



Sun Hung Kai Properties Limited

Customer Focus
Premium Brand
Solid Foundations

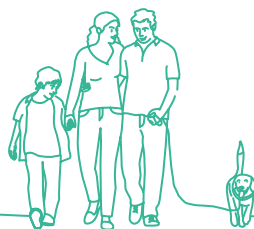


Annual Report
2025/26

Stock Codes : 16 (HKD counter)
and 80016 (RMB counter)

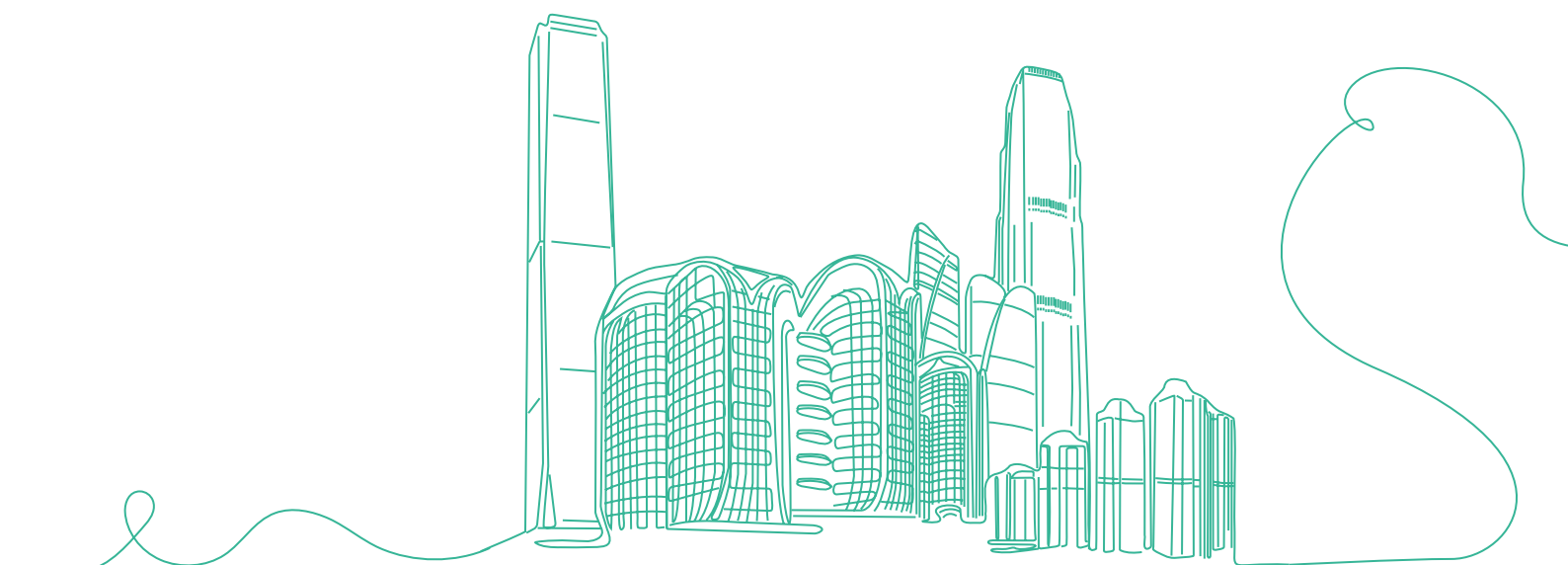


1. ICC in West Kowloon, Hong Kong
2. IGC in West Kowloon, Hong Kong
3. ITC in Shanghai
4. IFC in Central, Hong Kong
5. SIERRA SEA in Sai Sha, Hong Kong



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Board of Directors and Committees

Board of Directors

Executive Directors

Kwok Ping-luen, Raymond (*Chairman & Managing Director*)
Wong Chik-wing, Mike (*Deputy Managing Director*)
Lui Ting, Victor (*Deputy Managing Director*)
Kwok Kai-fai, Adam
Kwok Kai-wang, Christopher
Tung Chi-ho, Eric
Fung Yuk-lun, Allen
Chan Hong-ki, Robert
Kwok Ho-lai, Edward (*Alternate Director to Kwok Ping-luen, Raymond*)

Non-Executive Director

Kwok Kai-chun, Geoffrey

Independent Non-Executive Directors

Yip Dicky Peter
Wong Yue-chim, Richard
Li Ka-cheung, Eric
Fung Kwok-lun, William
Leung Nai-pang, Norman
Leung Ko May-yee, Margaret
Fan Hung-ling, Henry

Committees

Executive Committee

Kwok Ping-luen, Raymond
Wong Chik-wing, Mike
Lui Ting, Victor
Kwok Kai-fai, Adam
Kwok Kai-wang, Christopher
Tung Chi-ho, Eric
Fung Yuk-lun, Allen
Chan Hong-ki, Robert
Yung Sheung-tat, Sandy
Li Ching-kam, Frederick
Lam Ka-keung, Henry
Lo King-wai

Audit and Risk Management Committee

Li Ka-cheung, Eric*
Yip Dicky Peter
Leung Nai-pang, Norman
Wong Yue-chim, Richard

Remuneration Committee

Wong Yue-chim, Richard*
Li Ka-cheung, Eric
Leung Nai-pang, Norman

Nomination Committee

Wong Yue-chim, Richard*
Yip Dicky Peter
Leung Nai-pang, Norman
Leung Ko May-yee, Margaret

* *Committee Chairman*

Corporate Information and Information for Shareholders

Corporate Information

Company Secretary

Yung Sheung-tat, Sandy

Auditor

Deloitte Touche Tohmatsu

Registered Public Interest Entity Auditors

Registered Office

45th Floor, Sun Hung Kai Centre

30 Harbour Road

Hong Kong

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Share Registrar

Computershare Hong Kong

Investor Services Limited

Shops 1712–1716

17th Floor, Hopewell Centre

183 Queen's Road East

Wan Chai

Hong Kong

Solicitors

Woo Kwan Lee & Lo

Johnson Stokes & Master

Sit, Fung, Kwong & Shum

Principal Bankers

Bank of China (Hong Kong) Limited

Industrial and Commercial Bank of China

(Asia) Limited

The Hongkong & Shanghai Banking

Corporation Limited

DBS Bank Ltd.

Bank of Communications (Hong Kong) Limited

Agricultural Bank of China Limited

Oversea-Chinese Banking Corporation Limited

Hang Seng Bank Limited

China Construction Bank (Asia) Corporation Limited

Mizuho Bank, Ltd.

Information for Shareholders

Share Listing

The Company's shares are listed on The Stock Exchange of Hong Kong Limited ("Stock Exchange") and are traded over the counter in the United States in the form of American Depositary Receipts ("ADR").

Stock Code

Stock Exchange : 16 (HKD counter) and
80016 (RMB counter)

Bloomberg : 16 HK Equity (HKD counter) and
80016 HK Equity (RMB counter)

Reuters : 0016.HK (HKD counter) and
80016.HK (RMB counter)

Trading Symbol for ADR : SUHJY

CUSIP : 86676H302

Investor Relations Contact

Telephone : (852) 3766 5787

Facsimile : (852) 2116 0597

E-mail : ir@shkp.com

Financial Calendar for 2025/26

Interim results announcement	: 26 February 2026
Interim dividend paid	: 19 March 2026
Annual results announcement	: 10 September 2026
Closure of register of members ¹	: 2 to 5 November 2026 (both days inclusive)
Record date ¹	: 5 November 2026
Annual general meeting	: 5 November 2026
Ex-dividend date for final dividend	: 10 November 2026
Closure of register of members and record date ²	: 12 November 2026
Final dividend payable	: 19 November 2026

Notes:

1. For ascertaining shareholders' entitlement to attend and vote at the annual general meeting

2. For ascertaining shareholders' entitlement to the proposed final dividend

Choice of Language or Means of Receipt of Corporate Communications

This annual report (English and Chinese versions) is available on the Company's website (www.shkp.com) and the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk). Details of the arrangements for disseminating corporate communications are set out in the "Investor Relations" section of the Company's website.

Shareholders may at any time change their choice of language and/or means of receipt of the Company's future corporate communications by giving reasonable notice (of not less than 7 days) in writing. Such request may be sent to the Company c/o Computershare Hong Kong Investor Services Limited ("Computershare", the Share Registrar of the Company) by email at shkp@computershare.com.hk or by post at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong or by completing, signing and returning the relevant reply form to the Company c/o Computershare.

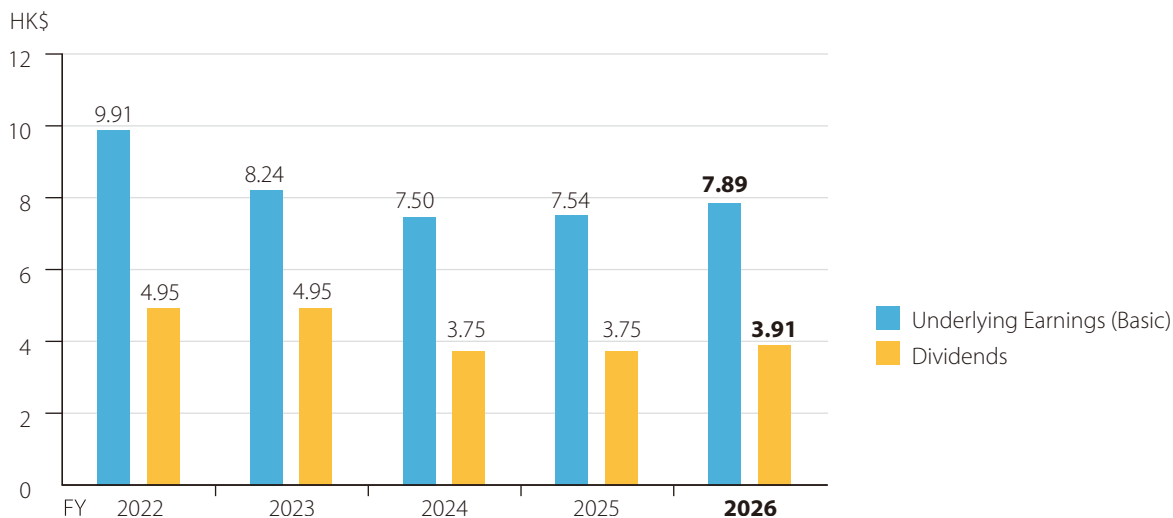
Financial Highlights and Land Bank

For the year ended 30 June	2026	2025	Change (%)
Financial Highlights (HK\$ million)			
Group Revenue	94,194	79,721	+18.2
Profit attributable to the Company's shareholders			
– Reported	21,426	19,277	+11.1
– Underlying ¹	22,850	21,855	+4.6
Gross rental income ²	24,987	24,461	+2.2
Net rental income ²	18,571	18,392	+1.0
Financial Ratios (%)			
Net debt to shareholders' equity	10.7	15.1	-4.4 ⁴
Dividend payout ³	49.6	49.7	-0.1 ⁴
Financial Information per Share (HK\$)			
Basic earnings per share for profit attributable to the Company's shareholders			
– Reported	7.39	6.65	+11.1
– Underlying	7.89	7.54	+4.6
Dividends			
– Interim dividend	0.98	0.95	+3.2
– Final dividend	2.93	2.80	+4.6
– Full-year dividend	3.91	3.75	+4.3
Shareholders' equity	218.80	213.20	+2.6
Land Bank in Hong Kong (gross floor area in million square feet)			
Properties under development	17.2	19.7	-12.7
Completed properties ⁵	39.2	37.7	+4.0
Total	56.4	57.4	-1.7
Land Bank on the Chinese Mainland (gross floor area in million square feet)			
Properties under development	38.2	44.2	-13.6
Completed properties ⁵	26.5	21.1	+25.6
Total	64.7	65.3	-0.9

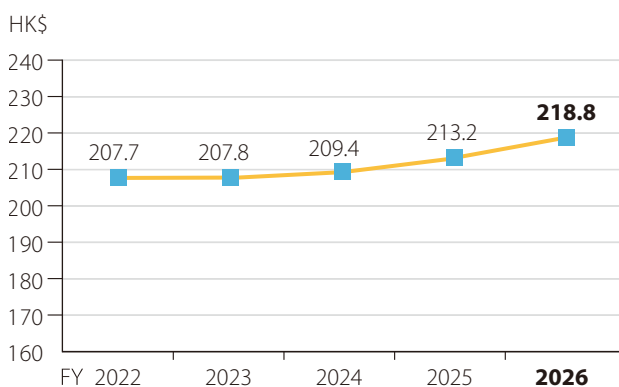
Notes:

- Underlying profit attributable to the Company's shareholders excluded the net effect of changes in the valuation of investment properties
- Including contributions from associates and joint ventures
- Dividend payout based upon underlying profit
- Change in percentage points
- The Group has a 50% stake in a premium 950,000-square-foot shopping mall in Singapore in addition to property holdings in Hong Kong and the Chinese Mainland

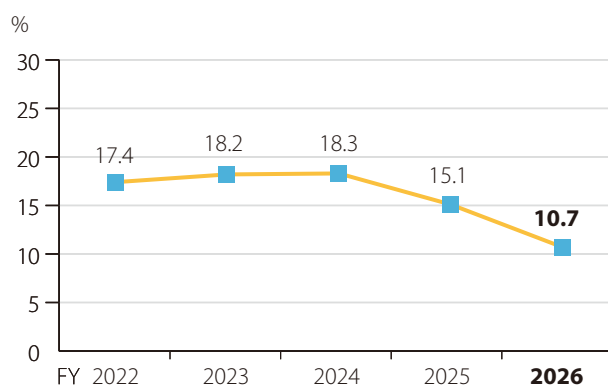
Underlying Earnings and Dividends per Share



Shareholders' Equity per Share

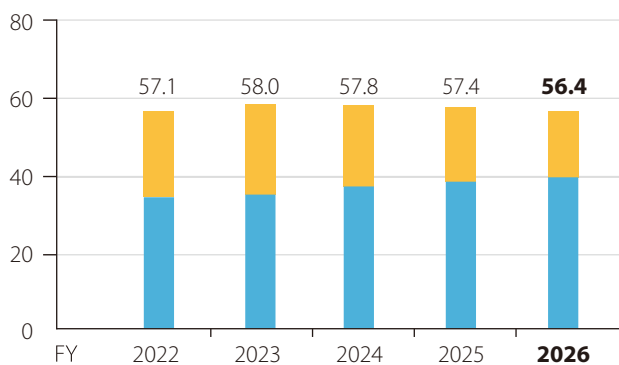


Net Debt to Shareholders' Equity Ratio



Land Bank in Hong Kong

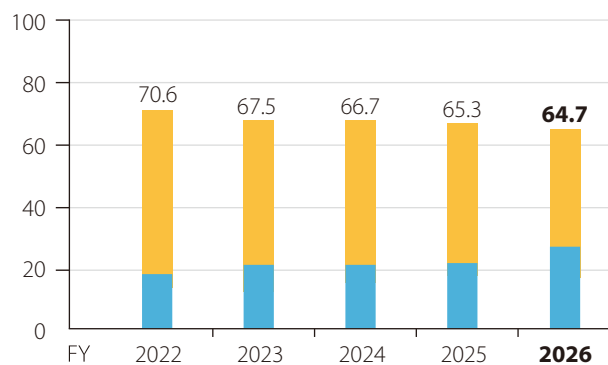
million square feet



■ Properties Under Development

Land Bank on the Chinese Mainland

million square feet



■ Completed Properties

Five-Year Financial Summary

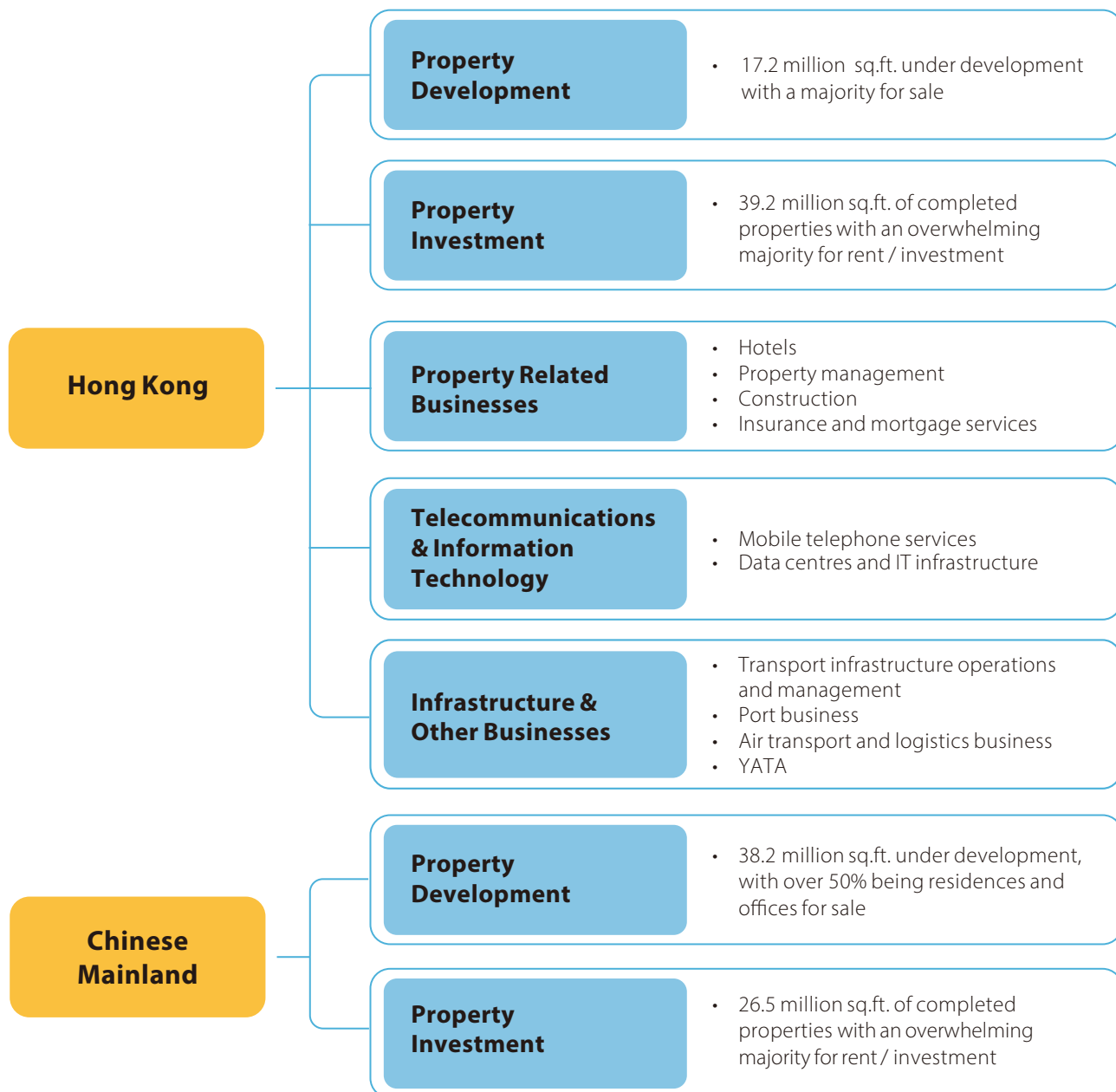
	2026 HK\$M	2025 HK\$M	2024 HK\$M	2023 HK\$M	2022 HK\$M
Consolidated Income Statement					
<i>For the year ended 30 June</i>					
Group revenue	94,194	79,721	71,506	71,195	77,747
Segment revenue (including share of joint ventures and associates)	110,105	90,119	83,636	83,381	88,340
Segment operating profit (including share of joint ventures and associates)	32,163	32,188	32,359	34,689	39,010
Underlying profit attributable to the Company's shareholders ¹	22,850	21,855	21,739	23,885	28,729
Net effect of change in fair value of investment properties	(1,424)	(2,578)	(2,693)	22	(3,169)
Profit attributable to the Company's shareholders	21,426	19,277	19,046	23,907	25,560
Dividends attributable to the Company's shareholders	11,330	10,867	10,867	14,344	14,344
Key Segment Revenue and Operating Profit (including share of joint ventures and associates)					
<i>For the year ended 30 June</i>					
Segment Revenue					
– Property sales	54,191	34,556	27,422	29,116	35,403
– Property rental	24,987	24,461	24,991	24,322	24,810
– Other businesses	30,927	31,102	31,223	29,943	28,127
	110,105	90,119	83,636	83,381	88,340
Segment operating profit					
– Property sales	8,292	8,290	7,850	11,299	15,847
– Property rental	18,571	18,392	19,000	18,461	19,250
– Other businesses	5,300	5,506	5,509	4,929	3,913
	32,163	32,188	32,359	34,689	39,010
Consolidated Statement of Financial Position					
<i>As at 30 June</i>					
Investment properties	428,505	417,045	408,424	403,559	398,729
Property, plant and equipment	51,636	50,689	50,190	47,168	44,955
Associates and joint ventures	108,049	104,687	101,055	101,354	101,392
Other non-current assets	7,941	8,760	9,762	11,127	12,841
Properties for sale	172,542	197,452	214,077	211,639	207,136
Bank deposits and cash	30,053	16,919	16,221	15,280	20,323
Other current assets	19,024	21,341	18,365	15,864	22,191
Total assets	817,750	816,893	818,094	805,991	807,567
Bank and other borrowings	(97,668)	(110,217)	(127,087)	(125,053)	(124,931)
Other liabilities	(81,358)	(84,302)	(79,936)	(74,142)	(75,892)
Net assets	638,724	622,374	611,071	606,796	606,744
Share capital	70,703	70,703	70,703	70,703	70,703
Reserves	563,233	547,148	536,014	531,352	531,243
Shareholders' equity	633,936	617,851	606,717	602,055	601,946
Non-controlling interests	4,788	4,523	4,354	4,741	4,798
Total equity	638,724	622,374	611,071	606,796	606,744
Net debt	67,615	93,298	110,866	109,773	104,608
Key Financial Information and Ratios					
	HK\$	HK\$	HK\$	HK\$	HK\$
Per share data					
Reported earnings per share (basic)	7.39	6.65	6.57	8.25	8.82
Underlying earnings per share (basic)	7.89	7.54	7.50	8.24	9.91
Dividends per share	3.91	3.75	3.75	4.95	4.95
Shareholders' equity per share	218.80	213.20	209.40	207.80	207.70
Financial ratios					
Net debt to shareholders' equity (%)	10.7	15.1	18.3	18.2	17.4
Interest cover (times)	8.5	6.0	4.6	6.8	12.8
Dividend payout (%) ²	49.6	49.7	50.0	60.1	49.9

Notes:

1. Underlying profit attributable to the Company's shareholders excluded the net effect of change in the valuation of investment properties
2. Dividend payout based on underlying profit

Sun Hung Kai Properties

As at 30 June 2026



The Group's principal subsidiaries, joint ventures and associates are listed from page 223 to page 232

Chairman's Statement

I am pleased to present my report to the shareholders.

RESULTS

The Group's underlying profit attributable to the Company's shareholders for the year ended 30 June 2026, excluding the effect of fair-value changes on investment properties, amounted to HK\$22,850 million, compared to HK\$21,855 million last year. Underlying earnings per share were HK\$7.89, compared to HK\$7.54 last year.

Reported profit and reported earnings per share attributable to the Company's shareholders were HK\$21,426 million and HK\$7.39 respectively, compared to HK\$19,277 million and HK\$6.65 last year. The reported profit included an increase in fair value of investment properties net of deferred taxation and non-controlling interests of HK\$1,382 million, compared to a decrease of HK\$742 million last year.

DIVIDEND

The directors have recommended the payment of a final dividend of HK\$2.93 per share for the year ended 30 June 2026.

The dividend will be payable on 19 November 2026. Together with the interim dividend of HK\$0.98 per share, the dividend for the full year will be HK\$3.91 per share, an increase of 4% from last year.

BUSINESS REVIEW

Development Profit and Rental Income

Development Profit

For the year under review, the Group's profit generated from property sales reached HK\$8,292 million, as compared to HK\$8,290 million for the previous financial year. The Group achieved contracted sales of about HK\$40,600 million in attributable terms.

Rental Income

During the year, the Group's gross rental income, inclusive of contributions from joint ventures and associates, increased by 2% year-on-year to HK\$24,987 million, while net rental income increased by 1% year-on-year to HK\$18,571 million.



○ SIERRA SEA, Sai Sha, Hong Kong

Property Business – Hong Kong

Land Bank

As at 30 June 2026, the Group's attributable land bank in Hong Kong had reached about 56.4 million square feet of gross floor area. About 39.2 million square feet were completed properties, of which an overwhelming majority were for rental and long-term investment. The remaining 17.2 million square feet were

properties under development, sufficient to meet the Group's medium-term development needs. Residential properties under development for sale accounted for approximately 12.6 million square feet. During the year under review, the Group replenished its land bank in Hong Kong through public tender, land exchange and lease modifications, details of which are listed in the table below.

Location	Usage	Group's Interest (%)	Attributable Gross Floor Area (square feet)
Lot No. 2579 in DD 92, Kwu Tung	Residential/Shops	100	1,224,000
Tuen Mun A16 Station Package One Property Development	Residential	JV	601,000
3 Fat Tseung Street, Cheung Sha Wan	Residential/Shops	50	230,000
Total			2,055,000

Subsequent to the end of the financial year, the Group won a tender for the Tuen Mun A16 Station Package Two Property Development in Tuen Mun South in early September 2026. Adjacent to the future MTR Tuen Mun A16 Station, the site will be developed into nine residential towers, spanning about 2.7 million square feet of residential gross floor area, atop a 335,000-square-foot podium mall. The project will provide over 5,500 units, primarily small- to medium-sized, to be developed and launched for sale in multiple phases in an orderly manner. Located on the Tuen Mun riverside, this development will offer units with extensive sea and river views. It will be one of the few new topside properties at MTR stations in mature and well-established communities. In addition, the project will feature a public transport interchange and pedestrian walkways connecting the mall with the Package One development awarded earlier. The successful bid for Package Two will facilitate the planning and design of the entire development. Leveraging decades of experience in developing large-scale projects, the Group is confident in creating another landmark residential cluster with comprehensive amenities. This addition has further increased the Group's total land bank in Hong Kong to 59.4 million square feet.

Building on opportunities arising from accelerating development in the Northern Metropolis, the Group has been actively advancing projects in the area over the past few years while increasing developable land through various channels. The Group's commitment is demonstrated by the development of eight projects in the area, providing around 10,000 residential units and essential commercial and transport amenities that facilitate the development of the Northern Metropolis into an area ideal for living, working, learning and tourism. These

developments are located across different areas in the Northern Metropolis, including those adjacent to future MTR stations such as Kwu Tung and Hung Shui Kiu.

To support future business growth, the Group will continue to replenish its land bank in Hong Kong when opportunities arise. The Group is actively evaluating several potential large-scale residential projects. As always, the Group will adhere to prudent financial discipline in the replenishment of its land bank.

During the year, certain land lots held by the Group were resumed by the HKSAR Government. These comprised land lots with a total site area of around 1.1 million square feet, primarily from San Tin and along the Northern Link Main Line. The Group is expected to receive cash compensation of approximately HK\$1,100 million, and the corresponding gains have been recognized in the financial year 2025/26. In addition, land lots with a total site area of about 2.1 million square feet, primarily in San Tin Technopole and Hung Shui Kiu/Ha Tsuen New Development Area, will be resumed. The corresponding compensations of approximately HK\$2,200 million will be recognized in the financial year 2026/27.

Property Development

For the year under review, Hong Kong's residential property market continued its recovery, underpinned by improved economic conditions, an active financial market, and a relatively accommodative interest rate environment. The sustained inflow of talent and students contributed to a steady rise in residential rents, reinforcing homebuyers' confidence. Primary residential projects with premium amenities and convenient transport links continued to receive encouraging sales responses.

Chairman's Statement

During the year, the Group recorded contracted sales of about HK\$38,100 million in attributable terms in Hong Kong. Major contributors included Sai Sha Residences Phases 2A and 2B SIERRA SEA, Cullinan Sky Phase 2 and Cullinan Harbour in Kai Tak, Lime Spark in Tsuen Wan, NOVO LAND Phase 3A in Tuen Mun and several completed projects, including Dynasty Court in Mid-levels Central. In July 2026, Garden Regency in Yuen Long was launched, achieving satisfactory sales performance.

Being developed in phases, the project Sai Sha Residences has achieved sales of over 3,000 units in 10 months, an overwhelming response that reflects customers' confidence in the Group's expertise in the development of large-scale integrated projects. The Group also introduced additional shops and leisure facilities at GO PARK 2 and GO PARK Aqua, having successfully built a mature community that integrates residence, nature, sports and entertainment.

Guided by its commitment of Building Homes with Heart, the Group has built a solid reputation for delivering high-quality residential projects and commands a competitive advantage in the market. Distinguished by innovative architectural concepts, meticulous design, outstanding craftsmanship and comprehensive facilities, many of the Group's projects achieved outstanding scores across quality assessments. Each of the Group's residential developments is more than a home – it is a modern community incorporating thoughtful designs and

attentive services to foster wellness, enrich family life and elevate the quality of daily life. Through ongoing engagement with homebuyers via the SHKP Club, the Group gathers customers' opinions and stays closely attuned to their preferences and the overall market environment, ensuring its offerings remain aligned with evolving needs.

The Group's premium luxury residential development, Cullinan Harbour in Kai Tak's runway precinct, stands as an example to this commitment. Featuring a geometric, streamlined design, this development sets a new benchmark for luxury living along Victoria Harbour. Buyers' feedback highlights strong appreciation for the project's architectural quality and exceptional scenery, with the majority of residences commanding panoramic, unobstructed harbour views. Resident satisfaction is further boosted by Club Harbour, an 80,000-square-foot clubhouse featuring premium amenities, which include outdoor swimming pools, an indoor heated pool, a 24-hour gym with high-end training equipment, and banquet halls with panoramic sea views.

During the year, a total of five projects in Hong Kong, comprising about 4.3 million square feet of attributable gross floor area, were ready for handover. Of these projects, some 2.5 million square feet were residential properties for sale, and the rest were office and retail space retained for long-term investment. Project details are shown in the table below.

Project	Location	Usage	Group's Interest (%)	Attributable Gross Floor Area (square feet)
Cullinan Sky/Cullinan Sky Mall	10 Concorde Road, Kai Tak	Residential/ Shopping Centre	100	1,286,000
International Gateway Centre (IGC)	1 Wui Man Road, West Kowloon	Office	JV ⁽¹⁾	1,132,000
Sai Sha Residences Phases 1A(2) & 1B SIERRA SEA/ GO PARK 2	8 Hoi Ying Road, Sai Sha	Residential/ Shopping Centre	100	918,000
Cullinan Harbour/ Cullinan Walk	26 Shing Fung Road, Kai Tak	Residential/ Shops	100	649,000
The ANGLE ⁽²⁾	98 How Ming Street, Kwun Tong	Shopping Centre	72.6 ⁽³⁾	363,000
Total				4,348,000

(1) The Group currently has a 44.6% interest in the office portion of the project

(2) Formerly known as Scramble Hill

(3) Including a direct interest of 50% and an indirect interest of about 22.6% through the Group's holdings in Transport International Holdings



○ Cullinan Harbour, Kai Tak, Hong Kong

Property Investment

During the year, the Group's diversified property investment portfolio in Hong Kong continued to generate stable and substantial recurring income. Gross rental income inclusive of contributions from joint ventures and associates increased by 1% to HK\$17,703 million, while the overall occupancy rate remained stable.

Over the years, the Group has placed great emphasis on advancing the strategic development of West Kowloon, one of the few locations in the world where a comprehensive transport system combines with top-tier commercial developments in the city centre. During the year, the completion of International Gateway Centre (IGC), a world-class project atop the High Speed Rail West Kowloon Terminus, constitutes a key expansion of the Group's commercial portfolio in the area. The development also represents an important milestone in furthering West Kowloon's transformation into a unique hub of financial services, wealth and asset management, art and culture, retail, leisure and entertainment.

IGC, a gateway connecting Hong Kong with the Chinese Mainland and the world, comprises two pairs of interconnected towers that offer about 2.5 million square feet of super Grade-A office space and a podium mall that provides about 624,000 square feet of retail space. IGC's direct connection to Hong Kong's only high-speed rail station and convenient access to four MTR lines, including the Airport Express, offer unparalleled air-plus-rail connectivity. The project's accessibility is expected to be further enhanced by a 1.5-kilometre Sky Walk connecting it to the surrounding communities and the West Kowloon harbourfront.

The Group holds an approximately 44.6% interest in IGC's office portion as a long-term investment, while the remaining interest is held by two long-term strategic partners. The development redefines the next-generation workspace through the creation of an innovative workplace ecosystem that integrates smart technology, sustainability and lifestyle. Transforming traditional offices into connected, service-driven environments, the new office towers help enhance operational efficiency while fostering the well-being of tenants. The fluid design by ZHA Architects seamlessly integrates the buildings with over 200,000 square feet of greenery. Innovative technologies maximize energy efficiency, maintain a comfortable environment, and create a contactless and personalized experience for tenants. These features have made IGC one of the most sustainable buildings globally, having achieved 10 major green building accreditations, including the highest level of LEED, WELL and BEAM Plus. In addition, IGC offers the largest office floor plates across Hong Kong, with high flexibility and efficiency to accommodate diverse configurations for collaboration and meeting of minds.

These credentials have positioned IGC as an ideal choice for major corporations looking for unrivalled connectivity with the Chinese Mainland and the world. A 14-storey office tower was handed over to anchor tenant UBS in early 2026. Renowned insurance companies and multinational corporations, including AXA, have also committed to leasing part of the office space, with tenants gradually taking possession of the properties.

Stage IGC, the Group's wholly owned podium mall at IGC, is expected to broaden the range of retail offerings available in West Kowloon and synergize with the Group's other properties

Chairman's Statement



○ International Gateway Centre (IGC), West Kowloon, Hong Kong

in the neighbourhood. The mall is seamlessly connected to the high-speed rail station, offering visitors unparalleled transport accessibility. With interior fitting-out works underway, the mall is scheduled to open in phases from late 2026. The first phase will provide a variety of eateries and shopping options that address the needs of office tenants, high-speed rail patrons, arts and culture enthusiasts, and visitors to West Kowloon.

Another upcoming project by the Group in the vicinity, Artist Square Towers (AST) in West Kowloon Cultural District, is scheduled for completion in 2027. AST comprises three towers offering about 672,000 square feet of super Grade-A office space with panoramic view of Victoria Harbour and 27,000 square feet of retail space. The waterfront project has secured a leading global financial services firm, namely J.P. Morgan, as an anchor tenant, which has committed to leasing about 250,000 square feet of office space.

Against a backdrop of limited new office supply in Hong Kong over the next few years, both IGC and AST are expected to provide high-quality, brand-new office space to meet tenants' demand for upgrade and expansion. Upon completion, AST will synergize with IGC, ICC, and two luxury hotels and a shopping mall in the vicinity, further expanding the commercial cluster in West Kowloon to around eight million square feet and advancing the district's status as a premier central business district. ICC has consistently attracted a strong pool of premium tenants, including financial institutions and renowned global investment banks such as Morgan Stanley, Deutsche Bank, and

China International Capital Corporation (CICC). The additions of IGC and AST should enhance the cluster's competitiveness and expand the leasing options in the area. The Group is also strengthening collaborations with the West Kowloon Cultural District Authority to enhance overall vibrancy in the area, consolidating West Kowloon as the most diverse and connected hub in the city.

In addition to its new developments, the Group manages a sizable portfolio of completed properties. Its office portfolio continued to benefit from the gradual recovery in Hong Kong's office leasing market during the year. Overall occupancy remained stable. Driven by active IPO and financial market activities, the two IFC towers in Central achieved an occupancy of close to 100%. ICC in West Kowloon maintained a high occupancy of about 92%, supported by new leases from multinational and Mainland corporates, as well as in-house expansion from wealth management firms. Amid keen competition in Kowloon East, the Group is planning asset enhancements for its Millennium City cluster to improve connectivity and amenities.

The Group maintains an extensive retail footprint across Hong Kong, comprising a diverse range of malls, from one-stop shopping destinations in key tourist districts and flagship regional malls that serve as community hubs to neighbourhood malls located in rapidly growing residential areas. This well-developed network provides popular national and international shops and brands with reliable platforms and diverse location options to establish or expand their market presence in Hong Kong.

During the year, Hong Kong's retail sales continued to recover despite ongoing transformation of the sector. Through rapid adaptation to market trends and ongoing refinement of tenant mix, the Group's retail portfolio captured the strong demand for jewellery and watches and achieved an increase in tenant sales with the latest occupancy reaching 95%. In particular, the Group's malls in tourist districts outperformed others in the portfolio, driven by sustained growth in inbound tourism. MOKO, next to MTR Mong Kok East Station, strengthened its youthful tenant mix by attracting stores debuting in the city or in Kowloon. IFC Mall in Central introduced additional international high-end brands and flagship stores, while thematic pop-up stores were frequently organized at the two malls to bring novelty.

The opening of new malls has expanded the Group's recurring income base. The rebranded mall in Kowloon East, The ANGLE, is opening in phases across roughly 500,000 square feet of gross floor area. With a curated mix of dining, anime, and pet-centric offerings, the mall is set to attract a new generation of customers while serving both residents and the district's sizeable working population. Highlights include a Hong Kong-exclusive flagship concept store that blends anime merchandise with interactive gaming, adding a unique experiential dimension to the mall. Several well-received local restaurants also established their first Kowloon East branches in the mall. The 220,000-square-foot Cullinan Sky Mall, which is directly

connected to MTR Kai Tak Station, began its phased opening in late 2025. The destination presents a curated selection of F&B offerings, including alfresco dining and convenient grab-and-go choices, complemented by a vibrant mix of lifestyle and entertainment experiences.

The Group also strives to enhance customer loyalty via its integrated membership programme The Point. With over 3.4 million members, The Point registered a 27% year-on-year growth in overall member spending during the year, alongside higher member satisfaction levels. VIP programme The Point Gold recorded an even stronger growth in member spending and an almost 40% jump in membership. The Group has further enhanced exclusive privileges for Gold members, which include priority queuing at restaurants and access to mega events. In view of the enthusiastic reception of its first VIP lounge, the Group will introduce more lounges in new and existing malls, including YOHO Mall in Yuen Long by the end of 2026 and Stage IGC in West Kowloon in 2027. The Point also collaborated with tenants to launch new marketing initiatives, including live streaming on its app.

To cultivate a hassle-free, one-stop retail experience, the Group has introduced services that enhance convenience for visitors travelling by car. In addition to contactless parking, the Group provides Electric Vehicle (EV) fast charging service to The Point members at reasonable rates across 18 districts. To further enhance services for members, the total number of these fast chargers will be increased from the current 120 to over 140 by the end of 2026. The Point Gold members are entitled to free reservations for the fast charging service and additional hours of free parking at the Group's malls.

The Group's shopping malls organize activities at their indoor and outdoor public spaces to attract footfall and encourage longer stay by visitors, strengthening their role as district hubs. New Town Plaza in Sha Tin hosted large-scale themed events in its atrium, including a pop-up store with a play area in collaboration with an international toy brand. APM in Kwun Tong broadcast all World Cup 2026 games live in its atrium. Coffee fairs, family-oriented experiences and sports activities are organized at other malls, such as a large-scale pickleball tournament at East Point City in Tseung Kwan O. The malls also regularly upgrade their facilities and services, including the introduction of more pet-friendly features.

Amid a continued inflow of talent and executives, the Group's residential rental portfolio achieved an increase in rental income during the year. In addition to the leasing of traditional luxury properties, the Group targets young talent with its TOWNPLACE properties, which continued to achieve encouraging performance with high occupancies. TOWNPLACE also started collaborating with The Point to introduce benefits for guests, further enhancing the comprehensiveness of the Group's loyalty ecosystem. Renovation and upgrades at Vega Suites in Tseung Kwan O were completed during the year, enabling it to better accommodate long-stay guests.

Property Business – Chinese Mainland

Land Bank

The Group has been developing and operating premium integrated projects in prime locations in first-tier and leading second-tier Mainland cities. During the year under review, the Group increased its stake in the one-million-square-foot IGC mall and the 300-room Conrad Guangzhou hotel from 33.3% to



○ New Town Plaza, Sha Tin, Hong Kong

Chairman's Statement

100%. This transaction contributed to an increase of nearly one million square feet in terms of attributable gross floor area. These completed properties form part of Tianhui Plaza, which is located in a prime location within Zhujiang New Town CBD, Guangzhou. The Group will continue to invest in the project through tenant mix refinement and refurbishment of its retail spaces, further enhancing its retail offerings and operational performance.

As at 30 June 2026, the Group held a total attributable land bank of 64.7 million square feet on the Chinese Mainland. Approximately 26.5 million square feet were completed properties, an overwhelming majority of which were held for rental and long-term investment purposes, with about half comprising large-scale integrated projects situated in prime business hubs in Shanghai.

The remaining 38.2 million square feet were properties under development, of which over 50% were earmarked to be developed into quality residential and office spaces for sale. Looking forward, the Group will focus on advancing its existing projects in key cities while utilizing advanced technologies to address changing customer needs.

Property Development

During the year under review, homebuyer confidence in major Mainland cities showed signs of improvement. The further relaxation of home-purchase restrictions in first-tier cities, alongside the continued release of upgrading demand, helped support the market, particularly for the high-end segment. Overall sentiment in the land market also picked up during the year, driven by developers' growing appetite for quality residential sites in major cities.



○ The ANGLE, Kowloon East, Hong Kong

During the year, the Group recorded attributable contracted sales of about RMB2,200 million on the Chinese Mainland. Major contributors included Cullinan West at the joint-venture Hangzhou IFC in Qianjiang New City CBD, Hangzhou; Forest Park at Guangzhou South Station ICC; and the joint-venture Oriental Bund in Foshan.

The Group completed an attributable gross floor area of approximately 6.0 million square feet on the Chinese Mainland during the year, of which about 4.5 million square feet were designated for rental and long-term investment purposes. These included office building ITC Tower B and hotel Andaz Shanghai ITC in Shanghai, whose completion further enhanced the Group's brand recognition across the Chinese Mainland. Details of the newly completed projects are listed below.

Project	Location	Usage	Group's Interest (%)	Attributable Gross Floor Area (square feet)
ITC Tower B/ Andaz Shanghai ITC	Xuhui, Shanghai	Office/Hotel	100	2,715,000
ICC Residence/ ICC Mall/ ICC Office	Suzhou ICC, Yuanqu, Suzhou	Residential/ Shopping Centre/ Office	90	1,725,000
Hangzhou IFC Mansion	Hangzhou IFC (River East), Qianjiang New City, Hangzhou	Residential	45	621,000
TODTOWN Mall/ TODTOWN Tower	TODTOWN, Minhang, Shanghai	Shopping Centre/ Office	35	420,000
Cullinan West/ One IFC River West	Hangzhou IFC (River West), Qianjiang New City, Hangzhou	Serviced Apartment/ Office	50	304,000
Oriental Bund Phases 6C & 6D	Chancheng, Foshan	Residential/Shops	50	176,000
Total				5,961,000



○ Hangzhou IFC Mansion, Hangzhou

Property Investment

Inclusive of contributions from joint ventures and associates, the Group's gross rental income from its Mainland portfolio rose 1.5% year-on-year to RMB5,796 million during the year under review, with increased contributions from the retail portfolio offsetting the decline in office rental.

The Group's property investment portfolio on the Chinese Mainland is comprised primarily of premium integrated developments combining Grade-A offices, premium malls and high-end hotels in prime locations with convenient transport access, professional property management and top-notch green building credentials. This complementary ecosystem generates strong synergies among various components,

positioning the properties as best-in-class destinations that appeals to both discerning consumers and high-calibre tenants.

Spanning about 10 million square feet of attributable gross floor area, the Group's retail portfolio represents a major driver of its Mainland rental income. During the year, the Group's major malls saw healthy growth in tenant sales. To align with changing consumer preferences, proactive strategies such as tenant-mix refinements and layout reconfigurations were adopted. Shanghai IFC Mall in Pudong, Shanghai further solidified its premium market positioning in the city by enriching its retail line-up with popular tenants across segments, including fine jewellery and fragrances. IAPM in Puxi, Shanghai enhanced its offerings of stylish, performance-driven sport brands through a pipeline of exclusive concepts from renowned brands. Interactive pop-up events were held in collaboration with different sectors to diversify its appeal, increase foot traffic and drive repeat visits.

The Group also formulated leasing strategies to capture different target customer segments. IGC mall in Zhujiang New Town CBD of Guangzhou has become a wholly owned property of the Group following the latest acquisition. With direct metro access, the mall cemented its status as a one-stop destination for family-oriented leisure and shopping by leveraging its riverside setting to draw F&B first stores and organize events in collaboration with the neighbouring community.

In addition, the Group incorporated extensive greenery into its malls and transformed their outdoor space into vibrant destinations for events and social interaction. The joint-venture mall Parc Central in Tianhe District, Guangzhou prioritized the



○ IGC mall, Guangzhou

Chairman's Statement

introduction of city-first and national-debut stores and restaurants. Its well-designed landscaped areas and open spaces became popular leisure spots, attracting visitors through a wide variety of activities. Beijing APM in Wangfujing, Beijing introduced a new sky garden in support of the city's rooftop economy initiative. The garden provided outdoor leisure space for office tenants and hosted diverse events that enrich shopper experience.

Although the Mainland office market remained challenging during the year, the Group's landmark Grade-A office towers such as Shanghai IFC capitalized on the flight-to-quality trend, sustaining satisfactory occupancy levels. Completed in the first half of 2026, Tower B of ITC – the highest office tower in Puxi, Shanghai at 370 metres – has likewise generated interest from prominent multinational and domestic corporations.

As new projects come on stream, the Group's property investment portfolio on the Chinese Mainland will be further expanded, adding new sources of recurring income. The 2.6-million-square-foot ITC Mall, the retail component of ITC in Shanghai, is scheduled to commence its phased opening from the second half of 2026. Complementing the office towers and the Andaz Shanghai ITC hotel, the flagship mall will be the capstone of the trophy asset that completes the ITC complex as a landmark destination that harmoniously combines premium retail, green workspace, diversified gourmet experiences and



○ ITC, Shanghai

entertainment. The initial phase on the floor connected to the metro station will feature a diverse mix of F&B offerings, including cafes and grab-and-go outlets, which is expected to drive additional footfall to this thriving commercial hub. Leasing activity for the remaining zones continues to advance steadily.

The joint-venture Hangzhou IFC in Hangzhou's Qianjiang New City CBD is being developed in phases across two riverside sites, connected by a landscaped pedestrian bridge. An initial phase of a shopping mall on the River East site, situated adjacent to a park with lush greenery, will offer approximately 700,000 square feet of quality retail space. Targeted for a phased opening in the second quarter of 2027, the mall is poised to offer an array of brand choices and experiential retail to the surrounding community, including the project's residents and office tenants.

At Guangzhou South Station ICC, pre-leasing for the 215,000-square-foot podium mall Parc Central (Guangzhou South) has commenced, attracting interest from a range of retailers. Upon its target opening by the end of 2026, the new mall will offer direct access to high-speed rail and metro stations. It is expected to replicate the Group's success at Parc Central in Tianhe District, Guangzhou, providing vibrant lifestyle offerings for high-speed rail patrons and office workers in the surrounding commercial clusters. Meanwhile, the 291,000-square-foot office tower One ICC has been completed.



○ Andaz Shanghai ITC, Shanghai



○ SmarTone

Other Businesses

Hotels

During the year under review, the Group's hotel portfolio in Hong Kong performed well, benefitting from a continuing growth in international visitors and a vibrant calendar of mega events. In particular, luxury hotels outperformed, recording increases in both occupancy and room rates. Four Seasons Hotel Hong Kong delivered an outstanding performance, capitalizing on active IPO listings alongside a series of international financial events and activities that attracted high-spending business travellers.

The Group's hotel management team remained proactive in enhancing asset value and capturing market opportunities. The rebranding and comprehensive renovation of the property atop MTR Tseung Kwan O Station into The Royal Garden Kowloon East stands as a prime example of the Group's commitment to proactive asset enhancement. Being the second Royal Garden hotel in the Group's portfolio following The Royal Garden Tsim Sha Tsui, the property is being transformed into an "Urban Resort" tailor-made for pet-friendly and family travellers, featuring upgraded guest rooms, specialized retreat villas, and suites with private terraces. The entire upgrading programme of 366 guest rooms is scheduled for completion in the fourth quarter of 2026.

As part of its continued investment into the West Kowloon commercial cluster, the Group plans to upgrade and renovate its two luxury hotels atop MTR Kowloon Station. These two hotels complement the Group's other projects in West Kowloon, advancing the district as a unique hub of asset management, commerce, retail, art and culture, leisure and entertainment on par with core Central. Meanwhile, the Go Royal by SHKP loyalty programme expanded its base to over 275,000 members, further strengthening the synergy between the Group's hospitality and retail-property businesses through its collaboration with The Point.

On the Chinese Mainland, the Group's portfolio achieved further business growth, led by The Ritz-Carlton Shanghai, Pudong, which registered an outstanding performance and record-high room rates on the back of a sustained influx of foreign travellers. Performance of hotels in other key cities also continued to improve. Conrad Guangzhou, now fully owned by the Group, achieved solid growth during the year. Andaz Nanjing Hexi reinforced its market leadership in the region, while Four Seasons Hotel Suzhou increased its occupancy through its distinctive lakeside appeal and attentive services. The portfolio was further bolstered by the opening of Andaz Shanghai ITC in Xujiahui, Shanghai in March 2026, which has steadily been ramping up its occupancy and setting a new standard for cosmopolitan-style living in the city.

Telecommunications and Information Technology

SmarTone

Against an intensely competitive mobile market, SmarTone maintained a steady growth in profitability during the year under review. However, in the face of strong challenges, the company's total service revenue and ARPU for postpaid mobile business recorded slight decreases as compared to the previous year. These indicated the need for the company to take actions to substantially strengthen its business.

In times of severe competition and eroding ARPU, SmarTone will focus on initiatives that deliver the most value to its subscribers. The company will continue to launch initiatives that enhance customers' lives in the digital and AI world. The company is also committed to optimizing its operational efficiency and cost control.



○ MEGA IDC, SUNEvision's data centre in Tseung Kwan O

Chairman's Statement



○ Syndicated loan signing ceremony

SmarTone takes pride in the fact that it has built a world-class mobile network in Hong Kong, for Hong Kong. AI usage ramped up rapidly in various industries and the community over the past 12 months, but what is often forgotten is that AI is heavily dependent on the mobile network to function. The Group believes SmarTone's network is a critical backbone for Hong Kong's future technological development. Hence the Group is committed to further enhancing and investing in the network to ensure customers fully enjoy the benefits of digitization and AI. The Group remains confident in SmarTone's long-term prospects and will continue to hold the company as a long-term investment.

SUNeVision

During the year, SUNeVision delivered a strong set of financial results, supported by significant growth in demand for premium data centre infrastructure by both international and Chinese customers in Hong Kong. High-specification data centre capacity, such as those in SUNeVision's portfolio, became highly attractive. The committed occupancy of MEGA IDC Phase 1 in Tseung Kwan O has now exceeded 70%. In view of the strong pipeline for further capacity, SUNeVision is accelerating the construction of the remaining phases of MEGA IDC – spanning a gross floor area of approximately 700,000 square feet – to meet the demand.

While the current market presents compelling growth opportunities, SUNeVision will continue to apply strict investment criteria and allocate capital selectively. SUNeVision's objective is not simply to expand, but to do so in a manner that delivers attractive returns and follows strict financial discipline. In this market environment, the company will particularly focus

on bringing high-quality tenant partners to its premises, further reinforcing its already strong connectivity ecosystem. SUNeVision will continue to invest for the future and contribute to the next generation of data centre technology and connectivity networks of Hong Kong.

Infrastructure and Other Businesses

The Group's infrastructure and transport businesses continued to focus on operational efficiency enhancement. With a diversified business portfolio across parking, tunnel management, as well as integration of transport and parking systems, Wilson Group has shown stable performance during the year under review. The traffic in the Hong Kong Business Aviation Centre (HKBAC) showed steady growth year-on-year and is approaching the pre-pandemic level. A major terminal revamp has been completed at HKBAC – it delivers a world-class experience to its customers in terms of efficiency, luxury and privacy. At the same time, the holistic renovation at Airport Freight Forwarding Centre (AFFC) is on track to be completed by the end of 2026, driving a substantial uplift of its overall infrastructure. Results of the River Trade Terminal remained stable during the year, underpinned by disciplined cost control and efficiency enhancements.

In response to changing consumption patterns, YATA has continued to refine its business model to better meet customers' needs. The company has further diversified its store formats, including the launch of "YATA Fresh," a new supermarket concept at GO PARK 2 focusing on fresh food and quality. The company also enhanced its customer engagement by elevating its YATA Gold membership programme, further expanding exclusive check-out privileges and experiential offerings to loyal customers.

Corporate Finance

Low gearing, robust liquidity, ample committed banking facilities and well-planned debt- repayment schedules have all contributed to the Group's financial sustainability and resilience amidst an uncertain economic environment. With its steadfast efforts in cash-flow management, the Group recorded a low net debt-to-shareholders' fund ratio of 10.7% as at the end of June 2026. Backed by its abundant liquidity and ample resources, the Group is well-positioned to seize land-acquisition opportunities to meet its future development needs. Meanwhile, the Group continues to be recognized as the top-rated real estate company in Hong Kong, holding an A+ rating with stable outlook from S&P and an A1 rating with stable outlook from Moody's.

The Group has also received tremendous support and trust from its banking partners, successfully raising a HK\$20 billion five-year syndicated facility with good terms. During the year, supported by strong relationships with banks, the Group's Mainland projects have taken in an increased amount of bank loans to meet their development and operational requirements. These arrangements not only helped align the Group's Renminbi-denominated assets and liabilities, but also better managed the overall financing costs under the easing environment on the Chinese Mainland.

The Group has not engaged in any transactions of speculative derivative or structured products. The majority of its debts are denominated in Hong Kong dollars and the remainder are in

Renminbi and US dollars. All the Group's US dollar debts have been fully hedged through cross-currency swaps into Hong Kong dollars, whilst its Renminbi debts provide a natural hedge against the Group's Mainland assets.

CORPORATE GOVERNANCE

Corporate governance lies at the heart of the Group's strategy, ensuring that stakeholder interests are safeguarded while sustainable value is cultivated over time. This framework is instrumental in sustaining momentum, as well as elevating the Group's credibility and competitive position in the marketplace.

The Board of Directors is responsible for steering the Group's strategic direction, including its sustainable development agenda. With a total of 16 members, including seven Independent Non-Executive Directors (INEDs), the Board achieves a well-calibrated blend of experience, expertise and diversity that aligns closely with the Group's strategic priorities, governance framework, and business portfolio. Each INED possesses the requisite stature, professional qualifications, and practical skills necessary to effectively discharge his or her responsibilities. The majority have built up substantial experience with the Company through their services, which have endowed them with a nuanced and comprehensive understanding of the Group's operations. Throughout their tenure, they have consistently upheld their independent mandate, contributing impartial viewpoints and incisive analysis that have substantially enhanced Board deliberations and delivered lasting value to the Group.



○ The official opening of the Tseung Kwan O South East New Territories Landfill Solar Farm represents an important step in advancing the Group's sustainability objectives

Chairman's Statement



GO PARK Sai Sha hosts an international padel tournament, supporting the growth of the sport and promoting Sports for All in Hong Kong

To strengthen governance oversight, the Board has delegated distinct responsibilities to four specialized committees: Executive, Remuneration, Nomination, and Audit and Risk Management. Each operates within a formal mandate that clearly defines its scope of authority and duties. The Executive Committee convenes on a regular basis to formulate business policies, resolve key operational matters, and exercise authority delegated to it by the Board. In parallel, the Audit and Risk Management, Remuneration, and Nomination Committees are comprised of INEDs only, guaranteeing uncompromised independent oversight.

Backed by a seasoned leadership team and sustained dedication to robust corporate governance, the Group has secured prestigious accolades from renowned financial publications. During the year, *Euromoney* recognized the Group as Best Overall Developer across Hong Kong, China, Asia Pacific and globally. Separately, *FinanceAsia* honoured the Group with a number of awards under its Asia's Best Companies survey, including Best Managed Company and Best Managed Company (Real Estate) in Hong Kong.

SUSTAINABLE DEVELOPMENT

The Group continued to make significant progress on its sustainability journey during the year under review, particularly in green building development, renewable energy expansion and corporate social responsibility. Such efforts received broad industry recognition both locally and internationally, including inclusion in the Dow Jones Best-in-Class World Index for the

first time, placing it among the top 10% of the largest 2,500 companies in the S&P Global Broad Market Index.

Environment

While the Group continued to make steady progress toward its 10-year environmental targets, the development of high-quality green buildings remained a strategic priority. Reflecting this commitment, the Group pursued Leadership in Energy and Environmental Design (LEED) Gold or Platinum certification for all new core commercial projects in Hong Kong, and had obtained around 140 green-building-related certifications as at 30 June 2026.

This commitment to sustainable excellence is exemplified by IGC, which has secured ten leading sustainable building certifications or pre-certifications. The Group's pursuit of quality was further recognized at the Quality Building Award 2026, where NOVO LAND and the mixed-use project on 98 How Ming Street received accolades.

In support of renewable energy, the Group, through a joint venture, developed the Tseung Kwan O South East New Territories Landfill Solar Farm. Spanning approximately 140,000 square feet and featuring about 1,850 solar panels, the project is Hong Kong's first solar farm built on a restored landfill participating in the Feed-in Tariff Scheme, and the largest of its kind in the city. Commissioned in the fourth quarter of 2025, the facility generates approximately 1.2 million kWh of green electricity annually, reducing carbon emissions by about



○ The Group served as the title sponsor of The Community Chest Sun Hung Kai Properties Corporate Challenge for the first time

530 tonnes a year. SUNeVision, a subsidiary of the Group, has purchased CLP Renewable Energy Certificates linked to the power generated by the solar farm, forming a distinctive closed-loop ESG model within the Group.

Renewable energy adoption across the Group's portfolio continued to expand. The solar-power systems facilitated and managed by the Group – including those developed through joint ventures – comprise 94 installations, with nearly 27,000 solar panels across various buildings and construction sites. In parallel, to support low-carbon transport and the accelerating adoption of electric vehicles (EVs), the Group has been expanding its network of EV fast chargers across all 18 districts in Hong Kong. The number of these fast chargers will exceed 140 by the end of 2026, including installations at the

new shopping mall Stage IGC in West Kowloon. This makes the Group one of the leading providers for EV fast chargers in shopping malls.

Social

Consistent with its Sports for Charity commitment, the Group continued to support a range of charitable sporting initiatives during the year. The Group became the title sponsor of The Community Chest Sun Hung Kai Properties Corporate Challenge for the first time, helping raise a record HK\$6.9 million for essential community services, with all donations going to beneficiaries.

The Group also supported major sporting events and promoted sports among the public. GO PARK Sai Sha provided venue sponsorship for a series of international padel tournaments that attracted elite players from around the world. Meanwhile, GO PARK Aqua broadened its offerings to include dinghy sailing and catamaran courses, alongside eco-discovery experiences. Together, these initiatives advanced the concept of Sports for All and supported the government's vision of 'Tourism is everywhere in Hong Kong'.



○ The Read to Dream programme sponsors students from underprivileged families to visit the Hong Kong Book Fair

Through the SHKP Reading Club's long-running Read to Dream programme, around 1,000 students from underprivileged families each year receive book allowances at the Hong Kong Book Fair. In recent years, the programme has been enriched with themes of STEM and Chinese culture, broadening students' horizons and deepening their understanding of national development.

Chairman's Statement

The SHKP Volunteer Team continued to support vulnerable communities throughout the year. In collaboration with the Neighbourhood Advice-Action Council, it extended its home-safety programme to Sham Shui Po, with the Group's registered electrical workers providing elderly residents with electrical repairs and safety enhancements. Through the Building Homes with Heart Caring Initiative, the team distributed festive gift bags to underprivileged families across multiple districts.

People

Recognizing the growing importance of AI in today's business landscape, the Group continued to enhance employees' proficiency in AI and digital applications. More than 40 AI-related workshops and webinars were organized throughout the year, complemented by the launch of an AI resource centre that serves as a centralized platform for related training materials and tools.

Committed to cultivating talent for the sustainable development of the industry, the Group and its various business units strengthened collaborations with local educational institutions and relevant authorities by offering mentorship programmes, internships and career opportunities to students and graduates.

PROSPECTS

The outlook of the global economy remains uncertain due to persistent regional conflicts and high energy prices. Despite external challenges, the Mainland economy is expected to stay resilient, supported by strong exports and elevated counter-cyclical policy measures. In Hong Kong, the economy has also been growing steadily, driven by robust trade performance and resilient domestic demand. Hong Kong's first Five-Year Plan, which serves as a strategic blueprint for its economic development, is expected to strengthen the city's position as a leading offshore Renminbi hub and wealth-management centre, while further reinforcing its role as a "super-connector" and "super value-adder".

Underpinned by its commitment to delivering high-quality and customer-centric properties and services, the Group has built an exceptional brand reputation, laying a solid foundation for the launch of future residential projects. Since 2013, the Group has been the first developer in Hong Kong to offer a three-year warranty to first-hand purchasers of specified newly sold residential properties in Hong Kong, which further enhances

customer confidence in the Group. Through its prudent financial management, the Group has maintained low gearing and a strong balance sheet, placing it in a solid financial position to seize opportunities for land acquisitions in Hong Kong as they arise.

As Hong Kong strengthens its position as an international financial centre and advances development in education, innovation and technology, the city will continue to attract high-calibre talent and executives, sustaining demand for quality housing. In line with this rising demand, the Group will put on the market new residential projects in Hong Kong over the next 10 months. Target launches by the end of 2026 include SIERRA SEA Phase 2C in Sai Sha, and Phase 1A of the Tung Shing Lei project located close to YOHO Mall in Yuen Long. In the first half of 2027, the Group plans to launch a new project in Tai Wai, Phase 1 of the Kwu Tung North project, a project near MTR City One Station in Sha Tin, and Phase 1B of the Tung Shing Lei project in Yuen Long.

On the Chinese Mainland, the Central Government's policies for improving the quality of homes and stabilizing the real estate market are expected to foster the healthy development of the overall residential market, particularly the premium segment. Over the next 10 months, the Group plans to launch houses at Shanghai Arch in Shanghai, Cullinan East at Hangzhou IFC, a new batch of Lake Genève Phase 2A in Suzhou, and JOVOTOWN Phase 3B in Chengdu.

Focused on growing the sizeable recurring income from its diversified property investment portfolio, the Group will step up leasing efforts to enhance occupancy, particularly for IGC and AST, its new landmark projects in West Kowloon. These new additions are well-positioned to capture office demand from both Mainland enterprises seeking to go global and multinational corporations tapping into the Mainland market.

In the upcoming financial year, the Stage IGC mall and the AST project are scheduled for completion, expanding the West Kowloon commercial cluster in Hong Kong. On the Chinese Mainland, the Group's new shopping malls in Shanghai, Hangzhou and Guangzhou are scheduled to open in phases, bringing additional footfall and synergies to their corresponding integrated developments. The completion of new rental properties is expected to further expand the Group's recurring income base, with contributions ramping up progressively.



○ IGC, West Kowloon, Hong Kong

Looking ahead, the Group remains confident in the long-term prospects of both Hong Kong and the Chinese Mainland. Under the National 15th Five-Year Plan, the Central Government aims to increase investments in innovation and technology, expand opening-up, and form broader trade partnerships to support high-quality economic development. In alignment with national development, Hong Kong strives to deepen financial co-operation between the city and the Mainland markets, further strengthening its role as an international centre for finance, trade, maritime and aviation. Accelerating development of the Northern Metropolis injects new momentum into Hong Kong's economy and drives growth of various industries, with the University Town serving as one of the growth engines for innovation and technology development. The Group will continue to support this pivotal initiative and actively explore the potential development opportunities in the area.

The Group will continue to invest in the city's future through building landmark projects that foster both economic advancement and social progress. By harnessing technologies to enhance productivity and competitiveness, the Group will deliver quality properties that are modern and customer-centric, meeting the evolving needs of residents and tenants. Guided by its time-tested strategies and long-term vision, the Group will continue to strive for sustainable long-term growth while contributing to the further development of the city it proudly calls home.

DIRECTORS AND APPRECIATION

Mr. William Kwan Cheuk-yin resigned as a Non-Executive Director of the Company in March 2026. Mr. Kwan has been serving on the Board of the Company for over 26 years since his appointment as a Director of the Company in 1999. The Board is grateful for his unfailing support, as well as his invaluable advice and contributions to the Group during his tenure of office.

I would like to convey my heartfelt thanks to our devoted employees, whose professionalism and steadfast efforts have been instrumental in navigating the Group through a fast-changing business landscape. I am also appreciative of the Board members for their insightful counsel and continued leadership. Finally, I extend my sincere gratitude to our shareholders and customers for their continued confidence and support, which remain the cornerstone of our ongoing success.

Kwok Ping-luen, Raymond

Chairman & Managing Director

Hong Kong, 10 September 2026

Business Model and Strategic Direction

Executive Committee



*Kwok Ping-luen, Raymond **
(Chairman & Managing Director)



*Wong Chik-wing, Mike **
(Deputy Managing Director)



*Lui Ting, Victor **
(Deputy Managing Director)



*Tung Chi-ho, Eric **



*Kwok Kai-fai, Adam **



*Kwok Kai-wang, Christopher **



*Fung Yuk-lun, Allen **

* Executive Director

Business Model

As one of the largest property developers and landlords in Hong Kong, the Group is committed to creating sustainable value for shareholders and other stakeholders through the development and leasing of premium properties with attentive service to residents, shoppers and tenants in Hong Kong and the Chinese Mainland.

Property development for sale is one of the two core businesses of the Group. In this regard, the Group adopts a vertically integrated model encompassing land acquisition, project planning, project management, material sourcing, construction, sales and marketing, as well as property management. This ensures that every aspect of the development process meets high standards and enables the Group to control the ultimate quality of its developments.

The Group's second core business is property investment for rental purposes. Throughout the years, the Group has built, leased and managed a wide variety of commercial projects in Hong Kong and major cities on the Chinese Mainland to provide premium office and retail space to tenants. In addition, the Group maintains a portfolio of hotels, quality serviced suites and luxury residences catering to the diverse needs of customers. The Group's property investment portfolio also covers industrial buildings, data centres and car parks.

Property development for sale and rental income from the property investment portfolio constitute the Group's primary sources of income. The Group positions sustainability as one of its top priorities by integrating Environmental, Social and Governance (ESG) elements into its property development and management operations.

Core Values

The following core values are cornerstones of the Group's long-term development.

- **Building Homes with Heart**

Producing premium premises and offering quality services for an ideal living environment; delivering sustainable value to the communities in which the Group operates

- **Speed, Quality, Efficiency**

Earning the support and trust of all stakeholders through commitment to speed, quality and efficiency

- **Customer First**

Constantly anticipating what customers want and offering quality products and attentive services that exceed expectations

- **Continuous Improvement**

Keeping up with the market and setting high standards, along with lifelong learning for greater adaptability and constant exploration of new ideas

- **Teamwork**

Nurturing a pool of talented and high-calibre employees capable of achieving objectives through harnessing the power of teamwork, collective experience and professional knowledge

Strategic Direction

The Group creates sustainable value for shareholders through the following strategies:

- Balanced sources of income
- Hong Kong focus
- Development on the Chinese Mainland
- Prudent financial management



*Chan Hong-ki, Robert **



Yung Sheung-tat, Sandy



Li Ching-kam, Frederick



Lam Ka-keung, Henry



Lo King-wai

Balanced Sources of Income

The Group aims to secure relatively balanced sources of income over the long term, with a focus on property development for sale and generating rental income from its property investment portfolio. This strategy strikes a balance between quick asset turnover and steady cash flow.

The property investment portfolio aims to generate a steadily growing income stream for the Group's shareholders. Proactive leasing management, asset enhancement initiatives and trade and tenant mix refinements are key attributes to maintaining the Group's leading position in the leasing market.

Property development serves as another growth engine for the Group in the long term, offering quick asset turnover while enhancing liquidity and capital utilization. The Group makes every effort to ensure outstanding building quality and services, aiming to achieve premium pricing.

Hong Kong Focus

Having played a significant part in the development of the city for decades, the Group has built a trusted reputation and premium brand over the years. With Hong Kong's unique advantages under 'One Country, Two Systems', the Group is confident of the territory's long-term prospects not only as an international centre for finance, transportation, trade and innovation and technology, but also as a gateway connecting the Chinese Mainland with the world.

Through tenders, land-use conversions and other means, the Group has added new sites to its Hong Kong land bank over the years and targeted prime sites with attractive investment potential. The Group upholds its belief in Building Homes with Heart, making it a developer of customers' choice. As an integral part of its core strategy, the Group continues to strengthen its

premium brand through the delivery of outstanding products and services. Throughout the years, the Group's efforts have established a premium brand well-recognized by the market. The Group has pledged to further strengthen its premium brand in the years to come.

Development on the Chinese Mainland

The Group is positive about the long-term prospects on the Chinese Mainland, which offers a variety of investment opportunities. The Group employs a highly selective and focused strategy, with key cities being its primary focus. Building upon its solid reputation, experienced teams, and commitment to quality and customer focus, the Group will continue its drive to build and enhance its premium brand and develop high-quality projects on the Chinese Mainland.

Prudent Financial Management

A strong financial position is crucial to the Group's success. Prudent financial management ensures the Group's healthy and sustainable growth and allows it to invest in prospective projects when opportunities arise.

The Group maintains its gearing at a reasonable level and pays close attention to liquidity management, ensuring adequate financial resources for its daily operations and strategic investment.

The Group aims to further strengthen its financial position by diversifying its sources of funding. Its high credit ratings have put the Group in a favourable position to tap debt capital markets. The Group also maintains excellent banking relationships and is able to obtain ample banking facilities for business needs.

REVIEW OF OPERATIONS





IGC, West Kowloon

Hong Kong Property Business

Highlights

- **Maintained a diversified land bank totalling 56.4 million square feet as at 30 June 2026**
- **Completed approximately 2.5 million square feet of attributable gross floor area of residential properties for sale**
- **Achieved contracted sales of about HK\$38,100 million**
- **Recorded gross rental income of HK\$17,703 million from the Group's rental portfolio, an increase of 1% year-on-year**

Land Bank

During the year under review, the Group continued to replenish its land bank in Hong Kong to support future business growth, while maintaining its longstanding commitment to prudent financial discipline. For details, please refer to the Chairman's Statement on page 8.

As at 30 June 2026, the Group's land bank in Hong Kong reached about 56.4 million square feet of gross floor area, including about 17.2 million square feet of properties under development and around 39.2 million square feet of completed properties.

The completion of several integrated projects during the year, including the International Gateway Centre (IGC), further expanded the Group's portfolio of completed properties. The portfolio comprised approximately 34% of shopping malls and retail space, 31% of office space, and 12% of industrial facilities and data centres. These properties spread across different districts in Hong Kong, with the overwhelming majority held for

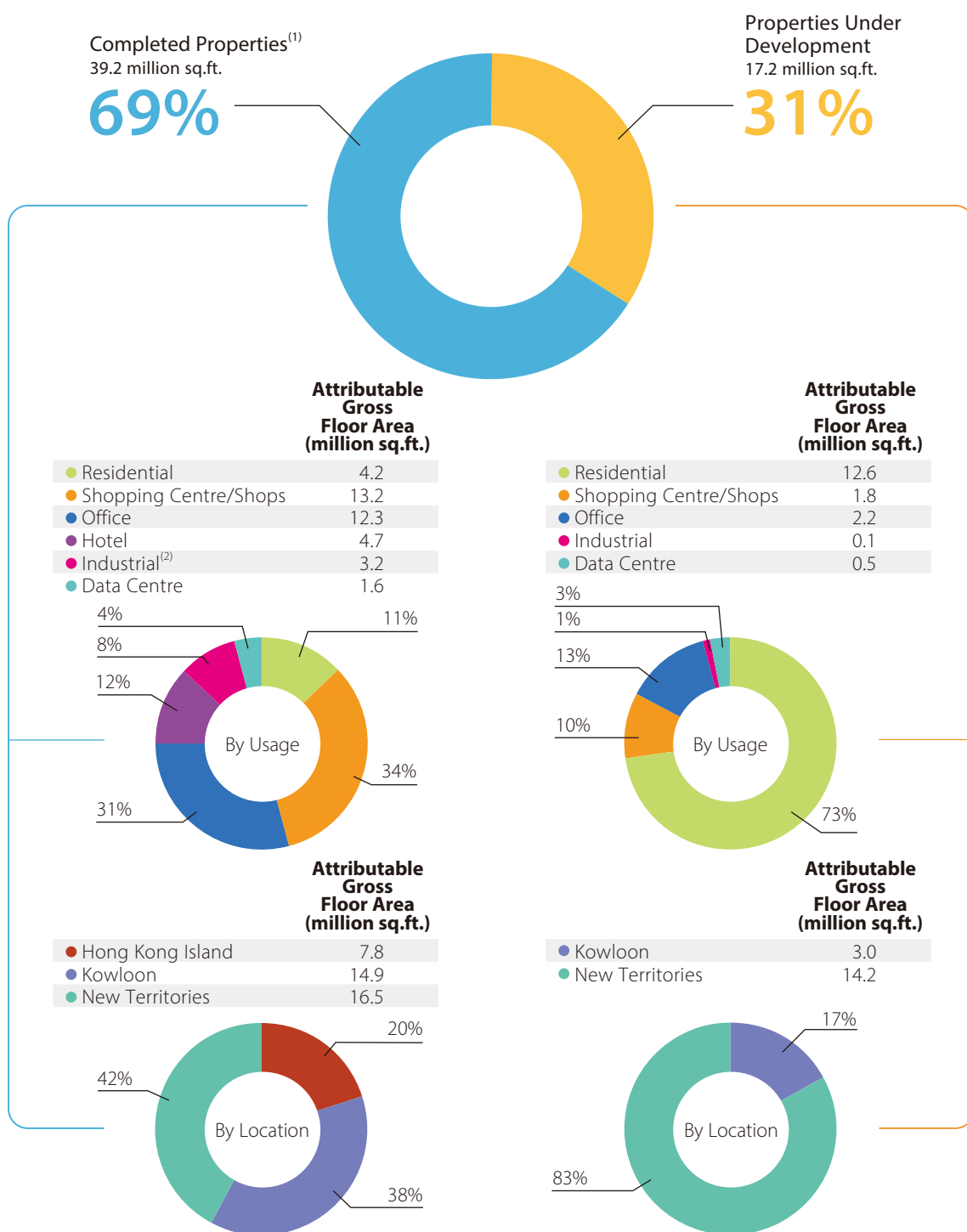
long-term rental and investment purposes. Catering to diverse tenant needs, the properties vary in sizes, floor plates, locations, and rental levels. Many of the Group's large-scale shopping malls are in residential clusters or near office buildings along railway lines, serving residents and the working population in respective surrounding communities.

Comprising about 17.2 million square feet, the Group's properties under development in Hong Kong are sufficient to meet its development needs over the next six to seven years. Among them, about 12.6 million square feet are earmarked for quality residential properties for sale, including eight projects with a total gross floor area of over 4.5 million square feet in the Northern Metropolis. The remaining 4.6 million square feet of properties under development will be retained for rental and long-term investment purposes, of which about two million square feet are expected to come on stream over the next few years.

As at 30 June 2026, the Group's land bank in Hong Kong by attributable gross floor area was as follows:

Hong Kong Land Bank Composition

(56.4 million square feet of attributable gross floor area as at 30 June 2026)



(1) An overwhelming majority are for rent/investment

(2) Including industrial/office premises and godowns



SIERRA SEA, Sai Sha

HONG KONG PROPERTY BUSINESS

Property Development



Cullinan Harbour, Kai Tak



Property Development

Committed to its philosophy of Building Homes with Heart, the Group continues to deliver premium properties in Hong Kong, featuring outstanding building quality, thoughtful architectural design and attentive customer service. The Group is the first developer in Hong Kong to have offered a comprehensive three-year warranty for first-hand purchasers of specified newly sold residential developments in Hong Kong, establishing a distinct industry benchmark and solidifying the Group's brand reputation.

By integrating innovative designs, smart technologies, and sustainable practices, the Group effectively addresses evolving customer needs. Leveraging its expertise in the delivery of large-scale, integrated transit-oriented developments, the Group is currently advancing its landmark project Sai Sha Residences in phases. Sales of initial phases received overwhelming responses, reflecting buyers' enduring trust in the brand. A high level of resident satisfaction was reported following the handover of the first two phases, underscoring the Group's track record for quality delivery. The opening of more shops at GO PARK 2 and additional offerings at GO PARK Aqua supported the development of the surrounding community into a mature ecosystem.

During the year under review, the transaction volume in Hong Kong's primary residential market increased notably amid robust economic growth and an active stock market. The Group achieved contracted sales of approximately HK\$38,100 million in attributable terms in Hong Kong. Major new launches for sale included SIERRA SEA Phases 2A and 2B in Sai Sha, Cullinan Sky Phase 2 in Kai Tak, Lime Spark in Tsuen Wan, and NOVO LAND Phase 3A in Tuen Mun. The Group also offered for sale remaining units from completed developments, including Dynasty Court in Mid Levels Central.

Looking ahead, the Group will continue to uphold its time-tested business strategy and launch new projects for sale at opportune times to achieve high asset turnover. In addition, the Group will strive to refine its products and services to maintain its leading position in the market.

Major Projects under Development

The Group's extensive development pipeline encompasses residential apartments, premium Grade-A office spaces, and retail premises across different districts in Hong Kong. The vast majority of these projects are strategically situated along existing or planned railway networks. Details of major projects under development are outlined below.



○ Cullinan Harbour, Kai Tak



○ IGC, West Kowloon

(Rendering)

Kowloon

Stage IGC High Speed Rail West Kowloon Terminus Development (Retail Portion) Kowloon Inland Lot No. 11262 (100% owned)

Site area	: 643,000 square feet (entire development)
Gross floor area	: 624,000 square feet (retail)
Expected date of completion	: from second half of 2026

Situated atop High Speed Rail West Kowloon Terminus, International Gateway Centre (IGC) comprises the office portion offering approximately 2.5 million square feet of premium Grade-A office space and Stage IGC, a 624,000-square-foot podium mall. Set to become one of the most environmentally friendly developments in the world, this integrated project has attained the highest pre-certification ratings across major sustainable building programmes, including LEED, WELL and BEAM Plus. The entire development also achieved Platinum ratings from both WiredScore and SmartScore, underscoring its world-class digital infrastructure and user-centric smart technologies designed to meet future workplace needs. The IGC offices have been completed, and handovers to tenants began in early 2026. For more leasing details, please refer to page 48.

The podium mall Stage IGC, wholly owned by the Group, will span across five storeys and house some 240 stores from diverse trades. Striving to enrich the shopping, dining, and entertainment options in the district, the mall will introduce additional retail options to serve nearby office tenants, art and culture enthusiasts and the immediate neighbourhood while also leveraging its excellent transport connectivity to capture a wide range of inbound travellers. Scheduled for phased opening starting from late 2026, the mall's superstructure work has been completed and interior fit-out is now underway.

Besides providing seamless access to the High Speed Rail West Kowloon Terminus, the mall will be linked via covered walkways to MTR Kowloon Station and Austin Station, as well as ELEMENTS. A 1.5-kilometre Sky Walk will link the mall to the West Kowloon waterfront and the surrounding districts of Yau Ma Tei and Jordan. The mall is designed with plenty of open space, landscaped areas, sheltered spaces and outdoor sitting areas, catering to the rising demand for leisure experiences and alfresco dining. For more details on the mall's leasing activities, please refer to page 50.

Property Development

Artist Square Towers Project West Kowloon Cultural District (100%)

Site area	: 72,000 square feet
Gross floor area	: 672,000 square feet (office) 27,000 square feet (retail)
Expected date of completion	: first half of 2027

Adjacent to the M+ museum and the forthcoming WestK Performing Arts Centre in the West Kowloon Cultural District, Artist Square Towers (AST) comprises three towers – East Tower, West Tower and South Tower – offering approximately 672,000 square feet of premium office space with a curated retail component. Being developed under a Build-Operate-Transfer arrangement, the project's towers have been topped out and are targeted for completion in the first half of 2027.

Commanding sweeping views of Victoria Harbour, AST features a low-density design that aligns with its harbourfront setting and the surrounding cultural and green spaces. The development incorporates contemporary workplace elements, including balconies and flexible floor plates to meet diverse tenant needs. AST has already achieved the highest rating of pre-certification or certification under several internationally recognized sustainability benchmarks.

AST enjoys excellent accessibility. Connected to a well-established covered footbridge network, the project benefits from direct links to Hong Kong's only high-speed rail station and an Airport Express

station, facilitating convenient travel to major Mainland cities and global destinations. It also offers convenient access to different parts of Hong Kong via MTR lines. As a key addition to the Group's expanding West Kowloon portfolio, AST is expected to complement IGC alongside ICC, two luxury hotels, The HarbourView Place serviced suites and shopping mall ELEMENTS. Together, these developments will form an integrated commercial cluster exceeding eight million square feet, reinforcing West Kowloon's position as a dynamic hub for commerce, tourism, retail, sustainability, art and culture. For more leasing details on AST, please refer to page 50.

Kowloon Inland Lot No. 11273, Mong Kok (100% owned)

Site area	: 124,000 square feet
Gross floor area	: 1.2 million square feet (office) 170,000 square feet (retail)
Expected date of completion	: after 2029

Situated in the heart of Mong Kok's commercial district, this project will feature a 320-metre skyscraper with a multi-level retail podium. The tower will become the second tallest building in Kowloon after ICC, featuring a rooftop observation deck that offers panoramic views of the Kowloon Peninsula. Foundation works were completed during the year, with basement works in progress.

The development is being branded as the "Green Heart" of Mong Kok and is designed to integrate contemporary architecture with landscaped green space. It aims to achieve top-tier certification under multiple internationally recognized green and smart building standards. Apart from housing a public transport interchange for minibuses and cross-border coach services, the development will be connected to MTR Mong Kok Station and Mong Kok East Station via landscaped walkways and covered footbridges. Upon its completion in 2030, the project is expected to synergize with the Group's MOKO shopping mall, Royal Plaza Hotel and Grand Century Place office towers, further enhancing connectivity and vibrancy in the area.



○ Artist Square Towers, West Kowloon

(Rendering)



○ SIERRA SEA and GO PARK Sai Sha, Sai Sha

New Territories East

Sai Sha Residences

The Remaining Phases of Tai Po Town Lot No. 253 sA & RP, Sai Sha

(100% owned)

Site area	: 2.9 million square feet (entire project)
Gross floor area	: 4.8 million square feet (residential) 73,000 square feet (retail)
Approximate number of units	: 8,200
Expected date of Certificate of Compliance/ Consent to Assign	: from second half of 2026, in phases

The entire development, including completed phases, encompasses approximately 5.7 million square feet of residential gross floor area. Being developed in phases over multiple years, the project will ultimately deliver around 9,700 units. It also features approximately 130,000 square feet of dedicated commercial space encompassing dining, retail, education and healthcare services to support the community. Of this, about 57,000 square feet of retail space is under GO PARK 2, where business commenced in the first half of 2026.

The project has achieved exceptional market traction. Phases 1A(2), 1B, 2A, and 2B, namely SIERRA SEA, have generated an overwhelming response with over 3,000 units sold within 10 months. Overall construction continues to progress smoothly. The first two residential phases were handed over to buyers in late 2025 and received high acclaim for their building quality and vibrant living experience. Handovers for Phases 2A and 2B are targeted to begin in the fourth quarter of 2026 and early 2027 respectively. Phase 2C of the project, which will consist of 522 units, is scheduled to be put on the market in the near term.

Destined to redefine urban living, most of the exquisitely designed units offer scenic mountain and sea views. The development incorporates innovative family- and pet-friendly concepts with a core emphasis on wellness, sustainability, and smart living. In addition to comprehensive clubhouse facilities, residents can enjoy a wide range of sports, retail and leisure activities at the adjacent GO PARK Sai Sha. This experience is further enriched by GO PARK Aqua, which introduces a diverse series of water-sport options. Meanwhile, the opening of a new medical clinic and a renowned international school has further enhanced the range of supporting amenities, providing premier facilities and services for family members of all ages.

Property Development

Fanling Sheung Shui Town Lot No. 279, Kwu Tung (100% owned)

Site area	: 200,000 square feet
Gross floor area	: 999,000 square feet (residential) 141,000 square feet (retail)
Approximate number of units	: 2,100
Expected date of Certificate of Compliance/Consent to Assign	: from second half of 2027, in phases

Adjacent to the MTR Kwu Tung Station currently under construction, the project encompasses approximately one million square feet of residential gross floor area and 141,000 square feet of retail space. To be developed in phases, the residential component comprises six high-rise towers housing approximately 2,100 units, primarily featuring small- and medium-sized apartments that prioritize smart, healthy living through technology-driven amenities tailored for families and modern professionals.

Strategically located in the core area of the Northern Metropolis, the project offers convenient access to major planned technology hubs, including the San Tin Technopole, the Hong Kong-Shenzhen Innovation and Technology Park, and the future Northern Metropolis University Town, making it a highly appealing residential choice for young talent and tech and education professionals. The project's appeal continues to strengthen as the development of the Northern Metropolis accelerates and the surrounding community matures.

Connectivity will be a core advantage of the project. In addition to a new MTR station scheduled for completion prior to occupancy, several new bus routes will be available through an integrated public transport interchange located beneath the towers, offering easy access to various areas in the Northern Metropolis, other districts across Hong Kong and Shenzhen's Futian District. Complementing the residential towers, a two-storey retail podium will provide a diverse mix of retail, dining, and recreational facilities to serve both residents and the broader community. Construction of the superstructure is currently advancing smoothly.

Sha Tin Town Lot No. 537, Heung Fan Liu, Sha Tin (100% owned)

Site area	: 423,000 square feet
Gross floor area	: 521,000 square feet (residential)
Approximate number of units	: 1,200
Expected date of Certificate of Compliance/Consent to Assign	: first half of 2029

Nestled amidst hillsides with views towards the Shing Mun Reservoir, this residential development in Sha Tin is designed to combine scenic nature with convenient urban access. The project will comprise four towers of approximately 1,200 units, primarily small to medium in size.

Located in a mature community, the project is within a 10-minute ride to MTR Tai Wai Station. Transport connectivity will be further enhanced by a new bus stop at the project entrance, while a major bus terminus within walking distance provides extensive routes to Kowloon and Hong Kong Island. During the year, foundation works progressed alongside road-widening works in the surrounding area.

Lot No. 2579 in DD 92, Kwu Tung (100% owned)

Site area	: 404,000 square feet
Gross floor area	: 1.2 million square feet (residential) 11,000 square feet (retail)
Approximate number of units	: 2,800
Expected date of Certificate of Compliance/Consent to Assign	: after 2029, in phases

During the year under review, the Group completed lease modification procedures for a residential development in Kwu Tung. To be developed in phases, the project comprises about 1.2 million square feet of residential gross floor area with additional retail space. Focusing on small- and medium-sized units, the entire project is expected to provide about 2,800 residential units, making it the largest private residential development on record in the North District.

Just a few minutes' drive from MTR Kwu Tung Station under construction, the project enjoys convenient transport connectivity. In addition to the existing minibus services, new bus routes have been planned for the project. Road widening and landscape enhancement works in the surrounding area are also underway. With various infrastructure taking shape in the Northern Metropolis, the district's connectivity and overall development landscape are expected to be further enhanced in the next couple of years. Piling works for the development have commenced.

New Territories West

Lot No. 1696 in DD 115, Tung Shing Lei, Yuen Long (100% owned)

Site area	: 352,000 square feet
Gross floor area	: 757,000 square feet (residential) 18,000 square feet (retail)
Approximate number of units	: 1,500
Expected date of Certificate of Compliance/Consent to Assign	: first half of 2028

Featuring extensive landscaped areas that create a tranquil environment, the development comprises approximately 1,500 residential units in one- to three-bedroom layouts across six towers to the northeast of MTR Yuen Long Station. Most units will offer expansive views of the surrounding natural scenery, including the wetlands of Nam Sang Wai and extensive greenery, while selected residences will command views of the



○ Lot No. 1696 in DD 115, Tung Shing Lei, Yuen Long

Shenzhen CBD skyline and Shenzhen Bay. The residential towers have been topped out. Phase 1A of the project, providing some 670 units, is scheduled to be put on the market soon. The development is scheduled for completion in the first half of 2028.

The project is located close to the Group's flagship YOHO Mall, which is adjacent to MTR Yuen Long Station. The mall will offer residents convenient access to a comprehensive range of "retailtainment" offerings. Served by a public transport interchange within the site, the development will also include retail spaces, a wellness centre and a kindergarten.

Lot No. 4354 in DD 124, Kiu Tau Wai, Yuen Long

(100% owned)

Site area	: 107,000 square feet
Gross floor area	: 856,000 square feet (commercial)
Expected date of completion	: after 2029

The plot is adjacent to MTR Tin Shui Wai Station and a planned station of Smart and Green Mass Transit System (SGMTS). Under the development plan, the site will be developed into a project spanning around 856,000 square feet of gross floor area, while covered footbridges will directly connect the project to the MTR station and nearby residential areas. The Group has submitted a revised plan to add residential area to the project, pending approval by authorities.

Tuen Mun Town Lot No. 496

(75.2% owned)

Attributable site area	: 179,000 square feet
Attributable gross floor area	: 465,000 square feet (residential)
Approximate attributable number of units	: 1,100
Expected date of Certificate of Compliance/Consent to Assign	: from the second half of 2028

Spanning approximately 619,000 square feet of residential gross floor area, the project offers a premium living environment integrated with its natural surroundings. Some 1,400 units will be provided across six residential towers, featuring a diversified layout mix ranging from one- to four-bedroom apartments. A majority of units will feature mountain or garden views, while selected high-floor residences will offer premium panoramic sea views.

The project's proximity to Tai Lam Country Park and Castle Peak Bay provides excellent access to outdoor recreation, while a prestigious international school nearby caters to families seeking high-quality education. Modification to the project design has been completed in response to the latest market trends. Construction is progressing.

Tuen Mun A16 Station Package One Property Development

(Joint Venture)

Site area	: 71,000 square feet
Gross floor area	: 601,000 square feet (residential)
Approximate attributable number of units	: 1,200
Expected date of Certificate of Compliance/Consent to Assign	: after 2029

Situated within a mature community featuring a well-established transportation network and comprehensive amenities in Tuen Mun South, this development will feature two residential towers encompassing approximately 601,000 square feet of gross floor area. Catering to the needs of local end-users, the project will deliver around 1,200 units, primarily in small- to medium-sized layouts.

The development will feature a direct covered walkway, comfortably linking residents to MTR Tuen Mun A16 Station now under construction. The MTR Tuen Mun South Extension, scheduled for completion in 2030, is expected to significantly enhance the project's connectivity to different parts of the city. In addition, the site is strategically located within a 15-minute drive from the Hong Kong International Airport.

The project is currently in the design and planning stage. Detailed architectural and optimization studies are underway, with foundation works scheduled to commence immediately upon the completion of planning.

Property Development

Projects Under Development by Year of Completion⁽¹⁾ – Hong Kong

Project	Project Name	Group's Interest (%)
Scheduled for Completion in FY2026/27		
(1) Tai Po Town Lot No. 253, Sai Sha Phases 2A & 2B	SIERRA SEA	100
(2) Artist Square Towers Project, West Kowloon Cultural District ⁽²⁾	Artist Square Towers	100
(3) High Speed Rail West Kowloon Terminus Development Phase 2	Stage IGC	100
(4) Lot No. 1071 in DD 103, Kam Tin North, Yuen Long	Garden Regency	100
(5) Tin Wing Stop Development Phase 2	YOHO WEST PARKSIDE	JV
(6) 13-23 Wang Wo Tsai Street, Tsuen Wan	Lime Spark	100
Year Total:		
Scheduled for Completion in FY2027/28		
(7) Fanling Sheung Shui Town Lot No. 279, Kwu Tung		100
(8) Lot No. 1696 in DD 115, Tung Shing Lei, Yuen Long		100
(9) Tseung Kwan O Town Lot No. 131 subsequent phases ⁽³⁾	MEGA IDC	73.2
(10) Tai Po Town Lot No. 253, Sai Sha Phase 2C	Sai Sha Residences	100
Year Total:		
Scheduled for Completion in FY2028/29		
(11) Tai Po Town Lot No. 253, Sai Sha Phases 3, 5A & 5B	Sai Sha Residences	100
(12) Sha Tin Town Lot No. 537, Heung Fan Liu, Sha Tin		100
(13) Tuen Mun Town Lot No. 496		75.2
(14) Sha Tin Town Lot No. 623, Siu Lek Yuen, Sha Tin		100
(15) Lot No. 1077 in Survey District No. 3, off Anderson Road, Kwun Tong		100
Year Total:		
Major Projects Scheduled for Completion in FY2029/30 or Beyond		
(16) Tuen Mun A16 Station Package Two Property Development		JV
(17) Tai Po Town Lot No. 253, Sai Sha subsequent phase(s)	Sai Sha Residences	100
(18) Kowloon Inland Lot No. 11273, Mong Kok ⁽⁴⁾		100
(19) Lot No. 2579 in DD 92, Kwu Tung		100
(20) Lot No. 4354 in DD 124, Kiu Tau Wai, Yuen Long ⁽⁴⁾		100
(21) Tuen Mun A16 Station Package One Property Development		JV
(22) Hung Shui Kiu Town Lot No. 5		50
(23) Tung Chung Town Lot No. 55		100
(24) Fanling Sheung Shui Town Lot No. 307 and the Extension thereto, Fanling North		100
(25) Lot No. 2091 in DD 105, Shek Wu Wai, Yuen Long		54.5
(26) 3 Fat Tseung Street, Cheung Sha Wan		50
(27) Sha Tin Town Lot No. 651, Tai Wai, Sha Tin		100
(28) Lot No. 4805 in DD 104, Yuen Long		100
Others		
Total for Major Projects Scheduled for Completion in FY2029/30 or Beyond:		

(1) Information up to early September 2026; completion refers to the stage in which the project is ready for handover; excluding the area of Government Accommodation that will be handed over to relevant government departments upon completion of the project

(2) The Group has been granted the right to develop and operate the project under a Build-Operate-Transfer arrangement

(3) The facility is expected to be completed in phases in FY2027/28 and beyond

(4) Including the gross floor area of office and retail portions; the development plan has yet to be finalized

Attributable Gross Floor Area (square feet)

Residential	Shopping Centre/ Shops	Office	Data Centre/ Industrial	Total
839,000	–	–	–	839,000
–	27,000	672,000	–	699,000
–	624,000	–	–	624,000
251,000	–	–	–	251,000
236,000	–	–	–	236,000
201,000	–	–	–	201,000
1,527,000	651,000	672,000	–	2,850,000
999,000	141,000	–	–	1,140,000
757,000	18,000	–	–	775,000
–	–	–	494,000 ⁽³⁾	494,000
299,000	–	–	–	299,000
2,055,000	159,000	–	494,000	2,708,000
908,000	–	–	–	908,000
521,000	–	–	–	521,000
465,000	–	–	–	465,000
157,000	–	–	–	157,000
–	110,000	–	–	110,000
2,051,000	110,000	–	–	2,161,000
2,691,000	335,000	–	–	3,026,000
2,716,000	73,000	–	–	2,789,000
–	170,000	1,200,000	–	1,370,000
1,213,000	11,000	–	–	1,224,000
–	490,000	366,000	–	856,000
601,000	–	–	–	601,000
484,000	40,000	–	–	524,000
401,000	–	–	–	401,000
279,000	57,000	–	–	336,000
265,000	–	–	–	265,000
216,000	14,000	–	–	230,000
194,000	–	–	–	194,000
139,000	–	–	–	139,000
452,000	29,000	–	125,000	606,000
9,651,000	1,219,000	1,566,000	125,000	12,561,000

Property Development

Major Properties Under Development in Hong Kong⁽¹⁾

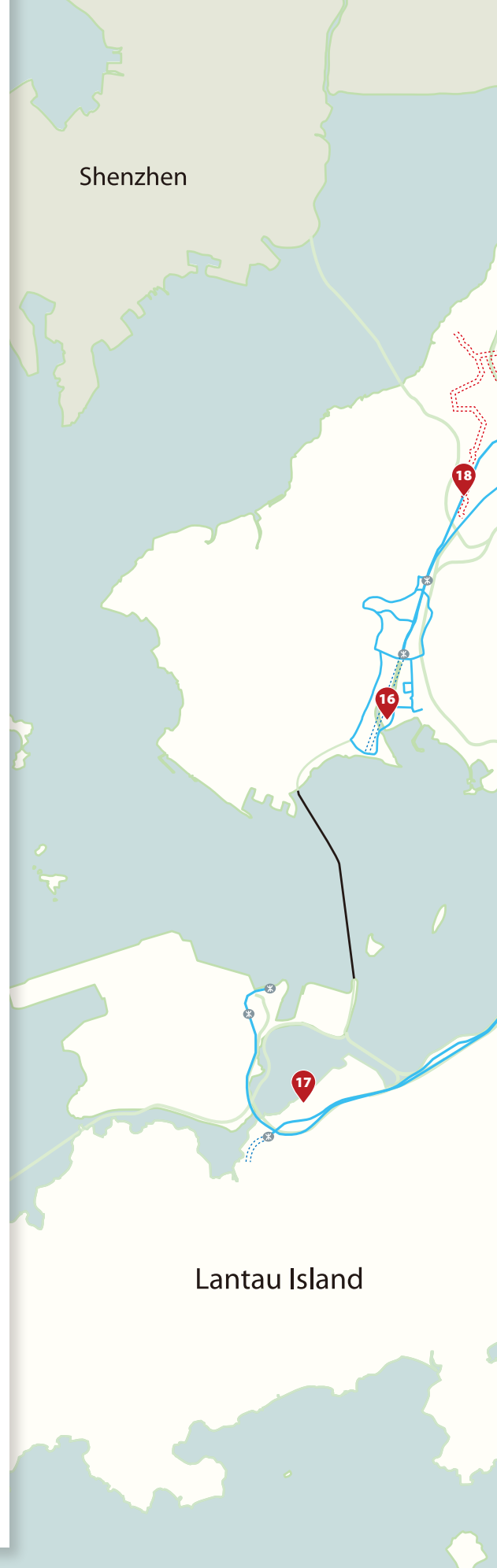
- Residential
- Shopping Centre/Shops
- Data Centre
- Office

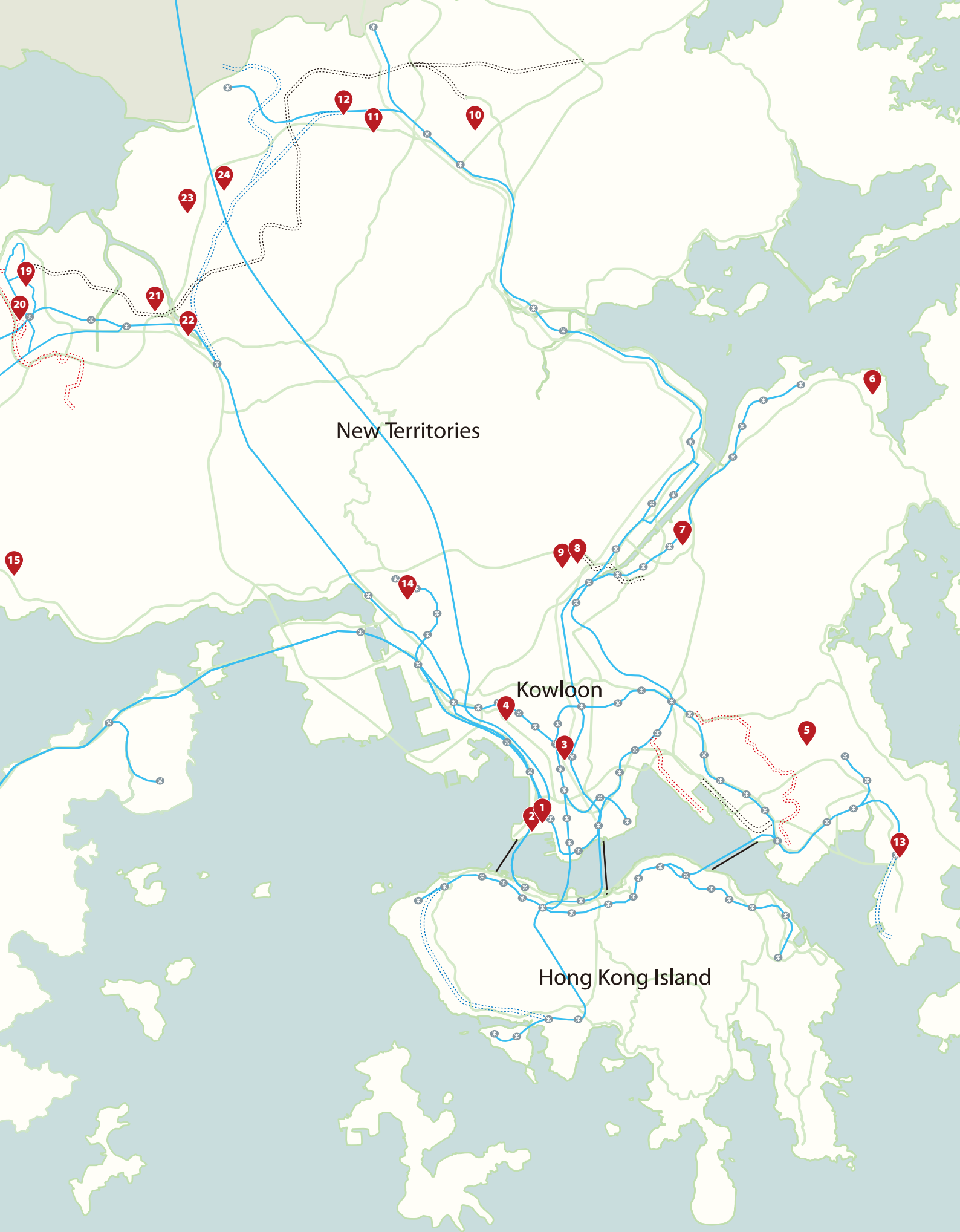
District	Project Name	Usage
Kowloon	1 Stage IGC	●
	2 Artist Square Towers Project, West Kowloon Cultural District ⁽²⁾	● ●
	3 Kowloon Inland Lot No. 11273, Mong Kok	● ●
	4 3 Fat Tseung Street, Cheung Sha Wan	● ●
	5 Lot No. 1077 in Survey District No. 3, off Anderson Road, Kwun Tong	●
New Territories East	6 Sai Sha Residences	● ●
	7 Sha Tin Town Lot No. 623, Siu Lek Yuen, Sha Tin	●
	8 Sha Tin Town Lot No. 651, Tai Wai, Sha Tin	●
	9 Sha Tin Town Lot No. 537, Heung Fan Liu, Sha Tin	●
	10 Fanling Sheung Shui Town Lot No. 307 and the Extension Thereto, Fanling North	● ●
	11 Lot No. 2579 in DD 92, Kwu Tung	● ●
	12 Fanling Sheung Shui Town Lot No. 279, Kwu Tung	● ●
New Territories West	13 MEGA IDC subsequent phases	●
	14 Lime Spark	●
	15 Tuen Mun Town Lot No. 496	●
	16 Tuen Mun A16 Station Package One and Package Two Property Developments	● ●
	17 Tung Chung Town Lot No. 55	●
	18 Hung Shui Kiu Town Lot No. 5	● ●
	19 YOHO WEST PARKSIDE	●
	20 Lot No. 4354 in DD 124, Kiu Tau Wai, Yuen Long	● ●
	21 Lot No. 1696 in DD 115, Tung Shing Lei, Yuen Long	● ●
	22 Garden Regency	●
	23 Lot No. 4805 in DD 104, Yuen Long	●
	24 Lot No. 2091 in DD 105, Shek Wu Wai, Yuen Long	●

- MTR
- - - - - MTR (under construction/potential future projects)
- - - - - Smart and Green Mass Transit Systems (under planning)
- Subsea tunnel
- - - - - Major roads under construction

(1) Information up to September 2026

(2) Under a Build-Operate-Transfer arrangement for a period of about 47 years





HONG KONG PROPERTY BUSINESS

Property Investment



IFC, Central



IGC, West Kowloon

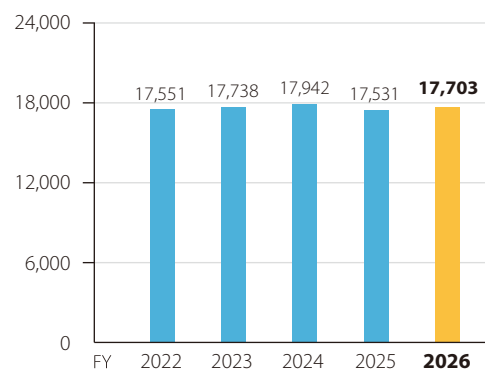
Property Investment



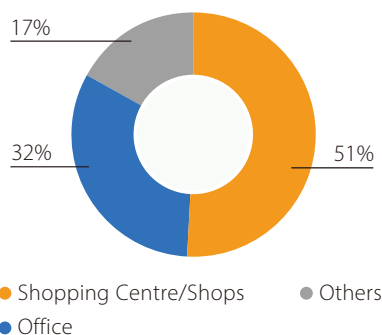
○ New Town Plaza, Sha Tin

Gross Rental Income in Hong Kong⁽¹⁾

HK\$ million



Gross Rental Income in Hong Kong by Sector⁽¹⁾



(1) Including contributions from associates and joint ventures

The Group continued to receive substantial and stable recurring income during the year from its expanding property investment portfolio in Hong Kong. Inclusive of contributions from joint ventures and associates, gross rental income registered a mild 1% increase year-on-year to HK\$17,703 million, while the average occupancy for its completed properties remained largely stable at 92%.

Completed Properties Shopping Centres

During the year, Hong Kong's retail sales were lifted by improving domestic consumption and sustained growth in inbound tourism. The Group's malls registered a moderate increase in tenant sales, led by those located in tourist districts. Nevertheless, evolving spending patterns amid the city's ongoing economic transformation continued to present challenges. Accordingly, the Group proactively responded and adapted to market trends, maintaining strong footfall and achieving a high average occupancy rate of 95% across its major malls. Gross rental income for the Group's portfolio remained stable at HK\$9,078 million.



○ APM, Kwun Tong

Spanning over 13 million square feet, the Group's retail portfolio spreads across residential, commercial and tourist districts, many of which form a part of integrated developments with strong transport connectivity. Serving both surrounding communities and visitors from other areas, the Group's malls continued to enhance their competitiveness through their adaptations to changing customer preferences.

The Point, the Group's integrated loyalty programme, continued to strengthen customer connection and enhance their shopping experience. During the year, The Point's mobile application launched a new tenant module, enabling targeted promotions and enhanced tenant-customer interaction. The module will be further upgraded to facilitate the inclusion of video content. In June 2026, The Point launched a new "digital showroom", enabling tenants to promote their products via live streaming. Shoppers can snatch digital discount coupons via The Point app, which encourages them to make purchases at physical stores. Meanwhile, VIP programme The Point Gold introduced additional privileges for members, including reservations for EV fast charging service, priority queuing at a wider selection of restaurants, and access to mega events. VIPs can also redeem additional parking hours on the app instead of at counters.

The Group strives to transform its malls into vibrant community destinations by placing greater emphasis on experiential offerings. In flagship malls such as New Town Plaza in Sha Tin, both indoor and outdoor public spaces are utilized to host themed fairs, effectively driving footfall under different weather conditions. The malls also organize a variety of events to attract visitors and foster stronger community engagement. APM in



○ Metroplaza, Kwai Fong

Property Investment



○ MOKO, Mong Kok

Kwun Tong hosted fan meetings, sports experiences and movie premieres, alongside large-scale installations of trending intellectual property (IP) characters. V City in Tuen Mun introduced interactive installations in its atrium, including a football-themed game zone during World Cup 2026.

The malls organize trendy activities to capture public attention, maintaining upbeat positioning and driving footfall. Responding to the resurgence of nostalgic Hong Kong music, Metroplaza in Kwai Fong launched a Cantopop celebration at its open piazza, featuring live DJ performances and food fairs. East Point City in Tseung Kwan O



○ IFC Mall, Central

hosted a month-long charity pickleball tournament at its atrium. Featuring celebrity participation and online broadcast, the event promoted a healthy lifestyle through this increasingly popular sport.

The Group constantly refines the trade- and tenant-mix of its malls to align with evolving preferences. Across the mall portfolio, the Group strengthened dining experiences through the introduction of both emerging restaurant brands and established names from Hong Kong and beyond. IFC Mall in Central reinforced its position as an all-round premier destination with a strong tenant lineup that includes international brands, a variety of catering and entertainment options, and thematic pop-up stores showcasing the brands' seasonal collections. MOKO in Mong Kok consolidated its trend-setting position through the introduction of Hong Kong's first permanent store of a popular Japanese character, featuring themed photo spots and Hong Kong-only merchandise. YOHO Mall in Yuen Long reconfigured large floor plates to accommodate new offerings, including first-in-district brands and interactive gaming outlets.

The Group further expanded its portfolio with newly opened malls that reach out to a variety of customer segments and bring novelty. The ANGLE in Kowloon East introduced anime- and toy-themed concept stores and dining options debuting in



○ East Point City, Tseung Kwan O



○ V City, Tuen Mun



○ YOHO Mall, Yuen Long

Hong Kong or in the district. Emphasizing interactive experiences, the mall complements the regional stronghold APM. Cullinan Sky Mall in Kai Tak not only provides amenities to residents in the neighbourhood but also alfresco dining and grab-and-go options that cater to visitors drawn by mega events in the district. Launched during the year, GO PARK 2 provides education and wellness offerings, serving families residing in SIERRA SEA and beyond. These new malls, with gradually increasing occupancies, are expected to generate incremental rental income while expanding the Group's customer base.

In addition to upgrading its facilities, the Group strives to make its malls more family and pet friendly. Acknowledging demand for family-oriented offerings, Tsuen Wan Plaza is positioned as a leading district mall where families can spend quality time together, using its outdoor areas to host activities including horse-riding games, ice skating and stand-up paddling. Complementing a range of pet-friendly facilities and services, malls such as Tai Po Mega Mall organize pet-themed events.

Offices

Hong Kong's Grade-A office leasing market has shown signs of improvement. However, the performance of sub-districts diverged further. Premium properties in Central outperformed,

supported by an active financial market, while rental pressure persisted in other districts amid high supply levels. During the year, the average occupancy of the Group's long-established offices remained stable at 90%, while gross rental income recorded a mild increase to HK\$5,703 million amid negative rental reversion. The rental level in Central has been picking up of late, while leasing momentum has also been recovering.



○ Tai Po Mega Mall, Tai Po

Property Investment



○ IGC, West Kowloon

The Group holds a diverse portfolio of premium offices in different districts, sizes and layouts, catering to businesses with various needs. In core Central, an active IPO market continued to support the financial services sector, driving demand for office upgrades and expansion. Amid limited supply of Grade-A office space, rents at prime buildings showed signs of firming. Vacancy rates in the district declined further, particularly at well-located buildings with superior specifications, such as IFC. Constituting part of the IFC complex atop MTR Hong Kong Station with comprehensive amenities, the two IFC towers continued to be the prestigious stronghold for capital market companies, recording a further increase in occupancy to close to 100% by the end of the financial year.

The Group is developing a premium office cluster in West Kowloon, comprising the existing ICC, the newly completed IGC and the Artist Square Towers under development. Together with the neighbouring hotels and malls, these projects will form a commercial cluster of approximately eight million square feet, a standout in terms of scale, accessibility and building standards. Together they will continue to support the development of West Kowloon as a global wealth-management centre and a hub where commerce, tourism, retail, arts and culture converge. ICC, a skyscraper atop MTR Kowloon Station offering easy access to the Airport Express and magnificent sea views, continued to attract financial institutions and major corporations seeking comprehensive amenities and high building specifications. During the year, ICC maintained a stable rental level and an occupancy rate of 92%.

The Group's latest addition, IGC, comprises two pairs of interconnected office towers atop the High Speed Rail West Kowloon Terminus. The new project provides 2.5 million square feet of premium office space, of which about 44.6% of the office portion is held by the Group as a long-term investment. Its direct connection to the high-speed rail station, together with convenient access of the Airport Express and three other MTR lines, shapes its unparalleled positioning as the gateway linking Hong Kong with the Chinese Mainland and international markets. These unique advantages appeal to international wealth-management and financial companies as well as multinational corporations expanding their regional presence.

Beyond its strong transport connectivity, IGC has been meticulously designed by ZHA Architects to exemplify a new generation of modern commercial developments. The design features flowing geometries that echo Kowloon's mountainous ridgeline, with towers of varying heights and orientations framing a central plaza and extending towards the surrounding communities and harbourfront through landscaped terraces and walkways. Internally, IGC meets contemporary office requirements with premium infrastructure, smart building management systems and large floor plates that are rarely

available in the city centre. Fewer pillars are present in the layout, enabling flexible configurations while supporting collaborative spaces. Built to the highest international sustainability standards, the development has attained 10 top certifications or pre-certifications, including leading ratings under LEED, WELL and BEAM Plus. Energy-efficient façade design and advanced technologies help reduce carbon emissions, while environmental sensors and outdoor terraces enhance occupants' well-being. The office space has been progressively handed over to tenants. A 14-storey block was handed over to anchor tenant UBS in early 2026 while other tenants from the financial and wealth-management sector are moving in by phases.

In other sub-markets, the Group provides quality office space of varying sizes and layouts within integrated developments across various districts along MTR lines, including Grand Century Place in Mong Kok and the Millennium City office cluster in Kwun Tong. These properties cater to corporations of different sizes, including local SMEs, retailers operating in nearby malls, and growing sectors such as educational institutions. Amid a competitive market and an ongoing flight-to-quality trend, the Group continues to upgrade facilities and services while maintaining close communication with tenants to address their evolving needs and enhance retention.

Residential, Serviced Suites and Others

Supported by a range of favourable initiatives to position Hong Kong as an international hub for high-calibre talent, the city has seen a continued inflow of talent and professionals in recent years, driving demand for premium residential accommodation. The Group's residential leasing portfolio, comprising high-end residences and serviced suites, recorded satisfactory performance during the year.

Signature Homes offers attentive leasing services for a wide-ranging luxury residential property portfolio covering urban apartments, houses, penthouses and serviced suites in prime areas. Benefitting from a return of expats and influx of high-net-worth individuals to Hong Kong, the portfolio of more than 3,800 residences achieved positive rental reversion and meaningful increases in occupancies during the year.

TOWNPLACE, a brand targeting young talent with three properties across town, distinguishes itself in the market with flexible accommodation options, hotel services on demand, and vibrant social activities. While maintaining strong performance and high occupancies during the year, TOWNPLACE stepped up collaboration with The Point, allowing customers to earn Point Dollars for use at SHKP malls.

The Group conducts regular reviews of its portfolio mix and implements service enhancements to capture emerging market opportunities. Vega Suites atop MTR Tseung Kwan O Station completed the conversion of hotel rooms into serviced suites, introducing a new homey design incorporating open kitchens or storage cabinets in selected units. New facilities were added, including a sky garden and children's playground.



○ TOWNPLACE WEST KOWLOON

Property Investment



○ Stage IGC, West Kowloon

(Rendering)

Major Properties under Development

The Group will complete several property investment projects in Hong Kong during the next few years. Stage IGC, the retail podium sitting atop the High Speed Rail West Kowloon Terminus, is scheduled to open in phases starting in late 2026. Wholly owned by the Group, the five-storey podium mall spans about 624,000 square feet. It is directly connected to the high-speed rail station, which houses the most popular land boundary control point for tourists. The mall will feature around 240 shops and restaurants, including lifestyle, sports and leisure, local cuisine and premium dining offerings. The mall's indoor and outdoor communal spaces facilitate collaborations of brands across different industries, enhancing overall customer experience and bringing additional choices to the retail cluster in West Kowloon. The first phase of Stage IGC will include shops

and restaurants, such as grab-and-go options, that cater to the daily necessities of tenants in nearby offices and travellers. Please refer to page 48 for details of the office portion of the IGC project.

In the West Kowloon Cultural District, the Artist Square Towers Project (AST) will provide about 672,000 square feet of office space and 27,000 square feet of retail space in three towers. Scheduled for completion in 2027, AST will be one of the few new commercial harbourfront projects in the city that offer panoramic views of Victoria Harbour. Situated next to M+ museum, AST offers a low-density working environment that harmonizes with the waterfront, vibrant cultural landmarks and expansive green open spaces. Its contemporary workplace design and flexible floor plates appeal to tenants of different



○ Artist Square Towers, West Kowloon

(Rendering)

sizes, particularly those who seek artistic ambience. Financial institution J.P. Morgan has committed to leasing six connected floors across two towers, totalling approximately 250,000 square feet. The Group's commercial developments AST, IGC and ICC each contribute distinct strengths to the West Kowloon commercial cluster, collectively addressing diverse tenant needs. The towers will be managed as an integrated hub to enhance efficiency and ensure premium service standards.

The Group is scheduled to open a shopping mall near Anderson Road, Kwun Tong in the second half of 2028. With a gross floor area of about 100,000 square feet, the mall is positioned to serve the fast-growing population in new residential developments, offering a community-focused mix of dining and retail outlets.

The Group's Mong Kok integrated commercial development is the largest project under development in the area, comprising a 320-metre commercial tower and a 170,000-square-foot retail podium, scheduled for phased completion starting in 2030. It will connect to the Group's existing MOKO mall atop MTR Mong Kok East Station, while also accessible from MTR Mong Kok Station via a covered walkway. Leveraging its convenient location, excellent transportation and synergy with the Group's integrated development next to Mong Kok East Station – MOKO mall, Grand Century Place offices and Royal Plaza Hotel, the new complex will appeal to a wide range of sectors, including the service industry and businesses targeting cross-border customers.

Property Investment

Major Completed Properties in Hong Kong

Project	Location
Hong Kong Island	
One IFC / Two IFC / IFC Mall / Four Seasons Hotel Hong Kong / Four Seasons Place	1 Harbour View Street / 8 Finance Street, Central
Sun Hung Kai Centre	30 Harbour Road, Wan Chai
Central Plaza	18 Harbour Road, Wan Chai
Harbour North / Hyatt Centric Victoria Harbour Hong Kong	123, 133 Java Road / 1 North Point Estate Lane, North Point
World Trade Centre / wwwtc mall	280 Gloucester Road, Causeway Bay
Pacific View (Blocks 2 & 3)	38 Tai Tam Road, Southern
Kowloon	
ICC / Sky100 / The Ritz-Carlton, Hong Kong / W Hong Kong / The HarbourView Place	1 Austin Road West
International Gateway Centre (IGC)	1 Wui Man Road, West Kowloon
Millennium City 1 ⁽²⁾	388 Kwun Tong Road
Millennium City 2	378 Kwun Tong Road
Millennium City 5 / APM	418 Kwun Tong Road
Millennium City 6	392 Kwun Tong Road
The Millennity / The ANGLE	98 How Ming Street, Kwun Tong
Grand Century Place / MOKO / Royal Plaza Hotel	193 Prince Edward Road West, Mong Kok
TOWNPLACE WEST KOWLOON	10 Lai Ying Street, West Kowloon
V Walk	28 Sham Mong Road, West Kowloon
The Royal Garden Tsim Sha Tsui	69 Mody Road, Tsim Sha Tsui
APEC Plaza	49 Hoi Yuen Road, Kwun Tong
Cullinan Sky Mall	10 Concorde Road, Kai Tak
Mikiki	638 Prince Edward Road East, San Po Kong
The Sun Arcade	28 Canton Road, Tsim Sha Tsui
New Territories	
New Town Plaza / New Town Tower / Royal Park Hotel	18 Sha Tin Centre Street / 2-8 Sha Tin Centre Street / 10-18 Pak Hok Ting Street / 8 Pak Hok Ting Street, Sha Tin
Grand Central Plaza / HomeSquare	138 Sha Tin Rural Committee Road, Sha Tin
Metroplaza	223 Hing Fong Road, Kwai Chung
YOHO Mall / YOHO MIX	9 Yuen Lung Street / 8-9 Long Yat Road / 1 Long Lok Road, Yuen Long
YOHO Plus	2-6 Fung Cheung Road, Yuen Long
The Royal Garden Kowloon East / Vega Suites	3 Tong Tak Street, Tseung Kwan O
PopCorn	9 Tong Yin Street, Tseung Kwan O
Tai Po Mega Mall	9 On Pong Road, Tai Po
Tsuen Wan Plaza	4-30 Tai Pa Street, Tsuen Wan
KCC	51 Kwai Cheong Road, Kwai Chung
Life@KCC	72-76 Kwai Cheong Road, Kwai Chung
Landmark North	39 Lung Sum Avenue, Sheung Shui
East Point City	8 Chung Wa Road, Tseung Kwan O
Citygate / Novotel Citygate Hong Kong / The Silveri Hong Kong – MGallery	20 Tat Tung Road / 51 Man Tung Road / 16 Tat Tung Road, Tung Chung
ALVA Hotel by Royal	1 Yuen Hong Street, Sha Tin
Royal View Hotel	353 Castle Peak Road, Ting Kau
V City	83 Tuen Mun Heung Sze Wui Road, Tuen Mun
PopWalk (Phases 1, 2 & 3) / Ocean PopWalk	12 Tong Chun Street / 19 Tong Yin Street / 19 Chi Shin Street / 28 Tong Chun Street, Tseung Kwan O

(1) Including industrial/office premises

(2) Including the attributable share in areas held by SUNeVision, in which the Group has a 73.2% interest

Attributable Gross Floor Area (square feet)							
Lease Expiry	Group's Interest (%)	Residential	Shopping Centre/Shops	Office	Hotel	Industrial ⁽¹⁾	Total
2047	50	—	320,000	958,000	550,000	—	1,828,000
2127	100	—	53,000	851,000	—	—	904,000
2047	50	—	—	705,000	—	—	705,000
2062/2063	100	—	145,000	—	388,000	—	533,000
2842	100	—	267,000	243,000	—	—	510,000
2047	100	248,000	—	—	—	—	248,000
2047	100	—	29,000	2,495,000	1,023,000	—	3,547,000
2069	44.6	—	—	1,132,000	—	—	1,132,000
2047	100	—	27,000	896,000	—	—	923,000
2047	100	—	—	267,000	—	—	267,000
2052	100	—	598,000	308,000	—	—	906,000
2047	100	—	32,000	370,000	—	—	402,000
2047	72.6	—	363,000	472,000	—	—	835,000
2047	100	—	725,000	475,000	400,000	—	1,600,000
2067	100	—	—	—	374,000	—	374,000
2062	100	—	298,000	—	—	—	298,000
2127	100	—	—	—	295,000	—	295,000
2047	100	—	—	—	—	240,000	240,000
2068	100	—	220,000	—	—	—	220,000
2054	100	—	205,000	—	—	—	205,000
2047	100	—	205,000	—	—	—	205,000
2047	100	—	1,350,000	111,000	243,000	—	1,704,000
2047	100	—	349,000	413,000	—	—	762,000
2047	100	—	600,000	569,000	—	—	1,169,000
2047/2054/2060/2065	87.5/100	—	1,047,000	—	—	—	1,047,000
2047	100	—	44,000	—	—	—	44,000
2057	100	—	—	—	626,000	—	626,000
2057	50	—	108,000	—	—	—	108,000
2047	100	—	598,000	—	—	—	598,000
2047	100	—	583,000	—	—	—	583,000
2047	100	—	79,000	401,000	—	—	480,000
2047	100	—	100,000	—	—	—	100,000
2047	100	—	182,000	375,000	—	—	557,000
2047	100	—	415,000	—	—	—	415,000
2047/2063/2063	26.7	—	222,000	43,000	98,000	—	363,000
2047	100	—	—	—	344,000	—	344,000
2047	100	—	—	—	310,000	—	310,000
2056	100	—	269,000	—	—	—	269,000
2060/2061/2062/2062	100	—	242,000	—	—	—	242,000

Property Investment

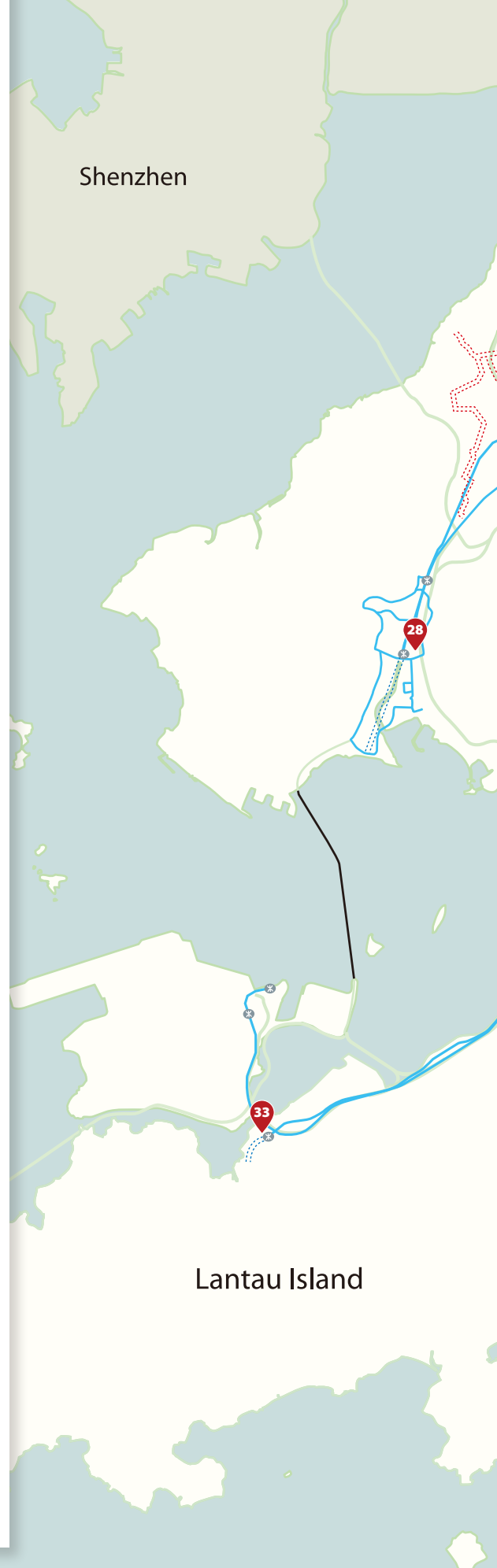
Major Completed Properties in Hong Kong

- Residential ● Shopping Centre/Shops ● Office
● Industrial⁽¹⁾ ● Hotel

District	Project Name	Usage
Hong Kong	1 Four Seasons Hotel Hong Kong / Four Seasons Place	●
	2 IFC / IFC Mall	● ●
	3 Central Plaza	●
	4 Sun Hung Kai Centre	● ●
	5 World Trade Centre / wwwtc mall	● ●
	6 Harbour North / Hyatt Centric Victoria Harbour Hong Kong	● ●
	7 Pacific View	●
Kowloon	8 ICC / The Ritz-Carlton, Hong Kong / W Hong Kong / The HarbourView Place / Sky100	● ● ●
	9 International Gateway Centre (IGC)	●
	10 The Sun Arcade	●
	11 The Royal Garden Tsim Sha Tsui	●
	12 TOWNPLACE WEST KOWLOON	●
	13 V Walk	●
	14 Grand Century Place / MOKO / Royal Plaza Hotel	● ● ●
	15 Cullinan Sky Mall	●
	16 Mikiki	●
	17 Millennium City Phases 1, 2, 5 & 6 / The Millennity / APM / The ANGLE	● ●
	18 APEC Plaza	●
New Territories East	19 PopWalk Phases 1, 2 & 3 / Ocean PopWalk	●
	20 PopCorn / The Royal Garden Kowloon East / Vega Suites	● ●
	21 East Point City	●
	22 Grand Central Plaza / HomeSquare	● ●
	23 New Town Plaza / New Town Tower / Royal Park Hotel	● ● ●
	24 ALVA Hotel by Royal	●
	25 Tai Po Mega Mall	●
	26 Landmark North	● ●
New Territories West	27 YOHO Mall / YOHO MIX	●
	28 V City	●
	29 Royal View Hotel	●
	30 Tsuen Wan Plaza	●
	31 Metroplaza	● ●
	32 KCC / Life@KCC	● ●
	33 Citygate / Novotel Citygate Hong Kong / The Silveri Hong Kong – MGallery	● ● ●

- MTR — Subsea tunnel
⋯ MTR (under construction/ potential future projects) ⋯ Major roads under construction
⋯ Smart and Green Mass Transit Systems (under planning)

(1) Including industrial/office premises





Chinese Mainland Property Business

Highlights

- **As at 30 June 2026, held an attributable 64.7 million square feet of land bank under development on the Chinese Mainland**
- **Completed approximately 6.0 million square feet of attributable gross floor area of quality properties during the year**
- **Recorded attributable contracted sales of about RMB2,200 million**
- **Achieved a gross rental income of RMB5,796 million from rental portfolio on the Chinese Mainland, an increase of 1.5% from the previous financial year**

Land Bank

Over the years, the Group has adopted a highly selective investment strategy on the Chinese Mainland, focusing on developing and operating premium integrated projects in prime locations in first-tier and leading second-tier cities. During the year under review, the Group completed the acquisition of the remaining interest in IGC mall and Conrad Guangzhou hotel at market value with the support of the Guangzhou Municipal Government and the relevant authorities. Following completion of the transaction, the Group has obtained full ownership of the two properties, which form part of the Tianhui Plaza project located in Zhujiang New Town CBD in Guangzhou. IGC mall comprises approximately one million square feet of gross floor area, while Conrad Guangzhou offers more than 300 guest rooms across a gross floor area of about 522,000 square feet. In addition to the consideration paid, the Group has also resolved the tax and debt issues of the project company after completion of the acquisition. The Group would like to express its appreciation to the Guangzhou Municipal Government for its assistance.

As at 30 June 2026, the Group's total attributable land bank on the Chinese Mainland totalled approximately 64.7 million square feet. Approximately 26.5 million square feet were completed

properties, with an overwhelming majority being signature integrated developments located in prominent business hubs of first-tier and leading second-tier cities. These quality developments are primarily held for rental and long-term investment. In terms of geographical breakdown, about 13 million square feet were premium integrated properties located in prime locations in Shanghai, while over two million square feet were properties in Guangzhou.

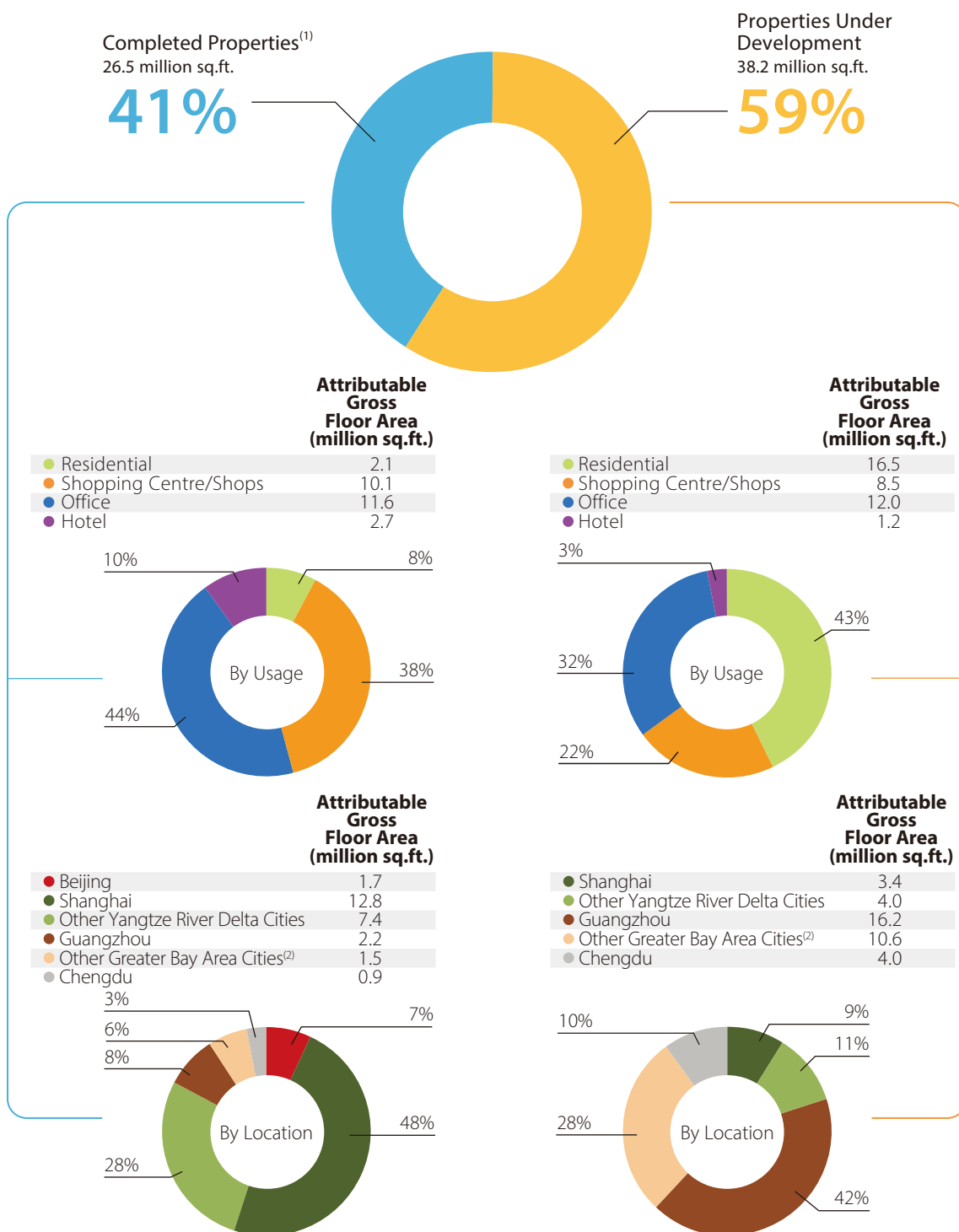
The remaining 38.2 million square feet in the land bank are properties under development, of which over 50% are quality residential and office space for sale in phases. About 11% of the properties under development are located in Hangzhou and other major cities in the Yangtze River Delta area, while the majority of the rest are situated in major Greater Bay Area cities.

Maintaining a positive outlook on the medium- and long-term prospects of the Mainland economy, the Group will continue to focus on developing its existing projects of large-scale mixed-use developments, which meet high green standards and cater to the evolving needs of tenants and customers.

As at 30 June 2026, the Group's land bank on the Chinese Mainland by attributable gross floor area was as follows:

Chinese Mainland Land Bank Composition

(64.7 million square feet of attributable gross floor area as at 30 June 2026)



(1) An overwhelming majority are for rent/investment

(2) Excluding Hong Kong

CHINESE MAINLAND PROPERTY BUSINESS

Property Development



Hangzhou IFC, Hangzhou



ITC, Shanghai

Property Development



○ ITC, Shanghai

The Central Government's measures to promote the supply of high-quality housing and the further relaxation of home-purchase restrictions in major cities have helped unleash demand for upgrading. Buyer confidence across major Mainland cities showed signs of recovery during the year under review, while transactions in the high-end residential market improved. Sentiment in the land market also recovered, with developers continuing to acquire quality residential sites in key cities.

During the year, the Group achieved attributable contracted sales of about RMB2,200 million on the Chinese Mainland. Sales were mainly driven by the riverside serviced apartments at the joint-venture Cullinan West at Hangzhou IFC. Quality residential units in the Greater Bay Area, including the wholly owned Forest Park at Guangzhou South Station ICC and joint-venture Oriental Bund in Foshan, accounted for meaningful contributions.

Taking a positive view of the medium- to long-term outlook on the Chinese Mainland's economy, the Group will adhere to its customer-centric culture and continue to deliver premium, environmentally friendly projects in first-tier and leading second-tier cities, particularly iconic integrated developments poised to ignite the economic vitality of their communities.

Major Projects under Development

Shanghai & Yangtze River Delta

ITC

Xuhui, Shanghai

(100% owned)

Situated in Xujiahui, one of Shanghai's most vibrant commercial hubs, ITC stands as a mega mixed-use development spanning some 7.6 million square feet of gross floor area. The prestigious landmark in Puxi integrates top-tier Grade-A office towers, premium retail space and a five-star hotel. Designed with a commitment to sustainability, the entire project conforms to rigorous green and energy-efficient building standards, serving as a benchmark for greener and healthier developments. Boasting excellent connectivity, ITC enjoys direct access to Xujiahui metro station, an interchange station of several major metro lines. The complex is also known for its sizable scale, outstanding building quality, diligent management services and comprehensive facilities.

The first two phases were completed by 2018, while office buildings ITC Tower A and Tower B were completed in 2022 and mid-2026 respectively. The hotel Andaz Shanghai ITC with over 260 rooms opened in March 2026, further increasing the comprehensiveness of amenities at Xujiahui business hub. For leasing performance of the ITC offices and information on the hotel, please refer to page 75 and page 83 respectively.

The remaining portion of the project comprises a seven-storey office tower and a 2.6-million-square-foot flagship mall. Spanning about 215,000 square feet, office ITC Tower C has been recently completed and handed over to the tenant in July 2026. ITC Mall is designed with a multiple-ground-floor strategy, utilizing elevated streets, terraces, pedestrian bridges and public plazas to connect its retail and public spaces. Visitors can walk under canopies to enjoy a unique shopping and catering experience combining indoor and outdoor environments. Connected by weatherproof sky bridges, the mall is divided into two major sections, including a nine-storey mall and a five-storey mall across North Yishan Road. Different sections of the mall are scheduled to open in phases, with some shop tenants having commenced operations recently on the level directly connected to the metro station. For leasing information on ITC Mall, please refer to page 75.

TODTOWN **Minhang, Shanghai** *(35% owned)*

Strategically located atop the Xinzhuang interchange station, a vital transport hub in Southwest Shanghai, TODTOWN is a large-scale transit-oriented development located in the heart of Xinzhuang business hub. The project is served by two major metro lines and a railway line, offering excellent connectivity.

Spanning a total gross floor area of over four million square feet, this extensive project integrates diverse functions, including 1.9 million square feet of apartments, a 1.4-million-square-foot shopping mall, over 500,000 square feet of office space, and a hotel. Showcasing a vibrant and modern lifestyle, the development is enriched by unique architectural design, vertical greenery, artistic parks and landscaped roof gardens with jogging trails that seamlessly combine urban convenience with a refreshing community environment.



○ TODTOWN, Shanghai

The first two phases, comprising approximately 600,000 square feet of residential units and 800,000 square feet of apartments, were handed over to buyers before mid-2024 with positive response. Phase 3 of the project, TODTOWN Tower, an office building offering some 538,000 square feet of modern workspace, was delivered to tenants in the second half of 2025. Phase 4 of the project comprises the initial portion of TODTOWN Mall, spanning some 663,000 square feet, which soft-opened in the first half of 2026. The grand opening of the mall is scheduled for the second half of 2026. Additionally, Phase 5 of the project, comprising the Hyatt Centric TODTOWN Shanghai, has been topped out. The lifestyle hotel with around 170 rooms is expected to open in the second half of 2027.

Hangzhou IFC **Qianjiang New City CBD, Hangzhou** *(50% for River West; 45% for River East)*

Situated at the strategic confluence of the Beijing-Hangzhou Grand Canal and Qiantang River, Hangzhou IFC heralds a new era of waterfront development in the city. Spanning two adjacent riverside sites in the heart of Qianjiang New City CBD, this joint-venture project weaves together close to nine million square feet of above-ground space into an integrated ecosystem, combining high-end residences, serviced apartments, offices, shopping malls, hotels, and lush public parks.

Property Development



○ Hangzhou IFC (River West), Hangzhou



○ Cullinan West at Hangzhou IFC, Hangzhou

Incorporating green and smart designs, the project has achieved LEED Platinum certification for Cities and Communities: Plan and Design Communities. The development's commitment to energy efficiency and the seamless fusion of natural and urban environments sets a new standard for next-generation waterfront communities.

Boasting exceptional connectivity, the development is just a 15-minute drive to the Hangzhou East Railway Station and will be connected to two metro stations, offering access to two operating metro lines and a third line under construction. Well-designed pedestrian bridges seamlessly link the two project sites together, creating a fluid connection to surrounding amenities and fostering a pleasant, walkable waterside environment.

Phase 1 of the River East site, namely Hangzhou IFC Mansion, comprises over 650 exquisite residential units with an aggregate gross floor area of about 1.4 million square feet. Launched in batches between 2022 and 2023, all these units were sold out upon debut and handed over to buyers in batches in financial year 2025/26, receiving strong praise for their superior building quality, expansive riverside views, distinctive rooftop gardens and exceptional management services. Phase 2A, namely Cullinan East, comprises 25 meticulously designed, spacious units across 150,000 square feet of quality space, each commanding sweeping river views. Phase 2B represents a

modern office tower, One IFC River East, providing a gross floor area of over 500,000 square feet with leasing activities under way. Phase 2C, a lifestyle shopping mall, is expected to open its initial phase comprising about 700,000 square feet in the second quarter of 2027, introducing a curated blend of brands, dining and lifestyle experiences designed to cater to the daily needs of residents, office workers and visitors in the vicinity.

The River West site across the river can be reached via pedestrian bridges. Phase 1A in River West houses a premium office tower, One IFC River West, totalling about 378,000 square feet. The tower was handed over to tenants in the second half of 2025. Phase 1B, Cullinan West, comprises some 60 prestigious serviced apartments across about 230,000 square feet, each conceived with spacious interiors, picturesque waterfront views and a dedicated hospitality-level service. The apartments have been virtually sold out since the market launch in September 2025. Phase 2, a podium mall of around 116,000 square feet, is scheduled to open starting in the first half of 2027. For leasing activities of the retail and office portions of Hangzhou IFC, please refer to page 75.



○ Lake Genève, Suzhou

Lake Genève
Yuanqu, Suzhou
(90% owned)

Sitting on the southern bank of the iconic Jinji Lake with sweeping lake views, Lake Genève is a prestigious low-density residential development in Yuanqu CBD, Suzhou spanning a total gross floor area of approximately 930,000 square feet. Boasting panoramic lake vistas and impeccable management services, Lake Genève masterfully strikes the balance between tranquil waterside living and seamless urban connectivity, complemented by a metro station just a 10-minute stroll away. The neighbouring Four Seasons Hotel Suzhou, also developed by the Group, further elevates the project's refined living ambience, adding a layer of world-class hospitality to its exclusive setting.

Phase 1 of the project, encompassing about 130 detached houses with a total gross floor area of nearly 500,000 square feet, was virtually sold out and handed over to buyers before 2013. Phase 2A, providing a gross floor area of approximately 270,000 square feet, consists of 74 serene detached houses. Of these, 50 units were sold out upon their debut in batches in the first half of 2025 and have been delivered to buyers. The remaining 24 houses are scheduled for launch in batches from the financial year 2026/27. Phase 3 of the project is currently under planning.

Guangzhou & Other Greater Bay Area Cities ⁽¹⁾

Guangzhou South Station ICC
Panyu, Guangzhou
(100% owned)

Guangzhou South Station ICC is a mega transit-oriented integrated development seamlessly connected to Guangzhou South Railway Station. Spanning around 9.3 million square feet and being developed in phases, the project comprises premium office and retail spaces, residences, serviced apartments, and hotel accommodations. In the second half of 2025, both Guangzhou East Ring Intercity Railway and Haizhu Bay Tunnel commenced full operation, further reducing travel time to downtown Guangzhou to around 10 to 15 minutes.

Forest Park, the residential portion of the project, offers some 290 quality and modern units across three residential towers with a combined gross floor area over 340,000 square feet in its Phase 1A and 1B. These residential units were launched in batches starting in 2023, and delivered to buyers in the first half of 2025, earning strong praise for their exceptional building quality, excellent connectivity and extensive city views.

(1) Excluding Hong Kong

Property Development



○ Guangzhou South Station ICC, Guangzhou (Rendering)

The Group is developing the commercial portion of the project. Phase 2A, namely One ICC, offers over 290,000 square feet of office space. The office tower was completed in the third quarter of 2026. The retail podium at Phase 2B, namely Parc Central (Guangzhou South), will provide about 215,000 square feet of retail space across five floors. Positioned as a gateway in the Greater Bay Area, the mall will be seamlessly connected to Guangzhou South Railway Station, the busiest transportation hub in the GBA with direct access to 12 rail lines. Targeted to cater for the needs of business and leisure travellers, the mall is expected to open from the end of 2026. For leasing activities concerning the office building and mall, please refer to page 75. The remaining phases of the project are progressing as planned.

Park Royale Huadu, Guangzhou (100% owned)

Spanning a total gross floor area of approximately eight million square feet, Park Royale is a quality residential development nestled in Huadu, Guangzhou, offering a tranquil environment with majestic views of Wangzi Mountain Forest Park and Xiuquan Lake. The project is within a 20-minute drive from Guangzhou North Station, a major transportation hub linking high-speed rail and metro networks.

Following its revitalization, the adjacent Xiuhu Park opened to the public in May 2026, instantly becoming a popular sightseeing spot that provides a variety of water-sports facilities, including sailing and kayaking. In addition to the newly opened park, residents can embrace an active and vibrant lifestyle via an abundance of fitness and lifestyle amenities within the project, including swimming pools, basketball courts, an acclaimed terraced garden, an elementary school and a kindergarten.

The first two phases and Phase 3A with an aggregate gross floor area of over 4.7 million square feet of residential space were virtually sold out and handed over to buyers by the end of 2024, drawing praise particularly for the landscaped gardens and leisure-focused lifestyle. Phase 3B, currently under planning, is expected to provide about 900 units across five towers, with the majority of the units enjoying splendid lake views.



○ Park Royale, Guangzhou

Oriental Bund
Chancheng, Foshan
(50% owned)

Oriental Bund is a large-scale mixed-use development situated in urban Foshan, encompassing a total gross floor area of about 28 million square feet. The project commands serene Dongping River views, complemented by a riverside greenbelt and an adjacent public park. With a metro station of Guangfo line located within a five-minute walk, residents enjoy easy connectivity to both local and regional transportation networks. The first five phases, which span roughly 12 million square feet, were virtually sold out and delivered to homebuyers by mid-2023.

Phase 6 of the project spans approximately 1.9 million square feet of gross floor area and consists of 14 residential towers offering more than 1,500 units. Launched in batches over the past few years, Phase 6 has registered a sell-through ratio of over 90%. About 800 units had been delivered to homebuyers by end of June 2026. Phase 7, currently in the planning stage, is set to offer over 1.3 million square feet of gross floor area through eight towers and a selection of detached houses.

Other Cities

JOVOTOWN
Tianfu New Area, Chengdu
(91% owned)

JOVOTOWN in Tianfu New Area, Chengdu is a quality residential development situated within a well-established living community. The project encompasses a total gross floor area of approximately 6.8 million square feet, providing over 4,000 residential units. The development offers excellent accessibility, with an interchange station linking two existing metro lines just a ten-minute walk away, one of which provides a direct connection to Tianfu International Airport. The residential enclave boasts a wide range of amenities in the vicinity, including schools, commercial facilities and an adjacent ocean park.



○ Oriental Bund, Foshan

The first two phases and Phase 3A, with an aggregate floor area of about 5.8 million square feet, were nearly sold out and delivered to buyers by the end of 2022. Phase 3B has finalized its planning, with construction underway. The phase will provide over 500 residential units with a gross floor area exceeding 800,000 square feet, which is expected to be put on the market in the financial year 2026/27.

Property Development

Projects Under Development by Year of Completion – Chinese Mainland

Project		Project Name		City
Scheduled for Completion in FY2026/27				
(1)	Xujiahui Centre Project Phases 3D & 3E	ITC	ITC Mall / ITC Tower C	Shanghai
(2)	Jianghehui Project (River East) Phases 2A, 2B & 2C	Hangzhou IFC (River East)	Cullinan East / One IFC River East	Hangzhou
(3)	Jianghehui Project (River West) Phase 2	Hangzhou IFC (River West)		Hangzhou
(4)	Guangzhou South Railway Station Project Phases 2A & 2B	Guangzhou South Station ICC	Parc Central (Guangzhou South) / One ICC	Guangzhou
(5)	Chancheng Project Phase 6E	Oriental Bund		Foshan
(6)	Dongda Avenue Project Phase 4B	Chengdu ICC	Two ICC	Chengdu
Year Total:				
Scheduled for Completion in FY2027/28				
(7)	Minhang Project Phase 5	TODTOWN	Hyatt Centric TODTOWN Shanghai	Shanghai
Year Total:				
Scheduled for Completion in FY2028/29				
(8)	Jianghehui Project (River West) Phases 3A & 3B	Hangzhou IFC (River West)		Hangzhou
(9)	Taihu New City Project Phase 8	Taihu International Community		Wuxi
(10)	Shuangliu District Project Phase 3B	JOVOTOWN		Chengdu
Year Total:				
Major Projects Scheduled for Completion in FY2029/30 or Beyond				
(11)	Minhang Project remaining phases	TODTOWN		Shanghai
(12)	Jianghehui Project remaining phases ⁽²⁾	Hangzhou IFC		Hangzhou
(13)	Suzhou Project remaining phases			Suzhou
(14)	Guangzhou South Railway Station Project remaining phases ⁽²⁾	Guangzhou South Station ICC		Guangzhou
(15)	Shiling Project remaining phases	Park Royale		Guangzhou
(16)	Nansha Qingsheng Project ⁽²⁾			Guangzhou
(17)	Chancheng Project remaining phases	Oriental Bund		Foshan
(18)	Shilong Project remaining phases	Grand Waterfront		Dongguan
(19)	Zhongshan 5 Road Project Phase 6	The Woodland		Zhongshan
(20)	Dongda Avenue Project remaining phases	Chengdu ICC		Chengdu
Others				
Total for Major Projects Scheduled for Completion in FY2029/30 or Beyond:				

(1) Information up to early September 2026; gross floor area including basement retail area; residential area including serviced apartments

(2) Breakdown of the gross floor area is subject to further amendment

(3) The Group has a 45% and 50% interest in the River East and River West sites respectively

(4) The Group has a 50% interest in the project

Attributable Gross Floor Area (square feet) ⁽¹⁾						
Group's Interest (%)	Residential	Shopping Centre/ Shops	Office	Hotel	Total	
100	–	2,640,000	215,000	–	2,855,000	
45	–	316,000	297,000	–	613,000	
50	–	58,000	–	–	58,000	
100	–	215,000	291,000	–	506,000	
50	277,000	–	–	–	277,000	
40	–	–	523,000	–	523,000	
	277,000	3,229,000	1,326,000	–	4,832,000	
35	–	–	–	75,000	75,000	
	–	–	–	75,000	75,000	
50	–	449,000	–	44,000	493,000	
40	–	–	–	143,000	143,000	
91	802,000	–	–	–	802,000	
	802,000	449,000	–	187,000	1,438,000	
35	155,000	270,000	–	–	425,000	
JV ⁽³⁾	–	262,000	1,981,000	155,000	2,398,000	
90	145,000	–	–	192,000	337,000	
100	2,600,000	1,186,000	4,374,000	323,000	8,483,000	
100	3,945,000	4,000	–	–	3,949,000	
100	–	861,000	2,401,000	–	3,262,000	
50	5,256,000	1,360,000	925,000	109,000	7,650,000	
100	1,507,000	–	–	–	1,507,000	
JV ⁽⁴⁾	24,000	–	–	–	24,000	
40	1,768,000	143,000	589,000	147,000	2,647,000	
	–	752,000	385,000	–	1,137,000	
	15,400,000	4,838,000	10,655,000	926,000	31,819,000	

Property Development

Major Mainland Projects

- Residential
 ● Shopping Centre/Shops
 ● Office
 ● Hotel

City		Project Name	Usage
● Major Completed Projects			
● Major Projects Under Development			
Beijing	1	● Beijing APM / Beijing APM Office Tower	● ●
	2	● New Town Plaza	●
Shanghai & Yangtze River Delta			
Shanghai	3	● Arcadia	● ●
	4	● Shanghai IFC / Shanghai IFC Mall / The Ritz-Carlton Shanghai, Pudong / IFC Residence	● ● ●
	5	● Shanghai ICC / IAPM	● ●
	6	● Shanghai Central Plaza	● ●
	7	● One ITC / Two ITC / ITC Tower A / ITC Tower B / Andaz Shanghai ITC	● ● ●
		● ITC Mall / ITC Tower C	● ●
	8	● TODTOWN Mall / TODTOWN Tower	● ●
		● TODTOWN	● ● ●
Hangzhou	9	● Hangzhou MIXC / Park Hyatt Hangzhou	● ● ●
	10	● One IFC River West	●
Nanjing		● Hangzhou IFC	● ● ●
	11	● Nanjing One IFC / Nanjing Two IFC / Nanjing IFC Mall / Andaz Nanjing Hexi	● ● ●
Suzhou	12	● ICC Mall / ICC Office	● ●
	13	● Lake Genève	●
Wuxi		● Four Seasons Hotel Suzhou	●
	14	● Wuxi MIXC	●
		● Taihu International Community	●
Guangzhou & Other Greater Bay Area Cities⁽¹⁾			
Guangzhou	15	● Parc Central	●
	16	● IGC / Conrad Guangzhou	● ●
	17	● Park Royale	● ●
	18	● Guangzhou South Station ICC	● ● ● ●
	19	● Nansha Qingsheng Project	● ●
Foshan	20	● Nanhai Plaza	●
	21	● Oriental Bund	● ● ● ●
Dongguan	22	● Grand Waterfront	●
Zhongshan	23	● The Woodland	●
Other Cities			
Chengdu	24	● Chengdu ICD / One ICC	● ●
		● Chengdu ICC	● ● ● ●
	25	● JOVOTOWN	●

(1) Excluding Hong Kong



Beijing



Shanghai



Nanjing



Wuxi



Suzhou



Hangzhou



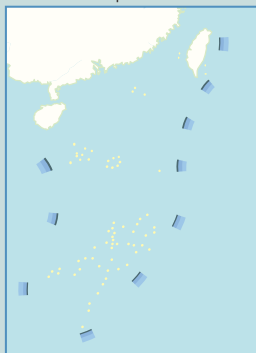
Chengdu

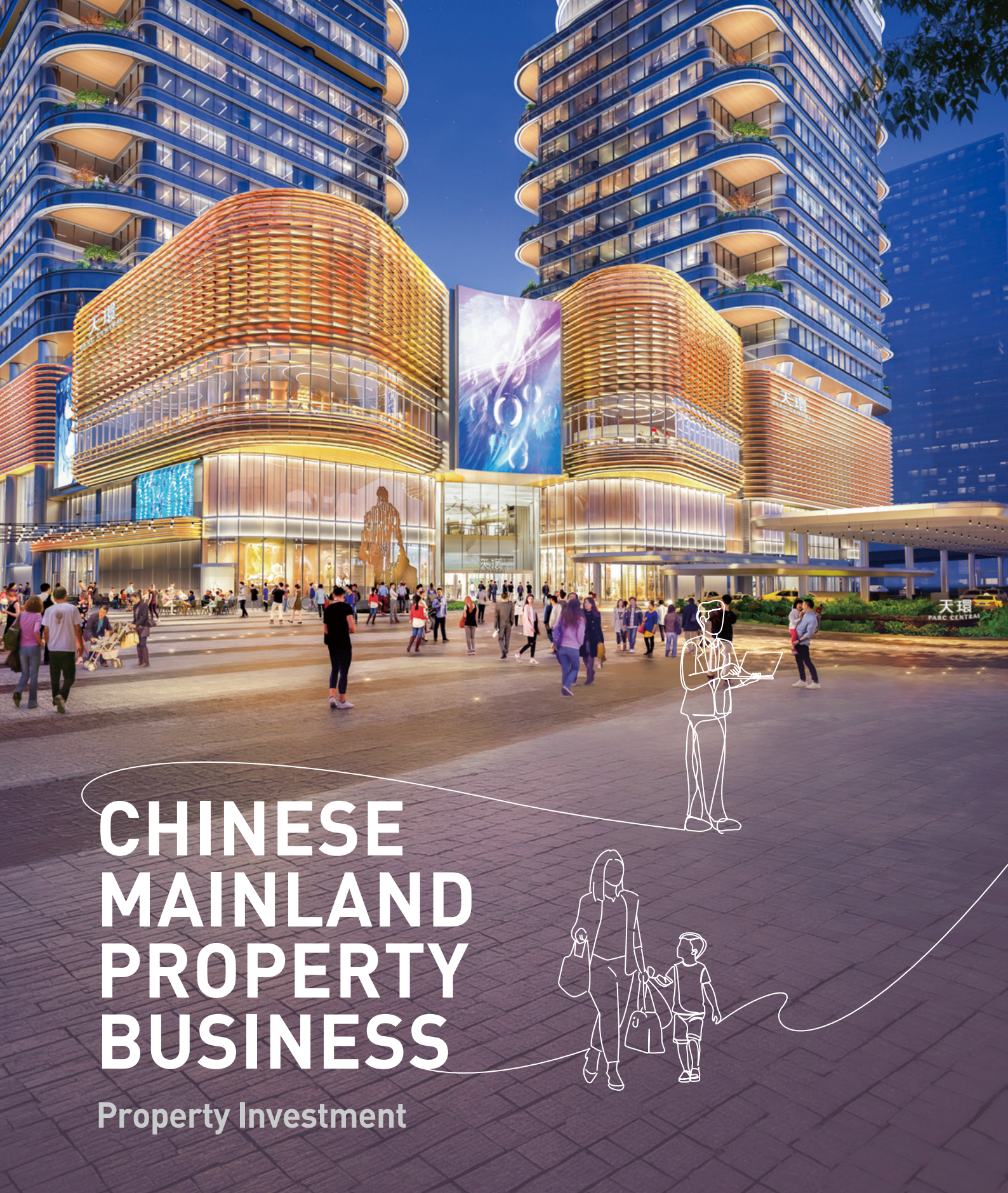


Guangzhou



Sketch map of coastline





CHINESE MAINLAND PROPERTY BUSINESS

Property Investment

Parc Central (Guangzhou South), Guangzhou (Rendering)



Shanghai IFC, Shanghai

Property Investment

The Group holds a diversified investment property portfolio on the Chinese Mainland, featuring premium mixed-use developments strategically located in prime locations across key cities. Distinguished by premium standards, internationally recognized sustainable building certifications and excellent transport connectivity, this portfolio delivers stable recurring income to the Group.

During the year under review, the Group's gross rental income from the Chinese Mainland, including contributions from joint ventures and associates, increased by 5% to HK\$6,495 million. In Renminbi terms, the gross rental income increased by 1.5% to RMB5,796 million. The increase in turnover rent from the retail portfolio offset the decline in office rental income.

Completed Properties

Shopping Centres

Spanning about 10 million square feet of attributable gross floor area, the Group's shopping malls are a major contributor of the Group's rental income on the Chinese Mainland. During the year, driven by improved consumer sentiments in a number of key cities, tenant sales of the Group's major malls registered

moderate growth. Amid a growing number of inbound tourists and additional facilitation on the departure-tax refund policy, the Group's major malls in Shanghai and Guangzhou saw increases in footfall.

Prioritizing the enhancement of shopper experience, the Group expanded trade categories and refined the tenant mix while introducing an array of experiential activities in open areas. The Group also strengthened its collaborative efforts with tenants and the neighbouring communities to enhance the integrated experience of leisure, sightseeing, culture and tourism. Considering that some retailers remained relatively conservative in expansion and focused on optimizing their existing outlets, the Group's malls introduced new brands and optimized trade mix to increase occupancy.

Shanghai IFC Mall is strategically located in the heart of Little Lujiazui in Pudong, Shanghai. The mall houses an impressive portfolio of international brands and flagship stores. To consolidate its leading market position in the city, the premium mall adopted a two-pronged approach in refining tenant mix. The mall welcomed debut stores of top-tier brands, spanning fine jewellery and watches, fragrances and high-end fashion. In

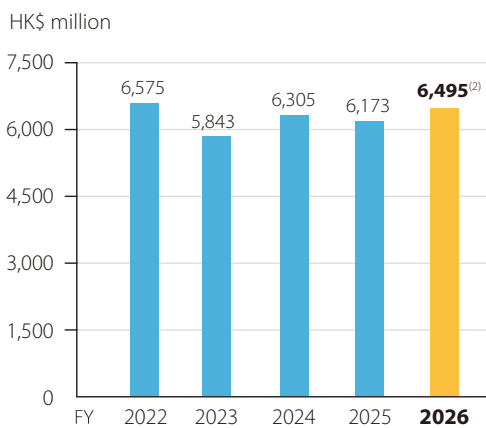


○ Shanghai IFC Mall, Shanghai

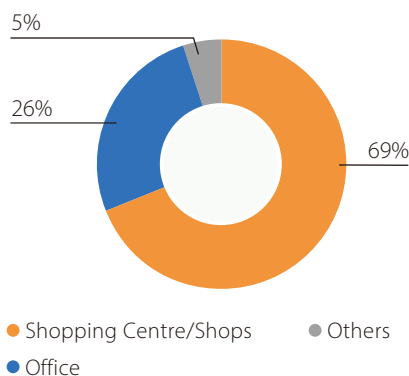


○ Parc Central, Guangzhou

Gross Rental Income on the Chinese Mainland⁽¹⁾



Gross Rental Income on the Chinese Mainland by Sector⁽¹⁾



(1) Including contributions from associates and joint ventures

(2) Gross rental income in terms of RMB amounted to RMB5,796 million

parallel, grab-and-go outlets, designer toys and trending leisure concepts were introduced, further diversifying the trade mix to serve the different needs of locals and tourists, as well as office tenants and hotel guests in the same complex. Leveraging all these initiatives, the mall maintained high occupancy during the year. Please refer to page 74 for more details of Shanghai IFC offices.

Located within Shanghai ICC complex in Puxi, IAPM stands as a trendsetting lifestyle mall catering to fashion-forward clientele and new-generation shoppers. The mall has continued to optimize its tenant mix with the addition of up-and-coming



○ IGC mall, Guangzhou

Property Investment

designer brands, a wide array of sports and leisure brands, and expanded experiential retail offerings. In addition, IAPM hosted pop-up stores and events and facilitated cross-industry collaborations, increasing consumer engagement and long-term loyalty. Please refer to page 75 for more details of the office towers of Shanghai ICC.

Situated along the riverside of Zhujiang New Town, Guangzhou, IGC has become wholly owned by the Group following the recent acquisition. The mall has assembled a vibrant brand portfolio that targets young families, pet lovers and food enthusiasts. Collaborating with district authorities to organize a series of on-site events, the mall achieved notably high foot traffic during festive periods, tapping into the CBD's economic vitality and mature community infrastructure. During the year, the mall completed a major reconfiguration programme that transformed part of the cinema space into retail units. Building on this enhancement, the Group will continue to invest in the mall through further reconfiguration works, including the introduction of a grab-and-go gourmet market and a collection of themed retail zones. Capitalizing on its riverside advantage, the mall will also attract premium food-and-beverage debut stores with river-view dining experiences. Together, these initiatives are expected to broaden the mall's appeal and further strengthen its positioning as a premier one-stop leisure and lifestyle destination.

Also in Guangzhou town centre, Parc Central in Tianhe District hosts immersive cultural and lifestyle activities at its expansive open space. The mall, in which the Group holds a 50% interest,

has become the top destination of stores making their Guangzhou or national debuts, while also housing a variety of trendy retail and catering options. Leveraging the "ticket stub economy", the mall launched exclusive privileges for trade fair participants to drive their spending. Both malls in Guangzhou registered strong growth in tenant sales with high occupancy during the year.

Collaboration with the community is important in expanding the customer base. In support of Beijing city's initiative to enhance shopping experiences through iconic terraces, Beijing APM introduced a new sky garden in the heart of Wangfujing. The rooftop garden serves as a venue for diverse events enriching shoppers' experience while also offering outdoor leisure space for office tenants. Nanjing IFC Mall, leveraging Yuanfeng Underground Connectivity Project, a local government initiative, saw improved accessibility with new entrances that channel pedestrian flow directly from a convention centre and surrounding precincts. Upon full completion of the enhancement works by the end of 2026, the mall will be linked to additional landmarks such as Hexi Central Park, further expanding its catchment area and strengthening its competitive advantage as a central node in the district's underground pedestrian network.

Offices

During the year, the Grade-A office leasing market on the Chinese Mainland continued to face headwinds. The Group's rental income from the office portfolio registered a mild decrease year-on-year, although the decline was partially offset by the incremental contribution from newly completed projects.

In the face of sustained challenges and ample supply in the office market, the Group strengthened its efforts on tenant retention. Leasing and property management teams deepened tenant-landlord relationships through proactive communication and excellent service. Supported by excellent transport connectivity, professional property management and high green building standards, together with the comprehensive amenities within the complex, the Group's premium office portfolio successfully attracted corporates pursuing upgrades or expansion.

Directly connected to a shopping mall, a five-star hotel and serviced suites, the Shanghai IFC office towers in Little Lujiazui, Pudong provided a quality environment with an all-in-one ecosystem that helps streamline daily business operations under one roof. Favoured by financial and global corporations, the Group's office space in the towers continued to register satisfactory occupancy, reaffirming its leading position as a premier office destination in Shanghai. Please refer to page 72 for more details of Shanghai IFC Mall.



○ One IFC River West, Hangzhou IFC, Hangzhou

Situated in the heart of Puxi's commercial district, Shanghai ICC has direct access to an interchange station connecting three metro lines. During the year, ICC sustained high tenant retention rates. In addition to its prime location and excellent transport connectivity, the office tower's convenient access to lifestyle and retail options at IAPM mall also enhances the appeal. These attractive features reinforced Shanghai ICC as a resilient office hub converging both global and domestic retail and professional services corporations. Please refer to page 73 for more details of IAPM.

ITC is located in the heart of Xujiahui CBD, Shanghai. During the year, the 370-metre ITC Tower B was completed in mid-2026. In addition to premium building specifications and dedicated property management, the project benefits from superior transport connectivity, with direct access to an interchange station connecting three metro lines and a comprehensive network of pedestrian bridges that link to surrounding commercial precincts, further reinforcing its position as a leading one-stop commercial hub. One ITC and Two ITC are now fully let while ITC Tower A has secured multiple leading multinational corporations as local or regional headquarters, driving its occupancy beyond 80%. The broad tenant base of the office portion, comprising high-growth industries such as AI, pharmaceuticals and life-science, alongside financial services and retailers, has established a strong foundation for the leasing of Tower B office tower.

Leasing of the new Tower B, standing as the tallest skyscraper in Puxi, is gaining traction. Despite a competitive market landscape, prominent firms across various sectors have expressed keen interest. The opening of Andaz Shanghai ITC in March 2026 further enhanced synergies within the ITC portfolio and boosted vibrancy in the area. Looking ahead, the phased opening of ITC Mall at the podium will provide a wide range of retail and F&B options, further enhancing the comprehensiveness of offerings at the complex.

Beyond its established presence in Shanghai, the Group holds a diversified Grade-A office portfolio across other major cities on the Chinese Mainland. A key highlight is the newly completed One IFC River West in Hangzhou. Spanning a gross floor area of 378,000 square feet, this premium office tower features a fluid façade, panoramic river views and leading green certifications. Completed in the second half of 2025, the office tower now runs at over 60% occupancy. Leasing environment of the Group's other Grade-A offices, including Beijing APM Office Tower and Nanjing IFC, remained challenging during the year amid keen competition.

Major Properties under Development

In the next one to two financial years, several new investment properties will be gradually completed, further expanding the Group's recurring income base and enhancing the comprehensiveness and completeness of the Group's integrated developments.

The 2.6-million-square-foot ITC Mall in the heart of Xujiahui, Shanghai is set to emerge as an all-round destination encompassing F&B, international and local brands, lifestyle, leisure and entertainment, helping to drive footfall and promote pedestrian flow across the entire commercial precinct. The mall's distinctive architectural design sets it apart – most ground-floor retail units will feature independent street-front façades, providing exceptional street-level visibility and ideal conditions for flagship-store displays. The metro-linked floor of ITC Mall has begun a summer 2026 opening, providing office tenants with grab-and-go light food options. Several brands are making their inaugural entry into the district.

Development of the Group's other mixed-use integrated projects across key Mainland cities is progressing smoothly. In Hangzhou, the joint-venture Hangzhou IFC is being developed in phases on two riverside plots in Qianjiang New City CBD. A 700,000-square-foot shopping mall in River East is currently under construction, scheduled for a phased opening in the second quarter of 2027. Focusing on lifestyle and community needs, the mall will feature a tenant mix that includes emerging sports, alfresco dining, grab-and-go options and leisure concepts. The mall will be connected to its surrounding areas via pedestrian footbridges, plazas and parks, enhancing walkability and featuring extensive outdoor greenery that appeals to family and pet-friendly demographics. It will serve the project's residents and tenants, as well as the neighbouring communities.

In Guangzhou, large-scale transit-oriented integrated development Guangzhou South Station ICC will see the opening of shopping mall Parc Central (Guangzhou South) by the end of 2026. The 215,000-square-foot podium mall is directly connected to Guangzhou South Railway Station on both ground and underground levels. Drawing leasing interest from a diverse range of catering and leisure businesses, the mall will serve as a vibrant lifestyle hub for both nearby residents and travellers from the Greater Bay Area and beyond. One ICC, a 291,000-square-foot office tower in the integrated development, was completed in the third quarter of 2026.

Property Investment

Major Completed Properties on the Chinese Mainland

Project		Location
Beijing		
Beijing APM	Beijing APM / Beijing APM Office Tower	138 Wangfujing Dajie, Beijing
New Town Plaza		Building 18, Fangguyuan Zone 1, Fangzhuang, Beijing
Shanghai & Yangtze River Delta		
ITC	One ITC	1901 Huashan Road, Shanghai
	Two ITC	160 Gongcheng Road, Shanghai
	ITC Tower A / ITC Tower B /	183 Hongqiao Road / 233 Hongqiao Road /
	Andaz Shanghai ITC	283 Hongqiao Road, Shanghai
Shanghai IFC	Shanghai IFC / Shanghai IFC Mall / The Ritz-Carlton Shanghai, Pudong / IFC Residence	8 Century Avenue, Lujiazui, Shanghai
Shanghai ICC	Shanghai ICC / IAPM	999 Middle Huaihai Road, Shanghai
Shanghai Central Plaza		381 Middle Huaihai Road, Shanghai
TODTOWN	TODTOWN Mall / TODTOWN Tower	6333 Hu Min Road, Shanghai
Arcadia		88 Guang Yuan Xi Road, Shanghai
Nanjing IFC	Nanjing One IFC /	347 Jiangdong Middle Road /
	Nanjing Two IFC /	111 Hexi Street /
	Nanjing IFC Mall /	345 Jiangdong Middle Road /
	Andaz Nanjing Hexi	108 Bailongjiang East Street, Nanjing
Hangzhou MIXC	Hangzhou MIXC /	701 Fuchun Road /
	Park Hyatt Hangzhou	1366 Qianjiang Road, Qianjiang New City, Hangzhou
Hangzhou IFC	One IFC River West	118 Sanxin Road, Qianjiang New City, Hangzhou
Wuxi MIXC		88 and 188 Jinshi Road, Taihu New City, Wuxi
Suzhou ICC	ICC Mall / ICC Office	418 Suzhou Avenue East, Suzhou
Four Seasons Hotel Suzhou		88 Four Seasons Boulevard, Suzhou
Guangzhou & Other Greater Bay Area Cities⁽¹⁾		
Tianhui Plaza	IGC / Conrad Guangzhou	222 Xingmin Road, Guangzhou
Parc Central		218 Tianhe Road, Guangzhou
Nanhai Plaza		49 Nanhai Avenue North, Foshan
Chengdu		
Chengdu ICC	One ICC / Chengdu ICD	577 Dongda Road, Chengdu

(1) Excluding Hong Kong

Attributable Gross Floor Area (square feet)						
Lease Expiry	Group's Interest (%)	Residential	Shopping Centre/Shops	Office	Hotel	Total
2044	100	–	1,036,000	458,000	–	1,494,000
2033	100	–	225,000	–	–	225,000
2054/2064	100	–	338,000	170,000	–	508,000
2054/2064	100	–	43,000	321,000	–	364,000
2064/2054	100	–	–	3,467,000	375,000	3,842,000
2055	100	–	1,220,000	1,572,000	940,000	3,732,000
2056	100	–	1,251,000	1,317,000	–	2,568,000
2044	80	–	106,000	366,000	–	472,000
2051/2061	35	–	232,000	188,000	–	420,000
2064	100	304,000	27,000	–	–	331,000
2048	100	–	1,085,000	1,999,000	360,000	3,444,000
2046/2049/2056	40	–	744,000	205,000	176,000	1,125,000
2060	50	–	–	189,000	–	189,000
2046	40	–	631,000	–	–	631,000
2047	90	–	289,000	905,000	–	1,194,000
2047	90	–	–	–	297,000	297,000
2051	100	–	996,000	–	522,000	1,518,000
2050	50	–	431,000	–	–	431,000
2045	100	–	640,000	–	–	640,000
2048	40	–	549,000	396,000	–	945,000

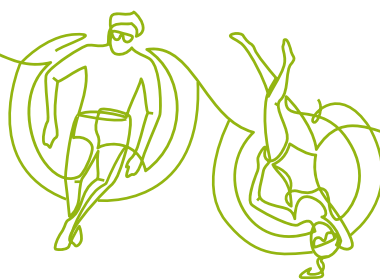


IGC, West Kowloon, Hong Kong

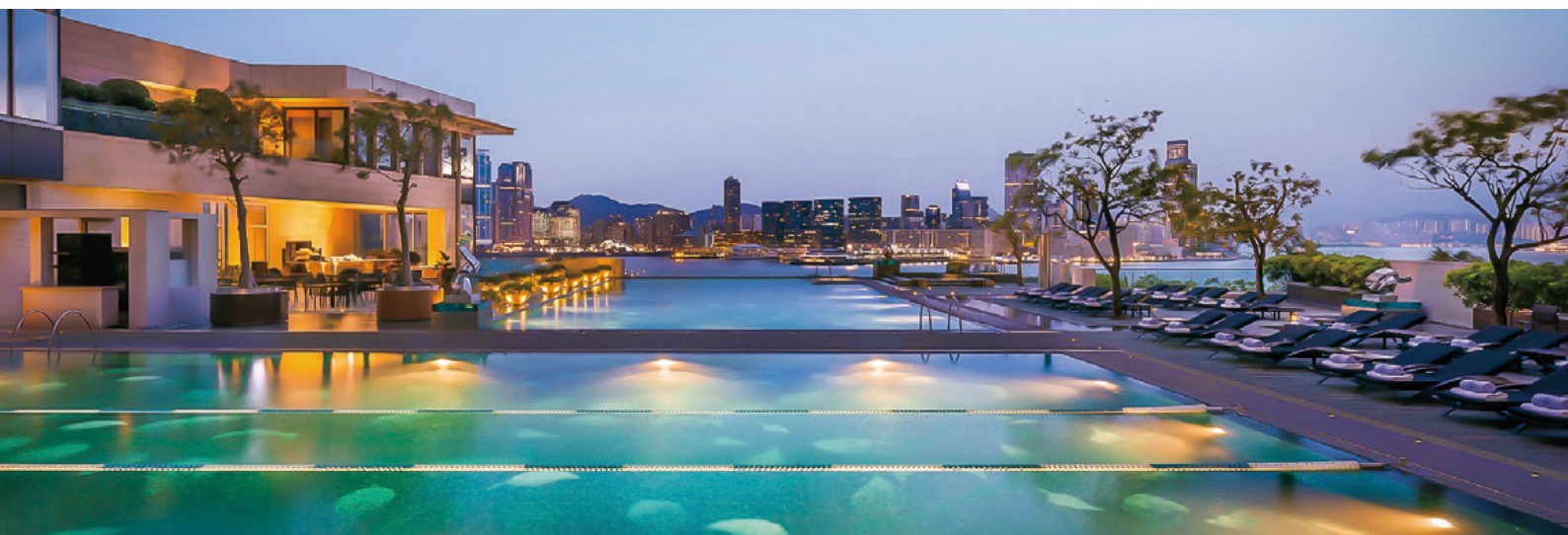
PROPERTY RELATED BUSINESSES



The Royal Garden Kowloon East, Hong Kong



Property Related Businesses



○ *Four Seasons Hotel Hong Kong*

Hotels

Underpinned by sustained increases in visitor arrivals, the Group's hotel portfolio in Hong Kong and the Chinese Mainland registered solid growth in performance during the year under review. The Group further expanded its portfolio in early 2026 with the grand opening of Andaz Shanghai ITC in Shanghai. Its portfolio currently comprises 12 hotels in Hong Kong and six in key Mainland cities, including Shanghai, Nanjing, Suzhou and Guangzhou. In addition, the Group continued to invest into its existing hotels in Hong Kong. The Royal Garden Kowloon East has undergone repositioning and major upgrades introducing additional features to meet the evolving needs of hotel guests.

Hong Kong Portfolio

Visitor arrivals to Hong Kong continued to increase during the year, particularly overnight visitors from both long-haul and emerging markets. Driven by the packed schedule of mega events and conferences, the Group's hotels in Hong Kong recorded increases in both occupancy and room rates, particularly the premium segment led by Four Seasons Hotel Hong Kong. The Royal hotels also maintained high occupancies during the year.

Luxury hotels in the portfolio registered encouraging performance, primarily driven by increases in high-end business travellers and MICE (Meetings, Incentive travels, Conventions, Exhibitions) activities. To elevate guest experiences, hotels introduced distinguished wellness, cultural and culinary offerings, catering to travellers who seek experiential activities in addition to premium accommodation. Located in Central,

Four Seasons Hotel Hong Kong is a popular venue for international financial events and is home to a collection of renowned restaurants, including the three-Michelin-starred Caprice. The outstanding service of The Ritz-Carlton, Hong Kong in West Kowloon was exemplified by it being named "Luxury Hotel of the Year 2025" by Target Taste.

Evolving with the latest trends in the hospitality industry, the Group has embarked on strategic enhancements for its hotels. The Royal Garden Kowloon East atop MTR Tseung Kwan O Station was rebranded from Crowne Plaza Hong Kong Kowloon East in January 2026. The hotel has been repositioned as an "Urban Oasis" – an upscale lifestyle destination delivering resort-style comfort with city connectivity. A renovation covering the lobby and 366 rooms and suites will be completed in the fourth



○ *The Ritz-Carlton, Hong Kong*



○ The Royal Garden Kowloon East, Hong Kong

quarter of 2026. Highlights include Mountain Dream Castle and Forest Explorer Camp family rooms with slides, seven villas with private gardens and Bali-inspired design, new pet-friendly rooms and a rooftop Italian restaurant, Ponentino, inspired by Sabatini Ristorante Italiano at The Royal Garden Tsim Sha Tsui.

To capture the growing demand for family travel and pet-friendly staycations, the Group's other hotels also strengthened their offerings. Riding on the opening of East Coast Boardwalk in North Point, Hyatt Centric Victoria Harbour Hong Kong launched a Chinese alfresco dining option and pet-cation packages, enabling guests to enjoy the outdoor harbourfront environment with their furry companions. The hotels also organized festive workshops and "sportcation" packages targeting families.

In view of the ongoing inflow of talent and students into Hong Kong, hotels such as ALVA Hotel by Royal in Sha Tin launched tailored facilities and services designed for extended stays. Royal View Hotel in Tsuen Wan also introduced newly designed guest rooms that cater to long-stay guests.

Go Royal by SHKP, the loyalty programme for six hotels and affiliated restaurants, has expanded its membership base to over 275,000. Exclusive privileges such as wine tasting and special menus were offered for members, increasing their loyalty to the brand. The programme also furthered collaboration with The Point, strengthening synergy between the Group's hotels and other business units.



○ Hyatt Centric Victoria Harbour Hong Kong



○ ALVA Hotel by Royal, Hong Kong

Property Related Businesses

Driving excellence through innovation, Royal Plaza Hotel in Mong Kok and Royal Park Hotel in Sha Tin significantly improved operational efficiency through the integration of smart guest-management systems and digital service platforms to

streamline internal workflows and elevate customer experience. The Ritz-Carlton, Hong Kong and W Hong Kong enhanced their integrated payment systems to streamline check-in, check-out and payment procedures, delivering smoother guest experience and enhancing information security.

Hotel Portfolio in Hong Kong

Hotel	Location	Group's Interest (%)	Approximate Number of Rooms (100% Basis)
Managed by the Group			
(1) The Royal Garden Tsim Sha Tsui	Tsim Sha Tsui	100	450
(2) Royal Plaza Hotel	Mong Kok	100	700
(3) The Royal Garden Kowloon East	Tseung Kwan O	100	370
(4) Royal Park Hotel	Sha Tin	100	450
(5) ALVA Hotel by Royal	Sha Tin	100	620
(6) Royal View Hotel	Tsuen Wan	100	690
Under Third-party Management			
(7) Four Seasons Hotel Hong Kong	Central	50	400
(8) Hyatt Centric Victoria Harbour Hong Kong	North Point	100	670
(9) The Ritz-Carlton, Hong Kong	West Kowloon	100	310
(10) W Hong Kong	West Kowloon	100	390
(11) Novotel Citygate Hong Kong	Tung Chung	26.7	440
(12) The Silveri Hong Kong – Mgallery	Tung Chung	26.7	210



○ Andaz Shanghai ITC



○ The Ritz-Carlton Shanghai, Pudong



○ Four Seasons Hotel Suzhou

Chinese Mainland Portfolio

The Group's Mainland hotel portfolio registered satisfactory results. Overseas tourist arrivals rose further following the continued expansion of visa-free policies on the Chinese Mainland. Domestic tourism also thrived as travellers increasingly sought in-depth and themed experiences, such as "night-time travel" and "seasonal blossoms".

The majority of the Group's hotels on the Chinese Mainland form part of integrated developments, working in synergy with other components. These integrated projects serve as one-stop destinations for commerce, shopping, dining, leisure and entertainment, with the hotels further enriching the overall offerings. Known for panoramic city views from the rooftop, The Ritz-Carlton Shanghai, Pudong at Shanghai IFC achieved an increase in occupancy and record-high room rates during the year, boosted by the sustained influx of foreign visitors.

As a key component of the integrated development ITC, Andaz Shanghai ITC opened in March 2026, offering over 260 guest rooms that cater to the premium market in Xuhui district of

Shanghai. The world-class lifestyle hotel is positioned to blend modernity with nostalgia, reflected in its vintage-inspired design elements. The hotel has also introduced curated walking and jogging maps for guests to enjoy Shanghai's historic neighbourhoods.

The Group is also developing a hotel atop the Xinzhuang interchange station in Shanghai. Forming part of the TODTOWN complex, the 170-room Hyatt Centric TODTOWN Shanghai is scheduled to open in the second half of 2027.

The Group holds interests in premium hotels in other key Mainland cities. Four Seasons Hotel Suzhou appeals to business travellers and families with its lakeside setting and kid-friendly amenities. Located atop Nanjing IFC Mall, Andaz Nanjing Hexi stands out with its chic and contemporary design, and is also a popular choice for concert attendees. Occupancies of the two hotels continued to increase during the year. Conrad Guangzhou, whose ownership by the Group increased to 100%, recorded solid growth in performance during the year.

Hotel Portfolio on the Chinese Mainland

Hotel		City	Group's Interest (%)	Approximate Number of Rooms (100% Basis)
Under Third-party Management				
(1)	The Ritz-Carlton Shanghai, Pudong	Shanghai	100	290
(2)	Andaz Shanghai ITC	Shanghai	100	270
(3)	Andaz Nanjing Hexi	Nanjing	100	360
(4)	Four Seasons Hotel Suzhou	Suzhou	90	210
(5)	Park Hyatt Hangzhou	Hangzhou	40	240
(6)	Conrad Guangzhou	Guangzhou	100	310

Property Related Businesses



○ The Group's property management subsidiaries make extensive use of smart technologies to enhance customer experience and service quality

Property Management

Effective property management is essential to sustaining the Group's asset quality, preserving long-term value and enhancing the competitiveness of its property portfolio. The Group's property management subsidiaries, Hong Yip Service Company Limited and Kai Shing Management Services Limited, have played a pivotal role in supporting the Group's core property development and property investment businesses. Through the delivery of premium services across Hong Kong and the Chinese Mainland, the two subsidiaries have created safe and pleasant environments for residents, tenants and visitors while fostering customer satisfaction and supporting the Group's reputation for excellence.

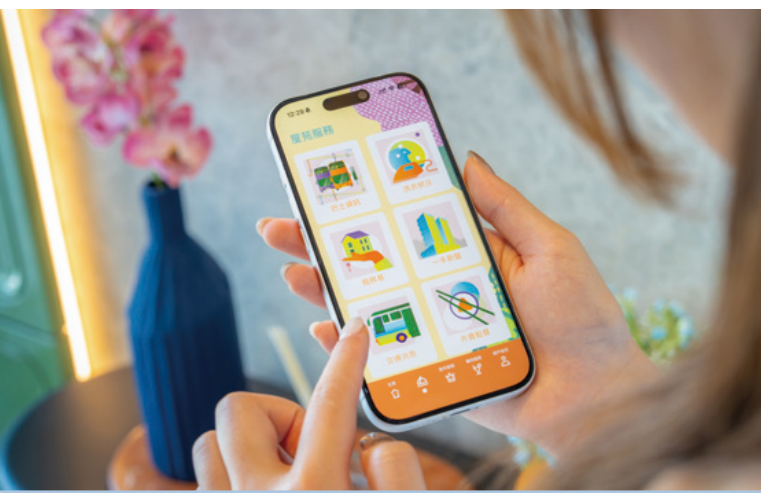
As at 30 June 2026, Hong Yip and Kai Shing managed a total gross floor area of over 305 million square feet. New additions in Hong Kong included Cullinan Sky Phase 2, Cullinan Harbour, Sai Sha Residences Phases 1A(2) and 1B, namely SIERRA SEA, GO PARK 2, NOVO LAND Phase 3A, The ANGLE and Cullinan Sky Mall as well as the IGC office. On the Chinese Mainland, new additions included ITC Tower B, TODTOWN Tower and TODTOWN Mall in Shanghai; Hangzhou IFC Mansion, Cullinan West and One IFC River West in Hangzhou; and Suzhou ICC and ICC Residence in Suzhou.

To meet rising expectations from tenants and residents, the Group continues to explore latest technologies and management models applicable in new properties. The West Kowloon commercial cluster managed by Kai Shing, including ICC and IGC, showcases the Group's smart-hub management model. In addition to Building Information Modelling and digital twin systems, the company has, in conjunction with the Hong Kong Polytechnic University, developed an AI-enabled energy

management platform to effectively adjust energy consumption based on real-time demand. Drones and robots are utilized to assist cleaning of glass façades and patrolling. Mobile apps introduced for tenants have enabled contactless entry and personalized air-conditioning control while holographic panels allow visitors to select destination floors with ease.

Hong Lok Yuen in Tai Po introduced AI robotic dog "K-Apex" and wireless laser fences to enhance safety and support frontline staff, making it one of the first residences in Hong Kong to incorporate such facilities. A smart robot service squad has been introduced at SIERRA SEA in Sai Sha to enhance efficiency and convenience for residents. In addition, to facilitate cost-effective smart upgrades for all types of buildings under its management, Hong Yip has developed the SmartLink Integrated Network. Powered by high-speed internet connectivity, specialized network infrastructure and comprehensive wireless coverage, the platform enables real-time monitoring of alarm systems in buildings, IoT-triggered CCTV alerts and AI-powered fire-safety applications, all contributing to enhancing operational efficiency and strengthening safety management.

The innovative projects of the two companies were recognized at the 51st International Exhibition of Inventions Geneva. Hong Yip's cooperative efforts with The Technological and Higher Education Institute of Hong Kong (THEi), SafeGuard XR-AI in Safety Management, collectively won a Silver Medal. The management system utilizes Extended Reality and AI to facilitate risk identification, intelligent inspection and immersive safety training. This new technology is being deployed at the Group's SIERRA SEA and Mikiki. Kai Shing won a Silver Medal for its AI Powered Retrieval Augmented Intelligence System for Tender and Contract Management, a collaboration with the Hong Kong



○ Residents enjoy one-stop estate services through a dedicated mobile app

University of Science and Technology. The system integrates large language models to automate tender preparation, contract analysis and compliance checks, helping to improve efficiency and accuracy in document management.

Frequent fire-equipment seminars and drills, covering flooding, power outages and fire incidents are organized to enhance the sense of readiness for residents. In this regard, Kai Shing leverages Digital Twin, VR, and Long Range Wide Area Network (LoRaWAN) technologies to advance patrol safety and emergency preparedness while Hong Yip uses staff mobile app WeCom to deliver real-time safety and health alerts for frontline staff, boosting risk awareness and emergency response efficiency for different working environments and adverse weather conditions. In recognition of their efforts, the two companies won the Special Award for Safety at the Building Operations and Maintenance Best Practice Award organized by the Electrical and Mechanical Services Department.

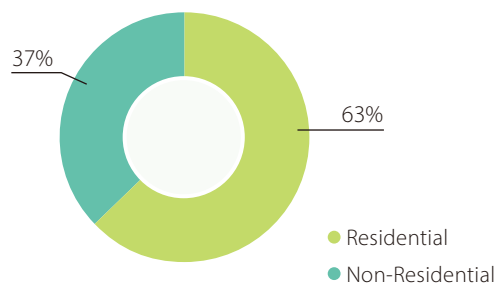
In meeting the changing needs of communities, the two companies incorporate evolving lifestyle trends into the management of the Group's latest residential properties. For example, prioritizing health and leisure, Hong Yip provides diverse sports activities and catering options to SIERRA SEA residents, who can also check the availability of clubhouse facilities through a mobile app. Supported by various external providers and sports veterans, GO PARK Sai Sha provides high-quality sports services to the public. To promote the integration of community and nature, eco-tours to nearby destinations have been introduced.

To create an inclusive environment that promotes intergenerational living, the two subsidiaries provide attentive elderly- and disability-friendly services, such as the provision of health-monitoring equipment and the introduction of social activities at clubhouses of estates, including St Martin in Pak Shek Kok, to enhance the well-being of the silver generation. At MOKO in Mong Kok, a full range of barrier-free facilities are offered to the elderly and wheelchair users, and free rental of assistive tools is provided for the elderly. The service excellence of Kai Shing and Hong Yip was recognized at the Hong Kong Retail Management Association's Service Talent Award 2025, resulting in a total of 45 awards.

Committed to nurturing talent, the two companies strengthened collaboration with the Vocational Training Council on professional training and recruitment for both local and non-local students. Kai Shing partnered with the Hong Kong Metropolitan University to organize HKMU Hackathon 2026, inviting students to formulate innovative solutions for property management. In recognition of the two companies' commitment to building a welcoming workplace, for the second consecutive year Kai Shing received the Employer of the Year – Greater Bay Area award from JobsDB by SEEK, while Hong Yip for the third consecutive year exclusively received the "QF Gold Star Employers" accolade, organized by the Education Bureau.

In recognition of their efforts in promoting a green environment in communities, Hong Yip and Kai Shing won a total of 22 awards at CLP's Smart Energy Awards 2025. This year, the two companies scooped a total of 27 awards at the Hong Kong Awards for Environmental Excellence. Led by the Environmental Campaign Committee alongside the Environment and Ecology Bureau and in conjunction with nine organizations, the awards recognize the best-performing green-management companies.

Floor Area Managed by Hong Yip and Kai Shing by Usage



Property Related Businesses

Construction

The Group's construction division comprises wholly owned Sanfield (Management) Limited and its fellow subsidiaries. The division operates a variety of construction-related businesses and offers a comprehensive range of services to both the Group and third parties. These services include building concrete production, precast-concrete-unit production, electrical and mechanical installation, production and installation of wooden doors, leasing of construction plants and machinery, and landscaping.

During the year, the division completed six development projects, totalling 6.7 million square feet of construction floor area. Residential projects include Cullinan Sky Phase 2, Cullinan Harbour Phase 1, 2A and 2B, Sai Sha Residences Phase 1A(2) and 1B SIERRA SEA, while non-residential projects include IGC's office portion, the Hong Kong Business Aviation Centre and the solar farm at the landfill in Tseung Kwan O.

Major residential developments in progress include Sai Sha Residences Phases 2A, 2B and 2C, YOHO WEST PARKSIDE, Lime Spark, Garden Regency, and projects in Kwu Tung and Tung Shing Lei, Yuen Long. Major non-residential developments in progress include Stage IGC, the Artist Square Towers, and the commercial development in Mong Kok. Projects under asset-enhancement works include Millennium City Phase 5 and the Airport Freight Forwarding Centre. The division continues to participate in construction management of the Group's development projects on the Chinese Mainland.

The division's efforts to achieve high standards of handover quality and safety and to drive continuous improvements through innovative technologies have earned multiple awards. For example, the rotational bridge launched at YOHO Hub in Yuen Long, involving the rotation of a footbridge and a vehicular bridge into position above live Light Rail operations, received a Gold Award in Mega Project at the Design for Safety Excellence Award 2026 organized by the Hong Kong Institution of Engineers. At the Quality Building Award 2026, NOVO LAND in Tuen Mun secured the Grand Award in the Hong Kong Residential (Multiple Buildings) category in recognition of its outstanding quality.

In view of the challenges encountered by subcontractors in the volatile property market over the past two years, the division has worked closely with respective parties to ensure vigilant cost control and timely delivery of the Group's projects. The division will continue to closely monitor the situation and take pragmatic and timely actions to safeguard the interests of the Group and workers.

To support the division's day-to-day tasks, streamline workflow and enhance productivity, considerable efforts have been made to enhance digitalization and implement new technologies, including AI and Business Intelligence (BI) solutions. To ensure data integrity, the division is considering the procurement of AI chips for development of its own proprietary large-language model.

The division has achieved outstanding results in product innovation and secured government funding. During the year, the concrete and precast-concrete-unit subsidiaries obtained multiple patents, while a number of applications are progressing on the Chinese Mainland. These new products are expected to improve the division's construction process and the quality of the Group's products. In recognition of its achievements, the concrete subsidiary received the Gold Award at the Design for Safety Excellence Award 2026 and a Grand Award at Innovative Construction Materials Award 2026, both organized by the Hong Kong Institution of Engineers, as well as a Certificate of Merit at the International Design for Safety Award 2026 from the Lighthouse Club, a renowned NGO in the industry.

To uphold the Group's efforts in sustainable development, the division implemented a series of measures during the year. At the end of 2025, a seminar hosted for subcontractors and suppliers to enhance ESG awareness received an enthusiastic response. An ESG-linked supplier payment scheme, jointly developed with a reputable bank, has also seen increased participation from subcontractors. Additionally, in conjunction with PolyU, the division and its concrete subsidiary have actively participated in a joint research project on Carbon Curing for In-situ Concrete and Factory Precast Concrete. The research aims to reduce the carbon footprint and has recorded encouraging progress.

Insurance and Mortgage Services

Sun Hung Kai Properties Insurance Ltd delivered solid performance during the year despite prevailing economic headwinds. A wholly owned subsidiary of the Group, the company maintained strong underwriting results, supported by its disciplined risk selection and prudent underwriting strategy. Through a risk-conscious approach that balanced capital preservation with income generation, the company also maintained stable returns from its investment portfolio. The company will continue to pursue a prudent, risk-managed approach to deliver sustainable, profitable growth and long-term value for the Group.

Hung Kai Finance Company Limited and Honour Finance Company Limited, from the Group's financial services division, offer flexible mortgage loans and referrals to support the Group's property sales business, achieving satisfactory profits during the year.



○ Sanfield cultivates the next generation of construction professionals through its Summer Internship Programme

Telecommunications and Information Technology



○ SmarTone's AI workshop

Telecommunications

During the year under review, SmarTone maintained a steady growth in profitability despite an increasingly competitive operating environment. The increase was underpinned by strong growth in 5G Home Broadband and Enterprise Solutions businesses, as well as continuous enhancement of operational efficiency. However, there were slight declines in the company's total service revenue and ARPU for postpaid mobile business as compared to the previous year, highlighting the need for further actions to strengthen its performance.

SmarTone reinforced its premium market position through market-leading network quality and further expansion of value-added services, delivering differentiated and customer-centric offerings that enhance everyday life in the digital and AI era. During the year, the company further broadened its service portfolio through "Smart Home Solutions", which provides one-stop control of electrical appliances and enhances home security; "AI Connect", which facilitates access to global AI tools; and "Kids CARE", which serves the family segment. The company also continued to sharpen its segment-focused marketing strategy, including tailored offerings for newly arrived talent and families.

SmarTone received awards during the year in recognition of its customer-centric approach and service excellence. Network X presented SmarTone with the Best Smart Home Customer Experience Award, acknowledging the company's user-friendly smart home service, which is distinguished by seamless connectivity, ease of integration and customer-focused innovation. SmarTone also won nine awards at the Hong Kong Retail Management Association Service Talent Award and was recognized under the Quality Service Programme with the "Quality Service Retailer of the Year 2025 – Telecommunication" and "Outstanding Flagship Service Brand".

Building on superior network experience in critical locations, SmarTone is well-positioned for sustainable long-term development and will continue to enhance synergies with the Group's ecosystem of residential, retail and hospitality



○ MEGA IDC, SUNeVision's data centre in Tseung Kwan O

businesses. The Group remains confident in SmarTone's long-term prospects as a strategic investment and a key part of Hong Kong's digital infrastructure.

Information Technology

As a leading data centre operator in Hong Kong, SUNeVision has maintained its strong growth momentum during the year under review. There was a significant growth in demand for premium data centre infrastructure, driven by a surge in AI-related technologies and applications over the past year. In particular, both Mainland and overseas cloud and hyperscale customers are increasing their investments and infrastructural deployment in Hong Kong, which is a critical hub connecting the Chinese Mainland with the rest of the world.

The industry-leading infrastructure and comprehensive ecosystem offered by the MEGA Campus of SUNeVision continued to attract overwhelming demand from the market. MEGA-i maintained its position as one of the largest connectivity hubs in the world. Building on the strong foundation of MEGA Plus, MEGA Two and MEGA Gateway, the launch of the first phase of MEGA IDC at Tseung Kwan O in mid-2024 has further enhanced SUNeVision's competitive advantage in capturing prevailing favourable market opportunities.

Committed occupancy of the first phase of MEGA IDC exceeded 70% during the year. To meet the strong market demand for new capacity, SUNeVision is accelerating construction of the data centre's remaining phases spanning approximately 700,000 square feet of gross floor area. The phases are expected to be commissioned by 2028. The expansion is expected to provide invaluable scalability to customers while supporting SUNeVision's continued business development and financial performance.

Amid the uncertain economic environment and tense geopolitical conditions, SUNeVision will remain cautious and continue to exercise the highest level of financial discipline, operational efficiency enhancement and capital expenditure control to maximize return on investments.

Infrastructure and Other Businesses



- KMB expands its pet bus service to foster a pet-friendly community



- Wilson Parking, Hong Kong

Transport Infrastructure Operations and Management

Wilson Group, a wholly owned subsidiary of the Group, provides reliable transport infrastructure and smart mobility solutions in Hong Kong and the Chinese Mainland. Committed to safety, premium services and sustainability, the company recorded modest business growth during the year under review.

Wilson Group operates and manages some 265 car parks and 55,000 parking bays across key public and private properties in Hong Kong, as well as major infrastructure, including the Hong Kong-Zhuhai-Macao Bridge Hong Kong Port, Hong Kong International Airport and other government facilities under the Transport Department. On the Chinese Mainland, the company manages 35 car parks with some 18,100 parking bays.

The company further expanded its Hong Kong footprint during the year with the conclusion of new contracts, including the Heung Yuen Wai Boundary Control Point Public Car Park which provides a substantial number of EV charging-enabled parking bays, and the Tseung Kwan O Government Office Building featuring an Automated Parking System. These additions underscore the Group's continued focus on sustainable mobility and smart parking solutions.

Building on its experience in smart mobility solutions, Wilson Group's equipment division secured several major contracts during the year. These included the Smart Carpark Management System for 14 car parks under the Hong Kong Housing Society, the Vehicle Access Control System for AsiaWorld-Expo Phase 2, the Accident Incident Detection System for the Fanling Bypass, and a tailored Traffic Management System for the Airport Freight Forwarding Centre.

The division also completed the Car Park Vehicle Access Control System for the Hong Kong International Airport Terminal 2 Expansion project, upgraded the Electric Vehicle system for Ka Fu Fong Public Car Park under the Transport Department, and implemented enhancement works to support Southbound Travel for Guangdong Vehicles across multiple car parks within its portfolio.

Autotoll, 50%-owned by Wilson Group, continued to serve as the toll service provider for HKeToll, supporting reliable operations across all government-tolled tunnels in Hong Kong. During the year, Autotoll secured a contract from the Transport Department for the sixth-generation Vehicles and Drivers Licensing Integrated Data System with enhanced efficiency and security. The company also concluded two contracts for the replacement and operation of the department's CCTV system, enabling it to support real-time video transmission for the department's centralised platform.

Wilson Group's tollway division maintained an extensive footprint with the renewal of six-year contracts for both the Tsing Ma Control Area and the Tsing Sha Control Area, reinforcing the company's position as one of Hong Kong's leading tollway operators. In addition, the division continues to oversee the operations of the Tai Lam Tunnel, Aberdeen Tunnel, Tuen Mun-Chek Lap Kok Tunnel, Scenic Hill Tunnel, Airport Tunnel, Lung Shan Tunnel and Cheung Shan Tunnel.

The publicly listed Transport International Holdings Limited (TIH), in which the Group owns a 45.24% stake, is engaged in the largest franchised public bus operations in Hong Kong through The Kowloon Motor Bus Company (1933) Limited (KMB), Long Win Bus Company Limited (LWB) and non-franchised transport operations through Sun Bus Holding Limited and New Hong Kong Bus Company Limited. KMB and LWB together operate over 490 franchised bus routes that serve an average of 2.7 million passenger trips daily.



○ Airport Freight Forwarding Centre, Hong Kong



○ Hong Kong Business Aviation Centre

During the year, TIH's core transport business was affected by the significant increase in international fuel prices arising from the ongoing Middle East crisis. Although the HKSAR Government has implemented short-term fuel and tolls subsidy arrangements, and the company has undertaken various cost-control initiatives to mitigate the financial impact, the geopolitical situation remains volatile. TIH will continue to optimize resource allocation and maintain close dialogue with the Government to support a stable operating environment for public buses.

KMB and LWB maintained competitiveness through ongoing optimization of their service networks, rationalizing routes and introducing new routes. Connections to new development areas and land boundary crossings were strengthened. To tap the growth potential from rising tourist arrivals and the pet economy, KMB launched open-top sightseeing routes and expanded its pioneering pet-friendly bus services to daily operations.

To enhance operational efficiency and passenger satisfaction, KMB and LWB have adopted AI in route planning, bus maintenance and customer service, and are exploring technological use for more personalized and flexible services. On green technology, KMB's fleet of 82 electric buses have cumulatively travelled approximately 9 million kilometres, reducing carbon emissions by over 13,000 tonnes.

Port Business

Hoi Kong Container Services Company Limited, a wholly owned subsidiary of the Group, provides container and cargo handling services in Hong Kong with four berths and about 3.3 hectares of container yard in Kwai Tsing. The Group also holds a 50% stake in the River Trade Terminal in Tuen Mun, a 65-hectare facility comprising 3,000 metres of quay and 49 berths, offering a variety of services which include container handling and consolidation, as well as break-bulk and refrigerated cargo handling and storage.

Persistent conflicts in the Middle East continued to pose significant uncertainties to global trade, constraining the pace of recovery of the shipping industry. Nevertheless, the River Trade Terminal maintained steady container-handling volume during the year. To mitigate risks and maintain reasonable profitability, the company will continue to diversify its customer base and expand the scope of its business.

Air Transport and Logistics Business

The Airport Freight Forwarding Centre (AFFC), a wholly owned subsidiary of the Group, oversees over 1.6 million square feet of warehouse space and offices at the Hong Kong International Airport. During the year, performance of the company remained resilient despite challenges brought by global trade tensions. Scheduled for completion by the end of 2026, AFFC has been revamping its facilities to world-class levels. The upgrade is expected to provide smarter and more customer-centric warehousing and logistics facilities, contributing to enhancing Hong Kong's competitiveness as an international aviation and trade centre.

Infrastructure and Other Businesses



○ YATA Fresh at GO PARK Sai Sha

Since 1998, Hong Kong Business Aviation Centre Limited (HKBAC) has been operating as a franchised fixed-base operator (FBO) at the Hong Kong International Airport, providing aircraft-handling and ground-support services for the business-aviation sector – including private jets, diplomatic flights and emergency operations. HKBAC, in which the Group holds a 35% interest, has been recognized as the Best Asian Fixed-Base Operator for 19 consecutive years by *Professional Pilot* magazine and was a recipient of the World's Leading FBO Terminal award at the 32nd World Travel Awards. The company also achieved IS-BAH Stage III certification, the highest international benchmark for safety and service standards in business aviation.

HKBAC facilitates Hong Kong's role as a gateway to the Greater Bay Area and Asian destinations, offering a premium travel experience defined by privacy, efficiency and luxury for corporate and high-end travellers. The recovery in premium travel demand continued, driven by increased activity from family offices, major events and trade exhibitions, as well as growing demand for leisure and specialized travel charters. These developments benefitted the company's performance during the year and are expected to support further growth in the business aviation sector.

In the first half of 2026, HKBAC completed its five-year in-situ expansion project. The new HKBAC terminal, aligned with the SKYTOPIA vision for Hong Kong International Airport, is expected to significantly enhance operating capacity and help solidify Hong Kong's position as a premier global hub for business aviation.

Waste Management

Green Valley Landfill Limited maintained stable business performance during the year. The company, in which the Group holds a 20% interest, manages the daily operations and long-term aftercare of the South East New Territories Landfill in Tseung Kwan O. With a total capacity of approximately 50 million cubic metres of waste, the 113-hectare landfill supports the advancement of sustainable energy in Hong Kong through the conversion of landfill gas into synthetic natural gas which is then integrated into the gas supply network. A one-megawatt solar farm was completed and commissioned on the landfill in the fourth quarter of 2025, representing Hong Kong's first solar farm built on a restored landfill that participates in the Feed-in Tariff Scheme.

YATA Limited

YATA remains committed to delivering high-quality products and enhancing the shopping experience. Responding proactively to evolving customer needs amid a challenging operating environment, YATA continued during the year to refine and diversify its store formats to better serve different communities. A new supermarket concept "YATA Fresh" was launched at GO PARK 2. Providing a one-stop experience with a strong focus on fresh food, convenience and value, YATA Fresh meets the daily needs of residents in the greater Ma On Shan and Sai Kung areas.

Following the successful integration of YATA Gold with the Group's mall loyalty programme The Point, YATA has further enhanced its Gold membership experience. Express check-out privileges were expanded across additional YATA stores, while a wider range of exclusive experiences and curated events were introduced for VIP customers, including a bespoke guided gourmet tour to Japan.

Corporate Finance

The Group's financial sustainability is firmly anchored on low gearing, abundant liquidity, a carefully structured debt repayment profile and strong debt-servicing capability. Prudent financial management has laid a solid foundation for the Group to withstand future challenges and support ongoing development initiatives, fostering sustainable growth.

As of 30 June 2026, the Group achieved a net debt-to-shareholders' fund ratio of 10.7% and interest coverage ratio of 8.5 times. The improvement in both indicators is a clear testament to the Group's steadfast commitment to debt reduction and disciplined financial management. This strong financial position also provides the Group with greater flexibility to seize land acquisition opportunities in Hong Kong as they arise. The Group continued to hold one of the highest credit ratings among real estate companies in Hong Kong. Moody's has awarded it an A1 rating, while S&P has granted it an A+ rating. In the 12 months since June 2025, both agencies have further recognized the Group's prudent financial practices by upgrading its outlook to stable.

The Group's strong rapport with the banking community enabled it to successfully sign a HK\$20 billion five-year syndicated facility on highly favourable terms from a diverse group of 16 lenders in June 2026. Leveraging its strong banking relationships against the backdrop of a generally easing environment on the Chinese Mainland, the Group's Mainland projects have taken in an increased amount of bank loans to meet their development and operational needs. This will enhance the alignment of the Group's Renminbi-denominated assets and liabilities, and help manage financing costs.

In line with its conservative philosophy and disciplined risk-management policies, the Group has not engaged in speculative derivative and structured product transactions. A majority of the Group's debt is denominated in Hong Kong dollars with the remainder in Renminbi and US dollars, limiting exposure to foreign-exchange risks. All US dollar debts have been fully hedged through cross-currency swaps, while Renminbi is used to naturally hedge against Mainland assets.

Financial Review

REVIEW OF RESULTS FOR FY2025/26

Underlying profit attributable to the Company's shareholders, excluding fair value changes on investment properties and including fair value gains realized on sale of investment properties for the year ended 30 June 2026 was HK\$22,850 million, increased by HK\$995 million or 4.6% compared to HK\$21,855 million for the previous year.

Reported profit attributable to Company's shareholders increased by HK\$2,149 million or 11% to HK\$21,426 million (2025: HK\$19,277 million), after including the impact of revaluation of investment properties. The Group recorded a net increase in fair value of investment properties (after deferred tax and non-controlling interests) of HK\$1,382 million (2025: decrease of HK\$742 million).

	2026 HK\$ Million	2025 HK\$ Million
Reported profit attributable to Company's shareholders	21,426	19,277
Adjustments in respect of investment properties		
(Increase)/decrease in fair value, net of tax and non-controlling interests	(1,382)	742
Fair value gains realized on disposal during the year	2,806	1,836
	1,424	2,578
Underlying profit attributable to Company's shareholders	22,850	21,855

The increase in underlying profit was primarily driven by higher underlying profits from sales of trading and investment properties in Hong Kong, as well as lower finance costs, while the Group's leasing and other recurring income remained resilient.

The Group's total revenue across business segments (including share of joint ventures and associates) increased by 22% year-on-year to HK\$110,105 million, primarily driven by a 57% rise in revenue from property development to HK\$54,191 million. Overall rental revenue increased by 2% to HK\$24,987 million.

The Group's total segment operating profit remained stable at HK\$32,163 million (2025: HK\$32,188 million). Overall development profit maintained at HK\$8,292 million (2025: HK\$8,290 million), mainly due to higher contributions from Hong Kong, which were offset by lower contributions from the Mainland. Recurring profit held steady at HK\$23,871 million (2025: HK\$23,898 million), with overall net rental income increasing by 1% to HK\$18,571 million (2025: HK\$18,392 million).

Revenue and Operating profit by segment for the year ended 30 June (including share of joint ventures and associates)

	Revenue		Operating profit	
	2026 HK\$ Million	2025 HK\$ Million	2026 HK\$ Million	2025 HK\$ Million
Property development				
Hong Kong	44,137	26,139	4,622	3,200
Mainland	10,054	8,417	3,670	5,090
	54,191	34,556	8,292	8,290
Property rental				
Hong Kong	17,703	17,531	12,820	12,956
Mainland	6,495	6,173	5,167	4,864
Singapore	789	757	584	572
	24,987	24,461	18,571	18,392
Hotel operations	5,460	5,250	728	615
SmarTone (Telecommunications)	6,604	6,253	749	752
Transport infrastructure and logistics	8,013	8,622	1,051	1,666
SUNeVision (Data centre)	3,117	2,938	1,624	1,489
Other businesses	7,733	8,039	1,148	984
Segment total	110,105	90,119	32,163	32,188

Revenue from property development (including share of joint ventures) in Hong Kong increased by HK\$17,998 million or 69% to HK\$44,137 million, primarily driven by the booking of sales from newly completed development projects including Cullinan Sky Phases 1 & 2, Cullinan Harbour Phases 1 & 2A and SIERRA SEA Phases 1A(2) & 1B. Other contributions came from the sales of various stock of prior years' developments including NOVO LAND Phase 3A, Victoria Harbour, St. Barths, St Martin, The YOHO Hub II and YOHO WEST. Total development profit increased by HK\$1,422 million or 44% to HK\$4,622 million. Average profit margin was 11%, slightly lower as compared to 12% for the previous year, mainly dragged by lower profit margin from certain newly completed development projects.

During the year under review, the Group completed the sales of certain residential units held as investment properties including 48 units in Dynasty Court and 6 units in Shouson Peak, realizing total net proceeds of HK\$4,344 million. The disposals generated an underlying profit of HK\$3,159 million, which includes the realization of prior fair value gains and represents a 73% profit margin. Including these disposals, the total underlying profit from residential property sales in Hong Kong for the year reached HK\$7,781 million, representing an overall profit margin of 16%.

Revenue from property development (including share of joint ventures) in the Mainland increased by HK\$1,637 million or 19% to HK\$10,054 million, mainly driven by higher sales volume of residential units. Development profit, however, declined by HK\$1,420 million or 28% to HK\$3,670 million compared to last year as the prior-year profit was primarily attributable to a highly profitable residential project, Shanghai Arch Phase 3, which contributed HK\$4.6 billion in profit and HK\$6.7 billion in revenue – an exceptional performance that did not recur this year. Contributions for the year were mainly derived from residential sales in Hangzhou IFC Mansion in Hangzhou IFC (River East), Cullinan West in Hangzhou IFC (River West), Lake Genève Phase 2 and ICC Residence in Suzhou.

As at 30 June 2026, contracted sales of properties (including investment properties) attributable to the Group (including share of joint ventures) not yet recognized amounted to HK\$23.6 billion, comprising HK\$22.8 billion in Hong Kong, of which about HK\$21.0 billion is expected to be recognized in the next financial year, and HK\$0.8 billion in the Mainland, all of which will be booked in the next financial year.

Overall rental revenue of property investment in Hong Kong, including share of joint ventures and associates, increased by 1% to HK\$17,703 million, with net rental income maintained at HK\$12,820 million. Revenue of the office portfolio amounted to HK\$5,703 million (2025: HK\$5,679 million), supported by high occupancy rate and new contributions from International Gateway Centre. Revenue of the retail portfolio remained stable at HK\$9,078 million (2025: HK\$9,085 million). Revenue from the Group's residential and serviced apartment portfolio grew 12% to HK\$1,332 million (2025: HK\$1,186 million), driven by increase in rent rates and occupancy.

Overall rental revenue and net rental income of the Mainland portfolio, including share of joint ventures, increased by 5% and 6% in Hong Kong dollar terms to HK\$6,495 million and HK\$5,167 million, respectively. In Renminbi ("RMB") terms, rental revenue increased by 1.5% to RMB5,796 million (2025: RMB5,713 million), with higher contributions from the retail portfolio offsetting the decline in office rental. Revenue of the retail portfolio rose 9% to HK\$4,464 million (2025: HK\$4,079 million), mainly driven by increase in turnover rents. The office portfolio dropped 5% in revenue to HK\$1,661 million (2025: HK\$1,743 million), mainly due to negative rental reversions.

Hotel segment revenue (including share of joint ventures) increased by 4% to HK\$5,460 million, primarily due to increase in room revenue driven by improved room rates and occupancy. EBITDA grew 11% to HK\$1,506 million (2025: HK\$1,356 million). Operating profit (after depreciation) rose 18% to HK\$728 million.

SmarTone's revenue increased 6% to HK\$6,604 million, primarily due to higher handset and accessory sales, while operating profit remained stable at HK\$749 million. Last year's results included a one-off gain from the disposal of its Macau business. Excluding this item, underlying operating profit grew 7%, driven by growth in 5G home broadband business, handset sales and reduction in operating costs.

The Group's transport infrastructure and logistics segment (including share of joint ventures and associates) remained resilient. The business aviation centre operations, Airport Freight Forwarding Centre, and parking business recorded improved performance. Due to expiry of the franchise for Route 3 in May 2025, revenue for the year decreased by 7% to HK\$8,013 million, and operating profit dropped by HK\$615 million or 37% to HK\$1,051 million as compared to the previous year.

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SUNeVision's revenue grew 6% to HK\$3,117 million, driven by contributions from newly commissioned data centre facilities and sustained organic growth from the established portfolio. EBITDA rose 8% to HK\$2,300 million. Operating profit (after depreciation) increased by 9% to HK\$1,624 million.

The Group's other businesses (including share of joint ventures and associates), which include mainly property management, department store operations and financial services, reported a steady revenue at HK\$7,733 million, while operating profit increased by 17% to HK\$1,148 million.

Other Net Income

Other net income (including share of joint ventures and associates) amounted to HK\$946 million (2025: HK\$96 million). This mainly included a HK\$523 million gain from land resumption by the Government and a reported profit of HK\$353 million from the sale of investment properties.

The land resumption involved certain land lots with a total site area of about 1.1 million square feet in San Tin, Hung Shui Kiu/Ha Tsuen New Development Area and along the Northern Link Line owned by the Group (including share of joint ventures), with a total cash compensation of approximately HK\$1,100 million.

The reported profit of HK\$353 million on sale of investment properties, calculated based net sales proceeds over fair value, was mainly contributed from the disposal of certain residential units in Dynasty Court and Shouson Peak. Underlying profit, inclusive of HK\$2,806 million fair value gains realized, amounted to HK\$3,159 million.

Fair Value Change of Investment Properties

Investment properties were carried at fair values based on independent valuation as at 30 June 2026. These consist of completed investment properties and investment properties under development.

The Group (including share of joint ventures and associates) recorded a net increase of HK\$979 million (2025: decrease of HK\$1,557 million) in the fair value of investment properties, comprising an increase of HK\$2,145 million (2025: decrease of HK\$1,105 million) in Hong Kong, a decrease of HK\$1,189 million (2025: decrease of HK\$1,232 million) in the Mainland, and an increase of HK\$23 million (2025: increase of HK\$780 million) in the fair value of ION Orchard mall in Singapore.

Net increase in fair value attributable to the Company's shareholders (after related deferred tax and non-controlling interests) of HK\$1,382 million (2025: net decrease of HK\$742 million) was recorded in the consolidated income statement.

Finance Costs and Interest Cover

For the year ended 30 June 2026, the Group's net finance costs including capitalized interest decreased by HK\$1,431 million or 33% to HK\$2,949 million (2025: HK\$4,380 million), driven by a reduction in net debt as well as lower average cost of borrowings, which went down to 3.0% (2025: 3.7%). Net finance costs charged to the income statement (after interest capitalized) decreased by HK\$575 million or 23% to HK\$1,910 million (2025: HK\$2,485 million).

Interest cover for the year was 8.5 times (2025: 6.0 times), measured by the ratio of operating profit to total net interest expenses including those capitalized.

The average effective interest rate of the Group's borrowings for the year ended 30 June 2026 is analyzed as follows:

	Year ended 30 June	
	2026	2025
Fixed rate	2.8%	2.8%
Floating rate	3.1%	4.2%
Weighted average interest rate	3.0%	3.7%

FINANCIAL MANAGEMENT

The Group continues to adopt a proactive and disciplined approach in financial management by maintaining a healthy balance sheet and a diversified base of funding sources with sufficient financial resources to support operations and business growth. The Group constantly reviews its capital structure and financial position to ensure that it remains financially sound, so that the Group can continue to provide returns to shareholders while keeping financial leverage at a prudent level.

The entire Group's financing risk management, financing and treasury activities are centrally managed and controlled at the corporate level.

Gearing Ratio

The Group's balance sheet remains strong. Shareholders' equity was HK\$633.9 billion or HK\$218.8 per share as at 30 June 2026 compared to HK\$617.9 billion as at 30 June 2025. The increase was primarily attributable to profit attributable to the shareholders of HK\$21.4 billion and foreign exchange gain of HK\$5.2 billion on translation of financial statements of the Mainland and overseas operations, offset by dividends of HK\$11.0 billion paid during the year.

The Group's net debt amounted to HK\$67,615 million as at 30 June 2026 (30 June 2025: HK\$93,298 million), decreased by HK\$25,683 million or 28%, primarily driven by cash flows from property sales and lower construction spending. Gearing ratio, calculated based on net debt to shareholders' equity of the Company, was 10.7% (30 June 2025: 15.1%).

Debt Maturity Profile and Composition

The Group's gross borrowings amounted to HK\$97,668 million as at 30 June 2026, of which 67% were bank loans and 33% were notes and bonds, which are repayable on various dates up to June 2033. 55% of the Group's gross borrowing was raised through its wholly-owned finance subsidiaries and the remaining 45% through operating subsidiaries.

The Group's debt maturity profile was well-staggered with around 73% of the borrowings repayable after two years. The weighted average duration of the entire debt portfolio was approximately 3.3 years as of 30 June 2026 (30 June 2025: 3.1 years).

The maturity profile of the Group's gross borrowings is set out as follows:

	At 30 June 2026		At 30 June 2025	
	HK\$ Million	% of Total	HK\$ Million	% of Total
Repayable:				
Within one year	14,204	15%	14,384	13%
After one year but within two years	11,778	12%	19,071	17%
After two years but within five years	50,806	52%	63,908	58%
After five years	20,880	21%	12,854	12%
Total bank and other borrowings	97,668	100%	110,217	100%
Bank deposits and cash	30,053		16,919	
Net debt	67,615		93,298	

Financial Review

Composition of the Group's debt portfolio is as follows:

(i) By currency (after currency swap)

	At 30 June 2026		At 30 June 2025	
	HK\$ Million	% of Total	HK\$ Million	% of Total
Hong Kong dollar	57,364	59%	77,834	70%
RMB	38,310	39%	30,411	28%
British pound	1,994	2%	1,972	2%
Total borrowings	97,668	100%	110,217	100%

When financing operations outside Hong Kong, the Group will borrow on the same currency as the underlying assets or when feasible, hedge through cross currency swaps for exchange risk exposure. As of 30 June 2026, about 39% of the Group's total borrowings were denominated in RMB to act as natural hedges of net investments in the Mainland.

(ii) By fixed or floating interest (after interest rate swap)

	At 30 June 2026		At 30 June 2025	
	HK\$ Million	% of Total	HK\$ Million	% of Total
Fixed	36,674	38%	42,151	38%
Floating				
– Hong Kong dollar	29,161	30%	47,324	43%
– RMB	29,839	30%	18,770	17%
– British pound	1,994	2%	1,972	2%
Total borrowings	97,668	100%	110,217	100%

Financial Resources

The Group's strong financial strength enables it to continue raising long-term financing from various sources at competitive rates. As part of its prudent debt management policy, the Group has always secured considerable amount of undrawn committed banking facilities, most of which are arranged on a medium to long term basis with a well-balanced maturity profile, to help minimize refinancing risk and attain financing flexibility, while optimizing financing cost. The Group closely monitors its liquidity and financing requirements to ensure that available financial resources are in place to cover its financing needs.

With substantial amount of standby banking facilities in place, continuous cash inflow from property sales and a solid base of recurring income, the Group has adequate financial resources for its funding requirements and is well positioned to take advantage of investment opportunities when they arise.

Foreign Exchange Rate Risk Management

The Group's foreign exchange exposure was small given both its large asset base and operational cash flow are primarily denominated in Hong Kong dollar, which is the Group's presentation currency.

The Group is exposed to currency translation risk mainly arising from translating the financial statements of subsidiaries and joint ventures operating in the Mainland. The Group has not entered into foreign currency derivatives to hedge the translation risk exposure of its net investments in the Mainland, and maintain an appropriate level of RMB-denominated financial resources for capital requirements. Land acquisition for the Mainland projects are principally financed by capital injection funded by the Group's equity and internally generated funds. On-going business operations in the Mainland are financed through internal resources and borrowings in RMB. As at 30 June 2026, approximately 18% of the Group's net assets were denominated in RMB. Compared with 30 June 2025, RMB appreciated against Hong Kong dollar by about 5.4%. The translation of these RMB assets into Hong Kong dollar at the exchange rate as of 30 June 2026 resulted in a translation gain of approximately HK\$5.5 billion (2025: HK\$2.4 billion), recognized in the exchange reserve.

The Group has insignificant currency risk exposure associated with certain monetary assets and liabilities denominated in foreign currencies. Where feasible and cost effective, the Group may enter into foreign exchange contracts to reduce the currency risk.

Derivative Instruments

As at 30 June 2026, the Group has entered into certain cross currency interest rate swaps in the aggregate notional amount of HK\$15,253 million to manage its interest rate risk and currency risk exposures. The use of derivative instruments is strictly controlled and solely for hedging the Group's underlying financial exposures for its core business operations. It is the Group's policy not to enter into derivative and structured product transactions for speculative purposes.

Bank Deposits and Cash

As at 30 June 2026, the Group's bank deposits and cash amounted to HK\$30,053 million, of which 72% were denominated in Hong Kong dollar, 12% in RMB, and the remaining 16% mostly in US dollar. The RMB deposits were mostly held by the Mainland subsidiaries to meet the funding needs of their Mainland projects.

All deposits are placed with banks carrying strong credit ratings with appropriate credit limits assigned relative to their credit strength and are regularly monitored for exposures to each financial counterparty.

CHARGES OF ASSETS

As at 30 June 2026, certain bank deposits of the Group's subsidiaries in the aggregate amount of HK\$45 million were pledged for securing guarantees issued by the banks. Additionally, certain assets of the Group's subsidiaries with an aggregate carrying value of HK\$21,033 million have been charged as security for their bank borrowings. Except for the aforementioned charges, all the Group's assets are free from any encumbrances.

CONTINGENT LIABILITIES

As at 30 June 2026, the Group had contingent liabilities in respect of guarantees for bank borrowings of certain joint ventures and other guarantees in the aggregate amount of HK\$2,177 million (30 June 2025: HK\$1,955 million).

Investor Relations

The Group is committed to maintaining stakeholder relationships via proactive, two-way communication across multiple channels, elevating corporate transparency and governance. Over the years, through regular dialogue with investors, analysts, bondholders, credit rating agencies, and ESG-related parties, the Group keeps stakeholders informed on its financial position, business operations and segment performance, strategic development, and progress in sustainability efforts. To further enhance its overall performance, the Group collects and reviews feedback from stakeholders.

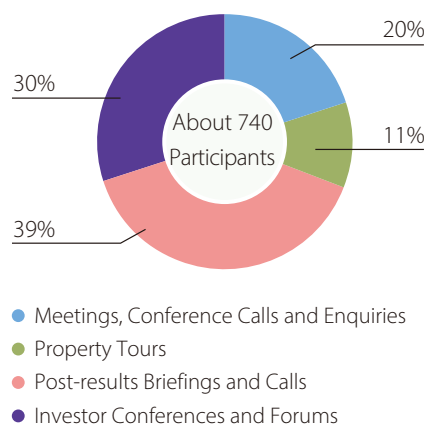
To accommodate the preferences of different investors, the Group has maintained a hybrid investor-engagement model encompassing both physical and virtual formats, including non-deal roadshows, summits, forums and meetings. During the year, in-person forums and summits increased the opportunities of in-depth dialogue and facilitated more effective stakeholder communications. Senior management attended analyst briefings after results announcements to address queries and share their perspectives. In addition, property tours of both newly completed and existing properties, including IGC in Hong Kong, were arranged to demonstrate the strength and competitiveness of the Group's assets, further reinforcing investors' understanding and confidence.

In addition to the above investor relations outreach, key materials such as announcements, circulars, interim and annual reports, results presentations, sustainability reports, and quarterly publications are publicly available on the Group's website, underscoring its commitment to fair and timely disclosure. In response to rising interest from investors across different geographical regions, the Group dedicated additional resources to ensure stakeholders gain a thorough understanding of the Group's business development.

The Group addresses ESG enquiries and makes periodic updates about its sustainability achievements, meeting the expectations of the ESG-focused investment community. The Group's inclusion in, and recognition by, multiple leading global and local ESG benchmarks serve as a strong endorsement of its efforts. The Group will continue to implement its sustainability roadmap and track progress against its targets.

The Group's steadfast commitment to investor relations has won prestigious awards from leading financial publications and institutions. Capitalising on its strengths of timely disclosures and high responsiveness, the Group will continue to pursue improvements to investor communication practices across various channels.

Communications with the Investment Community in Financial Year 2025/26



○ Post-results-announcement analyst briefing

Major Investor Relations Events in Financial Year 2025/26

Quarter	Event
2025	
3rd Quarter	- Meetings and calls with analysts and investors 2024/25 annual results announcement - Analyst briefing - Post-results luncheon, meetings and calls with investors - Investor conferences in Hong Kong - Property tours to residential, shopping mall and integrated projects
4th Quarter	- Investor conferences in Hong Kong and Chinese Mainland - Virtual investor forum - Property tours to residential, shopping mall and office projects
2026	
1st Quarter	- Investor conferences in Hong Kong and on Chinese Mainland 2025/26 interim results announcement - Analyst briefing - Post-results luncheon, meetings and calls with investors - Property tours to shopping mall and office projects
2nd Quarter	- Investor conferences in Hong Kong and on Chinese Mainland - Meetings and calls with analysts, investors, bondholders and credit rating agencies - Property tours to residential and office projects

Awards in Financial Year 2025/26

Euromoney magazine

- The World's Best Real Estate Developer
- Asia Pacific's Best Real Estate Developer
- China's Best Real Estate Developer
- Hong Kong's Best Real Estate Developer

FinanceAsia magazine

- Hong Kong's Best Managed Company
- Hong Kong's Best Managed Company (Real Estate)
- Hong Kong's Best Investor Relations Company
- Hong Kong's Most Committed to ESG

Corporate Governance Asia magazine

- Asia's Best CEO
- Sustainable Asia Award
- Asia's Best CSR
- Hong Kong's Best Environmental Responsibility
- Hong Kong's Best Investor Relations Company
- Hong Kong's Best Investor Relations Professional
- Hong Kong's Best Corporate Communications

Bloomberg Businessweek/Chinese Edition

- ESG Leading Enterprise Award
- Leading Environmental Initiative Award
- Leading Social Initiative Award
- Energy and CleanTech Award



○ The Group's relentless pursuit of excellence has earned it numerous awards and recognitions during the year



The Group participates in the Hong Kong Marathon

SUSTAINABLE DEVELOPMENT



Technicians carry out a routine inspection of the rooftop solar panels at IGC, Hong Kong



Sustainable Development

The Group remains committed to integrating Environmental, Social and Governance (ESG) principles into its core business decisions and daily operations. Guided by five core pillars – Environment, People, Customers, Supply Chain and Community – this approach drives sustainable growth and creates enduring value for stakeholders and the wider community.

During the year under review, the Group was included for the first time in the Dow Jones Best-in-Class World Index, ranking among the top 10% of the largest 2,500 companies in the S&P Global Broad Market Index. It also maintained its inclusion in the Dow Jones Best-in-Class Asia Pacific Index and the S&P Global Sustainability Yearbook 2026, including its China edition. Additionally, the Group continued to hold an AA rating in the MSCI ESG Ratings and remained a constituent of the Hang Seng Corporate Sustainability Index and the FTSE4Good Index Series.

Key highlights of the Group's sustainability performance and initiatives during the year are summarized below. More details can be found in the Sustainability Report 2025/26, available on the Group's website.

Environment

In support of the HKSAR Government's Climate Action Plan 2050, the Group continued to make steady progress toward its 10-year environmental targets, focusing on reducing greenhouse gas emissions intensity, electricity consumption intensity and water use intensity, while increasing construction waste diversion.

The Group has pursued Leadership in Energy and Environmental Design (LEED) Gold or Platinum certification for all new core commercial projects in Hong Kong. As at 30 June 2026, the Group had secured about 140 green building-related certifications in Hong Kong.

International Gateway Centre, the Group's flagship integrated development above the High Speed Rail West Kowloon Terminus, has set new benchmarks for sustainable design. The project has attained ten leading certifications or pre-certifications spanning green building performance, well-being and smart technologies, including top-tier ratings under LEED, WELL and BEAM Plus. It also became the first office development in the Greater Bay Area to receive an Excellent rating under the BREEAM International New Construction standard.

In alignment with Hong Kong's renewable energy transition, the Group developed the Tseung Kwan O South East New Territories Landfill Solar Farm through a joint venture, Green Valley Landfill Limited. Commissioned in the fourth quarter of 2025, the facility spans approximately 140,000 square feet and features around 1,850 solar panels, generating approximately 1.2 million kWh of green electricity annually and reducing carbon emissions by around 530 tonnes per year. The project is also Hong Kong's first solar farm on a restored landfill to participate in CLP's Feed-in Tariff Scheme and the largest of its kind in the city.

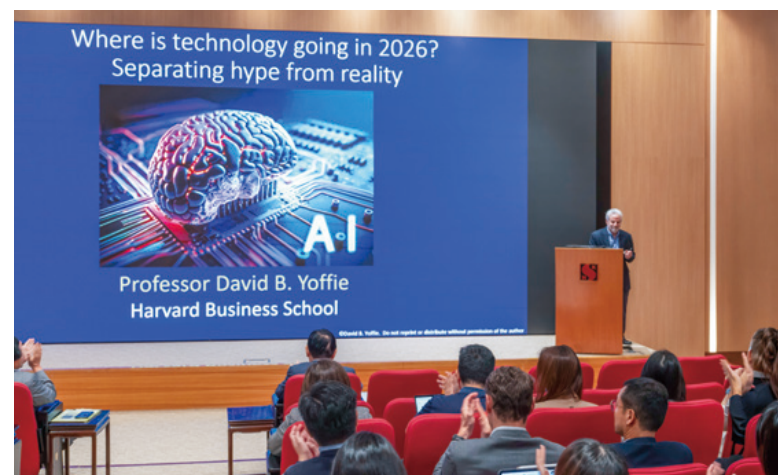
Solar energy capacity across the Group's portfolio continued to grow. The solar power systems facilitated and managed by the Group – including those developed through joint ventures – now comprise 94 installations with nearly 27,000 solar panels across various buildings and construction sites. To support low-carbon transport, the Group also continued to expand its network of EV fast chargers across all 18 districts in Hong Kong, with the number of such chargers expected to exceed 140 by the end of 2026.

The Group continued to promote community participation in environmental conservation. The Nature Rescue mobile app, jointly developed with an NGO, Green Power, encourages the public to take part in clean-up activities. During the year, three new NGO groups joined the platform, bringing the total number of partners to six.

People

With a workforce of more than 39,000, the Group continued to invest in employees' professional growth and well-being through a broad range of structured training and development programmes. Training opportunities spanned diverse disciplines, including property knowledge, technology, communication and management skills, occupational health and safety, and mental and physical well-being.

As part of its strategy to harness AI-driven innovation, the Group accelerated AI-focused upskilling, delivering more than 40 workshops and webinars in partnership with academic institutions, legal experts and AI professionals during the year. Topics covered included generative AI applications, data analysis, AI tools for smart buildings, and intellectual property considerations. The Group also launched a dedicated AI resource centre on its intranet, providing centralized access to AI trend updates, practical tools and guidance on responsible use.



○ AI-focused workshops and webinars are held for staff



○ Summer interns visit IGC to gain first-hand industry insights

The Group collaborates with local educational institutions and government bodies to nurture talent, while promoting recruitment and career development through initiatives such as the SHKP Summer Internship Programme, Management Trainee Programme and Executive Trainee Programme.

The Group's business units, including its property management subsidiaries and Royal hotels, join hands with government bodies, non-governmental organizations, and academic institutions to expand inclusive employment opportunities for underrepresented community groups, such as youth with special educational needs and ethnic minorities.

Customers

Upholding a customer-oriented approach, the Group is committed to enriching the well-being of residents through quality properties and attentive customer care. Sai Sha Residences is Hong Kong's first private residential development to achieve WiredScore Home Platinum certification. The development exemplifies the Group's dedication to integrating smart technology into modern living. SIERRA SEA, the development's first two phases, equips every residence with 5G connectivity and deploys AI and smart robotics to enhance residents' convenience and well-being.

SHKP Club, serving over 570,000 members across Hong Kong and the Chinese Mainland, remains a key platform for customer engagement. In addition to organizing property tours and seminars on developments such as SIERRA SEA and Cullinan Sky, the club expanded its digital reach with the launch of a WeChat Mini Programme, improving Mainland members' access to services and property information. With these initiatives, the club continued to gain a deeper understanding of customer needs and market trends, helping the Group to further enhance its products and services.

The Group's mall loyalty programme The Point continued to enhance members' shopping experience. A VIP tier, The Point Gold, was launched to introduce exclusive privileges across the Group's portfolio, including extra rewards and express service.



○ The SHKP Club organizes property seminars to keep members informed of market trends

Supply Chain

A vertically integrated approach to supply chain management ensures consistent standards, controls, and monitoring across the Group's network of suppliers and contractors, supporting reliable performance and adherence to sustainability and compliance expectations. Guided by sustainable building and green-procurement guidelines, sustainability considerations are embedded across the Group's supply chain through rigorous supplier-selection standards, performance evaluation and risk management.

The Group's construction arm, Sanfield, continued to advance sustainable construction through innovation. Its intelligent scaffolding safety monitoring system TIE.AI, which integrates AI, IoT and precision sensors for real-time safety monitoring of scaffolding, was further enhanced with thermal and optical AI camera technologies to strengthen fire-hazard detection on construction sites. A designated robot which enables precise and safe installation of precast concrete panels was upgraded to enhance both safety and efficiency in confined construction environments. Sanfield continued to incentivize suppliers through the Sustainability-linked Supplier Payment Services programme to strengthen their ESG performance by linking financial benefits to predetermined sustainability targets.

Strengthening industry-academia-research collaboration, the Group has formed a strategic partnership with the Hong Kong Polytechnic University to advance innovation in green applications, building materials, and construction processes. A smart energy management system was developed for the IGC project for potential annual energy savings of around 5.6 million kWh.

Sustainable Development



○ The award presentation ceremony for The Community Chest Sun Hung Kai Properties Corporate Challenge

Community

Upholding the longstanding belief in Building Homes with Heart, the Group seeks to address the needs of the communities in which it operates. A major focus is Sports for Charity, which fosters community well-being and champions healthy, sustainable living. During the year, the Group became the title sponsor of The Community Chest Sun Hung Kai Properties Corporate Challenge 2026, marking its first time in this role and raising a record HK\$6.9 million to support health and mental wellness services. It also sponsored the Sun Hung Kai Properties Hong Kong 10K Championships 2025 and the Hong Chi Climbathon 2025, promoting physical well-being and social inclusion.

The Group gave its full support to the 15th National Games, with 25 of its malls hosting promotional activities – including athlete sharing sessions, themed events and live competition broadcasts – to unite the community in cheering on athletes. GO PARK Sai Sha also served as a key venue for the 2025 National Games Fiesta, immersing the community in the excitement of the Games through sports trials and live performances.

GO PARK Sai Sha further cemented its position as a leading sporting destination, hosting a series of international padel tournaments, including the inaugural FIP Silver Hong Kong event, attracting elite global players. Together with GO PARK Aqua, which offered a wide range of aquatic activities, courses and eco-experiences, these initiatives broadened community participation in sports.

Catering to different groups in the community, the SHKP Volunteer team, in collaboration with the Neighbourhood Advice-Action Council, extended its home-safety programme to Sham Shui Po, providing elderly residents with electrical wiring repairs and pest-control subsidies. Under the Building Homes with Heart Caring Initiative, seasonal outreach activities included distribution of gift bags to elderly residents and underprivileged families across multiple districts to celebrate festivities.

As regards emergency response, the Group promptly mobilized its resources to provide relief to affected residents of the Wang Fuk Court fire emergency in Tai Po. Shopping malls in Tai Po, YATA and SmarTone offered on-ground assistance and emergency supplies, while the Royal hotels provided



○ GO PARK Sai Sha hosts the inaugural FIP Silver Hong Kong

「將軍澳新界東南堆填區太陽能發電場」啟用典禮 TKO SENT Landfill Solar Farm Opening Ceremony 28-5-2026



○ The opening ceremony for the Tseung Kwan O South East New Territories Landfill Solar Farm

160 complimentary guest rooms for those in need. These efforts were reinforced by a HK\$20 million donation from the Group, a matching donation initiative launched by The Point, and follow-up support provided by the SHKP Volunteer Team. Following the cancellation of the 2025 Hong Kong Cyclothon, donations from all participants and the Group's top-up contribution were redirected in full to The Community Chest Tai Po Fire Relief Fund.

Supporting youth development, the Group continues to inspire and empower the next generation through the SHKP Reading Club. The flagship Read to Dream programme provides around 1,000 students from low-income families with book allowances at the Hong Kong Book Fair annually. The programme has

focused on STEM education, AI and aerospace topics in recent years, organizing school talks and workshops to broaden students' horizons and cultivate an interest in technological innovation. Additionally, the Group marked its third consecutive year as a venue sponsor of the Hong Kong Reading+ Carnival, reaffirming its commitment to a city-wide reading culture.

During the year, the SHKP-Kwoks' Foundation expanded its scholarship initiatives by extending its Inter-School Postgraduate Scholarship programme to additional partner universities and launching new scholarship programmes at Tongji University in Shanghai and Southeast University in Nanjing. It also continued supporting outstanding Hong Kong Polytechnic University students through the Building Homes with Heart Scholarship Programme.



○ The SHKP Volunteer Team delivered essential supplies to residents affected by the Wang Fuk Court fire in Tai Po



○ The SHKP-Kwoks' Foundation supports outstanding students from various local and Mainland universities

Corporate Governance Report

Maintaining high standards of business ethics and corporate governance has always been one of the Group's prime tasks. It believes that conducting the Group's businesses in an open and responsible manner and following good corporate governance practices serve its long-term interests and those of its shareholders. Details of the Group's investor relations initiatives and the recognition it has received for good management and corporate governance are set out under the "Investor Relations" section of this annual report.

Corporate Governance Practices

Rigorous standards of corporate governance enhance the Group's accountability and transparency, earning the confidence of its shareholders and the public. The Company has complied with the code provisions of the Corporate Governance Code (the "Code") as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") throughout the year ended 30 June 2026, except that there is no separation of the roles of chairman and chief executive.

The Board of Directors of the Company (the "Board") continues to monitor and review the Company's corporate governance practices to ensure compliance.

Corporate Culture

The Group is committed to developing and leasing premium properties with attentive service to residents, shoppers and tenants, both in Hong Kong and on the Chinese Mainland. The Group promotes its corporate culture in alignment with its core values and vision, which enables the Group to deliver its long-term strategies and create sustainable value for its shareholders and other stakeholders. At the same time, the Group is committed to ensuring that its businesses are conducted lawfully, ethically and responsibly, and in accordance with high standards of business ethics and corporate governance. More information about the Group's core values and strategic direction is set out under the "Business Model and Strategic Direction" section of this annual report.

The Directors take the lead in promoting the desired corporate culture and ensuring that it is reflected consistently in the policies and operating practices of the Group. Corporate culture and expected behaviours are set out in the staff handbook and code of conduct. These values are clearly communicated to all levels of employees of the Group through orientation programmes and ongoing training and they are also freely accessible on the intranet of the Group. Cultural elements are included in the employee performance measurement to incentivize the desired culture. Various indicators (including employee feedback, internal control activities and any breaches of code of conduct) are used for assessing and monitoring the adoption of corporate culture.

Board of Directors

Board Composition

As at the date of this annual report, the Board has 16 Directors comprising eight Executive Directors, one Non-Executive Director and seven Independent Non-Executive Directors. Further details of the composition of the Board are set out on page 2.

During the year ended 30 June 2026, the changes to the composition of the Board were as follows:

- Ms. Fung Sau-yim, Maureen resigned as an Executive Director of the Company with effect from 3 February 2026; and
- Mr. Kwan Cheuk-yin, William resigned as a Non-Executive Director of the Company with effect from 31 March 2026.

An updated list of Directors identifying their roles and functions (the "Directors List") is maintained on the websites of the Company and Hong Kong Exchanges and Clearing Limited ("HKEX"). Independent Non-Executive Directors are identified as such in the Directors List and all other corporate communications containing the names of the Directors. The Directors' biographical information is set out on pages 146 to 155 and on the website of the Company.

Mr. Kwok Ping-luen, Raymond is an uncle of Mr. Kwok Kai-fai, Adam and Mr. Kwok Kai-chun, Geoffrey. He is also the father of Mr. Kwok Kai-wang, Christopher and Mr. Kwok Ho-lai, Edward. Mr. Kwok Kai-wang, Christopher is a cousin of Mr. Kwok Kai-fai, Adam and Mr. Kwok Kai-chun, Geoffrey, and the younger brother of Mr. Kwok Ho-lai, Edward. Save as disclosed above, there are no family or other material relationships among the members of the Board.

The length of tenure as Directors and their current period of appointment up to the date of this annual report are set out below:

Directors	Length of tenure (No. of years)	Current period of appointment¹ (No. of years)
Executive Directors		
Kwok Ping-luen, Raymond (<i>Chairman & Managing Director</i>)	45	1
Wong Chik-wing, Mike (<i>Deputy Managing Director</i>)	30	3
Lui Ting, Victor (<i>Deputy Managing Director</i>)	14	3
Kwok Kai-fai, Adam	11	2
Kwok Kai-wang, Christopher	10	1
Tung Chi-ho, Eric	12	2
Fung Yuk-lun, Allen	12	3
Chan Hong-ki, Robert	4	1
Non-Executive Director		
Kwok Kai-chun, Geoffrey	7	3
Independent Non-Executive Directors		
Yip Dicky Peter	21	2
Wong Yue-chim, Richard	21	2
Li Ka-cheung, Eric ²	21	3
Fung Kwok-lun, William	16	1
Leung Nai-pang, Norman	14	1
Leung Ko May-yee, Margaret	13	3
Fan Hung-ling, Henry	8	1

Notes:

1. The current period of appointment refers to the period since such Director's last re-election as a director at the annual general meeting
2. Dr. Li Ka-cheung, Eric was appointed as a Non-Executive Director on 11 May 2005 and has been redesignated as an Independent Non-Executive Director with effect from 19 March 2009

All Directors have formal letters of appointment setting out the key terms of their appointments. New Director appointed by the Board shall hold office until the next following annual general meeting ("AGM") and shall then be eligible for re-election. In accordance with the articles of association of the Company (the "Articles of Association"), one-third of the Directors are required to retire from office by rotation and are eligible for re-election at each AGM. In addition, all Directors do not have a specific term of appointment and they are subject to retirement by rotation and are eligible for re-election at least once every three years. The re-election of all retiring Directors (including those Independent Non-Executive Directors who have served the Company for more than nine years) will be subject to separate resolutions to be approved at the AGM.

Corporate Governance Report

Board and Workforce Diversity

The Company adopted a board diversity policy (the “Board Diversity Policy”) setting out the approach to achieve diversity of the Board members in June 2013. The Company is committed to equality of opportunity and does not discriminate on the grounds of race, gender, age, disability, nationality or any other factors. It also recognizes and embraces the benefits of diversity in Board members. The Company sees diversity as a wide concept and believes that diversity of Board members can be achieved through consideration of a number of factors, including but not limited to background, age, gender, culture, industry experience, skills and knowledge, educational background and other qualities. The Company takes into account these factors based on its own business model and specific needs from time to time as well as the availability of suitable candidates in the market. The implementation and effectiveness of the Board Diversity Policy are subject to annual review. Having considered the diversity of perspectives in terms of age, gender, tenure of office, and professional and business experiences of the Board members, the Company considered that the Board Diversity Policy is effective and has been properly implemented during the year.

As at the date of this annual report, the Board consists of 16 Board members with a diversity of perspectives in terms of age, gender, tenure of office, and professional and business experiences. During the year, one female Executive Director who was also a member of the senior management of the Group resigned, resulting in there being one female Director out of 16. The percentage of female representation at the Board level has therefore decreased and there is currently no female representation in the senior management of the Group. Notwithstanding the above, the Company remains committed to promoting gender diversity across all levels and will continue to take this into consideration in future Board appointments.

As the Group has diverse business activities in different geographical areas, the Company considers that it is more important for it to retain flexibility in the dynamic environment in which it operates and to have an appropriate mix of diversity in its board to respond to its evolving business needs and the challenging market conditions and as and when suitable candidates are identified. The Company targets to maintain the current level of female representation at the Board level and, where appropriate, will enhance female representation on the Board, with such target being subject to periodic review. The Group will deploy all appropriate channels to identify suitable director candidates, including referral from Directors and internal promotion.

The Group advocates a diverse and inclusive workplace that enables people from different backgrounds to work together. In July 2025, a workforce diversity policy was adopted by the Company which sets out its approach to creating a people-centred, supportive and inclusive working environment. The Group sees diversity as a wide concept and believes that workforce diversity can be achieved through consideration of a number of factors, including but not limited to background, age, gender, culture, industry experience, skills and knowledge, educational background and other qualities. To promote gender equality, the Group provides various training, development opportunities, guidance and supervision for all employees. The Group aims to maintain a balanced gender representation across its workforce, taking into account its own business model and operational needs. As at 30 June 2026, the ratio of female to male in the workforce of the Group (excluding senior management) is approximately 1 to 1.29, reflecting ongoing progress towards its diversity objectives. Further details on the Group’s gender diversity ratio at workforce and initiatives taken are set out in the standalone Sustainability Report.

Board Skills Matrix

The Board believes that having Directors with a broad and balanced mix of skills and expertise is crucial to supporting the Group's strategic direction, governance and business needs. An appropriate skills matrix empowers the Board to carry out its responsibilities effectively, driving long-term objectives and fostering sustainable growth for the Group.

To ensure that the Board remains equipped with relevant skills and expertise, the Nomination Committee conducted a review and is satisfied with the Board skills matrix for the year ended 30 June 2026 with details appended below:

Director's skills and expertise	Relevance to the Company	Expertise coverage (% of entire Board of 16 Directors)
Executive leadership and strategy	Having the collective capability to set strategic direction, providing effective oversight of management, and fostering long-term sustainable growth of the Company	94
Industry knowledge and experience	Making informed decisions, providing insights into market trends and responding to sector-specific challenges with better understanding of the Company's daily business operations, market development and competition as well as technology and innovation	88
Financial literacy/business acumen	Facilitating effective financial management and providing insights into business opportunities and risks that drive sustainable profitability and long-term growth of the Company	94
Risk management/regulatory compliance	Safeguarding the Company against legal, financial and operational risks through the implementation, management, and oversight of risk management and internal control systems to ensure compliance with legal and regulatory requirements	69
Chinese Mainland exposure	Navigating the regulatory environment, assessing market opportunities and risks, and supporting the Company's strategic development on the Chinese Mainland	100

The Board demonstrates strong capabilities across the above skill key areas and it is considered that the existing combination of skills, experience and diversity of the Directors is adequate and aligns with the purpose, values, strategy and corporate culture of the Company.

Corporate Governance Report

Board Independence

As at the date of this annual report, the Company has seven Independent Non-Executive Directors, representing more than one-third of the Board, and at least one of them has appropriate professional qualifications or accounting or related financial management expertise. The Company has received from all Independent Non-Executive Directors their confirmation of independence with reference to the independence guidelines set out in Rule 3.13 of the Listing Rules (the "Independence Guidelines") and considers that they are independent. The retirement and re-election of the Independent Non-Executive Directors at the forthcoming AGM has been reviewed by the Nomination Committee and further details are set out in the section headed "Nomination Committee and Appointment of Directors" below.

The Board believes that the balance between Executive and Non-Executive Directors (including Independent Non-Executive Directors) is reasonable and adequate to provide sufficient checks and balances that safeguard the interests of the shareholders and the Group. Non-Executive Directors (including Independent Non-Executive Directors) provide the Group with diversified expertise and experience. Their views and participation in Board and committee meetings bring independent judgment and advice on issues relating to the Group's strategies, performance, conflicts of interest and management process, and ensure that the interests of the shareholders are taken into account.

The Company has in place mechanisms to ensure independent views and input are available to the Board. The Audit and Risk Management Committee, the Remuneration Committee and the Nomination Committee only comprise Independent Non-Executive Directors. The Independent Non-Executive Directors meet the Chairman annually without the presence of the other Directors. No equity-based remuneration with performance-related elements is granted to the Independent Non-Executive Directors. Besides, they can seek independent professional advice at the Company's expense, if necessary. These mechanisms are subject to annual review to ensure their effectiveness.

Board Performance

The Company recognises that regular Board evaluations are essential to strengthening corporate governance standards and enhancing the overall effectiveness of the Board. For the year ended 30 June 2026, led by the Chairman with the assistance of the Company Secretary and the Head of Internal Affairs, an internal evaluation of the overall performance of the Board was conducted, involving the completion of a comprehensive self-assessment questionnaire by participating Directors. This assessment was designed to provide both quantitative ratings and qualitative insights across key areas, including board composition and skills, board practices, director training and development, stakeholder engagement, and overall effectiveness. The consolidated findings were submitted to the Nomination Committee for formal review and deliberation. Based on the evaluation results, the Nomination Committee is satisfied that the composition of the Board and its committees remains appropriate, and that both the Board and its committees are operating effectively and efficiently to support the development of the Group.

Board Meetings

The Board meets at least four times a year, and a tentative schedule for regular Board meetings for each year is provided to the Directors prior to the beginning of each calendar year to facilitate their attendance and participation at Board meetings. In addition, at least 14 days' notice of all regular Board meetings together with the meeting agenda is given to all Directors such that all Directors are given the opportunity to include matters for discussion in the agenda. Meeting agenda and accompanying meeting papers are sent to all relevant Directors at least three days in advance of every regular Board meeting and committee meeting. Directors may participate in meetings in person, by phone or by other communication means. Between regularly scheduled Board meetings, Directors may approve various matters by way of passing written resolutions. Additional Board meetings may be convened, if necessary.

The Company Secretary assists the Chairman in preparing the agenda for the Board meetings and ensures that all applicable rules and regulations regarding the proceedings of the Board meetings are followed. The Company keeps detailed minutes of each Board meeting, and draft and final versions of the minutes of meetings are sent to all Directors for their comments and records respectively within a reasonable time. The minutes of the Board meetings are also available for inspection by all Directors.

All Directors have confirmed that they have given sufficient time and attention to the affairs of the Group during the year ended 30 June 2026. During the year, the Board discussed the overall strategies of the Group, monitored its financial and operational performance, and approved the annual and interim results of the Group and the convening of the 2025 AGM. In addition, it approved the proposal for the adoption of the new Articles of Association at the 2025 AGM, two announcements regarding the respective resignations of an Executive Director and a Non-Executive Director, and two announcements regarding the issuance of debt instruments by a wholly-owned subsidiary of the Company. It also approved the appointment of a replacement member to the Nomination Committee.

The Board held four regular meetings during the year ended 30 June 2026, and the attendance records of the Directors at the Board meetings are set out below:

Directors	Meetings attended/held
Executive Directors	
Kwok Ping-luen, Raymond (<i>Chairman & Managing Director</i>)	4/4
Wong Chik-wing, Mike (<i>Deputy Managing Director</i>)	4/4
Lui Ting, Victor (<i>Deputy Managing Director</i>)	4/4
Kwok Kai-fai, Adam	4/4
Kwok Kai-wang, Christopher	4/4
Tung Chi-ho, Eric	4/4
Fung Yuk-lun, Allen	4/4
Fung Sau-yim, Maureen ¹	2/2
Chan Hong-ki, Robert	4/4
Non-Executive Directors	
Kwan Cheuk-yin, William ²	3/3
Kwok Kai-chun, Geoffrey	4/4
Independent Non-Executive Directors	
Yip Dicky Peter	4/4
Wong Yue-chim, Richard	4/4
Li Ka-cheung, Eric	4/4
Fung Kwok-lun, William	3/4
Leung Nai-pang, Norman	3/4
Leung Ko May-yee, Margaret	4/4
Fan Hung-ling, Henry	4/4

Notes:

1. Ms. Fung Sau-yim, Maureen resigned as a Director with effect from 3 February 2026

2. Mr. Kwan Cheuk-yin, William resigned as a Director with effect from 31 March 2026

Corporate Governance Report

Directors have access to relevant and timely information, and they can ask for further information or retain independent professional advisors if necessary. They also have access to the advice and services of the Company Secretary, who is responsible for providing Directors with Board papers and related materials and ensuring that Board procedures are followed. Directors are given sufficient time for discussion at the Board meetings. Management is invited to join the Board meetings, where appropriate, to provide information to the Directors to enable the Board to make informed decisions. Where queries are raised by Directors, prompt and full responses will be given if possible.

Directors are required to declare their interests (if any) in the matters to be considered at the Board meetings in accordance with the Articles of Association. Should a potential conflict of interest involving a substantial shareholder or a Director arise, the matter will be dealt with by a physical meeting rather than by written resolution. Independent Non-Executive Directors with no conflict of interest will be present at meetings dealing with such conflict issues. Pursuant to the Articles of Association, a Director who is considered to be materially interested in the matter shall abstain from voting on the resolution approving such matter.

The Company has arranged appropriate directors and officers liability insurance in respect of legal action against Directors. In addition, each Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he or she may sustain or incur in or about the execution of the duties of his or her office or otherwise in relation thereto in accordance with the Articles of Association.

Chairman

Mr. Kwok Ping-luen, Raymond is the Chairman and Managing Director of the Company. This is at variance with code provision C.2.1 of the Code, which provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

Although the positions of Chairman and Managing Director are not separate, the powers and authorities have not been concentrated as all major decisions have been made in consultation with the Board and appropriate Board committees, as well as top management. In addition, there are seven Independent Non-Executive Directors and one Non-Executive Director on the Board offering their experience, expertise, independent advice and views from different perspectives. The Board is therefore of the view that there are adequate balance of power and safeguards in place.

The Chairman is primarily responsible for leading the Board and ensuring that it functions effectively and smoothly. Directors are encouraged to participate actively in all Board and committee meetings of which they are members.

During the year ended 30 June 2026, the Chairman held a meeting with the Independent Non-Executive Directors without the presence of the other Directors, in which the Independent Non-Executive Directors can share their views and raise any issues in the absence of other Directors and management of the Company.

Training and Support for Directors

Directors are required to keep abreast of their collective responsibilities and undertake continuous professional development from time to time. Each newly appointed Director will be provided a comprehensive induction package containing an overview of the Group's businesses and the applicable statutory and regulatory obligations of a director of a listed company, and he or she will receive legal advice from an external lawyer engaged by the Company as regards the requirements under the Listing Rules that are applicable to him or her as a Director of the Company and the possible consequences of making a false declaration or giving false information to the Stock Exchange.

The Group provides ongoing briefings and other training to develop and refresh the Directors' knowledge and skills. During the year, the Company offered Directors a director training package provided by a professional body, through which structured training resources covering all topics required for annual director training under the Listing Rules were made available to the Directors. Training materials regarding anti-corruption made by the Independent Commission Against Corruption were also provided to the Directors.

In addition, the Group provides Directors with necessary updates on the latest developments regarding the Listing Rules and other applicable legal and regulatory requirements to ensure compliance and enhance their awareness of good corporate governance practices. In-house briefings on various topics relating to the business of the Group are also arranged for the Executive Directors and senior executives.

During the year ended 30 June 2026, all Directors attended trainings covering the following topics as required under the Listing Rules:

1. the roles, functions and responsibilities of the Board, its committees and its Directors, and board effectiveness ("T1");
2. the Company's obligations and directors' duties under Hong Kong law and the Listing Rules, and key legal and regulatory developments (including Listing Rules updates) relevant to the discharge of such obligations and duties ("T2");
3. corporate governance and environmental, social and governance ("ESG") matters (including developments on sustainability or climate-related risks and opportunities relevant to the Company and its business) ("T3");
4. risk management and internal controls ("T4"); and
5. updates on industry-specific developments, business trends and strategies relevant to the Company ("T5").

Corporate Governance Report

Directors	Mode of Director's Trainings			Total number of training hours
	Internal Training ¹	External Training ²	Self-study ³	
	Topics covered/ no. of hours	Topics covered/ no. of hours	Topics covered/ no. of hours	
Executive Directors				
Kwok Ping-luen, Raymond	T5 10.5 hours		T1 T2 T3 T4 T5 34.5 hours	45 hours
Wong Chik-wing, Mike	T5 1 hour		T1 T2 T3 T4 T5 10.5 hours	11.5 hours
Lui Ting, Victor	T5 1 hour		T1 T2 T3 T4 T5 11 hours	12 hours
Kwok Kai-fai, Adam	T5 4.5 hours		T1 T2 T3 T4 T5 13.5 hours	18 hours
Kwok Kai-wang, Christopher	T5 6.5 hours	T1 T2 T3 T4 0.5 hour	T1 T2 T3 T4 T5 17 hours	24 hours
Tung Chi-ho, Eric	T5 1 hour		T1 T2 T3 T4 T5 33 hours	34 hours
Fung Yuk-lun, Allen	T5 8.5 hours	T1 T2 T3 T4 0.5 hour	T1 T2 T3 T4 T5 16.5 hours	25.5 hours
Chan Hong-ki, Robert	T5 4.5 hours		T1 T2 T3 T4 T5 12 hours	16.5 hours
Kwok Ho-lai, Edward (Alternate Director to Kwok Ping-luen, Raymond)	T5 10 hours	T3 T5 11 hours	T1 T2 T3 T4 T5 36 hours	57 hours
Non-Executive Director				
Kwok Kai-chun, Geoffrey	T5 1 hour		T1 T2 T3 T4 T5 6 hours	7 hours
Independent Non-Executive Directors				
Yip Dicky Peter	T5 1 hour	T1 T5 6.5 hours	T1 T2 T3 T4 T5 21.5 hours	29 hours
Wong Yue-chim, Richard	T5 1 hour		T1 T2 T3 T4 T5 6 hours	7 hours
Li Ka-cheung, Eric	T5 1 hour	T1 T2 T3 T4 1.5 hours	T1 T2 T3 T4 T5 19 hours	21.5 hours
Fung Kwok-lun, William	T5 0.5 hour	T1 T2 T3 T4 T5 27 hours	T1 T2 T3 T4 T5 34.5 hours	62 hours
Leung Nai-pang, Norman	T5 1 hour	T1 T2 T3 T4 0.5 hour	T2 T3 T5 4 hours	5.5 hours
Leung Ko May-yee, Margaret	T5 1 hour	T1 T3 T4 T5 46 hours	T2 T3 T4 T5 8 hours	55 hours
Fan Hung-ling, Henry	T5 1 hour		T1 T2 T3 T4 T5 14 hours	15 hours

Notes:

1. Internal training includes attending in-house training and briefings delivered by internal teams or guest speakers, or serving as a speaker at internal training programme
2. External training includes attending (or serving as a speaker or panelist at) training courses, seminars, conferences and expert briefings organized by professional, industry, business or other external bodies
3. Self-study includes taking online training and reading articles or other self-learning materials provided by the Company, regulators, professional or other external bodies

Compliance with Model Code

The Company follows the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 to the Listing Rules (the “Model Code”) as the code of conduct for the Directors and the relevant employees who are likely to possess inside information of the Group (the “Relevant Employees”) in their dealings in the Company’s securities.

Before the Group’s interim and annual results are announced, notifications will be sent to the Directors and the Relevant Employees to remind them not to deal in the securities of the Company during the blackout periods. In response to specific enquiry made by the Company, all Directors have confirmed that they have complied with the Model Code during the year ended 30 June 2026.

Delegation by the Board

The Board directs and approves the Group’s overall strategies. Given the diversity and volume of the Group’s businesses, responsibilities for execution and daily operations are delegated to management. The Board gives clear directions as to management’s power, and reviews the delegations to management, when necessary, to ensure that they are appropriate and continue to be beneficial to the Group as a whole.

The Board has delegated specific roles and responsibilities to the Executive, Remuneration, Nomination, and Audit and Risk Management Committees. These Committees have specific terms of reference clearly defining their powers and responsibilities, and they are required by their terms of reference to report to the Board in relation to their decisions, findings or recommendations, and in certain specific situations, to seek the Board’s approval before taking any action. Meetings of the Committees are convened as often as necessary and some decisions of the Committees are made by way of passing written resolutions.

Executive Committee

The Executive Committee was established in 1977 and now consists of all Executive Directors and four full time senior executives of the Group as its members. A list of the current members of the Committee and their biographical information are set out on page 2 and pages 146 to 156 respectively. In addition, two senior executives holding major positions in the Group have been invited by the Committee to attend its meetings regularly as associate members, and to contribute their experience and expertise to assist the Committee in its decision-making process. A list of the current associate members of the Committee is set out on page 156.

The Executive Committee meets regularly, usually once every week. It is primarily responsible for formulating business policies, making decisions on key business issues and policies, facilitating the approval of certain corporate actions and exercising the powers and authority delegated by the Board in respect of matters which arise between regularly scheduled Board meetings. A summary of the minutes of the meetings of, and the written resolutions passed by, the Executive Committee is provided to the Board for review at each regular Board meeting.

The Board has delegated to the Executive Committee its responsibilities to develop, review and monitor the policies and practices on corporate governance of the Group and to make recommendations to the Board, to review and monitor the Company’s policies and practices on legal and regulatory compliance, to review and monitor the code of conduct and ethical behaviour applicable to the Directors and employees and the training and continuous professional development of Directors and senior management, and to review the Company’s compliance with the Code and disclosures in the corporate governance reports.

Corporate Governance Report

During the year ended 30 June 2026, the Executive Committee oversaw the daily business operations of the Group and made key business decisions. In addition, the Committee reviewed the Company's compliance with the Code and the applicable statutory and regulatory requirements, the Board Diversity Policy and the shareholders' communication policy of the Company (the "Shareholders' Communication Policy") and their implementation and effectiveness, and the disclosures in the corporate governance report. The Committee also approved the Sustainability Report and the workforce diversity policy of the Company. The attendance records of the members at the Committee meetings held during the year are set out below:

Committee members	Meetings attended/held
Kwok Ping-luen, Raymond	46/46
Wong Chik-wing, Mike	46/46
Lui Ting, Victor	44/46
Kwok Kai-fai, Adam	43/46
Kwok Kai-wang, Christopher	41/46
Tung Chi-ho, Eric	43/46
Fung Yuk-lun, Allen	41/46
Fung Sau-yim, Maureen ¹	26/27
Chan Hong-ki, Robert	44/46
Yung Sheung-tat, Sandy	42/46
Li Ching-kam, Frederick	44/46
Lam Ka-keung, Henry	46/46
Lo King-wai	45/46

Note:

1. Ms. Fung Sau-yim, Maureen ceased to act as a member with effect from 3 February 2026

Remuneration Committee

The Remuneration Committee was established in June 2005 and is chaired by Professor Wong Yue-chim, Richard, an Independent Non-Executive Director. Other members of the Committee are Dr. Li Ka-cheung, Eric and Dr. Leung Nai-pang, Norman. Mr. Kwan Cheuk-yin, William ceased to act as a member of the Committee with effect from 31 March 2026 following his resignation as a Director. All the existing members of the Committee are Independent Non-Executive Directors.

The Company has adopted the model to delegate the determination of the remuneration packages of individual Executive Directors to the Remuneration Committee. The Committee is responsible for formulating and recommending remuneration policy to the Board and reviewing and making recommendations on compensation-related issues. The fees for the Directors are subject to the approval of the shareholders at the general meetings in accordance with the Articles of Association. The Committee, with the assistance of the Head of Internal Affairs, consults with the Chairman on its proposals and recommendations if necessary, and also has access to independent professional advice if necessary. The Committee is also provided with sufficient resources enabling it to perform its duties. The Committee's specific terms of reference are available on the websites of the Company and HKEX.

During the year ended 30 June 2026, the Remuneration Committee reviewed and approved the Directors' fees and the emoluments of the Executive Directors. Particulars of the Directors' emoluments are set out in note 8 to the consolidated financial statements. The Committee held a meeting during the year and the attendance records of the members at the meeting are set out below:

Committee members	Meeting attended/held
Wong Yue-chim, Richard (<i>Chairman</i>)	1/1
Li Ka-cheung, Eric	1/1
Leung Nai-pang, Norman	1/1

Nomination Committee and Appointment of Directors

The Nomination Committee was established in June 2005 and is chaired by Professor Wong Yue-chim, Richard, an Independent Non-Executive Director. Other members of the Committee are Mr. Yip Dicky Peter, Dr. Leung Nai-pang, Norman and Mrs. Leung Ko May-yee, Margaret, who was appointed as a member of the Committee with effect from 3 February 2026. Ms. Fung Sau-yim, Maureen, who was appointed as a member of the Committee with effect from 1 July 2025, ceased to act in such capacity with effect from 3 February 2026 following her resignation as a Director. Mr. Kwan Cheuk-yin, William also ceased to act as a member of the Committee with effect from 31 March 2026 following his resignation as a Director. All the existing members of the Committee are Independent Non-Executive Directors.

The Nomination Committee is responsible for formulating policy and making recommendations to the Board on the appointment and re-appointment of Directors, and Board succession. A nomination policy setting out the current nomination practice, such as the criteria and procedures for the selection, appointment and re-appointment of the Directors, has been adopted by the Company. Under the policy, the Committee will evaluate potential candidates by considering various factors, including their professional expertise, industry and business experience, time commitments, potential contributions to board diversity, and material conflict of interest with the Group (if any). The Committee will also consider the independence of candidates with reference to the Independence Guidelines if they will be appointed as Independent Non-Executive Directors. The Committee will then make recommendation of suitable candidates to the Board for consideration of appointment. In case of re-appointment of existing Directors who will retire at AGMs, the Committee will review the rotation and retirement of Directors and make recommendations to the Board accordingly.

The Nomination Committee also reviews the structure, size and composition of the Board and the Board committees. In accordance with the amended code provisions of the Code which came into effect on 1 July 2025, the Committee has taken up additional duties, which include to assist the Board in maintaining a board skills matrix, to review the time commitment and contribution to the Board by each Director and to support the regular evaluation of the performance of the Board. Sufficient resources are provided to the Committee to enable it to perform its duties, and it can seek independent professional advice at the Company's expense if necessary. The Committee's specific terms of reference are available on the websites of the Company and HKEX.

During the year ended 30 June 2026, the Nomination Committee reviewed the structure, size and composition of the Board and the Board committees. It also reviewed the retirement and re-election of Directors at the forthcoming AGM, including the re-election of the retiring Independent Non-Executive Directors. In accordance with the nomination policy, the Committee reviewed the biographies of those Independent Non-Executive Directors who will be subject to retirement and re-election at the forthcoming AGM (the "Retiring INEDs"), and taking into consideration their knowledge, experience, capabilities and various diversity aspects as set out in the Board Diversity Policy as well as their contributions to the Company over the years, the Committee is of the view that the Retiring INEDs will continue to contribute to the Board with their respective perspectives, skills and experience.

In addition, none of the Retiring INEDs has any financial or family relationships with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company, which could give rise to a conflict of interests situation or otherwise affect their exercise of independent judgement. The Nomination Committee believes that the Retiring INEDs remain committed to their role as Independent Non-Executive Directors of the Company and will continue to be independent.

Corporate Governance Report

Each of Dr. Li Ka-cheung, Eric and Mrs. Leung Ko May-yee, Margaret (being the Retiring INEDs) has served the Company for more than nine years, during which period they have provided professional advice and insight to the Board. They have in-depth understanding of the Group's business and operation and have also demonstrated strong independence by providing impartial views and comments at Board and Board committee meetings during their tenure of office. They have not taken part in the day-to-day management of the Company. The Nomination Committee considered that the long service of Dr. Li Ka-cheung, Eric and Mrs. Leung Ko May-yee, Margaret will not affect their exercise of independent judgment and was satisfied that each of Dr. Li Ka-cheung, Eric and Mrs. Leung Ko May-yee, Margaret has the required integrity and experience to continue fulfilling the role of an Independent Non-Executive Director.

In view of the above, the Nomination Committee believes that the re-election of the retiring Directors (including the Retiring INEDs) at the forthcoming AGM will be in the best interests of the Company and its shareholders as a whole and has agreed to nominate them to the Board to stand for re-election at the forthcoming AGM.

The Nomination Committee held a meeting during the year ended 30 June 2026 and the attendance records of the members at the meeting are set out below:

Committee members	Meeting attended/held
Wong Yue-chim, Richard (<i>Chairman</i>)	1/1
Yip Dicky Peter	1/1
Leung Nai-pang, Norman	1/1
Leung Ko May-yee, Margaret	1/1

In August 2026, the Committee held a meeting to consider matters arising from its expanded responsibilities under its terms of reference, including assisting the Board in maintaining an appropriate board skills matrix, as well as reviewing and assessing the time commitment and contribution of individual Directors and their abilities to effectively discharge their responsibilities, taking into account their professional qualifications and work experience, directorships in other Hong Kong listed issuers and significant external time commitments, their attendance and participation in Board and Committee meetings and AGM, the trainings they have undertaken together with other factors or circumstances relevant to their character, integrity, independence and experience. It also reviewed the Board's performance evaluation to support the continuous enhancement of Board effectiveness. The Committee is satisfied with the Board skills matrix and the overall performance of the Board and its committees. It is also of the view that each Director has devoted sufficient time and attention to the affairs of the Board and the Company and has provided contributions by actively sharing his/her views in discussions, and that each of them has discharged his/her responsibilities effectively.

Audit and Accountability

The Board is responsible for presenting a balanced, clear and comprehensible assessment of the Group's performance and prospects. The Directors also acknowledge their responsibility for preparing the financial statements that give a true and fair view of the Group's financial position on a going-concern basis, and for presenting balanced, clear and understandable assessments in its annual and interim reports, other inside information announcements and other financial disclosures. All Board members are provided with monthly updates, including contracted property sales updates, upcoming projects, leasing and hotel project updates, major investment projects under development and financial position, which give the Directors a balanced and understandable assessment of the performance, position and prospects of the Group. Management provides all relevant information to the Board, giving the members sufficient explanation and information they need to discharge their responsibilities. A statement by the external auditor of the Company in respect of its reporting responsibilities is set out in the Independent Auditor's Report.

Audit and Risk Management Committee

The Audit Committee was established in 1999 and was renamed as the Audit and Risk Management Committee in June 2016 to reflect its role in risk management. The Committee is chaired by Dr. Li Ka-cheung, Eric, and other members of the Committee are Mr. Yip Dicky Peter, Dr. Leung Nai-pang, Norman and Professor Wong Yue-chim, Richard. All members of the Committee are Independent Non-Executive Directors.

No former partner of the Company's existing auditing firm acted as a member of the Audit and Risk Management Committee within two years from the date of his ceasing to be a partner or to have any financial interest in the auditing firm.

The duties of the Audit and Risk Management Committee include:

- reviewing the Group's financial statements and annual reports and accounts, and interim reports before submitting them to the Board;
- reviewing the Group's financial controls, and its risk management and internal control systems;
- ensuring that management has fulfilled its duty to establish and maintain an effective risk management and internal control systems including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit, financial reporting function, as well as those relating to the Company's ESG performance and reporting;
- considering major investigation findings on risk management and internal control matters;
- reviewing the internal audit programme and ensuring the internal audit function is adequately resourced and effective;
- reviewing the Group's financial and accounting policies and practices;
- reviewing the external auditor's management letter and questions raised by the external auditor to management, and management's response to such questions;
- reporting to the Board on matters required to be performed by the Committee under the applicable code provisions of the Code;
- meeting with the external auditor to discuss issues regarding audit at least once a year in the absence of management; and
- reviewing the arrangements that employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal controls or other matters.

The Audit and Risk Management Committee is provided with sufficient resources enabling it to perform its duties. The specific terms of reference of the Committee are available on the websites of the Company and HKEX.

Corporate Governance Report

The Audit and Risk Management Committee held three meetings during the year ended 30 June 2026. It had reviewed the interim and annual results of the Group, and approved the same for submission to the Board for final approval; reviewed the Group's risk management and internal control systems, the risk assessment result and the internal audit activities; and discussed the audit plans of the external auditor, the internal audit plans and the ESG matters. Two private sessions between the members of the Committee and the external auditor without the presence of management had been arranged in these meetings. The attendance records of the members at the Committee meetings are set out below:

Committee members	Meetings attended/held
Li Ka-cheung, Eric (<i>Chairman</i>)	3/3
Yip Dicky Peter	3/3
Leung Nai-pang, Norman	2/3
Wong Yue-chim, Richard	3/3

There was no disagreement between the Board and the Audit and Risk Management Committee on the selection, appointment, resignation or dismissal of the external auditor.

The Audit and Risk Management Committee monitors the audit and non-audit services rendered to the Group by the external auditor and ensures that the engagement of the external auditor in non-audit services will not impair its audit independence or objectivity. A non-assurance services concurrence policy has been established which sets out (among others) (i) the non-assurance services which the external auditor is prohibited from providing and (ii) the process for obtaining pre-concurrence from the Committee on those non-assurance services where such concurrence is required. In addition, an independence confirmation has been obtained from the external auditor which confirmed that during the course of its audit on the Group's consolidated financial statements for the year ended 30 June 2026 and thereafter to the date of the annual report, it is independent of the Group in accordance with the independence requirements of the Hong Kong Institute of Certified Public Accountants.

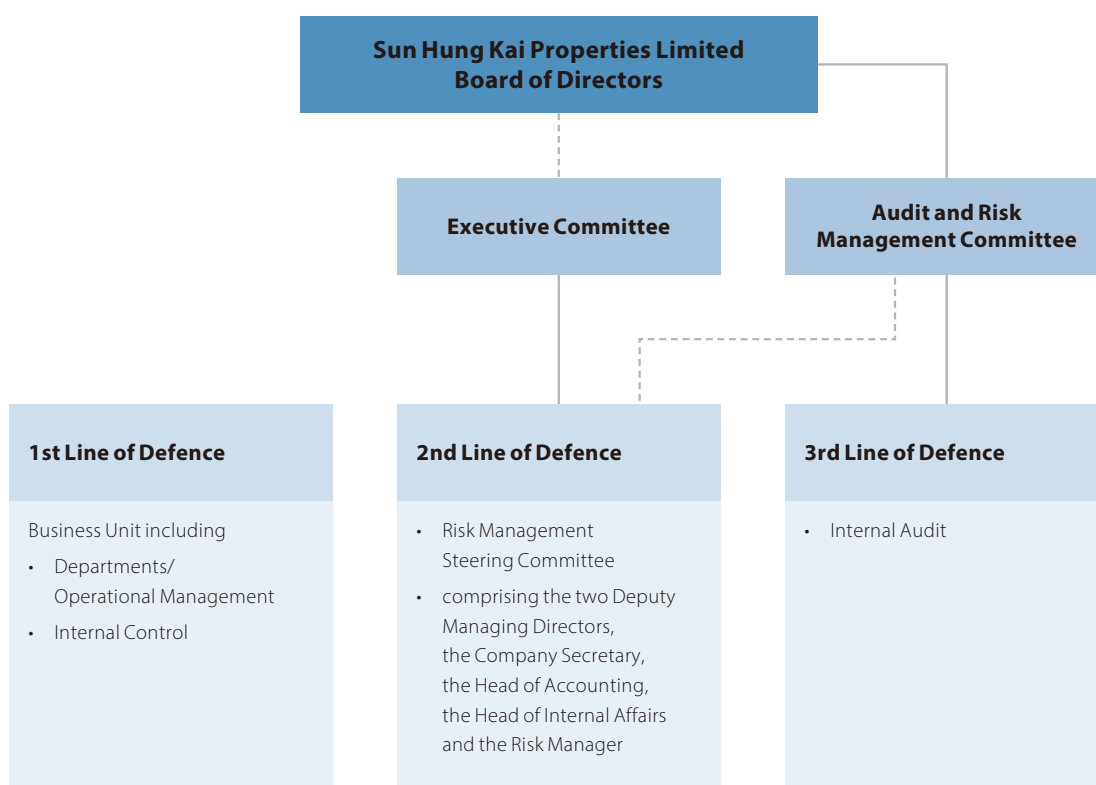
The fees in respect of audit and non-audit services provided to the Company and its subsidiaries by the external auditor for the year ended 30 June 2026 amounted to approximately HK\$23 million and HK\$7 million respectively. The non-audit services mainly consist of consultancy, taxation, review and other reporting services. These fees have been reviewed by the Audit and Risk Management Committee.

Risk Management and Internal Control

The Group has diverse business activities in Hong Kong, on the Chinese Mainland and in Singapore and is exposed to different risks in a dynamic environment. Effective risk management is therefore essential for the long-term growth and sustainability of the businesses of the Group. The Board is responsible for the overall strategy and development of the Group's businesses; for setting its corporate goals and risk appetite; for establishing and maintaining sound and effective risk management and internal control systems to safeguard the Group's assets and stakeholders' interests; and for reviewing the effectiveness of the systems. The Board assesses the effectiveness of the risk management and internal control systems through the reviews performed by the Audit and Risk Management Committee, executive management and both internal and external auditors. It should be acknowledged that such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

Risk Management

The Group's risk governance structure is guided by the "Three Lines of Defence" model as shown below:



Corporate Governance Report

First Line of Defence

Each business unit including department/operational management and internal control (collectively the “Business Unit”) has the duty to manage its own risks in the course of its daily operations, including:

- (i) establishing its own risk management measures for identifying, measuring, mitigating and monitoring its own risks;
- (ii) designing and executing control procedures to mitigate the risks identified;
- (iii) completing a risk assessment template and submitting its assessment results to the Risk Management Steering Committee twice a year;
- (iv) operating in a manner that is in line with the risk appetite of the Group; and
- (v) implementing any risk action plans as advised by the Risk Management Steering Committee and/or the Internal Audit Department and/or the Audit and Risk Management Committee to address any significant risks that may affect its operation.

Second Line of Defence

The Risk Management Steering Committee is under the direct supervision of the Executive Committee and also accountable to the Audit and Risk Management Committee. Members of this Committee comprise the two Deputy Managing Directors, the Company Secretary, the Head of Accounting, the Head of Internal Affairs and the Risk Manager. The Risk Management Steering Committee is primarily responsible for:

- (i) providing assistance to the Board and the Audit and Risk Management Committee in overseeing and monitoring the operation of the risk management and internal control systems;
- (ii) reviewing the risk assessment results submitted by each Business Unit, providing support and guidance to them, and putting forward any risk action plans for implementation by them;
- (iii) reporting its work done to the Audit and Risk Management Committee twice a year; and
- (iv) proposing any enhancement to the risk management and internal control systems for consideration by the Audit and Risk Management Committee and/or the individual Business Unit concerned.

Third Line of Defence

The Internal Audit function is performed by the Group's Internal Audit Department, which is primarily responsible for:

- (i) performing audits to evaluate the proper functioning of the risk management and internal control systems;
- (ii) reporting its findings to the Audit and Risk Management Committee and providing the Committee with an independent and objective assurance on the effectiveness of the risk management and internal control systems of the Group;
- (iii) putting forward any risk action plans for implementation by the relevant Business Units concerned; and
- (iv) proposing any enhancement to the risk management and internal control systems for consideration by the Audit and Risk Management Committee and/or the Risk Management Steering Committee and/or the individual Business Unit concerned.

Audit and Risk Management Committee

The Audit and Risk Management Committee assists the Board in overseeing the risk management and internal control systems of the Group, including:

- (i) reviewing the risk management and internal control systems of the Group with the Internal Audit Department twice a year to ascertain whether management has fulfilled its responsibilities in establishing and maintaining effective systems;
- (ii) reviewing the risk assessment results, including changes in the nature and extent of significant risks since the last review and the Group's ability to respond to changes in its business and the external environment;
- (iii) discussing with management on the resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit, financial reporting functions, as well as those relating to the Group's ESG performance and reporting to ensure that these are adequate;
- (iv) considering major investigation findings on risk management and internal control matters as delegated by the Board or on its own initiative and management's response to these findings;
- (v) identifying any significant risks that should be drawn to the attention of the Board;
- (vi) putting forward any risk action plans for implementation by the relevant Business Units concerned; and
- (vii) reviewing and considering any enhancement to the risk management and internal control systems as proposed by the Risk Management Steering Committee and/or the Internal Audit Department.

Corporate Governance Report

Board of Directors

The Board has the overall responsibility for establishing and maintaining sound and effective risk management and internal control systems, including:

- (i) setting the Group's strategies and corporate goals;
- (ii) evaluating and determining the nature and extent of the risks it is willing to take in achieving its strategic and business objectives;
- (iii) overseeing management in the design, implementation and monitoring of the risk management and internal control systems;
- (iv) overseeing the risk management and internal control systems on an ongoing basis, and ensuring that a review of the systems is conducted twice a year to ensure their effectiveness;
- (v) reviewing the changes in the nature and extent of significant risks since the last review and the Group's ability to respond to changes in its business and the external environment;
- (vi) considering the scope and quality of management's ongoing monitoring of risks and of the internal control systems;
- (vii) considering the extent and frequency of communication of monitoring results to the Board; and
- (viii) considering any significant control failings or weaknesses that have been identified during the period.

Internal Control

Risk management is integrated with the Group's internal control system which was developed based on the COSO (the Committee of Sponsoring Organizations of the Treadway Commission) principles as follows:

(i) Control Environment

- demonstrates a commitment to integrity and ethical values
- the Board demonstrates independence from management and exercises oversight of the development and performance of internal control
- management establishes, with Board oversight, structures, reporting lines, and appropriate authorities and responsibilities in the pursuit of objectives
- demonstrates a commitment to attract, develop, and retain competent individuals in alignment with objectives
- holds individuals accountable for their internal control responsibilities in the pursuit of objectives

(ii) Risk Assessment

- specifies objectives with sufficient clarity to enable the identification and assessment of risks relating to objectives
- identifies risks to the achievement of its objectives across the entity and analyzes risks as a basis for determining how the risks should be managed
- considers the potential for fraud in assessing risks to the achievement of objectives
- identifies and assesses changes that could significantly impact the system of internal control

(iii) Control Activities

- selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels
- selects and develops general control activities over technology to support the achievement of objectives
- deploys control activities through policies that establish what is expected and procedures that put policies into place

(iv) Information and Communication

- obtains or generates and uses relevant, quality information to support the functioning of internal control
- internally communicates information on a timely basis, including objectives and responsibilities for internal control, necessary to support the functioning of internal control
- communicates with external parties regarding matters affecting the functioning of internal control

(v) Monitoring Activities

- selects, develops, and performs ongoing and/or separate evaluations to ascertain whether the components of internal control are present and functioning
- evaluates and communicates internal control deficiencies in a timely manner to those parties responsible for taking corrective action, including senior management and the Board, as appropriate

The internal control system aims at safeguarding assets from inappropriate use, maintaining proper accounts, ensuring compliance with laws and regulations, and enabling timely identification and management of key risks that may have impact on the Group. Management is primarily responsible for the design, implementation and maintenance of the risk management and internal control systems. The Group's internal control system includes a well-established organizational structure with clearly defined lines of responsibility and authority. Policies and procedures are laid down for its key business processes and Business Units covering project development, tendering, sales and leasing, financial reporting, human resources and computer systems.

A code of conduct is maintained and communicated to all employees for compliance. In addition, whistleblowing mechanism is in place for our employees and those who deal with the Group (e.g. customers and suppliers) to raise concerns in confidence and anonymity about suspected misconducts, malpractices or fraudulent activities relating to the Group. The identity of the whistleblower will be treated with the strictest confidence. The Company has also established an anti-corruption policy that promotes and supports all applicable anti-corruption laws and regulations in force in the jurisdictions in which the Group has operations.

The Company has a policy on inside information in place setting out the principles and procedures for handling and disclosing inside information of the Group in compliance with the relevant requirements under Part XIVA of the Securities and Futures Ordinance and the Listing Rules, and such policy has been communicated to the relevant senior executives of the Group. The policy contains provisions for establishing an internal committee to ascertain whether certain information constitutes inside information of the Group, and (where necessary) for escalating the matter to the senior management of the Group for final determination. To prevent inadvertent disclosure of inside information, the policy also prescribes certain measures in place, including restricting access to inside information to employees on a need-to-know basis, requiring documents and files containing inside information to be kept in a safe place, and requiring that confidentiality agreements be made with external parties in appropriate cases.

Corporate Governance Report

Key Risk Factors

The following section lists out the key risks and uncertainties facing the Group. A risk register of key identified risks is maintained to monitor the current and emerging risks. It is a non-exhaustive list and there may be other risks and uncertainties further to the key risk areas outlined below:

Risks Pertaining to the Property Market in Hong Kong

A substantial part of the Group's property portfolio is located in Hong Kong, and a substantial part of the Group's revenue is derived in Hong Kong. As a result, general state of the economy and the property market, stock market performance, legislative and regulatory changes, government policies and political conditions, interest rate and currency fluctuation, labour market conditions, availability of financing and supply chain disruption may have a significant impact on the Group's operating results and financial conditions. For instance, profitability of the property development business may be affected due to deteriorating economic conditions or intense competition from other developers and property owners. Construction work may not be completed on schedule or within budget due to supply chain disruption, shortage of labour or increase in labour cost. Launch of new property projects may be affected by intense competition from other developers or unfavourable market conditions. Further growth of the Group's property development business may also be impacted by the supply and price levels of land in Hong Kong.

Rental and occupancy levels in Hong Kong are subject to competition arising from supply in the primary sector. In addition to the economic and market conditions mentioned above, other domestic and external economic and political factors including but not limited to supply and demand conditions, and stock market performance may affect the Group's property investment business. Retail rent and occupancy levels may also be affected as a result of the change in consumer and tourist behaviour as well as competition from online suppliers and e-commerce platforms.

Risks Pertaining to the Property Market on the Chinese Mainland

The Group has material interests in residential and commercial property development and property investment on the Chinese Mainland and is therefore subject to the risks associated with the Chinese Mainland property market. The Group's operations on the Chinese Mainland may also be exposed to the risks of policy changes, interest rate and currency fluctuation, demand-supply imbalance, changes in the overall economic conditions, competition in the labour market, availability of financing and supply chain disruption, which may pose an adverse impact on the Group's business, financial condition or results of operations.

Operational Risks

The Group's operation is subject to a number of risk factors distinctive to property development, property investment, and property related businesses. Default on the part of our buyers, tenants and strategic business partners, inadequacies or failures of internal processes, people and systems, leakage of sensitive information by hacking or accidents, inadequate responses to negative events or other external factors may have various levels of negative impact on the results of operations. Additionally, accidents may happen despite systems and policies set up for their prevention, which may lead to financial loss, litigation, or damage in reputation.

ESG Risks

Riding on the COSO principles where our risk management and internal control systems are based, the Group is integrating ESG risks into its risk management and internal control systems to better manage enterprise-wide risks. Some of the ESG risks are of particular concern to the Group including climate change, energy efficiency and waste management for environmental aspect; community investment and engagement, tenant/customer engagement and responsible supply chain management for social aspect; and ethics and integrity, information privacy and risk and crisis management for governance aspect. Such integration can provide additional strategic and operational leverage for the Group as it seeks to succeed and grow in today's turbulent environment. The Sustainability Steering Committee is appointed to supervise and manage sustainability issues across operations, including evaluation of the ESG related risks and execution of the sustainability strategy. The ESG related risks, strategies and initiatives are included in the annual Sustainability Report.

Mitigating Principal Risks Faced by the Group

The risk management and internal control systems have been designed to operate proactively to ensure that principal risks are not only identified, measured and monitored but also mitigated. Under such systems, management staff of various departments would identify suitable internal controls and countermeasures to mitigate principal risks faced by the Group. When formulating mitigating measures, important factors such as regulatory requirements, risk appetite, adequacy and effectiveness of mitigating actions proposed, risk owners in place to implement risk mitigating measures, and feasibility of transferring risks to third parties were taken into consideration. The objective of these risk mitigating plans is to ensure that principal risks are well managed and governed effectively.

In addition, the Group set up a crisis management taskforce to coordinate, respond to and tackle ad hoc events and key issues and risks in an effective manner. Co-led by two Deputy Managing Directors, the taskforce comprises senior management members of major Business Units.

Past Performance and Forward-Looking Statements

The performance and the results of operation of the Group as set out in this annual report are historical in nature and past performance is not a guarantee of future performance. This annual report may contain forward-looking statements and opinions that involve risks and uncertainties. Actual result may also differ materially from expectations discussed in such forward-looking statements and opinions. Neither the Group nor the Directors, employees or agents of the Group assume (i) any obligations to correct or update the forward-looking statements or opinions contained in this annual report; and (ii) any obligations or liabilities in the event that any of the forward-looking statements or opinions does not materialize or turns out to be incorrect.

Effectiveness of Risk Management and Internal Control Systems

During the year ended 30 June 2026, the Risk Management Steering Committee has worked with major Business Units and senior management to enhance the risk management and internal control systems. Activities included updating the risk assessment templates to include risk predictors (which are critical predictors of unfavourable events that can adversely impact individual Business Units concerned), and providing risk training to and maintaining ongoing interactive dialogues with the Business Units. It has also reviewed the major risks for operations in Hong Kong and on the Chinese Mainland.

The Group's Internal Audit Department, which has been established for more than 30 years, performs independent appraisal of the adequacy and effectiveness of the Group's risk management and internal control systems. The department has direct access to the Audit and Risk Management Committee and has rights to access all records, assets and personnel as stipulated in the Internal Audit Charter. The department follows a risk-based approach to formulate the audit plan that focuses on the top risks identified. The risks for departments and Business Units are assessed using the pre-determined risk criteria. The assessment results are consolidated and ranked from an enterprise-wide perspective. The Audit and Risk Management Committee reviews and approves annually the audit plan, which is formulated based on the risk assessment result. The department conducts audit review on specific areas based on the approved audit plan. Summaries of major audit findings and control weaknesses, if any, are reviewed by the Audit and Risk Management Committee twice a year. The department monitors the follow-up actions agreed upon in response to recommendations. Internal Audit Department provides the Audit and Risk Management Committee with conclusion on the adequacy and effectiveness of the risk management and internal control systems.

The Board through the Audit and Risk Management Committee reviewed the risk assessment results, and the risk management and internal control systems of the Group for the year ended 30 June 2026, covering all material controls including financial, operational and compliance controls. The review includes considering the internal control evaluations conducted by executive management and the internal and external auditors as well as the adequacy of resources for designing, implementing and monitoring the risk management and internal control systems, including staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit, and financial reporting functions as well as those relating to the Group's ESG performance and reporting. Based on the result of the review, the Board considered that for the year ended 30 June 2026, the risk management and internal control systems of the Group were appropriate and effective. No significant control failings or weaknesses that had a material impact on the Company's financial performance or condition were identified during the year.

Corporate Governance Report

Shareholder Engagement

The Company recognises the importance of maintaining regular and constructive engagement with its shareholders and other investors. Such engagement aims to enhance their understanding of the Group's performance and strategic direction, as well as to provide effective channels for the exchange of views and expectations. Feedback obtained through these interactions is given due consideration and, where appropriate, is taken into account in the Company's governance and decision making processes.

Shareholders' Communication Policy

The Board has established the Shareholders' Communication Policy setting out the principles of the Company in relation to shareholders' communications, with the objective of ensuring that its communications with shareholders are timely, transparent, accurate and open. Information to shareholders is mainly communicated through the Company's corporate communications (such as interim and annual reports, announcements and circulars) and AGMs, as well as disclosures on the website of the Company.

To enhance communication efficiency and support environmental protection, the Company has adopted electronic dissemination of corporate communications through the websites of the Company and HKEX. Printed copies of corporate communications are distributed to shareholders free of charge upon written request. Actionable corporate communications which seek instructions from shareholders are sent to them individually, either in electronic form or in hard copy form, in accordance with the requirements of the Listing Rules. Shareholders may also change their choice of language and/or means of receipt of all future corporate communications and actionable corporate communications at any time by giving reasonable written notice to the Company.

The Company's website provides shareholders and stakeholders with comprehensive corporate information, including its principal business activities and major property projects, as well as the Group's corporate governance practices and sustainable development. A dedicated investor relations section is also available on the website offering information such as share price, financial calendar, analysts briefing webcasts and presentations, and other information for shareholders. In addition, regular updates on the Group's business development, corporate activities and community initiatives are disseminated to the public through social media channels.

Shareholders are provided with contact details of the Company, such as telephone hotline, fax number, email address and postal address, in order to enable them to make any queries that they may have with respect to the Company. They can also send their enquiries to the Board through these means. In addition, shareholders can contact the share registrar of the Company if they have any enquiries about their shareholdings and entitlements to dividend.

The Company is committed to protecting the privacy right on all personal data collected from shareholders. When collecting personal data from the shareholders, the Company will specify in the relevant documents the purpose of collection and the use of personal data etc. Contact details are also provided for accessing and correcting this personal data.

The Company through the Executive Committee has reviewed the Shareholders' Communication Policy. Having considered the multiple channels in place for shareholders to communicate their views, the Executive Committee was satisfied that the Shareholders' Communication Policy was appropriate and effective, and had been properly implemented during the year.

Annual General Meeting

The AGM provides opportunities to the Directors (including the Independent Non-Executive Directors) to have direct interactions with shareholders. The Company ensures that shareholders' views are communicated to the Board. The chairman of the AGM proposes separate resolutions on each substantially separate matter to the shareholders for their consideration and approval. Members of the Audit and Risk Management Committee, the Remuneration Committee and the Nomination Committee, and the external auditor also attend the AGM to answer questions from shareholders. Simultaneous interpretation is provided to facilitate smooth and direct communication between shareholders and Directors.

AGM proceedings are reviewed from time to time to ensure that the Company follows good corporate governance practices. The notice of AGM is distributed to all shareholders at least 21 clear days prior to the AGM and the accompanying circular also sets out details of each proposed resolution and other relevant information as required to be disclosed under the Listing Rules. The chairman of the AGM exercises his power under the Articles of Association to put each proposed resolution to the vote by way of a poll. The procedures for conducting a poll are explained at the meeting prior to the polls being taken and the share registrar of the Company acts as the scrutineer for the vote-taking at the meeting. An announcement setting out the voting results and the attendance of the Directors at the AGM is available on the websites of the Company and HKEX on the day of the AGM.

The 2025 AGM was held on 6 November 2025 at the Company's headquarters. Businesses transacted at the 2025 AGM included the adoption of audited consolidated financial statements, the approval of final dividend, the re-election of Directors and fixing of the Directors' fees, the re-appointment of auditor, the renewal of general mandates with respect to the buy-back of shares and the issue of new shares, and the adoption of the new Articles of Association. Shareholders raised various questions regarding business performance, dividend policy and business outlook at the meeting, all of which were fully addressed by the Board.

The attendance records of the Directors at the 2025 AGM are set out below:

Directors	AGM attended
Executive Directors	
Kwok Ping-luen, Raymond	✓
Wong Chik-wing, Mike	✓
Lui Ting, Victor	✓
Kwok Kai-fai, Adam	✓
Kwok Kai-wang, Christopher	✓
Tung Chi-ho, Eric	✓
Fung Yuk-lun, Allen	✓
Fung Sau-yim, Maureen	✓
Chan Hong-ki, Robert	✓
Non-Executive Directors	
Kwan Cheuk-yin, William	✓
Kwok Kai-chun, Geoffrey	✓
Independent Non-Executive Directors	
Yip Dicky Peter	✓
Wong Yue-chim, Richard	✓
Li Ka-cheung, Eric	✓
Fung Kwok-lun, William	
Leung Nai-pang, Norman	✓
Leung Ko May-yee, Margaret	✓
Fan Hung-ling, Henry	✓

Corporate Governance Report

Shareholders' Rights

Shareholder(s) holding at least 5% of the total voting rights of all the shareholders of the Company having a right to vote at general meetings can send a request to the Company to convene a general meeting pursuant to Section 566 of the Companies Ordinance. The request must state the general nature of the business to be dealt with at the meeting and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. The request must be authenticated by the relevant shareholder(s) and sent to the Company in hard copy form or in electronic form.

Besides, Section 615 of the Companies Ordinance provides that (i) shareholder(s) representing at least 2.5% of the total voting rights of all shareholders of the Company who have a right to vote on the resolution at the AGM; or (ii) at least 50 shareholders who have a right to vote on the resolution at the AGM may request the Company to circulate a notice of a resolution for consideration at the AGM. Such request must identify the resolution to be moved at the AGM and must be authenticated by the relevant shareholder(s) and sent to the Company in hard copy form or in electronic form not later than six weeks before the relevant AGM or if later, the time when the notice of the AGM is despatched.

Dividend Policy

The Company has adopted a dividend policy which aims to provide shareholders with a sustainable dividend and to pay out 40% to 50% of the underlying net profit of the Group. In determining the dividend amount, the Board will take into account a number of factors such as the Group's financial performance, future capital expenditures and financial position as well as the general economic and business conditions.

All dividend decisions in respect of the Company for the year ended 30 June 2026 were made by the Board in accordance with the dividend policy of the Company and there was no material variation in the dividend rate compared to that for the previous corresponding period.

The dividend policy will be reviewed from time to time so as to keep in line with the future prospects and capital requirements of the Group and the changes in market conditions.

Investor Relations

The Company maintains on-going dialogue with its stakeholders and the investment community to ensure that investors, analysts, bondholders, credit rating agencies and ESG-focused stakeholders are kept well informed of the Group's business operations, financial performance, strategic development and sustainability initiatives. Feedback on performance, expectations and governance views obtained through such engagement is carefully considered and appropriately reflected in the Group's strategic planning and future development.

Following the publication of interim and annual results, Executive Directors and some senior executives hold analyst briefings to provide detailed updates on the Group's financial position, operational performance, sustainability progress, and market and business prospects. The investor relations team also conducts post-results meetings and conference calls with investors and analysts to address enquiries and exchange views. In addition, the team maintains regular engagement with both local and overseas investors through meetings, calls, property tours and participation in major investor conferences and forums. Feedback and insights gathered are regularly reported to the Executive Committee for consideration and follow-up actions. The Head of the investor relations team serves as an associate member of the Executive Committee, where he contributes his expertise and observations to support the Executive Committee's decision-making process. He also maintains direct access to the Board and provides regular updates on matters relevant to the Group's engagement with the investment community, including the Group's credit ratings and evaluations issued by the credit rating agencies. Further details of the Group's investor relations initiatives and major investor relations events participated by the Company during the year are contained in the "Investor Relations" section of this annual report.

Constitutional Documents

Shareholders of the Company passed a special resolution at the 2025 AGM to adopt a new set of Articles of Association for the purposes of aligning with (i) the amended Companies Ordinance in relation to the implementation of the treasury share regime and the implied consent mechanism for the dissemination of corporate communications by means of a website and (ii) the amended Listing Rules in relation to the expansion and further expansion of the paperless listing regime; and incorporating certain housekeeping changes which will enable the Company to conduct general meetings and handle other corporate affairs more efficiently. A summary of the major areas of amendments brought about by the adoption of the new Articles of Association is contained in the circular of the Company dated 9 October 2025. The latest version of the Articles of Association is available on the websites of the Company and HKEX.

Directors' Report

The Directors are pleased to present their report together with the consolidated financial statements of the Group for the year ended 30 June 2026, which were approved by the Board of Directors (the "Board") on 10 September 2026.

Principal Activities

The principal activity of the Company is investment holdings.

The principal activities of the Group are the development of and investment in properties for sale and rent, hotel operations, telecommunications, transport infrastructure and logistics, and data centre operations. Other ancillary and supporting businesses, which are described under principal subsidiaries, joint ventures and associates on pages 223 to 232, are integrated with the main business of the Group. An analysis of the Group's performance for the year by reportable and operating segments in business operation and geographical area is set out in note 3 to the consolidated financial statements.

Business Review

A fair review of the Group's business, an indication of its likely future development and an analysis of it using financial key performance indicators as well as particulars of important events affecting the Group that have occurred since the end of the year ended 30 June 2026 (if any) are discussed in the "Financial Highlights and Land Bank", "Five-Year Financial Summary", "Chairman's Statement", "Business Model and Strategic Direction", "Review of Operations" and "Financial Review" sections on pages 4 to 97. A description of the principal risks and uncertainties facing the Group is set out in the "Corporate Governance Report" on pages 126 and 127. An account of the Group's key relationships with its stakeholders and a discussion on the Group's environmental policies and performance are included in the "Investor Relations" and "Sustainable Development" sections on pages 98 to 105 and the standalone Sustainability Report. The above discussions form part of this report.

The Residential Properties (First-hand Sales) Ordinance regulates the sales of first-hand uncompleted and completed residential properties in Hong Kong, with a view to enhancing the transparency, fairness and consumer protection of the sales of first-hand residential properties. The Group takes particular care to comply with the requirements of this ordinance in relation to, among other things, sales brochures, price lists, show flats, disclosure of transaction information, advertisements, sales arrangements, and mandatory provisions for preliminary agreement for sale and purchase and agreement for sale and purchase for the sales of first-hand residential properties, not only through established internal procedures, but also by engaging external professional advisors including architects, surveyors and solicitors in checking the accuracy of the information contained in the relevant documents made available to the public in connection with such sales.

In relation to human resources, the Group is committed to complying with the requirements of the Personal Data (Privacy) Ordinance, and ordinances relating to disability, sex, family status and race discrimination, as well as the Employment Ordinance, the Minimum Wage Ordinance and ordinances relating to occupational safety of employees of the Group, so as to safeguard the interests and well-being of its employees.

The Group is also committed to safeguarding the security of personal data. When collecting and processing such data, the Group complies with the Personal Data (Privacy) Ordinance and the guidelines issued by the Office of the Privacy Commissioner for Personal Data, with a view to protecting the privacy of its employees, customers, tenants and purchasers of its properties, members of the SHKP Club and owners of properties under its management.

On the corporate level, the Group complies with the requirements under the Companies Ordinance, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Securities and Futures Ordinance (the "SFO") for, among other things, the disclosure of information and corporate governance matters, and the Group has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code").

Group Profits

Profit after taxation for the year ended 30 June 2026, including share of results from joint ventures and associates, amounted to HK\$22,002 million (2025: HK\$19,884 million). After taking non-controlling interests into account, profit attributable to the Company's shareholders was HK\$21,426 million (2025: HK\$19,277 million).

Dividends

An interim dividend of HK\$0.98 per share (2025: HK\$0.95 per share) was paid on 19 March 2026. The Board has recommended a final dividend of HK\$2.93 per share (2025: HK\$2.80 per share), making a total dividend of HK\$3.91 per share for the full year ended 30 June 2026 (2025: HK\$3.75 per share).

The proposed final dividend, if approved at the forthcoming annual general meeting of the Company to be held on Thursday, 5 November 2026 (the "2026 Annual General Meeting"), will be payable in cash on Thursday, 19 November 2026 to the shareholders of the Company (the "Shareholders") whose names appear on the register of members of the Company on Thursday, 12 November 2026. Shares of the Company will be traded ex-dividend as from Tuesday, 10 November 2026.

Shares Issued

No shares were issued by the Company during both the years ended 30 June 2025 and 2026.

Details of the share capital of the Company are set out in note 30 to the consolidated financial statements and on pages 166 and 167 respectively.

Purchase, Sale or Redemption of Listed Securities

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares, if any) during the year ended 30 June 2026. The Company did not hold any treasury shares as at 30 June 2026.

Reserves

Movements in the reserves of the Company and the Group during the year are shown in note 31 to the consolidated financial statements and on pages 166 and 167 respectively.

Investment Properties, and Property, Plant and Equipment

Movements in investment properties, and in property, plant and equipment during the year are shown in notes 13 and 14 to the consolidated financial statements respectively.

Directors' Report

Five-Year Financial Summary

The results, assets and liabilities of the Group for the last five financial years are summarized on page 6.

Property Development and Property Investment

Particulars of major property development and property investment in Hong Kong held by the Group are set out on pages 38 and 39, and pages 52 and 53 respectively; and particulars of major property development and property investment on the Chinese Mainland held by the Group are set out on pages 66 and 67, and pages 76 and 77 respectively.

Directors

The list of Directors and their biographical information as at the date of this report are set out on page 2, and pages 146 to 155 respectively.

During the year, Ms. Fung Sau-yim, Maureen resigned as an Executive Director with effect from 3 February 2026 and Mr. Kwan Cheuk-yin, William resigned as a Non-Executive Director with effect from 31 March 2026. All other Directors held office for the whole year.

In accordance with Article 103(A) of the articles of association of the Company (the "Articles of Association"), Mr. Wong Chik-wing, Mike, Mr. Lui Ting, Victor, Dr. Li Ka-cheung, Eric, Mrs. Leung Ko May-yee, Margaret, Mr. Kwok Kai-chun, Geoffrey and Mr. Fung Yuk-lun, Allen will retire from office and, being eligible, have offered themselves for re-election at the 2026 Annual General Meeting. Dr. Li Ka-cheung, Eric and Mrs. Leung Ko May-yee, Margaret, both being Independent Non-Executive Directors, have served the Company for more than nine years. Pursuant to the Corporate Governance Code of the Listing Rules, their re-election will be subject to separate resolutions to be approved at the 2026 Annual General Meeting.

Details regarding the re-election of the above Directors at the 2026 Annual General Meeting are set out in the circular to the Shareholders published together with this report.

None of the above Directors proposed for re-election has a service agreement with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

The Company has received from each Independent Non-Executive Director a confirmation of his or her independence with reference to the independence guidelines under the Listing Rules, and considers that all the Independent Non-Executive Directors are independent.

The list of directors who have served on the boards of the subsidiaries of the Company during the year and up to the date of this report is kept at the registered office of the Company and available for inspection by the Shareholders during office hours.

Directors' and Chief Executives' Interests

As at 30 June 2026, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the Model Code set out in Appendix C3 to the Listing Rules as adopted by the Company, to be notified to the Company and the Stock Exchange, were as follows:

1. Long positions in shares and underlying shares of the Company

Name of Directors	Number of shares held				Sub-total	Number of underlying shares held under equity derivatives	Total	% of issued voting shares as at 30.06.2026
	Personal interests (held as beneficial owner)	Family interests (interests of spouse or child under 18)	Corporate interests (interests of controlled corporation)	Other interests				
Kwok Ping-luen, Raymond	188,743	1,580,000 ¹	–	599,745,520 ^{2,389}	601,514,263	–	601,514,263 ¹⁰	20.76
Wong Chik-wing, Mike	497,695	–	–	–	497,695	–	497,695	0.02
Lui Ting, Victor	160,000	–	–	–	160,000	–	160,000	0.01
Wong Yue-chim, Richard	5,000	1,000 ¹	–	–	6,000	–	6,000	0.00
Li Ka-cheung, Eric	–	4,028 ¹	–	–	4,028	–	4,028	0.00
Fung Kwok-lun, William	220,000	9,739 ¹	–	–	229,739	–	229,739	0.01
Leung Nai-pang, Norman	20,000	10,833 ¹	–	–	30,833	–	30,833	0.00
Leung Ko May-yee, Margaret	15,372	–	–	–	15,372	–	15,372	0.00
Kwok Kai-chun, Geoffrey	–	–	–	572,425,888 ^{4,589}	572,425,888	–	572,425,888 ¹⁰	19.75
Kwok Kai-fai, Adam	–	–	32,000 ⁶	580,499,764 ^{7,889}	580,531,764	–	580,531,764 ¹⁰	20.03
Kwok Kai-wang, Christopher	110,000 ¹¹	60,000 ¹	–	578,586,617 ^{2,389}	578,756,617	–	578,756,617 ¹⁰	19.97
Chan Hong-ki, Robert	100,000	–	–	–	100,000	–	100,000	0.00
Kwok Ho-lai, Edward (Alternate Director to Kwok Ping-luen, Raymond)	32,000	–	–	578,586,618 ^{2,389}	578,618,618	–	578,618,618 ¹⁰	19.97

Notes:

- These shares in the Company were held by the spouse of the Director concerned.
- Mr. Kwok Ping-luen, Raymond was deemed to be interested in 42,317,805 shares in the Company by virtue of him being a founder and a beneficiary of two discretionary trusts for the purpose of Part XV of the SFO. Of these shares:
 - Mr. Kwok Kai-wang, Christopher was deemed to be interested in 21,158,902 shares by virtue of him being a beneficiary of one of the said discretionary trusts for the purpose of Part XV of the SFO. Such shares represented the same interests and were therefore duplicated between Mr. Kwok Ping-luen, Raymond and Mr. Kwok Kai-wang, Christopher; and
 - Mr. Kwok Ho-lai, Edward was deemed to be interested in 21,158,903 shares by virtue of him being a beneficiary of the other of the said discretionary trusts for the purpose of Part XV of the SFO. Such shares represented the same interests and were therefore duplicated between Mr. Kwok Ping-luen, Raymond and Mr. Kwok Ho-lai, Edward.
- Messrs. Kwok Ping-luen, Raymond, Kwok Kai-wang, Christopher and Kwok Ho-lai, Edward were deemed to be interested in 557,427,715 shares in the Company by virtue of them being beneficiaries of a discretionary trust for the purpose of Part XV of the SFO. Such shares represented the same interests and were therefore duplicated amongst them.

Directors' Report

4. Mr. Kwok Kai-chun, Geoffrey was deemed to be interested in 232,332,799 shares in the Company by virtue of him being a beneficiary of certain trusts for the purpose of Part XV of the SFO.
5. Mr. Kwok Kai-chun, Geoffrey was also deemed to be interested in 340,093,089 shares in the Company by virtue of him being a beneficiary of a discretionary trust for the purpose of Part XV of the SFO.
6. These shares in the Company were held by a corporation wholly-owned and controlled by Mr. Kwok Kai-fai, Adam.
7. Mr. Kwok Kai-fai, Adam was deemed to be interested in 21,158,903 shares in the Company by virtue of him being a beneficiary of a discretionary trust for the purpose of Part XV of the SFO.
8. Mr. Kwok Kai-fai, Adam was also deemed to be interested in 559,340,861 shares in the Company by virtue of him being a beneficiary of certain discretionary trusts for the purpose of Part XV of the SFO.
9. Of the said 557,427,715 shares, 340,093,089 shares and 559,340,861 shares in the Company as stated in Notes 3, 5 and 8 above respectively, Messrs. Kwok Ping-luen, Raymond, Kwok Kai-fai, Adam, Kwok Kai-wang, Christopher, Kwok Kai-chun, Geoffrey and Kwok Ho-lai, Edward were deemed to be interested in 102,575,766 shares in the Company by virtue of them being beneficiaries of certain discretionary trusts for the purpose of Part XV of the SFO. Such shares represented the same interests and were therefore duplicated amongst them.
10. No disposal of shares in the Company by the Kwok family had been involved despite the fact that the number of shares that each of Messrs. Kwok Ping-luen, Raymond, Kwok Kai-fai, Adam, Kwok Kai-wang, Christopher, Kwok Kai-chun, Geoffrey and Kwok Ho-lai, Edward was deemed to be interested in had dropped as compared with the situation as disclosed in the 2025/26 Interim Report of the Company. The reduction was purely technical in nature as a result of certain internal restructuring of the family trusts and the total number of shares in which the Kwok family was deemed to be interested had remained the same both before and after the internal restructuring.
11. These shares in the Company were held jointly with the spouse of Mr. Kwok Kai-wang, Christopher.

2. Long positions in shares and underlying shares of associated corporations of the Company

(a) SUNeVision Holdings Ltd. ("SUNeVision")

Name of Directors	Number of shares held				Number of underlying shares held under equity derivatives ¹	Total	% of issued voting shares as at 30.06.2026
	Personal interests (held as beneficial owner)	Family interests (interests of spouse or child under 18)	Other interests	Sub-total			
Kwok Ping-luen, Raymond	–	–	3,485,000 ²⁸³	3,485,000	–	3,485,000	0.15
Wong Chik-wing, Mike	218,000	–	–	218,000	–	218,000	0.01
Lui Ting, Victor	356	–	–	356	–	356	0.00
Leung Nai-pang, Norman	341,000	142 ⁴	–	341,142	–	341,142	0.01
Kwok Kai-chun, Geoffrey	–	–	11,927,658 ²⁸⁵	11,927,658	–	11,927,658	0.50
Kwok Kai-fai, Adam	–	–	11,927,658 ²⁸⁵	11,927,658	–	11,927,658	0.50
Kwok Kai-wang, Christopher	–	–	13,272,658 ²³⁸⁵	13,272,658	–	13,272,658	0.56
Fung Yuk-lun, Allen	4,000,000	–	–	4,000,000	8,000,000	12,000,000	0.51
Kwok Ho-lai, Edward (Alternate Director to Kwok Ping-luen, Raymond)	–	–	13,272,658 ²³⁸⁵	13,272,658	–	13,272,658	0.56

Notes:

1. These underlying shares held under equity derivatives represented the share options (being regarded for the time being as unlisted physically settled equity derivatives) granted by SUNeVision under its share option schemes. Details of these share options and their movements during the year ended 30 June 2026 were as follows:

Name of Director	Date of grant	Exercise price per share (HK\$)	Exercise period	Number of share options				Balance as at 30.06.2026
				Balance as at 01.07.2025	Granted during the year	Exercised during the year	Cancelled/ Lapsed during the year	
Fung Yuk-lun, Allen	04.05.2022	6.532	04.05.2023 to 03.05.2027	4,000,000	–	–	–	4,000,000
	26.05.2025	6.250	26.05.2026 to 25.05.2030	4,000,000	–	–	–	4,000,000

The above share options can be exercised up to 30% of the grant from the first anniversary of the date of grant, up to 60% of the grant from the second anniversary of the date of grant, and in whole or in part of the grant from the third anniversary of the date of grant.

2. Messrs. Kwok Ping-luen, Raymond, Kwok Kai-fai, Adam, Kwok Kai-wang, Christopher, Kwok Kai-chun, Geoffrey and Kwok Ho-lai, Edward were deemed to be interested in 2,140,000 shares in SUNeVision by virtue of them being beneficiaries of certain discretionary trusts for the purpose of Part XV of the SFO. Such shares represented the same interests and were therefore duplicated amongst them.
3. Messrs. Kwok Ping-luen, Raymond, Kwok Kai-wang, Christopher and Kwok Ho-lai, Edward were also deemed to be interested in 1,345,000 shares in SUNeVision by virtue of them being beneficiaries of a discretionary trust for the purpose of Part XV of the SFO. Such shares represented the same interests and were therefore duplicated amongst them.
4. These shares in SUNeVision were held by the spouse of the Director concerned.
5. Messrs. Kwok Kai-fai, Adam, Kwok Kai-wang, Christopher, Kwok Kai-chun, Geoffrey and Kwok Ho-lai, Edward were also deemed to be interested in 9,787,658 shares in SUNeVision by virtue of them being beneficiaries of a discretionary trust for the benefit of the sons of the late Mr. Kwok Ping-sheung, Walter, of Mr. Kwok Ping-kwong, Thomas and of Mr. Kwok Ping-luen, Raymond respectively for the purpose of Part XV of the SFO. Such shares represented the same interests and were therefore duplicated amongst them.

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(b) SmarTone Telecommunications Holdings Limited ("SmarTone")

Name of Directors	Number of shares held			Number of underlying shares held under equity derivatives	Total	% of issued voting shares as at 30.06.2026
	Personal interests (held as beneficial owner)	Other interests	Sub-total			
Kwok Ping-luen, Raymond	–	5,162,337 ¹	5,162,337	–	5,162,337	0.47
Kwok Kai-chun, Geoffrey	–	6,849,161 ²	6,849,161	–	6,849,161	0.62
Kwok Kai-fai, Adam	–	6,849,161 ²	6,849,161	–	6,849,161	0.62
Kwok Kai-wang, Christopher	–	12,011,498 ^{1&2}	12,011,498	–	12,011,498	1.09
Fung Yuk-lun, Allen	437,359	–	437,359	–	437,359	0.04
Kwok Ho-lai, Edward (Alternate Director to Kwok Ping-luen, Raymond)	154,000 ³	12,011,498 ^{1&2}	12,165,498	–	12,165,498	1.10

Notes:

- Messrs. Kwok Ping-luen, Raymond, Kwok Kai-wang, Christopher and Kwok Ho-lai, Edward were deemed to be interested in 5,162,337 shares in SmarTone by virtue of them being beneficiaries of a discretionary trust for the purpose of Part XV of the SFO. Such shares represented the same interests and were therefore duplicated amongst them.
- Messrs. Kwok Kai-fai, Adam, Kwok Kai-wang, Christopher, Kwok Kai-chun, Geoffrey and Kwok Ho-lai, Edward were deemed to be interested in 6,849,161 shares in SmarTone by virtue of them being beneficiaries of a discretionary trust for the benefit of the sons of the late Mr. Kwok Ping-sheung, Walter, of Mr. Kwok Ping-kwong, Thomas and of Mr. Kwok Ping-luen, Raymond respectively for the purpose of Part XV of the SFO. Such shares represented the same interests and were therefore duplicated amongst them.
- These shares in SmarTone were held jointly with the spouse of Mr. Kwok Ho-lai, Edward.

(c) **Transport International Holdings Limited (“Transport International”)**

Name of Directors	Number of shares held		Number of underlying shares held under equity derivatives ¹	Total	% of issued voting shares as at 30.06.2026
	Personal interests (held as beneficial owner)	Sub-total			
Kwok Ping-luen, Raymond	680,059 ²	680,059	430,000	1,110,059	0.21
Lui Ting, Victor	300,000	300,000	–	300,000	0.06
Li Ka-cheung, Eric	17,600	17,600	430,000	447,600	0.08
Leung Nai-pang, Norman	737,540	737,540	–	737,540	0.14
Fung Yuk-lun, Allen	–	–	430,000	430,000	0.08

Notes:

- These underlying shares held under equity derivatives represented the share options (being regarded for the time being as unlisted physically settled equity derivatives) granted by Transport International under its share option scheme. Details of these share options and their movements during the year ended 30 June 2026 were as follows:

Name of Directors	Date of grant	Exercise price per share (HK\$)	Exercise period	Number of share options				
				Balance as at 01.07.2025	Granted during the year	Exercised during the year	Cancelled/ Lapsed during the year	Balance as at 30.06.2026
Kwok Ping-luen, Raymond	19.11.2020	15.32	19.11.2021 to 18.11.2025	400,000	–	–	(400,000)	–
	31.03.2023	10.60	31.03.2024 to 30.03.2028	430,000	–	–	–	430,000
Li Ka-cheung, Eric	19.11.2020	15.32	19.11.2021 to 18.11.2025	400,000	–	–	(400,000)	–
	31.03.2023	10.60	31.03.2024 to 30.03.2028	430,000	–	–	–	430,000
Leung Nai-pang, Norman	19.11.2020	15.32	19.11.2021 to 18.11.2025	450,000	–	–	(450,000)	–
	31.03.2023	10.60	31.03.2024 to 30.03.2028	470,000	–	–	(470,000)	–
Fung Yuk-lun, Allen	19.11.2020	15.32	19.11.2021 to 18.11.2025	400,000	–	–	(400,000)	–
	31.03.2023	10.60	31.03.2024 to 30.03.2028	430,000	–	–	–	430,000

The above share options can be exercised up to 50% of the grant from the first anniversary of the date of grant and in whole or in part of the grant from the second anniversary of the date of grant.

- Of these shares in Transport International, 674,665 shares were held jointly with the spouse of Mr. Kwok Ping-luen, Raymond.

Directors' Report

- (d) **Each of Messrs. Kwok Ping-luen, Raymond, Kwok Kai-fai, Adam, Kwok Kai-wang, Christopher, Kwok Kai-chun, Geoffrey and Kwok Ho-lai, Edward had the following interests in shares of the following associated corporations:**

Name of associated corporations	Actual shares held through corporation	Actual % of interests in issued voting shares as at 30.06.2026
Hung Carom Company Limited	25 ¹	25.00
Tinyau Company Limited	1 ¹	50.00
Open Step Limited	8 ¹	80.00
Vivid Synergy Limited	963,536,900 ¹	20.00

Note:

1. Messrs. Kwok Ping-luen, Raymond, Kwok Kai-fai, Adam, Kwok Kai-wang, Christopher, Kwok Kai-chun, Geoffrey and Kwok Ho-lai, Edward were deemed to be interested in these shares by virtue of them being beneficiaries of certain discretionary trusts for the purpose of Part XV of the SFO. Such shares represented the same interests and were therefore duplicated amongst them.

Save as disclosed above, as at 30 June 2026, none of the Directors or chief executives of the Company were, under Divisions 7 and 8 of Part XV of the SFO, taken to be interested or deemed to have any other interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations that were required to be entered in the register kept by the Company pursuant to Section 352 of the SFO, or that were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Share Option and Share Award Schemes

The Company had no share option scheme or share award scheme during the year ended 30 June 2026.

Both SUNeVision and SmarTone (being subsidiaries of the Company) operate share option schemes in order to provide incentives to their participants to make more contributions to their respective groups. Participants of their respective share option schemes may be granted rights to subscribe for their respective new shares at pre-determined exercise prices during the exercise periods.

In addition, in order to provide incentives to the participants to make more contributions to the SmarTone group, SmarTone has adopted a share award scheme under which shares of SmarTone will be acquired by a trustee from the market at the cost of SmarTone and be held in trust for selected employees of the SmarTone group until the end of each vesting period. The shares will be transferred to the selected employees upon vesting. The selected employees are not required to pay any purchase price for the transfer of the vested shares. No new shares of SmarTone will be issued under the share award scheme.

A Director of the Company holds share options granted by SUNeVision under its share option schemes. Details of these share options and their movements during the year ended 30 June 2026 are set out in the section headed "Directors' and Chief Executives' Interests" above.

Neither SUNeVision nor SmarTone is a principal subsidiary of the Company within the meaning of Chapter 17 of the Listing Rules and the Company is not subject to the obligations thereunder insofar as the share schemes (including share option schemes and/or share award schemes) of SUNeVision and SmarTone are concerned.

Arrangement to Purchase Shares or Debentures

Other than the share option and share award schemes as disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or of any other body corporate.

Equity-linked Agreements

No equity-linked agreements were entered into by the Company during the year or subsisted at the end of the year.

Interests of Substantial Shareholders and Other Persons

As at 30 June 2026, substantial shareholders of the Company and other persons (other than Directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or which were notified to the Company, were as follows:

	Number of shares held				% of issued voting shares as at 30.06.2026
	Personal interests (held as beneficial owner)	Corporate interests (interests of controlled corporation)	Other interests	Total	
(i) Substantial shareholders					
HSBC Trustee (C.I.) Limited	–	–	1,336,346,743 ^{1&2}	1,336,346,743	46.12
Kwong Siu-hing	25,024	–	815,127,737 ^{1(a)&2}	815,152,761	28.13
Adolfa Limited (“Adolfa”)	237,517,323	102,575,766	–	340,093,089 ^{2,3&6}	11.74
Bertana Limited (“Bertana”)	237,517,324	102,575,766	–	340,093,090 ^{2,4&6}	11.74
Cyric Limited (“Cyric”)	237,517,324	102,575,766	–	340,093,090 ^{2,5&6}	11.74
(ii) Other persons					
Highvern Cayman Limited	–	–	253,491,701 ⁷	253,491,701	8.75
Kwok Kai-ho, Jonathan	–	–	232,332,798 ⁷	232,332,798	8.02
Islington Holdings Limited	–	217,334,625 ^{1(b)}	–	217,334,625	7.50
Thriving Talent Limited	195,542,095 ^{1(c)}	–	–	195,542,095	6.75
Thriving Talent Holdings Limited	–	195,542,095 ^{1(c)}	–	195,542,095	6.75
Rosy Result Limited	189,909,095 ^{1(b)}	–	–	189,909,095	6.55
Asporto Limited	187,357,707 ^{7(a)}	–	–	187,357,707	6.47

Notes:

1.(a) Madam Kwong Siu-hing was deemed to be interested in 815,127,737 shares in the Company by virtue of her being a founder of certain discretionary trusts for the purpose of Part XV of the SFO. These shares formed part of the shares in the Company in which HSBC Trustee (C.I.) Limited was deemed to be interested by virtue of it being the trustee of certain discretionary trusts and were therefore duplicated between these two substantial shareholders.

(b) In addition to the deemed interests as stated in Note 1(a) above, HSBC Trustee (C.I.) Limited was deemed to be interested in 217,334,625 shares in the Company by virtue of it being the trustee of a discretionary trust for the purpose of Part XV of the SFO. These shares represented the same interests held by Islington Holdings Limited and were therefore duplicated between them. Of these shares, 189,909,095 shares were held through Rosy Result Limited (which was 40% owned by Islington Holdings Limited) and were therefore duplicated amongst HSBC Trustee (C.I.) Limited, Islington Holdings Limited and Rosy Result Limited.

The 217,334,625 shares in the Company as disclosed in the above paragraph were the same shares in the Company included in "other interests" of Messrs. Kwok Ping-luen, Raymond, Kwok Kai-wang, Christopher and Kwok Ho-lai, Edward as disclosed in the table under the section headed "Directors' and Chief Executives' Interests" above, and were therefore duplicated amongst them.

Directors' Report

- (c) HSBC Trustee (C.I.) Limited was deemed to be interested in 219,247,771 shares in the Company by virtue of it being the trustee of certain discretionary trusts for the purpose of Part XV of the SFO. Of these shares, 195,542,095 shares represented the same interests held by Thriving Talent Limited (which was a wholly-owned subsidiary of Thriving Talent Holdings Limited) and were therefore duplicated amongst them.

The 219,247,771 shares in the Company as disclosed in the above paragraph were the same shares in the Company included in "other interests" of Mr. Kwok Kai-fai, Adam as disclosed in the table under the section headed "Directors' and Chief Executives' Interests" above, and were therefore duplicated between them.

- (d) HSBC Trustee (C.I.) Limited was deemed to be interested in 84,635,610 shares in the Company by virtue of it being the trustee of certain discretionary trusts for the purpose of Part XV of the SFO. Of these shares, 21,158,903 shares, 21,158,902 shares and 21,158,903 shares were the same shares in the Company included in "other interests" of Messrs. Kwok Kai-fai, Adam, Kwok Kai-wang, Christopher and Kwok Ho-lai, Edward respectively as disclosed in the table under the section headed "Directors' and Chief Executives' Interests" above, and were therefore duplicated between HSBC Trustee (C.I.) Limited and each of these respective Directors.

The 21,158,902 shares and 21,158,903 shares deemed to be interested by Messrs. Kwok Kai-wang, Christopher and Kwok Ho-lai, Edward respectively as disclosed in the above paragraph were also deemed to be interested by Mr. Kwok Ping-luen, Raymond and such shares were also the same shares in the Company included in "other interests" of Mr. Kwok Ping-luen, Raymond as disclosed in the table under the section headed "Directors' and Chief Executives' Interests" above. Therefore, the 21,158,902 shares above were duplicated amongst HSBC Trustee (C.I.) Limited, Mr. Kwok Ping-luen, Raymond and Mr. Kwok Kai-wang, Christopher, whereas the 21,158,903 shares above were duplicated amongst HSBC Trustee (C.I.) Limited, Mr. Kwok Ping-luen, Raymond and Mr. Kwok Ho-lai, Edward.

- (e) HSBC Trustee (C.I.) Limited was also deemed to be interested in 1,000 shares in the Company by virtue of it being the trustee of certain trusts for the purpose of Part XV of the SFO.

2. Of the respective shares in the Company held by Adolfa, Bertana and Cyric, 102,575,766 shares were held through a corporation of which each of Adolfa, Bertana and Cyric was interested in one-third of the entire issued share capital. These 102,575,766 shares represented the same interests and were therefore duplicated amongst these companies. Further, the respective shares held by Adolfa, Bertana and Cyric formed part of the shares in the Company in which each of Madam Kwong Siu-hing and HSBC Trustee (C.I.) Limited was deemed to be interested.
3. These shares were the same shares in the Company included in "other interests" of Mr. Kwok Kai-chun, Geoffrey as disclosed in the table under the section headed "Directors' and Chief Executives' Interests" above, and were therefore duplicated between them.
4. These shares were the same shares in the Company included in "other interests" of Mr. Kwok Kai-fai, Adam as disclosed in the table under the section headed "Directors' and Chief Executives' Interests" above, and were therefore duplicated between them.
5. These shares were the same shares in the Company included in "other interests" of Messrs. Kwok Ping-luen, Raymond, Kwok Kai-wang, Christopher and Kwok Ho-lai, Edward as disclosed in the table under the section headed "Directors' and Chief Executives' Interests" above, and were therefore duplicated amongst them.
6. No disposal of shares in the Company by the Kwok family had been involved despite the fact that the number of shares that each of Adolfa, Bertana and Cyric was deemed to be interested in had dropped as compared with the situation as disclosed in the 2025/26 Interim Report of the Company. The reduction was purely technical in nature as a result of certain internal restructuring of the family trusts and the total number of shares in which the Kwok family was deemed to be interested had remained the same both before and after the internal restructuring.

- 7.(a) *Highvern Cayman Limited was deemed to be interested in 211,173,896 shares in the Company by virtue of it being the trustee of certain trusts for the purpose of Part XV of the SFO. These shares represented the same interests in which Mr. Kwok Kai-ho, Jonathan was deemed to be interested by virtue of him being a beneficiary of certain trusts for the purpose of Part XV of the SFO and were therefore duplicated between them. Of these shares, 187,357,707 shares represented the same interests held by Asporto Limited and were therefore duplicated amongst them.*

The 211,173,896 shares in the Company as disclosed in the above paragraph were the same shares in the Company included in "other interests" of Mr. Kwok Kai-chun, Geoffrey as disclosed in the table under the section headed "Directors' and Chief Executives' Interests" above, and were therefore duplicated amongst them.

- (b) *In addition to the deemed interests as stated in Note 7(a) above, Highvern Cayman Limited was deemed to be interested in 42,317,805 shares in the Company by virtue of it being the trustee of certain trusts for the purpose of Part XV of the SFO. Of these shares, 21,158,902 shares and 21,158,903 shares represented the same interests in which each of Mr. Kwok Kai-ho, Jonathan and Mr. Kwok Kai-chun, Geoffrey was respectively deemed to be interested by virtue of them being beneficiaries of certain trusts for the purpose of Part XV of the SFO and were therefore duplicated between Highvern Cayman Limited and each of Mr. Kwok Kai-ho, Jonathan and Mr. Kwok Kai-chun, Geoffrey respectively. The above 21,158,903 shares deemed to be interested by Mr. Kwok Kai-chun, Geoffrey were the same shares in the Company included in "other interests" of Mr. Kwok Kai-chun, Geoffrey as disclosed in the table under the section headed "Directors' and Chief Executives' Interests" above.*

Save as disclosed above, as at 30 June 2026, there were no other persons (other than Directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or which were notified to the Company.

Emolument Policy and Long-term Incentive Schemes of the Group

As at 30 June 2026, the Group employed more than 39,000 employees. The related employees' costs before reimbursements for the year amounted to approximately HK\$15,131 million. Compensation for the Group is made with reference to the market as well as individual performance and contributions. Extensive use of bonuses to link performance with reward is adopted. The Group also provides a comprehensive benefit package and career development opportunities, including retirement schemes, medical benefits, and both internal and external training appropriate to individual needs. Share option and share award schemes have also been adopted by certain subsidiaries of the Company to provide appropriate long-term incentive to the key staff of the Group. Details of the share option and share award schemes of the Group are set out in the section headed "Share Option and Share Award Schemes" above.

Basis of Determining Emolument to Directors

The same remuneration philosophy also applies to the Directors of the Company. Apart from benchmarking against the market, the Company looks at individual competence and contributions and the affordability of the Company in determining the exact level of remuneration for each Director. Appropriate benefits schemes are also in place for the Executive Directors.

Permitted Indemnity

The Articles of Association provides that each Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he or she may sustain or incur in or about the execution of the duties of his or her office or otherwise in relation thereto. In addition, the Company has maintained appropriate directors and officers liability insurance in respect of relevant legal actions against the Directors.

Directors' Report

Bank and Other Borrowings

Details of bank and other borrowings as at 30 June 2026 are set out in notes 24 and 27 to the consolidated financial statements.

Interest Capitalized

Interest capitalized during the year amounted to HK\$1,039 million (2025: HK\$1,895 million).

Charitable Donations

HK\$54 million (2025: HK\$43 million) was donated by the Group during the year.

Directors' Interests in Competing Businesses

The interests of the Directors of the Company in competing businesses that were required to be disclosed pursuant to Rule 8.10 of the Listing Rules as informed by the relevant Directors were as follows:

The businesses of the Group principally consist of (i) property developments and investments in Hong Kong, on the Chinese Mainland and in Singapore, and (ii) hotel operations in Hong Kong and on the Chinese Mainland. Messrs. Kwok Ping-luen, Raymond, Kwok Kai-fai, Adam, Kwok Kai-wang, Christopher, Kwok Kai-chun, Geoffrey and Kwok Ho-lai, Edward (the Alternate Director to Mr. Kwok Ping-luen, Raymond) (collectively the "Kwok Family") maintain certain interests in businesses which consist of property developments and investments in Hong Kong, Singapore and the United Kingdom, and hotel operations in Hong Kong. As such, they are regarded as being interested in the competing businesses with the Group (the "Excluded Businesses"). However, when compared with the dominance and size of operations of the Group, such Excluded Businesses are immaterial. The Kwok Family does not have property development and investment businesses and hotel operation business on the Chinese Mainland. Therefore, they are not regarded as being interested in such Excluded Businesses on the Chinese Mainland.

The businesses of Transport International consist of property holdings and developments. Messrs. Kwok Ping-luen, Raymond, Kwok Kai-wang, Christopher and Fung Yuk-lun, Allen are non-executive directors of Transport International, and therefore, each of them is regarded as being interested in such Excluded Businesses.

The businesses of Wing Tai Properties Limited ("Wing Tai") consist of property developments, property investments and management, and hospitality investments and management. Mr. Kwok Ping-luen, Raymond is a non-executive director of Wing Tai and Mr. Kwok Ho-lai, Edward is his alternate, and therefore, each of them is regarded as being interested in such Excluded Businesses.

The businesses of Empire Group Holdings Limited ("Empire Group") consist of property investments and developments, and hotel operations. Mr. Kwok Kai-chun, Geoffrey is a director of Empire Group and is entitled to exercise, or control the exercise of, 10% or more of the voting power at any of its general meetings, and therefore is regarded as being interested in such Excluded Businesses. However, when compared with the dominance and size of operations of the Group, such Excluded Businesses are immaterial. Mr. Kwok Kai-chun, Geoffrey is a Non-Executive Director of the Company.

Other than the family businesses of the Kwok Family, the above-mentioned Excluded Businesses are managed by separate companies or public listed companies with independent management and administration. In this respect, coupled with the diligence of the Independent Non-Executive Directors and the Audit and Risk Management Committee of the Company, the Group is capable of carrying on its businesses independently of, and at arm's length from, the Excluded Businesses mentioned above.

Connected Transactions

During the period from the date of the 2024/25 annual report of the Company to the date of this report, the Company did not have any connected transactions which were subject to the reporting requirements under Chapter 14A of the Listing Rules.

Directors' Material Interests in Transactions, Arrangements and Contracts

No transactions, arrangements or contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director or his or her connected entity had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Management Contracts

Save for employment contracts, no other contracts relating to the management and/or administration of the whole or any substantial part of the business of the Company were entered into or subsisted during the year.

Major Customers and Suppliers

During the year, less than 30% of the Group's sales and less than 30% of the Group's purchases were attributable to the Group's five largest customers combined and five largest suppliers combined respectively.

Auditor

The retiring auditor, Messrs. Deloitte Touche Tohmatsu, has signified its willingness to continue in office. A resolution will be proposed at the 2026 Annual General Meeting to re-appoint it and to authorise the Directors to fix its remuneration.

Audit and Risk Management Committee

The annual results for the year have been reviewed by the Audit and Risk Management Committee of the Company. The Group's consolidated financial statements have been audited by the Company's auditor, Messrs. Deloitte Touche Tohmatsu, and it has issued an unmodified opinion.

Corporate Governance

A report on the principal corporate governance practices adopted by the Company is set out on pages 106 to 131.

Sufficiency of Public Float

As at 30 June 2026, based on the information publicly available to the Company or otherwise within the knowledge of the Directors, the Company was in compliance with the requirement under Rule 13.32B of the Listing Rules by maintaining a public float of at least 25% of its total number of issued shares (excluding treasury shares, if any).

This report is signed for and on behalf of the Board.

Kwok Ping-luen, Raymond

Chairman & Managing Director

Hong Kong, 10 September 2026

Directors' Biographical Information

Directors

Kwok Ping-luen, Raymond

Hon LLD, Hon DBA, MBA, MA (Cantab), JP

Chairman & Managing Director (Age: 73)

Mr. Kwok has been Chairman of the Company since December 2011. Prior to the appointment as Chairman of the Company, Mr. Kwok had acted as Vice Chairman of the Company for 21 years. He is also the Managing Director and a member of the Executive Committee of the Company as well as a director of certain subsidiaries of the Company. He has been with the Group for 48 years. Mr. Kwok holds a Master of Arts degree in Law from Cambridge University, a Master's degree in Business Administration from Harvard University, an Honorary Doctorate degree in Business Administration from Hong Kong Metropolitan University and an Honorary Doctorate degree in Laws from The Chinese University of Hong Kong. Mr. Kwok is the chairman and an executive director of SUNeVision Holdings Ltd. He is also the chairman and a non-executive director of SmarTone Telecommunications Holdings Limited, and a non-executive director of Transport International Holdings Limited and Wing Tai Properties Limited.

In civic activities, Mr. Kwok is a director of The Real Estate Developers Association of Hong Kong.

Mr. Kwok is a son of Madam Kwong Siu-hing, who is a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Kwok is the father of Messrs. Kwok Kai-wang, Christopher and Kwok Ho-lai, Edward. He is also an uncle of Messrs. Kwok Kai-fai, Adam and Kwok Kai-chun, Geoffrey. Mr. Kwok is a director of Cyric Limited, Rosy Result Limited and Islington Holdings Limited, which have interests in the shares of the Company and such interests have been disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance.

For the year ended 30 June 2026, Mr. Kwok is entitled to receive a fee of HK\$320,000 for being the Chairman of the Company. He is also entitled to receive other emoluments in the total sum of approximately HK\$3.94 million, including fees of HK\$60,000 and HK\$180,000 for being the chairman of SUNeVision Holdings Ltd. and SmarTone Telecommunications Holdings Limited respectively.

Wong Chik-wing, Mike

MSc(IRE), FHKIS, RPS (BS), JP

Deputy Managing Director (Age: 70)

Mr. Wong has been a Deputy Managing Director of the Company since July 2012. He joined the Group in 1981 and has been an Executive Director of the Company since January 1996. He is also a member of the Executive Committee of the Company and a director of certain subsidiaries of the Company. Mr. Wong graduated from The Hong Kong Polytechnic University with distinction and holds a Master's degree in International Real Estate. He is a fellow of The Hong Kong Institute of Surveyors and a registered professional surveyor. Mr. Wong is a director of The Real Estate Developers Association of Hong Kong. He is also an Adjunct Professor of both The University of Hong Kong (Department of Real Estate and Construction) and The Hong Kong Polytechnic University (Department of Building and Real Estate). He is currently responsible for planning and development, and project management matters of the Group's development projects.

For the year ended 30 June 2026, Mr. Wong is entitled to receive a fee of HK\$300,000 for being a Director of the Company and other emoluments of approximately HK\$27.05 million.

Lui Ting, Victor

BBA

Deputy Managing Director (Age: 72)

Mr. Lui has been an Executive Director and a Deputy Managing Director of the Company since April and July 2012 respectively. He is also a member of the Executive Committee of the Company and a director of certain subsidiaries of the Company. He joined the Group in 1977 and is currently responsible for the sales and marketing of a number of large residential developments as well as acquisition and disposal of non-core property investment projects of the Group. He holds a Bachelor of Business Administration degree from The Chinese University of Hong Kong.

For the year ended 30 June 2026, Mr. Lui is entitled to receive a fee of HK\$300,000 for being a Director of the Company and other emoluments of approximately HK\$27.04 million.

Yip Dicky Peter

MBA, BBS, MBE, JP

Independent Non-Executive Director (Age: 79)

Mr. Yip has been an Independent Non-Executive Director of the Company since September 2004. He is also a member of both the Audit and Risk Management Committee and the Nomination Committee of the Company. He joined The Hongkong and Shanghai Banking Corporation Limited ("HSBC") in Hong Kong in 1965 with working experiences in London, China and San Francisco. From January 2003 to April 2005, Mr. Yip was appointed chief executive China business, based in Shanghai; meanwhile, he was also a director of Bank of Shanghai, Ping An Insurance and Ping An Bank on the Mainland. Mr. Yip became a general manager of HSBC in April 2005 until his retirement from HSBC in June 2012. He was an independent non-executive director of Ping An Insurance (Group) Company of China, Ltd. and DBS Bank in Hong Kong and on the Mainland, and the founding chairman of Ping An OneConnect Bank (Hong Kong) Limited (now known as Ping An Digital Bank (International) Limited). Mr. Yip was the chief representative for the Asia-Pacific Region of Institute of International Finance from July 2012 to July 2015. He is currently the chairman and an independent non-executive director of Lufax Holding Ltd.

Mr. Yip is an elected associated member of the Chartered Institute of Bankers, London. He was educated in Hong Kong with an MBA from The University of Hong Kong. Mr. Yip received the Ten Outstanding Young Persons of Hong Kong in 1984 for his contributions to the banking industry and the community in Hong Kong. Mr. Yip was awarded the MBE by the British Government in 1984. In 1999, he was appointed Unofficial Justice of the Peace in Hong Kong. In 2000, he was awarded the Bronze Bauhinia Star by the Hong Kong Special Administrative Region Government. He also served two terms since June 2008 as a member of Shanghai Committee of the Chinese People's Political Consultative Conference.

Mr. Yip is active in community and youth activities in Hong Kong and is a member of a number of service organizations such as Hong Kong Committee for United Nations Children Fund, the 8th National Council of Red Cross Society of China, Hong Kong Housing Society and Hong Kong Air Cadet Corps.

For the year ended 30 June 2026, Mr. Yip is entitled to receive fees of HK\$300,000 for being a Director of the Company, HK\$280,000 for being a member of the Audit and Risk Management Committee of the Company and HK\$60,000 for being a member of the Nomination Committee of the Company.

Directors' Biographical Information

Professor Wong Yue-chim, Richard

SBS, JP

Independent Non-Executive Director (Age: 74)

Professor Wong has been an Independent Non-Executive Director of the Company since May 2005. He is the Chairman of both the Nomination Committee and the Remuneration Committee, and a member of the Audit and Risk Management Committee of the Company. Professor Wong studied Economics at The University of Chicago and graduated with a Doctorate in Philosophy. He is Professor of Economics at The University of Hong Kong. Professor Wong was awarded the Silver Bauhinia Star in 1999 by the Government of the Hong Kong Special Administrative Region for his contributions in education, housing, industry and technology development. In addition, he was appointed Justice of the Peace in July 2000.

Professor Wong serves as an independent non-executive director of Great Eagle Holdings Limited and an independent non-executive chairman of Pacific Century Premium Developments Limited.

For the year ended 30 June 2026, Professor Wong is entitled to receive fees of HK\$300,000 for being a Director of the Company, HK\$280,000 for being a member of the Audit and Risk Management Committee of the Company, and HK\$70,000 for being the Chairman of each of the Nomination Committee and the Remuneration Committee of the Company.

Dr. Li Ka-cheung, Eric

LLD, DSocSc., HonDSocSc (EdUHK), B.A., GBS, OBE, JP

Independent Non-Executive Director (Age: 73)

Dr. Li was appointed as a Non-Executive Director of the Company in May 2005. He is currently an Independent Non-Executive Director, the Chairman of the Audit and Risk Management Committee and a member of the Remuneration Committee of the Company. He is also an independent non-executive director and the chairman of the audit committee and the remuneration committee of SmarTone Telecommunications Holdings Limited.

Dr. Li is the honorary chairman of Shinewing (HK) CPA Limited. He is also an independent non-executive director of Transport International Holdings Limited, Wong's International Holdings Limited and China Resources Beer (Holdings) Company Limited.

Dr. Li was a member of the 10th to 13th National Committee of the Chinese People's Political Consultative Conference. He was also a former member of the Legislative Council of Hong Kong, the chairman of its Public Accounts Committee, a past president of the Hong Kong Institute of Certified Public Accountants and a former convenor-cum-member of the Financial Reporting Review Panel.

For the year ended 30 June 2026, Dr. Li is entitled to receive fees of HK\$300,000 for being a Director of the Company, HK\$320,000 for being the Chairman of the Audit and Risk Management Committee of the Company and HK\$60,000 for being a member of the Remuneration Committee of the Company. He is also entitled to receive other emoluments in the total sum of HK\$288,000 for being a director and the chairman of the audit committee and the remuneration committee of SmarTone Telecommunications Holdings Limited.

Dr. Fung Kwok-lun, William

SBS, OBE, JP

Independent Non-Executive Director (Age: 77)

Dr. Fung has been an Independent Non-Executive Director of the Company since February 2010. He graduated from Princeton University with a Bachelor of Science degree in Engineering and also holds an MBA degree from the Harvard Graduate School of Business. He was conferred the degrees of Doctor of Business Administration, *honoris causa*, by The Hong Kong University of Science and Technology, by The Hong Kong Polytechnic University and by Hong Kong Baptist University and degree of Doctor of Letters, *honoris causa*, by Wawasan Open University of Malaysia.

Dr. Fung is the chairman and a non-executive director of Convenience Retail Asia Limited, which is within the Fung Group. He is also an independent non-executive director of VTech Holdings Limited. Dr. Fung retired as an independent non-executive director of The Hongkong and Shanghai Hotels, Limited with effect from 13 May 2026. Formerly, he was the group non-executive chairman of Li & Fung Limited until October 2020.

Dr. Fung has held key positions in major trade associations. He is the past chairman of the Hong Kong General Chamber of Commerce (1994–1996), the Hong Kong Exporters' Association (1989–1991) and the Hong Kong Committee for Pacific Economic Cooperation (1993–2002). He was a Hong Kong Special Administrative Region delegate to the Chinese People's Political Consultative Conference (1998–2003). He has been awarded the Silver Bauhinia Star by the Government of the Hong Kong Special Administrative Region in 2008.

For the year ended 30 June 2026, Dr. Fung is entitled to receive a fee of HK\$300,000 for being a Director of the Company.

Dr. Leung Nai-pang, Norman

LLD, GBS, JP

Independent Non-Executive Director (Age: 86)

Dr. Leung has been an Independent Non-Executive Director of the Company since July 2012. He is also a member of the Audit and Risk Management Committee, the Nomination Committee and the Remuneration Committee of the Company. Dr. Leung retired as the chairman and an independent non-executive director of Transport International Holdings Limited with effect from 14 May 2026.

Dr. Leung has been active in public service for 40 years and he served as Commissioner of the Civil Aid Service from 1993 to 2007, chairman of the Broadcasting Authority from 1997 to 2002, council chairman of City University of Hong Kong from 1997 to 2003, Pro-Chancellor of City University of Hong Kong from 2005 to 2016, and council chairman of The Chinese University of Hong Kong from 2016 to 2022.

For the year ended 30 June 2026, Dr. Leung is entitled to receive fees of HK\$300,000 for being a Director of the Company, HK\$280,000 for being a member of the Audit and Risk Management Committee of the Company, and HK\$60,000 for being a member of each of the Nomination Committee and the Remuneration Committee of the Company.

Directors' Biographical Information

Leung Ko May-yee, Margaret

SBS, JP

Independent Non-Executive Director (Age: 74)

Mrs. Leung has been an Independent Non-Executive Director of the Company since March 2013. She is also a member of the Nomination Committee of the Company. Mrs. Leung holds a Bachelor's degree in Economics, Accounting and Business Administration from The University of Hong Kong. She was the vice-chairman and the chief executive of Hang Seng Bank Limited, the chairman of Hang Seng Bank (China) Limited, a director of various subsidiaries of Hang Seng Bank Limited, a director of The Hongkong and Shanghai Banking Corporation Limited and the Group General Manager of HSBC Holdings plc prior to her retirement from the HSBC group in June 2012.

Mrs. Leung is currently an independent non-executive director of First Pacific Company Limited, China Mobile Limited and Bank of China Limited. In addition, she was an independent non-executive director of Swire Pacific Limited, Hutchison Whampoa Limited, China Construction Bank Corporation, QBE Insurance Group Limited, Hong Kong Exchanges and Clearing Limited, Li & Fung Limited and Agricultural Bank of China Limited as well as the deputy chairman, managing director and chief executive of Chong Hing Bank Limited. Mrs. Leung is also a consultant of The Glorious Sun Holdings Limited.

Mrs. Leung is a non-official member of the Executive Council, the chairman of the Advisory Committee on Arts Development of the Culture, Sports and Tourism Bureau, and a member of the Culture Commission of the Government of the Hong Kong Special Administrative Region. She is also a non-ex officio member of The Law Reform Commission of Hong Kong and an Honorary Steward of The Hong Kong Jockey Club. Mrs. Leung was a council member, the treasurer and the chairman of the finance committee and a member of the human resources policy committee of The University of Hong Kong, the chairman of the board of governors of Hang Seng Management College and Hang Seng School of Commerce, a court member of Hong Kong Baptist University, and a member of the advisory board and the chairman of the investment committee of the Hong Kong Export Credit Insurance Corporation from 2005 to 2010. She was also a member of the Greater Pearl River Delta Business Council, the advisory committee of the Securities and Futures Commission, the Banking Review Tribunal, the Independent Commission on Remuneration for Members of the Executive Council and the Legislature, and Officials under the Political Appointment System of the Hong Kong Special Administrative Region, the Public Service Commission, and the Advisory Committee on Post-office Employment for Former Chief Executives and Politically Appointed Officials, the chairman of the executive committee of The Community Chest of Hong Kong, and a member of the board of directors and the finance committee of the Hospital Authority.

For the year ended 30 June 2026, Mrs. Leung is entitled to receive a fee of HK\$300,000 for being a Director of the Company. In addition, she is also entitled to receive a fee of approximately HK\$24,000 for being a member of the Nomination Committee of the Company for the period from 3 February 2026 (being the date of her appointment as a member of this Committee) to 30 June 2026.

Fan Hung-ling, Henry

GBS, JP

Independent Non-Executive Director (Age: 78)

Mr. Fan has been an Independent Non-Executive Director of the Company since March 2018. He graduated from The University of Hong Kong with an honours degree in Economics and Business Management and also holds a Bachelor of Laws degree from University of Beijing. He is a Barrister-at-Law in Hong Kong, and in England and Wales as well as an Attorney-at-Law in the State of California, U.S.A.

Mr. Fan has over 30 years of experience in business management. He was a director and then managing director of CITIC Pacific Limited (now known as CITIC Limited) from 1990 and 1992 respectively to 2009. In addition, Mr. Fan was a deputy chairman of Cathay Pacific Airways Limited from 1997 to 2009 and an independent non-executive director of Hong Kong Exchanges and Clearing Limited from 2003 to 2009. He is currently an independent non-executive director of HKR International Limited. Mr. Fan is also the managing director of Hong Kong Glory Limited, a family investment company.

Mr. Fan has a long record of public service in Hong Kong. He is the chairman of the Hospital Authority and the board of directors of West Kowloon Cultural District Foundation Limited. Mr. Fan was a non-official member of the Executive Council of the Hong Kong Special Administrative Region, a member of the Chief Executive's Council of Advisers on Innovation and Strategic Development, the chairman of the Mandatory Provident Fund Schemes Authority, a non-executive director of the Securities and Futures Commission, and a member of the board of directors of the West Kowloon Cultural District Authority. He was awarded the Gold Bauhinia Star by the Government of the Hong Kong Special Administrative Region in 2026.

For the year ended 30 June 2026, Mr. Fan is entitled to receive a fee of HK\$300,000 for being a Director of the Company.

Kwok Kai-chun, Geoffrey

BA

Non-Executive Director (Age: 41)

Mr. Kwok has been a Non-Executive Director of the Company since December 2018. He holds a Bachelor of Arts degree in Economics from Yale University. Mr. Kwok joined the Group in May 2008 and has participated in managing the hotels and serviced apartments of the Group in Hong Kong and on the Mainland. He is a director of a subsidiary in the hotel division of the Group. Prior to joining the Group, he worked in an international investment bank. He is also a director of Empire Group Holdings Limited.

Mr. Kwok is a nephew of Mr. Kwok Ping-luen, Raymond. He is also a grandson of Madam Kwong Siu-hing, who is a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Kwok is a cousin of Messrs. Kwok Kai-fai, Adam, Kwok Kai-wang, Christopher and Kwok Ho-lai, Edward. He is a director of Asporto Limited, which has interests in the shares of the Company and such interests have been disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance.

For the year ended 30 June 2026, Mr. Kwok is entitled to receive a fee of HK\$300,000 for being a Director of the Company.

Directors' Biographical Information

Kwok Kai-fai, Adam

MBA, BSc, SBS

Executive Director (Age: 43)

Mr. Kwok has been an Executive Director of the Company since December 2014. He is also a member of the Executive Committee of the Company and a director of certain subsidiaries of the Company. Mr. Kwok holds a Bachelor of Science degree in Management Science and Engineering from Stanford University and a Master's degree in Business Administration from Harvard Business School. He worked in an international investment bank prior to joining the Group in November 2008, and has substantial experience in corporate finance. He is currently responsible for the planning, development and management of residential and commercial projects of the Group in Hong Kong and on the Mainland. Since April 2013, he has taken up the overall responsibilities for the property business in Southern China. Mr. Kwok is also an independent non-executive director of The Bank of East Asia (China) Limited.

Mr. Kwok is a member of the 14th National Committee of the Chinese People's Political Consultative Conference, a council member of the Chinese Association of Hong Kong & Macao Studies and a standing committee member of the Guangdong Provincial Committee of the Chinese People's Political Consultative Conference. He is also a vice-president of The Real Estate Developers Association of Hong Kong, a member of the Economic Advancement Expert Group of the Chief Executive's Policy Unit of the Government of the Hong Kong Special Administrative Region, a member of the International Advisory Council of the Faculty of Business and Economics of The University of Hong Kong, a patron and an advisor of Our Hong Kong Foundation, and a president of Hong Kong United Youth Association. In addition, Mr. Kwok is a founding chairman of Hong Kong Guangdong Youth Association and a vice-chairman of Greater Bay Area Homeland Youth Community Foundation. He was awarded the Silver Bauhinia Star in 2022 by the Government of the Hong Kong Special Administrative Region.

Mr. Kwok is a nephew of Mr. Kwok Ping-luen, Raymond. He is also a grandson of Madam Kwong Siu-hing, who is a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Kwok is a cousin of Messrs. Kwok Kai-wang, Christopher, Kwok Kai-chun, Geoffrey and Kwok Ho-lai, Edward.

For the year ended 30 June 2026, Mr. Kwok is entitled to receive a fee of HK\$300,000 for being a Director of the Company and other emoluments of approximately HK\$9.53 million.

Kwok Kai-wang, Christopher

MBA, BSc, JP

Executive Director (Age: 39)

Mr. Kwok has been an Executive Director of the Company since April 2016. He is also a member of the Executive Committee of the Company and a director of certain subsidiaries of the Company. Mr. Kwok holds a Bachelor of Science degree in Chemistry from Harvard University and a Master's degree in Business Administration from Stanford Graduate School of Business. He joined the Group in 2011 and is primarily responsible for the leasing of residential, retail and commercial properties of the Group in Hong Kong and on the Mainland. Besides, he assumes the overall responsibilities for the property business of the Group in Northern China. Mr. Kwok also assists the Chairman of the Company in all other non-property businesses of the Group in which he is a non-executive director of SUNeVision Holdings Ltd. Mr. Kwok is also a non-executive director of Transport International Holdings Limited.

In addition, Mr. Kwok is a member of the General Committee of the Employers' Federation of Hong Kong, a governor of Our Hong Kong Foundation Limited and a member of its Development Committee as well as a council member of Hong Kong Chronicles Institute Limited. He is also a member of the Beijing Municipal Committee of the Chinese People's Political Consultative Conference, a vice-chairman of Greater Bay Area Homeland Youth Community Foundation, and a member of the Museum Advisory Committee and its History Sub-committee of the Leisure and Cultural Services Department of the Government of the Hong Kong Special Administrative Region.

Mr. Kwok is a son of Mr. Kwok Ping-luen, Raymond. He is also a grandson of Madam Kwong Siu-hing, who is a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Kwok is a cousin of Messrs. Kwok Kai-fai, Adam and Kwok Kai-chun, Geoffrey, and the younger brother of Mr. Kwok Ho-lai, Edward. He is a director of Cyric Limited, Rosy Result Limited and Islington Holdings Limited, which have interests in the shares of the Company and such interests have been disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance.

For the year ended 30 June 2026, Mr. Kwok is entitled to receive a fee of HK\$300,000 for being a Director of the Company. He is also entitled to receive other emoluments in the total sum of approximately HK\$8.79 million, including a fee of HK\$45,000 for being a director of SUNeVision Holdings Ltd.

Tung Chi-ho, Eric

BA(AS)Hons, BArch, HKIA, Registered Architect, Authorised Person (List of Architects)

Executive Director (Age: 67)

Mr. Tung has been an Executive Director of the Company since December 2013. He is also a member of the Executive Committee of the Company and a director of certain subsidiaries of the Company. Mr. Tung holds a Bachelor of Arts degree in Architectural Studies and a Bachelor of Architecture degree from The University of Hong Kong. He is a member of The Hong Kong Institute of Architects and a Registered Architect. Mr. Tung joined the Group in 1987 and has progressed through the ranks with increasing project management, sales and marketing responsibilities for a number of signature projects of the Group in Hong Kong and Singapore and on the Mainland. He is also an executive director of SUNeVision Holdings Ltd.

For the year ended 30 June 2026, Mr. Tung is entitled to receive a fee of HK\$300,000 for being a Director of the Company. He is also entitled to receive other emoluments in the total sum of approximately HK\$21.40 million, including a fee of HK\$45,000 for being a director of SUNeVision Holdings Ltd.

Directors' Biographical Information

Fung Yuk-lun, Allen

BA, Ph.D.

Executive Director (Age: 58)

Mr. Fung has been an Executive Director of the Company since December 2013. He is also a member of the Executive Committee of the Company, the chief executive officer of the Group's non-property related portfolio investments, and a director of certain subsidiaries of the Company. Mr. Fung obtained an undergraduate degree (Modern History) from Oxford University and holds a doctoral degree in History and East Asian Languages from Harvard University. He was a recipient of a Guggenheim Fellowship in 1996. Mr. Fung was a Teaching Fellow at Harvard University in 1993–1994 and a visiting Assistant Professor of History at Brown University in 1996–1997. Mr. Fung is a vice chairman and an executive director of SUNeVision Holdings Ltd. as well as a deputy chairman and an executive director of SmarTone Telecommunications Holdings Limited. He is also a non-executive director of Transport International Holdings Limited.

Mr. Fung joined McKinsey & Company ("McKinsey"), a global management consulting company, in 1997. He primarily served clients on the Mainland and in Hong Kong, and also served institutions in Europe and Southeast Asia. Mr. Fung was the co-leader of the infrastructure practice for McKinsey. He was the managing partner of McKinsey Hong Kong from 2004 to 2010. In 2011, he became a director of McKinsey globally, being the first Hong Kong Chinese to become a director in McKinsey's history. He was also the head of recruiting for the Asia region in McKinsey.

Mr. Fung is a member of the General Committee of the Hong Kong General Chamber of Commerce and the vice president of The Hong Kong Federation of Youth Groups. He has also been elected a professor of practice of The Hong Kong Management Association and a member of its Executive Committee.

For the year ended 30 June 2026, Mr. Fung is entitled to receive a fee of HK\$300,000 for being a Director of the Company. He is also entitled to receive other emoluments in the total sum of approximately HK\$23.78 million, including fees of HK\$52,500 and HK\$162,000 for being a vice chairman and a director of SUNeVision Holdings Ltd. as well as a deputy chairman and a director of SmarTone Telecommunications Holdings Limited respectively.

Chan Hong-ki, Robert

BSc(BS), MHKIS, MRICS, RPS(BS), AP(Surveyor)

Executive Director (Age: 62)

Mr. Chan has been an Executive Director of the Company since August 2022. He is also a member of the Executive Committee of the Company and a director of certain subsidiaries of the Company. Mr. Chan graduated from The Hong Kong Polytechnic University and holds a Bachelor's degree from University of Greenwich. He is a member of The Hong Kong Institute of Surveyors and The Royal Institution of Chartered Surveyors and a registered professional surveyor. He is also an Authorised Person under the Buildings Ordinance (Chapter 123 of the Laws of Hong Kong).

Mr. Chan joined the Group in 1993 and has progressed through the ranks. He is a project director for various key residential, commercial, industrial and mixed developments of the Group in Hong Kong, Hangzhou and Guangzhou, and is also responsible for design aspects including architectural, structural, electrical and mechanical, landscape and interior design of various development projects of the Group. He is also a non-executive director of SUNeVision Holdings Ltd. and a director of BEAM Society Limited.

For the year ended 30 June 2026, Mr. Chan is entitled to receive a fee of HK\$300,000 for being a Director of the Company. He is also entitled to receive other emoluments in the total sum of approximately HK\$16.82 million, including a fee of HK\$45,000 for being a director of SUNeVision Holdings Ltd.

Kwok Ho-lai, Edward

EMBA, BA

Alternate Director to Kwok Ping-luen, Raymond (Age: 45)

Mr. Kwok has been an Alternate Director to Mr. Kwok Ping-luen, Raymond since July 2012. He is also a director of certain subsidiaries of the Company. He holds a Bachelor of Arts degree from Yale University and a Postgraduate Diploma in Professional Accountancy from The Chinese University of Hong Kong. He has also obtained an Executive MBA degree from Kellogg School of Management and HKUST Business School in December 2017. His professional qualifications include being a fellow member of the Hong Kong Institute of Certified Public Accountants since September 2020 and being a fellow member of The Institute of Chartered Accountants in England and Wales since February 2020. In addition, Mr. Kwok has been an alternate director to Mr. Kwok Ping-luen, Raymond at Wing Tai Properties Limited since April 2015.

Mr. Kwok has joined the Group since January 2010 and is now a sales and project manager, responsible for feasibility study, marketing and planning of new residential projects of the Group in Hong Kong. Before joining the Group, Mr. Kwok worked in a major international audit firm.

Mr. Kwok is a son of Mr. Kwok Ping-luen, Raymond. He is also a grandson of Madam Kwong Siu-hing, who is a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Kwok is a cousin of Messrs. Kwok Kai-fai, Adam and Kwok Kai-chun, Geoffrey, and the elder brother of Mr. Kwok Kai-wang, Christopher. He is a director of Cyric Limited, Rosy Result Limited and Islington Holdings Limited, which have interests in the shares of the Company and such interests have been disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance.

All the Directors and Alternate Directors of the Company have not entered into any service contract with the Company. In accordance with the articles of association of the Company, Directors are subject to retirement by rotation and shall be eligible for re-election at the annual general meetings of the Company, and the appointment of Alternate Directors will cease if their appointors cease to be Directors of the Company.

The Directors' fees are proposed by the Board of Directors and approved by the shareholders of the Company at the annual general meeting and their other emoluments are subject to review by the Board of Directors from time to time pursuant to the power given to it under the articles of association of the Company with reference to their contributions in terms of time, effort and accomplishments. Alternate Directors shall not be entitled to receive from the Company any remuneration in respect of their appointment as Alternate Directors except only such part (if any) of the remuneration otherwise payable to their appointors as such appointors may by notice in writing to the Company from time to time direct.

Senior Management

The Executive Directors of the Company are also members of the senior management of the Group.

Executive Committee

Executive Committee

All Executive Directors of the Company are members of the Executive Committee of the Company. Other members and their profiles are as follows:

Yung Sheung-tat, Sandy

BA(Law)Hons

Mr. Yung holds a Bachelor of Arts degree in Law from Middlesex University, England. He has been qualified as a solicitor in Hong Kong since 1987 and was admitted as a solicitor in England and Wales in 1991 and as an advocate and solicitor in Singapore in 1995. Mr. Yung joined the Group in 1996 and is currently the Group General Counsel and Company Secretary of the Company. He has been appointed as an Executive Director of Sun Hung Kai Real Estate Agency Limited since July 2009.

Li Ching-kam, Frederick

CPA

Mr. Li is a member of the Hong Kong Institute of Certified Public Accountants. He joined the Group in 1989 and is currently the Group Chief Accountant. Mr. Li has been appointed as an Executive Director of Sun Hung Kai Real Estate Agency Limited since October 2015.

Lam Ka-keung, Henry

BSc(Hons), MSc(Const & Real Est)

Mr. Lam holds a Bachelor degree of Science from The Chinese University of Hong Kong and a Master degree of Science in Construction and Real Estate from The Hong Kong Polytechnic University. He joined the Group in 1993 and is currently responsible for strategic planning, development and management of various key shopping malls of the Group in Hong Kong, Shanghai and Nanjing. He has been appointed as an Executive Director of Sun Hung Kai Real Estate Agency Limited since April 2019.

Lo King-wai

MBA, MHKIS, MRICS, RPS(BS), MCI OB

Mr. Lo holds a Master degree of Business Administration from The Hong Kong University of Science and Technology. He is a member of The Hong Kong Institute of Surveyors, the Royal Institution of Chartered Surveyors and the Chartered Institute of Building and a Registered Professional Surveyor. He joined the Group in 2004 and is currently responsible for office leasing portfolio in Hong Kong and on the Mainland. Mr. Lo has been appointed as an Executive Director of Sun Hung Kai Real Estate Agency Limited since September 2024.

The following are the associate members of the Executive Committee, who hold major positions in the Group, and who have been invited by the Executive Committee to attend its meetings regularly and to contribute their experience and expertise to assist the Executive Committee in its decision-making process:

Sum Hong-ning, Brian	–	General Manager, Corporate Planning
Lung Po-kwan	–	Chief Financial Officer, Mainland China

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TO THE SHAREHOLDERS OF SUN HUNG KAI PROPERTIES LIMITED

(incorporated in Hong Kong with limited liability)

Opinion

We have audited the consolidated financial statements of Sun Hung Kai Properties Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 162 to 232, which comprise the consolidated statement of financial position as at 30 June 2026, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of cash flows, consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters (cont'd)

Key audit matter

How our audit addressed the key audit matter

Valuation of investment properties under development

We identified the valuation of investment properties under development as a key audit matter due to significant judgement is involved in determining the inputs used in the valuation.

As at 30 June 2026, the Group's investment properties under development amounted to HK\$42,282 million which represented 5.2% of the Group's total assets. Decrease in fair value of investment properties under development of HK\$53 million was recognized in the consolidated income statement for the year then ended.

The Group's investment properties under development were stated at fair value based on the valuation carried out by independent professional valuers (the "Valuers"). The valuation was dependent on certain key estimates which requires significant judgements, including the market rents and capitalization rates. Details of the valuation methodology and key inputs used in the valuation are disclosed in note 13 to the consolidated financial statements.

Our procedures in relation to the valuation of the investment properties under development included:

- Evaluating the competence, capabilities and objectivity of the Valuers;
- Assessing the appropriateness and reasonableness of the valuation methodology, key assumptions and estimates used in the valuations, on a sample basis, based on evidence of comparable market transactions and other publicly available information of the real estate industry; and
- Obtaining the valuation reports and discussing with the Valuers about the valuation methodologies and key assumptions used.

Assessment of the net realizable values of properties under development for sale

We identified the assessment of the net realizable values of properties under development for sale as a key audit matter as the balance of properties under development for sale is significant to the Group's consolidated financial statements as a whole; and the Group's assessment of the carrying values of properties under development for sale, being the lower of cost and net realizable value, takes into account the price ultimately expected to be realized and the anticipated costs to completion which involve estimations.

As disclosed in note 21 to the consolidated financial statements, the Group's properties under development for sale amounted to HK\$92,455 million which represented 11.3% of the Group's total assets, as at 30 June 2026.

Our procedures in relation to the Group's assessment of the net realizable values of properties under development for sale included assessing the reasonableness of the net realizable values of properties under development for sale by:

- obtaining an understanding of management's process in estimating future costs to completion, and assessing the reasonableness of those estimates by comparing them, on a sample basis, to the Group's development budgets and actual costs of similar recently completed projects, and/or by checking against relevant supporting documents; and
- comparing estimated selling prices with comparable transactions, on a sample basis, based on our knowledge of the Group's business and current market developments in the real estate industry.

Independent Auditor's Report

Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (cont'd)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is CHAN, Ka Sing (practicing certificate number: P06595).

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

10 September 2026

Consolidated Income Statement

For the year ended 30 June 2026

(Expressed in millions of Hong Kong dollars)

	Notes	2026	2025
Revenue	3(a)	94,194	79,721
Direct costs		(62,082)	(45,531)
Other net income	5	788	288
Selling and marketing expenses		(4,463)	(5,064)
Administrative expenses		(3,293)	(3,336)
Operating profit		25,144	26,078
Change in fair value of investment properties		(366)	(2,730)
Finance costs		(2,354)	(2,856)
Finance income		444	371
Net finance costs	6	(1,910)	(2,485)
Share of results of:			
Associates		189	194
Joint ventures		4,893	3,696
		5,082	3,890
Profit before taxation	7	27,950	24,753
Taxation	10	(5,948)	(4,869)
Profit for the year		22,002	19,884
Profit for the year attributable to:			
Company's shareholders		21,426	19,277
Non-controlling interests		576	607
		22,002	19,884
(Expressed in Hong Kong dollars)			
Earnings per share based on profit attributable to the Company's shareholders (reported earnings per share)	12(a)		
Basic and diluted		\$7.39	\$6.65
Earnings per share excluding the effect of change in fair value of investment properties net of deferred tax (underlying earnings per share)	12(b)		
Basic and diluted		\$7.89	\$7.54

Consolidated Statement of Comprehensive Income

For the year ended 30 June 2026
(Expressed in millions of Hong Kong dollars)

	2026	2025
Profit for the year	22,002	19,884
Items that may be reclassified subsequently to profit or loss:		
Exchange difference on translation of Mainland subsidiaries	4,167	1,810
Cash flow hedge		
– fair value gains/(losses) recognized directly through other comprehensive income	267	(96)
– fair value gains transferred to consolidated income statement	(37)	(32)
	230	(128)
Fair value (losses)/gains of debt securities recognized directly through other comprehensive income	(2)	2
Share of other comprehensive income of associates and joint ventures	1,039	1,019
Items that will not be reclassified to profit or loss:		
Fair value gains/(losses) of equity securities at fair value through other comprehensive income	111	(110)
Deferred tax related to change in carrying amount arising from revaluation of property, plant and equipment	(4)	–
Share of other comprehensive income of an associate	106	42
Other comprehensive income for the year	5,647	2,635
Total comprehensive income for the year	27,649	22,519
Total comprehensive income for the year attributable to:		
Company's shareholders	27,020	21,889
Non-controlling interests	629	630
	27,649	22,519

Consolidated Statement of Financial Position

As at 30 June 2026

(Expressed in millions of Hong Kong dollars)

	Notes	2026	2025
Non-current assets			
Investment properties	13	428,505	417,045
Property, plant and equipment	14	51,636	50,689
Associates	15	8,245	8,136
Joint ventures	16	99,804	96,551
Financial investments	17	1,409	1,197
Intangible assets	18	3,525	3,839
Other non-current assets	19	3,007	3,724
		596,131	581,181
Current assets			
Properties for sale	21	172,542	197,452
Inventories		410	417
Trade and other receivables	22	17,721	20,060
Financial investments	17	893	864
Bank deposits and cash	23	30,053	16,919
		221,619	235,712
Current liabilities			
Bank and other borrowings	24	(14,204)	(14,384)
Trade and other payables	25	(33,079)	(32,412)
Deposits received on sales of properties	26	(10,441)	(14,300)
Current tax payable		(7,539)	(8,996)
		(65,263)	(70,092)
Net current assets		156,356	165,620
Total assets less current liabilities		752,487	746,801
Non-current liabilities			
Bank and other borrowings	27	(83,464)	(95,833)
Deferred tax liabilities	28	(25,969)	(24,031)
Other non-current liabilities	29	(4,330)	(4,563)
		(113,763)	(124,427)
NET ASSETS		638,724	622,374
CAPITAL AND RESERVES			
Share capital	30	70,703	70,703
Reserves		563,233	547,148
Shareholders' equity		633,936	617,851
Non-controlling interests		4,788	4,523
TOTAL EQUITY		638,724	622,374

Directors:

Kwok Ping-luen, Raymond

Lui Ting, Victor

Consolidated Statement of Cash Flows

For the year ended 30 June 2026

(Expressed in millions of Hong Kong dollars)

	Notes	2026	2025
Operating activities			
Operating cash inflow	32(a)	29,311	30,726
Changes in working capital	32(a)	23,554	13,610
Cash generated from operations	32(a)	52,865	44,336
Interest expenses and other finance costs paid		(3,346)	(4,638)
Bank interest received		441	375
Interest received from investments		33	53
Dividends received from equity securities		71	67
Dividends received from associates and joint ventures		2,505	2,617
Tax paid			
– Hong Kong		(2,056)	(2,970)
– Outside Hong Kong		(6,373)	(1,760)
Net cash from operating activities		44,140	38,080
Investing activities			
Additions to investment properties		(2,854)	(6,856)
Additions to property, plant and equipment		(1,655)	(2,231)
Purchase of long-term financial investments		(218)	(225)
Conditional consideration adjustment received relating to investment in joint ventures		16	14
Net advances to associates and joint ventures		(815)	(1,313)
Payment of mobile licence fees		(261)	(244)
Net proceeds from disposal of investment properties		4,127	2,725
Proceeds from disposal of property, plant and equipment		8	7
Proceeds from disposal of other financial assets		157	471
Net cash outflow in respect of acquisition of subsidiaries	32(d)	(890)	–
Net cash used in investing activities		(2,385)	(7,652)
Financing activities			
Drawdown of bank and other borrowings		12,121	17,418
Repayment of bank and other borrowings		(28,677)	(35,006)
Principal elements of lease payments		(957)	(1,014)
Decrease in amounts due to non-controlling interests		(43)	(32)
(Increase)/decrease in bank deposits maturing after more than three months		(16)	63
Decrease in pledged bank deposit		–	3
Proceeds from issue of shares by a subsidiary		11	125
Payment for repurchase of shares by a subsidiary		–	(5)
Purchase of additional interest in a subsidiary		–	(2)
Dividends paid to Company's shareholders		(10,954)	(10,867)
Dividends paid to non-controlling interests		(376)	(479)
Net cash used in financing activities		(28,891)	(29,796)
Increase in cash and cash equivalents		12,864	632
Cash and cash equivalents at beginning of year		16,798	16,034
Effect of foreign exchange rates changes		254	132
Cash and cash equivalents at end of year	32(b)	29,916	16,798

Consolidated Statement of Changes in Equity

For the year ended 30 June 2026

(Expressed in millions of Hong Kong dollars)

	Attributable to Company's shareholders						Non-controlling interests	Total
	Share capital	Capital reserves	Investment revaluation reserve	Exchange reserve	Retained profits	Total		
At 1 July 2024	70,703	916	416	(9,853)	544,535	606,717	4,354	611,071
Profit for the year	–	–	–	–	19,277	19,277	607	19,884
Exchange difference on translation of Mainland subsidiaries	–	–	–	1,787	–	1,787	23	1,810
Fair value losses on cash flow hedge	–	(128)	–	–	–	(128)	–	(128)
Fair value gains of debt securities at fair value through other comprehensive income	–	–	2	–	–	2	–	2
Fair value losses of equity securities at fair value through other comprehensive income	–	–	(110)	–	–	(110)	–	(110)
Transfer to retained profits upon derecognition of equity securities	–	–	8	–	(8)	–	–	–
Share of other comprehensive income of associates and joint ventures	–	–	77	940	44	1,061	–	1,061
Other comprehensive (losses)/income for the year	–	(128)	(23)	2,727	36	2,612	23	2,635
Total comprehensive (losses)/income for the year	–	(128)	(23)	2,727	19,313	21,889	630	22,519
Recognition of equity-settled share-based payments	–	–	–	–	–	–	9	9
Lapse of share options of a subsidiary	–	–	–	–	1	1	(1)	–
Final dividend paid	–	–	–	–	(8,114)	(8,114)	–	(8,114)
Interim dividend paid	–	–	–	–	(2,753)	(2,753)	–	(2,753)
Forfeiture of unclaimed dividends	–	–	–	–	2	2	1	3
Adjustments relating to changes in interests in subsidiaries	–	109	–	–	–	109	9	118
Dividends to non-controlling interests	–	–	–	–	–	–	(479)	(479)
At 30 June 2025	70,703	897	393	(7,126)	552,984	617,851	4,523	622,374

	Attributable to Company's shareholders						Non-controlling interests	
	Share capital	Capital reserves	Investment revaluation reserve	Exchange reserve	Retained profits	Total		Total
At 1 July 2025	70,703	897	393	(7,126)	552,984	617,851	4,523	622,374
Profit for the year	–	–	–	–	21,426	21,426	576	22,002
Exchange difference on translation of Mainland subsidiaries	–	–	–	4,113	–	4,113	54	4,167
Deferred tax related to change in carrying amount arising from revaluation of property, plant and equipment	–	(3)	–	–	–	(3)	(1)	(4)
Fair value gains on cash flow hedge	–	230	–	–	–	230	–	230
Fair value losses of debt securities at fair value through other comprehensive income	–	–	(2)	–	–	(2)	–	(2)
Fair value gains of equity securities at fair value through other comprehensive income	–	–	111	–	–	111	–	111
Share of other comprehensive (losses)/ income of associates and joint ventures	–	–	(13)	1,033	125	1,145	–	1,145
Other comprehensive income for the year	–	227	96	5,146	125	5,594	53	5,647
Total comprehensive income for the year	–	227	96	5,146	21,551	27,020	629	27,649
Recognition of equity-settled share-based payments	–	–	–	–	–	–	20	20
Lapse of share options of a subsidiary	–	–	–	–	13	13	(13)	–
Final dividend paid	–	–	–	–	(8,114)	(8,114)	–	(8,114)
Interim dividend paid	–	–	–	–	(2,840)	(2,840)	–	(2,840)
Adjustments relating to changes in interests in subsidiaries	–	6	–	–	–	6	5	11
Dividends to non-controlling interests	–	–	–	–	–	–	(376)	(376)
At 30 June 2026	70,703	1,130	489	(1,980)	563,594	633,936	4,788	638,724

Notes to the Consolidated Financial Statements

(Expressed in millions of Hong Kong dollars)

1. Basis of Preparation

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the Hong Kong Companies Ordinance (Cap. 622) and the disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The consolidated financial statements are prepared under the historical cost convention except for investment properties and certain financial instruments, which are measured at fair value, as explained in the material accounting policies set out in Note 2.

In the current year, the Group has adopted a number of amendments to HKFRS Accounting Standards issued by the HKICPA that are effective for the first time for the Group's financial year beginning 1 July 2025. None of these amendments had a material impact on the Group's financial statements.

The Group has not applied any new standard or amendment that is not effective for the current year.

2. Material Accounting Policies

(a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiaries (together referred to as the "Group") made up to 30 June each year and the Group's interests in associates and joint ventures on the basis set out in Note 2(e) and Note 2(f) below, respectively. The financial statements of the associates and joint ventures used for this purpose are either coterminous with the financial statements of the Company or cover a year end not more than three months before the Company's year-end. The results of subsidiaries, associates and joint ventures acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or to the effective date of disposal. Accounting policies of subsidiaries, joint ventures and associates have been changed when necessary to ensure conformity with the Group's accounting policies.

Intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between the Group companies are eliminated in full on consolidation. Unrealized profits and losses resulting from transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associate or joint venture. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment of the asset transferred.

Non-controlling interests represent the equity in a subsidiary not attributable, directly or indirectly to the Company. Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated income statement and the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company.

Changes in the Group's ownership interest in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions, whereby the carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the equity shareholders of the Company.

2. Material Accounting Policies (cont'd)

(b) Revenue

Income is classified by the Group as revenue when it arises in the course of the Group's ordinary activities. Revenue from the Group's principal activities comprises proceeds from sale of properties, gross rental income from properties letting under operating leases, revenue from hotel operations, telecommunications, transport infrastructure and logistics, data centre operations and revenue derived from other business activities including department store, financial services, property management and construction. Group revenue does not include the revenue of associates and joint ventures.

(c) Revenue recognition

The Group recognizes revenue from contracts with customers when control over a product or service is transferred to the customer at the transaction price to which the Group expects to be entitled in exchange for the promised product and service, excluding those amounts collected on behalf of third parties (such as value added tax or other sales taxes) and after deduction of any trade discounts. Transfer of control may be at a point in time or over time, dependent on the nature and terms of and laws applicable to the contracts. In determining the transaction price, the Group adjusts the promised amount of consideration for the effect of financing component if it is significant.

Further details of the Group's recognition policies on revenue from contracts with customers, other sources of revenue and other income are as follows:

(i) Property sales

Revenue from sale of properties is recognized when the control over the ownership or physical possession of the property is transferred to the customer, which is the point in time when the Group satisfies its performance obligations under the contracts.

Deposits and instalments received on properties sold prior to the date of revenue recognition are presented in the statement of financial position as deposits received on sale of properties which are regarded as contract liabilities.

(ii) Rental income

Lease payments from properties letting under operating leases are recognized as rental income over the lease term on either a straight line basis or another systematic basis that is more representative of the pattern in which benefit from the use of the underlying leased asset is diminished. Contingent rentals are recognized in the accounting period in which they are earned.

(iii) Hotel operations

Revenue from hotel operations is recognized when the accommodation and related services are provided.

(iv) Telecommunications

Revenue from services is measured based on the usage of the Group's telecommunications network and facilities and is recognized when the services are rendered. Service revenue in respect of standard service plans billed in advance is deferred and included under contract liabilities. For sales of handset, equipment and gifts, revenue is recognized when the products are delivered to and accepted by the customer. When multiple-element arrangements exist, the amount of revenue recognized for each performance obligation is determined by considering the standalone selling prices or estimated fair values of each of the services element and handset device element provided within the bundled contracts.

Notes to the Consolidated Financial Statements

(Expressed in millions of Hong Kong dollars)

2. Material Accounting Policies (cont'd)

(c) Revenue recognition (cont'd)

(v) Transport infrastructure and logistics

Toll income from toll road operations is recognized upon the passage of vehicles through the toll road.

Revenue from operation of business aviation centre including aircraft and passengers handling, fuel sales and hangar fee is recognized over time based on usage of services.

Management fee income from management and operation of tunnel, road infrastructure and car park facilities is recognized when the services are provided and in accordance with the terms of the management contracts.

Income from logistic and freight forwarding services is recognized when the services are rendered.

(vi) Data centre operations

Revenue from customers' use of data centre and information technology ("IT") facilities is recognized rateably over the terms of the agreement in the amount which the Group has right to invoice while other value-added service income is recognized over the period of service.

(vii) Department store operations

Revenue from sale of goods is recognized at point of sale when the customer takes possession of and accepts the product. Commission income from concessionaire sales is recognized upon sales of goods by counter suppliers.

(viii) Financial services

Interest income from loan financing business is accrued on a time basis using the effective interest method.

(ix) Property management

Income from provision of property and facilities management services is recognized when the services are rendered.

(x) Construction

Revenue in respect of building construction job is recognized over the contract period based on the stage of completion method measured by reference to the proportion that costs incurred to date bear to estimated total costs for the contract.

(xi) Investment income

Dividend income from equity investments is recognized when the right to receive payment is established.

Interest income from financial investments is recognized using the effective interest method.

2. Material Accounting Policies (cont'd)

(d) *Subsidiaries*

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

Subsidiaries are consolidated from the date on which the Group obtains control and are deconsolidated from the date that control ceases.

Upon loss of control of a subsidiary, the Group derecognizes the assets (including any goodwill) and liabilities of the subsidiary and any non-controlling interests (including any components of other comprehensive income attributable to them) in the former subsidiary. If the Group retains any investment in that former subsidiary, then such investment is remeasured at fair value at the date when control is lost and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or a joint venture. All amounts previously recognized in other comprehensive income in relation to that subsidiary are reclassified to profit or loss or transferred directly to retained earnings if required by other applicable HKFRS Accounting Standards. The surplus or deficit arising from the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any interest retained in the former subsidiary and (ii) the carrying amount of the assets (including goodwill) and liabilities of the subsidiary attributable to the equity shareholders of the Company is recognized as a gain or loss on disposal in the consolidated profit or loss.

In the Company's statement of financial position, investments in subsidiary companies are stated at cost less provision for any impairment losses. Income from subsidiary companies is recognized by the Company in the statement of profit or loss on the basis of dividends received and receivable.

(e) *Associates*

Associates are those in which the Group is in a position to exercise significant influence, but not control or joint control, over the management, including participation in the financial and operating policy decisions.

Results of associates are incorporated in the consolidated income statement to the extent of the Group's share of post-acquisition profits less losses.

Interests in associates are accounted for in the consolidated statement of financial position under the equity method and are carried at cost as adjusted for post-acquisition changes in the Group's share of their results and other comprehensive income ("OCI") less any identified impairment loss.

In the Company's statement of financial position, investments in associates are stated at cost less provision for any impairment losses. Income from associates is recognized by the Company in the statement of profit or loss on the basis of dividends received and receivable.

(f) *Joint arrangements*

A joint arrangement is a contractual arrangement whereby the Group and other parties undertake an economic activity which is subject to joint control.

(i) **Joint ventures**

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint ventures) have rights to the net assets of the arrangement in accordance with contractual arrangements.

Notes to the Consolidated Financial Statements

(Expressed in millions of Hong Kong dollars)

2. Material Accounting Policies (cont'd)

(f) Joint arrangements (cont'd)

(i) Joint ventures (cont'd)

Results of joint ventures are incorporated in the consolidated income statement to the extent of the Group's share of post-acquisition profits less losses.

Interests in joint ventures are accounted for in the consolidated statement of financial position under the equity method and are carried at cost as adjusted for post-acquisition changes in the Group's share of their results and OCI less any identified impairment loss.

In the Company's statement of financial position, investments in joint ventures are stated at cost less provision for any impairment losses. Income from joint ventures is recognized by the Company in the statement of profit or loss on the basis of dividends received and receivable.

(ii) Joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint operators) have rights to the assets, and obligations for the liabilities, relating to the arrangement in accordance with contractual arrangements.

Investments in joint operations are accounted for such that each joint operator recognizes its assets (including its share of any assets jointly held), its liabilities (including its share of any liabilities incurred jointly), its revenue (including its share of revenue from sale of the output by the joint operation) and its expenses (including its share of any expenses incurred jointly). Each joint operator accounts for the assets and liabilities, as well as revenues and expenses, relating to its interest in the joint operation in accordance with the applicable standards.

(g) Intangible assets

(i) Mobile licences

Spectrum utilization fees represent the payments for using the assigned spectrum to provide telecommunication services in Hong Kong within a specified period. The upfront payments and the present value of the annual fixed fees payable over the period are recorded as intangible assets, together with the related obligations. Amortization is provided on a straight line basis over the remaining assignment period from the date when the asset is ready for its intended use.

The difference between the discounted value and the total of the minimum annual fee payments represents the effective cost of financing and, accordingly, for the period prior to the asset being ready for its intended use, is capitalized as part of the intangible asset. Subsequent to the date when the asset is ready for its intended use, such finance costs are charged to the consolidated income statement in the year in which they are incurred.

Variable annual payments are recognized in the consolidated income statement as incurred.

(ii) Goodwill

Goodwill on acquisition of subsidiaries or business is measured initially at cost, being the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and any fair value of the Group's previously held equity interest in the acquiree over the fair value of the acquiree's net identifiable assets acquired and liabilities assumed as at the acquisition date. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is subject to impairment test annually and when there is indication that the carrying value may not be recoverable.

2. Material Accounting Policies (cont'd)

(g) Intangible assets (cont'd)

(ii) Goodwill (cont'd)

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is recognized directly in the consolidated income statement.

Goodwill on acquisition of associates and joint ventures, being the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable net assets acquired, is included in the carrying amount of the investments in associates and joint ventures respectively and is not tested for impairment separately.

On disposal of a subsidiary, associate or joint venture, the carrying amount of goodwill attributable to the entity sold is included in the calculation of the profit or loss on disposal.

(iii) Concession assets

The Group has entered into a service concession arrangement with the Government of Hong Kong Special Administrative Region ("HKSAR Government") to participate in the development, financing, operation and maintenance of toll road infrastructures. Under the arrangement, the Group carries out the construction of toll road for the granting authority and receives in exchange a right to operate the toll road and the entitlement to toll fees collected from users of the toll road. The assets including the cost of tunnel, approach road and buildings, electrical and mechanical systems under the service concession arrangement are recorded as intangible assets. Once the underlying infrastructure of the concession arrangement is completed, the concession assets are amortized over the term of the concession on a straight line basis.

(h) Contract acquisition and fulfilment costs

Costs of obtaining and fulfilling a contract with a customer are capitalized as an asset if (i) the costs are incremental of obtaining the contract and they are expected to be recovered; and (ii) the costs of fulfilling a contract relate directly to the contract, generate or enhance resources of the Group that will be used in satisfying performance obligations in the future and are expected to be recovered. Capitalized contract costs are amortized on a systematic basis that is consistent with the transfer to the customers of the goods or services to which the asset relates. Impairment loss is recognized to the extent that the carrying amount of the capitalized costs exceeds the remaining considerations to be received less the future costs to be incurred.

(i) Contract assets and contract liabilities

Upon entering into a contract with a customer, the Group obtains right to receive consideration from the customer and assumes performance obligations to transfer goods or provide services to the customer. The combination of those rights and performance obligations gives rise to a net contract asset or net contract liability depending on the relationship between the remaining rights and the performance obligations.

A contract asset is recognized when the Group transfers a good or performs a service in the contract before receiving consideration from the customer or when the cumulative revenue recognized exceeds cumulative payments made by the customer. A contract asset is transferred to a receivable when the right to receive the consideration becomes unconditional. Conversely, a contract liability is recognized when the amounts received from a customer exceed revenue recognized for a contract or when advance payment is received from a customer before a good or service is transferred. A contract liability would also be recognized if the Group has an unconditional right to receive consideration before the Group recognizes the related revenue. In such cases, a corresponding receivable would also be recognized.

Notes to the Consolidated Financial Statements

(Expressed in millions of Hong Kong dollars)

2. Material Accounting Policies (cont'd)

(i) *Contract assets and contract liabilities (cont'd)*

Contract assets are assessed for impairment under the same approach adopted for impairment assessment of financial assets carried at amortized cost. Contract liabilities are recognized as revenue when the Group transfers the goods or services to the customers and therefore satisfies its performance obligations. Deposits received on sales of properties are regarded as contract liabilities and presented separately on the face of the consolidated statement of financial position under current liabilities.

(j) *Financial instruments*

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) **Financial assets**

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income ("FVOCI") and fair value through profit or loss ("FVTPL").

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

Subsequent measurement

For purposes of subsequent measurement, financial assets of the Group are classified in four categories:

- Financial assets at amortized cost
- Debt investments at FVOCI
- Equity investments designated at FVOCI
- Financial assets at FVTPL

Financial assets at amortized cost

The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost includes cash and cash equivalents, trade receivables, loan receivables and certain debt investments.

2. Material Accounting Policies (cont'd)

(j) Financial instruments (cont'd)

(i) Financial assets (cont'd)

Debt investments at FVOCI

The Group measures debt investments at FVOCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt investments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. Fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

Equity investments designated at FVOCI

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Cumulative gains and losses recognized in OCI are transferred to retained profits on disposal.

Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at FVOCI are not subject to impairment assessment.

The Group has elected to classify irrevocably certain equity investments under this category.

Financial assets at FVTPL

All financial assets not classified as measured at amortized cost or FVOCI as described above are mandatorily required to be measured at FVTPL.

This category includes financial assets held for trading, derivative instruments, equity investments which the Group had not irrevocably elected to classify at FVOCI, and debt investments with cash flows that are not solely payments of principal and interest.

Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing them in the near term. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Financial assets at FVTPL are carried in the statement of financial position at fair value. Net gains and losses, including dividend or interest income, are recognized in profit or loss.

Notes to the Consolidated Financial Statements

(Expressed in millions of Hong Kong dollars)

2. Material Accounting Policies (cont'd)

(j) Financial instruments (cont'd)

(i) Financial assets (cont'd)

Derecognition of financial assets

A financial asset is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows in a transaction in which the Group has transferred substantially all the risks and rewards of ownership of the asset or in which the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Group enters into transactions whereby it transfers its rights to receive cash flows from an asset, but retains substantially all of the risks and rewards of ownership or control of the transferred asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Impairment of financial assets

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments that are not measured at FVTPL:

- financial assets measured at amortized cost, and
- debt investments measured at FVOCI.

ECLs are a probability-weighted estimate of credit losses, measured based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the 12 months after the reporting date (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses that result from all possible default events over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

2. Material Accounting Policies (cont'd)

(j) Financial instruments (cont'd)

(i) Financial assets (cont'd)

Impairment of financial assets (cont'd)

Loss allowance for financial assets measured at amortized cost is deducted from the gross carrying amount of the assets. For debt instruments at FVOCI, the loss allowance is charged to profit or loss and is recognized in OCI instead of reducing the carrying amount of the assets.

The Group considers a financial asset in default when the Group is unlikely to receive the outstanding contractual amounts in full, without recourse by the Group to action such as realizing the security (if any is held). A financial asset can be classified as in default but without an allowance for credit losses (i.e. no impairment loss is expected) after taking into account the value of collateral held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. Write-offs can relate to a financial asset in its entirety, or to a portion of it, and constitute a derecognition event.

(ii) Financial liabilities

Classification and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified, at initial recognition, as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. The Group has not designated any financial liability at FVTPL.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. These include trade and other payables, loans and borrowings. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle them on a net basis or to realize the assets and settle the liabilities simultaneously.

Notes to the Consolidated Financial Statements

(Expressed in millions of Hong Kong dollars)

2. Material Accounting Policies (cont'd)

(k) *Derivative financial instruments and hedge accounting*

The Group holds derivative financial instruments such as interest rate swaps, cross currency interest rate swaps and currency forwards to hedge its interest rate and foreign currency risk exposures.

A derivative financial instrument is initially recognized at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. For the purpose of hedge accounting, hedges are classified as:

- (a) cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment;
- (b) fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized commitment; and
- (c) hedges of a net investment in a foreign operation.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognized in profit or loss when the changes arise.

The Group documents, at the inception of the transaction, the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives designated as hedging instruments are highly effective in offsetting changes in fair values or cash flows of the hedged items.

The following hedges in place at the end of the reporting period qualified respectively as fair value and cash flow hedges under HKFRS 9. The Group's management strategies and hedge documentation are aligned with the requirements of HKFRS 9 and are thus treated as continuing hedges. The Group has not designated any derivative financial instruments as hedges of net investment in foreign operations.

- (a) Cash flow hedge

Cross currency interest rate swaps

The Group has entered into cross currency interest rate swaps that are cash flow hedges and they are used to reduce the Group's exposure to interest rate risk and currency risk on its borrowings and interest.

The fair value changes on the effective portion of cross currency interest rate swaps designated as cash flow hedges are recognized in OCI, accumulated in the fair value reserve and reclassified to profit or loss when the hedged interest expense and/or exchange differences from the translation of the borrowings are recognized in profit or loss. The fair value changes on the ineffective portion of cross currency interest rate swaps are recognized immediately in profit or loss.

2. Material Accounting Policies (cont'd)

(k) Derivative financial instruments and hedge accounting (cont'd)

(b) Fair value hedge

Interest rate swaps and cross currency interest rate swaps

The Group has entered into fixed to floating interest rate swaps that are fair value hedges for the fair value exposures to interest rate movements of its borrowings ("hedged item"). The fair value changes on the hedged item resulting from the fair value risk are recognized in profit or loss. The fair value changes on the effective portion of interest rate swaps designated as fair value hedges are recognized in profit or loss within the same line item as the fair value changes from the hedged item. The fair value changes on the ineffective portion of interest rate swaps are recognized separately in profit or loss.

(l) Investment properties

Investment properties are land and buildings (including leasehold property interests owned or held as a right-of-use asset) held for long term rental yields or capital appreciation or both, and are not occupied by the Group. These include completed properties, those under construction and properties that are being redeveloped for continuing use as investment properties.

Investment properties are measured initially at cost including transaction costs, and subsequently at fair value. Fair value is based on market value, as determined by independent qualified valuers at each reporting date on the highest and best use basis, and separate values are not attributed to land and buildings. The difference between the fair value of an investment property at the reporting date and its carrying amount prior to re-measurement is included in the income statement as a valuation surplus or deficit.

Costs incurred subsequently to develop, refurbish or replace part of an investment property are recognized in the asset's carrying amount prior to fair value re-assessment only when it is probable that future economic benefits associated with the cost item will flow to the Group and the cost can be measured reliably. All other repair and maintenance expenditures in respect of an investment property are expensed in profit or loss as incurred.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use or no future economic benefits are expected to arise from its disposal. Any gain or loss on derecognition, calculated as the difference between the net disposal proceeds and the carrying amount of the property, is recognized in consolidated income statement in the period in which the asset is derecognized.

(m) Property, plant and equipment

Properties held for own use and other items of plant and equipment, including right-of-use assets arising from leases of underlying property, plant and equipment, are stated at cost less accumulated depreciation and impairment losses.

The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. The cost of self-constructed items of property, plant and equipment comprises the direct costs of construction and capitalized borrowing costs on related borrowed funds during the period of construction.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognized in profit or loss on the date of retirement or disposal.

Notes to the Consolidated Financial Statements

(Expressed in millions of Hong Kong dollars)

2. Material Accounting Policies (cont'd)

(n) Depreciation of property, plant and equipment

(i) Land and buildings

Ownership interests in leasehold land of properties held for own use are depreciated over the unexpired term of their respective leases. Cost of building situated on leasehold land is depreciated on a straight-line basis over the shorter of the unexpired term of the lease and the building's estimated useful life.

Properties leased for own use under lease or tenancy contracts where the Group is not the owner of the property interests are depreciated on a straight-line basis over the shorter of the expected lease terms and their estimated useful lives, taking into consideration any renewal options in the contracts.

(ii) Plant and equipment

Plant and equipment are depreciated over their expected remaining useful lives of 2 to 25 years using a straight-line method, after deducting their estimated residual values, if any.

No depreciation is provided for development costs incurred on property, plant and equipment under construction.

(o) Properties for sale

(i) Stock of completed properties for sale

Completed properties remaining unsold at year end are stated at the lower of cost and net realizable value.

Cost is determined by apportionment of the total land and development costs attributable to the unsold properties.

Net realizable value is estimated by the management, based on prevailing market conditions which represents the estimated selling price in the ordinary course of business less estimated selling expenses.

(ii) Properties under development for sale

Properties under development for sale are classified as current assets and stated at the lower of cost and net realizable value. Cost comprises specifically identified costs, including land acquisition costs, development expenditure, capitalized borrowing costs and other related expenditures. Net realizable value is estimated by the management, taking into account the price ultimately expected to be realized and the anticipated costs to completion.

(p) Borrowings and borrowing costs

Borrowings are initially recognized at fair value, net of transaction costs incurred, and are subsequently measured at amortized cost, using effective interest method. The carrying amount of hedged borrowings is adjusted for the change in fair value attributable to the hedged risk when accounting for fair value hedges set out in Note 2(k) applies.

Borrowing costs are expensed as incurred, except to the extent that they are capitalized as being directly attributable to the construction or production of assets which necessarily take a substantial period of time to get ready for their intended use or sale. Capitalization of such borrowing costs begins when construction or production activities commence and ceases when the assets are substantially ready for their intended use or sale.

2. Material Accounting Policies (cont'd)

(q) *Inventories*

Inventories comprising mainly building materials, hotel stocks, handsets and consumable goods are stated at the lower of cost and net realizable value. Cost is calculated on the weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

(r) *Translation of foreign currencies*

Foreign currency transactions during the year are converted into functional currency at the market rates of exchange ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into functional currency at closing rates of exchange ruling at the year end date. Exchange differences arising in these cases are dealt with in the consolidated income statement.

The assets and liabilities of overseas subsidiaries, associates and joint ventures expressed in their respective functional currencies are translated into Hong Kong dollars at the closing rates of exchange ruling at the year end date whereas the income statement are translated at average exchange rates for the year. Exchange differences arising on translation are recognized in OCI.

(s) *Current and deferred income tax*

Tax expense for the year comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in OCI or directly in equity, in which case the relevant amount of tax is recognized in OCI or directly in equity, respectively.

Current tax liabilities are recognized at the amount expected to be paid to the tax authorities, using tax rates enacted or substantively enacted at the reporting date. Current tax expense for the year comprises the expected tax payable on the taxable income for the year and any adjustment to the tax payable in respect of previous years.

Deferred tax is recognized in full, using the liability method, on all temporary differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profits except that deferred tax is not recognized for temporary differences arising from the initial recognition of goodwill or an asset or a liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets are recognized to the extent that it is probable that the future taxable profits will be available against which the deductible temporary differences and unused tax losses can be utilized.

Deferred tax is recognized on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and based on the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities except for investment property. Deferred tax liability in relation to investment property that is measured at fair value is determined assuming that the carrying amount of the property will be recovered entirely through sale.

Notes to the Consolidated Financial Statements

(Expressed in millions of Hong Kong dollars)

2. Material Accounting Policies (cont'd)

(t) Provisions

Provisions are recognized when the Group has a present obligation as a result of past event and it is probable that an outflow of economic benefits will be required to settle that obligation and the amount of obligation can be reliably estimated. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

(u) Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than investment property, properties for sale, inventories and deferred tax assets) to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Goodwill is tested annually for impairment whether or not there is any indication of impairment.

For impairment testing, assets are grouped into cash-generating units (CGU) for which there are separately identifiable cash flows. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis. An impairment loss on goodwill is not reversed in subsequent period. For an asset other than goodwill, impairment loss is reversed only if there is a favourable change in the estimates used to determine the asset's recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years.

(v) Retirement benefit costs

The retirement benefit costs charged to the consolidated income statement represent the contributions payable in respect of the current year to the Group's defined contribution schemes and the Mandatory Provident Fund Schemes.

(w) Share-based payments

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted at the grant date and expensed on a straight line basis over the relevant vesting periods with a corresponding increase in capital reserves within equity. At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates during the vesting period, if any, is recognized in consolidated income statement such that the calculated expense reflects the revised estimates with a corresponding adjustment to capital reserves.

At the time when the share options are exercised, the amount previously recognized in capital reserves will be transferred to share capital. When the share options are forfeited, lapsed or cancelled, after the vesting date or are still not exercised on the expiry date, the amount previously recognized in capital reserves will be transferred to retained profits.

(x) Leases

The Group applies a control model to identify and distinguish a lease from a service contract on the basis of whether a customer is able to control the asset being leased. A contract is assessed for whether it is or contains a lease at its inception. A contract is or contains a lease if it provides a customer with the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed if the customer, throughout the period of the use, has both the right to direct the use and to obtain substantially all of the economic benefits from that use.

2. Material Accounting Policies (cont'd)

(x) Leases (cont'd)

The Group as a lessee

The Group as a lessee recognizes a right-of-use asset and a lease liability when a lease is capitalized at the commencement date, except for leases with a lease term of 12 months or less ("short-term leases") and leases of low-value assets. Payments in relation to short-term leases and leases of low-value assets are recognized as an expense in profit or loss on a straight line basis over the lease term.

The lease liability is initially measured at the present value of lease payments payable with reference to an expected lease term, which includes optional lease periods when the Group is reasonably certain to exercise the option to extend or not to terminate the lease. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable payments that depend on an index or a rate, amounts expected to be payable under residual value guarantees and payments arising from options reasonably certain to be exercised. Variable lease payments that do not depend on an index or a rate are not included in the measurement of the lease liability and are expensed in the period to which they relate.

The lease liability is subsequently measured by increasing its carrying amount to reflect interest on the lease liability (using the effective interest rate method) and by reducing its carrying amount to reflect the lease payments made. The lease liability is remeasured (with a corresponding adjustment made to the related right-of-use asset) when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessment of options.

The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability, any initial direct costs incurred, the obligation to restore the asset, and any lease payments made in advance of the commencement date less any incentives received. The right-of-use asset is subsequently measured at cost less accumulated depreciation, applying the depreciation requirements in HKAS 16 Property, Plant and Equipment and is subject to impairment review whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Right-of-use assets are presented in property, plant and equipment, except for right-of-use assets that meet the definition of investment properties, which are presented in investment properties, and are subsequently measured at fair value, in accordance with the Group's accounting policy as set out in Note 2(l).

Lease liabilities are presented in other non-current liabilities with the payments due within 12 months from the balance sheet date classified in trade and other payables.

The Group as a lessor

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

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income from operating leases is recognized in accordance with Note 2(c)(ii).

Notes to the Consolidated Financial Statements

(Expressed in millions of Hong Kong dollars)

3. Segment Information

Segment revenue and results are measured without allocation of central administration costs, other net income, net finance costs and change in fair value of investment properties, which are reported to the Group's management for the purposes of resource allocation and assessment of segment performance.

(a) Segment revenue and results

An analysis of the revenue and results for the year of the Group and its share of associates and joint ventures by reportable and operating segments is as follows:

For the year ended 30 June 2026

	The Company and its subsidiaries		Associates and joint ventures		Combined revenue	Consolidated results
	Revenue	Results	Share of revenue	Share of results		
Property development						
Hong Kong	44,127	4,614	10	8	44,137	4,622
Mainland	4,392	2,148	5,662	1,522	10,054	3,670
	48,519	6,762	5,672	1,530	54,191	8,292
Property rental						
Hong Kong	14,934	10,702	2,769	2,118	17,703	12,820
Mainland	5,136	4,184	1,359	983	6,495	5,167
Singapore	–	–	789	584	789	584
	20,070	14,886	4,917	3,685	24,987	18,571
Hotel operations	4,545	538	915	190	5,460	728
SmarTone (Telecommunications)	6,604	749	–	–	6,604	749
Transport infrastructure and logistics	3,656	626	4,357	425	8,013	1,051
SUNeVision (Data centre)	3,117	1,624	–	–	3,117	1,624
Other businesses	7,683	1,124	50	24	7,733	1,148
Segment total	94,194	26,309	15,911	5,854	110,105	32,163
Other net income		788		158		946
Unallocated administrative expenses		(1,953)		–		(1,953)
Operating profit		25,144		6,012		31,156
Change in fair value of investment properties						
Hong Kong		911		1,234		2,145
Mainland		(1,277)		88		(1,189)
Singapore		–		23		23
		(366)		1,345		979
Net finance costs		(1,910)		(606)		(2,516)
Profit before taxation		22,868		6,751		29,619
Taxation						
– Group		(5,948)		–		(5,948)
– Associates		–		(47)		(47)
– Joint ventures		–		(1,622)		(1,622)
Profit for the year		16,920		5,082		22,002

3. Segment Information (cont'd)

(a) Segment revenue and results (cont'd)

For the year ended 30 June 2025

	The Company and its subsidiaries		Associates and joint ventures		Combined revenue	Consolidated results
	Revenue	Results	Share of revenue	Share of results		
Property development						
Hong Kong	26,139	3,200	–	–	26,139	3,200
Mainland	7,741	4,807	676	283	8,417	5,090
	33,880	8,007	676	283	34,556	8,290
Property rental						
Hong Kong	14,883	10,900	2,648	2,056	17,531	12,956
Mainland	4,972	3,992	1,201	872	6,173	4,864
Singapore	–	–	757	572	757	572
	19,855	14,892	4,606	3,500	24,461	18,392
Hotel operations	4,416	486	834	129	5,250	615
SmarTone (Telecommunications)	6,253	752	–	–	6,253	752
Transport infrastructure and logistics	4,441	1,188	4,181	478	8,622	1,666
SUNeVision (Data centre)	2,938	1,489	–	–	2,938	1,489
Other businesses	7,938	959	101	25	8,039	984
Segment total	79,721	27,773	10,398	4,415	90,119	32,188
Other net income/(loss)		288		(192)		96
Unallocated administrative expenses		(1,983)		–		(1,983)
Operating profit		26,078		4,223		30,301
Change in fair value of investment properties						
Hong Kong		(1,790)		685		(1,105)
Mainland		(940)		(292)		(1,232)
Singapore		–		780		780
		(2,730)		1,173		(1,557)
Net finance costs		(2,485)		(678)		(3,163)
Profit before taxation		20,863		4,718		25,581
Taxation						
– Group		(4,869)		–		(4,869)
– Associates		–		(54)		(54)
– Joint ventures		–		(774)		(774)
Profit for the year		15,994		3,890		19,884

Results from property development include selling and marketing expenses of HK\$559 million (2025: HK\$1,139 million) and HK\$137 million (2025: HK\$185 million) relating to the pre-sale of property projects under construction in Hong Kong and Mainland, respectively.

Other businesses comprise revenue and profit derived from other activities including property management, department store operations and financial services.

Notes to the Consolidated Financial Statements

(Expressed in millions of Hong Kong dollars)

3. Segment Information (cont'd)

(b) Segment assets and liabilities

The Group's assets and liabilities by reportable and operating segments are analyzed as follows:

	The Company and its subsidiaries	Associates and joint ventures	Total assets	Total liabilities
At 30 June 2026				
Property development				
Hong Kong	162,981	3,524	166,505	(22,374)
Mainland	16,863	6,685	23,548	(845)
	179,844	10,209	190,053	(23,219)
Property investment				
Hong Kong	307,516	72,158	379,674	(4,928)
Mainland	124,469	12,204	136,673	(3,202)
Singapore	–	6,465	6,465	–
	431,985	90,827	522,812	(8,130)
Hotel operations	28,924	1,539	30,463	(697)
SmarTone				
(Telecommunications)	8,713	–	8,713	(4,798)
Transport infrastructure and logistics	3,080	5,342	8,422	(1,996)
SUNeVision (Data centre)	14,581	–	14,581	(1,687)
Other businesses	6,102	132	6,234	(4,414)
	673,229	108,049	781,278	(44,941)
Bank deposits and cash			30,053	–
Financial investments			2,302	–
Bank and other borrowings			–	(97,668)
Unallocated corporate assets/(liabilities)			4,117	(2,909)
Current tax payable			–	(7,539)
Deferred tax liabilities			–	(25,969)
Total assets/(liabilities)			817,750	(179,026)
At 30 June 2025				
Property development				
Hong Kong	190,953	3,769	194,722	(26,343)
Mainland	16,339	5,853	22,192	(1,604)
	207,292	9,622	216,914	(27,947)
Property investment				
Hong Kong	307,065	70,949	378,014	(4,854)
Mainland	113,239	10,946	124,185	(2,664)
Singapore	–	6,564	6,564	–
	420,304	88,459	508,763	(7,518)
Hotel operations	27,786	1,691	29,477	(541)
SmarTone				
(Telecommunications)	9,265	–	9,265	(5,035)
Transport infrastructure and logistics	2,284	4,757	7,041	(1,772)
SUNeVision (Data centre)	14,885	–	14,885	(1,326)
Other businesses	7,158	158	7,316	(4,386)
	688,974	104,687	793,661	(48,525)
Bank deposits and cash			16,919	–
Financial investments			2,061	–
Bank and other borrowings			–	(110,217)
Unallocated corporate assets/(liabilities)			4,252	(2,750)
Current tax payable			–	(8,996)
Deferred tax liabilities			–	(24,031)
Total assets/(liabilities)			816,893	(194,519)

3. Segment Information (cont'd)

(c) Other segment information

The Group's depreciation and amortization and additions to non-current assets by reportable and operating segments are analyzed as follows:

	Depreciation and amortization charged to consolidated income statement		Additions to non-current assets	
	2026	2025	2026	2025
Property investment for rental	–	–	9,680	8,228
Hotel operations	672	635	1,027	238
SmarTone (Telecommunications)	1,552	1,605	1,078	1,342
Transport infrastructure and logistics	465	709	752	683
SUNeVision (Data centre)	676	638	969	1,334
Other businesses	190	184	131	208
Unallocated corporate assets	47	44	20	11
	3,602	3,815	13,657	12,044

(d) Geographical information

The Group's non-current assets by geographical location is analyzed as follows:

	2026			2025		
	The Company and its subsidiaries	Associates and joint ventures	Consolidated	The Company and its subsidiaries	Associates and joint ventures	Consolidated
Hong Kong	354,504	81,122	435,626	353,997	79,648	433,645
Mainland	129,162	19,466	148,628	117,504	17,453	134,957
Singapore	–	6,465	6,465	–	6,564	6,564
Others	–	996	996	72	1,022	1,094
	483,666	108,049	591,715	471,573	104,687	576,260
Other non-current assets			3,007			3,724
Financial investments			1,409			1,197
Total non-current assets			596,131			581,181

Notes to the Consolidated Financial Statements

(Expressed in millions of Hong Kong dollars)

4. Revenue from Contracts with Customers

(a) Disaggregation of revenue from contracts with customers

The following tables present the Group's revenue from contracts with customers disaggregated into major business segments, primary geographical markets and according to the timing of revenue recognition, including a reconciliation of the disaggregated revenue with the amounts disclosed in the segment information.

For the year ended 30 June 2026

	Revenue from contracts with customers			Revenue from other sources	Total
	recognized at a point in time	recognized over time	Subtotal		
(i) By segments					
Property development	48,519	–	48,519	–	48,519
Property rental	–	2,212	2,212	17,858	20,070
Hotel operations	1,522	3,023	4,545	–	4,545
SmarTone (Telecommunications)	2,376	4,228	6,604	–	6,604
Transport infrastructure and logistics	112	3,266	3,378	278	3,656
SUNeVision (Data centre)	–	3,117	3,117	–	3,117
Property management	232	5,080	5,312	–	5,312
Department store operations	1,888	–	1,888	–	1,888
Financial services and others	–	–	–	483	483
	54,649	20,926	75,575	18,619	94,194
(ii) Geographical markets					
Hong Kong	49,942	20,325	70,267	13,488	83,755
Mainland	4,707	599	5,306	5,131	10,437
Others	–	2	2	–	2
	54,649	20,926	75,575	18,619	94,194

4. Revenue from Contracts with Customers (cont'd)

(a) Disaggregation of revenue from contracts with customers (cont'd)

For the year ended 30 June 2025

	Revenue from contracts with customers			Revenue from other sources	Total
	recognized at a point in time	recognized over time	Subtotal		
(i) By segments					
Property development	33,880	–	33,880	–	33,880
Property rental	–	2,180	2,180	17,675	19,855
Hotel operations	1,648	2,768	4,416	–	4,416
SmarTone (Telecommunications)	1,838	4,415	6,253	–	6,253
Transport infrastructure and logistics	104	4,045	4,149	292	4,441
SUNeVision (Data centre)	–	2,938	2,938	–	2,938
Property management	210	5,179	5,389	–	5,389
Department store operations	1,791	–	1,791	–	1,791
Financial services and others	–	39	39	719	758
	39,471	21,564	61,035	18,686	79,721
(ii) Geographical markets					
Hong Kong	31,444	21,002	52,446	13,719	66,165
Mainland	8,027	501	8,528	4,967	13,495
Others	–	61	61	–	61
	39,471	21,564	61,035	18,686	79,721

Revenue from other sources includes rental income and income from rendering of financial services.

(b) Revenue recognized in relation to contract liabilities

Contract liabilities primarily relate to the Group's unfulfilled performance obligations to transfer goods or services to customers for which consideration has been received at the reporting date. The contract liability is recognized in revenue in the period when performance obligations are fulfilled.

During the year, the Group recognized revenue of HK\$13,375 million (2025: HK\$10,323 million) from sales of properties that were included in contract liabilities at the beginning of the year.

(c) Expected revenue from remaining performance obligations in contracts with customers

As of 30 June 2026, the aggregate amount of transaction price allocated to the remaining performance obligations under the Group's existing contracts of sales of development properties was HK\$22,071 million (2025: HK\$38,050 million). This represents the aggregate amount of revenue expected to be recognized by the Group in the future, of which approximately 92% (2025: 86%) is expected to be recognized as revenue within one year. For all other contracts that have an original expected duration of one year or less or are billed directly according to performance completed to date, the Group has applied the practical expedient in paragraph 121 of HKFRS 15 Revenue from contracts with customers and does not disclose the amount of transaction price allocated to the remaining performance obligations.

Notes to the Consolidated Financial Statements

(Expressed in millions of Hong Kong dollars)

5. Other Net Income

	Notes	2026	2025
Gain on land resumption	(a)	389	1,137
Profit on sale of investment properties	(b)	353	390
Impairment provisions for development properties	(c)	–	(1,384)
Others		46	145
		788	288

- (a) During the year, the Group recorded a HK\$389 million (2025: HK\$1,137 million) gain from land resumption by the Government, resulting mainly from the resumption of certain land lots held by the Group in San Tin, Hung Shui Kiu/Ha Tsuen New Development Area and along the Northern Link Main Line.
- (b) Profit on sale of investment properties for the year, mostly derived from the disposal of certain units in Dynasty Court and Shouson Peak, was calculated based on net sales proceeds over fair values. Underlying profit, inclusive of HK\$2,806 million (2025: HK\$1,836 million) fair value gains realized, amounted to HK\$3,159 million (2025: HK\$2,226 million).
- (c) The impairment provisions in last year were mainly attributed to the Cullinan Sky residential project, calculated based on estimated sales proceeds, minus the costs required to complete and sell the project, excluding previously expensed selling and marketing costs.

6. Net Finance Costs

	Notes	2026	2025
Interest and other finance costs on bank and other borrowings		3,249	4,604
Notional non-cash interest accretion	(a)	58	62
Finance costs on lease liabilities		86	85
Less: Amount capitalized	(b)	(1,039)	(1,895)
		2,354	2,856
Interest income on bank deposits		(444)	(371)
		1,910	2,485

- (a) Notional non-cash interest accretion represents adjustments to accrete the carrying amount of asset retirement obligations and contractual obligations of mobile licence recognized in the consolidated statement of financial position to the present value of the estimated future cash flows expected to be required for their settlement in the future.
- (b) Interest expenses have been capitalized for properties under development at rates ranging from 2.76% to 3.47% (2025: 3.07% to 4.51%) per annum.

7. Profit before Taxation

	2026	2025
Profit before taxation is arrived at		
after charging:		
Cost of properties sold	38,763	22,612
Cost of other inventories sold	3,380	2,822
Depreciation of property, plant and equipment	3,134	3,105
Amortization of		
Intangible assets (included in direct costs)	468	710
Contract acquisition costs	1,478	1,242
Impairment loss on goodwill	1	–
Credit loss allowance on financial assets and contract assets	29	212
Lease expenses		
Short-term and low-value assets leases	134	146
Variable lease payments	40	33
Staff costs (including directors' emoluments and retirement schemes contributions)	10,329	10,559
Share-based payments	20	9
Auditors' remuneration	28	31
Loss on disposal of financial investments at fair value through profit or loss	10	27
Loss on disposal of property, plant and equipment	3	59
and crediting:		
Dividend income from investments	71	67
Interest income from investments	33	32
Fair value gains on financial investments at fair value through profit or loss	79	63

Notes to the Consolidated Financial Statements

(Expressed in millions of Hong Kong dollars)

8. Directors' Emoluments and Five Highest Paid Individuals

The aggregate amounts of emoluments paid and payable to the directors of the Company during the year are as follows:

Name of director	Notes	Fees	Salaries, allowances and benefits	Discretionary bonuses	Retirement schemes contributions	(Note d) Share-based payments	2026 Total emoluments	2025 Total emoluments
Executive Directors								
Kwok Ping-luen, Raymond		0.56	3.17	0.24	0.29	–	4.26	4.19
Wong Chik-wing, Mike		0.30	15.67	10.20	1.18	–	27.35	27.35
Lui Ting, Victor		0.30	13.17	12.69	1.18	–	27.34	27.34
Kwok Kai-fai, Adam		0.30	7.59	1.92	0.02	–	9.83	9.83
Kwok Kai-wang, Christopher		0.35	6.69	2.03	0.02	–	9.09	9.09
Tung Chi-ho, Eric		0.35	10.19	10.29	0.87	–	21.70	21.70
Fung Yuk-lun, Allen		0.51	8.67	14.47	0.43	4.23	28.31	25.30
Lau Tak-yeung, Albert	(a)	–	–	–	–	–	–	2.69
Fung Sau-yim, Maureen	(b)	0.21	9.39	0.67	0.47	–	10.74	24.26
Chan Hong-ki, Robert		0.35	8.75	7.40	0.62	–	17.12	17.12
Non-Executive Directors								
Kwan Cheuk-yin, William	(c)	0.31	–	–	–	–	0.31	0.42
Kwok Kai-chun, Geoffrey		0.30	–	–	–	–	0.30	0.30
Independent Non-Executive Directors								
Yip Dicky Peter		0.64	–	–	–	–	0.64	0.64
Wong Yue-chim, Richard		0.72	–	–	–	–	0.72	0.72
Li Ka-cheung, Eric		0.97	–	–	–	–	0.97	0.97
Fung Kwok-lun, William		0.30	–	–	–	–	0.30	0.30
Leung Nai-pang, Norman		0.70	–	–	–	–	0.70	0.70
Leung Ko May-yee, Margaret		0.32	–	–	–	–	0.32	0.30
Fan Hung-ling, Henry		0.30	–	–	–	–	0.30	0.30
Total 2026		7.79	83.29	59.91	5.08	4.23	160.30	
Total 2025		8.08	83.56	75.34	5.33	1.21		173.52

The above analysis included four (2025: four) individuals whose emoluments were among the five highest pay in the Group.

8. Directors' Emoluments and Five Highest Paid Individuals (cont'd)

Details of the emoluments paid to the remaining one (2025: one) individual are:

	2026	2025
Salaries, allowances and benefits in kind	9.06	8.88
Discretionary bonuses	13.40	14.34
Retirement schemes contributions	0.84	0.82
	23.30	24.04

- (a) Mr. Lau Tak-yeung, Albert retired as an Executive Director at the annual general meeting of the Company held on 7 November 2024.
- (b) Ms. Fung Sau-yim, Maureen resigned as an Executive Director on 3 February 2026.
- (c) Mr. Kwan Cheuk-yin, William resigned as a Non-Executive Director on 31 March 2026.
- (d) Share-based payments represented the fair value of share options granted to the director under the share option scheme of a subsidiary, which are determined at the date of grant and expensed over the vesting period.

9. Staff Retirement Schemes

The Group operates a number of defined contribution schemes for all qualified employees. The assets of these schemes are held separately from those of the Group in independently administered funds. Contributions to these schemes are made by both the employers and employees at rates ranging from 5% to 10% on the employees' salary.

As required by the municipal or provincial social insurance laws and regulations, the Group made contributions to the pension insurance managed by the local municipal governments in Mainland. The rates of contributions in general ranged from 16% to 17% of staff's monthly salary during the relevant period.

With effect from 1 December 2000, the Group sets up an employer sponsored scheme ("MPF Scheme") for other employees. The MPF Scheme is registered with the Mandatory Provident Fund Schemes Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in independently administered funds. Pursuant to the rules of the MPF Scheme, the Group and its employees are each required to make contributions to the scheme at specific rates. Contributions of the Group to the MPF Scheme are charged to consolidated income statement as incurred.

Total contributions to the retirement schemes made by the Group during the year amounted to HK\$416 million (2025: HK\$426 million). Forfeited contributions for the year of HK\$3 million (2025: HK\$1 million) were used to reduce the existing level of contributions.

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(Expressed in millions of Hong Kong dollars)

10. Taxation

	2026	2025
Current tax expenses		
Hong Kong profits tax	2,647	2,439
Over provision in prior years	(19)	(16)
	2,628	2,423
Tax outside Hong Kong	3,086	3,372
Total current tax	5,714	5,795
Deferred tax expenses/(credit)		
Change in fair value of investment properties	(440)	(713)
Other origination and reversal of temporary differences	674	(213)
Total deferred tax	234	(926)
Total income tax expenses	5,948	4,869

- (a) Hong Kong profits tax is provided at the rate of 16.5% (2025: 16.5%) based on the estimated assessable profits for the year. Tax outside Hong Kong, which includes Mainland land appreciation tax and withholding tax on income distributions, is calculated at the rates applicable in the relevant jurisdictions.
- (b) Reconciliation between tax expenses and accounting profit at applicable tax rate:

	2026	2025
Profit before share of results of associates, joint ventures and taxation	22,868	20,863
Tax at Hong Kong profits tax rate of 16.5% (2025: 16.5%)	3,773	3,442
Effect of different tax rates of subsidiaries operating outside Hong Kong	2,219	1,799
Net effect of non-deductible expenses and non-taxable income	(344)	(154)
Utilization of tax losses previously not recognized	(38)	(291)
Recognition of tax losses and other temporary differences previously not recognized	(19)	(322)
Tax losses and other temporary differences not recognized	304	148
Over provision in prior years	(19)	(16)
Withholding tax on income distributions	53	263
Others	19	–
Tax expenses	5,948	4,869

10. Taxation (cont'd)

- (c) On 6 June 2025, Hong Kong has enacted the Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 to implement the global minimum tax and the Hong Kong minimum top-up tax ("HKMTT") in accordance with the Global Anti Base Erosion ("GloBE") rules under Pillar Two of the Organization for Economic Co-operation and Development's Base Erosion and Profit Shifting 2.0 framework, applicable to multinational enterprise groups with annual revenue of at least EUR750 million. The implementation of the GloBE and HKMTT regimes seek to ensure that in-scope multinational enterprise groups pay minimum tax of 15% in respect of the profits derived from every jurisdiction in which they operate.

The legislation is effective from 1 January 2025 and applicable to the Group for the year ended 30 June 2026. Based on assessments conducted using financial data for the year ended 30 June 2026, the Group does not have any top-up tax exposure in jurisdictions in which the Group has operations. In addition, the Group has applied the HKAS 12 exception to the requirements to recognize and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

11. Dividends

(a) Dividends payable to equity shareholders of the Company attributable to profit for the year

	2026	2025
Interim dividend declared and paid of HK\$0.98 (2025: HK\$0.95) per share	2,840	2,753
Final dividend proposed after the end of the reporting period of HK\$2.93 (2025: HK\$2.80) per share	8,490	8,114
	11,330	10,867

The final dividend proposed after the end of the reporting period has not been recognized as a liability at the end of the reporting period.

(b) Dividends payable to equity shareholders of the Company attributable to profit for the previous financial year, approved and paid during the year

	2026	2025
Final dividend in respect of the previous financial year, approved and paid during the year of HK\$2.80 (2024: HK\$2.80) per share	8,114	8,114

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(Expressed in millions of Hong Kong dollars)

12. Earnings Per Share

(a) Reported earnings per share

The calculations of basic and diluted earnings per share are based on the Group's profit attributable to the Company's shareholders of HK\$21,426 million (2025: HK\$19,277 million).

The basic earnings per share is based on the weighted average number of shares in issue during the year of 2,897,780,274 (2025: 2,897,780,274) shares.

Diluted earnings per share were the same as the basic earnings per share as there were no dilutive potential ordinary shares in existence during the years.

(b) Underlying earnings per share

For the purpose of assessing the underlying performance of the Group, basic and diluted earnings per share are additionally calculated based on the underlying profit attributable to the Company's shareholders of HK\$22,850 million (2025: HK\$21,855 million), which excluded the fair value changes on investment properties, and included the fair value gains realized on sale of investment properties. A reconciliation of profit is as follows:

	2026	2025
Profit attributable to the Company's shareholders as shown in the consolidated income statement	21,426	19,277
Decrease/(increase) in fair value of investment properties		
Subsidiaries	366	2,730
Associates	98	112
Joint ventures	(1,443)	(1,285)
	(979)	1,557
Effect of corresponding deferred tax expenses		
Subsidiaries	(440)	(713)
Joint ventures	79	(86)
Non-controlling interests	(42)	(16)
Unrealized fair value (gains)/losses of investment properties net of deferred tax	(1,382)	742
Fair value gains of investment properties realized on disposal	2,806	1,836
Net effect of change in fair value of investment properties	1,424	2,578
Underlying profit attributable to the Company's shareholders	22,850	21,855

13. Investment Properties

(a) Movement during the year

	Completed	Under development	Total
Valuation			
At 1 July 2024	349,214	59,210	408,424
Additions	1,213	7,015	8,228
Transfer upon completion	13	(13)	–
Transfer from properties for sale	2,836	–	2,836
Transfer from property, plant and equipment	63	–	63
Disposals	(2,335)	–	(2,335)
Exchange difference	1,744	815	2,559
Decrease in fair value	(1,354)	(1,376)	(2,730)
At 30 June 2025 and 1 July 2025	351,394	65,651	417,045
Additions	609	2,909	3,518
Transfer upon completion	27,761	(27,761)	–
Acquisitions	6,162	–	6,162
Transfer from/(to) properties for sale	204	(274)	(70)
Transfer from property, plant and equipment	17	–	17
Disposals	(3,774)	–	(3,774)
Exchange difference	4,163	1,810	5,973
Decrease in fair value	(313)	(53)	(366)
At 30 June 2026	386,223	42,282	428,505

(b) Investment properties valuation

The Group's investment properties were valued at their fair values at 30 June 2026 and 30 June 2025 by Knight Frank Petty Limited, an independent firm of professional qualified valuers, on a market value basis, in accordance with Valuation Standards on Properties issued by Hong Kong Institute of Surveyors.

Fair values of the Group's investment properties are categorized as Level 3 measurement in the fair value hierarchy. During the year, there were no transfers among the fair value hierarchy.

The Group's completed investment properties are valued using the income capitalization method by capitalizing the net income from the existing tenancies and reversionary income potential at appropriate capitalization rates for individual properties. The capitalization rate adopted is derived by making reference to the yields achieved from analysis of comparable property investment transactions and valuer's view of prevailing investor expectations regarding rental growth and perceived risks.

Notes to the Consolidated Financial Statements

(Expressed in millions of Hong Kong dollars)

13. Investment Properties (cont'd)

(b) Investment properties valuation (cont'd)

The Group's investment properties under development are valued using the residual method by estimating the value of the property when completed using income capitalization method with reference to comparable sales transactions assuming that the property had been completed in accordance with the current development plan on the valuation date less the costs that will be incurred to complete the development with appropriate allowance for profit and risk.

Set out below is the significant unobservable inputs used for fair value measurements:

	Fair value		Weighted average capitalization rate	
	2026	2025	2026	2025
Completed				
Hong Kong	284,126	275,417	4.9%	5.0%
Mainland	102,097	75,977	5.4%	6.6%
	386,223	351,394		

	Fair value (residual method)		Capitalization rate	
	2026	2025	2026	2025
Under development				
Hong Kong	21,781	29,662	3.5% – 5.5%	3.3% – 5.5%
Mainland	20,501	35,989	5.0% – 8.8%	5.0% – 8.8%
	42,282	65,651		

The fair values of the Group's investment properties are inversely related to capitalization rates, which are determined by reference to investors' expectations on investment yields, rental growth and the risk profile of the properties being valued. A lower (higher) capitalization rate would imply a higher (lower) property value.

- (c) Profit on sale of the Group's investment properties during the year amounted to HK\$353 million (2025: HK\$390 million).
- (d) Gross rental income and direct operating expenses from investment properties during the year amounted to HK\$18,683 million (2025: HK\$18,561 million) and HK\$4,813 million (2025: HK\$4,625 million) respectively.

14. Property, Plant and Equipment

Movement during the year

	Ownership interests in leasehold land and buildings held for own use				Other properties leased for own use	Plant and equipment	Total
	Hotel properties	Other completed properties	Properties under development	Subtotal			
Cost							
At 1 July 2024	22,410	13,817	12,236	48,463	6,498	21,386	76,347
Additions	37	10	1,134	1,181	933	1,491	3,605
Transfer upon completion	–	–	(154)	(154)	–	154	–
Disposals	(1)	–	–	(1)	(514)	(1,069)	(1,584)
Transfer to completed investment properties	–	(63)	–	(63)	–	–	(63)
Exchange difference	86	1	50	137	–	17	154
At 30 June 2025 and 1 July 2025	22,532	13,765	13,266	49,563	6,917	21,979	78,459
Additions	33	1	1,054	1,088	1,018	903	3,009
Acquisitions	802	–	–	802	–	11	813
Transfer upon completion	2,195	728	(3,090)	(167)	–	167	–
Disposals	(2)	–	–	(2)	(183)	(427)	(612)
Transfer to completed investment properties	–	(17)	–	(17)	–	–	(17)
Exchange difference	227	5	87	319	–	41	360
At 30 June 2026	25,787	14,482	11,317	51,586	7,752	22,674	82,012
Accumulated depreciation and impairment							
At 1 July 2024	6,638	3,284	–	9,922	4,379	11,856	26,157
Charge for the year	562	261	–	823	1,020	1,262	3,105
Disposals	(1)	–	–	(1)	(508)	(1,009)	(1,518)
Exchange difference	16	1	–	17	–	9	26
At 30 June 2025 and 1 July 2025	7,215	3,546	–	10,761	4,891	12,118	27,770
Charge for the year	593	256	–	849	987	1,298	3,134
Disposals	(2)	–	–	(2)	(183)	(416)	(601)
Exchange difference	44	3	–	47	–	26	73
At 30 June 2026	7,850	3,805	–	11,655	5,695	13,026	30,376
Net book value at 30 June 2026	17,937	10,677	11,317	39,931	2,057	9,648	51,636
Net book value at 30 June 2025	15,317	10,219	13,266	38,802	2,026	9,861	50,689

Notes to the Consolidated Financial Statements

(Expressed in millions of Hong Kong dollars)

14. Property, Plant and Equipment (cont'd)

Included in the above line items are the following right-of-use assets in relation to ownership interests in leasehold land and other properties leased by the Group for own use:

		During the year ended 30 June 2026		At 30 June 2026
	Notes	Additions	Depreciation	Net book value
Right-of-use assets				
Ownership interests in leasehold land held for own use	(i)	327	244	14,492
Other properties leased for own use	(ii)	1,018	987	2,057
		1,345	1,231	16,549

- (i) The Group holds ownership interests in leasehold land used primarily for its hotel operations, data centre and logistics business, and for use as corporate headquarter. Land premium or lump sum payments were made upfront to acquire these land interests, and there are no ongoing lease payments to be made under the terms of the land lease. The leasehold land interests are depreciated over the unexpired term of their respective leases.
- (ii) The Group is the lessee in a number of lease or tenancy contracts in respect of certain other properties leased for use as retail stores and office premises, and for use in transport logistics business, car parking operations and installation of telecommunications equipment. The leases are capitalized as right-of-use assets with depreciation provided to write off the cost of the leased assets over the shorter of the expected lease terms and their estimated useful lives. Remaining term of these leases range from one to eighteen years. Certain of these leases include an option to renew the lease for an additional period after the end of the contract term.

15. Associates

	2026	2025
Unlisted shares, at cost less impairment loss	7	7
Hong Kong listed shares, at cost	2,291	2,221
Share of post-acquisition reserves	5,947	5,908
	8,245	8,136
Market value of Hong Kong listed associate	2,320	2,086

The Group's effective interest in the revenue, results, assets and liabilities of its associates are summarized below:

	2026	2025
Investment properties	4,732	4,793
Other non-current assets	5,193	5,257
Current assets	2,223	2,157
Current liabilities	(2,067)	(1,797)
Non-current liabilities	(1,836)	(2,274)
Net assets	8,245	8,136
Revenue	4,229	4,052
Fair value change of investment properties net of related deferred tax	(98)	(112)
Profit for the year	189	194

Particulars regarding principal associates are set out in the section headed "Principal Associates" of the Annual Report 2026.

16. Joint Ventures

	2026	2025
Unlisted shares, at cost less impairment loss	29,661	29,677
Share of post-acquisition reserves	57,025	55,116
	86,686	84,793
Amounts due from joint ventures	13,118	11,758
	99,804	96,551

Amounts due from joint ventures form part of the Group's net interests in joint ventures. The amounts are unsecured, interest free and have no fixed terms of repayment and are repayable as may from time to time be agreed among the shareholders except for the amounts of HK\$1,922 million (2025: HK\$1,915 million) which are interest bearing at market rates.

The Group's effective interest in the revenue, results, assets and liabilities of its joint ventures are summarized below:

	2026	2025
Investment properties	107,398	105,050
Other non-current assets	4,451	3,731
Current assets	22,932	27,219
Current liabilities	(19,695)	(22,542)
Non-current liabilities	(28,400)	(28,665)
Net assets	86,686	84,793
Revenue	11,682	6,346
Fair value change of investment properties net of related deferred tax	1,364	1,371
Profit for the year	4,893	3,696

Particulars regarding principal joint ventures are set out in the section headed "Principal Joint Ventures" of the Annual Report 2026.

Notes to the Consolidated Financial Statements

(Expressed in millions of Hong Kong dollars)

17. Financial Investments

	2026			Total
	Measured at FVTPL	Measured at FVOCI	Measured at amortized cost	
Non-current assets				
Debt securities	–	385	28	413
Equity securities	283	713	–	996
	283	1,098	28	1,409
Current assets				
Debt securities	–	58	–	58
Equity securities	835	–	–	835
	835	58	–	893

	2025			Total
	Measured at FVTPL	Measured at FVOCI	Measured at amortized cost	
Non-current assets				
Debt securities	–	257	48	305
Equity securities	290	602	–	892
	290	859	48	1,197
Current assets				
Debt securities	–	97	–	97
Equity securities	767	–	–	767
	767	97	–	864

18. Intangible Assets

	Concession assets	Mobile licences	Goodwill	Total
Cost				
At 1 July 2024	6,936	7,964	169	15,069
Additions	–	211	–	211
Derecognition	(6,936)	–	–	(6,936)
At 30 June 2025 and 1 July 2025	–	8,175	169	8,344
Additions	–	155	–	155
Derecognition	–	(1,851)	–	(1,851)
At 30 June 2026	–	6,479	169	6,648
Accumulated amortization and impairment				
At 1 July 2024	6,698	4,006	27	10,731
Amortization	238	472	–	710
Derecognition	(6,936)	–	–	(6,936)
At 30 June 2025 and 1 July 2025	–	4,478	27	4,505
Amortization	–	468	–	468
Derecognition	–	(1,851)	–	(1,851)
Impairment	–	–	1	1
At 30 June 2026	–	3,095	28	3,123
Net book value at 30 June 2026	–	3,384	141	3,525
Net book value at 30 June 2025	–	3,697	142	3,839

Concession assets represent cost of tunnel, approach road and buildings, electrical and mechanical systems under the service concession arrangement with the HKSAR Government for the construction, operation and maintenance of toll road infrastructure, with a franchise period of 30 years commencing in May 1995. The franchise expired on 30 May 2025.

Mobile licences represent the upfront payments and the present value of the annual fixed fees payable over the licence period, which have finite useful lives ranging from 12 to 15 years, and are amortized on a straight line basis. The corresponding non-current and current portion of these contractual liabilities are recorded in other non-current liabilities and other payables respectively.

Goodwill represents the excess of the cost of acquisition over the net fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiaries. At the year end date, an impairment test was performed by comparing the carrying amount of the business with the recoverable amount.

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(Expressed in millions of Hong Kong dollars)

19. Other Non-Current Assets

	Notes	2026	2025
Mortgage loan receivables		1,307	2,393
Other loan receivables		1,213	1,204
Total loans receivables		2,520	3,597
Less: Amount due within one year included under trade and other receivables		(142)	(546)
		2,378	3,051
Derivative financial instruments	20	71	33
Deferred tax assets	28	558	640
		3,007	3,724

Mortgage loan receivables are secured by first or second mortgages on properties and repayable by monthly instalments with various tenors up to 28 years (2025: 29 years) at the year end date and carry interest at rates with reference to banks' lending rates. The balance includes first mortgage loans of HK\$852 million (2025: HK\$1,759 million). The Group recognizes expected credit loss for all loans receivables based on its assessment of changes in credit risk on a collective basis, with reference to both historical loss experience and forward-looking information. Changes in the loss allowance are recognized in profit or loss.

20. Derivative Financial Instruments

	Notes	2026		2025	
		Assets	Liabilities	Assets	Liabilities
Fair value hedges					
– interest rate swaps		–	–	4	–
– cross currency interest rate swaps		–	–	–	2
		–	–	4	2
Cash flow hedges					
– cross currency interest rate swaps		71	239	33	431
Not designated as accounting hedges					
– forward foreign exchange contracts		–	–	1	–
		71	239	38	433
Representing:					
Current portion	22 & 25	–	–	5	2
Non-current portion	19 & 29	71	239	33	431
		71	239	38	433

The total outstanding derivative financial instruments as at the year end date are analyzed as follows:

	Maturing date	Notional principal amount	
		2026	2025
Designated as accounting hedges			
– interest rate swaps and cross currency interest rate swaps	Aug 2027 – May 2030 (2025: Feb 2026 – May 2030)	15,253	16,302
Not designated as accounting hedges			
– forward foreign exchange contracts	2025: Sep 2025	–	87
		15,253	16,389

21. Properties for Sale

	2026	2025
Stock of completed properties for sale	80,087	64,251
Properties under development for sale	92,455	133,201
	172,542	197,452

22. Trade and Other Receivables

	Notes	2026	2025
Trade receivables	(a)	3,614	3,252
Other account receivables, deposits and prepayments	(b)	13,407	15,539
Deposits for acquisition of properties		120	255
Contract assets	(c)	438	463
Short-term loans	19	142	546
Derivative financial instruments	20	–	5
		17,721	20,060

- (a) At 30 June 2026, 59% (2025: 59%) of trade receivables are aged less than 30 days, 14% (2025: 13%) between 31 to 60 days, 8% (2025: 10%) between 61 to 90 days and 19% (2025: 18%) more than 90 days.

Impairment losses in respect of trade receivables are recorded using an allowance account based on expected credit losses. When the Group is satisfied that recovery of the amount is remote, the impairment loss is written off against trade receivables directly. Impairment allowance in respect of trade receivable as at 30 June 2026 amounted to HK\$291 million (2025: HK\$287 million).

- (b) The balance includes contract acquisition costs of HK\$230 million (2025: HK\$241 million) primarily related to incremental commission costs incurred to obtain property sales and telecommunication services contracts with customers. There was no impairment loss in relation to the cost capitalized.
- (c) The contract assets primarily relate to the Group's right to consideration for unbilled revenue in relation to services rendered for use of data centre and IT facilities, telecommunication and construction services at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.

23. Bank Deposits and Cash

Deposits with banks are interest bearing at prevailing market rates. At the year end date, about 72% (2025: 61%) of the Group's bank deposits and cash are denominated in Hong Kong dollar, 12% (2025: 28%) in Renminbi and 16% (2025: 11%) mostly in US dollar.

24. Bank and Other Borrowings

	Note	2026	2025
Long-term bank and other borrowings due within one year	27	14,204	14,384

The carrying amounts of the bank and other borrowings approximate their fair values.

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(Expressed in millions of Hong Kong dollars)

25. Trade and Other Payables

	Notes	2026	2025
Trade payables	(a)	2,453	2,476
Other payables and accrued expenses		27,184	26,760
Contract liabilities	(b)	1,475	1,203
Amounts due to non-controlling interests	(c)	1,138	1,181
Lease liabilities	29	829	790
Derivative financial instruments	20	–	2
		33,079	32,412

- (a) At 30 June 2026, 61% (2025: 59%) of trade payables are aged less than 30 days, 8% (2025: 7%) between 31 to 60 days, 4% (2025: 3%) between 61 to 90 days and 27% (2025: 31%) more than 90 days.
- (b) The contract liabilities relate primarily to advance payments received from customers in respect of use of data centre and IT facilities, telecommunication and construction services.
- (c) The amounts due to non-controlling interests are interest free, unsecured and have no fixed terms of repayment.

26. Deposits Received on Sales of Properties

The Group receives payments from customers based on payment schedules established in contracts. The Group receives certain percentage of the agreed transaction price as a deposit when the Group signs a contract with the customers. Typically, the remaining balance is paid upon closing of the contracts when the properties are assigned to the customers. In many cases, the Group receives some further deposits from customers prior to the closing of the contracts. In some arrangements relating to sales of uncompleted properties, the customers agree to pay the balance of consideration early during the property construction period, rather than on assignment. All such deposits received are recognized as contract liabilities until the Group satisfies its performance obligations by transferring the control of the properties to the customers, at which time the contract liabilities are recognized as revenue.

Changes in contract liabilities in respect of deposits received on sales of properties during the year:

	2026	2025
At 1 July	14,300	11,226
Exchange difference	4	(13)
Decrease as a result of recognizing revenue during the year	(13,375)	(10,323)
Increase as a result of receiving sales deposits during the year	9,420	13,410
Increase as a result of acquisitions	92	–
At 30 June	10,441	14,300

27. Bank and Other Borrowings

The Group's long-term bank and other loans are repayable as follows:

	Note	2026	2025
Bank loans repayable			
Within one year		11,969	5,711
After one year but within two years		3,244	16,836
After two years but within five years		30,147	34,921
After five years		19,833	11,819
		65,193	69,287
Bonds and notes repayable			
Within one year		2,235	8,673
After one year but within two years		8,534	2,235
After two years but within five years		20,659	28,987
After five years		1,047	1,035
		32,475	40,930
		97,668	110,217
Less: Amount due within one year included under current liabilities	24	(14,204)	(14,384)
		83,464	95,833

The fair values of the long-term borrowings as estimated by discounting their future cash flows at the prevailing market borrowing rates at the year end date for similar borrowings are as follows:

	Carrying amount		Fair value	
	2026	2025	2026	2025
Bank loans	53,224	63,576	53,224	63,576
Bonds and notes	30,240	32,257	29,091	31,139
	83,464	95,833	82,315	94,715

- (a) The carrying amounts of the Group's total borrowings are analyzed as follows:

	2026	2025
Secured	10,830	7,525
Unsecured	86,838	102,692
	97,668	110,217

Secured borrowings related to certain subsidiaries' borrowings which are secured against certain of their property assets and business undertakings.

- (b) The above bank loans are repayable on various dates and carry interest, after hedging where appropriate, at effective rate per annum of 3.19% (2025: 1.86%) at the year end date.
- (c) The bonds and notes are repayable on various dates up to June 2033 (2025: June 2033) and carry interest, after hedging where appropriate, at effective rate per annum of 2.76% (2025: 2.77%) at the year end date.

Notes to the Consolidated Financial Statements

(Expressed in millions of Hong Kong dollars)

27. Bank and Other Borrowings (cont'd)

- (d) The carrying amounts of the Group's total borrowings are denominated in the following currencies (after cross currency interest rate swaps):

	2026	2025
Hong Kong dollar	57,364	77,834
Renminbi	38,310	30,411
British pound	1,994	1,972
	97,668	110,217

28. Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities are offset when taxes relate to the same tax authority and where offsetting is legally enforceable. The movement in deferred tax assets and liabilities (prior to offsetting balances within the same taxation jurisdiction) during the year is as follows:

	Accelerated tax depreciation	Revaluation of properties	Tax losses	Others	Total
At 1 July 2024	9,629	15,217	(1,057)	116	23,905
Charged/(credited) to consolidated income statement	610	(713)	(811)	(12)	(926)
Exchange difference	67	350	(7)	2	412
At 30 June 2025 and 1 July 2025	10,306	14,854	(1,875)	106	23,391
Charged/(credited) to consolidated income statement	759	(440)	(65)	(20)	234
Charged to reserve	–	–	–	4	4
Acquisitions	271	557	–	–	828
Exchange difference	198	776	(25)	5	954
At 30 June 2026	11,534	15,747	(1,965)	95	25,411

The following amounts, determined after appropriate offsetting, are presented separately on the consolidated statement of financial position:

	Note	2026	2025
Deferred tax assets	19	(558)	(640)
Deferred tax liabilities		25,969	24,031
		25,411	23,391

Deferred tax assets are recognized in respect of tax losses to the extent that realization of the related tax benefits through future taxable profit is probable. At the year end date, the Group has unrecognized tax losses and deductible temporary differences of HK\$7,895 million (2025: HK\$5,410 million), of which HK\$1,108 million (2025: HK\$748 million) of tax losses will expire at various dates up to 2030 (2025: 2029). Recognition of these unrecognized tax losses depends on future taxable profits available and losses agreed with the relevant tax authorities.

29. Other Non-Current Liabilities

	Notes	2026	2025
Asset retirement and other obligations		44	46
Contractual obligations for mobile licences		2,363	2,421
Lease liabilities	(a)	1,684	1,665
Derivative financial instruments	20	239	431
		4,330	4,563

(a) At the year end date, the Group's lease liabilities are repayable as follows:

	2026	2025
Within one year	829	790
After one year but within two years	361	503
After two years but within five years	468	456
After five years	855	706
	2,513	2,455
Less: Amount due within one year included under trade and other payables	(829)	(790)
	1,684	1,665

30. Share Capital

	Number of shares in million	Amount
Issued and fully paid:		
Ordinary shares		
At 30 June 2025 and 30 June 2026	2,898	70,703

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(Expressed in millions of Hong Kong dollars)

31. Statement of Financial Position of the Company

	Notes	2026	2025
Non-current assets			
Subsidiaries	(a)	31,431	31,440
Current assets			
Amounts due from subsidiaries		225,450	214,357
Bank deposits and cash		70	66
		225,520	214,423
Current liabilities			
Trade and other payables		(76)	(72)
Net current assets		225,444	214,351
NET ASSETS		256,875	245,791
CAPITAL AND RESERVES			
Share capital	30	70,703	70,703
Reserves	(b)	186,172	175,088
SHAREHOLDERS' EQUITY		256,875	245,791

Directors:

Kwok Ping-luen, Raymond

Lui Ting, Victor

- (a) Particulars regarding principal subsidiaries are set out in the section headed "Principal Subsidiaries" of the Annual Report 2026.
- (b) The movement of Company reserves during the year are as follows:

	Capital reserve	Retained profits	Total
At 1 July 2024	5,297	158,728	164,025
Profit for the year	–	21,930	21,930
Final dividend paid for the year ended 30 June 2024	–	(8,114)	(8,114)
Interim dividend paid for the year	–	(2,753)	(2,753)
At 30 June 2025 and 1 July 2025	5,297	169,791	175,088
Profit for the year	–	22,038	22,038
Final dividend paid for the year ended 30 June 2025	–	(8,114)	(8,114)
Interim dividend paid for the year	–	(2,840)	(2,840)
At 30 June 2026	5,297	180,875	186,172

Reserves of the Company available for distribution to equity shareholders of the Company as at 30 June 2026 amounted to HK\$180,875 million (2025: HK\$169,791 million).

32. Notes to Consolidated Statement of Cash Flows

(a) Reconciliation of operating profit to cash generated from operations

	2026	2025
Operating profit	25,144	26,078
Depreciation and amortization	5,080	5,057
Profit on sale of investment properties	(353)	(390)
Loss on disposal of property, plant and equipment	3	59
Dividend income from investments	(71)	(67)
Loss on disposal of long-term financial investments	–	13
Interest income from investments	(33)	(32)
Fair value (gains)/losses on long-term financial investments at FVTPL	(3)	23
Share-based payments	20	9
Other non-cash items	2	105
Exchange difference	(478)	(129)
Operating cash inflow	29,311	30,726
Decrease in stock of completed properties for sale	38,642	22,672
Increase in properties under development for sale	(12,855)	(8,569)
Decrease in loans receivables	1,077	333
Decrease in inventories	7	85
Decrease/(increase) in trade and other receivables	474	(4,061)
Increase in short-term financial investments at FVTPL	(68)	(92)
Increase in trade and other payables	228	168
(Decrease)/increase in deposits received on sales of properties	(3,951)	3,074
Changes in working capital	23,554	13,610
Cash generated from operations	52,865	44,336

(b) Analysis of the balance of cash and cash equivalents at end of year

	2026	2025
Bank deposits and cash	30,053	16,919
Less: Bank deposits maturing after more than three months	(92)	(76)
Less: Pledged bank deposits	(45)	(45)
	29,916	16,798

Notes to the Consolidated Financial Statements

(Expressed in millions of Hong Kong dollars)

32. Notes to Consolidated Statement of Cash Flows (cont'd)

(c) Reconciliation of the carrying amounts of liabilities relating to financing activities

	Bank and other borrowings	Amounts due to non- controlling interests	Lease liabilities	Total
At 1 July 2024	127,087	1,213	2,567	130,867
Changes from financing cash flows	(17,588)	(32)	(1,014)	(18,634)
New leases arranged during the year	–	–	902	902
Adjustment due to fair value change of financial instruments	21	–	–	21
Net exchange difference	697	–	–	697
At 30 June 2025 and 1 July 2025	110,217	1,181	2,455	113,853
Changes from financing cash flows	(16,556)	(43)	(957)	(17,556)
New leases arranged during the year	–	–	1,015	1,015
Acquisitions	2,783	–	–	2,783
Adjustment due to fair value change of financial instruments	(2)	–	–	(2)
Net exchange difference	1,226	–	–	1,226
At 30 June 2026	97,668	1,138	2,513	101,319

(d) Net cash outflow in respect of acquisition of subsidiaries

In November 2025, the Group acquired the remaining 50% equity interest in Ranny Limited, a joint venture company owning an investment property in Hong Kong, from a third party for a consideration of HK\$600 million.

In May 2026, the Group completed the acquisition from third parties the remaining 66.67% equity interest in a joint venture company, 廣州市天匯新鴻基地產發展有限公司 (formerly known as 廣州市富景房地產開發有限公司) which owns an investment property, a hotel property and certain properties held for sales in Guangzhou, for a consideration of HK\$653 million.

32. Notes to Consolidated Statement of Cash Flows (cont'd)**(d) Net cash outflow in respect of acquisition of subsidiaries (cont'd)**

	2026
Identifiable assets acquired and liabilities assumed:	
Investment properties	6,162
Property, plant and equipment	813
Properties for sale	234
Trade and other receivables	144
Bank deposits and cash	78
Bank and other borrowings	(2,783)
Trade and other payables	(195)
Deposits received on sales of properties	(92)
Current tax payable	(1,044)
Deferred tax liabilities	(828)
Net assets acquired	2,489
Interests originally held by the Group as joint ventures	(1,236)
Purchase consideration	1,253
Effect on cash flows of the Group:	
Purchase consideration	1,253
Consideration to be paid	(285)
Cash paid	968
Less: Cash and cash equivalents acquired	(78)
Net cash outflow on acquisitions	890

Notes to the Consolidated Financial Statements

(Expressed in millions of Hong Kong dollars)

33. Related Party Transactions

(a) Transactions with associates and joint ventures

In the normal course of business, the Group undertook a variety of transactions with certain of its associates and joint ventures. The most significant transactions between the Group and these related parties which were carried out on commercial terms are summarized as follows:

	Associates		Joint ventures	
	2026	2025	2026	2025
Interest income	–	–	99	96
Cash rental paid	3	2	69	81
Other revenue from services rendered	78	70	1,767	3,331
Purchase of goods and services	–	–	52	204

(b) Emoluments to key management personnel of the Group, including amounts paid to the Company's directors and certain of the highest paid employees, are disclosed in Note 8.

34. Contingent Liabilities and Commitments

At the year end date, the Group had contingent liabilities and commitments, so far as not provided for in the consolidated financial statements, as follows:

	2026	2025
(a) Capital commitments in respect of investment properties and property, plant and equipment		
Contracted but not provided for	2,665	3,749
Authorized but not contracted for	10,615	11,434
(b) The Group's share of capital commitments of joint ventures		
Contracted but not provided for	1,254	1,894
Authorized but not contracted for	2	1,852

(c) Guarantees for bank borrowings of joint ventures and other guarantees in the aggregate amount of HK\$2,177 million (2025: HK\$1,955 million).

35. Operating Lease

The Group leases out properties under operating leases. The leases typically run for an initial period of two to three years, with an option to renew the lease after that date at which time all terms are re-negotiated.

At the year end date, the aggregate minimum lease payments receivable by the Group in the future periods under non-cancellable operating leases are as follows:

	2026	2025
Within one year	14,697	14,198
After one year but within two years	8,630	8,654
After two years but within three years	4,190	4,369
After three years but within four years	1,745	2,072
After four years but within five years	798	934
After five years	1,147	647
	31,207	30,874

36. Charges of Assets

At the year end date, certain bank deposits of the Group's subsidiaries in the aggregate amount of HK\$45 million (2025: HK\$45 million) have been pledged for securing guarantees issued by the banks.

At the year end date, certain assets of the Group's subsidiaries with an aggregate carrying value of HK\$21,033 million (2025: HK\$17,492 million) have been charged to secure their bank borrowings.

37. Critical Accounting Judgements and Estimations

In the application of the Group's accounting policies, the management of the Company is required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions used in preparing the consolidated financial statements are continually evaluated based on historical experience and other factors that are considered relevant, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and assumptions that have a significant effect on the carrying amounts of assets and liabilities are discussed below:

(a) *Fair value of investment properties*

At each reporting date, the Group's investment properties (including investment properties under development) are measured at fair values based on valuations by independent qualified valuers on the highest and best use basis. Income capitalization method is used in the valuations which is dependent on certain estimates, including fair market rents, appropriate capitalization rates, reversionary income potential and redevelopment potential where appropriate. The valuations of investment properties under development are also dependent upon the estimated costs to complete and expected developer's profit margin. The management has reviewed the valuation and is satisfied that the valuation of the Group's investment properties is reasonable.

(b) *Impairment of assets*

Assets including goodwill and intangible assets are reviewed for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset is the greater of the fair value less costs to sell and value in use. Estimating the value in use of an asset involves estimating the future cash flows expected to arise from its continuing use and from its disposal at the end of its useful life and applying the appropriate discount rate that reflects current market assessment of the time value of money and the risk specific to the asset.

(c) *Net realizable value of properties for sale*

Net realizable value of properties for sale (comprising completed properties for sale and properties under development for sale) is determined based on the Group's assessment of the price ultimately expected to be realized in the ordinary course of business by reference to prevailing market conditions less all estimated selling expenses and anticipated costs to completion.

(d) *Income taxes*

There are transactions and calculations relating to the Group's ordinary business activities for which the ultimate tax determination is uncertain and judgement is required in determining the provision for income taxes. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made.

(e) *Recognition of deferred tax assets*

The amount of the deferred tax assets included in the consolidated financial statements of the Group is recognized only to the extent that it is probable that future taxable profits will be available against which the temporary differences and unused tax losses can be utilized. The recognition of deferred tax assets requires the Group to make judgements, based on assessment regarding future financial performance, about the amount of future taxable profits and the timing of when these will be realized.

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38. Financial Risk Management

The Group's major financial instruments include investments, amounts due from joint ventures, loan receivables, trade receivables, bank deposits and cash, trade payables, bank and other borrowings and other non-current liabilities. Details of these financial instruments are disclosed in respective notes.

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk. The risks associated with these financial instruments are managed by the Group's financial management policies and practices described below:

(a) Foreign currency risk

Foreign currency exposure does not pose a significant risk for the Group as most of the Group's assets, operational cash flows and borrowings are mainly denominated in Hong Kong dollar. The Group aims to minimize its currency risk using forward foreign exchange contracts where feasible and cost effective. The Group's primary foreign currency exposures arise mainly from the property development and investment activities in Mainland and Singapore, whose net assets are exposed to foreign currency translation risk. Where appropriate, the Group seeks to finance these investments through borrowings denominated in the relevant foreign currencies. Exchange differences arising from the translation of the net investment in these Mainland and Singapore subsidiaries, associates and joint ventures have been dealt with in consolidated statement of comprehensive income.

The Group is also exposed to foreign currency risk in respect of its foreign currency borrowings, bank deposits and cash, mainly denominated in US dollar. Where appropriate, the Group may enter into cross currency interest rate swaps to hedge the currency risks associated with its borrowings. Foreign currency exposure of the Group's other monetary assets/liabilities is minimal.

At 30 June 2026, it is estimated that a 10% (2025: 10%) appreciation/depreciation in Hong Kong dollar against all other currencies, with all other variables held constant, would increase/decrease the profit before taxation for the year by approximately HK\$485 million (2025: decrease/increase by HK\$65 million). The other comprehensive income would be decreased/increased by HK\$68 million (2025: HK\$58 million).

(b) Interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing liabilities and assets. These exposures are managed partly by using natural hedges that arise from offsetting interest rate sensitive assets and liabilities, and partly, at times of interest rate uncertainty, through the use of interest rate swaps.

The Group's interest rate risks arise principally from borrowings. Borrowings raised at floating rates expose the Group to cash flow interest rate risk. Interest rate risk is managed by the Group's senior management through regular review to determine the strategy as to having the funding in floating/fixed rate mix appropriate to the Group's businesses and investments.

The Group's borrowings are principally arranged on a floating rate basis. When appropriate, interest rate swaps are used to hedge and manage its long-term interest rate exposure. Speculative derivative transactions are strictly prohibited.

38. Financial Risk Management (cont'd)

(b) Interest rate risk (cont'd)

As at 30 June 2026, it is estimated that an increase/a decrease of 100 basis points (2025: 100 basis points) in interest rates, with all other variables held constant, would decrease/increase the profit before taxation for the year by approximately HK\$302 million (2025: HK\$249 million).

The sensitivity analysis has been determined assuming that the change in interest rates had occurred at the year end date and had been applied to the exposure to interest rate risk for both derivative and non-derivative financial instruments in existence at that date. The analysis is performed on the same basis for financial year 2025.

(c) Price risk

The Group is exposed to price risk through the Group's financial investments that are measured at fair value at each year end date with reference to the quoted market prices. The Group manages its exposure by closely monitoring the price movements and the changes in market conditions that may affect the value of these investments.

As at 30 June 2026, it is estimated that an increase/a decrease of 10% (2025: 10%) in quoted prices, with all other variables held constant, would increase/decrease the profit before taxation for the year and the other comprehensive income by approximately HK\$82 million and HK\$81 million (2025: HK\$76 million and HK\$64 million), respectively.

(d) Credit risk

The Group's credit risk is primarily attributable to trade receivables, loan receivables, derivative financial instruments and deposits with banks and financial institutions.

The Group's trade receivables mainly arise from sale of properties developed by the Group and rent receivables from tenants. Occasionally, long term loans are provided to purchasers of the Group's properties and carry interest at rates with reference to banks' lending rates. Regular review is carried out and stringent monitoring procedures are in place to deal with overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at each year end date to ensure that adequate impairment loss is made for irrecoverable amounts.

Counterparty exposure from derivatives is managed, together with that from deposits and bank account balances, with credit limit that reflect published credit ratings and monitored on a regular basis to ensure there is no significant risk to any individual counterparty.

The Group has no significant concentration of credit risk. The maximum exposure to credit risk without taking account of any collateral held is represented by the carrying amount of each financial asset in the consolidated financial statements after deducting any impairment loss. Except for the financial guarantees as set out in Note 34, the Group does not provide any other guarantee which would expose the Group to material credit risk.

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(Expressed in millions of Hong Kong dollars)

38. Financial Risk Management (cont'd)

(e) Liquidity risk

The Group's financial and treasury activities are centrally managed and controlled at the corporate level. The Group takes liquidity risk into consideration when deciding its sources of finances and their respective tenors. The Group aims to diversify its funding sources and minimize its refinancing risk by preventing substantial refinancing in any one period. The Group also maintains substantial undrawn committed revolving banking facilities to allow for flexibility in meeting its funding requirements.

The following tables detail the Group's remaining contractual maturity for its derivative and non-derivative financial liabilities. The tables have been drawn up based on the contractual undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

	Notes	Carrying amount	Total contractual undiscounted cash flow	Up to 1 year	Over 1 year to 2 years	Over 2 years to 5 years	Over 5 years
As at 30 June 2026							
Trade payables	25	2,453	2,453	2,290	152	11	–
Other payables and accrued expenses	25	27,184	27,191	19,370	5,798	1,933	90
Amounts due to non-controlling interests	25	1,138	1,138	1,138	–	–	–
Lease liabilities	25 & 29	2,513	2,781	879	393	561	948
Bank and other borrowings	24 & 27	97,668	106,689	16,849	14,095	54,074	21,671
Other non-current liabilities	29	2,407	2,703	–	273	861	1,569
Derivative financial instruments	20	239	261	(21)	(18)	300	–
		133,602	143,216	40,505	20,693	57,740	24,278
	Notes	Carrying amount	Total contractual undiscounted cash flow	Up to 1 year	Over 1 year to 2 years	Over 2 years to 5 years	Over 5 years
As at 30 June 2025							
Trade payables	25	2,476	2,476	2,381	91	4	–
Other payables and accrued expenses	25	26,760	26,764	22,605	2,185	1,847	127
Amounts due to non-controlling interests	25	1,181	1,181	1,181	–	–	–
Lease liabilities	25 & 29	2,455	2,684	809	507	528	840
Bank and other borrowings	24 & 27	110,217	117,842	16,636	20,904	66,749	13,553
Other non-current liabilities	29	2,467	2,795	–	257	808	1,730
Derivative financial instruments	20	433	468	(29)	(19)	516	–
		145,989	154,210	43,583	23,925	70,452	16,250

39. Fair Value of Financial Instruments

(a) Financial instruments carried at fair value

The following tables present the carrying value of the Group's financial instruments that are measured at fair value at the end of the reporting period, categorized into the three-level fair value hierarchy defined as follows:

- Level 1 Fair values measured at unadjusted quoted prices in active markets for identifiable assets or liabilities at the measurement date. This level includes all listed debt securities and listed equity securities, and certain unlisted debt securities that are measured at quoted prices in active markets.
- Level 2 Fair values measured using inputs other than quoted prices where those inputs are based on observable market data and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 Fair values measured using significant unobservable inputs. This level includes all unlisted equity securities, except for certain unlisted equity securities which are classified as Level 2 as they are measured using inputs that are derived from or corroborated by observable market data.

As at 30 June 2026

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at FVTPL				
Equity securities	835	–	283	1,118
Financial assets at FVOCI				
Debt securities	443	–	–	443
Equity securities	370	5	338	713
Derivative financial instruments				
Cross currency interest rate swaps	–	71	–	71
	1,648	76	621	2,345
Financial liabilities				
Bond and notes subject to fair value hedges	–	–	–	–
Derivative financial instruments				
Cross currency interest rate swaps	–	239	–	239
	–	239	–	239

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39. Fair Value of Financial Instruments (cont'd)

(a) Financial instruments carried at fair value (cont'd)

As at 30 June 2025

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at FVTPL				
Equity securities	767	–	290	1,057
Financial assets at FVOCI				
Debt securities	354	–	–	354
Equity securities	284	5	313	602
Derivative financial instruments				
Interest rate swaps	–	4	–	4
Cross currency interest rate swaps	–	33	–	33
Forward foreign exchange contracts	–	1	–	1
	1,405	43	603	2,051
Financial liabilities				
Bond and notes subject to fair value hedges	–	1,051	–	1,051
Derivative financial instruments				
Cross currency interest rate swaps	–	433	–	433
	–	1,484	–	1,484

There were no transfer amongst Level 1, Level 2 and Level 3 in the fair value hierarchy and no change in valuation techniques used during the year.

(i) Valuation techniques and inputs used in Level 2 fair value measurement

The fair values of cross currency interest rate swap contracts and interest rate swap contracts in Level 2 are calculated as the present value of the estimated future cash flows based on the terms and maturity of each contract, taking into account the current interest rates and the current creditworthiness of the swap counterparties.

The fair value of forward foreign exchange contracts in Level 2 is determined by using the forward exchange rates at the end of the reporting period quoted from financial institutions.

The fair value of bonds and notes subject to fair value hedges is determined based on cash flows discounted using current market interest rates for similar financial instruments.

39. Fair Value of Financial Instruments (cont'd)

(a) Financial instruments carried at fair value (cont'd)

(ii) Valuation techniques and inputs used in Level 3 fair value measurement

The fair value of unlisted equity securities in Level 3 is determined by reference to the net asset value of the investees, or by using discounted cash flow models or market approach with reference to multiples of comparable listed companies, adjusted for a discount for lack of marketability.

The movement during the year in the balance of Level 3 fair value measurement is as follows:

	Financial assets measured at		Total
	FVTPL	FVOCI	
Unlisted equity securities			
At 1 July 2024	440	315	755
Additions	28	–	28
Disposals	(131)	–	(131)
Capital repayment	(24)	–	(24)
Derecognition	–	(8)	(8)
Change in fair value recognized in			
– profit or loss	(23)	–	(23)
– other comprehensive income	–	6	6
At 30 June 2025 and 1 July 2025	290	313	603
Additions	17	–	17
Capital repayment	(27)	–	(27)
Change in fair value recognized in			
– profit or loss	3	–	3
– other comprehensive income	–	25	25
At 30 June 2026	283	338	621

(b) Fair values of financial assets and liabilities carried at cost or amortized cost

The following table presents the carrying amounts of the Group's financial instruments measured at cost or amortized cost which were different from their fair values at the end of the reporting period.

	2026		2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Debt securities	28	31	48	53
Long-term borrowings	83,464	82,315	95,833	94,715

The fair value of debt securities is measured at quoted market prices. The fair value of long-term borrowings is estimated by discounting their future cash flows using the market interest rates prevailing at the end of the reporting period.

All other financial instruments that are measured at cost or amortized cost in the Group's financial statements are typically those that are short-term in nature or carry variable interest rates and reprice to current market rate changes. Accordingly, their carrying amounts approximate their fair values.

Notes to the Consolidated Financial Statements

(Expressed in millions of Hong Kong dollars)

40. Capital Management

The Group's objective for managing capital is to maintain a strong capital base to support the development of its business and to continue to provide returns for shareholders while maintaining a prudent level of financial leverage.

The Group actively reviews and monitors its capital structure on a regular basis to maintain a healthy net debt-to-shareholders' equity ratio. For this purpose the Group defines net debt as total borrowings less bank deposits and cash. Shareholders' equity comprises share capital and reserves attributable to the Company's shareholders as shown in the consolidated statement of financial position. In order to maintain or adjust the capital structure, the Group may adjust the payment of dividends, issue new shares, raise new debt financing or sell assets to reduce debt.

The net debt-to-shareholders' equity ratios at the year end were as follows:

	2026	2025
Bank loans	65,193	69,287
Bonds and notes	32,475	40,930
Total borrowings	97,668	110,217
Less: Bank deposits and cash	(30,053)	(16,919)
Net debt	67,615	93,298
Shareholders' equity	633,936	617,851
Net debt-to-shareholders' equity ratio	10.7%	15.1%

41. Approval of the Consolidated Financial Statements

The consolidated financial statements set out on pages 162 to 232 were approved by the board of directors on 10 September 2026.

Principal Subsidiaries

The directors are of the opinion that a complete list of the particulars of all subsidiaries will be of excessive length and therefore the following list contains only the particulars of subsidiaries as at 30 June 2026 which principally affect the results or assets of the Group.

Unless otherwise stated, the following principal subsidiaries were incorporated and are operating in Hong Kong, unlisted and are indirectly held by the Company.

Name	Note	Total Attributable Equity Interest Held by the Company (%)	Activities	Issued Share Capital/ Registered Capital* (HK\$)
SUNeVision Holdings Ltd. (Listed in Hong Kong)	2	73.24	Provision of data centre, facilities management and value-added services, installation and maintenance services	236,303,433
SmarTone Telecommunications Holdings Limited (Listed in Hong Kong)	3	73.24	Mobile telephone system operation	110,095,160
Sun Hung Kai Real Estate Agency Limited	6	100	Asset and project management services	1,000,000
New Town (N.T.) Properties Limited	7	100	Investment holding	2,472,515,162
Fidelity Finance Company, Limited	6	100	Finance	200
Honour Finance Company, Limited	6	100	Loan financing	500,000
Sun Hung Kai Properties (Financial Services) Limited	6	100	Finance	100,000
Sun Hung Kai Properties Insurance Limited	6	100	General insurance	75,000,000
Sun Hung Kai Architects and Engineers Limited	6	100	Architectural and engineering	350,000
Sanfield Building Contractors Limited		100	Building construction	90,000,000
Sanfield (Management) Limited		100	Building construction and project management	2
Everlight Engineering Company, Limited		100	Fire prevention and mechanical engineering	5,500,000
Aegis Engineering Company, Limited		100	Plant and machine hire	100,000
Hong Yip Service Company Limited		100	Property and facility management	100,000
Kai Shing Management Services Limited	6	100	Property and facility management	10,000
Mantegna Investment Company Limited	1	100	Property investment	2
		100		(Note 10) 9,999,998
Royaltelle International Limited		100	Hotel operation	2
Access Orient Investments Limited	1	100	Property investment	US\$1
Ace Peace Limited		100	Property investment	1
Additech Ltd.	1	100	Property investment	US\$1
Advance Vision Enterprises Limited		100	Property investment	2
Airport Freight Forwarding Centre Company Limited		100	Freight forwarding centre	100
Alliance Fame Limited		92	Property investment	1
Annadale Development Limited		100	Property trading and investment	2
Antanpark Limited	1	100	Property investment	US\$1
Antinio Investments Limited	1	100	Property investment	US\$1
Artsland Properties Investment Limited	1	100	Property investment	US\$1
Asset Capital Limited		100	Property development and investment	1
Assured Outcome Limited	1	100	Property investment	US\$1
Barnard Enterprises Limited	1	75	Property investment	US\$100
Base One Limited		100	Property development and investment	2
Beautiglorry Investment Limited		100	Property development and investment	8
Beauty Marble Investment Limited		100	Property investment	2
北京新城廣場房地產有限公司	5c	100	Property investment	US\$9,000,000*
北京新東安有限公司	5a	100	Property investment	US\$129,000,000*
Best Numbers Limited	1	100	Property investment	US\$1

Principal Subsidiaries

Name	Note	Total Attributable Equity Interest Held by the Company (%)	Activities	Issued Share Capital/ Registered Capital* (HK\$)
Best Vision Development Limited		100	Property development	1
Best Winners Limited	1	100	Property investment and hotel operation	US\$1
Biliboss Ltd.	1	100	Property investment	US\$1
Billion Great Investment Limited		100	Property development and trading	2
Bright Strong Limited		100	Property development, trading and investment	2
Buratto Limited	1	100	Property investment	US\$1
Capital Mind Investments Limited	1	100	Property investment	US\$1
Century Opal Limited		100	Property investment and development	1
Channel First Limited		100	Property investment and trading	1
Champion Dynasty Investments Limited	1	100	Property investment	US\$1
Charmford Holdings Limited		100	Property trading	1
Cheerlord Investment Ltd.	1	100	Property investment and hotel operation	US\$1
成都忠捷置業有限公司	5b	91	Property development	RMB213,000,000*
Choice Win (H.K.) Limited		100	Property trading and investment	1
City Lion Investment Limited	1	100	Property investment	US\$1
City Success Limited		100	Property development, trading and investment	2
Classic Best Investments Limited	1	100	Property investment	US\$1
Classic Success Investments Limited	1	100	Property investment	US\$1
Connick Limited	1	100	Property investment	US\$1
Crown Opal Investment Limited		64.30	Property trading	1
Crown World Investment Limited		100	Property trading and investment	1
Dictado Company Limited		100	Property investment	200
Digital Chance Investments Limited	1	100	Property investment	US\$1
Dipende Limited	1	100	Property investment	US\$1
Dragon Value Investments Limited	1	100	Property investment	US\$1
Ease Gold Development Limited		100	Property development, trading and investment	2
East Classic Development Limited		100	Property development and investment	1
Easyway Properties Limited		92	Property trading and investment	1
Entero Company Limited	8	100	Property investment	200
Even Decade Limited	1	100	Property investment	US\$1
Ever Channel Limited		100	Property investment	2
Ever Crystal Limited		100	Property investment	1
Ever Fast Limited		100	Property investment	2
Evermax Development Limited		100	Property investment and trading	2
Excellent Chance Limited	1	100	Property investment	US\$1
Fast Commerce Global Limited	1	100	Property investment	US\$1
Fedder Limited		100	Property investment and hotel operation	1
Forever Glory Investments Limited	1	100	Property investment	US\$1
Fortin International Limited	1	100	Property investment and trading	US\$1
Fortune Honor Limited		100	Property investment	2
Fortune Sign Global Limited	1	100	Property investment	US\$1
Fortune Yield Investment Limited		100	Property investment	2
佛山市新普房地產開發有限公司	5c	100	Property development and investment	US\$34,000,000*

Name	Note	Total Attributable Equity Interest Held by the Company (%)	Activities	Issued Share Capital/ Registered Capital* (HK\$)
東莞創紀房地產開發有限公司	5c	100	Property development	US\$121,000,000*
Full Market Limited		100	Property investment	2
Fu Tong Investment Company Limited	6	100	Property investment	300,000
Garudia Limited		100	Property investment	2
Gleamland Limited	1	100	Property investment	US\$1
Globaluck Limited		100	Property development	2
Glorious Concrete (H.K.) Limited		100	Manufacturing and sales of ready mixed concrete	20,000,000
Golden Square Properties Enterprises Limited	1	100	Property investment	2
		100		(Note 10) 999,998
Good Assets Limited		100	Property trading	1
Good Faith Properties Limited		92	Property trading and investment holding	1
Goodwick Limited		100	Property trading and investment	1
Great Assets Global Limited	1	100	Property investment	US\$1
Group Allied Limited		100	Property trading and investment	1
Group Channel Limited		100	Property investment	1
廣州市天匯新鴻基地產發展有限公司 (formerly 廣州市富景房地產開發有限公司)	5b	100	Property development and investment	1,993,000,000*
廣州南沙區慶盛新鴻基地產發展有限公司	5c	100	Property development and investment	RMB3,000,000,000*
廣州新天房地產發展有限公司	5b	70	Property development	RMB210,503,607.14*
廣州市佳俊房地產開發有限公司	5c	100	Property development	RMB210,000,000*
廣州市新域發展有限公司	5b	100	Business services	RMB7,400,000,000*
廣州市南站新鴻基地產投資有限公司	5c	100	Property development and investment	RMB3,700,000,000*
廣州市南站新鴻基地產發展有限公司	5c	100	Property development and investment	RMB3,700,000,000*
Hambrook Investments Limited	1	100	Property investment	US\$1
Harbour Vantage Limited		100	Property trading	2
Harrison Global Limited	1	100	Property investment	US\$1
Harvest Treasure Limited		92	Property trading	1
Headmaster Assets Limited	1	100	Property investment	US\$1
Hero Town Limited	1	100	Property investment	US\$86,500,001
Herowell Limited		100	Property investment	1
Hintline Investments Limited		100	Property investment and trading	5,000
Hinwood Investment Limited		100	Property investment and trading	1
Hoi Kong Container Services Company Limited		100	Mid stream operator	40,000,000
Honenberg Limited		100	Property investment	2
Hong Kong Business Aviation Centre Limited		35	Business aviation centre	1,000,000
Hong Kong Sky Deck Limited		100	Observation deck	1
宏益(上海)企業發展有限公司	5c, 14	100	Property investment	US\$214,482,000*
Hung Kai Finance Investment Holding Limited		100	Property investment	200
Incheri Limited	1	100	Hotel operation	US\$1
Jayan Company Limited		100	Property investment and investment holding	2
Jentex Limited	1	100	Property trading	US\$1
Jet Group Limited		100	Property trading and investment	1
Joinyield Limited		100	Property trading and investment	1
Jugada Company Limited		100	Property investment	2
Jumbo Pacific Limited		100	Property trading and investment	1
Junie Limited		100	Property trading	2
Joyful Polaris Limited	1	100	Property investment	US\$1
Kamchatka Company Limited		100	Property investment	200
Kamsford Hong Kong Limited		100	Property investment	16,500,000
Kartasun Limited		100	Property investment	2

Principal Subsidiaries

Name	Note	Total Attributable Equity Interest Held by the Company (%)	Activities	Issued Share Capital/ Registered Capital* (HK\$)
Keep York Limited		100	Property development and investment	2
Kimrose Investments Ltd.	1	100	Property investment	US\$1
Kintech Investment Limited		100	Property trading	1
Kong Smart Investment Limited		100	Property investment and trading	1
Laboster Company Limited	6	100	Property investment	2
Lanecove Enterprise Limited	1	100	Property investment	US\$1
Lansmart Limited		100	Property trading and investment holding	2
Lee Bit Kai Investment Company Limited	6	100	Property investment	1,000
Levenson Limited	1	100	Property investment and hotel operation	US\$1
Light Time Investments Limited		100	Property development, trading and investment	2
Long Kinetic Limited		100	Property investment and hotel operation	1
Long Tesak Company Limited		100	Property investment	100,000
Lunalite Company Limited		100	Property investment	2
Mainco Limited		100	Property trading	1
Manceton Limited		100	Property investment	2
Market Century Global Limited	1	100	Property investment	US\$1
Market Talent Investments Limited	1	100	Property investment	US\$1
Masston Limited		100	Property investment	1
Maxwear Limited	1	100	Property investment	US\$1
May's Investment Company Limited	9	100	Property trading	2,000,000
Mighty Choice Assets Limited	1	100	Property investment	US\$1
Mindano Limited		100	Property investment and investment holding	10,000
Morison Limited	1	100	Property investment	US\$1
New Dragon Limited		100	Property trading	2
Nice Faith Development Holdings Limited	1	100	Investment holding	US\$1
Nixon Cleaning Company Limited		100	Cleaning service	100,000
Noble Power Enterprises Limited	1	100	Property trading	US\$1
Obvio Yip Company Limited	6	100	Property investment	15,000,000,000
Opal Lucky Limited		100	Property investment	1
Open Step Limited		60	Property investment	10
Oriental Way Limited		100	Property investment	1
Orientfunds Precast Limited		100	Design and sales of precast concrete	16,800,000
Pacific Earth Enterprise Limited		100	Property trading and investment	1
Pacific Gold Limited		100	Property investment and trading	1
Pacific Good Investment Limited		100	Property trading and investment	2
Pacotilla Company Limited		100	Property investment	200
Partner Sino Assets Limited	1	100	Property investment	US\$1
Polarland Limited		100	Property trading	1
Pontamell Limited	1	100	Property investment	US\$1
Potential Area Limited	1	100	Property investment	US\$1
Precise Oceanic Limited	1	100	Property investment	US\$1
Profit Richness Ltd.	1	100	Property investment	US\$1
Progress Success Investments Limited	1	100	Property investment	US\$1
Protasan Limited		100	Property investment	100
Ranny Limited		100	Property investment	20
Red Stand Investments Limited	1	100	Property investment	US\$1
Riderstrack Development Limited	1	100	Property investment	US\$1
Rinnovare Limited	1	100	Property investment	US\$1

Name	Note	Total Attributable Equity Interest Held by the		Activities	Issued Share Capital/ Registered Capital* (HK\$)
		Company (%)			
Samway Investment Limited		100		Property investment	1
Score Best Investments Limited	1	100		Property investment	US\$1
Scott Global Investments Limited	1	100		Property investment	US\$1
Senmark Limited		100		Hotel operation	2
上海中環廣場房地產有限公司	5a	80		Property investment	US\$42,000,000*
上海環貿廣場房地產有限公司	5c	100		Property development and investment	US\$83,780,000*
上海新鴻基環貿廣場房地產有限公司	5c	100		Property development and investment	US\$24,720,000*
上海新鴻基威德房地產有限公司	5c	100		Property investment	RMB600,000,000*
上海威京商業經營管理有限公司	5c	100		Property investment	RMB600,000,000*
上海新鴻基威正房地產有限公司	5c	100		Property investment	RMB1,220,000,000*
上海新鴻基威萬房地產有限公司	5c	100		Property investment	RMB17,803,054,100*
上海新中匯房地產有限公司	5c	100		Property investment	US\$18,000,000*
Shubbery Company Limited		100		Property investment	200
Shunyue Investments Limited	1	100		Property investment	US\$1
Smithtown Investments Limited	1	100		Property investment	US\$1
Solar Kingdom Limited		100		Property investment	2
Speedway Assets Limited	1	100		Property investment	US\$1
Splendid Sharp Limited		100		Property investment	4
Spring Bliss Investments Limited	1	100		Property investment	US\$1
Standard Top Limited		100		Property investment	2
Starry View Holdings Limited	1	100		Property investment	US\$1
Startrack Company Limited		100		Property investment	200
Success Keep Limited		100		Property development and investment	1
Sun Carol Company Limited		100		Property investment	200
Sun Hung Kai Development (China) Limited		100		Investment holding	20,000,370
上海新陸二房地產有限公司	5c	100		Property investment	US\$61,355,000*
上海新中楊房地產有限公司	5c	100		Property development and investment	US\$24,000,000*
新鴻基國金中心房地產(南京)有限公司	5c	100		Property investment	RMB721,914,400*
新鴻基環貿廣場房地產(蘇州)有限公司	5b	90		Property development and investment	RMB1,800,000,000*
Sun Hung Kai Properties (Capital Market) Limited	2,6,13	100		Finance	US\$10
新地投資(廣州)有限公司	5c	100		Investment holding	US\$90,000,000*
Sun Hung Kai Real Estate (Sales and Leasing) Agency Limited		100		Real estate and general agencies	1
Sun Hung Kai Secretarial Services Limited	6	100		Secretarial services	200
Sun Yuen Long Centre Management Company Limited		100 75		Property investment and management	(Note 11) 25,000 (Note 12) 25,000
Sunfez Company Limited		100		Property investment	200
Sunrit Enterprises Limited		100		Property investment	4,000,000
Super Great Limited		100		Property development, trading and investment	1
Superwick Limited		100		Property trading	1
Tainam Holdings Limited	1	100		Property investment	US\$1
Ten Choice Development Limited		100		Property investment	2
Tenuta Limited	1	100		Property investment	US\$1
Time Bliss Limited	1	100		Property investment	US\$1
Tippon Investment Enterprises Limited	1	100		Property development	US\$1

Principal Subsidiaries

Name	Note	Total Attributable Equity Interest Held by the Company (%)	Activities	Issued Share Capital/ Registered Capital* (HK\$)
Tipro Development Limited		100	Property investment	1,000,000
Tonthai Investment Enterprises Limited	1	100	Property investment	US\$1
Topco (H.K.) Limited		100	Property development and investment	1
Top State Development Limited		100	Property investment and trading	1
Town Descant Company Limited		100	Property investment	200
Transport Infrastructure Management Limited		100	Road management	70,000,000
True Vantage Global Limited	1	100	Property investment	US\$1
Tsi Mai Company Limited		100	Property investment	200
Turbo Result Limited	1	100	Property development and investment	US\$1
Tuxedos Company Limited		100	Property investment and trading	200
Uniland Investment Enterprises Limited	1	100	Property investment	US\$1
United Way Investments Limited	4,6	100	Owner of trade mark	US\$1
		100		(Note 10) US\$83,400
Upper Hill Company Limited	1	100	Property investment	US\$1
Vast Earn Property Corp.	1	100	Property investment	US\$2
Wai Hung Development Company Limited	6	100	Investment holding and property investment	70,000
Warrior Company Limited		100	Property investment	300
Wealth Capsule Investments Limited	1	100	Property investment	US\$1
Wealth Power International Enterprise Limited		92	Property investment and trading	1
Well Capital (H.K.) Limited		100	Property development, trading and investment	1
Well Famous Enterprise Limited		100	Property investment	1
Well Logic Properties Investment Limited	1	100	Property investment	US\$1
Well Success Capital Investment Limited		92	Property trading	1
Wellden Limited		100	Property investment	2
Wetland Park Management Service Limited		100	Property development and investment	2
Willmax Limited		100	Property investment	2
Wilson Parking (Holdings) Limited		100	Investment holding and carpark operation	1,000
Winbox Investment Limited		100	Property investment and trading	1
Winner Harvest Limited		100	Property development and investment	1
Winner Land Enterprises Limited		100	Property investment	2
Winter Ranch Limited	1	100	Property investment	US\$1
Wisecity Development Limited		100	Property trading	2
Wonder Charm Assets Limited	1	100	Property investment	US\$1
Wonderful Dragon Investments Limited		100	Property trading	2
YATA Limited		100	Department store operation	30,000,000
Zarabanda Company Limited		100	Property investment	2

- Notes:
1. Incorporated in the British Virgin Islands and operating in Hong Kong.
 2. Incorporated in the Cayman Islands and operating in Hong Kong.
 3. Incorporated in Bermuda and operating in Hong Kong.
 4. Incorporated in the British Virgin Islands.
 5. Incorporated and operating in the People's Republic of China:
 - a. Co-operative joint venture enterprise
 - b. Equity joint venture enterprise
 - c. Wholly foreign owned enterprise
 6. Directly held by the Company.

7. 11.89% directly and 88.11% indirectly held by the Company.
8. 50% directly and 50% indirectly held by the Company.
9. 80% directly and 20% indirectly held by the Company.
10. Redeemable share.
11. "A" share.
12. "B" share.
13. At 30 June 2026, the carrying amount of guaranteed notes issued by Sun Hung Kai Properties (Capital Market) Limited is HK\$30,166 million (2025: HK\$36,547 million), which are repayable on various dates up to June 2033 (2025: June 2033) at average effective rate of 2.81% (2025: 2.8%) per annum.
14. At 30 June 2026, the carrying amount of commercial mortgage-backed securities issued by 宏益(上海)企業發展有限公司 is RMB2,000 million (2025: RMB4,000 million). Series 2 of RMB2,000 million has a tenor of 18 years from the date of issue up to August 2042, interest rate is 2.15% per annum and is fixed for every 3 years. The securities are redeemable at the option of the issuer or holders at the end of every 3 years from the date of issue.

Principal Joint Ventures

The directors are of the opinion that a complete list of the particulars of all joint ventures will be of excessive length and therefore the following list contains only the particulars of joint ventures as at 30 June 2026 which principally affect the results or assets of the Group.

Unless otherwise stated, the following principal joint ventures were incorporated and are operating in Hong Kong and unlisted.

Name	Note	Total Attributable Equity Interest Held by the Company (%)	Activities	Class of Share/ Registered Capital
⁺ Altomatic Limited		50	Property investment	Ordinary
^{#+} 華潤新鴻基(杭州)有限公司	5	40	Property investment	Registered capital
^{#+} 華潤新鴻基房地產(無錫)有限公司	5	40	Property development and investment	Registered capital
[#] Dragon Beauty International Limited		50	Property development	Ordinary
Glorious Concrete (BVI) Limited	4	50	Investment holding	Ordinary
^{#+} Green Valley Landfill, Limited		20	Landfill waste disposal facility	Ordinary
^{#+} 廣州宏城廣場房地產開發有限公司	6	50	Property investment	Registered capital
IFC Development Limited	1	50	Property investment	Ordinary
Jade Land Resources Limited		25	Property trading and investment	Ordinary
[#] Kerry Hung Kai Warehouse (Cheung Sha Wan) Limited		50	Godown operation	Ordinary
Max Century (H.K.) Limited		50	Property investment and development	Ordinary
⁺ Newfoundworld Investment Holdings Limited	1	26.67	Investment holding	Ordinary
^{#+} Orchard Turn Holding Pte. Ltd.	2	50	Investment holding	Ordinary
^{#+} River Trade Terminal Co. Ltd.	1	50	River trade terminal	Ordinary
[#] Senica International Limited	4	22.50	Investment holding	Ordinary
^{#+} 上海莘天置業有限公司	3	35	Property development and investment	Registered capital
Special Concept Development Limited		25	Property investment	Ordinary
⁺ Splendid Shing Limited		50	Property investment	Ordinary
^{#+} Star Play Development Limited		33.33	Property investment	Ordinary
^{#+} 祥寶投資(成都)有限公司	5	40	Property development and investment	Registered capital
Teamfield Property Limited		57.52	Property investment	Ordinary
⁺ Tinyau Company Limited		50	Property investment	Ordinary
⁺ Topcycle Development Limited		50	Property development and investment	Ordinary
Vivid Synergy Limited	1	50	Investment holding	Ordinary
[#] Wolver Hollow Company Limited		50	Property investment	Ordinary
⁺ Xipho Development Company Limited		33.33	Property trading	Ordinary

Name	Note	Total Attributable Equity Interest Held by the Company (%)	Activities	Class of Share/ Registered Capital
[#] 佛山市新升房地產開發有限公司	5	50	Property development	Registered capital
[#] 佛山市新鋒房地產開發有限公司	5	50	Property development	Registered capital
[#] 佛山市新晉房地產開發有限公司	5	50	Property development	Registered capital
[#] 佛山市新駿房地產開發有限公司	5	50	Property development	Registered capital
[#] 佛山市新昊房地產開發有限公司	5	50	Property development	Registered capital
[#] 佛山市新匯房地產開發有限公司	5	50	Property development	Registered capital
[#] 佛山市新景房地產開發有限公司	5	50	Property development	Registered capital
[#] 杭州新匯東置業有限公司	3	45	Property development and investment	Registered capital
[#] 杭州新匯西有限公司	3	50	Property development and investment	Registered capital

⁺ The financial statements of these companies were not audited by Deloitte Touche Tohmatsu.

[#] Companies with year ends not coterminous with that of Sun Hung Kai Properties Limited.

- Notes:
1. Incorporated in the British Virgin Islands and operating in Hong Kong.
 2. Incorporated and operating in the Republic of Singapore.
 3. Incorporated and operating in the People's Republic of China as equity joint venture enterprise.
 4. Incorporated in the British Virgin Islands.
 5. Incorporated and operating in the People's Republic of China as wholly foreign owned enterprise.
 6. Incorporated and operating in the People's Republic of China as co-operative joint venture enterprise.

Principal Associates

The directors are of the opinion that a complete list of the particulars of all associates will be of excessive length and therefore the following list contains only the particulars of associates as at 30 June 2026 which principally affect the results or assets of the Group.

Unless otherwise stated, the following principal associates were incorporated and are operating in Hong Kong and unlisted.

Name	Note	Total Attributable Equity Interest Held by the Company (%)	Activities	Class of Share
^{#+} Transport International Holdings Limited (Listed in Hong Kong)	1	45.24	Public transportation	Ordinary
^{#+} Ranex Investments Limited		29	Property development and investment	Ordinary
^{#+} The Hong Kong School of Motoring Limited		30	Driving School	Ordinary
^{#+} Onluck Finance Limited		35.44	Finance	Ordinary
^{#+} Treasure Peninsula Limited		29	Finance	Ordinary

⁺ The financial statements of these companies were not audited by Deloitte Touche Tohmatsu.

[#] Companies with year ends not coterminous with that of Sun Hung Kai Properties Limited.

Note: 1. Incorporated in Bermuda and operating in Hong Kong.

