CBRE Limited (2025: Colliers International (Hong Kong) Limited), who have among their staff Members of the Hong Kong Institute of Surveyors.

Properties held for sale at net realisable value of the Group as at 30 June 2026 are stated net of provision of HK$119 million (31 December 2025: HK$99 million) made in order to state these properties at the lower of their cost and estimated net realisable value.

20 Derivative Financial Assets and Liabilities

The notional amounts and fair values of derivative financial assets and liabilities are as follows:

	At 30 June 2026 (Unaudited)		At 31 December 2025 (Audited)	
in HK$ million	Notional amount	Fair value	Notional amount	Fair value
Derivative Financial Assets				
Foreign exchange forwards				
– cash flow hedges	**833**	**18**	1,183	53
– not adopting hedge accounting	**239**	**6**	539	20
Cross currency swaps				
– fair value hedges	**9,106**	**829**	10,319	599
– cash flow hedges	**34,241**	**1,021**	8,845	127
Interest rate swaps				
– fair value hedges	**10,671**	**273**	27,576	869
– cash flow hedges	**1,075**	**7**	–	–
– not adopting hedge accounting	**300**	**24**	300	23
	56,465	**2,178**	48,762	1,691
Derivative Financial Liabilities				
Foreign exchange forwards				
– cash flow hedges	**121**	**(6)**	137	(8)
– not adopting hedge accounting	**445**	**(18)**	449	(22)
Cross currency swaps				
– fair value hedges	**1,481**	**(81)**	1,481	(82)
– cash flow hedges	**48,122**	**(1,700)**	36,207	(1,488)
Interest rate swaps				
– fair value hedges	**15,255**	**(279)**	600	(24)
– cash flow hedges	**16,639**	**(287)**	19,801	(760)
– not adopting hedge accounting	**300**	**(20)**	300	(17)
	82,363	**(2,391)**	58,975	(2,401)
Total	**138,828**		107,737	

21 Debtors and Other Receivables

The Group's credit policies in respect of receivables arising from its principal activities are as follows:

(i) The majority of fare revenue from Hong Kong transport operations (except for that from the High Speed Rail as described in note 21(ii) below) is collected through Octopus Cards, QR code and contactless bank cards with daily settlement on the next working day or in cash for other ticket types. A small portion of it is collected through pre-sale agents which settle the amounts due within 30 days.

(ii) In respect of the High Speed Rail, tickets are sold by the Company and other Chinese Mainland train operators. The clearance centre of China Railway Corporation administers the revenue allocation and settlement system of the Guangzhou-Shenzhen-Hong Kong Express Rail Link and allocates the revenue of the High Speed Rail to the Company under a "section-based" approach with settlement in the following month.

(iii) Fare revenue from SZL4 and Shenzhen Metro Line 13 is collected through Shenzhen Tong Cards, QR code, contactless bank cards, and in cash for other ticket types. The clearing centre administers the revenue allocation and settlement system of Shenzhen railway network and allocates the revenue to the respective lines under "distance-based" approach with settlement in the transaction month.

(iv) Franchise revenue in Australia is collected either daily or monthly depending on the revenue nature.

(v) Rentals, advertising and telecommunication service fees are billed monthly with due dates ranging from immediately due to 60 days. Tenants of the Group's investment properties and station kiosks are generally required to pay three to six months' rental deposit upon the signing of lease agreements.

(vi) Amounts receivable under interest rate and currency swap agreements with financial institutions are due in accordance with the terms of the respective agreements.

(vii) Consultancy service income is billed monthly for settlement within 30 days upon work completion or on other bases stipulated in the consultancy contracts.

(viii) Debtors in relation to contracts and capital works entrusted to the Group, subject to any agreed retentions, are due within 30 days upon the certification of work in progress.

(ix) Amounts receivable in respect of property development are due in accordance with the terms of relevant development agreements or sale and purchase agreements.

21 Debtors and Other Receivables *(continued)*

The ageing analysis of debtors by due dates is as follows:

in HK$ million	**At 30 June 2026 (Unaudited)**	At 31 December 2025 (Audited)
Amounts not yet due	**3,861**	3,670
Overdue by within 30 days	**205**	233
Overdue by more than 30 days but within 60 days	**48**	82
Overdue by more than 60 days but within 90 days	**25**	47
Overdue by more than 90 days	**181**	84
Total debtors	**4,320**	4,116
Other receivables and contract assets	**11,204**	9,446
	15,524	13,562

Included in other receivables as at 30 June 2026 was HK$3,813 million (31 December 2025: HK$2,267 million) in respect of property development profit in Hong Kong distributable from stakeholding funds and receivables from property purchasers based on the terms of the development agreements and sale and purchase agreements. In addition, the Company purchased the tax reserve certificates of Hong Kong Profits Tax in respect of certain payments relating to the Rail Merger. Details are set out in note 8B to this interim financial report.

22 Material Related Party Transactions

The Financial Secretary Incorporated, which holds approximately 74.45% of the Company's issued share capital on trust for the HKSAR Government as at 30 June 2026, is the majority shareholder of the Company. Transactions between the Group and the HKSAR Government departments or agencies, or entities controlled by the HKSAR Government, other than those transactions such as the payment of fees, taxes, leases and rates, etc. that arise in the normal dealings between the HKSAR Government and the Group, are considered to be related party transactions pursuant to HKAS 24, *Related Party Disclosures*, and are identified separately in this interim financial report.

As at the end of the reporting period, amounts due from/to the HKSAR Government and other related parties in respect of material related party transactions with the Group are stated below:

in HK$ million	**At 30 June 2026 (Unaudited)**	At 31 December 2025 (Audited)
Amounts due from:		
– HKSAR Government	**627**	688
– KCRC and Airport Authority Hong Kong ("AAHK")	**4,985**	4,344
– associates	**734**	347
	6,346	5,379
Amounts due to:		
– HKSAR Government	**631**	250
– KCRC	**2,146**	3,395
– associates	**–**	10
	2,777	3,655

As at 30 June 2026, the amount due from the HKSAR Government mainly related to the recoverable cost for the advanced works in relation to the Shatin to Central Link, reimbursable costs for the essential public infrastructure works in respect of the South Island Line, reimbursement of the fare revenue difference in relation to the "Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities", agency fee receivables and reimbursable costs in respect of West Rail property development, as well as receivables and retention for other entrustment and maintenance works.

The amount due to the HKSAR Government as at 30 June 2026 mainly related to the land administrative fees in relation to railway extensions.

As at 30 June 2026, the amount due from KCRC and AAHK mainly related to the revenue receivable in respect of (i) the High Speed Rail and the Shatin to Central Link under relevant supplemental service concession agreements and (ii) the maintenance services provided to AAHK. The amount due to KCRC mainly related to the accrued portion of the fixed annual payment and variable annual payment arising from the Rail Merger and operating arrangements of the High Speed Rail and the Shatin to Central Link.

Major related party transactions entered into by the Group which are relevant for the current period include:

(i) Transactions entered into by the Group with the HKSAR Government in prior years and those with KCRC in respect of the Rail Merger and operating arrangements of the High Speed Rail and the Shatin to Central Link, the details were described in the Group's annual financial statements for the year ended 31 December 2025. During the six months ended 30 June 2026, amounts recoverable or invoiced by the Company under West Rail Agency Agreement were HK$15 million (2025: HK$20 million) and amount payable or paid by the Company under Service Concession Agreement were HK$2,081 million (2025: HK$1,909 million). During the six months ended 30 June 2026, net revenue received or receivable from KCRC in respect of the High Speed Rail and the Shatin to Central Link under relevant supplemental service concession agreements amounted to HK$900 million (2025: HK$973 million).

22 Material Related Party Transactions *(continued)*

(ii) The Company entered into entrustment agreements with the HKSAR Government for the design, site investigation, procurement activities, construction, testing and commissioning of the High Speed Rail and the Shatin to Central Link. Detailed description of the agreements is provided in notes 14A and 14B. In addition, an amount of HK$40 million was paid/payable to the HKSAR Government (net of amount received/receivable) during the six months ended 30 June 2026 (2025: HK$130 million) under SCL EA3's payment arrangement with the HKSAR Government and relevant contractors.

(iii) The Company entered into project agreements with the HKSAR Government for the financing, design, construction, completion, pre-operation, operation and maintenance of new railway extensions and the granting of development rights for commercial and residential property sites along these railway extensions. Pursuant to these project agreements, total amount of land premium payable by the Company in respect of these proposed property developments along these railway extensions shall be assessed by the Government as the full market value of the site (taking into account the presence of the railway) less the agreed reduction amounts for the purpose of bridging the funding gaps of these new railway extensions. These proposed property development sites will be developed in portions and the land premium assessment for each portion will be carried out, at the time of the relevant tender, with a specified tranche of the agreed reduction amount being deducted. Project agreements on these railway extensions that are still under construction in the current period include Tung Chung Line Extension, Kwu Tung Station, Tuen Mun South Extension and Hung Shui Kiu Station.

The details were described in the Group's annual financial statements for the year ended 31 December 2025.

(iv) On 8 July 2025, the Company entered into the project agreement with the HKSAR Government for the financing, design and construction of the Northern Link Project – Part 1 (the "NOL (Part 1) Project Agreement") for the first part of the Northern Link ("NOL"). The NOL (Part 1) Project Agreement did not contain obligations for the Company to operate and maintain any part of the Northern Link Main Line (the "NOL Main Line") or the Northern Link Spur Line (the "NOL Spur Line"). It is intended that the Company and the HKSAR Government would enter into discussions on a further agreement (the "Further Agreement") to enable NOL as a whole to be delivered and commissioned. In the event that the Further Agreement is not entered into, the parties shall use reasonable endeavours to discuss and agree on the implementation of NOL Main Line including, but not limited to, necessary facilitation for giving to the HKSAR Government and the HKSAR Government's contractor(s) access to the Company's construction sites, works sites and works areas for carrying out works for the NOL Main Line so that the target of achieving commissioning of NOL Main Line not later than 2034 would not be jeopardised, and for the hand over of the design and construction of part of the NOL Main Line to the HKSAR Government. The details were described in the Group's annual financial statements for the year ended 31 December 2025.

(v) Apart from these railway extensions, the Company also entered into the project agreement with the HKSAR Government for the financing, design, construction, pre-operation, operation and maintenance of the Oyster Bay Station and is still under construction during the current period. The details were described in the Group's annual financial statements for the year ended 31 December 2025.

(vi) On 18 May 2018, the Company, as sub-contractor, provided a sub-contractor warranty effective from 25 September 2017 to the AAHK as a result of the Company having entered into a subcontract ("Subcontract") from a third party for the modification works of the existing Automated People Mover system at the Hong Kong International Airport ("System") for an initial seven-year period, which was subsequently extended to July 2026. Arrangements for a further extension to 2027 are currently in progress.

(vii) On 2 July 2020, the Company entered into a contract with the AAHK for the maintenance of the System for a seven-year period effective from 6 January 2021. In respect of the services provided, HK$70 million was recognised as consultancy income during the six months ended 30 June 2026 (2025: HK$96 million).

(viii) During the six months ended 30 June 2026, the Group had the following transactions with its associates, namely Octopus Holdings Limited and its subsidiaries ("Octopus Group") (in Hong Kong) and NRT Group Holdings Pty Ltd and its subsidiaries ("NRT Group") (in Australia):

in HK$ million	**Six months ended 30 June 2026**	Six months ended 30 June 2025
Octopus Group		
– Expenses paid or payable in respect of central clearing services provided by Octopus Group	**71**	70
– Fees received or receivable in respect of load agent, Octopus card issuance and refund services, computer equipment and relating services and warehouse storage space provided to Octopus Group	**21**	15
– Dividend received from Octopus Group	**173**	188
NRT Group		
– Fees received or receivable in respect of mobilisation, operations and maintenance as well as design, delivery and integration services provided to NRT Group	**1,146**	1,047

23 Creditors, Other Payables and Provisions

The analysis of creditors by due dates is as follows:

in HK$ million	**At 30 June 2026 (Unaudited)**	At 31 December 2025 (Audited)
Due within 30 days or on demand	**9,618**	8,551
Due after 30 days but within 60 days	**1,913**	2,438
Due after 60 days but within 90 days	**617**	1,122
Due after 90 days	**5,675**	4,498
	17,823	16,609
Rental and other refundable deposits	**2,779**	2,676
Accrued employee benefits	**1,822**	2,056
Total creditors and accrued charges	**22,424**	21,341
Other payables, deferred income and provisions	**31,323**	34,421
Contract liabilities	**3,470**	3,062
	57,217	58,824

Other payables included contract retentions. Deferred income related to (i) the surplus amounts of payments received from property developers in excess of the balance in property development in progress and (ii) the unutilised government grant of HK$25,533 million (31 December 2025: HK$25,602 million).

24 Loans and Other Obligations

A Bonds and Notes Issued and Redeemed

Notes issued by the Group during the six months ended 30 June 2026 and 2025 comprise:

	Six months ended 30 June 2026		Six months ended 30 June 2025	
in HK$ million	Principal amount	Net consideration received	Principal amount	Net consideration received
Debt issuance programme notes	**56,796**	**56,530**	25,199	24,996

During the six months ended 30 June 2026, the Group issued HK$18,888 million and EUR3,000 million (HK$27,291 million) of listed debt securities in the respective currency (2025: US$3,000 million (HK$23,344 million)). The Group issued AU$2,000 million (HK$10,617 million) of unlisted debt securities (2025: HK$1,240 million and US$79 million (HK$615 million) in the respective currency).

During the six months ended 30 June 2026, the Group has not redeemed any of its listed debt securities (2025: redeemed RMB345 million (HK$399 million)). The Group redeemed HK$2,251 million, AU$30 million (HK$208 million) and US$155 million (HK$1,213 million) of its unlisted debt securities in the respective currency (2025: RMB400 million (HK$456 million), HK$7,777 million and US$135 million (HK$1,058 million)).

As at 30 June 2026 and 31 December 2025, there were outstanding debt securities issued by a wholly-owned subsidiary, MTR Corporation (C.I.) Limited ("MTRCI"). The obligations of the debt securities issued by MTRCI are direct, unsecured and unsubordinated to the other unsecured obligations of MTRCI which are unconditionally and irrevocably guaranteed by the Company. The obligations of the Company under the guarantee are direct, unsecured, unconditional, and unsubordinated to other unsecured and unsubordinated obligations of the Company.

B As at 30 June 2026, MTR Corporation (Shenzhen) Limited has pledged the fare and non-fare revenue and the benefits of insurance contracts in relation to Phase 2 of SZL4 as security for the RMB382 million (HK$442 million) (31 December 2025: RMB461 million (HK$513 million)) bank loan facility granted to it.

As at 30 June 2026, MTR CREC Metro (Shenzhen) Company Limited, a subsidiary of the Company in Chinese Mainland, has pledged the fare and non-fare revenue in relation to Phase 1 of SZL13 as security for the RMB3.2 billion (HK$3.7 billion) (31 December 2025: RMB3.2 billion (HK$3.6 billion)) bank loan facility granted to it.

Save as disclosed above and those disclosed elsewhere in this interim financial report, none of the other assets of the Group was charged or subject to any encumbrance as at 30 June 2026.

25 Deferred Tax Assets and Liabilities

A The components of deferred tax assets and liabilities recognised in the consolidated statement of financial position and the movements during the six months ended 30 June 2026 and the year ended 31 December 2025 are as follows:

	Deferred tax arising from							
in HK$ million	Depreciation allowances in excess of related depreciation	Right-of-use assets	Lease liabilities	Revaluation of properties	Provision and other temporary differences	Derivative financial instruments	Tax losses	Total
Balance as at 1 January 2026	**16,596**	**52**	**(59)**	**689**	**(618)**	**(270)**	**(20)**	**16,370**
Charged/(credited) to profit or loss	**146**	**(7)**	**7**	**–**	**(68)**	**–**	**3**	**81**
Charged to other comprehensive income	**–**	**–**	**–**	**17**	**–**	**159**	**–**	**176**
Exchange differences	**–**	**2**	**(2)**	**–**	**(38)**	**–**	**(3)**	**(41)**
Balance as at 30 June 2026 (Unaudited)	**16,742**	**47**	**(54)**	**706**	**(724)**	**(111)**	**(20)**	**16,586**
Balance as at 1 January 2025	15,636	47	(55)	722	(628)	(49)	(28)	15,645
Charged/(credited) to profit or loss	960	2	–	–	(1)	–	8	969
(Credited)/charged to other comprehensive income	–	–	–	(32)	35	(221)	–	(218)
Exchange differences	–	3	(4)	(1)	(24)	–	–	(26)
Balance as at 31 December 2025 (Audited)	16,596	52	(59)	689	(618)	(270)	(20)	16,370

B Deferred tax assets and liabilities recognised in the consolidated statement of financial position are as follows:

in HK$ million	**At 30 June 2026 (Unaudited)**	At 31 December 2025 (Audited)
Net deferred tax assets	**(530)**	(509)
Net deferred tax liabilities	**17,116**	16,879
	16,586	16,370

26 Share Capital and Shares Held for Executive Share Incentive Scheme

A Share Capital

	Six months ended 30 June 2026 (Unaudited)		Year ended 31 December 2025 (Audited)	
	Number of shares	HK$ million	Number of shares	HK$ million
Ordinary shares, issued and fully paid: At 1 January/30 June/31 December	**6,224,823,171**	**61,287**	6,224,823,171	61,287

In accordance with section 135 of the Companies Ordinance, the ordinary shares of the Company do not have a par value.

26 Share Capital and Shares Held for Executive Share Incentive Scheme *(continued)*

B Shares Held for Executive Share Incentive Scheme

During the six months ended 30 June 2026, the Company awarded Performance Shares and Restricted Shares under the Company's Executive Share Incentive Scheme to certain eligible employees of the Group. A total of 20,200 Performance Shares and 3,373,500 Restricted Shares were awarded and accepted by the grantees on 8 April 2026, and 149,100 Restricted Shares were awarded and accepted by the grantees on 29 May 2026 (2025: 33,100 Restricted Shares were awarded and accepted by the grantees on 1 April 2025, and a total of 288,350 Performance Shares and 4,272,250 Restricted Shares were awarded and accepted by the grantees on 8 April 2025). The fair value of these awarded shares were HK$33.40 per share on 8 April 2026 and HK$31.54 per share on 29 May 2026 (2025: HK$25.65 per share on 1 April 2025 and HK$24.40 per share on 8 April 2025).

During the six months ended 30 June 2026, the Trustee of the Executive Share Incentive Scheme, pursuant to the terms of the rules and the trust deed of the Executive Share Incentive Scheme, purchased on the Hong Kong Stock Exchange a total of 3,959,800 Ordinary Shares (2025: 4,341,500 Ordinary Shares) of the Company for a total consideration of approximately HK$130 million (2025: HK$113 million).

During the six months ended 30 June 2026, 3,186,180 award shares (2025: 2,990,478 award shares) were transferred to the awardees under the Executive Share Incentive Scheme upon vesting. The total cost of the vested shares was HK$93 million (2025: HK$104 million). During the six months ended 30 June 2026, 163,825 award shares (2025: 96,761 award shares) were lapsed/forfeited.

27 Perpetual Capital Securities

On 24 June 2025, MTR Corporation (C.I.) Limited ("MTRCI"), a wholly-owned subsidiary of the Company, issued subordinated perpetual capital securities ("Perpetual Securities") of US$3,000 million (HK$23,550 million) in aggregate at par in two equal tranches, which are unconditionally and irrevocably guaranteed by the Company.

The distributions on the Perpetual Securities are payable semi-annually in arrears. They can be deferred at MTRCI's discretion provided that MTRCI and the Company shall not, subject to certain exceptions, (a) declare or pay any dividends or distributions, or (b) redeem, reduce, cancel, buy-back or acquire for any consideration any of their obligations with ranking lower than or equal to the Perpetual Securities until the payment of such deferred distributions.

The Perpetual Securities issued were classified as equity in the consolidated financial statements of the Group. The proceeds of the Perpetual Securities are on lent to the Company and for general corporate purposes and the Perpetual Securities are listed on the Hong Kong Stock Exchange.

The details were described in the Group's annual financial statements for the year ended 31 December 2025.

28 Fair Value Measurement

In accordance with HKFRS 13, *Fair Value Measurement*, the level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

Level 1: Fair value measured using only Level 1 inputs, i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date

Level 2: Fair value measured using Level 2 inputs, i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available

Level 3: Fair value measured using significant unobservable inputs

A Fair Value Measurements of Fixed Assets

All of the Group's investment properties and self-occupied buildings measured at fair value on a recurring basis are categorised as Level 3 of the fair value hierarchy.

During the six months ended 30 June 2026 and the year ended 31 December 2025, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 in respect of the Group's investment properties and self-occupied buildings. The Group's policy is to recognise transfers between levels of fair value hierarchy at the end of the reporting period in which they occur.

28 Fair Value Measurement *(continued)*

B Fair Value Measurements of Financial Instruments

(i) Financial Assets and Liabilities Carried at Fair Value

Included in the Group's investments in securities as at 30 June 2026, there were HK$233 million (31 December 2025: HK$231 million) of listed debt securities carried at fair value using Level 1 measurements and HK$1,011 million (31 December 2025: HK$974 million) of unlisted equity securities carried at fair value using Level 3 measurements.

The Group's derivative financial instruments were carried at fair value using Level 2 measurements. As at 30 June 2026, the fair values of derivative financial assets and derivative financial liabilities were HK$2,178 million (31 December 2025: HK$1,691 million) and HK$2,391 million (31 December 2025: HK$2,401 million) respectively.

The discounted cash flow method, which discounts the future contractual cash flows at the current market interest rates, is the main valuation technique used to determine the fair value of the Group's borrowings and derivative financial instruments. For interest rate swaps, cross currency swaps and foreign exchange forward contracts, the discount rates used were derived from the swap curves of the respective currencies and the cross currency basis curves of the respective currency pairs at the end of the reporting period. Closing exchange rates at the end of the reporting period were used to convert value in foreign currency to the local currency.

The fair value of the Group's investments in unlisted equity securities is determined based on the adjusted net asset method. The significant unobservable input includes the fair value of the individual assets less liabilities (recognised and unrecognised). The fair value measurement is positively correlated to the fair value of the individual assets less liabilities (recognised and unrecognised). The movements of the investments in unlisted equity securities during the period are as follows:

in HK$ million	**Six months ended 30 June 2026 (Unaudited)**	Year ended 31 December 2025 (Audited)
At 1 January	**974**	640
Additions	**112**	310
Disposal	**(76)**	(4)
Changes in fair value recognised in profit or loss	**(25)**	10
Exchange differences recognised in other comprehensive income	**26**	18
At 30 June/31 December	**1,011**	974

As at 30 June 2026, it is estimated that a 5-percent increase/decrease in fair value of the total individual assets less liabilities (recognised and unrecognised), with all other variables held constant, would increase/decrease the Group's profit after tax by approximately HK$44 million/ HK$44 million (31 December 2025: HK$42 million/HK$42 million).

At the end of each interim and annual reporting period, valuations are performed for the financial instruments which are categorised into Level 3 of the fair value hierarchy, and the valuation assumptions and results are reviewed by the Group's management accordingly.

During the six months ended 30 June 2026 and the year ended 31 December 2025, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

(ii) Financial Assets and Liabilities Not Carried at Fair Value

The carrying amounts of the Group's financial assets and liabilities not carried at fair value are not materially different from their fair values as at 30 June 2026 and 31 December 2025 except for capital market instruments, for which their carrying amounts and fair values are disclosed below:

	At 30 June 2026 (Unaudited)		At 31 December 2025 (Audited)	
in HK$ million	Carrying amount	Fair value	Carrying amount	Fair value
Capital market instruments	**135,410**	**139,261**	83,872	84,068

The above fair value measurement is categorised as Level 2. The discount cash flow method, which discounts the future contractual cash flows at the current market interest rates, is the main valuation technique used to determine the fair value of the Group's capital market instruments. The discount rates used were derived from the swap curves of the respective currencies at the end of the reporting period. Closing exchange rates at the end of the reporting period were used to convert value in foreign currency to local currency.

29 Cash Generated from Operations

Reconciliation of the Group's operating profit before Hong Kong property development, fair value measurement of investment properties, depreciation, amortisation and variable annual payment arising from recurrent businesses to cash generated from operations is as follows:

in HK$ million	Six months ended 30 June 2026	Six months ended 30 June 2025
Operating profit before Hong Kong property development, fair value measurement of investment properties, depreciation, amortisation and variable annual payment arising from recurrent businesses	**8,954**	8,834
Adjustments for non-cash items	**13**	63
Operating profit before working capital changes	**8,967**	8,897
(Increase)/decrease in debtors and other receivables	**(1,216)**	474
Increase in stores and spares	**(198)**	(544)
Increase/(decrease) in creditors, other payables and provisions	**1,530**	(1,389)
Cash generated from operations	**9,083**	7,438

30 Capital Commitments, Contingent Liabilities and Legal Proceedings

A Capital Commitments

(i) Outstanding capital commitments as at 30 June 2026 and 31 December 2025 not provided for in this interim financial report were as follows:

in HK$ million	Hong Kong transport operations, station commercial and other businesses	Hong Kong railway extension projects (note)	Hong Kong property rental and development	Chinese Mainland and overseas operations	Total
At 30 June 2026 (Unaudited)					
Authorised but not yet contracted for	**41,034**	**26,717**	**4,093**	**88**	**71,932**
Authorised and contracted for	**18,163**	**16,732**	**6,374**	**1,308**	**42,577**
	59,197	**43,449**	**10,467**	**1,396**	**114,509**
At 31 December 2025 (Audited)					
Authorised but not yet contracted for	32,943	30,064	3,957	224	67,188
Authorised and contracted for	18,861	17,849	7,180	1,023	44,913
	51,804	47,913	11,137	1,247	112,101

Note: As at 30 June 2026, capital commitments of Hong Kong railway extension projects included costs of HK$43.4 billion (31 December 2025: HK$47.9 billion) in respect of which the project agreements have been signed. These costs are approved by the Board of Directors but yet to be incurred as at 30 June 2026.

30 Capital Commitments, Contingent Liabilities and Legal Proceedings *(continued)*

A Capital Commitments *(continued)*

(ii) The capital commitments not provided for in this interim financial report under Hong Kong transport operations, station commercial and other businesses comprise the following:

in HK$ million	Improvement, enhancement and replacement works	Acquisition of property, plant and equipment	Additional concession property	Total
At 30 June 2026 (Unaudited)				
Authorised but not yet contracted for	**23,292**	**10,244**	**7,498**	**41,034**
Authorised and contracted for	**14,208**	**1,762**	**2,193**	**18,163**
	37,500	**12,006**	**9,691**	**59,197**
At 31 December 2025 (Audited)				
Authorised but not yet contracted for	23,017	3,036	6,890	32,943
Authorised and contracted for	14,678	1,851	2,332	18,861
	37,695	4,887	9,222	51,804

B Contingent Liabilities and Legal Proceedings

The Company has not received notification of any legal or arbitration proceedings in relation to the construction of either the HSR Project or the SCL Project. The potential for future proceedings in relation to the construction of: (i) the HSR Project are set out in note 14A; and (ii) the SCL Project are set out in note 14B.

As discussed in note 8B, the Company has objected to the notices of profits tax assessments/additional profits tax assessments for years of assessment from 2009/2010 to 2019/2020 which disallowed deduction of certain payments relating to the Rail Merger.

Whilst the Company may be involved in legal proceedings in the ordinary course of business from time to time, neither the Company nor any of its directors were involved in any litigation, arbitration or administrative proceedings, which in a material way impact on the Company's business, financial condition or operations. As of the date of this interim financial report, the Company is not aware of any pending or threatened litigation, arbitration or administrative proceedings against the Company or its directors, which would have a material and adverse impact on the Company's business, financial condition, or operations.

31 Approval of Interim Financial Report

The interim financial report was approved by the Board on 13 August 2026.

Review Report to the Board of Directors of MTR Corporation Limited

(Incorporated in Hong Kong with limited liability)

Introduction

We have reviewed the interim financial report set out on pages 43 to 71 which comprises the consolidated statement of financial position of MTR Corporation Limited as of 30 June 2026 and the related consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six-month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, *Interim financial reporting*, as issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of this interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to express a conclusion, based on our review, on this interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, as issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, *Interim financial reporting*.

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

13 August 2026

Information for Our Investors

FINANCIAL CALENDAR 2026

Announcement of 2025 annual results	12 March
Annual General Meeting	27 May
Ex-dividend date for 2025 final dividend	29 May
Book closure period for 2025 final dividend	2 June to 5 June
2025 final dividend payment date	22 June
Announcement of 2026 interim results	13 August
Ex-dividend date for 2026 interim dividend	26 August
Book closure period for 2026 interim dividend	28 August to 2 September
2026 interim dividend payment date	15 September
Financial year end	31 December

DIVIDEND INFORMATION

Dividend per Share

	(in HK$)
2025 Interim Ordinary Dividend	0.42
2025 Final Ordinary Dividend	0.89
2026 Interim Ordinary Dividend	0.42

Dividend history can be found in our corporate website.

Dividend Policy

The Company has a progressive ordinary dividend policy. The aim of this policy is to steadily increase or at least maintain the Hong Kong dollar value of ordinary dividends per share annually. In setting the proposed level of dividend payable in respect of any period, the Board considers, inter alia, the financial performance and future funding needs of the Company.

SHAREHOLDINGS AS AT 30 JUNE 2026

Ordinary Shares

Shares outstanding	6,224,823,171 shares
Hong Kong SAR Government Shareholding	4,634,173,932 shares (74.45%)
Free float	1,590,649,239 shares (25.55%)

Market Capitalisation

As at 30 June 2026	HK$189,857 million

SHARE INFORMATION

Stock Codes

The Stock Exchange of Hong Kong	66
Reuters	0066.HK
Bloomberg	66 HK Equity

CONTACTS

Shareholder Services

Any matters relating to your shareholding, such as transfer of shares, change of name or address, and loss of share certificates should be addressed in writing to the Registrar:

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre,
183 Queen's Road East, Wan Chai, Hong Kong

Telephone: (852) 2862 8628
Facsimile: (852) 2529 6087
Website: https://www.computershare.com/hk/en

Shareholder Enquiries

Shareholders are, at any time, welcome to raise questions and request information (to the extent it is publicly available) from the Board and management by writing to the Company Secretary, MTR Corporation Limited, MTR Headquarters Building, Telford Plaza, Kowloon Bay, Kowloon, Hong Kong. Any such letter from the Shareholders should be marked "Shareholders' Communications" on the envelope.

Our enquiry hotline is operational during normal office hours:
Telephone: (852) 2881 8888

Investor Relations

For enquiries from institutional investors and securities analysts, please contact:

Investor Relations Department, MTR Corporation Limited
MTR Headquarters Building, Telford Plaza, Kowloon Bay,
Kowloon, Hong Kong

Email: investor@mtr.com.hk

Financial Reports

Shareholders can obtain copies of our annual/interim reports by writing to:

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre,
183 Queen's Road East, Wan Chai, Hong Kong

If you are not a shareholder, please write to:
Corporate Affairs Department, MTR Corporation Limited
MTR Headquarters Building, Telford Plaza, Kowloon Bay,
Kowloon, Hong Kong

Our annual/interim reports are also available online at our corporate website.

Principal Place of Business and Registered Office

MTR Corporation Limited, incorporated and domiciled in Hong Kong.
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