Sun Hung Kai Properties Limited

Customer Focus
Premium Brand
Solid Foundations

Annual Report
2024/25

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

1. ITC in Xujiahui, Shanghai
2. Shanghai IFC in Lujiazui, Shanghai
3. Sierra Sea in Sai Sha, Hong Kong
4. ICC in West Kowloon, Hong Kong
5. Two IFC in Central, Hong Kong
6. High Speed Rail West Kowloon Terminus Development, Hong Kong

Contents

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
Fung Sau-yim, Maureen
Chan Hong-ki, Robert
Kwok Ho-lai, Edward *(Alternate Director to Kwok Ping-luen, Raymond)*

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

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
Fung Sau-yim, Maureen
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
Kwan Cheuk-yin, William
Leung Nai-pang, Norman

Nomination Committee

Wong Yue-chim, Richard*
Kwan Cheuk-yin, William
Yip Dicky Peter
Leung Nai-pang, Norman
Fung Sau-yim, Maureen

* *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
Telephone : (852) 2827 8111
Facsimile : (852) 2827 2862
Website : www.shkp.com
E-mail : shkp@shkp.com

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
Agricultural Bank of China Limited
DBS Bank Ltd.
Bank of Communications (Hong Kong) Limited
Oversea-Chinese Banking Corporation Limited
MUFG Bank, Ltd
Hang Seng Bank Limited
China Construction Bank (Asia) Corporation Limited

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 2024/25

Interim results announcement	: 27 February 2025
Interim dividend paid	: 20 March 2025
Annual results announcement	: 4 September 2025
Closure of register of members[1]	: 3 to 6 November 2025 (both days inclusive)
Record date[1]	: 6 November 2025
Annual general meeting	: 6 November 2025
Ex-dividend date for final dividend	: 10 November 2025
Closure of register of members and record date[2]	: 12 November 2025
Final dividend payable	: 20 November 2025

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 is now available in printed form in English and Chinese, and 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 accompanying reply form to the Company c/o Computershare.

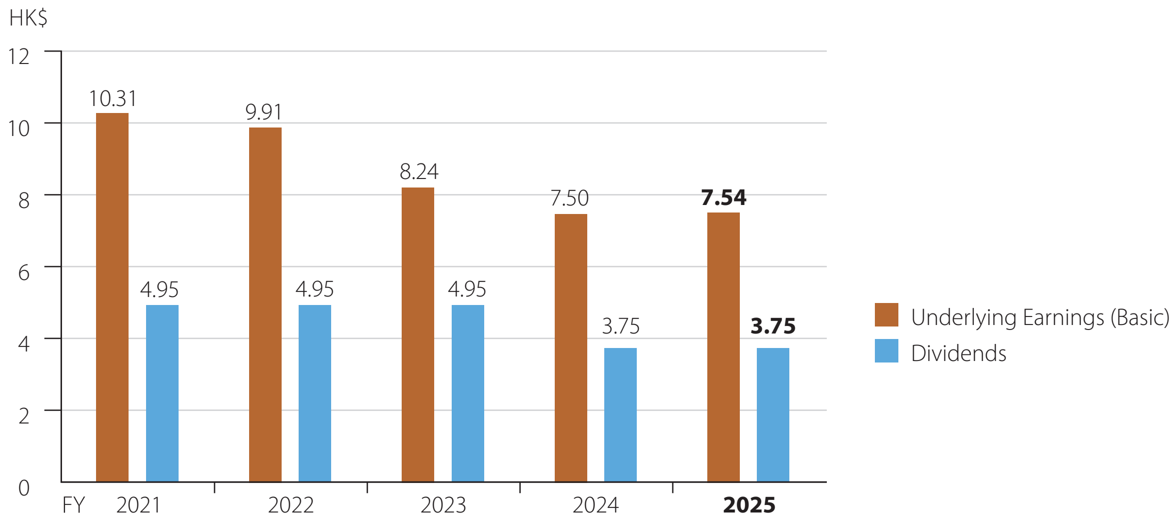
Financial Highlights and Land Bank

For the year ended 30 June	**2025**	2024	Change (%)
Financial Highlights (HK$ million)			
Group revenue	**79,721**	71,506	+11.5
Profit attributable to the Company's shareholders			
– Reported	**19,277**	19,046	+1.2
– Underlying[1]	**21,855**	21,739	+0.5
Gross rental income[2]	**24,461**	24,991	-2.1
Net rental income[2]	**18,392**	19,000	-3.2
Financial Ratios (%)			
Net debt to shareholders' equity	**15.1**	18.3	-3.2[4]
Dividend payout[3]	**49.7**	50.0	-0.3[4]
Financial Information per Share (HK$)			
Basic earnings per share for profit attributable to the Company's shareholders			
– Reported	**6.65**	6.57	+1.2
– Underlying	**7.54**	7.50	+0.5
Dividends			
– Interim dividend	**0.95**	0.95	–
– Final dividend	**2.80**	2.80	–
– Full-year dividend	**3.75**	3.75	–
Shareholders' equity	**213.20**	209.40	+1.8
Land Bank in Hong Kong (gross floor area in million square feet)			
Properties under development	**19.7**	19.6	+0.5
Completed properties[5]	**37.7**	38.2	-1.3
Total	**57.4**	57.8	-0.7
Land Bank on the Mainland (gross floor area in million square feet)			
Properties under development	**44.2**	45.7	-3.3
Completed properties[5]	**21.1**	21.0	+0.5
Total	**65.3**	66.7	-2.1

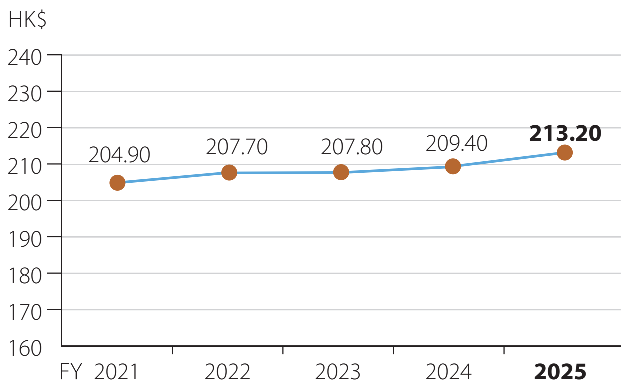
Notes:

1. *Underlying profit attributable to the Company's shareholders excluded the net effect of change in the valuation of investment properties*
2. *Including contributions from associates and joint ventures*
3. *Dividend payout based upon underlying profit*
4. *Change in percentage points*
5. *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 on the mainland*

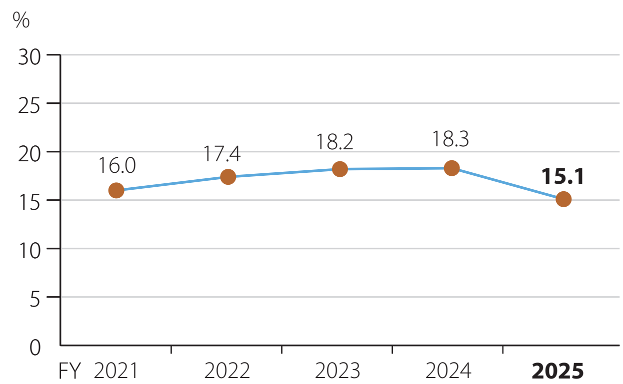
Underlying Earnings and Dividends per Share



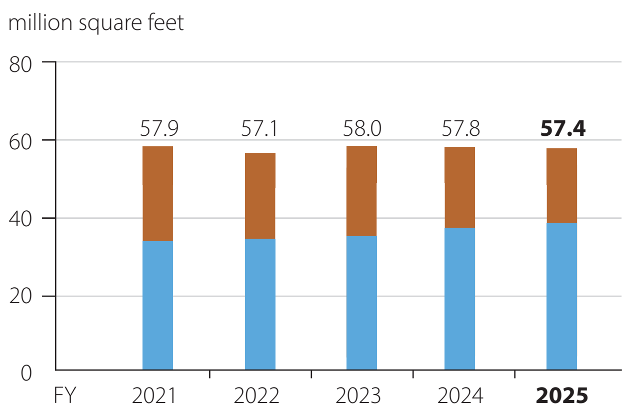
Shareholders’ Equity per Share



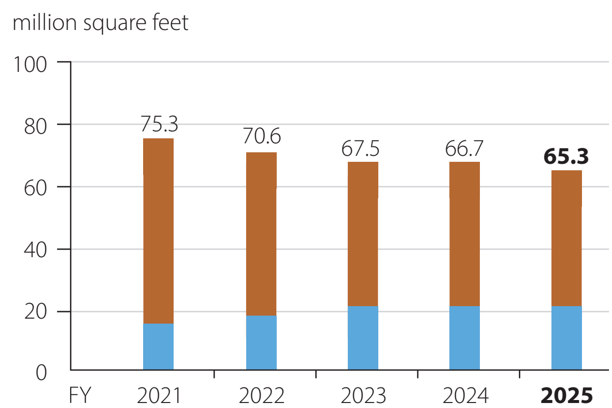
Net Debt to Shareholders’ Equity Ratio



Land Bank in Hong Kong



Land Bank on the Mainland



Properties Under Development   Completed Properties

Five-Year Financial Summary

Consolidated Income Statement	2025 HK$M	2024 HK$M	2023 HK$M	2022 HK$M	2021 HK$M
For the year ended 30 June					
Group revenue	**79,721**	71,506	71,195	77,747	85,262
Segment revenue (including share of joint ventures and associates)	**90,119**	83,636	83,381	88,340	97,130
Segment operating profit (including share of joint ventures and associates)	**32,188**	32,359	34,689	39,010	44,176
Underlying profit attributable to the Company's shareholders[1]	**21,855**	21,739	23,885	28,729	29,873
Net effect of change in fair value of investment properties	**(2,578)**	(2,693)	22	(3,169)	(3,187)
Profit attributable to the Company's shareholders	**19,277**	19,046	23,907	25,560	26,686
Dividends attributable to the Company's shareholders	**10,867**	10,867	14,344	14,344	14,344

Key Segment Revenue and Operating Profit (including share of joint ventures and associates)	2025 HK$M	2024 HK$M	2023 HK$M	2022 HK$M	2021 HK$M
For the year ended 30 June					
Segment Revenue					
– Property sales	**34,556**	27,422	29,116	35,403	46,017
– Property rental	**24,461**	24,991	24,322	24,810	24,791
– Other businesses	**31,102**	31,223	29,943	28,127	26,322
	90,119	83,636	83,381	88,340	97,130
Segment operating profit					
– Property sales	**8,290**	7,850	11,299	15,847	20,994
– Property rental	**18,392**	19,000	18,461	19,250	19,149
– Other businesses	**5,506**	5,509	4,929	3,913	4,033
	32,188	32,359	34,689	39,010	44,176

Consolidated Statement of Financial Position	2025 HK$M	2024 HK$M	2023 HK$M	2022 HK$M	2021 HK$M
As at 30 June					
Investment properties	**417,045**	408,424	403,559	398,729	395,879
Property, plant and equipment	**50,689**	50,190	47,168	44,955	42,921
Associates and joint ventures	**104,687**	101,055	101,354	101,392	101,481
Other non-current assets	**8,760**	9,762	11,127	12,841	13,305
Properties for sale	**197,452**	214,077	211,639	207,136	200,934
Bank deposits and cash	**16,919**	16,221	15,280	20,323	21,781
Other current assets	**21,341**	18,365	15,864	22,191	20,118
Total assets	**816,893**	818,094	805,991	807,567	796,419
Bank and other borrowings	**(110,217)**	(127,087)	(125,053)	(124,931)	(116,823)
Other liabilities	**(84,302)**	(79,936)	(74,142)	(75,892)	(79,970)
Net assets	**622,374**	611,071	606,796	606,744	599,626
Share capital	**70,703**	70,703	70,703	70,703	70,703
Reserves	**547,148**	536,014	531,352	531,243	523,117
Shareholders' equity	**617,851**	606,717	602,055	601,946	593,820
Non-controlling interests	**4,523**	4,354	4,741	4,798	5,806
Total equity	**622,374**	611,071	606,796	606,744	599,626
Net debt	**93,298**	110,866	109,773	104,608	95,042

Key Financial Information and Ratios	HK$	HK$	HK$	HK$	HK$
Per share data					
Reported earnings per share (basic)	**6.65**	6.57	8.25	8.82	9.21
Underlying earnings per share (basic)	**7.54**	7.50	8.24	9.91	10.31
Dividends per share	**3.75**	3.75	4.95	4.95	4.95
Shareholders' equity per share	**213.20**	209.40	207.80	207.70	204.90
Financial ratios					
Net debt to shareholders' equity (%)	**15.1**	18.3	18.2	17.4	16.0
Interest cover (times)	**6.0**	4.6	6.8	12.8	13.8
Dividend payout (%)[2]	**49.7**	50.0	60.1	49.9	48.0

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*

Business Structure

Sun Hung Kai Properties

As at 30 June 2025

Hong Kong	**Property Development**	• 19.7 million sq.ft. under development with a majority for sale
	Property Investment	• 37.7 million sq.ft. of completed properties with an overwhelming majority for rent / investment
	Property Related Businesses	• Hotels • Property management • Construction • Insurance and mortgage services
	Telecommunications & Information Technology	• Mobile telephone services • Data centres and IT infrastructure
	Infrastructure & Other Businesses	• Transport infrastructure operations and management • Port business • Air transport and logistics business • YATA
Mainland	**Property Development**	• 44.2 million sq.ft. under development, with over 50% being residences and offices for sale
	Property Investment	• 21.1 million sq.ft. of completed properties with an overwhelming majority for rent /investment

The Group's principal subsidiaries, joint ventures and associates are listed from page 216 to page 224

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 2025, excluding the effect of fair-value changes on investment properties, amounted to HK$21,855 million, compared to HK$21,739 million last year. Underlying earnings per share were HK$7.54, compared to HK$7.50 last year.

Reported profit and reported earnings per share attributable to the Company's shareholders were HK$19,277 million and HK$6.65 respectively, compared to HK$19,046 million and HK$6.57 last year. The reported profit included a decrease in fair value of investment properties net of deferred taxation and non-controlling interests of HK$742 million, compared to a decrease of HK$2,412 million last year.

DIVIDEND

The directors have recommended the payment of a final dividend of HK$2.80 per share for the year ended 30 June 2025. The dividend will be payable on 20 November 2025. Together with the interim dividend of HK$0.95 per share, the dividend for the full year will be HK$3.75 per share, the same as last year.

BUSINESS REVIEW

Development Profit and Rental Income

Development Profit

For the year under review, profit generated from property sales amounted to HK$8,290 million, compared to HK$7,850 million for the previous financial year. Contracted sales totalled about HK$46,600 million in attributable terms.

Rental Income

During the year, the Group's gross rental income, including contributions from joint ventures and associates, decreased by 2% year-on-year to HK$24,461 million. Net rental income declined by 3% year-on-year to HK$18,392 million.

Sierra Sea, Sai Sha, Hong Kong

Property Business – Hong Kong

Land Bank

As always, the Group adheres to its prudent financial discipline in the replenishment of its land bank. During the year under review, five residential sites with a total gross floor area of about 1.6 million square feet were added to the Group's land bank through public tenders and land exchanges. Among these additions, the Group reached an agreement in April 2025 for the settlement of a land premium related to the land exchange of a site adjacent to the future MTR Hung Shui Kiu Station. Spanning a total gross floor area of about one million square feet, the site will be developed into a residential-cum-retail project, of which the Group owns a 50% interest. Details of the additions are shown in the table below.

Location	Usage	Group's Interest (%)	Attributable Gross Floor Area (square feet)
Hung Shui Kiu Town Lot No. 5	Residential/ Shopping Centre	50	524,000
Tung Chung Town Lot No. 55	Residential	100	401,000
Fanling Sheung Shui Town Lot No. 307, Fanling North	Residential/Shops	100	308,000
Sha Tin Town Lot No. 651, Tai Wai	Residential	100	194,000
Sha Tin Town Lot No. 623, Siu Lek Yuen, Sha Tin	Residential	100	157,000
Total			**1,584,000**

As at 30 June 2025, the Group's attributable land bank in Hong Kong amounted to about 57.4 million square feet. Of these, about 13.3 million square feet were residential properties under development for sale. The project pipeline is sufficient for the Group's development needs over the next six to seven years. Of the remaining portions, about 37.7 million square feet were diversified completed properties, an overwhelming majority of which were for rental and long-term investment purposes, contributing to the Group's substantial recurring income. Adhering to its long-standing stringent financial practices, the Group will continue to replenish its land bank in Hong Kong to support its future business growth when appropriate opportunities arise.

Subsequent to the end of the financial year, the Group settled the land premium for the redevelopment of a warehouse in Cheung Sha Wan into a residential project, which will offer a total gross floor area of about 460,000 square feet. The Group owns a 50% interest in the project.

During the year under review, certain land lots held by the Group, including a total site area of around 2.5 million square feet from Hung Shui Kiu/Ha Tsuen New Development Area, were resumed by the HKSAR Government. The Group is expected to receive cash compensation of approximately HK$3,000 million, and the corresponding gains have been recognized in the financial year 2024/25. In addition, land lots with a total site area of about 1.1 million square feet, primarily in San Tin and along the Northern Link Main Line, will be resumed. The corresponding compensations of approximately HK$1,200 million will be recognized in the financial year 2025/26.

Property Development

For the year under review, Hong Kong's residential market showed further signs of stabilization on the back of relaxed mortgage restrictions and lower local mortgage rates. Amid the continued influx of talent and students, a steady rise in residential rents and rental yields has boosted confidence

Cullinan Sky, Kai Tak, Hong Kong

YOHO WEST, Tin Shui Wai, Hong Kong

NOVO LAND, Tuen Mun, Hong Kong

among both end-users and long-term investors. Sales in the primary market have been active, particularly for new large-scale developments featuring comprehensive amenities and convenient transport access.

During the year, the Group recorded contracted sales of about HK$42,300 million in attributable terms in Hong Kong, the highest level over the past five financial years. Major contributors included Cullinan Sky Phase 1 in Kai Tak, Sai Sha Residences Phases 1A(2) and 1B, namely Sierra Sea in Sai Sha, Victoria Harbour II in North Point, YOHO WEST PARKSIDE in Tin Shui Wai, NOVO LAND Phase 3B in Tuen Mun, and the remaining units from several completed projects, including The YOHO Hub II in Yuen Long and St Michel in Sha Tin. In addition, the sale of premium units at Dynasty Court in Mid-levels Central continued to receive a positive market response and contributed to the Group's contracted sales. In July 2025, NOVO LAND Phase 3A in Tuen Mun was launched, achieving encouraging sales performance.

Adhering to the spirit of Building Homes with Heart, the Group is committed to developing premium properties in Hong Kong that meet homebuyers' evolving requirements and expectations. The Group's customer-centric culture is well demonstrated by the SHKP Club, an exclusive platform for engaging directly with customers and staying closely attuned to the latest market trends and user preferences. Over the years, the Group has established a strong edge in delivering large-scale integrated projects, distinguished by innovative development concepts, comprehensive facilities and convenient connectivity. The Group's latest landmark, Sai Sha Residences, serves as a prime exemplar of this strength. Strategically planned for phased completion over multiple years, this project blends nature with modern convenience, delivering a coastal lifestyle well-received in the Hong Kong market. Its initial phases received an overwhelmingly positive market response, marked by the highest subscription rate in recent years, a testament to market confidence in the Group's premium brand.

A total of four projects in Hong Kong, comprising about 1.7 million square feet of attributable gross floor area, were ready for handover during the year under review. Of these projects, some 1.5 million square feet were residential properties for sale, with the remainder being 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)**
YOHO WEST Phase 1	1 Tin Yan Road, Tin Shui Wai	Residential/Shops	JV	748,000
NOVO LAND Phases 3A & 3B	8 Yan Po Road, Tuen Mun	Residential	100	694,000
GO PARK Sai Sha	9 Hoi Ying Road, Sai Sha	Shopping Centre	100	108,000
Grand Jeté Phase 2	170 Castle Peak Road, Tai Lam	Residential	59.1	104,000
Total				**1,654,000**

GO PARK Sai Sha, Hong Kong

As at 30 June 2025, the Group's contracted sales in Hong Kong yet to be recognized amounted to approximately HK$35,600 million, of which about HK$30,100 million is expected to be recognized in the financial year 2025/26.

Property Investment

During the year under review, the Group's leasing business in Hong Kong is inevitably affected by economic uncertainties. Gross rental income of the Group's property investment portfolio, inclusive of contributions from joint ventures and associates, dropped mildly by 2% year-on-year to HK$17,531 million. The Group's portfolio registered satisfactory overall occupancy during the year.

The retail sector in Hong Kong is undergoing a transformation in the face of evolving consumption patterns of both locals and tourists. Embracing changes in a challenging environment, the Group's shopping malls successfully maintained high foot traffic and popularity among consumers through innovation and prompt adaptation. During the year, the Group's diversified retail portfolio recorded relatively stable occupancy of about 95%, with the decline in tenant sales notably narrowing in the first half of 2025.

The Group is committed to exploring new opportunities with agility and pioneering retail formats. Sporting commercial complex GO PARK Sai Sha, as the first of its kind in Hong Kong, is distinguished by its sports-and-wellness focus and interconnected design seamlessly connecting indoor and outdoor spaces. Meticulously crafted to blend in with its natural surroundings, the complex presents a thoughtfully curated mix of restaurants, grab-and-go offerings, sports facilities and lifestyle retailers. Since its official opening in early 2025, this urban retreat encouraging sports-for-all has received over two million locals and tourists. Family- and pet-friendly amenities and services have been extended from the Group's flagship malls to GO PARK Sai Sha to cater to the needs of pet owners and multi-generational households, fostering a lively community in the neighbourhood. The adjacent GO PARK Aqua offers comprehensive coastal experiences, including water sports and diverse excursion tours, a testament of the Group's dedication to creating unique experiences for visitors exploring the beauty of Sai Sha from multiple perspectives.

The Group implemented a series of proactive initiatives to strengthen its market position. The Point, the loyalty programme of SHKP malls with over three million members, has recorded a steady increase in spending by active members and high-value customers during the year, highlighting resilience of these customer segments. Leveraging the Group's diverse business portfolio, an exclusive VIP programme, The Point Gold, was officially launched in July 2025 to provide loyal members with an array of unique privileges by integrating resources from the Group's malls, hotels, supermarkets, telecommunications services, and more. In addition to extra free parking hours and complimentary reservations for the EV Super Charging service, these VIP members enjoy exclusive privileges including priority queuing at both SHKP mall service counters and YATA supermarkets, extra reward points and access to a recently opened VIP lounge, further enhancing customer loyalty.

Chairman's Statement

APM, Kwun Tong, Hong Kong

New Town Plaza, Sha Tin, Hong Kong

Riding on the Group's established presence and close relationships with tenants on the mainland, many of its major malls have become launch pads for popular mainland brands and food-and-beverage chains to make their debuts in Hong Kong. These new outlets add fresh appeal for customers and meet their rising demand for greater variety. In addition, the malls undergo asset enhancements, reconfigurations and trade-and-tenant-mix optimization. Large-sized shops at New Town Plaza in Sha Tin, Tai Po Mega Mall and V City in Tuen Mun were redesigned to welcome additional new tenants and debut stores. Tapping the rapidly growing "goods economy", or the market for collectables of intellectual properties (IP) such as animations and idols, multiple malls introduced shops selling trendy merchandise and hosted themed promotions and pop-up stores in their open spaces. Additional entertainment options were introduced to cultivate a dynamic atmosphere within the malls, catering to visitors seeking experiences beyond traditional retail.

Many of the Group's malls are located at the centres of residential districts, allowing them to tap the potential of the vast population. Echoing the policy of encouraging the use of public open space, the Group's malls, including East Point City in Tseung Kwan O, have effectively utilized indoor and outdoor spaces for live performances, promotions and activities year-round to enrich visitor experiences. Other notable events included performances at APM in Kwun Tong by AI humanoid robots, which also served as shopping ambassadors. The robots had previously attracted public attention nationwide at the Spring Festival Gala TV Show. The continued increase in tourist arrivals, coupled with a fascinating array of mega events in the city, has boosted the footfall at malls in tourist districts, such as MOKO in Mong Kok and IFC Mall in Central.

During the year, Hong Kong's grade-A office market remained in consolidation. The Group's office portfolio reported an average occupancy of about 90%, with negative rental reversions. Nevertheless, the Group managed to achieve a high tenant retention rate by leveraging its extensive and diverse portfolio with varying locations, sizes and rental levels. Attaching importance to both tenant retention and attracting new tenants, the Group will strive to proactively and regularly upgrade office facilities, enhance property management services, and continue to develop long-term relationships with tenants.

The Group remains focused on bolstering the strengths of its office portfolio, including excellent accessibility, meticulous property management, high green-building standards, and comprehensive commercial amenities offered by its malls and hotels. The landmark IFC and ICC are well-positioned to capitalize on the prevailing flight-to-quality trend, achieving an occupancy of about 92%. The Millennium City office cluster remains competitive through regular renovations and upgrades. In addition, the Government's suspension of commercial land sales is expected to alleviate the glut in the market.

To strengthen its recurring income, the Group has tapped the growing demand for premium accommodation from incoming talent and students. Offering flexible accommodation combos, TOWNPLACE WEST KOWLOON received a higher number of long-stay guests and registered an increase in occupancy during the year, contributing additional rental income. To support the development of the "Study in Hong Kong" brand and increase student accommodation, Vega Suites in Tseung Kwan O is undergoing a phased upgrade for part of its serviced suites, with anticipated full completion in early 2026. The first two phases of the upgrade, covering over 150 rooms, have been completed.

In the next two to three years, the completion of several projects under development will further expand the Group's recurring income base and gradually contribute incremental income to the Group. Riding on the success of the Group's iconic APM mall, a brand-new mall, Scramble Hill, is scheduled for phased opening from the second half of 2025, creating synergy with APM and the Group's office cluster in the vicinity. Inspired by iconic landmarks in Shibuya, Tokyo, the name Scramble Hill symbolizes the vibrant atmosphere created by bustling crowds. Integrating the geographical features of Kowloon East, the mall delivers a fresh perspective on lifestyle, emphasizing diversity and vitality. Spanning a gross floor area of about 500,000 square feet beneath The Millennity in Kwun Tong, the mall features a 15,000-square-foot pet-friendly sky garden along with popular dining, lifestyle, and entertainment options, including first-time city debuts. The mall is poised to become an innovative destination for young families, pet owners and the next generation. The planned construction of an all-weather pedestrian footbridge connecting the mall to MTR Ngau Tau Kok Station is expected to further enhance accessibility of the Group's properties in the area.

Cullinan Sky Mall, the podium mall of the Group's premium residential development Cullinan Sky in Kai Tak, is scheduled for a phased opening starting in the fourth quarter of 2025. Directly accessible from MTR Kai Tak Station, the 220,000-square-foot mall will offer a diverse mix of shops and restaurants, including al fresco dining selections and trendy grab-and-go food options. The mall stands to capitalize on opportunities arising from the rapid development of Kai Tak into a vibrant community, following an intake of residents at Cullinan Sky and a rise in sports and commercial activities.

The Group remains committed to strengthening and expanding the development of West Kowloon into another of Hong Kong's core business districts beyond Central by creating a strategic cluster that transcends the boundaries of the traditional workplace. Formed by the High Speed Rail West Kowloon Terminus Development, the Artist Square Towers Project in the West Kowloon Cultural District, and the Group's completed ICC and hotels atop MTR Kowloon Station, this commercial cluster with an aggregate gross floor area of over seven million square feet is set to become a multifaceted hub of commerce, tourism, retail, arts and culture, serving the diverse needs of businesses and visitors. Designed to foster an open and vibrant community, the hub will feature plenty of open space and elevated, covered walkways which seamlessly connect the various projects and the West Kowloon Waterfront Promenade. The mixed-use cluster also enjoys unrivalled transport connectivity to different parts of Hong Kong, the Greater Bay Area, other mainland cities and the rest of the world through easy access to the High Speed Rail, Airport Express and other MTR lines.

Vega Suites, Tseung Kwan O, Hong Kong

The Group's upcoming developments in West Kowloon are poised to redefine the standards of the modern workplace. Comprising premium offices and a mall, the integrated High Speed Rail West Kowloon Terminus Development features cutting-edge sustainable building specifications, biophilic designs, and wellness-focused elements such as social space and abundant greenery. Pre-leasing is underway for its office portion, the International Gateway Centre (IGC), with handover expected to begin in early 2026. Its retail portion, spanning approximately 603,000 square feet, will feature a diverse mix of lifestyle offerings and trendsetting food-and-beverage options. Adjacent to M+ museum at the harbourfront, the Artist Square Towers Project in the West Kowloon Cultural District will deliver premium office space with flexible layouts and balconies, complemented by panoramic views of Victoria Harbour. The completion of these two landmark projects will further enhance the diversity of the Group's portfolio in the district.

Property Business – Mainland

Land Bank

As at 30 June 2025, the Group held a total attributable land bank of about 65.3 million square feet on the mainland. Of this, about 44.2 million square feet were properties under development, with over 50% earmarked for development into quality residential and office units for sale. The remaining 21.1 million square feet were completed properties, mostly for rental and long-term investment purposes. A vast majority of these properties were iconic mixed-use developments strategically located in major business hubs in first-tier and leading second-tier cities.

The Group will continue to develop existing projects on the mainland, with a focus on delivering premium products and services that resonate with the dynamic needs of the Group's customers.

Chairman's Statement

Lake Genève, Suzhou

Property Development

Since the fourth quarter of 2024, robust policy measures, including reductions in the Loan Prime Rate and Reserve Requirement Ratio, as well as easing of home-purchase restrictions, have provided support to the residential markets in major mainland cities. In addition, the land markets in selected cities such as Shanghai and Hangzhou showed further signs of improvement.

During the year under review, the Group achieved attributable contracted sales of approximately RMB4,000 million on the mainland. Major contributors included Phase 2 of the joint-venture Lake Genève in Suzhou and new batches of residential units at Park Royale and Forest Park in Guangzhou. Phase 2 of Lake Genève includes a total of 74 detached houses on the southern bank of Jinji Lake in Suzhou, providing tranquil lake views and a serene lifestyle for residents. Among them, 50 premium houses put on the market during the year received an encouraging sales response and sold out quickly.

During the year, the Group completed approximately 1.5 million square feet of attributable gross floor area on the mainland. Project details are shown in the following table. The riverside residences at Phase 3 of Shanghai Arch in Shanghai were handed over to buyers in the first half of 2025 and received high acclaim for their stunning views of the Bund.

Project	Location	Usage	Group's Interest (%)	Attributable Gross Floor Area (square feet)
Park Royale Phase 3A	Huadu, Guangzhou	Residential	100	477,000
Shanghai Arch Phase 3	Lujiazui, Shanghai	Residential	100	465,000
Forest Park Phases 1A & 1B	Panyu, Guangzhou	Residential	100	347,000
Oriental Bund Phase 6B	Chancheng, Foshan	Residential	50	245,000
Total				**1,534,000**

As at 30 June 2025, the Group's contracted sales yet to be recognized on the mainland amounted to about RMB8,100 million, most of which are expected to be recognized in the financial year 2025/26.

Property Investment

During the year under review, gross rental income from the Group's rental portfolio on the mainland, including contributions from joint ventures and associates, recorded a decrease of 2% year-on-year to RMB5,713 million. While newly completed projects provided incremental contributions, a decline in turnover rents of the retail portfolio and downward pressure on office rents led to a mild decrease in overall rental income.

The retail market on the mainland has been transforming due to shifting consumer preferences and economic realignment. Embracing these changes, the Group has implemented proactive measures that integrate market trend analysis, collaboration with tenants, and incorporation of consumer insights to optimize offerings, services and tenant mix of its malls, effectively driving footfall and stimulating consumption. These efforts enabled the Group's major malls to maintain their competitive edge and high occupancy rates throughout the year. Favourable policies, including facilitation of departure tax refunds for shopping, have further driven the foot traffic of international visitors to the Group's malls, solidifying their positions as premier hubs of lifestyle and leisure.

Evolving in step with market changes, Shanghai IFC Mall moved beyond traditional retail offerings by creating immersive experiences through premium hospitality, art installations and diverse activities. Highlight activities included showcases of the latest digital technologies, as well as renowned artistic and music performances. Building on its comprehensive selection of top-tier global luxury flagship stores and high-end international and lifestyle brands, the mall further enhanced its appeal to shoppers through diversification of dining options and unique VIC services under its loyalty programme. IAPM in Shanghai, which boasts convenient access to multiple metro lines, elevated its status as a trendsetter by welcoming debut stores and a diverse selection of cafes and dining options.

The Group's joint-venture malls in Guangzhou exemplify the strategic focus of utilizing outdoor space and tapping the pet economy. The verdant outdoor plaza of Parc Central served as a vibrant venue for hosting art installations and experiential activities, notably the first exhibition of a globally recognized IP character in the southern part of the mainland, driving footfall and cementing the mall's status as an epicentre of popular culture. IGC catered to the growing demand for pet-friendly dining and services while organizing thematic activities for pet-owning families. In addition, Nanjing IFC Mall has firmly established itself as a popular destination in Nanjing through a meticulously curated retail selection and hosting of compelling events since its opening in July 2024. Occupancy of the mall increased during the year, contributing incremental income to the Group.

While uncertain global economic conditions and abundant new supply continued to pose challenges to the office market on the mainland, the Group's competitive edge has positioned it well to benefit from the flight-to-quality trend. Key strengths of the Group's office portfolio, including excellent building standards, easy accessibility, professional management services and comprehensive amenities offered by the Group's malls and hotels within the same integrated complexes, have enabled the Group to attract and retain tenants effectively and outperform its peers amid keen competition. The Group's Grade A offices with leading ESG credentials in Shanghai are able to capture opportunities arising from policies facilitating office relocations. Occupancy of Tower A of Three ITC has ramped up to nearly 80% and contributed to the Group's recurrent income stream.

Shanghai IFC Mall, Shanghai

Chairman's Statement

ITC, Shanghai

Among the projects under development, the upcoming completion of the mega ITC project in Shanghai will mark a milestone for the Group's footprint on the mainland. Construction of the remaining portion of Three ITC, which comprises office building Tower B, flagship mall ITC Maison and hotel Andaz Shanghai ITC, is scheduled for completion by late 2025. Pre-leasing of Tower B is underway. The forthcoming opening of the premium hotel at ITC will further enhance the comprehensiveness of amenities available within the complex, which is expected to drive leasing momentum. The first phase of ITC Maison will open in the second half of 2025, introducing a mix of food-and-beverage choices, including eateries debuting in Xujiahui and all-day dining. Featuring pedestrian bridges and plazas that connect to the surrounding community, this final tranche will establish ITC as Shanghai's definitive commercial landmark.

Hangzhou IFC, the Group's joint venture project in Qianjiang New City CBD, Hangzhou, is undergoing phased development. Pre-leasing of One IFC River West, a Grade-A office tower spanning about 378,000 square feet in River West, is gaining momentum. Handover to tenants began in July 2025. Suzhou ICC, the Group's integrated project overlooking Jinji Lake in Suzhou, will feature premium office space, a podium mall, and the residential portion ICC Residence. The project has been topped out, with interior decoration underway.

Other Businesses

Hotels

During the year under review, the Group's hotel business in Hong Kong delivered satisfactory performance, underpinned by an increase in foreign and mainland visitors, the resurgence of mega events and business summits, and the emerging "concert economy". Four Seasons Hotel Hong Kong performed well, benefitting from the return of corporate travellers and stronger IPO activities. During the year, the Group's hotels in Hong Kong recorded an improvement in room revenue with occupancies remaining at high levels, although changing spending patterns weighed on the revenue from their food-and-beverage businesses.

To boost resource utilization, the Group's hotel management implemented measures to enhance efficiency among hotels sharing operational synergy. In addition, the loyalty programme Go Royal by SHKP saw continued expansion, with membership exceeding 230,000. Collaborating closely with The Point, the programme successfully drives repeat business and creates synergy among the Group's property and hospitality operations.

On the mainland, the occupancy at The Ritz-Carlton Shanghai, Pudong remained high, supported by a rise in international travellers amid expanded visa-free access. The business of Andaz Nanjing Hexi and Four Seasons Hotel Suzhou continued to ramp up steadily. Looking ahead, Andaz Shanghai ITC, a part of the Three ITC integrated project in Xujiahui, Shanghai, is expected to open by late 2025 and provide over 260 premium hotel rooms.

Telecommunications and Information Technology

SmarTone

During the year under review, SmarTone maintained a resilient performance and grew in profitability despite an increasingly competitive operating environment. SmarTone is committed to delivering a superior network and services that enhance customers' quality of life. Its network offers the most spectrum per subscriber in Hong Kong, positioning it as one of the best networks in the city. Third-party tests conducted by reputable organizations have shown that the network is especially strong within MTR stations. To further enhance network quality, the company has continued to invest in connectivity at country parks and outdoor venues, including those in Kai Tak. It has also recently utilized artificial intelligence (AI) tools to test for blind spots in connectivity, yielding good results.

SmarTone has launched several new services for its customers, including "WiFi 7" 5G Home Broadband with superior speed. The company also introduced support service for customers when they roam overseas, with a toll-free number for them to call for assistance, telecom-related or otherwise.

The Group remains confident about SmarTone's prospects and will continue to hold the company as a long-term investment of Hong Kong's critical digital infrastructure. The Group will also leverage the company as its telecommunications technology arm and utilize its technologies to further improve customer experience.

SUNeVision

During the year under review, SUNeVision showed strong growth in performance. The adoption of cloud and AI applications has particularly grown since the emergence of DeepSeek earlier this year. As a result, the company's data centres have seen healthy demand for their services. Phase 1 of MEGA IDC, a state-of-the-art data centre in Tseung Kwan O, opened in the second quarter of 2024, providing first-class infrastructure and abundant power supply that can meet the requirements of the most advanced cloud and AI applications. With MEGA IDC and other data centres in SUNeVision's portfolio, the company is equipped with the infrastructure and power to grow for the future.

While development of AI will continue to offer impetus to the data centre market, prevailing global economic uncertainties weigh on its near-term outlook. Given the challenging macro environment and geopolitical tensions, SUNeVision will continue to exercise the highest level of cost discipline towards all capital and operating expenditure to achieve the best return on capital deployed for shareholders.

SmarTone

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

Following SUNeVision's win of the judicial review case against the Hong Kong Science and Technology Parks Corporation (HKSTP) regarding unauthorized subletting activities among data centre operators in industrial estates in 2022, HKSTP, as a statutory body, has yet to publicly disclose any comprehensive measures against such unlawful activities. SUNeVision calls on the HKSTP to demonstrate a much higher degree of transparency for the long-term benefit of Hong Kong as an innovation centre.

Infrastructure and Other Businesses

During the year under review, the Group's infrastructure and transport businesses continued to show resilience. The parking and tunnel management business of Wilson Group has delivered stable results, notwithstanding the challenging economic environment. Business at the Hong Kong Business Aviation Centre (HKBAC) was steady and traffic was close to pre-pandemic levels. HKBAC is about to complete a major terminal revamp that will deliver a world-class experience to its customers in terms of efficiency, luxury and privacy. Business at the Airport Freight Forwarding Centre (AFFC) was volatile but resilient, further showing the strength of Hong Kong as an air cargo hub. With its franchise extended to 2043, AFFC is also undergoing a major revamp to upgrade its facilities to world-class levels, aiming for completion by the end of 2026. Results of the River Trade Terminal remained steady, and management has taken stringent cost-control measures to maintain operational efficiency and profitability. The franchise for Route 3 (CPS) ended in May 2025.

Chairman's Statement

In response to changing spending patterns, YATA has revamped its business model to serve its customers better. YATA has undergone remodelling to focus on its supermarket business, which remained relatively resilient. The company refined its product mix to introduce new and specialty products, such as Japanese fresh fruits sourced directly. Adding to the excitement, a number of new eateries from Japan, the mainland and Hong Kong were introduced. A revamp of the flagship store in Sha Tin is nearing completion, bringing customers a new experience. YATA also collaborates closely with the Group's malls and The Point loyalty programme to elevate members' loyalty and drive shared benefits.

Corporate Finance

The Group's commitment to prudent financial practices lays the groundwork for sustainable growth, enabling it to navigate future challenges and opportunities. The Group maintains a strong financial position, characterized by low gearing, robust liquidity, disciplined debt repayment schedules, and high debt-servicing capacity. As at 30 June 2025, the Group recorded a net debt-to-shareholders' fund ratio of 15.1% and an interest coverage ratio of 6.0 times. These improvements in financial ratios were driven by decreases in net debt and borrowing costs.

The Group continued to be one of the highest-rated real estate companies in Hong Kong. Demonstrating its efforts in maintaining strong financial discipline, the Group has received an upgrade in outlook from Moody's, achieving A1 rating (stable outlook). S&P maintained an A+ rating (negative outlook) for the Group.

The Group successfully raised sufficient RMB-denominated funding to achieve its objectives of reducing costs and better aligning RMB assets with liabilities. During the year, the Group issued CNH700 million 3-year bonds. Capitalizing on the eased financing environment on the mainland, the Group issued the second series of RMB2,000 million commercial mortgage-backed securities (CMBS) in August 2024 at very competitive funding costs. Receiving strong support from the banking community, the Group secured substantial loan facilities for its mainland projects.

The Group has not engaged in any speculative derivative or structured product transactions. Most of the Group's debts are denominated in Hong Kong dollars and the remainder are in Renminbi and US dollars. All of the Group's US dollar debts have been fully hedged via cross-currency swaps, while its Renminbi debts act as a natural hedge against the Group's assets on the mainland.

CORPORATE GOVERNANCE

The Group is committed to maintaining high corporate governance standards to protect all stakeholders' interests and generate sustainable long-term value for them. The Board of Directors oversees the Group's overall strategies, including sustainable development. Comprising 18 members, seven of whom are Independent Non-Executive Directors (INEDs), the Board possesses a balanced mix of experience, expertise and diversity aligned with the Group's strategies, governance, and businesses. All INEDs meet the required stature, respect, qualifications, skills, and experience to fulfil their duties. Most have served the Company for substantial periods, resulting in a deep understanding of the Group's operations. Throughout their years of service, they have consistently shown strong independence by providing impartial perspectives and insights, making valuable contributions to the Group.

Furthermore, the Board has assigned specific roles to four committees, including the Executive, Remuneration, Nomination, and Audit and Risk Management Committees. Each committee operates under defined terms of reference outlining their powers and duties. The Executive Committee meets regularly to develop business policies, decide on key issues, and exercise Board-delegated authority. The Audit and Risk Management Committee, the Remuneration Committee, and the Nomination Committee are all chaired by INEDs. While INEDs form the majority on the Remuneration Committee and the Nomination Committee, the Audit and Risk Management Committee consists exclusively of INEDs.

The Group's experienced management team and its long-standing commitment to high governance standards have earned major awards from leading financial publications. During the year, *Euromoney* named it Best Overall Developer in Hong Kong, China, Asia Pacific, and globally, while *FinanceAsia* recognized it in Asia's Best Companies 2025 with awards including Best Managed Company and Best Real Estate Company in Hong Kong.

SUSTAINABLE DEVELOPMENT

The Group's ongoing commitment to sustainable development has been acknowledged by the industry. During the year, the Group's MSCI ESG rating was upgraded to AA, reflecting its strong performance in environmental, social and governance practices. The Group was also recognized by major global indices, such as the Dow Jones Best-in-Class Asia Pacific Index and the *S&P Global Sustainability Yearbook 2025*, including its China Edition. Additionally, the Group was named an ESG Regional Top Rated company by Morningstar Sustainalytics and ranked among the top three companies in the Hang Seng Corporate Sustainability Index, maintaining the highest AAA rating.

The Group provides free venue for Community Living Room

Environment

Prioritizing the development of sustainable buildings, the Group targets Leadership in Energy and Environmental Design (LEED) Gold or Platinum certification for all new core commercial projects. As of the end of June 2025, it secured about 150 green building certificates in Hong Kong. Notably, ICC became the first building in Asia to achieve LEED v5.0 Platinum certification for Operations and Maintenance: Existing Buildings, making it one of the few buildings worldwide that have attained the certification.

ICC becomes the first building in Asia to attain LEED v5.0 Platinum certification

Progress was made towards achieving the Group's 10-year environmental targets, with an enhanced greenhouse gas emissions target set last year. The Group is dedicated to promoting the use of renewable energy. Boasting the largest solar panel network in Hong Kong by far, the Group facilitated the installation of about 20,000 solar panels at the Group's managed properties and construction sites. Additionally, solar panels were installed on the roofs of nearly half of KMB's buses. A joint venture of the Group has completed the construction of Hong Kong's first privately funded solar farm on a landfill, spanning around 100,000 square feet.

The adoption of electric vehicles in Hong Kong has been accelerating in a blistering pace, but the charging infrastructure has lagged behind. To support the further development of low-carbon transport in Hong Kong, the Group has built a network of nearly 100 super-fast EV chargers across all 18 districts, which have seen high utilization rates. Members of the malls' loyalty program, The Point, can enjoy the convenience of charging by redeeming the points they earned from spending. Looking ahead, the Group is committed to further expanding its super-fast EV charging network, extending its benefits to more drivers while advancing green commuting in Hong Kong.

Chairman's Statement

The Group's signature Read to Dream programme

Social

The Group is committed to good corporate citizenship, actively addressing the needs of society through various initiatives. Supporting government efforts to foster a caring community, the Group provides a rent-free venue for the establishment of Ko Shan Road Community Living Room. Launched in April 2025, this 4,600-square-foot shared space offers amenities and services for families living in subdivided units.

The Group continues to promote reading and STEM among young people through the SHKP Reading Club. In 2024, it partnered with the Patriotic Education Centre under the Hong Kong Federation of Education Workers to organize the Read to Dream programme, which provided book allowances to 1,000 underprivileged students to buy books at the Hong Kong Book Fair. Additionally, aerospace-themed activities were held in the 2024/25 academic term to deepen youth engagement with the country's aerospace advancements and strengthen their sense of identity.

The Group invites world-class cyclist Chris Froome to visit GO PARK Sai Sha

During the year, the Group advanced its commitment to "sports for all" and "sports for charity". GO PARK Sai Sha, the Group's unique sports and commercial complex of about 1.3 million square feet, offers professional-grade facilities that meet international standards for over 10 popular and emerging sports, as well as other leisure and entertainment facilities for the whole family. Together with the adjacent water sports centre GO PARK Aqua, GO PARK Sai Sha has partnered with different sports associations and sports academies to host a wide range of sports and aquatic programmes. Since trial operations began in mid-2024, more than 160 sporting events have been held at this scenic venue. Designed not only for sports enjoyment but also as a community hub, GO PARK Sai Sha fosters quality time for families and their pets while promoting healthy lifestyles and community engagement.

The Group continued as the title and charity sponsor of the Sun Hung Kai Properties Hong Kong Cyclothon, the city's largest cycling event, and supported the Sun Hung Kai Properties Hong Kong 10K Championships, The Community Chest Corporate

The Community Chest New Territories Walk for Millions at GO PARK Sai Sha

Challenge, and the Hong Chi Climbathon. Furthermore, the Group served as the venue sponsor for The Community Chest New Territories Walk for Millions – GO PARK Sai Sha.

The year also marked the official opening of the second phase of Ma Wan Park, now named Ma Wan 1868. Spanning nearly 500,000 square feet, this distinctive destination integrates conservation, nature, art, culture, and recreation. Through Ma Wan 1868, the Group fosters cultural exchange and offers a rich leisure and artistic experience for both locals and tourists. In line with this commitment, the Group supports young entrepreneurs through the Well-Being • Start-Up 2.0 Programme by providing two rent-free shop premises at the park, empowering them with valuable retail experience.

Ma Wan 1868, Hong Kong

PROSPECTS

The global economic environment is expected to remain volatile and uncertain, arising from prevailing geopolitical tensions and international trade disputes. Nevertheless, monetary easing policies adopted by several major economies, together with the increased likelihood of US interest rate cut, are conducive to economic growth. The growing adoption of AI and robotics will boost productivity and create economic opportunities.

Building on the solid economic performance reflected in key indicators during the first half of 2025, the mainland economy is expected to maintain steady growth. The Central Government is set to implement more proactive fiscal measures alongside a moderately loose monetary policy, ensuring both flexibility and consistency in its approach. Continued efforts to drive the country's high-quality development through supporting industries such as AI and new energy, coupled with initiatives to advance high-level opening-up and strengthen the dual circulation of domestic and international markets, will enhance the overall business environment and bolster economic resilience. A series of policies aimed at improving livelihoods and nurturing new growth engines will help unlock domestic demand and drive consumption. The easing of home-purchase restrictions is anticipated to render support to housing demand for premium residential properties in top-tier cities.

Chairman's Statement

In Hong Kong, the economy is going through a transformation amidst growing complexity in the global economic and political landscape. An active financial market and a growing tourism industry will continue to drive moderate economic growth over the near term. Dedicated efforts in developing the city as an international hub for high-calibre talent will boost socio-economic development, while initiatives to attract both mainland and international enterprises to Hong Kong have lifted the total number of registered companies to a record high, driving economic activities in the city and reinforcing the city's role as a springboard for mainland enterprises to go global. In light of these favourable conditions, along with rising home rents and expectations of lower interest rates, buyers' confidence and transaction volumes in the residential sector are expected to show continued improvement.

With the resolute support of the motherland and the principle of 'One Country, Two Systems', Hong Kong will strengthen its role as an international financial centre and a transportation, trade, and aviation hub, and further bolster its competitive edge as a leading global wealth management centre. At this defining juncture of economic transformation, Hong Kong will embrace changes with its longstanding strengths of agility and flexibility. The Group remains confident about the long-term prospects of the mainland and Hong Kong.

In addition to pursuing high asset turnover in its property development business amid improved residential market sentiment to sustain robust cash flow, the Group will strive to maintain sizeable recurring income from its diversified rental portfolio and non-property businesses, a notable competitive edge that contributes to its healthy financial position. With the gradual completion of major projects, the Group saw a meaningful reduction in capital expenditure during the year under review. The Group will continue to lower capital expenditure and control operating costs, while enhancing its operational efficiency through the use of innovative technologies.

Looking forward, the Group will continue to launch new residential projects for sale when ready and put up for sale its unsold completed residential units and other non-core properties. Over the next 10 months, the Group will put on the market the completed units from the second phases of Cullinan Sky and Cullinan Harbour in Kai Tak, Hong Kong. Other major residential developments to be offered for sale in Hong Kong will include Sai Sha Residences Phase 2A and 2B, a project near MTR Tsuen Wan West Station, and the first phase of a large-scale development adjacent to MTR Kwu Tung Station. On the mainland, the Group plans to launch the prestigious houses at Shanghai Arch in Shanghai, and new batches of joint-venture developments such as Lake Genève in Suzhou, Hangzhou IFC, and Oriental Bund in Foshan. The Group's sufficient saleable resources will support its future business growth. In addition, the Group will continue to regularly review its portfolio in order to enhance returns and asset turnover.

On the property investment front, the Group will continue to strengthen its diversified portfolio for a stable and substantial stream of recurrent income while striving for incremental contributions from newly completed projects. In addition to embracing innovation and implementing a multi-pronged leasing strategy, the Group will prioritize cultivating long-term relationships with tenants and customers to meet their evolving preferences. This approach will strategically position the Group to fully capitalize on the flight-to-quality trend and sustain high occupancies across its rental portfolio.

Over the next two to three years, the completion of new investment properties in Hong Kong and on the mainland will successively contribute to the Group's recurrent income. In Hong Kong, Scramble Hill, a brand-new shopping mall in Kwun Tong, is scheduled for opening in phases in the second half of 2025. With direct access to MTR Kai Tak Station, Cullinan Sky Mall in Kai Tak is slated to open from the fourth quarter of 2025. The IGC office towers atop the High Speed Rail West Kowloon Terminus will be ready for handover starting in 2026. For the remaining portion of the Three ITC integrated project in Xujiahui, Shanghai, office skyscraper Tower B and the hotel Andaz Shanghai ITC are slated to complete by late 2025, while the flagship mall ITC Maison is scheduled to open in phases starting from the second half of 2025.

High Speed Rail West Kowloon Terminus Development, Hong Kong (Rendering)

Committed to moving with the times, the Group has proactively embraced changes and adapted to shifting market trends, navigating the city's highs and lows over the past half century with resilience and foresight. In navigating through the current economic transformation, the Group will build on its solid foundation and extensive experience while adhering to prudent financial discipline as always. With strong execution capabilities, the Group's management and teams will put into practice its long-standing principles and time-tested strategies to strive for sustainable growth, while exploring potential applications of AI to better understand market trends and further enhance both efficiency and service quality. Leveraging its strong financial position, the Group is able to make investments for its long-term development when opportunities arise. As in the past, the Group will continue to support the city's evolving needs and build properties that prioritize quality of life for all.

APPRECIATION

I would like to take this opportunity to convey my heartfelt appreciation to our staff, whose dedication and perseverance have been instrumental in underpinning the Group's resilience amid a continually evolving market landscape. I also express my gratitude to my fellow directors for their wise counsel, and to our shareholders and customers for their continued trust and support.

Kwok Ping-luen, Raymond
Chairman & Managing Director

Hong Kong, 4 September 2025

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 by developing and leasing premium properties with attentive service to residents, shoppers and tenants in Hong Kong and on the 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 is able to meet high standards and enables the Group to control the ultimate quality of its developments.

The second core business of the Group 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 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, godowns, data centres and car parks.

Property development for sale and rental income from the portfolio of property investment constitute the Group's primary sources of income. The Group places 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 mainland
- Prudent financial management

*Fung Sau-yim, Maureen **

*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 portfolio of property investment. This strategy strikes a balance between quick asset turnover and steady cash flow.

The portfolio of property investment 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 name 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 to the world for the mainland.

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 Mainland

The Group is positive about the long-term prospects on the mainland, which offers a variety of investment opportunities. The Group has a highly selective and focused strategy, with key cities being its primary focus. Building upon its stellar 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 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 attractive 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 operation and strategic investment.

The Group aims to further strengthen its financial position by diversifying sources of funding. The Group enjoys high credit ratings, putting it in a favourable position to tap debt capital markets. The Group also maintains excellent banking relationships and is able to obtain abundant banking facilities for business needs.

Review of Operations

ICC and Two IFC forming the Victoria Harbour Gateway

Hong Kong Property Business

Highlights

- **Maintained a diversified land bank totalling 57.4 million square feet as at 30 June 2025**
- **Completed approximately 1.5 million square feet of attributable gross floor area of residential properties for sale**
- **Achieved contracted sales of about HK$42,300 million**
- **Generated a gross rental income of HK$17,531 million from the Group's rental portfolio, a decrease of 2% from the previous financial year**

Land Bank

The Group remains committed to maintaining prudent financial discipline in the replenishment of its land bank to support its future development. During the year under review, five residential sites comprising an aggregate gross floor area of about 1.6 million square feet in attributable terms were added to the Group's development land bank. For details, please refer to the Chairman's Statement on page 8.

As at 30 June 2025, the Group's land bank in Hong Kong reached about 57.4 million square feet of gross floor area, including about 19.7 million square feet of properties under development and around 37.7 million square feet of completed properties.

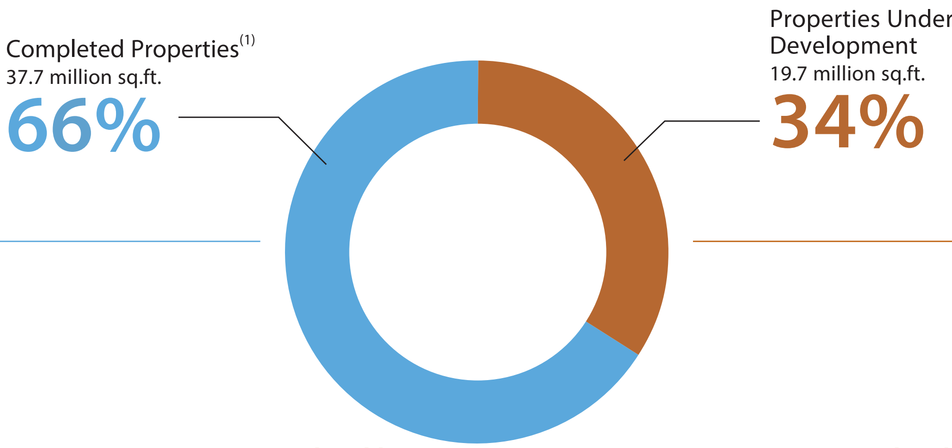
The Group maintains a substantial and geographically diverse portfolio of completed properties, an overwhelming majority of which are held for long-term rental and investment purposes. The portfolio comprises approximately 33% of shopping malls and retail space, 29% of office space, and 13% of industrial facilities and data centres. These completed properties, with varying unit sizes, floor plates, locations, and rental levels, are able to meet the diverse needs of tenants. Many of them, including large-scale shopping malls in residential clusters and Grade-A office buildings in core commercial areas, form part of the Group's integrated projects strategically located along railway lines. Their easy access to public transport and comprehensive amenities serve not only tenants but also the growing population of residents, workers and shoppers in the vicinity.

In addition, the Group holds 19.7 million square feet of properties under development in Hong Kong, sufficient for the Group's development needs over the next six to seven years. Among them, about 13.3 million square feet will be used for developing quality residential properties for sale. The remaining 6.4 million square feet will be retained for rental and long-term investment purposes, including the Group's flagship developments in West Kowloon which are expected to come on stream in the next few years.

As at 30 June 2025, the Group's land bank in Hong Kong by attributable gross floor area was as follows:

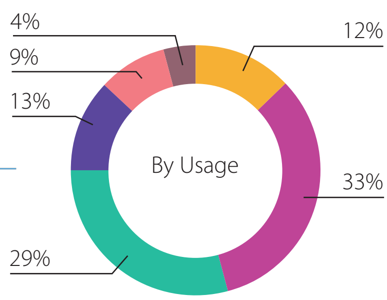
Hong Kong Land Bank Composition

(57.4 million square feet of attributable gross floor area as at 30 June 2025)



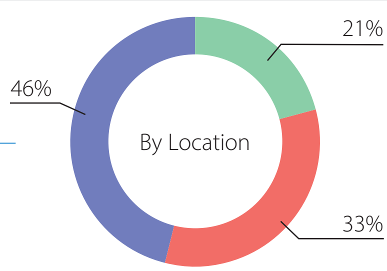
Completed Properties – By Usage

	Attributable Gross Floor Area (million sq.ft.)
Residential	4.4
Shopping Centre/Shops	12.5
Office	11.0
Hotel	4.7
Industrial[2]	3.5
Data Centre	1.6



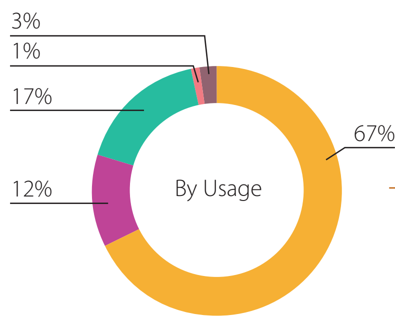
Completed Properties – By Location

	Attributable Gross Floor Area (million sq.ft.)
Hong Kong Island	8.0
Kowloon	12.4
New Territories	17.3



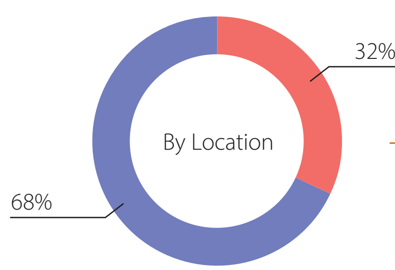
Properties Under Development – By Usage

	Attributable Gross Floor Area (million sq.ft.)
Residential	13.3
Shopping Centre/Shops	2.4
Office	3.4
Industrial	0.1
Data Centre	0.5



Properties Under Development – By Location

	Attributable Gross Floor Area (million sq.ft.)
Kowloon	6.2
New Territories	13.5



(1) An overwhelming majority are for rent/investment
(2) Including industrial/office premises and godowns

Hong Kong Property Business
Property Development

GO PARK Sai Sha and Sierra Sea, Sai Sha

Property Development

Adhering to the spirit of Building Homes with Heart, the Group has always emphasized the need for building quality, thoughtful design and attentive service in the development of premium properties in Hong Kong. Notably, the Group is the first developer in Hong Kong to have offered a three-year warranty to first-hand purchasers of newly sold residential units, setting a new industry benchmark and further bolstering its brand reputation.

Committed to fulfilling the evolving needs of customers, the Group integrates innovative designs, smart technologies and sustainable practices across its developments. This competitive edge reinforces the Group's leading market position amid challenging market conditions. Building on the Group's longstanding strength in the delivery of large-scale integrated projects with comprehensive facilities and strong connectivity, the Group is currently developing the landmark Sai Sha project in phases. The residential portion is complemented by the adjacent GO PARK Sai Sha, a sports-cum-retail complex with a total site area of 1.3 million square feet, offering residents a distinctive living experience that blends sports, entertainment, and wellness elements for residents of all ages.

Since the US rate-cut cycle started in September 2024, the transaction volume in Hong Kong's primary residential market has increased notably. During the year under review, the Group achieved contracted sales of around HK$42,300 million in attributable terms in Hong Kong. Major new projects launched for sale included Cullinan Sky Phase 1 in Kai Tak, Sai Sha Residences Phases 1A(2) and 1B Sierra Sea, Victoria Harbour II in North Point, YOHO WEST PARKSIDE in Tin Shui Wai and NOVO LAND Phase 3B in Tuen Mun. The Group also put up for sale unsold units from completed developments, including The YOHO Hub II in Yuen Long and St Michel in Sha Tin.

Major Projects under Development

Spanning various districts across Hong Kong, the Group is developing a wide range of projects, including mass-market apartments, deluxe residences, quality office space and retail premises, most of which are strategically located along existing or planned railway lines. Below are descriptions of the major projects under development.

Cullinan Sky, Kai Tak

Kowloon

Cullinan Sky
New Kowloon Inland Lot No. 6568
(100% owned)

Site area	: 178,000 square feet
Gross floor area	: 1.1 million square feet (residential) 220,000 square feet (retail)
Approximate number of units	: 1,500
Expected date of handover	: from second half of 2025, in phases

Cullinan Sky presents approximately 1,500 luxury residences at the heart of Kai Tak City Centre, encompassing some 1.1 million square feet of residential gross floor area. Standing as the tallest among residential developments in Kai Tak, the five high-rise residential towers provide spectacular Victoria Harbour panoramas for residents of some units on higher floors.

Phase 1 of the project, with nearly 900 premium flats, has been virtually sold out since its official launch for sale in October 2024. These units were handed over to buyers progressively, starting in July 2025. Twin clubhouses, including a sky club at a height of 31 storeys, provide residents with a variety of amenities and services. Phase 2 of the project, providing about 580 units, is scheduled to be put up for sale in the financial year 2025/26.

The project is connected directly to MTR Kai Tak Station via an underground retail street. Through the station, the project is easily accessible from nearby commercial and government buildings, as well as the heart of Kowloon City area via an underground tunnel under construction. Additionally, the Central Kowloon Route, which is expected to be completed by the end of 2025, will enhance transportation to the rapidly developing West Kowloon district.

Cullinan Sky Mall, the retail portion of the project, is located beneath the residential towers and directly linked to the MTR Kai Tak Station through an underground retail street. The four-storey mall spans approximately 220,000 square feet of gross floor area, providing residents and visitors with shopping, dining and entertainment options.

Cullinan Harbour
New Kowloon Inland Lot No. 6551
(100% owned)

Site area	: 118,000 square feet
Gross floor area	: 625,000 square feet (residential) 24,000 square feet (retail)
Approximate number of units	: 440
Expected date of Certificate of Compliance/ Consent to Assign	: from second half of 2025, in phases

Nestled at the southern end of the former Kai Tak runway, Cullinan Harbour comprises some 440 luxury homes spanning about 625,000 square feet of residential gross floor area and around 24,000 square feet of retail space. Marked by luxurious finishes and state-of-the-art design, the project offers spectacular views of Victoria Harbour for around 90% of the units, setting a new benchmark for luxury residences in the area. In addition to spacious units, special layouts including exclusive houses and duplexes are also available, catering to families seeking a refined lifestyle. The clubhouse will provide residents with exquisite services and a wide range of amenities, while the retail podium will offer scenic dining and shopping experiences.

Cullinan Harbour, Kai Tak

Phases 1 and 2A, comprising about 300 flats altogether, have been put up for sale since last year, registering satisfactory sales performance. Construction of the project is progressing well, with scheduled completion by the end of 2025. Once completed, the project will synergize with Cullinan Sky in the Kai Tak City Centre.

Residents can enjoy more amenities at the adjacent harbourfront promenade and the Kai Tak Sky Garden featuring a 1.4-kilometre landscaped deck. The Kai Tak Cruise Terminal, Kai Tak Runway Park, and the future Metro Park are a short distance away, offering more recreational options. The proposed Smart and Green Mass Transit System is expected to link the former Kai Tak runway area to the MTR Kai Tak Station, strengthening the district's transport network.

High Speed Rail West Kowloon Terminus Development
International Gateway Centre (IGC) (office portion)
Kowloon Inland Lot No. 11262
(Joint Venture)

Site area	: 643,000 square feet
Attributable gross floor area	: 1.2 million square feet (office) 603,000 square feet (retail)
Expected date of completion	: from second half of 2025

Sitting atop the High Speed Rail West Kowloon Terminus, this landmark development comprises approximately 2.6 million square feet of premium grade-A office space named the International Gateway Centre (IGC), and around 603,000 square feet of retail space. The Group holds full ownership of the retail component and about 1.2 million square feet of the office space for long-term investment, while the remaining office space is held by two strategic partners. The project is strategically positioned atop Hong Kong's only High Speed Rail terminus and conveniently linked to the Airport Express and other MTR lines, offering unrivalled connectivity to different parts of Hong Kong, major mainland cities and international destinations. The development's unique location places it at the heart of a growing commerce, retail, entertainment, culture, and transportation hub of Hong Kong and the Greater Bay Area.

Property Development

High Speed Rail West Kowloon Terminus Development *(Rendering)*

Set to become one of the most environmentally friendly developments in the world, the project has already attained the highest ratings across major sustainable building pre-certification programmes, including LEED and WELL. The project recently attained Platinum ratings of WiredScore and SmartScore, underscoring its advanced digital infrastructure, user-centric smart technologies, and readiness to support future workplace needs.

In addition, the project will provide over 100,000 square feet of open space designed with greenery and visitors' wellness in mind, including a publicly accessible outdoor observation deck. The development will be linked to the harbourfront and the neighbouring communities in Jordan and Yau Ma Tei via the 1.5-kilometre West Kowloon Parkway.

Scheduled for completion in the financial year 2025/26, IGC will see its handover to tenants starting from early 2026. For more leasing details, please refer to page 50. Upon completion, the development will create strong synergy with the Group's nearby projects, including the completed ICC and two five-star hotels, as well as the Artist Square Towers Project currently under construction.

Artist Square Towers Project, West Kowloon *(Rendering)*

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

Situated close to the M+ museum and the forthcoming WestK Performing Arts Centre in the West Kowloon Cultural District, this harbourfront development comprises three premium office towers with a total gross floor area of approximately

672,000 square feet and complementary retail offerings. The project is progressing under a Build-Operate-Transfer arrangement, with superstructure works now underway. Completion is targeted for 2027.

Emphasizing low-density planning and artistic character, the project offers sweeping harbour views, a contemporary workplace design incorporating balconies, and flexible floor plate configurations that accommodate a broad spectrum of tenant needs. The Group aims to achieve the highest rating of pre-certifications under several internationally recognized green and wellness building standards for the project, which is actively being marketed for pre-leasing.

Leveraging the well-established footbridge network, the project boasts convenient access to High Speed Rail, Airport Express, other MTR lines and an extensive bus network. The integrated commercial cluster formed by the project and the Group's ICC, two luxury hotels, and the upcoming High Speed Rail West Kowloon Terminus Development is set to redefine the vicinity as a premier destination for business, culture, retail, and entertainment.

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 2028

Located in the core of Mong Kok commercial district, the development will feature a 320-metre skyscraper anchored by a multi-storey retail podium. Branded as the "Green Heart of Mong Kok", the project will harmoniously weave together contemporary architecture and verdant green space. A highlight of the development will be its rooftop observation deck, offering panoramic views across the Kowloon Peninsula. Foundation work is progressing smoothly, with project completion targeted for 2030.

The development will incorporate a transport interchange accommodating both minibuses and cross-border coach services. Its connectivity will be strengthened through green walkways and sheltered bridges linking the site directly to MTR Mong Kok and Mong Kok East stations. The project will also be seamlessly connected to the Group's MOKO shopping mall, Royal Plaza Hotel, and the Grand Century Place office towers, creating a vibrant ecosystem of commerce, retail and hospitality in one of Hong Kong's most dynamic districts.

Kowloon Inland Lot No. 11273, Mong Kok *(Rendering)*

New Territories East

Sai Sha Residences
Tai Po Town Lot No. 253 sA & RP, Sai Sha
(100% owned)

Site area	:	2.9 million square feet (residential portion)
Gross floor area	:	5.7 million square feet (residential) 130,000 square feet (retail)
Approximate number of units	:	9,700
Expected date of Certificate of Compliance/ Consent to Assign	:	from second half of 2025, in phases

To be developed in phases over multiple years, the landmark project will offer approximately 9,700 units with a residential gross floor area of about 5.7 million square feet. The low-density project set against the mountain and overlooking the sea offers scenic views and a wide variety of recreational facilities. Phases 1A (2) and 1B, namely Sierra Sea, were launched for sale in April and May 2025 respectively, generating overwhelming sales responses with over 1,500 units sold within a month. Construction of the project is progressing smoothly, and the first two phases are targeted for handover in the second half of 2025. Phase 2A of the project, providing some 730 units, is scheduled to be put on the market soon.

Property Development

Sierra Sea and GO PARK Sai Sha, Sai Sha

Emphasizing wellness, sustainability and smart living, this meticulously planned project has secured pre-certifications of three leading programmes. They are: WiredScore Platinum pre-certification, which is granted to a residential development for the first time in Hong Kong; WELL Community Standard pre-certification; and BEAM Plus Provisional Gold. In addition to comprehensive clubhouse facilities, residents can easily access additional sports and retail amenities at the adjacent GO PARK Sai Sha. By incorporating innovative designs and family- and pet-friendly development concepts, the project is set to redefine urban living in Hong Kong and cater to the different lifestyles of residents of all ages.

Sai Sha Residences also includes retail space of about 130,000 square feet, encompassing dining, retail, education and healthcare services. Of this, about 57,000 square feet of retail space will be under GO PARK Sai Sha Phase 2, with trial operations set to commence in the fourth quarter of 2025.

The development is easily accessible from MTR Wu Kai Sha Station and MTR University Station, just a few minutes' drive away following the completion of the Sai Sha Road widening works. Public transport will also be readily available, with over 10 bus and minibus routes operating from transport interchanges, providing residents with convenient connections to nearby MTR stations and various destinations across Hong Kong.

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

To be developed in three phases, the project adjacent to the future MTR Kwu Tung Station encompasses approximately one million square feet of residential gross floor area and 141,000 square feet of retail space. Six high-rise residential towers will house approximately 2,100 units, primarily small- and medium-sized apartments. Around 650 units will be available in Phase 1 of the project. The development prioritizes smart and healthy living, incorporating technology-driven amenities tailored to the needs of young professionals and families.

Strategically located in the core area of the Northern Metropolis, the development is within easy reach of planned tech hubs, the future Northern Metropolis University Town, the Hong Kong-Shenzhen Innovation and Technology Park and the San Tin Technopole, making it an appealing choice for tech talent and young professionals. With an integrated public transport interchange beneath the towers and a nearby MTR station set to be completed before occupancy, residents will enjoy convenient access to various districts in Hong Kong, Shenzhen's Futian District, and other parts of the GBA.

A two-storey retail podium below the residential towers will offer a diverse range of shops, restaurants and recreational facilities, serving the daily needs of residents and the surrounding communities. Construction of the superstructure is 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	: after 2028, in phases

Set against green hills and overlooking the scenic Shing Mun Reservoir, this residential project in Sha Tin is designed to offer a harmonious balance between the serenity of nature and the convenience of urban living. Around 1,200 units, mainly small- to medium-sized, will be provided in four residential towers. The project is a 10-minute ride from MTR Tai Wai Station, and within easy walking distance of a major bus terminus offering routes to Kowloon and Hong Kong Island. Site formation and road widening works in the vicinity are in progress.

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) 19,000 square feet (retail)
Approximate number of units	: 1,500
Expected date of Certificate of Compliance/ Consent to Assign	: from first half of 2028, in phases

Located within a 10-minute walk from MTR Yuen Long Station, the development comprises approximately 1,500 residential units in one- to three-bedroom layouts across six towers, catering to varying needs of residents. Designed as a low-density community, the project is distinguished by generous green landscaping that promotes a tranquil, park-like atmosphere. Expansive views of the surrounding nature, including the wetlands of Nan Sang Wai and verdant open space, will be available in most units. Some residences will offer vistas of Shenzhen CBD skyline and Shenzhen Bay.

The development will incorporate retail space, a wellness centre and educational amenities. With its proximity to the MTR station, a major transport interchange and the Group's flagship YOHO Mall, residents will enjoy convenient accessibility and a one-stop 'retailtainment' experience. Superstructure work has just commenced.

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 2028

Located next to MTR Tin Shui Wai Station in Yuen Long, the site will be developed into a major commercial project spanning 856,000 square feet. The development plan will include footbridges directly connecting the site to the MTR station and nearby residential areas, enhancing pedestrian flow, commercial vitality and integration with the surrounding community. With its convenient connectivity, the project is well-placed to benefit from the ongoing transformation in the neighbourhood.

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)

Located near the tranquil greenery of So Kwun Wat, Tuen Mun, the project is designed to develop into a residential project with a maximum gross floor area of 619,000 square feet across six residential towers. The development is close to the Tai Lam Country Park and Castle Peak Bay, with easy access to outdoor leisure and recreational activities. In response to market changes, the Group is studying further modifications of its design. The overall construction schedule has been adjusted accordingly.

Property Development

Projects under Development in Hong Kong by Year of Completion[1]

Project		Project Name	Group's Interest (%)
Scheduled for Completion in FY2025/26			
(1)	New Kowloon Inland Lot No. 6568 Phases 1 & 2	Cullinan Sky / Cullinan Sky Mall	100
(2)	High Speed Rail West Kowloon Terminus Development Phase 1[2]	International Gateway Centre	JV[2]
(3)	Tai Po Town Lot No. 253, Sai Sha Phases 1A & 1B	Sierra Sea / GO PARK Sai Sha Phase 2	100
(4)	New Kowloon Inland Lot No. 6551 Phases 1, 2A & 2B	Cullinan Harbour	100
(5)	Kwun Tong Inland Lot No. 240 Phase 2	Scramble Hill	72.4[3]
Year Total:			
Scheduled for Completion in FY2026/27			
(6)	Tai Po Town Lot No. 253, Sai Sha Phases 2A & 2B	Sai Sha Residences	100
(7)	Artist Square Towers Project, West Kowloon Cultural District[4]		100
(8)	High Speed Rail West Kowloon Terminus Development Phase 2		100
(9)	Lot No. 1071 in DD 103, Kam Tin, Yuen Long		100
(10)	Tin Wing Stop Development Phase 2	YOHO WEST PARKSIDE	JV
(11)	13–23 Wang Wo Tsai Street, Tsuen Wan		100
Year Total:			
Scheduled for Completion in FY2027/28			
(12)	Fanling Sheung Shui Town Lot No. 279, Kwu Tung		100
(13)	Tseung Kwan O Town Lot No. 131 subsequent phases[5]	MEGA IDC	73.3
(14)	Lot No. 1696 in DD 115, Tung Shing Lei, Yuen Long Phase 1		100
(15)	Tai Po Town Lot No. 253, Sai Sha Phase 2C	Sai Sha Residences	100
Year Total:			
Major Projects Scheduled for Completion in FY2028/29 or Beyond			
(16)	Tai Po Town Lot No. 253, Sai Sha subsequent phase(s)	Sai Sha Residences	100
(17)	Kowloon Inland Lot No. 11273, Mong Kok[6]		100
(18)	Lot No. 4354 in DD 124, Kiu Tau Wai, Yuen Long[6]		100
(19)	Hung Shui Kiu Town Lot No. 5		50
(20)	Sha Tin Town Lot No. 537, Heung Fan Liu, Sha Tin		100
(21)	Tuen Mun Town Lot No. 496		75.2
(22)	Tung Chung Town Lot No. 55		100
(23)	Fanling Sheung Shui Town Lot No. 307, Fanling North		100
(24)	Lot No. 1696 in DD 115, Tung Shing Lei, Yuen Long subsequent phase(s)		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. 2579 in DD 92, Kwu Tung		100
(29)	Sha Tin Town Lot No. 623, Siu Lek Yuen, Sha Tin		100
(30)	Lot No. 4805 in DD 104, Yuen Long		100
(31)	Lot No. 1077 in Survey District No. 3, off Anderson Road, Kwun Tong		100
Others			
Total for Major Projects Scheduled for Completion in FY2028/29 or Beyond:			

(1) Information up to August 2025; completion refers to the stage in which the project is ready for handover; excluding the gross floor area of Government Accommodation that will be handed over to relevant government departments upon completion of the project
(2) The Group currently has a 45% interest in the office portion of the project
(3) Including 50% direct interest and an indirect interest of about 22.4% derived from the Group's holdings in Transport International Holdings (TIH)
(4) The Group has been granted the right to develop and operate the project under a Build-Operate-Transfer arrangement
(5) The facility is expected to be completed in phases in FY2027/28 and beyond
(6) 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**	**Hotel**	**Data Centre/ Industrial**	**Total**
1,066,000	220,000	–	–	–	1,286,000
–	–	1,154,000	–	–	1,154,000
861,000	57,000	–	–	–	918,000
625,000	24,000	–	–	–	649,000
–	362,000	–	–	–	362,000
2,552,000	**663,000**	**1,154,000**	**–**	**–**	**4,369,000**
839,000	–	–	–	–	839,000
–	27,000	672,000	–	–	699,000
–	603,000	–	–	–	603,000
251,000	–	–	–	–	251,000
236,000	–	–	–	–	236,000
201,000	–	–	–	–	201,000
1,527,000	**630,000**	**672,000**	**–**	**–**	**2,829,000**
999,000	141,000	–	–	–	1,140,000
–	–	–	–	494,000 (5)	494,000
454,000	19,000	–	–	–	473,000
301,000	–	–	–	–	301,000
1,754,000	**160,000**	**–**	**–**	**494,000**	**2,408,000**
3,657,000	73,000	–	–	–	3,730,000
–	170,000	1,200,000	–	–	1,370,000
–	490,000	366,000	–	–	856,000
484,000	40,000	–	–	–	524,000
521,000	–	–	–	–	521,000
465,000	–	–	–	–	465,000
401,000	–	–	–	–	401,000
259,000	49,000	–	–	–	308,000
303,000	–	–	–	–	303,000
265,000	–	–	–	–	265,000
216,000	14,000	–	–	–	230,000
194,000	–	–	–	–	194,000
162,000	–	–	–	–	162,000
157,000	–	–	–	–	157,000
139,000	–	–	–	–	139,000
–	110,000	–	–	–	110,000
452,000	29,000	–	–	125,000	606,000
7,675,000	**975,000**	**1,566,000**	**–**	**125,000**	**10,341,000**

Property Development

Major Properties under Development in Hong Kong[1]

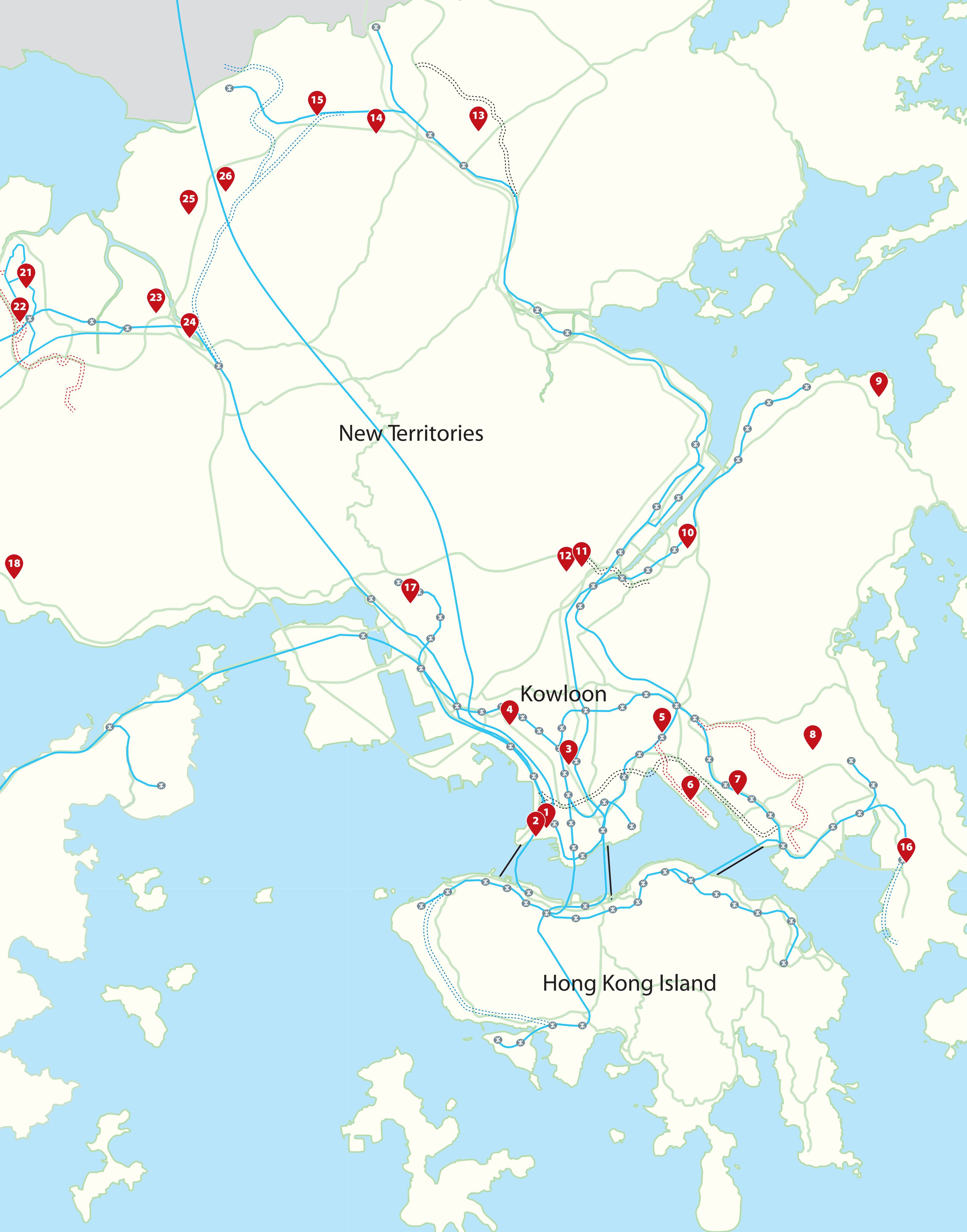
- Residential
- Data Centre
- Shopping Centre/Shops
- Office

District		Project Name	Usage
Kowloon	1	High Speed Rail West Kowloon Terminus Development	Shopping Centre/Shops, Office
	2	Artist Square Towers Project, West Kowloon Cultural District[2]	Shopping Centre/Shops, Office
	3	Kowloon Inland Lot No. 11273, Mong Kok	Shopping Centre/Shops, Office
	4	3 Fat Tseung Street, Cheung Sha Wan	Residential, Shopping Centre/Shops
	5	Cullinan Sky / Cullinan Sky Mall	Residential, Shopping Centre/Shops
	6	Cullinan Harbour	Residential, Shopping Centre/Shops
	7	Scramble Hill	Shopping Centre/Shops
	8	Lot No. 1077 in Survey District No. 3, off Anderson Road, Kwun Tong	Shopping Centre/Shops
New Territories East	9	Sai Sha Residences	Residential, Shopping Centre/Shops
	10	Sha Tin Town Lot No. 623, Siu Lek Yuen, Sha Tin	Residential
	11	Sha Tin Town Lot No. 651, Tai Wai, Sha Tin	Residential
	12	Sha Tin Town Lot No. 537, Heung Fan Liu, Sha Tin	Residential
	13	Fanling Sheung Shui Town Lot No. 307, Fanling North	Residential, Shopping Centre/Shops
	14	Lot No. 2579 in DD 92, Kwu Tung	Residential
	15	Fanling Sheung Shui Town Lot No. 279, Kwu Tung	Residential, Shopping Centre/Shops
	16	MEGA IDC Phase 2	Data Centre
New Territories West	17	13–23 Wang Wo Tsai Street, Tsuen Wan	Residential
	18	Tuen Mun Town Lot No. 496	Residential
	19	Tung Chung Town Lot No. 55	Residential
	20	Hung Shui Kiu Town Lot No. 5	Residential, Shopping Centre/Shops
	21	YOHO WEST PARKSIDE	Residential
	22	Lot No. 4354 in DD 124, Kiu Tau Wai, Yuen Long	Shopping Centre/Shops, Office
	23	Lot No. 1696 DD 115, Tung Shing Lei, Yuen Long	Residential, Shopping Centre/Shops
	24	Lot No. 1071, DD 103, Kam Tin, Yuen Long	Residential
	25	Lot No. 4805 in DD 104, Yuen Long	Residential
	26	Lot No. 2091 in DD 105, Shek Wu Wai, Yuen Long	Residential

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

(1) *Information up to late August 2025*

(2) *Under a Build-Operate-Transfer arrangement for a period of about 47 years*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Hong Kong Property Business
Property Investment

High Speed Rail West Kowloon Terminus Development (Rendering)

ICC, West Kowloon

Property Investment

YOHO Mall, Yuen Long

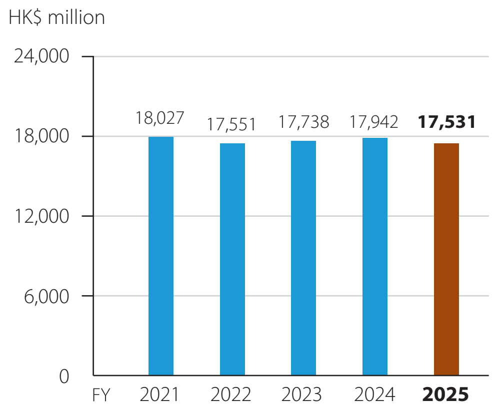
During the year under review, the Group's property investment portfolio in Hong Kong continued to contribute a steady stream of recurring income. In the face of a challenging operating environment, the Group recorded HK$17,531 million of gross rental income, inclusive of contributions from joint ventures and associates, a 2% mild decrease year-on-year. The portfolio's average occupancy rate during the year remained stable at around 92%.

Completed Properties

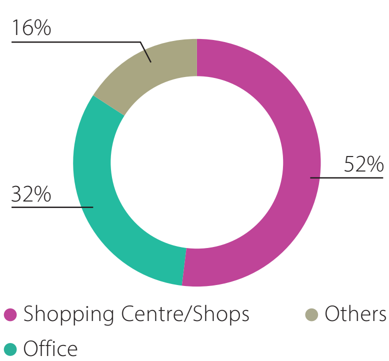
Shopping Centres

Hong Kong's retail market is transforming in accordance with shifting spending patterns of both residents and visitors. During the year, tenant sales at the Group's malls were moderately affected. Demonstrating high adaptability and strong execution skills, the Group has proactively aligned with the emerging trends, enabling its retail portfolio to maintain a satisfactory overall average occupancy of 95% and a gross rental income of HK$9,085 million, a mild decrease of 2% year-on-year.

Gross Rental Income in Hong Kong[(1)]



Gross Rental Income in Hong Kong by Sector[(1)]



(1) *Including contributions from associates and joint ventures*

New Town Plaza, Sha Tin

Comprising a total gross floor area of over 12 million square feet, the Group's well-established and extensive retail network serves a vast population across multiple districts and has contributed a stable recurring income to the Group. During the year, the Group continued to strengthen community connections and customer relations. This solidified the Group's malls as focal points in the districts and established them as an integral part of residents' daily lives.

New Town Plaza in Sha Tin celebrated its 40th anniversary with a series of festivities and promotions, including Hong Kong's first-ever shopping mall pyrotechnic show, a carnival, and shopping privileges in collaboration with tenants. These efforts reinforced the mall's ties with Sha Tin, boosted footfall and contributed to Hong Kong's mega-event economy. Throughout the years, the mall has undergone multiple transformations to meet the evolving preferences of Sha Tin residents and maintain its leading position in the district. A revamp of the mall's outdoor space on the seventh floor will be completed in the second half of 2025, further enhancing visitors' experience.

APM, Kwun Tong

The Group utilized different platforms to foster two-way communication with visitors and nurture customer loyalty. The Point, the loyalty programme of SHKP malls, officially launched The Point Gold, a VIP programme for premium members, in July 2025, offering them exclusive privileges that include extra reward points and parking hours, free reservations for EV Super Charging, and a VIP lounge. During the year, consumption by active members and high spenders has grown steadily, highlighting the resilience of this customer segment. Adopting an omnichannel approach, the Group actively approaches customers through social media platforms and instant messaging channels, allowing subscribers to receive latest updates and access exclusive offers. To expand its customer base, the Group also promotes its malls in its newly launched residential developments and the surrounding neighbourhoods, serving the growing population in the district and creating synergy between its different arms.

Property Investment

Metroplaza, Kwai Fong

The Group is dedicated to delivering memorable experiences that go beyond shopping, with asset enhancement initiatives carried out across the malls to meet the evolving needs of customers. In view of the growing popularity of pet-owning families, YOHO Mall in Yuen Long more than doubled the size of its pet-friendly Pawsome Park, introducing play facilities and activities. In addition, the Group's malls have incorporated pet-friendly elements across dining options, tenant mix, parking and customer services, including the introduction of pet trolley lending.

Mall reconfigurations were undertaken to create an ideal setting for the introduction of new brands and increasingly diversified offerings. Tai Po Mega Mall redesigned its layout to bring in dozens of new brands, a majority of which were debuting in the district. V City in Tuen Mun, following a similar layout change, brought in health and wellness retailers, grab-and-go caterers and tenants from the education sector.

Reallocating retail space to growing trades and popular brands through meticulous trade-and-tenant mix refinement effectively increased foot traffic to the malls and boosted tenant sales. IFC Mall in Central cemented its position as the destination of premium brands by introducing trendy shops with fashion and cultural elements, such as a retailer specializing in gold handicrafts and jewellery. The mall also hosted pop-up stores incorporating the latest technologies, such as extended reality (XR).

Amid the rise of the "goods economy", or the market for merchandises of intellectual properties (IP) such as comics, games and idols, MOKO in Mong Kok introduced more shops selling collectibles and blind boxes featuring popular IPs. To meet rising demand for recreation and entertainment for families, Tsuen Wan Plaza brought in additional game centres, including one that boasts stunning visual effects and arcade games debuting in Hong Kong.

IFC Mall, Central

V City, Tuen Mun

East Point City, Tseung Kwan O

Through the use of innovative retail formats and creative promotions, the Group's malls enhanced their vibrancy and solidified their position as vibrant regional hubs. GO PARK Sai Sha, a sporting commercial complex, stands out with a unique multi-layer design combining lush landscaping, commercial and wellness amenities and public space surrounded by nature, creating a relaxing, family- and pet-friendly environment for visitors. Officially launched in January 2025, the complex houses shops and restaurants offering sports experiences, entertainment, lifestyle products and global delicacies. Its outdoor open space sets the stage for innovative campaigns and activities, including fairs and performances. The second phase of the commercial area will welcome dozens of new tenants, providing daily necessities, healthcare services and education options for the residents of Sai Sha Residences and the surrounding communities.

The Group leverages creative promotions to capture public attention and ensure it remains at the forefront of emerging trends. Embracing advancements in AI technology, APM in Kwun Tong launched its 20th anniversary celebrations with an "AI Robotics Spectacular", making it the first shopping mall in Hong Kong to introduce AI humanoid robots. These robots, which had gained wide acclaim at the Spring Festival Gala TV show, served as performers and shopping ambassadors. In addition to bringing novelty to customers by attracting brands which were new to Kowloon East or Hong Kong, the mall consistently hosted events that drove foot traffic and supported the city's vision to bring large-scale events to various districts.

In support of public policies encouraging flexible use of public open space, the Group hosted open-air bazaars, festive installations and busking performances across its malls. This activated communal areas, boosting visitor numbers and consumption. In collaboration with an amusement park, Metroplaza in Kwai Fong launched a large-scale campaign featuring Hong Kong's two newborn pandas, offering photo-taking spots at its outdoor area. The mall also partnered with a renowned Japanese manufacturer of anime figures to organize an exhibition and launch popular products which appeal to the young generation. Furthermore, premieres, fairs and workshops were organized in the atriums of the Group's malls. For example, East Point City in Tsueng Kwan O organized fan meetings of popular singing contests and a series of family-friendly activities, which attracted enthusiastic responses in the community.

Tai Po Mega Mall, Tai Po

Property Investment

ICC and Two IFC forming the Victoria Harbour Gateway

Offices

During the year under review, the Group's landmark buildings maintained their competitiveness among peers, despite challenges in the Hong Kong office market amidst economic uncertainties. During the year, the rental income of the Group's office portfolio in Hong Kong continued to be impacted by negative rental reversion, while its average occupancy remained at a satisfactory level of 90%.

The longstanding strengths of the Group's 11-million-square-foot office portfolio, together with attentive property management to meet the evolving needs of tenants, have solidified its market position in a competitive landscape. Many of the Group's office buildings are integral parts of major integrated developments at strategic locations, offering tenants seamless access to public transportation networks and amenities such as shops and restaurants. Among them, IFC in Central remained a prestigious landmark favoured by financial institutions and multinational corporations. Despite keen competition in the district, the office towers are well-positioned to benefit from the flight-to-quality trend with its convenient access to a premium mall, a five-star hotel and multiple MTR lines, including the Airport Express. During the year, the occupancy of IFC was maintained at a satisfactory level.

Offering diversity in terms of locations, unit sizes, floor plates, building specifications as well as rental levels, the Group's office portfolio is well equipped to accommodate the distinct needs of its tenants. In addition to its presence in core Central, the Group's portfolio includes premium office buildings located atop flagship shopping malls with direct access to MTR stations, such as the Grand Century Place complex in Mong Kok and Metroplaza in Kwai Fong. These properties are particularly attractive to tenants seeking space for back-office operations and service centres, as well as the education sector and public bodies.

Addressing market demand for high-quality office space meeting ESG requirements, the Group actively pursues the latest green building standards for its landmark projects. ICC, located in West Kowloon, has become the first building in Asia to receive Platinum certification under LEED v5.0 Operations and Maintenance: Existing Buildings, the latest version of a leading green building certification programme. The skyscraper's ESG excellence, combined with its strengths such as convenient access to the Airport Express and Hong Kong's only High Speed Rail Station, consolidates its appeal to corporations with mainland and overseas businesses. During the year, a number of financial institutions specializing in wealth management have established their presence or indicated interest in leasing.

The Group also actively strengthens the appeal of its portfolio through ongoing asset enhancement initiatives and service upgrades. At the Millennium City office cluster in Kowloon East, in addition to the ongoing renovation of common areas and facilities, the Group plans to introduce an all-weather footbridge connecting MTR Ngau Tau Kok Station with Millennium City 1 and The Millennity, which will further enhance the connectivity and asset value of the Group's properties in the district. In addition, innovative technologies, including Building Information Modelling (BIM), are utilized to enhance operational and cost efficiency.

Placing great emphasis on tenant retention, the Group is committed to providing professional property management services tailored to meet stringent demands of tenants amid economic uncertainties. To foster long-term relationships, the Group prioritizes effective two-way communication with tenants to ensure their requests and feedback are addressed promptly and efficiently. Furthermore, the Group organizes a variety of activities, such as wellness-themed workshops, that help cultivate a dynamic office environment.

Residential, Serviced Suites and Others

During the year under review, the Group's residential leasing portfolio registered moderate growth in rental income, supported by proactive immigration policies aimed at attracting high-calibre talent and sustained demand for accommodation.

The Group's residential leasing brand TOWNPLACE targets premium young talents who seek a modern lifestyle, providing them with flexible and diversified service options. Leveraging its superb harbourfront location, TOWNPLACE WEST KOWLOON appeals to incoming talent and young professionals with its hybrid stay options, high-quality facilities and tailor-made services, such as networking and wellness activities. Since its launch in late 2023, the occupancy of the project continued to ramp up and was maintained at satisfactory levels during the year. Tapping rising market demand for quality long-stay accommodation, the Group is renovating the rooms previously used as hotel rooms in Vega Suites located atop MTR Tseung Kwan O Station. A phased upgrade is in progress to transform the rooms into serviced suites, featuring ample storage, well-equipped kitchenette, and thoughtfully curated room elements that cater to contemporary lifestyles. A number of revamped rooms have been launched, while the entire upgrade is scheduled for completion in early 2026.

TOWNPLACE WEST KOWLOON

Property Investment

Signature Homes manages luxury residential units and serviced suites across Hong Kong. Its performance remained resilient amid an uncertain economic outlook. The Group will continue to enhance service quality and flexibility, and regularly review its portfolio mix to effectively capture market opportunities.

The Group's other property investments, including industrial buildings, godowns and car-parking bays, continued to contribute stable recurring income during the year.

Major Properties under Development

In the next few years, several of the Group's property investment projects will be completed, contributing incremental rental income and further expanding the Group's substantial recurring income base.

A 500,000-square-foot shopping mall beneath The Millennity in Kwun Tong, named Scramble Hill, is scheduled for phased opening starting in the second half of 2025. The 10-storey mall aspires to be a vibrant destination that appeals to young families and the new generation. It will feature a 15,000-square-foot pet-friendly sky garden, popular eateries, and innovative lifestyle and entertainment offerings, including stores making their debuts in Hong Kong or Kowloon East. This podium mall will synergize with the Group's office cluster in Kowloon East and flagship mall APM, further increasing the variety of the dining and retail offerings in the area available to shoppers and office workers alike. The Group owns a 72.4% stake in the project.

Scramble Hill, Kwun Tong *(Rendering)*

Kowloon Inland Lot No. 11273, Mong Kok *(Rendering)*

Cullinan Sky Mall, a 220,000-square-foot podium mall located beneath the Group's upscale residential development, Cullinan Sky, is set to open in phases starting in the fourth quarter of 2025. Strategically located in Kai Tak town centre, the four-storey mall enjoys seamless connectivity to MTR Kai Tak Station via an underground walkway. Capturing opportunities arising from the development of Kai Tak as a hub of mega events, the mall will offer a diverse mix of shops and restaurants, including al fresco dining options, to attract visitors attending sports events and concerts as well as the growing number of residents in the community.

The International Gateway Centre (IGC), the office portion of the High Speed Rail West Kowloon Terminus Development, comprises two sets of twin-block towers offering approximately 2.6 million square feet of grade-A office space. Located atop Hong Kong's only High Speed Rail station, the new landmark enjoys unparalleled connectivity to mainland cities and beyond. In addition, the project will be served by a 1.5-kilometre-long walkway linking Jordan and Yau Ma Tei with the West Kowloon promenade, enabling convenient access by office workers and visitors. IGC integrates smart technologies with abundant greenery, making it an ideal choice for leading companies which place a high value on ESG. Pre-leasing for IGC is underway, with one block already pre-leased to a major tenant and scheduled to be handed over in early 2026. The integrated development also includes a 603,000-square-foot podium mall featuring diverse dining and shopping options. The Group will retain nearly 1.2 million square feet of office space, along with the entire retail portion, for long-term investment. Please refer to page 33 for more details.

High Speed Rail West Kowloon Terminus Development

The Artist Square Towers Project, situated in the West Kowloon Cultural District and connected to a footbridge network, is a few minutes' walk away from MTR Airport Express Kowloon Station and the High Speed Rail West Kowloon Terminus. Scheduled for completion in the first half of 2027, the harbourfront development will provide about 672,000 square feet of grade-A office space across three office towers, along with some 27,000 square feet of retail space. With its low-density design and emphasis on creativity, this project will complement the developing IGC and completed ICC to form a well-rounded commercial hub, each offering distinct characteristics befitting the needs and preferences of tenants. These three projects, together with the Group's premium hotels in the vicinity, will consolidate West Kowloon as a leading hub of commerce, retail, entertainment, arts and culture in the GBA. They will also strengthen Hong Kong's competitive edge as a global wealth management centre. Please refer to page 34 for project details.

To strengthen its investment property portfolio in the medium term, the Group is developing a comprehensive commercial complex comprising a 320-metre commercial tower and a 170,000-square-foot retail podium in Mong Kok. Foundation work is underway. As the largest commercial development in Mong Kok in recent years, the project is set to provide impetus for the growth of business, retail and tourism in the area upon its completion in 2030 or beyond. The project will integrate with the existing footbridge network, further strengthening the connectivity between MTR Mong Kok East Station and Mong Kok Station and creating synergy with the Group's Grand Century Place complex. Its cascading, multi-tiered outdoor terraces will provide abundant event space and landscaped areas for public enjoyment, forming an urban oasis in the bustling city centre. Please refer to page 35 for project details.

Property Investment

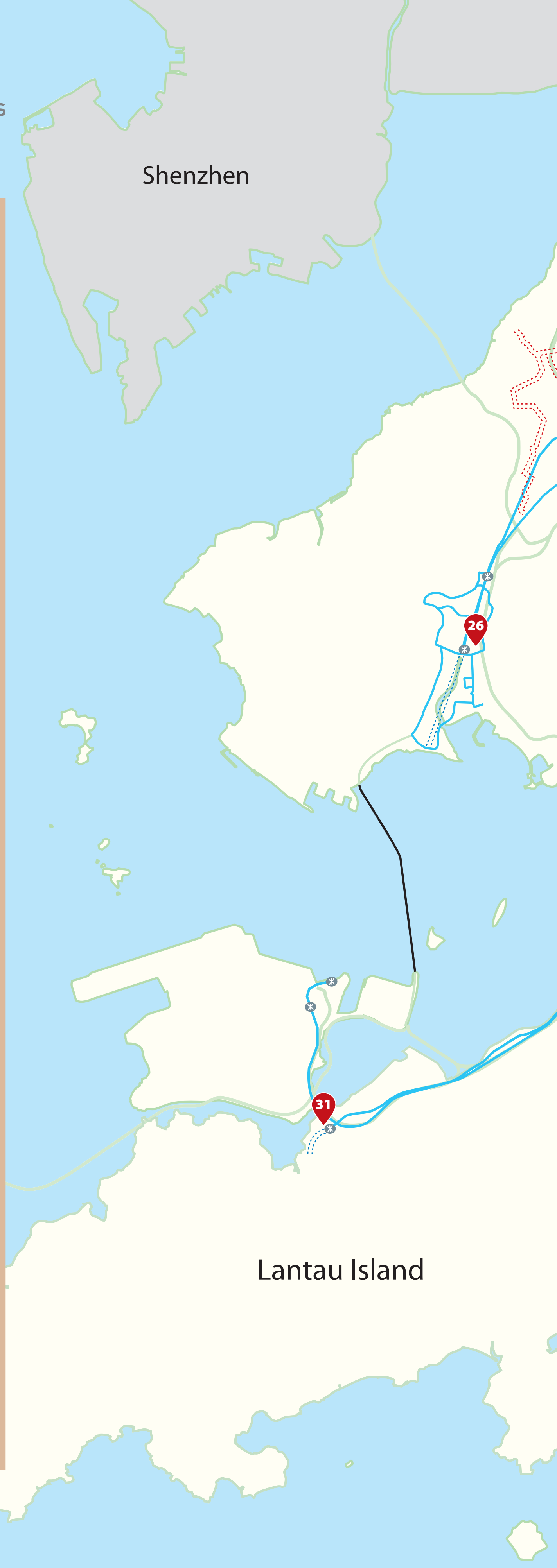
Major Completed Properties in Hong Kong

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 Hong Kong Observation Deck / The Ritz-Carlton, Hong Kong / W Hong Kong / The HarbourView Place	1 Austin Road West
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	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	69 Mody Road, Tsim Sha Tsui
APEC Plaza	49 Hoi Yuen Road, Kwun Tong
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 I	9 Yuen Lung Street / 9 Long Yat Road, Yuen Long
YOHO Mall II	8 Long Yat Road, Yuen Long
YOHO MIX	1 Long Lok Road, Yuen Long
YOHO Plus	2-6 Fung Cheung Road, Yuen Long
Crowne Plaza Hong Kong 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 Rood, 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 and godowns
(2) Including the attributable share in areas held by SUNeVision, in which the Group has a 73.3% 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
2047	100	–	27,000	896,000	–	–	923,000
2047	50	–	–	133,000	–	–	133,000
2052	100	–	598,000	308,000	–	–	906,000
2047	100	–	32,000	370,000	–	–	402,000
2047	72.4	–	–	471,000	–	–	471,000
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
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
2054/2060	100	–	695,000	–	–	–	695,000
2047	87.5	–	245,000	–	–	–	245,000
2065	100	–	107,000	–	–	–	107,000
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 Island	1	Four Seasons Hotel Hong Kong / Four Seasons Place	Hotel
	2	IFC / IFC Mall	Shopping Centre/Shops, Office
	3	Central Plaza	Office
	4	Sun Hung Kai Centre	Shopping Centre/Shops, Office
	5	World Trade Centre / wwwtc mall	Shopping Centre/Shops, Office
	6	Harbour North / Hyatt Centric Victoria Harbour Hong Kong	Shopping Centre/Shops, Hotel
	7	Pacific View	Residential
Kowloon	8	ICC / The Ritz-Carlton, Hong Kong / W Hong Kong / The HarbourView Place / Sky100	Shopping Centre/Shops, Office, Hotel
	9	The Sun Arcade	Shopping Centre/Shops
	10	The Royal Garden	Hotel
	11	TOWNPLACE WEST KOWLOON	Hotel
	12	V Walk	Shopping Centre/Shops
	13	Grand Century Place / MOKO / Royal Plaza Hotel	Shopping Centre/Shops, Office, Hotel
	14	Mikiki	Shopping Centre/Shops
	15	Millennium City Phases 1, 2, 5 & 6 / The Millennity / APM	Shopping Centre/Shops, Office
	16	APEC Plaza	Industrial
New Territories East	17	PopWalk Phases 1, 2 & 3 / Ocean PopWalk	Shopping Centre/Shops
	18	PopCorn / Crowne Plaza Hong Kong Kowloon East / Vega Suites	Shopping Centre/Shops, Hotel
	19	East Point City	Shopping Centre/Shops
	20	Grand Central Plaza / HomeSquare	Shopping Centre/Shops, Office
	21	New Town Plaza / New Town Tower / Royal Park Hotel	Shopping Centre/Shops, Office, Hotel
	22	ALVA Hotel by Royal	Hotel
	23	Tai Po Mega Mall	Shopping Centre/Shops
	24	Landmark North	Shopping Centre/Shops, Office
New Territories West	25	YOHO Mall/YOHO MIX	Shopping Centre/Shops
	26	V City	Shopping Centre/Shops
	27	Royal View Hotel	Hotel
	28	Tsuen Wan Plaza	Shopping Centre/Shops
	29	Metroplaza	Shopping Centre/Shops, Office
	30	KCC / Life@KCC	Shopping Centre/Shops, Office
	31	Citygate / Novotel Citygate Hong Kong / The Silveri Hong Kong – MGallery	Shopping Centre/Shops, Office, Hotel

MTR

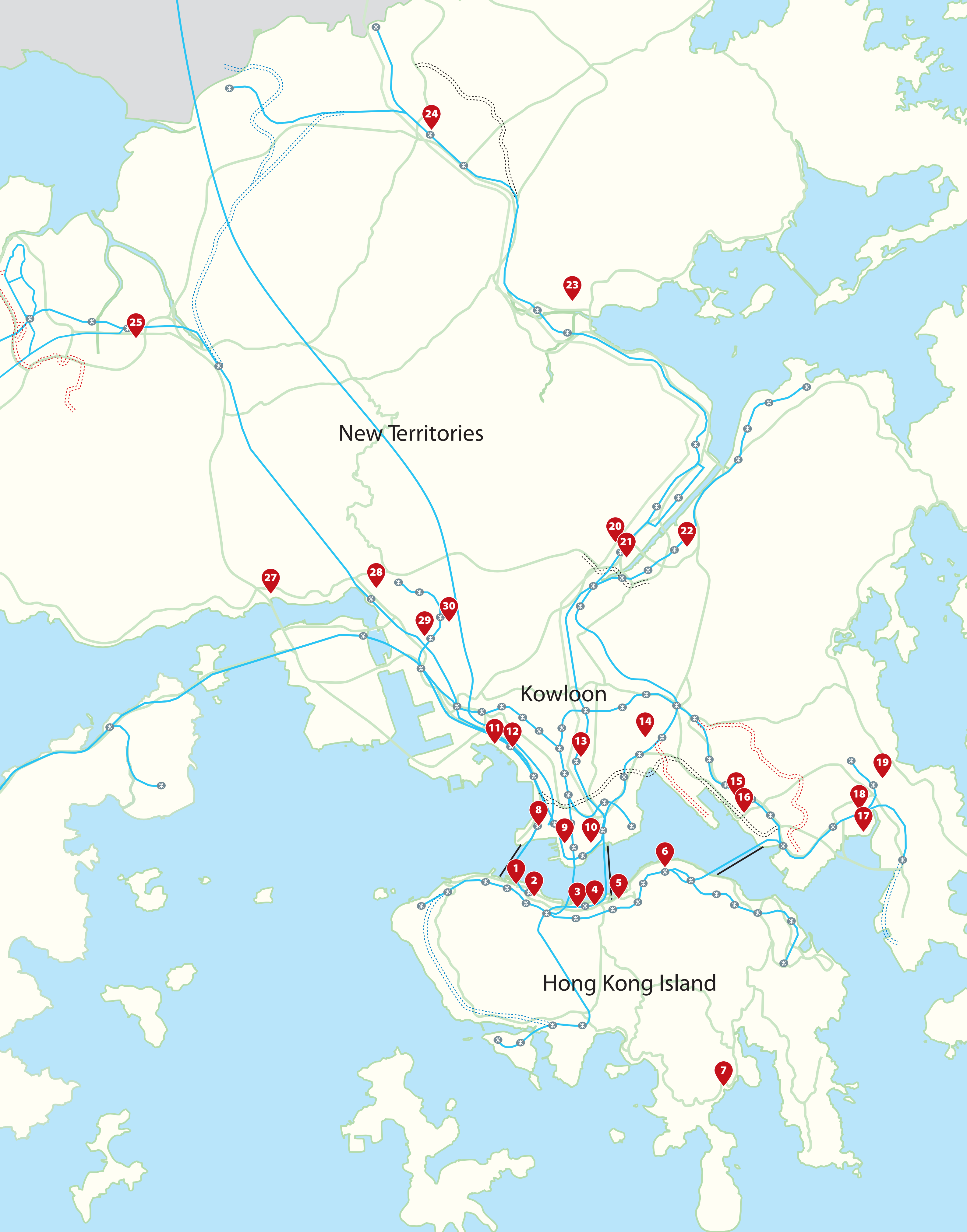
MTR (potential future projects)

Smart and Green Mass Transit Systems (under planning)

Subsea Tunnel

Major roads (under construction)

(1) Including industrial/office premises and godowns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Mainland Property Business

Highlights

- **As at 30 June 2025, an attributable 44.2 million square feet of properties were under development**
- **Completed an attributable 1.5 million square feet of quality properties during the year**
- **Achieved attributable contracted sales of about RMB4,000 million**
- **Generated a gross rental income of RMB5,713 million from the Group's mainland rental portfolio, a decrease of 2% from the previous financial year**

Land Bank

During the year under review, the Group has focused on the development of its existing mainland projects. With a strong commitment to sustainability and quality, the Group continued to respond to the evolving expectations of buyers and tenants through the delivery of premium properties and services that elevate the overall working and living environment.

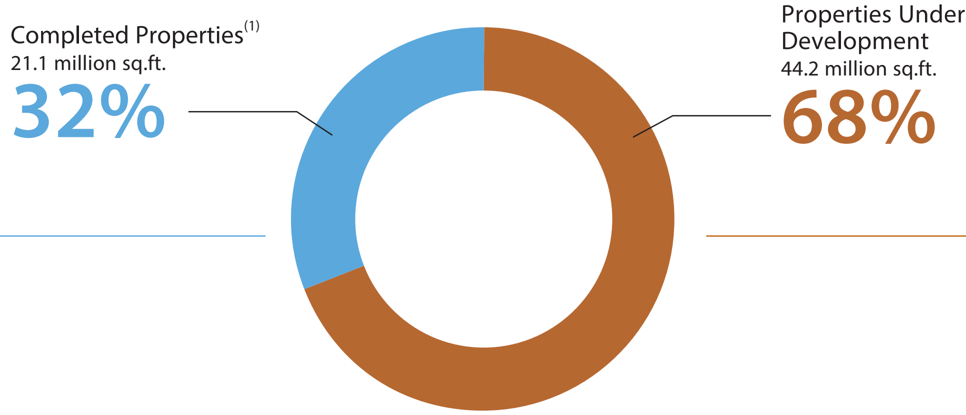
As at 30 June 2025, the Group held a total attributable land bank of 65.3 million square feet on the mainland, of which 44.2 million square feet were properties under development. Among these, over 50% will be built into residential and office units for sale in phases. Many of these developments represent part of the Group's integrated projects, which enjoy comprehensive amenities and excellent connectivity via railway and metro lines. Geographically, about 30% of the properties under development in terms of gross floor area are located in Shanghai, Hangzhou and other key cities in the Yangtze River Delta area, while over 60% are situated in major cities in the GBA.

The remaining 21.1 million square feet in the land bank were completed properties, an overwhelming majority of which were signature integrated developments located in core business hubs in first-tier and leading second-tier cities for rental and long-term investment. Of these, nearly half are premium integrated projects in prime locations in Shanghai.

As at 30 June 2025, the Group's land bank on the mainland by attributable gross floor area was as follows:

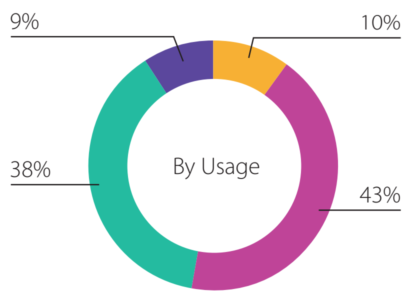
Mainland Land Bank Composition

(65.3 million square feet of attributable gross floor area as at 30 June 2025)

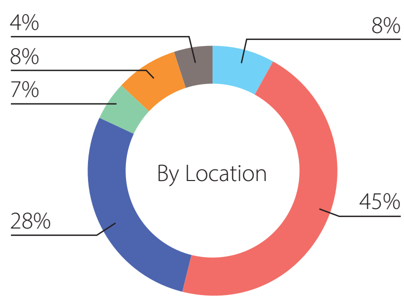


Completed Properties

	Attributable Gross Floor Area (million sq.ft.)
Residential	2.2
Shopping Centre/Shops	9.0
Office	8.0
Hotel	1.9

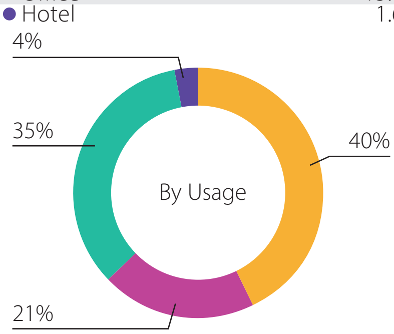


	Attributable Gross Floor Area (million sq.ft.)
Beijing	1.7
Shanghai	9.6
Other Yangtze River Delta Cities	5.7
Guangzhou	1.5
Other Greater Bay Area Cities[2]	1.6
Chengdu	1.0

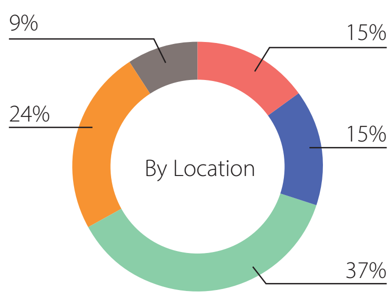


Properties Under Development

	Attributable Gross Floor Area (million sq.ft.)
Residential	17.9
Shopping Centre/Shops	9.1
Office	15.6
Hotel	1.6



	Attributable Gross Floor Area (million sq.ft.)
Shanghai	6.5
Other Yangtze River Delta Cities	6.7
Guangzhou	16.2
Other Greater Bay Area Cities[2]	10.8
Chengdu	4.0



(1) An overwhelming majority are for rent/investment
(2) Excluding Hong Kong

Mainland Property Business
Property Development

Hangzhou IFC, Hangzhou (Rendering)

ITC, Shanghai

Property Development

The Group remains committed to its philosophy of "Building Homes with Heart" and continues to bring the expertise and experience which it has gained in Hong Kong over the years into the mainland market. Embracing innovation and change, the Group strives to provide quality products and services in first-tier and leading second-tier cities, meeting the evolving needs of customers.

Since the fourth quarter of 2024, policies implemented by the Central Government aimed at ensuring home deliveries and stimulating end-user demand have effectively contributed to stabilizing the mainland housing market. In addition, land markets in selected cities such as Shanghai and Hangzhou have seen meaningful improvements.

During the year under review, the Group achieved attributable contracted sales of RMB4,000 million on the mainland. Major contributors included luxury detached houses from the new phase of the joint-venture Lake Genève in Suzhou, along with quality residential units from the new batches of Forest Park and Park Royale in Guangzhou.

Major Projects under Development

Shanghai & Yangtze River Delta

ITC
Xuhui, Shanghai
(100% owned)

Situated in the Xujiahui CBD of Shanghai, ITC is an iconic development spanning 7.6 million square feet. This mixed-use complex being developed in phases comprises Grade-A office buildings, upscale shopping malls, and a premium hotel Andaz Shanghai ITC, all designed to meet high green building standards. Boasting exceptional connectivity through an extensive footbridge network and easy access to several metro lines, ITC is establishing itself as a hub that infuses vitality into the surrounding commercial areas. As construction of Three ITC nears completion, this centerpiece of the whole development is set to emerge as a distinguished landmark in Puxi.

ITC, Shanghai

The first two phases of ITC, completed by 2018, comprise about 491,000 square feet of premium office space and about 381,000 square feet of retail space. Tower A of Three ITC, offering about 1.1 million square feet of Grade-A office space, was handed over to tenants in 2022. For the leasing performance of the completed portion of ITC, please refer to page 77.

For the remaining portion of Three ITC under development, a 370-metre-high office skyscraper Tower B spanning 2.4 million square feet is expected to be completed by late 2025. Aiming to capture market attention with pioneering retail experiences, the flagship mall ITC Maison is scheduled to open in phases starting from the second half of 2025. The boutique hotel Andaz Shanghai ITC, which offers over 260 deluxe rooms, is scheduled to open by late 2025. For further information on the leasing activities of Tower B and ITC Maison, please refer to page 77 and 78.

Shanghai Arch
Pu Ming Road, Lujiazui, Shanghai
(100% owned)

Shanghai Arch, another masterpiece in the Group's well-recognized Arch series, represents a commitment to consistently delivering premium properties along with attentive services to customers. Situated in the Lujiazui Finance and Trade Zone with an efficient transport network, the prestigious project provides about 1.7 million square feet of residences with panoramic views of the Bund and the Huangpu River. The first two phases of the development were virtually sold out and delivered before mid-2021.

Shanghai Arch, Shanghai

TODTOWN, Shanghai

Phase 3 of the project comprises over 200 exquisite residential units and a number of semi-detached houses, spanning a combined gross floor area of about 465,000 square feet. The residential units were sold out quickly when they were launched in the first half of 2024. Handed over to buyers in the first half of 2025, these units garnered admiration for their premium craftsmanship, elegant design and attentive management service. The Group is formulating sales plans for the remaining semi-detached houses in the project.

TODTOWN
Minhang, Shanghai
(35% owned)

Situated atop the Xinzhuang interchange station, a key gateway in Southwest Shanghai connecting two metro lines and a railway line, TODTOWN is an innovative transit-oriented development with a gross floor area of over four million square feet. The project comprises 1.9 million square feet of quality apartments, a 1.4-million-square-foot upscale shopping mall, over 500,000 square feet of modern office space and a hotel, Hyatt Centric TODTOWN Shanghai. Phased development of the project has progressed steadily.

The project embodies a dynamic lifestyle with its distinctive designs, abundant greenery and supporting facilities, including landscaped rooftop gardens, artistic parks, vertical greenery and jogging trails, offering residents a combination of urban convenience and a relaxing lifestyle.

Phase 1, consisting of approximately 360 residential units spanning around 600,000 square feet, was delivered to buyers in 2020. Phase 2, offering about 800,000 square feet of apartments in two towers, was handed over to buyers in the first half of 2024.

Property Development

Hangzhou IFC, Hangzhou (Rendering)

The remaining phases are slated for completion over the next few years, poised to further elevate TODTOWN's status as a premier integrated community. The shopping mall, TODTOWN Mall, is scheduled to open by phases starting in the financial year 2025/26, providing some 663,000 square feet of quality retail space. Hyatt Centric TODTOWN Shanghai offering 176 rooms has been topped out and is scheduled for completion in the financial year 2026/27. In addition, office building TODTOWN Tower, with a gross floor area of some 538,000 square feet, is scheduled for handover in the financial year 2025/26.

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

Hangzhou IFC, located in Qianjiang New City CBD, is a joint-venture mega integrated development comprising two riverside sites at the confluence of Qiantang River and Beijing-Hangzhou Grand Canal. Spanning an above-ground gross floor area of approximately nine million square feet, the project will be developed in phases into a collection of premium residences, serviced apartments, office towers, shopping malls and boutique hotels. The project enjoys excellent connectivity, with direct access to metro stations of two existing lines and a third line under construction. Hangzhou East Railway Station, a key hub for inter-city trains and high-speed rail, is just a 15-minute ride away. Complementing its strategic location, the project offers breathtaking river views and overlooks a lush central park. It has obtained the LEED Platinum pre-certification for Cities and Communities: Plan and Design Communities, underscoring the Group's commitment to green technology and sustainable buildings.

Phase 1 of River East, the residential portion of the project, was launched in three batches between 2022 and 2023, garnering an outstanding response from the market with all 650 units sold out on debut. These units, with a total gross floor area of some 1.38 million square feet, are set to be delivered in batches from the financial year 2025/26. Phase 2A of River East is a shopping mall, with its initial phase offering about 324,000 square feet of quality retail space. The mall is scheduled to open in stages from the financial year 2026/27.

Phase 1 of River West, namely One IFC River West, includes a premium office tower with a gross floor area of about 378,000 square feet. A portion of the office space was handed over to tenants in July 2025. The retail portion at the tower's podium, spanning about 104,000 square feet, will offer cafes and grab-and-go options to address the daily needs of tenants. Phase 2A, namely Cullinan West, will comprise some 60 serviced apartments with a total gross floor area of 230,000 square feet, featuring spacious layouts, attractive waterfront views and quality management services to offer residents a refined living experience in a smart community. Sales of the units started in September 2025.

Lake Genève/Four Seasons Hotel Suzhou/Suzhou ICC Yuanqu, Suzhou
(90% owned)

The 3.5-million-square-foot Suzhou project comprises three iconic developments, including Lake Genève, Four Seasons Hotel Suzhou and Suzhou ICC, nestled around the scenic Jinji Lake.

The 930,000-square-foot Lake Genève, situated on the tranquil southern bank, is a low-density residential enclave featuring premium detached houses. With unrivalled lake views, meticulous design, attentive management services and a metro station a 10-minute walk away, Lake Genève has set a new standard for low-density residences in Suzhou. The 500,000-square-foot Phase 1 was virtually sold out and delivered before 2013. Phase 2A features a total of 74 exclusive detached houses encompassing an aggregate gross floor area of about 270,000 square feet. The Group launched 50 houses at Phase 2A in two batches in the first half of 2025 with encouraging sales response. Buyers started taking possession of these units in stages from August 2025. The sales schedule of the remaining 24 houses is under planning.

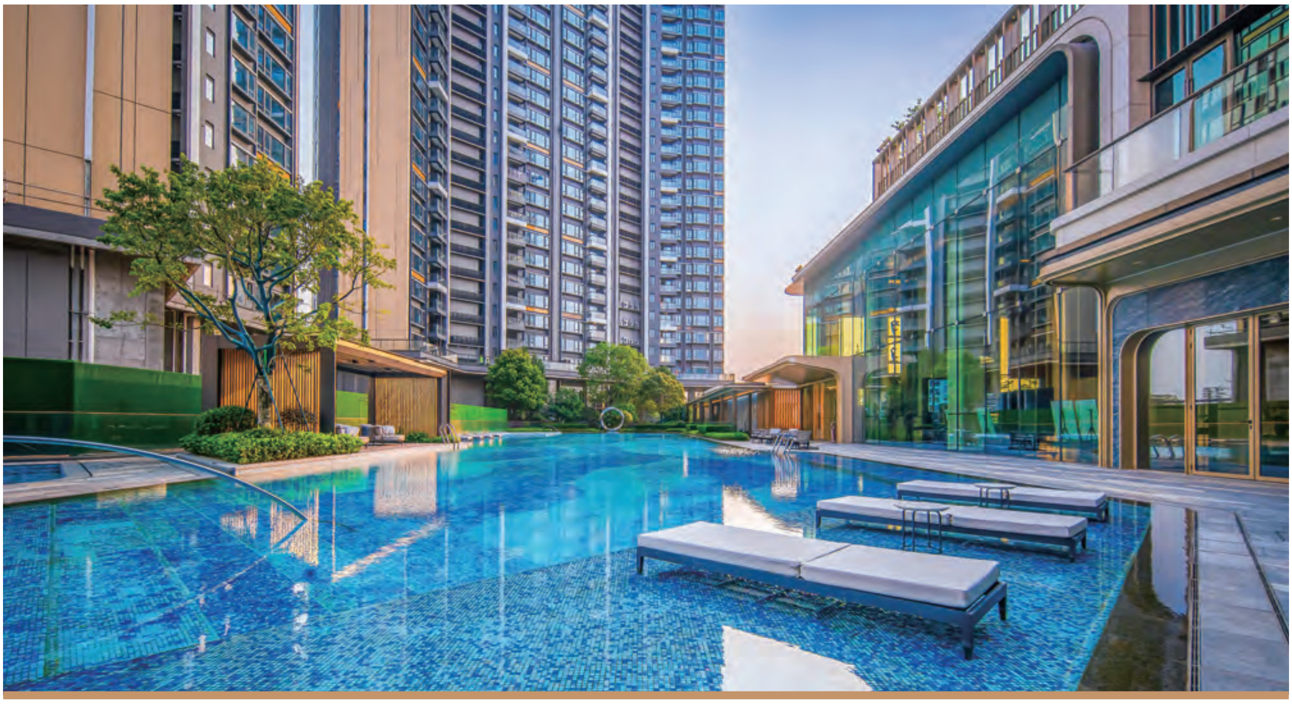
Lake Genève, Suzhou

ICC Residence, Suzhou

Four Seasons Hotel Suzhou, adjacent to Lake Genève, is the first Four Seasons Hotel in Jiangsu Province. The hotel with about 210 guestrooms has become a new paragon of excellence in local hospitality, harmoniously blending a contemporary garden concept with modern business style. For further information on the hotel, please refer to page 84.

The nearly two-million-square-foot Suzhou ICC is a mixed-use skyscraper standing approximately 300 metres tall at the heart of the thriving Yuanqu business hub on the eastern bank of the Jinji Lake. Suzhou ICC is within walking distance of two metro stations and about a 10-minute drive to a high-speed rail station. The 590,000-square-foot ICC Residence, the residential portion of the tower, comprises 385 units. The units were launched for sale in batches from the first half of 2024. Buyers started to take possession of their units from the end of September 2025. For the other segments of Suzhou ICC, preleasing work has begun for the 337,000-square-foot shopping mall and premium office space spanning about one million square feet.

Property Development



Forest Park, Guangzhou

Guangzhou & Other Greater Bay Area Cities [1]

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

Guangzhou South Station ICC is a large-scale transit-oriented integrated development with seamless connection to Guangzhou South Railway Station. With direct access to 12 lines, the station is the largest transportation hub in the GBA, creating the foundation for a one-hour living circle in the region. An expressway located close to the project, scheduled to open by the end of 2025, will further reduce travel time to downtown Guangzhou to just 15 minutes.

Being developed in phases, the 9.3-million-square-foot project encompasses premium office and retail space, residences, serviced apartments and hotel spaces. Forest Park, the riverside residences of the project, boasts convenient intra- and inter-city transport as well as a quality modern lifestyle. Phase 1A and Phase 1B have been launched onto the market in batches since 2023, providing about 290 units in three residential towers with a combined gross floor area of over 340,000 square feet. These units were handed over to buyers in the first half of 2025, garnering praise for their excellent building quality and setting a new benchmark for premium properties. The remaining phases of the project are progressing as planned.

(1) Excluding Hong Kong

Park Royale
Huadu, Guangzhou
(100% owned)

Park Royale is a quality residential development situated in Huadu, Guangzhou, encompassing a total gross floor area of approximately eight million square feet. Residents can enjoy serene views of Xiuquan Lake and Wangzi Mountain Forest Park. The project is a 20-minute drive from Guangzhou North Station, a transportation hub connecting high-speed rail and metro lines. Residents can enjoy a vibrant lifestyle with nearby leisure options, including a well-equipped indoor snow park.

The first two phases of the project, with a combined gross floor area exceeding four million square feet, were virtually sold out and delivered to buyers prior to mid-2020. The 470,000-square-foot Phase 3A, comprising three towers with around 500 quality units, registered a satisfactory sales response and commenced handover in July 2024. In addition to an elementary school and a kindergarten, the residence features a variety of amenities including an acclaimed terraced garden and a swimming pool. Phase 3B, currently under planning, is expected to provide around 900 units across five towers, with a total gross floor area of about 900,000 square feet.

Park Royale, Guangzhou

Qingsheng Project
Nansha, Guangzhou
(100% owned)

Qingsheng Project is a mixed-use transit-oriented development in Guangzhou's Nansha Free Trade Zone. With a gross floor area of approximately three million square feet, the project is being developed in phases to provide quality office and retail space. A public transport interchange facility adjacent to the site was completed by the Group and put into operation in 2024.

The development enjoys seamless connectivity through Qingsheng Station, an interchange hub linking an existing metro line, two planned metro lines, and a high-speed rail line, enabling travel to the High Speed Rail West Kowloon Terminus in Hong Kong within an hour. The project is located close to esteemed educational institutions, including the Guangzhou campus of a renowned Hong Kong university as well as reputable primary and secondary schools.

Oriental Bund
Chancheng, Foshan
(50% owned)

Oriental Bund is a 28-million-square-foot integrated development in urban Foshan, located adjacent to a metro station of the Guangfo line. The project enjoys easy access to a convenient inter- and intra-city transportation network and lies within the one-hour commuting radius of Guangzhou, enabling it to capitalize on business opportunities in the GBA. The project offers extensive retail areas, diverse educational facilities and green space. The first five phases, totalling approximately 12 million square feet, were virtually sold out and handed over to buyers by mid-2023.

Phase 6 of the project encompasses a total gross floor area of about 1.9 million square feet across 14 residential towers providing over 1,500 units. Altogether 11 towers have been launched with positive sales results, among which eight towers with an aggregate gross floor area of about one million square feet were handed over to buyers prior to mid-2025. The remaining three towers will be put on the market in the financial year 2025/26. Phase 7, which is under planning, will include over 1.3 million square feet of gross floor area in eight towers and some detached houses.

Property Development

Grand Waterfront
Shilong, Dongguan
(100% owned)

Nestled in the heart of Shilong, Dongguan, Grand Waterfront is a riverside residential development offering spectacular views of the Dongjiang and Shahe rivers for most units. Spanning a total gross floor area of approximately 4.5 million square feet, the project is a 15-minute drive to Dongguan Station linking to the high-speed rail and a metro line. Providing residents with a premium living experience, the development includes amenities such as an infinity pool, a floral garden and street shops. Residents also enjoy access to an 800-metre-long greenbelt riverside promenade featuring walking and jogging paths.

The first two phases, with a combined gross floor area of about 1.8 million square feet, were virtually sold out and handed over to buyers before 2018. Phase 3, comprising over one million square feet across six residential towers, offers more than 1,100 units. Five towers have been launched in batches, receiving a satisfactory response, with units progressively delivered to buyers starting in 2022. The remaining tower is scheduled for launch in the financial year 2025/2026.

Grand Waterfront, Dongguan

The Woodland, Zhongshan

The Woodland
Zhongshan 5 Road, Zhongshan
(Joint venture)

Situated in the heart of Zhongshan and overlooking two verdant parks, The Woodland has set a new standard for sophisticated urban living for the city. The five-million-square-foot residential enclave benefits from an extensive intercity transportation network, including the Hong Kong-Zhuhai-Macao Bridge and the Shenzhen-Zhongshan Link. A nearby metro station, which connects to a Guangzhou metro line, is under construction.

The first four phases and Phase 5A, comprising approximately 4.7 million square feet of aggregate gross floor area, were virtually sold out and delivered to buyers by the end of 2020. Phase 5B comprises a residential gross floor area of about 690,000 square feet, offering approximately 580 units in five residential towers alongside some street shops. Four towers were launched for sale with positive market response, and were handed over to buyers before mid-2024. The final tower is slated for release in the financial year 2025/26.

Planning for the final phase of the project, Phase 6, is currently underway. This phase will introduce low-rise residential buildings, catering to those seeking a serene living experience in a bustling city.

Other Cities

JOVOTOWN
Tianfu New Area, Chengdu
(91% owned)

JOVOTOWN is a quality residential development located in the mature area of Tianfu New District, Chengdu. The project is adjacent to an ocean park and surrounded by amenities including schools and commercial facilities. It is within a ten-minute walk to an interchange station connecting two existing metro lines, one of which provides direct access to Tianfu International Airport.

The entire project comprises a total gross floor area of approximately 6.8 million square feet, offering over 4,000 residential units. The first two phases and Phase 3A, with an aggregate gross floor area of about 5.8 million square feet, were virtually sold out and handed over before end-2022. Phase 3B, the final phase of the project, will offer over 500 residential units with a gross floor area of over 800,000 square feet. Planning for the phase has been completed, with construction work set to begin soon.

Chengdu ICC
Jinjiang, Chengdu
(40% owned)

Situated above an interchange station connecting two existing metro lines, Chengdu ICC is an integrated development offering dynamic and attentive services to tenants and residents. The project is conveniently located just a 10-minute drive to Chengdu East Rail Station, the largest transportation hub in southwestern region on the mainland. Spanning approximately 14 million square feet, the complex comprises residential area, retail, office and hotel spaces.

Chengdu ICC, Chengdu

The first two phases of the development, comprising a total of approximately 3.3 million square feet of quality residential space, were nearly sold out and handed over to buyers by mid-2022. Living near the scenic Tazishan Park, residents enjoy a tranquil lifestyle with lush greenery at their doorstep. Phase 3 of the development is the 1.4-million-square-foot retail component Chengdu ICD, which opened in 2022 as a comprehensive shopping and leisure destination in the city.

Phase 4 consists of two modern office towers. One ICC, spanning nearly one million square feet, was delivered to tenants before mid-2023.

Property Development

Projects under Development on the Mainland by Year of Completion

Project		Project Name		City
Scheduled for Completion in FY2025/26				
(1)	Xujiahui Centre Project Phases 3B, 3C & 3D	ITC	ITC Maison / Three ITC (Tower B) / Andaz Shanghai ITC	Shanghai
(2)	Minhang Project Phases 3 & 4	TODTOWN	TODTOWN Mall / TODTOWN Tower	Shanghai
(3)	Jianghehui Project (River East) Phase 1	Hangzhou IFC (River East)	IFC Mansion	Hangzhou
(4)	Jianghehui Project (River West) Phase 1	Hangzhou IFC (River West)	One IFC River West	Hangzhou
(5)	Suzhou Project Phases 4, 5 & 6	Suzhou ICC	ICC Residence / ICC Mall / ICC Office	Suzhou
(6)	Chancheng Project Phase 6C	Oriental Bund		Foshan
(7)	Dongda Avenue Project Phase 4B	Chengdu ICC	Two ICC	Chengdu
Year Total:				
Scheduled for Completion in FY2026/27				
(8)	Minhang Project Phase 5	TODTOWN	Hyatt Centric TODTOWN Shanghai	Shanghai
(9)	Jianghehui Project (River East) Phase 2A	Hangzhou IFC (River East)		Hangzhou
(10)	Jianghehui Project (River West) Phase 2	Hangzhou IFC (River West)		Hangzhou
(11)	Guangzhou South Railway Station Project Phase 2A	Guangzhou South Station ICC		Guangzhou
(12)	Chancheng Project Phase 6D	Oriental Bund		Foshan
Year Total:				
Scheduled for Completion in FY2027/28				
(13)	Jianghehui Project (River East) Phases 2B & 3	Hangzhou IFC (River East)		Hangzhou
(14)	Jianghehui Project (River West) Phase 3	Hangzhou IFC (River West)		Hangzhou
(15)	Shuangliu District Project Phase 3B	JOVOTOWN		Chengdu
Year Total:				
Major Projects Scheduled for Completion in FY2028/29 or Beyond				
(16)	Minhang Project remaining phases	TODTOWN		Shanghai
(17)	Jianghehui Project remaining phases[2]	Hangzhou IFC		Hangzhou
(18)	Suzhou Project remaining phases			Suzhou
(19)	Taihu New City Project remaining phase	Taihu International Community		Wuxi
(20)	Shiling Project remaining phases	Park Royale		Guangzhou
(21)	Guangzhou South Railway Station Project remaining phases[2]	Guangzhou South Station ICC		Guangzhou
(22)	Nansha Qingsheng Project[2]			Guangzhou
(23)	Chancheng Project remaining phases	Oriental Bund		Foshan
(24)	Shilong Project remaining phases	Grand Waterfront		Dongguan
(25)	Zhongshan 5 Road Project Phase 6	The Woodland		Zhongshan
(26)	Dongda Avenue Project remaining phases	Chengdu ICC		Chengdu
Others				
Total for Major Projects Scheduled for Completion in FY2028/29 or Beyond:				

(1) 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	2,573,000	375,000	5,588,000
35	-	232,000	188,000	-	420,000
45	621,000	-	-	-	621,000
50	-	-	189,000	-	189,000
90	531,000	303,000	905,000	-	1,739,000
50	153,000	-	-	-	153,000
40	-	-	523,000	-	523,000
	1,305,000	**3,175,000**	**4,378,000**	**375,000**	**9,233,000**
35	-	-	-	75,000	75,000
45	-	352,000	-	-	352,000
50	115,000	52,000	-	-	167,000
100	-	215,000	291,000	-	506,000
50	277,000	-	-	-	277,000
	392,000	**619,000**	**291,000**	**75,000**	**1,377,000**
45	-	-	297,000	-	297,000
50	-	449,000	-	-	449,000
91	802,000	-	-	-	802,000
	802,000	**449,000**	**297,000**	**-**	**1,548,000**
35	155,000	270,000	-	-	425,000
JV[3]	-	232,000	1,981,000	199,000	2,412,000
90	145,000	-	-	192,000	337,000
40	-	-	-	143,000	143,000
100	3,945,000	4,000	-	-	3,949,000
100	2,600,000	1,186,000	4,374,000	323,000	8,483,000
100	-	861,000	2,401,000	-	3,262,000
50	5,256,000	1,383,000	925,000	109,000	7,673,000
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	**4,831,000**	**10,655,000**	**1,113,000**	**31,999,000**

Property Development

Major Mainland Projects

Residential | Shopping Centre/Shops | Office | Hotel

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

(1) Excluding Hong Kong


Beijing
1
2
Nanjing
11
Wuxi
14
12
Suzhou
13
Shanghai
10
9
Hangzhou
Chengdu
24
25
Guangzhou
Inner Ring Road
Shanghai
3
4
5
6
7
8
Huangpu River
17
15
Guangzhou
22
Dongguan
20
16
21
Foshan
18
19
Zhongshan
23
Shenzhen
Hong Kong
Sketch map of coastline

Mainland Property Business
Property Investment

Nanjing IFC Mall, Nanjing

Shanghai IFC, Shanghai

Property Investment

Shanghai IFC Mall, Shanghai

The Group's completed properties for investment on the mainland comprise a number of integrated developments situated in prime locations within key cities. This diversified portfolio, characterized by premium quality, high green building standards, and superior transport links, consistently provides a steady stream of recurrent income for the Group.

During the year under review, including contributions from joint ventures, associates, and newly completed projects, the Group's gross rental income on the mainland decreased by 2% to RMB5,713 million. The incremental contributions from recently completed projects were offset by a decline in turnover rent of its retail portfolio and downward pressure on office rents, leading to a decrease in overall rental income.

Completed Properties

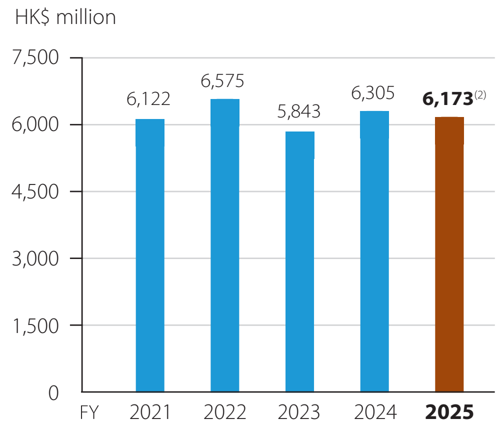
Shopping Centres

The Group's premium shopping malls span about nine million square feet of attributable gross floor area, representing a core component of the Group's mainland rental portfolio. During the year under review, the mainland retail market faced headwinds, as consumer preferences shifted increasingly towards value, quality, and experience-based consumption. Responding actively to changing market dynamics, the Group diversified offerings at its malls and maintained high-quality services for tenants and customers. Such strategies helped the Group's malls maintain resilient occupancy rates despite lower turnover rents. Enhancements to the departure tax refund policy have further strengthened the appeal of the Group's malls as shopping destinations for international visitors.

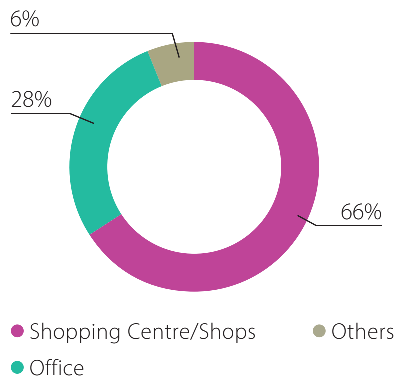
Shanghai IFC Mall, the Group's flagship property in Shanghai, features an exceptional collection of international brands. In view of shifting consumer preferences, the mall continued to optimize its tenant and trade mix while creating an engaging environment through immersive initiatives such as rotating art installations and live music. In addition, the mall reinforced its leading position through the introduction of a wider spectrum of dining experiences, ranging from casual al fresco options to an acclaimed Black Pearl restaurant. This focus on premium experiences further cemented the mall's cosmopolitan appeal for visitors, office tenants, and hotel guests of The Ritz-Carlton Shanghai, Pudong nearby. Occupancy remained high during the year. Please refer to page 77 for more details of Shanghai IFC offices.

Located within Puxi's Shanghai ICC complex, IAPM is a market trendsetter featuring a diverse retail mix. With innovation at its core, the mall appeals to style-conscious shoppers drawn to novelty and engaging experiences. In addition to welcoming debut stores, the mall attracted emerging brands, notably an international label that has chosen to open its largest branch in Asia at the mall. To further enrich retail experience, the mall collaborated with tenants to host interactive events and pop-up stores featuring lifestyle concepts. Please refer to page 77 for more details of the office towers of Shanghai ICC.

Gross Rental Income on the Mainland[1]



Gross Rental Income on the Mainland by Sector[1]



(1) Including contributions from associates and joint ventures

(2) Gross rental income in terms of RMB amounted to RMB5,713 million

Nanjing IFC Mall, Nanjing

Property Investment

Parc Central, Guangzhou

In a dynamic and competitive retail landscape, the Group's malls across key mainland cities demonstrated resilience through distinct market positioning and tenant mix. Celebrating its first anniversary, Nanjing IFC Mall drove footfall with a wider range of retail options and captivating activities, including celebrity events, orchestral performances and a sports tournament where the audience interacted with AI robots which had appeared on the Spring Festival Gala TV Show. Its loyalty programme was also upgraded with reserved parking spaces for VIPs. The mall has ramped up its occupancy to a satisfactory level and contributed incremental income to the Group. Its integration with Nanjing IFC offices and Andaz Nanjing Hexi hotel generated synergies, elevating the competitive advantage of the entire development.

The Group's joint-venture malls in Guangzhou continued to boost customer engagement with services and activities tailored to the changing retail landscape. These efforts have helped the malls achieve high occupancy rates and moderate growth in tenant sales. Parc Central in the centre of Tianhe District evolved in alignment with consumer trends championing character, innovation, and outdoor experiences. The mall leveraged its unique green terraced design and open space to host impactful events blending leisure, shopping, and culture, such as an inaugural exhibition of a globally recognized IP character in the southern part of the mainland, sports activities, and a coffee festival. Responding to rising demand for pet-friendly space, IGC in Zhujiang New Town, Guangzhou enhanced its services and hosted pet-focused events at its rooftop garden. Additionally, the mall has enriched the tenant mix with retail and F&B options specifically curated for young families.

Tapping into the growing popularity of IP-driven consumption, Beijing APM introduced themed shops and events, adding vibrancy to the retail environment. Interactive activities were also staged, including outdoor bazaars and a performance by AI robots. Leveraging mega events such as Beijing Fashion Week, the mall co-organized a shopping festival and themed activities, consolidating its position in the Wangfujing Commercial District.

Offices

During the year under review, the Grade-A office market on the mainland remained challenging. The Group's office rental income registered a mild decrease, with new contributions from Tower A of Three ITC in Shanghai mitigating the decline caused by lower occupancy.

The Group prioritized tenant retention in the face of keen competition. Over the years, the Group's leasing and property management teams have cultivated long-term relationships with tenants, fostering two-way communication that helps elevate the Group's service quality, a competitive edge crucial for retaining tenants. By leveraging strengths that include

Hangzhou IFC, Hangzhou (River West) (Rendering)

convenient transportation, high-quality property management, and internationally certified sustainable building features, the Group's portfolio was also able to capitalize on the flight-to-quality trend.

The availability of commercial amenities, including F&B and retail offerings, remained pivotal to office leasing decisions. Shanghai IFC office towers, located in the heart of Little Lujiazui CBD in Pudong, Shanghai, are connected to a metro station and enjoy easy access to premium amenities within the Shanghai IFC integrated complex, which comprises a shopping mall, a five-star hotel, and serviced suites. The synergy enjoyed by the office towers continued to be highly attractive to financial corporations, encouraging them to move in or renew their tenancies. Please refer to page 75 for more details of Shanghai IFC Mall.

With their excellent connectivity, the Group's premium offices in Puxi commercial district, Shanghai serve multinationals and a wide range of domestic corporations with varying needs. Connected to a metro station at the junction of three lines, Shanghai ICC remained a popular choice for tenants due to its excellent location and complementary amenities at IAPM. Please refer to page 75 for more details of IAPM.

Also in Puxi, the ITC office cluster in Xujiahui CBD continued to register relocations and company upgrades, favoured by initiatives facilitating office relocations. The cluster also appealed to foreign firms which increasingly factor ESG objectives into their office planning. Tower A of Three ITC has ramped up its committed occupancy to nearly 90%, while One ITC and Two ITC maintained high occupancies during the year. For more details of the remaining portion of Three ITC under development, please refer to the section below.

Beyond its presence in Shanghai, the Group also owns Grade-A offices in prime locations in other top-tier cities, including Beijing APM Office Tower and the two office towers of Nanjing IFC. The performance during the year was affected by an uncertain global economic outlook and keen competition.

Major Properties under Development

The Group remains confident in the long-term prospects of the mainland market and will maintain its focus on progressing with existing integrated projects under development in first-tier and key second-tier cities. These projects, slated for phased completion over the next two to three years, will bolster the Group's recurring income stream.

Construction of Three ITC, the signature component of the Group's ITC mega development in Xujiahui, Shanghai, is nearing its final stage. The remaining portions, including a 370-metre-tall office skyscraper Tower B, a 2.6-million-square-foot flagship mall ITC Maison, and the Andaz Shanghai ITC hotel, are expected to be completed by late 2025. The top-notch green building

Tower B of Three ITC, Shanghai

Property Investment

Major Completed Property Investment on the Mainland

Project	Location	Lease Expiry	Group's Interest (%)
Beijing			
Beijing APM / Beijing APM Office Tower	138 Wangfujing Dajie, Beijing	2044	100
New Town Plaza	Building 18, Fangguyuan Zone 1, Fangzhuang, Beijing	2033	100
Shanghai & Yangtze River Delta			
Shanghai IFC / Shanghai IFC Mall / The Ritz-Carlton Shanghai, Pudong / IFC Residence	8 Century Avenue, Lujiazui, Shanghai	2055	100
Shanghai ICC / IAPM	999 Middle Huaihai Road, Shanghai	2056	100
One ITC	1901 Huashan Road, Shanghai	2054/2064	100
Two ITC	160 Gongcheng Road, Shanghai	2054/2064	100
Three ITC (Tower A)	183 Hongqiao Road, Shanghai	2054/2064	100
Shanghai Central Plaza	381 Middle Huaihai Road, Shanghai	2044	80
Arcadia	88 Guang Yuan Xi Road, Shanghai	2064	100
Hangzhou MIXC / Park Hyatt Hangzhou	Qianjiang New City, Hangzhou	2046/2049/2056	40
Nanjing One IFC / Nanjing Two IFC / Nanjing IFC Mall / Andaz Nanjing Hexi	347 Jiangdong Middle Road / 111 Hexi Street / 345 Jiangdong Middle Road / 108 Bailongjiang East Street, Jianye District, Nanjing	2048	100
Four Seasons Hotel Suzhou	88 Four Seasons Boulevard, Suzhou	2047	90
Wuxi MIXC	Taihu New City, Wuxi	2046	40
Guangzhou & Other Greater Bay Area Cities[1]			
Parc Central	218 Tianhe Road, Guangzhou	2050	50
IGC / Conrad Guangzhou	222 Xingmin Road, Guangzhou	2051	33.3
Nanhai Plaza	Nanhai Avenue, Foshan	2045	100
Chengdu			
One ICC / Chengdu ICD	577 Dongda Road, Jinjiang District, Chengdu	2048	40

(1) Excluding Hong Kong

specifications of Tower B have earned it pre-certifications from LEED and WELL, equipping the tower to meet the high ESG requirements of multinationals. Pre-leasing is underway.

ITC Maison, the flagship mall at Three ITC, will boast excellent connectivity through an extensive footbridge network that links the different phases of ITC with surrounding buildings. Featuring an expansive landscaped deck and an open piazza designed for performances and events, the mall will offer a seamless experience integrating indoor and outdoor retail offerings. It is slated to open in phases from the second half of 2025, with the first phase featuring F&B offerings, including debuts in Xujiahui. The subsequent phases to open from 2026 will include lifestyle shops and entertainment options. The dynamic and versatile retail environment will deliver a premium experience for residents and visitors in Shanghai.

Attributable Gross Floor Area (square feet)				
Residential	Shopping Centre/Shops	Office	Hotel	Total
–	1,036,000	458,000	–	1,494,000
–	225,000	–	–	225,000
–	1,220,000	1,572,000	940,000	3,732,000
–	1,307,000	1,296,000	–	2,603,000
–	338,000	170,000	–	508,000
–	43,000	321,000	–	364,000
–	–	1,127,000	–	1,127,000
–	106,000	366,000	–	472,000
304,000	27,000	–	–	331,000
–	744,000	205,000	176,000	1,125,000
–	1,085,000	1,999,000	360,000	3,444,000
–	–	–	297,000	297,000
–	631,000	–	–	631,000
–	431,000	–	–	431,000
–	332,000	–	149,000	481,000
–	640,000	–	–	640,000
–	549,000	396,000	–	945,000

Positioned as a new landmark development in Hangzhou, the Group's integrated project Hangzhou IFC is being developed in phases. Comprising two riverside plots in Qianjiang New City CBD, this joint-venture project will encompass premium offices, retail space, upscale residences, serviced apartments and hotels. Demonstrating the Group's commitment to sustainability, the entire Hangzhou IFC complex achieved LEED Platinum pre-certification for Cities and Communities: Plan and Design, while the office and retail components secured WELL pre-certification.

In the River West part of the Hangzhou IFC project, an office tower, namely One IFC River West, offers some 378,000 square feet of office space. With handover of office space to a tenant completed in July 2025, the tower offers unparalleled panoramic views of both the Grand Canal and Qiantang River. In River East, the initial phase of the retail component, spanning some 324,000 square feet at the podium of the residential portion, is scheduled to open in stages starting in the financial year 2026/27.

Property Related Businesses

Customers savour delicacies and scenic views at GO PARK Sai Sha, Hong Kong

YOHO WEST in Hong Kong provides various fitness facilities

Property Related Businesses

Four Seasons Hotel Hong Kong

Hotels

During the year under review, the Group's hotel portfolio in Hong Kong benefitted from the continued growth in tourist arrivals, including both long- and short-haul visitors, and an active calendar of mega-events. The Group's hotels in Hong Kong have recorded increases in occupancy rates despite intense competition in the industry. On the mainland, the Group's hotels continued to achieve satisfactory performance while occupancies of hotels in Nanjing and Suzhou have been ramping up gradually.

Hong Kong Portfolio

With the continued recovery of aviation capacity and the hosting of more mega events, Hong Kong's overnight visitors, particularly those from Northeast Asia and long-haul markets, increased during the year. To capitalize on such rising opportunities and strengthen their market positions, the Group's hotels stepped up their promotional efforts across all channels. Diversified initiatives and asset enhancements have been implemented to broaden revenue streams and enhance operational efficiencies.

W Hong Kong

Excellent location for joining mega events

With superior guest service and prime locations across different districts, the Group's hotels offer ideal accommodations for business and leisure travelers attending mega events in Hong Kong. The diverse portfolio spans across Central, Tsim Sha Tsui and Mong Kok, the city's CBD and tourist districts. It also extends to the centres of Sha Tin, North Point and Tseung Kwan O, catering to guests with varying requirements. Marketing campaigns were launched to capitalize on opportunities arising from the opening of new sports and entertainment venues, with hotels like Royal Plaza Hotel in Mong Kok offering tailored packages for concerts and sports tournaments.

Four Seasons Hotel Hong Kong, located in Central, continued to be the preferred venue and host of prestigious financial industry events on Hong Kong Island. On the other side of Victoria Harbour, The Ritz-Carlton, Hong Kong and W Hong Kong

The Ritz-Carlton, Hong Kong

The Royal Garden, Hong Kong

located near the West Kowloon Cultural District facilitated visits to attractions in the arts hub, including the M+ museum. Both hotels have stepped up arts-related promotions and capitalized on opportunities arising from Hong Kong's Arts Month.

Elevating guest experience through themed and culinary adventures

The Group's hotels distinguish themselves through a relentless focus on personalized service exceeding guest expectations at every touchpoint. In line with Hong Kong's drive to promote island tourism, the Group's hotels introduced tailored packages, such as excursions to Tap Mun near Sai Kung. In addition, the hotels adopted time-limited themes to bring novelty to hotel guests. ALVA Hotel by Royal, making full use of its proximity to the KMB Sha Tin depot, launched KMB-themed rooms and exhibited a vintage bus to attract bus enthusiasts.

The Group's hotels are also known for their exceptional offerings of global delicacies. The restaurants at Four Seasons Hotel Hong Kong received a total of eight Michelin stars in 2025, including the three-star French restaurant Caprice and two-star Chinese restaurant Lung King Heen. Appealing to those seeking interactive dining experiences, The Royal Garden in Tsim Sha Tsui hosted the Royal Gourmet Studio where guests learned to cook dishes under the guidance of celebrated chefs.

Driving synergy and enhancing customer loyalty

The Group strives to achieve synergy across its different arms to drive footfall and revenue. Go Royal by SHKP, the Group's loyalty programme for its five Royal hotels and affiliated restaurants, has further strengthened its collaboration with The Point, the Group's shopping mall loyalty programme. This partnership allows Go Royal members to redeem points earned from hotel stays as Point Dollars at shopping malls or for preferred rewards. Similarly, The Point members can redeem their points for spending at Royal hotels or exclusive hotel rewards while enjoying additional privileges, deepening customer engagement and loyalty across the Group's hospitality and retail offerings.

Royal Plaza Hotel, Hong Kong

ALVA Hotel by Royal, Hong Kong

Property Related Businesses

Royal Park Hotel, Hong Kong

Hyatt Centric Victoria Harbour Hong Kong

Following the launch of GO PARK Sai Sha, the Group's hotels introduced "sportcation" packages for guests to participate in activities at the sports-and-entertainment landmark while enjoying overnight stays at the hotels. These packages are designed to cater to different preferences, with some featuring a single sport while others provide all-in-one experiences for children to participate in various sports and arts workshops while staying with their parents at the hotel.

Enhancing assets and services to meet evolving needs

The Group is committed to upgrading the assets and services of its hotels to meet the evolving needs of discerning travelers. Tailored packages, designed for occasions ranging from proposals to post-maternity, have been introduced to meet the diverse needs of customers across different life stages. In response to the rising demand for long-stay packages, Royal Park Hotel in Sha Tin and Royal View Hotel in Tsuen Wan organized open days to introduce its amenities, allowing potential guests to discover the unique charms of the hotels. Recognizing pets as integral members of modern families, Hyatt Centric Victoria Harbour Hong Kong in North Point offers a dog-friendly outdoor terrace and a dog menu.

Mainland Portfolio

During the year, an expansion of the visa-exemption policy contributed to a notable increase in international arrivals, especially to Shanghai. Combined with the continued recovery of domestic tourism, this growth drove demand for accommodation, particularly in the premium hotel segment.

Many of the Group's portfolio hotels are strategically located in the heart of first-tier or leading second tier cities, reinforcing their appeal to both business and leisure travelers. The Ritz-Carlton Shanghai, Pudong, renowned for breathtaking views of the Bund, offers guests an exquisite lifestyle and recorded high occupancy during the year. The Group's two joint-venture hotels, Conrad Guangzhou and Park Hyatt Hangzhou, also registered satisfactory performance.

Four Seasons Hotel Suzhou, nestled on a serene island in Jinji Lake, has quickly established itself as a leading urban resort hotel since its opening in December 2023. Surrounded by well-maintained blossoms, the hotel places a strong emphasis on wellness, offering guests an exquisite experience combining

Royal View Hotel, Hong Kong

Crowne Plaza Hong Kong Kowloon East, Hong Kong

Four Seasons Hotel Suzhou, Suzhou

top-notch services with tranquility. Andaz Nanjing Hexi in Nanjing celebrated its second anniversary with special promotions, including room upgrades. Located within Nanjing IFC in Hexi CBD, the hotel offers guests easy access to shopping and dynamic happenings, such as concerts at a nearby stadium.

The Group will continue to develop integrated projects in major cities, with hotels serving as a complementary component to retail and office spaces. Andaz Shanghai ITC, which forms part of the multi-phase ITC project in Xujiahui, Shanghai, is scheduled to open by late 2025. Featuring over 260 guestrooms and suites, the hotel is strategically located adjacent to an interchange station of three metro lines, providing excellent accessibility for travelers.

ESG and Technological Applications

To promote sustainability, the Group's hotels integrate environmental responsibility into their operations and guest experiences. A growing number of the Group's hotels have replaced single-use plastic water bottles with dispensers, introduced biodegradable tableware, and provided refillable bathroom amenities. Guests are also encouraged to contribute to environmental conservation through incentives for staying in "green rooms" with no housekeeping services. In commendation of outstanding efforts in environmental protection, Crowne Plaza Hong Kong Kowloon East became the first hotel in Hong Kong to receive the 2024 Hong Kong ESG Award from the Chinese Manufacturers' Association of Hong Kong. The hotel atop MTR Tseung Kwan O Station installed a special membrane on the glass curtain wall that reduces the heat gain from outdoors and thereby the energy used in air conditioning.

The Group's hotels also participate in social initiatives to support the community and promote inclusiveness. Several hotels donate surplus food to a Hong Kong charity, helping to reduce food waste while providing meals to those in need. In addition, the hotels also collaborate with charities in creative ways, such as sourcing gifts crafted by the disabled to celebrate special occasions.

The Ritz-Carlton Shanghai, Shanghai

Andaz Nanjing Hexi, Nanjing

Property Related Businesses

Mixed reality technology is used in property management training

Property Management

The Group's two subsidiaries, Hong Yip Service Company Limited and Kai Shing Management Services Limited, continued to provide professional and premium property management services for the Group's diverse property portfolio across Hong Kong and the mainland. Their efforts help create an ideal environment for residents, tenants, and visitors, supporting the Group's core businesses in property development and property investment.

Staying at the forefront of industry trends, the Group has embraced cutting-edge technologies to enhance operational efficiency and management quality. Kai Shing introduced the Extended Reality Facility Management platform (XRFM), which utilizes AI, Internet of Things (IoT), Digital Twin and Augmented Reality (AR) solutions to increase efficiency of operations at ICC, such as facility monitoring and emergency response. The Institute of Workplace and Facilities Management (IWFM) honoured this innovation with the Technology Award at the IWFM Impact Awards 2024, making the property management company the first in Hong Kong to receive this recognition. Hong Yip has joined hands with the Hong Kong Metropolitan University (HKMU) to apply Mixed Reality Digital Twin Adoption to the construction inspection process of newly completed units, effectively enhancing efficiency and quality. The platform won the Gold Medal at the International Exhibition of Inventions Geneva 2025, organized by The International Federation of Inventors' Associations.

The two subsidiaries ride on the rapid advancements in smart and robotic technologies to enhance convenience and resident satisfaction, such as utilizing smart robots to enhance services including security, food delivery and luggage transfer. Leveraging these technologies to foster well-being and sustainability, Hong Yip and Kai Shing launched the brands GO INFINITE and WeSpire Living respectively to cater to those aspiring to a modern lifestyle. Hong Yip further upgraded its mobile application, So Prop Premium, allowing residents of the new Sai Sha Residences to enjoy contactless access to premises and receive updates on transport and activities. During the year, the company also became the first in Hong Kong to pilot mobile-based visitor registration using the iAM Smart Personal Code, saving visitors the hassle of presenting their identity cards.

Providing attentive services tailored to meet the diverse needs of customers remains a core philosophy of the Group. In view of the growing importance of pets as integral members of families, Kai Shing's team at Park Island in Ma Wan offers pet transport services to veterinary clinics. In recognition of its high-quality management services, Kai Shing received 15 awards at the Quality Property and Facility Management Award 2024. On the mainland, Hong Yip regularly organizes activities such as free medical check-ups, haircuts and food carnivals at the residential properties under its management, bringing convenience to residents while fostering community vibrancy.

In line with the Group's sustainability goals, the two companies have established long-term strategies to reduce carbon emissions and energy consumption. During the year under review, ICC under Kai Shing's management won the Gold Award in Property Management (Commercial & Industrial) at the Hong Kong Awards for Environmental Excellence 2023, making it the only property to have received the honour twice in Hong Kong. The two companies also triumphed at the HKIH Elite Awards 2024, with Kai Shing winning 13 awards and Hong Yip receiving Grand Awards of Best ESG Team and Best Crisis Management for its upcycling initiative and handling of a major power outage in its managed properties.

A technician inspects solar panels on the rooftop of ICC

Efforts were made to drive ESG by educating the public to adopt a green and healthy lifestyle. The two companies enhanced promotions about energy-saving in many of its managed estates and shopping malls, which led to their winning of major awards at CLP's Smart Energy Awards 2024, including the Low Carbon Driving Award and the Joint Energy Saving Award. In particular, Kai Shing was awarded the Champion of Top Average Saving in 2024. To foster a healthy lifestyle, Hong Yip has launched the GO PARK Sports – School Explorer Programme since last summer, partnering with various sports associations to offer free sports training courses to over 1,000 primary and secondary school students at GO PARK Sai Sha.

The Group acknowledges the importance of continuous staff training and nurturing future talent for the property management industry. During the year, Hong Yip and Kai Shing signed separate agreements to collaborate with the Hong Kong College of Technology (HKCT) and HKCT Institute of Higher Education to support the training of property management professionals and inject new blood into the industry by facilitating on-the-job training and student internships. Hong Yip has formed a strategic partnership with the Vocational Training Council (VTC) Smart City Innovation Centre to advance STEAM education and career development, with key initiatives including the application of Virtual Reality and AI tools in training and at its managed properties. Kai Shing also extended its strategic partnership with the HKMU, enabling students to undergo work-integrated learning before employment.

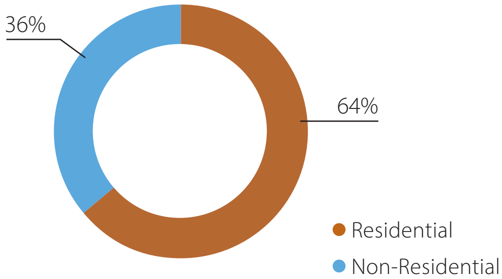
To retain talent, the two companies offer staff opportunities to broaden their horizons. Kai Shing welcomes colleagues from the mainland to participate in a one-year training programme in Hong Kong, focusing on property management and customer service. This initiative fosters professional development and cross-border collaboration, with more than 200 participants having completed the programme so far. Hong Yip participated in the first GBA Work Experience Attachment Programme organized by the Labour Department, providing internship opportunities in Zhongshan to young people in Hong Kong. Employees of both companies in Hong Kong are also given opportunities to join site visits to the mainland or overseas countries. These visits allow them to explore the latest technologies and management models applicable to future projects.

NOVO LAND features a robot squad dedicated to serving residents

The two companies' commitment to creating an ideal work environment has resulted in various commendations. They collectively won 11 major awards at the CTgoodjobs Best HR Awards 2024, where both companies garnered the Grand Award of the Employer of the Year. Hong Yip was commended by the Hong Kong Institute of Human Resource Management (HKIHRM) at the HKIHRM HR Excellence Awards 2024/25 for its inclusiveness, receiving the Age-Friendly Workplace Award – Excellent Award.

As at 30 June 2025, the total gross floor area managed by Kai Shing and Hong Yip increased to over 297 million square feet in Hong Kong and on the mainland. New properties under their management included Cullinan Sky Phase 1, NOVO LAND Phase 3B, YOHO WEST, 233 Prince Edward Road West, GO PARK Sai Sha and GO PARK Sports in Hong Kong, along with Shanghai Arch Phase 3 in Shanghai as well as Forest Park Phase 1A and 1B in Guangzhou.

Floor Area Managed by Hong Yip and Kai Shing by Usage



Property Related Businesses

Construction

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

The division continued to accelerate its pace of innovation during the year. In addition to exploring the further application of Modular Integrated Construction (MiC), the division's concrete and precast-concrete-unit subsidiary developed a new product, Reassemable Hybrid Steel-Lightweight Concrete MiC Units, which can be used for building offices, houses and restrooms. The new product has been installed at the Group's GO PARK Aqua and the division's various construction site offices with encouraging results. The subsidiary has also developed and manufactured several other products, all of which have obtained product patents or are going through patent registration. Among these, a newly innovated material LD-ECC (Ready-mixed Low-density Engineered Cementitious Composite), of high ductility and of lower density than water, has been used for the first time in a public works embankment project.

During the year, another innovation and technology subsidiary of the division and a joint venture also developed a number of new construction applications and technological products. The products have been put on the market, with some endorsed by the Construction Industry Council and included in the pre-approved list of the Construction Innovation and Technology Fund. The division recently launched the TIE.Ai Intelligent Scaffolding Monitoring System, which utilizes AI and IoT technologies to enhance scaffolding safety. The division will continue to drive innovation and develop additional products in line with industry trends for enhancing productivity, safety and sustainability.

The application of Building Information Modelling (BIM) is advancing in full swing. In response to this trend, the division has established a BIM subsidiary, recruiting young graduates from relevant disciplines. After one year of training, the graduates will be assigned to support BIM work across various projects of the Group. The adoption of other innovative technologies, such as Design for Manufacturing and Assembly (DfMA), remains high on the division's agenda. Each team of the division is also actively exploring the feasibility of implementing AI applications within its respective workflows. The application of Business Intelligence has also progressed well, significantly aiding data visualization, analysis, flow of information and site management.

Sanfield deploys 5G-enabled unmanned tower cranes across various sites

ESG efforts of the division have been recognized by the industry with accolades. The ESG-linked supplier payment scheme, launched by Sanfield in May 2024 in collaboration with a reputable bank, improves the cash flow of participating firms and also enhances the ESG performance of both the firms and the division. In recognition of its innovation, the scheme received The Asset Triple A Award organized by *The Asset* magazine in May 2025. The division strongly encourages more suppliers and subcontractors to participate in the scheme, which has been running smoothly.

During the year, the division completed six development projects totalling about four million square feet of construction floor area, including residential projects Cullinan Sky Phase 1, NOVO LAND Phases 3A and 3B, YOHO WEST, and non-residential projects including GO PARK Sai Sha and Ma Wan 1868.

Major residential developments in progress included Cullinan Sky Phase 2, Cullinan Harbour, Sai Sha Residences, and YOHO WEST PARKSIDE. Major non-residential developments in progress included the High Speed Rail West Kowloon Terminus Development and the Artist Square Towers Project in the West Kowloon Cultural District. A number of major projects are also undergoing asset-enhancement works, including Vega Suites, Millennium City 1 and 6, and the revamp of the Airport Freight Forwarding Centre. The division also takes part in construction management of the Group's development projects on the mainland.

Insurance and Mortgage Services

Sun Hung Kai Properties Insurance Ltd, the Group's wholly owned subsidiary, recorded steady performance during the year. Despite challenges posed by a slow economy, the company's underwriting results remained strong, reflecting its disciplined approach to risk selection and a prudent, selective underwriting strategy. The company's investment portfolio produced stable returns, achieved through a risk-aware approach that balanced income generation with capital preservation. Moving forward, the company will continue to pursue a prudent, risk-managed strategy aimed at achieving sustainable, profitable growth.

The Group's financial services division, comprising Hung Kai Finance Company Limited and Honour Finance Company Limited, offers flexible mortgage loans and mortgage referrals to support the Group's property sales business. With effective credit control, the division reported no credit losses and achieved satisfactory profits during the year.

Telecommunications and Information Technology

SmarTone's world-class network delivers the most spectrum per subscriber in Hong Kong

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

Telecommunications

During the year under review, SmarTone's business remained resilient as the company maintained a stable customer base and a steady 5G penetration despite keen price competition. In response to challenging operating conditions, SmarTone is exerting added caution and cost discipline. Having accelerated the recovery of its roaming business post-COVID in prior financial years, the company sustained the performance of this business at a similar level during the year. The 5G Home Broadband service achieved double-digit revenue growth with improved profitability, while the Enterprise Solutions division also continued to deliver solid profit growth.

SmarTone is committed to delivering a superior 5G experience with its world class network, providing the highest spectrum per subscriber in Hong Kong. During the year, SmarTone reacquired the key 850MHz spectrum and acquired the 6/7GHz spectrum, ensuring its best-in-class network quality. Being an essential partner for mega events, SmarTone supported The World Games Series 2024 in GO PARK Sai Sha and the 18th Asian Film Awards.

Recognizing the growing importance of cybersecurity, SmarTone invested substantial resources to ensure its network safety. In December 2024, the company received the Platinum Award in the inaugural Cyber Security Staff Awareness Recognition Scheme. In acknowledgement of SmarTone's outstanding customer service, the company was presented with the 2024 Service Talent Award and Top 10 Quality Trusted E-Shops award from the Hong Kong Retail Management Association. Underscoring its branding excellence, SmarTone is the only telecommunications brand among Hong Kong's Top 10 Brands in the 2024 Kantar BrandZ Top 30 Brands in Hong Kong.

Looking ahead, the operating environment in the telecommunications market is expected to remain challenging. SmarTone will continue to focus on delivering outstanding customer service and network reliability while maintaining vigilant cost control. The Group is confident in SmarTone's prospects and will continue to hold its stake in the company as a long-term investment.

Information Technology

During the year under review, SUNeVision continued to show strong and solid growth in operations. Further boosted by the launch of the first phase of MEGA IDC during the second quarter of 2024, SUNeVision has been providing comprehensive, scalable and best-in-class connectivity and data centre service solutions for different categories of customers through its MEGA campus eco-system. MEGA-i continued to record stable demand as one of the largest connectivity hubs in the world, while MEGA Gateway in Tsuen Wan, since its opening in 2023, has been gradually developing into the next connectivity hub complementing MEGA-i. In conjunction with SUNeVision's landing stations in Chung Hom Kok, which host a number of critical subsea cables, SUNeVision has positioned itself strategically to capture the rise in market demand for connectivity.

The growing interest in AI technology and related applications continued to support demand for high quality data centre services in Hong Kong. In particular, hyperscale customers from the mainland are keen on expanding their operations and footprint. Leveraging the top-tier infrastructure of MEGA IDC and industry-leading service standards, SUNeVision holds a competitive edge in meeting the needs of the most demanding customers for all critical AI applications in the Hong Kong market.

While ongoing economic uncertainties and geopolitical tensions are likely to weigh on the market environment, SUNeVision will continue to exercise the highest level of financial discipline in terms of operational efficiency enhancement, capital expenditure control and treasury management to maximize the return on investments.

Infrastructure and Other Businesses

Wilson Parking, Hong Kong

KMB launches Recreation Route HK1

Transport Infrastructure Operations and Management

Wilson Group, a wholly-owned subsidiary of the Group, delivers reliable and innovative transport infrastructure and smart mobility solutions in Hong Kong. During the year, the company registered modest business growth while upholding its commitment to safety, service quality, and environmental responsibility.

With extensive experience in the management of parking and tollways, Wilson Group operates and manages a broad network of some 265 car parks and some 55,000 parking bays across key public and private facilities in Hong Kong, including those for the Transport Department, MTR Corporation, Hong Kong-Zhuhai-Macao Bridge Hong Kong Port, and Hong Kong International Airport. During the year, the company secured a car park contract for the Western Wholesale Food Market along with substantial contract renewals from key commercial partners. On the mainland, the Group manages 34 car parks and around 22,300 parking bays.

Wilson Group leveraged advanced technologies and data analytics across its parking operations to enhance operational efficiency and elevate customer experience. The newly launched AI-powered Smart Control Hub, paired with an upgraded Digital Call Centre Platform, enables real-time monitoring, remote operations, and seamless omnichannel communication with customers across its premium parking portfolio. The company also continued to expand its EV-charging infrastructure and implemented an AI-driven Overheat Alert Monitoring system to safeguard charging safety.

Leveraging its expertise in the provision of smart mobility solutions, Wilson Group's equipment division secured several major contracts during the year, including Parking Systems for Cyberport and the Public Vehicle Parks at Tseung Kwan O Government Offices, as well as a tailored Traffic Guidance System for the Hong Kong International Airport. It also provided maintenance services for Portable Speed Enforcement Radars commissioned by the Hong Kong Police Force and upgraded the People Access Control System at multiple Sands China venues in Macau.

In May 2025, Autotoll, 50%-owned by Wilson Group, completed the extension of the HKeToll system to the Tai Lam Tunnel, finalizing implementation across all government tolled tunnels and the Tsing Sha Control Area. The introduction of time-varying tolls at the three road harbour crossings and Tai Lam Tunnel helped ease peak-hour congestion and improve traffic flow. The HKeToll project received multiple industry awards for its contribution to the city's smart mobility development. In addition, Autotoll secured a government contract to maintain and upgrade the Data Acquisition System and Toll Information Display System in government tunnels and the Tsing Sha Control Area.

The Group also holds a 70% stake in Route 3 (CPS) Company Limited. Route 3 (CPS), upon the conclusion of the 30-year Build-Operate-Transfer (BOT) franchise, was handed over to the HKSAR Government in May 2025.

Wilson Group's tollway division continued to operate and manage major government tunnels and control areas. During the year, the company successfully secured six-year contract renewals for both the Tuen Mun – Chek Lap Kok Tunnel and the Tsing Sha Control Area. In addition, the company was awarded a three-year contract for the operation of the Tai Lam Tunnel. The company also continued to oversee the operations of the Tsing Ma Control Area, Scenic Hill Tunnel, Airport Tunnel, Lung Shan Tunnel, Cheung Shan Tunnel, and Aberdeen Tunnel.

The publicly listed Transport International Holdings Limited (TIH), in which the Group owns a 44.87% stake, is engaged in the largest franchised public bus operations in Hong Kong through The Kowloon Motor Bus Company (1933) Limited (KMB) and Long Win Bus Company (LWB), and non-franchised transport operations through Sun Bus Holding Limited and New Hong Kong Bus Company Limited.

As Hong Kong undergoes a new phase of transformation, there have been changes in passenger travel patterns that affect demand in bus services. Adapting to the changing market, KMB and LWB continue to enhance the service levels and connectivity of the bus networks by introducing new routes to boundary areas and allocating resources to new development residential districts. Despite challenges including a significant decrease in public transport demand in Hong Kong on weekends and public holidays, KMB and LWB have maintained the daily average of passenger trips at over 2.7 million. Multiple re-organisation proposals were implemented in 2024 to improve operational efficiency. A total of 31 bus-bus interchanges continued to serve passengers with additional fare concessions.

KMB launched Recreation Route HK1 with stops at major tourist spots in Kowloon. Coupled with the Tourist Day Pass, passengers can enjoy "hop on, hop off" KMB and LWB services on the same day. KMB also launched the "Pet Bus" for pet owners to travel around the city with their pets, demonstrating its innovative thinking and success in pioneering public transport services.

In support of a more sustainable and liveable city, KMB and LWB operate a fleet of 82 electric buses, with an expanded deployment across 50 routes. Their total mileage exceeded 5.5 million kilometres, contributing to a reduction of nearly 8,000 tonnes in carbon emissions. TIH remains committed to adopting new energy buses across its entire fleet, advancing in step with the city towards carbon neutrality.

Port Business

Hoi Kong Container Services Company Limited, a wholly-owned subsidiary of the Group, delivers container and cargo handling services in Hong Kong by operating 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 featuring 3,000 metres of quay and 49 berths. The terminal's scope of services includes container handling and consolidation as well as break-bulk and refrigerated cargo handling and storage.

During the year, the tariff war posed significant uncertainties to global trade, severely affecting the pace of recovery for the shipping industry. Nevertheless, the River Trade Terminal has not recorded a substantial drop in container-handling volume. The Group will continue to diversify its customer base and expand its business scope with the aim of mitigating risk and maintaining a sustainable trend of reasonable profitability.

Air Transport and Logistics Business

Airport Freight Forwarding Centre Company Limited (AFFC), a wholly-owned subsidiary of the Group, operates a logistics facility covering over 1.6 million square feet of premium warehouse and office space at the Hong Kong International Airport. During the year, AFFC's performance remained resilient despite ongoing global trade tensions. Having confirmed an extension of rights and lease until 2043, AFFC is undergoing a comprehensive upgrade of its facility to further improve its infrastructure and productivity to world-class level. Following the targeted completion of the facility by the end of 2026, AFFC's overall cargo throughput capacity is expected to increase by up to 30%.

The Hong Kong Business Aviation Centre Limited (HKBAC) has been a franchised fixed-base operator which provides aircraft-handling and ground-support services for business aviation, including private jets, diplomatic flights, and emergency operations at the Hong Kong International Airport since 1998. The Group holds a 35% interest in the company. Recognized as the Best Asian Fixed-Base Operator for 18 consecutive years by *Professional Pilot* magazine, the company also holds IS-BAH Stage III certification, the highest global benchmark for service and safety in business aviation.

Airport Freight Forwarding Centre, Hong Kong (Rendering)

Hong Kong Business Aviation Centre

Infrastructure and Other Businesses

The revamped YATA flagship store in Sha Tin

HKBAC offers a private, efficient, and premium travel experience for corporate and high-end travellers. During the year, the company's performance was driven by a resumption of business flights, a rise in mega events and trade exhibitions in Hong Kong, as well as growing chartered leisure and themed travel.

With its franchise extended to 2043, HKBAC is undertaking a terminal redevelopment project. Phase 1 of the project, featuring a new terminal extension with an iconic 26-metre canopy stretching from the terminal building, has officially launched in September 2025. Phase 2, which focuses on refurbishment of the existing terminal, is expected to be completed in early 2026. Aligned with Hong Kong's blueprint of developing an airport city named SKYTOPIA, HKBAC is poised to significantly enhance operational capacity and reinforce Hong Kong's status as a premier global hub for business aviation.

Waste Management

The Group holds a 20% stake in Green Valley Landfill Limited, which manages the daily operations and long-term aftercare of the South East New Territories Landfill in Tseung Kwan O. Spanning 113 hectares, the landfill has a total capacity of approximately 50 million cubic metres of waste. Additionally, landfill gas is converted into synthetic natural gas and integrated into the gas supply network, supporting a cleaner and more sustainable environment in Hong Kong. A pilot one-megawatt solar farm under development on the landfill is expected to be operational before the end of 2025. During the year, a stable business performance was maintained.

YATA Limited

YATA prioritizes the delivery of top-quality products and an exceptional shopping experience for customers. While the retail market environment remains challenging, the company has continued to adapt to changing customer preferences, with an ongoing effort in transforming store formats. The revamped flagship Sha Tin store introduced a fully overhauled ready-to-eat zone "YATA EATS", featuring Japanese authentic eateries and Michelin-recommended local delicacies. The store also enhanced its fresh produce offerings and curated a dedicated wine and sake section. In addition, YATA launched a new, concise store format "YATADAY" at two locations, addressing the daily needs of nearby residents.

To better serve its loyal supporters, the company carried out a holistic upgrade to its membership programme, including full integration with the The Point, the loyalty programme for SHKP malls. A new "YATA Gold" membership tier was introduced, providing members with exclusive privileges, including additional spending rewards, special event access and express checkout services.

Sky100

Sky100, on the 100th floor of ICC, has been a popular destination for locals and travellers to enjoy the stunning views of Hong Kong's skyline from a high vantage point. Leveraging its exceptional views and unique location, the deck also serves as an attractive venue for corporate events and banquets. During the year, Sky100 continued to expand its offerings to widen its customer base, featuring festive countdowns, fireworks viewing parties, thematic exhibitions and a K-Pop girl group's fan meeting.

To enhance visitors' experience and in meeting the evolving preferences of tourists, Sky100 started a major revamp in May 2025. The reconfiguration is expected to be completed in the first half of 2026, enriching the attraction's offerings under a brand new operating model. The Group is committed to investing into this unique landmark to deliver a dazzling new look and exciting experience, making it an exceptional venue to appreciate the beauty of the city.

Corporate Finance

To maintain sustainable business development amid external volatility and an uncertain market outlook, the Group has continued its prudent financial management unabated. Supported by abundant recurring income and strong liquidity, the Group maintained a healthy and solid financial position during the year, reflected by a net debt to shareholders' funds ratio of 15.1% and an interest coverage ratio of six times as at 30 June 2025.

The Group continued to score the best credit ratings among Hong Kong property developers despite challenging market conditions. During the year, as a testament to its prudent financial management and robust business fundamentals, the Group was affirmed an A1 rating by Moody's, with a revision in outlook from negative to stable. In September 2025, S&P also affirmed an A+ rating for the Group, with outlook upgraded from negative to stable.

During the year, the Group maintained excellent relationships with its banking partners and received significant support from the banking community, ensuring ample unsecured banking facilities on standby. To achieve a better alignment of the Group's Renminbi-denominated assets and liabilities, the Group issued CNH700 million of 3-year bonds in Hong Kong in July 2024 and the second series of RMB2,000 million commercial mortgage-backed securities on the mainland in August 2024, in addition to a number of new facilities from mainland banks during the year. These efforts not only diversified the Group's funding sources but also helped reduce overall borrowing costs amid a less stringent financing environment on the mainland.

In line with its longstanding prudent financial discipline, the Group has not engaged in the trading of any speculative derivative or structured products. The Group has limited exposure to foreign exchange risks. An overwhelming majority of its borrowings are denominated in Hong Kong dollars, with the remainder mostly in Renminbi and US dollars. All of the Group's US dollar debts have been hedged by cross-currency swaps and its Renminbi-denominated debts are naturally hedged against the Group's assets on the mainland.

Financial Review

REVIEW OF RESULTS FOR FY2024/25

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 2025 was HK$21,855 million, increased by HK$116 million compared to HK$21,739 million for the previous year.

Reported profit attributable to Company's shareholders increased by HK$231 million to HK$19,277 million (2024: HK$19,046 million), after including the impact of revaluation of investment properties. The Group recorded a net decrease in fair value of investment properties (after deferred tax and non-controlling interests) of HK$742 million (2024: HK$2,412 million).

	2025 HK$ Million	2024 HK$ Million
Reported profit attributable to Company's shareholders	**19,277**	19,046
Adjustments in respect of investment properties		
Decrease in fair value, net of tax and non-controlling interests	**742**	2,412
Fair value gains realized on disposal during the year	**1,836**	281
	2,578	2,693
Underlying profit attributable to Company's shareholders	**21,855**	21,739

The increase in underlying profit was primarily driven by higher underlying profits from sales of trading and investment properties, as well as lower finance costs. These gains were partially offset by impairment provisions for development properties. Despite a challenging and competitive operating environment, 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 8% year-on-year to HK$90,119 million, primarily driven by a 26% rise in revenue from property development to HK$34,556 million. Overall rental revenue decreased by 2% to HK$24,461 million.

Total segment operating profit was HK$32,188 million (2024: HK$32,359 million). Development profit increased by 6% to HK$8,290 million, mainly due to higher contribution from the mainland. Recurring profit amounted to HK$23,898 million (2024: HK$24,509 million), with net rental income contributing HK$18,392 million (2024: HK$19,000 million) of the total.

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

	Revenue		**Operating profit**	
	2025 HK$ Million	2024 HK$ Million	**2025 HK$ Million**	2024 HK$ Million
Property development				
Hong Kong	**26,139**	24,745	**3,200**	6,513
Mainland	**8,417**	2,677	**5,090**	1,337
	34,556	27,422	**8,290**	7,850
Property rental				
Hong Kong	**17,531**	17,942	**12,956**	13,423
Mainland	**6,173**	6,305	**4,864**	5,027
Singapore	**757**	744	**572**	550
	24,461	24,991	**18,392**	19,000
Hotel operations	**5,250**	5,261	**615**	650
Telecommunications	**6,253**	6,221	**752**	701
Transport infrastructure and logistics	**8,622**	8,612	**1,666**	1,712
Data centre operations	**2,938**	2,674	**1,489**	1,266
Other businesses	**8,039**	8,455	**984**	1,180
Segment total	**90,119**	83,636	**32,188**	32,359

Revenue from property development (including share of joint ventures) in Hong Kong increased by 6% to HK$26,139 million, and was mainly derived from sales of residential units in YOHO WEST Phase 1, The YOHO Hub II, NOVO LAND Phase 3B, St Michel, St. Barths and Grand Jeté Phase 2. Development profit decreased by 51% to HK$3,200 million, mainly due to lower profit margin. Profit margin was 12% compared to 26% for the previous year. Additionally, the Group realized net proceeds of HK$2,844 million from the sales of 51 units in Dynasty Court, a residential investment property located in Old Peak Road. The disposal generated an underlying profit of HK$2,220 million, which includes the realization of prior fair value gains and represents a 78% profit margin. Including this disposal, the total underlying profit from residential property sales in Hong Kong for the year reached HK$5,420 million, representing an overall profit margin of 19%.

Revenue from property development (including share of joint ventures) in the mainland increased by 214% to HK$8,417 million, mainly due to higher sales volume of residential units. Development profit increased by HK$3,753 million or 281% to HK$5,090 million, mostly driven by profit from the sales of residential units in Shanghai Arch Phase 3. Other contributions included residential sales in Forest Park Phases 1A and 1B, Oriental Bund, Park Royale, The Woodland and Grand Waterfront.

As at 30 June 2025, contracted sales of properties (including investment properties) attributable to the Group (including share of joint ventures) not yet recognized amounted to HK$44.4 billion, comprising HK$35.6 billion in Hong Kong, of which about HK$30.1 billion is expected to be recognized in the next financial year, and HK$8.8 billion in the mainland, most of which will be booked in the next financial year.

Rental revenue of property investment in Hong Kong, including share of joint ventures and associates, decreased by 2% to HK$17,531 million. Net rental income decreased by 3% to HK$12,956 million. Revenue of the office portfolio decreased by 5% to HK$5,679 million (2024: HK$6,000 million) due to negative rental reversions. Revenue of the retail portfolio decreased by 2% to HK$9,085 million (2024: HK$9,283 million), as persistent economic challenges continued to weigh on consumer spending. Revenue from the Group's residential and serviced apartment portfolio rose by 12%, driven mostly by increase in rent rates and full year contribution from TOWNPLACE WEST KOWLOON.

Rental revenue and net rental income of the mainland portfolio, including share of joint ventures, decreased by 2% and 3% in Hong Kong dollar terms to HK$6,173 million and HK$4,864 million, respectively. In Renminbi ("RMB") terms, rental revenue decreased by 2% to RMB5,713 million (2024: RMB5,822 million). Revenue of the retail portfolio decreased by 3% to HK$4,079 million (2024: HK$4,199 million), mainly due to a decline in turnover rents. The office portfolio reported a decrease of 1% in revenue to HK$1,743 million (2024: HK$1,762 million), mainly due to negative rental reversions, though this was partially offset by increased contributions from Tower A of Three ITC, which has seen steadily rising occupancy since its completion last year.

Hotel segment (including share of joint ventures) generated stable revenue of HK$5,250 million (2024: HK$5,261 million). While shifting consumer patterns negatively impacted food and beverage revenue, room revenue improved with the return of foreign and mainland visitors, and occupancy remained high. The Group's hotels in Hong Kong achieved an average occupancy rate of 90% (2024: 84%) during the year. Operating profit declined by 5% to HK$615 million (after depreciation charge of HK$741 million).

SmarTone maintained steady revenue of HK$6,253 million (2024: HK$6,221 million), with operating profit increased by 7% to HK$752 million, primarily driven by a one-off gain from the disposal of its Macau business, along with margin improvements resulting from cost control and efficiency enhancement measures aimed at reducing service costs and operating expenses.

The Group's transport infrastructure and logistics segment (including share of joint ventures and associates) remained resilient, with revenue holding firm at HK$8,622 million (2024: HK$8,612 million). Operating profit decreased by 3% to HK$1,666 million, as the franchise of Route 3 (CPS) ended in May 2025. The business aviation centre operation, toll road, car parking and franchised bus businesses all showed stable performance.

SUNeVision's revenue grew 10% to HK$2,938 million, while operating profit rose 18% to HK$1,489 million. This performance was primarily driven by new customer move-ins at the new data centres, which boosted utilization rates, alongside steady growth from existing facilities due to positive rental reversions.

Financial Review

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 5% drop in revenue to HK$8,039 million and a 17% drop in operating profit to HK$984 million.

Other Net Income

Other net income (including share of joint ventures and associates) amounted to HK$96 million (2024: HK$1,671 million). This mainly included a HK$1,137 million gain from land resumption by the Government and a reported profit of HK$390 million from the sale of investment properties, partly offset by impairment provisions of HK$1,384 million related to development properties.

The land resumption included around 2.5 million square feet in Hung Shui Kiu/Ha Tsuen New Development Area owned by the Group, with a total cash compensation of approximately HK$3,000 million.

The reported profit of HK$390 million on sale of investment properties, calculated on the basis of net sales proceeds over fair value, was mostly derived from the disposal of 51 units in Tower 2 and 3 of Dynasty Court. Underlying profit inclusive of HK$1,836 million fair value gains realized amounted to HK$2,226 million.

The impairment provisions for development properties were mainly related to the Cullinan Sky residential project. The project consists of 1,490 units in two phases, with a total gross floor area of approximately 1.06 million square feet. 887 out of 906 units of the first phase were pre-sold with contracted sales of approximately HK$11,100 million, and was scheduled for handover in July 2025.

Fair Value Change of Investment Properties

Investment properties were carried at fair values based on independent valuation as at 30 June 2025. These consist of completed investment properties and investment properties under development.

The Group (including share of joint ventures and associates) recorded a net decrease of HK$1,557 million (2024: HK$2,780 million) in the fair value of investment properties, comprising a decrease of HK$1,105 million (2024: HK$2,014 million) in Hong Kong, a decrease of HK$1,232 million (2024: HK$1,030 million) in the mainland, and an increase of HK$780 million (2024: HK$264 million) in the fair value of ION Orchard mall in Singapore.

Net decrease in fair value attributable to the Company's shareholders (after related deferred tax and non-controlling interests) of HK$742 million (2024: HK$2,412 million) was recorded in the consolidated income statement.

Finance Costs and Interest Cover

For the year ended 30 June 2025, the Group's net finance costs including capitalized interest decreased by HK$1,386 million or 24% to HK$4,380 million (2024: HK$5,766 million), reflecting a reduction in net debt as well as lower average cost of borrowings, which went down to 3.7% (2024: 4.4%), primarily due to lower HIBOR. Net finance costs charged to the income statement (after interest capitalized) decreased by HK$1,082 million or 30% to HK$2,485 million (2024: HK$3,567 million).

Interest cover for the year was 6.0 times (2024: 4.6 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 2025 is analyzed as follows:

	Year ended 30 June	
	2025	2024
Fixed rate	**2.8%**	2.7%
Floating rate	**4.2%**	5.1%
Weighted average interest rate	**3.7%**	4.4%

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$617.9 billion or HK$213.2 per share as at 30 June 2025 compared to HK$606.7 billion as at 30 June 2024. The increase was primarily attributable to profit attributable to the shareholders of HK$19.3 billion and foreign exchange gain of HK$2.7 billion on translation of financial statements of the mainland and overseas operations, offset by dividends of HK$10.9 billion paid during the year.

The Group's net debt amounted to HK$93,298 million as at 30 June 2025 (30 June 2024: HK$110,866 million), decreased by HK$17,568 million or 16%, primarily driven by cash flows from property sales and lower construction spending. Gearing ratio, calculated on the basis of net debt to shareholders' equity of the Company, was 15.1% (30 June 2024: 18.3%).

Debt Maturity Profile and Composition

The Group's gross borrowings as at 30 June 2025 amounted to HK$110,217 million, of which 63% were bank loans and 37% were notes and bonds, which are repayable on various dates up to June 2033. 68% of the Group's gross borrowings were raised through its wholly-owned finance subsidiaries and the remaining 32% through operating subsidiaries.

The Group's debt maturity profile was well-staggered with around 70% of the borrowings repayable after two years. The weighted average duration of the entire debt portfolio was approximately 3.1 years as of 30 June 2025 (30 June 2024: 3.3 years).

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

	At 30 June 2025		At 30 June 2024	
	HK$ Million	**% of Total**	HK$ Million	% of Total
Repayable:				
Within one year	**14,384**	**13%**	10,498	8%
After one year but within two years	**19,071**	**17%**	20,052	16%
After two years but within five years	**63,908**	**58%**	74,816	59%
After five years	**12,854**	**12%**	21,721	17%
Total bank and other borrowings	**110,217**	**100%**	127,087	100%
Bank deposits and cash	**16,919**		16,221	
Net debt	**93,298**		110,866	

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

(i) By currency (after currency swap)

	At 30 June 2025		At 30 June 2024	
	HK$ Million	% of Total	HK$ Million	% of Total
Hong Kong dollar	77,834	70%	99,867	79%
RMB	30,411	28%	25,527	20%
British pound	1,972	2%	1,693	1%
Total borrowings	110,217	100%	127,087	100%

When financing operations outside Hong Kong, the Group will borrow in the same currency as the underlying assets or when feasible, hedge through cross currency swaps for exchange risk exposure. At 30 June 2025, about 28% 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 2025		At 30 June 2024	
	HK$ Million	% of Total	HK$ Million	% of Total
Fixed	42,151	38%	39,660	31%
Floating				
– Hong Kong dollar	47,324	43%	67,007	53%
– RMB	18,770	17%	18,727	15%
– British pound	1,972	2%	1,693	1%
Total borrowings	110,217	100%	127,087	100%

Financial Resources

The Group's strong financial strength enables it to raise 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 2025, approximately 17% of the Group's net assets were denominated in RMB. Compared with 30 June 2024, RMB appreciated against Hong Kong dollar by about 2.3%. The translation of these RMB assets into Hong Kong dollar at the exchange rate as of 30 June 2025 resulted in a translation gain of approximately HK$2.4 billion (2024: loss of HK$450 million), 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 2025, the Group has entered into certain interest rate swaps, cross currency interest rate swaps and forward foreign exchange contracts in the aggregate notional amount of HK$16,389 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 2025, the Group's bank deposits and cash amounted to HK$16,919 million, of which 61% were denominated in Hong Kong dollar, 28% in RMB, and the remaining 11% mostly in US dollar. The RMB deposits were mostly held by the mainland subsidiaries for meeting 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 2025, 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$17,492 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 2025, 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$1,955 million (30 June 2024: HK$1,907 million).

Investor Relations

The Group remains steadfast in fostering strong relationships with stakeholders and the investment community through proactive engagement and two-way communication. Utilizing multiple channels, the Group keeps stakeholders, including investors, analysts, bondholders, credit rating agencies, and ESG-related parties, informed of its developments. It also actively collects their feedback for continuous improvement. This open and regular dialogue ensures stakeholders are kept abreast of the Group's business operations, financial performance, strategic development, and sustainability commitments. Over the years, the Group has steadily elevated corporate transparency and governance via timely disclosures and proactive investor relations outreach. The Group attaches great importance to the feedback received, which serves as a valuable reference during the formulation of future development plans.

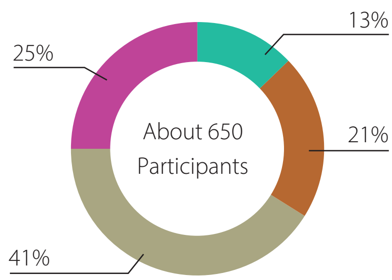
In view of diverse investors' preferences, the Group employs a hybrid engagement approach combining physical and virtual formats such as non-deal roadshows, summits, regular meetings and property tours. Proactive participation in major financial and sector-specific conferences enables the Group to meet local and overseas investors in person, discuss operational updates, and exchange views on market trends. Senior management attended analyst briefings following results announcements, offering insights on the Group's business development. For overseas investors, videoconferencing supplements in-person engagement. In view of rising investor interest, tours of the Group's landmarks across Hong Kong and the mainland were organized, effectively showcasing the quality of the properties and reinforcing investors' confidence in the Group's development.

The Group places significant emphasis on enhancing corporate governance through timely information disclosure. Key materials, including announcements, circulars, interim and annual reports, results presentation, sustainability reports and quarterly publications, are rigorously maintained on the Group's website to provide stakeholders with prompt and convenient access to essential updates.

Noting the growing emphasis on sustainability, the Group addresses ESG-related inquiries through physical and virtual meetings. In addition to presenting its long-term vision, the Group affirms its commitment to sustainable development by reporting progressive achievements at each stage. Recent initiatives in carbon reduction and social responsibility have been well-received by the investment community, providing impetus for the Group to continue advancing on its sustainability roadmap.

The Group's dedication to investor relations has been recognized by prestigious accolades from leading financial magazines. Building on its proven track record, the Group will further enhance investor engagement by clearly articulating its strategy and performance, while maintaining transparency and responsiveness in all communications.

Communications with Investment Community in Financial Year 2024/25



- Meetings, Conference Calls and Enquiries
- Property Tours
- Post-results Briefings and Calls
- Investor Conferences and Forums

Post-results-announcement analyst briefing

Major Investor Relations Events in Financial Year 2024/25

Quarter **Event**

2024

3rd Quarter
- Meetings and calls with analysts and investors
- 2023/24 annual results announcement
  – Analyst briefing
  – Post-results meetings and calls with investors
- Investor conference in Hong Kong
- Property tours to residential and shopping mall projects

4th Quarter
- Investor conference in Macau
- Virtual investor forum
- Property tours to residential, shopping mall and office projects

2025

1st Quarter
- Investor conference and forum in Hong Kong
- Virtual investor forum
- 2024/25 interim results announcement
  – Analyst briefing
  – Post-results luncheon, meetings and calls with investors
- Property tours to residential, shopping mall and office projects

2nd Quarter
- Investor conferences in Hong Kong
- Meetings and calls with analysts, investors and credit rating agencies
- Property tours to integrated project

Awards in Financial Year 2024/25

Euromoney magazine

– Best Overall Developer in Global, Asia Pacific, China and Hong Kong categories
– Best Residential Developer in Global and Asia Pacific categories
– Best Retail Developer in Asia Pacific category
– Best Real Estate Development in Global category (High Speed Rail West Kowloon Terminus Development)

FinanceAsia magazine

– Hong Kong's Best CEO
– Hong Kong's Best Managed Company
– Hong Kong's Best Real Estate Company
– Hong Kong's Best Conglomerate
– Hong Kong's Best Investor Relations Company
– Hong Kong's Most Committed to ESG
– Hong Kong's Most Committed to Diversity, Equity and Inclusion (DEI)

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 Social Initiative Award
– Sustainable Supply Chain Award

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

Sustainable Development

SHKP Read to Dream programme inspires a love for reading in young people

Sun Hung Kai Properties Hong Kong Cyclothon

Sustainable Development

The Group champions sustainable progress by embedding Environmental, Social, and Governance (ESG) principles across its business operations. Its sustainability strategy, built on the five core pillars of Environment, People, Customers, Supply Chain, and Community, underscores the Group's commitment to driving sustainable growth and creating long-term value for all stakeholders.

During the year under review, the Group's sustainability initiatives garnered distinguished recognition, highlighted by a notable upgrade to an AA rating from MSCI ESG ratings. During the year, the Group was included in the Dow Jones Best-in-Class Asia Pacific Index for the second consecutive year. The Group was again included in the *S&P Global Sustainability Yearbook*, including its China edition. In addition, Morningstar Sustainalytics recognized the Group as an ESG Regional Top-rated performer. The Group also continued to rank among the top three companies in the Hang Seng Corporate Sustainability Index, achieving the highest AAA rating.

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 2024/25*, available on the Group's website.

Environment

The Group is making good progress towards its 10-year environmental targets. Following the commencement of Scope 3 emissions* disclosure in the financial year 2023/24, the Group has continued to collect relevant data to enhance overall transparency. In line with the HKSAR Government's Climate Action Plan 2050, the Group has prioritized the development of solar energy as a cornerstone of its decarbonization strategy. As of 30 June 2025, a total of 20,000 solar panels were installed across 84 of the Group's managed properties and construction sites, generating around nine million kWh of electricity annually.

* *Scope 3 includes specific indirect emissions that occur in the upstream (e.g. supply chain) and downstream (e.g. customers) activities of an organization.*

A key milestone during the year was the commencement of construction of the city's first privately funded solar farm on a landfill site in Tseung Kwan O, established through a joint venture. Covering over 100,000 square feet and equipped with more than 1,800 photovoltaic panels, this solar farm will participate in CLP Power's Feed-in Tariff Scheme. SUNeVision, the Group's subsidiary and Hong Kong's largest data centre service provider, will purchase the associated CLP Renewable Energy Certificates. Through this closed-loop ESG model, the Group fosters collaboration among its subsidiaries for effective use of green electricity.

Committed to developing sustainable buildings, the Group aims to achieve Leadership in Energy and Environmental Design (LEED) Gold or Platinum certifications for all new core commercial projects. As of 30 June 2025, the Group successfully secured about 150 green building-related certifications for its projects in Hong Kong.

Beyond infrastructure, the Group promotes a green lifestyle within the community. Since 2018, the SHKP Love Nature Campaign has partnered with Green Power to introduce Nature Rescue, Hong Kong's first countryside and coastal clean-up mobile app encouraging public participation in clean-up activities. The app has undergone a major upgrade to mobilize more individuals and organizations in nature clean-up efforts. Making great progress in 2024, it organized 71 clean-up activities and attracted about 2,500 participants, an increase of 50% and 70% respectively year-on-year.

People

The Group is committed to creating a supportive and nurturing environment for its over 38,000 staff members. With continuous learning ingrained in its corporate culture, the Group is dedicated to nurturing employee growth and driving long-term organizational development through staff training. During the year, the Group delivered a total of 416,000 hours of training

The Group participates in developing the first privately funded solar farm on a landfill, located in Tseung Kwan O (Rendering)

Various AI-focused technology upskilling workshops are offered to staff

Summer interns visit TOWNPLACE WEST KOWLOON as part of their programme

across diverse areas, including technology, mental and physical health, communication and management skills, property knowledge and more.

Recognizing the growing importance of generative AI globally, the Group launched an AI-focused technology upskilling programme tailored to prepare staff for the evolving technological landscape. As part of the programme, external experts were invited to share insights on related technological developments and workshops were organized to enhance staff competency in areas such as generating images and videos, creating presentations, and problem-solving. In addition, the Group encourages a good work-life balance and promotes the physical and mental well-being of its employees through a host of leisure activities and workshops on managing emotions, health tips and relationship building with family members.

Dedicated to nurturing the younger generation, the Group continued to run various trainee programmes to attract and retain high-calibre graduates from leading local, mainland and overseas universities. Young people were provided with training opportunities and work exposure in the Group's mainland offices through continued participation in the Scheme on Corporate Summer Internship on the Mainland and Overseas 2025, and the Greater Bay Area Youth Employment Scheme.

Customers

The Group has been offering a pioneering three-year warranty to first-hand buyers of its new residential units in Hong Kong since 2013. It gives peace of mind to customers through comprehensive after-sales care, with a dedicated department responsible for handling necessary property repairs during the warranty period.

The SHKP Club organizes property seminars for members

Building on this foundation of customer care, the Group has fostered ongoing engagement through the SHKP Club, which now comprises over 540,000 members. Utilizing multi-channel touchpoints, the Club gathers customer feedback and obtains insight on the latest market trends and customer requirements. During the year, the Club strengthened its community engagement by arranging exclusive tours for members, allowing them to explore the unique features and highlights of the Group's latest projects firsthand. Additionally, dedicated services were provided for mainland members. In collaboration with the Hong Kong Top Talent Service Association, the Club co-hosted a property seminar and a show flat visit tour to help newly arrived residents settle smoothly into the city.

The Group's property management companies are dedicated to providing professional and high quality services to customers. Such commitment was recognized by leading industry awards. At the Service Talent Award 2024 organized by the Hong Kong Retail Management Association, the companies received over 30 awards.

SHKP's customer service teams receive recognition from leading industry awards

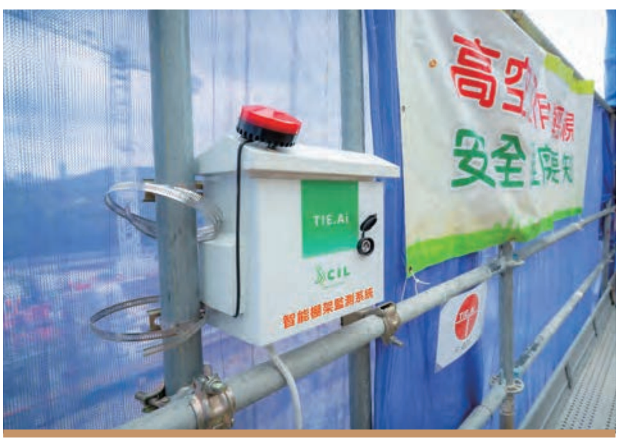
Sustainable Development

Sun Hung Kai Properties Hong Kong Cyclothon

Supply Chain

Driven by a commitment to sustainable building practices, the Group integrates smart green technology across project development stages. From design to property management, it leverages key technologies including Modular Integrated Construction (MiC), Mechanical, Electrical & Plumbing (MiMEP), Design for Manufacture and Assembly (DfMA), Internet of Things (IoT), and Building Information Modelling (BIM).

The Group's construction arm Sanfield is among the first in the industry to have received the Smart Site Safety System (4S) labels from the Development Bureau and the Construction Industry Council. The 4S solutions have been implemented at major projects of the Group, safeguarding over 3,700 workers.



Hong Kong's first smart scaffolding monitoring system TIE.Ai, developed by Sanfield

To enhance scaffolding safety, Sanfield developed Hong Kong's first TIE.Ai Intelligent Scaffolding Monitoring System. The system utilizes AI, IoT, and precision sensors to provide real-time monitoring, risk analysis and near-instant alerts for bamboo, metal, and mixed scaffolding, detecting risks like tilting that may be missed during manual inspections. Piloted at the Kwu Tung North project, the system is set to benefit the construction industry and better protect workers' safety.

Community

As a strong advocate of sports for all, the Group promotes an active lifestyle at GO PARK Sai Sha, Hong Kong's first sports and commercial complex built and operated by a private developer that is open to the public. Together with GO PARK Aqua, the complex offers a wide range of indoor and outdoor facilities for popular, emerging and water sports. It partners with over 10 professional sports associations and institutions to provide structured courses for participants of all levels.

The Group also supports sports-for-charity initiatives that benefit the wider community. During the year, it continued as the title and charity sponsor of the Sun Hung Kai Properties Hong Kong Cyclothon, the city's largest cycling event attracting 36,000 participants. Alongside the Group's sponsorship of The Community Chest Corporate Challenge 2025, these combined efforts raised a total of HK$5 million for The Community Chest of Hong Kong, supporting cancer screenings for the underprivileged and aiding post-treatment patients.

The Group supports nature clean-up initiatives

Beyond sports, the SHKP Reading Club fosters interest in reading and STEM among youth through school programmes and activities. In 2024, it partnered with the Patriotic Education Centre to run the Read to Dream programme, which provided book allowances to 1,000 underprivileged students at the Hong Kong Book Fair and featured aerospace-themed activities to deepen youth engagement with national achievements. For the second consecutive year, the Group sponsored the annual Hong Kong Reading+ series of activities held at New Town Plaza to promote reading in the community.

To enhance community well-being, the Group provides a rent-free venue in To Kwa Wan for the Ko Shan Road Community Living Room. The 4,600-square-foot shared space opened in April 2025, serving underprivileged families with amenities and services that strengthen community ties.

Supporting Hong Kong's bid to develop island tourism, the Group opened Ma Wan 1868, the second phase of Ma Wan Park during the year. The landmark integrates conservation, cultural creativity, tourism, and art retail, offering creative workshops and leisure experiences. The Group also supports young entrepreneurs through the Hong Kong Housing Authority's Well Being•Start-Up 2.0 Programme, providing them with two rent-free studio units at Ma Wan 1868.

The SHKP-Kwoks' Foundation expanded its support for underprivileged students by extending the Inter-School Postgraduate Scholarship programme to Zhejiang University and Nanjing University on the mainland. It also continued its commitment to supporting outstanding Hong Kong Polytechnic University students through the Building Homes with Heart Scholarship Programme.

The award ceremony for the third batch of recipients of the Building Homes with Heart Scholarship Programme

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 applicable 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 2025, 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 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 18 Directors comprising nine Executive Directors, two Non-Executive Directors 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 2025, Mr. Lau Tak-yeung, Albert retired as an Executive Director of the Company at the annual general meeting of the Company (the "AGM") held on 7 November 2024.

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.

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.

Board Diversity

The Company adopted a board diversity policy (the "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 Diversity Policy are subject to annual review.

As at the date of this annual report, the Board consists of 18 Board members with a diversity of perspectives in terms of age, gender, tenure of office, and professional and business experiences. There are two female representation on the Board which exceed the minimum requirement of the Listing Rules. One of the female Directors is an Executive Director, representing approximately 11% of the total number of Executive Directors on the Board who are also members of the senior management of the Group. The Company targets to maintain the current level of female representation at the Board level and this target is subject to review from time to time. 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 based on its own needs from time to time and as and when suitable candidates are identified. 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. It continues to promote gender equality in the workforce by providing various training and supervision for all employees. As at 30 June 2025, the ratio of female to male in the workforce of the Group is approximately 1 to 1.35. Details on the Group's gender diversity ratio at workforce and initiatives taken are set out in the standalone Sustainability Report.

The Company requests the Directors to disclose annually to the Company the number and nature of offices held in public companies or organizations and other significant commitments with an indication of the time involved. The Directors' biographical information is set out on pages 141 to 151 and is also available on the website of the Company.

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 and 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 are all chaired by Independent Non-Executive Directors, and while the majority of the members of the Remuneration Committee and the Nomination Committee are Independent Non-Executive Directors, the members of the Audit and Risk Management 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 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. Draft and final versions of minutes of each Board meeting are sent to all Directors for their comments and records respectively within a reasonable time. The Company also keeps detailed minutes of each Board meeting, which are 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 2025. 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 2024 AGM. In addition, it approved the appointment of a new member of the Executive Committee, an announcement with respect to the retirement of an Executive Director at the 2024 AGM and the withdrawal of an ordinary resolution regarding his re-election at the same meeting, and two announcements regarding the issuance of debt instruments by a wholly-owned subsidiary of the Company. It also approved the amendments to the terms of reference of the Nomination Committee and the appointment of a new member of the Nomination Committee, both with effect from 1 July 2025.

The Board held four regular meetings during the year ended 30 June 2025, 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 *(Chairman & Managing Director)*	4/4
Wong Chik-wing, Mike *(Deputy Managing Director)*	4/4
Lui Ting, Victor *(Deputy Managing Director)*	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
Lau Tak-yeung, Albert[1]	1/2
Fung Sau-yim, Maureen	4/4
Chan Hong-ki, Robert	4/4
Non-Executive Directors	
Kwan Cheuk-yin, William	4/4
Kwok Kai-chun, Geoffrey	3/4

Directors (cont'd)	Meetings attended/held
Independent Non-Executive Directors	
Yip Dicky Peter	4/4
Wong Yue-chim, Richard	3/4
Li Ka-cheung, Eric	4/4
Fung Kwok-lun, William	4/4
Leung Nai-pang, Norman	4/4
Leung Ko May-yee, Margaret	4/4
Fan Hung-ling, Henry	4/4

[1] *Mr. Lau Tak-yeung, Albert retired as a Director with effect from 7 November 2024*

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 of the Company (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 two Non-Executive Directors and seven Independent Non-Executive Directors 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 2025, 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 must keep abreast of their collective responsibilities. Each newly appointed Director or Alternate 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 of 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 also provides briefings and other training to develop and refresh the Directors' knowledge and skills. The Group continuously updates Directors 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. Circulars or guidance notes are also issued to the Directors and the senior executives where appropriate to keep them abreast of any latest changes in applicable legal and regulatory requirements and corporate governance practices. In addition, where necessary, external experts will be invited to give seminars to the Executive Directors and the senior executives to update their skills and knowledge. In-house briefings on various topics relating to the business of the Group are arranged during regular meetings attended by the Executive Directors and senior executives.

During the year ended 30 June 2025, training materials regarding anti-corruption made by the Independent Commission Against Corruption were provided to the Directors. The Directors also participated in the following trainings:

	Types of training	
Directors	**Attending or giving talks at seminars and/or conferences and/or forums and/or briefings**	**Reading materials on various topics***
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	✓	✓
Kwok Ho-lai, Edward *(Alternate Director to Kwok Ping-luen, Raymond)*	✓	✓
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		✓

* *Topics include the Company's business, legal and regulatory updates, corporate governance matters, and directors' duties and responsibilities*

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 2025.

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, including a full time senior executive of the Group who was appointed by the Board as a new member of the Committee during the year. A list of the current members of the Committee and their biographical information are set out on page 2 and pages 141 to 152 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 152.

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.

During the year ended 30 June 2025, 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 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 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	47/47
Wong Chik-wing, Mike	44/47
Lui Ting, Victor	44/47
Kwok Kai-fai, Adam	46/47
Kwok Kai-wang, Christopher	41/47
Tung Chi-ho, Eric	45/47
Fung Yuk-lun, Allen	36/47
Lau Tak-yeung, Albert[1]	15/18
Fung Sau-yim, Maureen	44/47
Chan Hong-ki, Robert	43/47
Yung Sheung-tat, Sandy	43/47
Li Ching-kam, Frederick	46/47
Lam Ka-keung, Henry	46/47
Lo King-wai[2]	38/39

[1] *Mr. Lau Tak-yeung Albert ceased to act as a member with effect from 7 November 2024*

[2] *Mr. Lo King-wai was appointed as a member with effect from 1 September 2024*

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, Mr. Kwan Cheuk-yin, William and Dr. Leung Nai-pang, Norman. All members are Non-Executive Directors and the majority of them 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 2025, 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 *(Chairman)*	1/1
Li Ka-cheung, Eric	1/1
Kwan Cheuk-yin, William	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. Kwan Cheuk-yin, William, Mr. Yip Dicky Peter, Dr. Leung Nai-pang, Norman and Ms. Fung Sau-yim, Maureen, who was appointed as a member of the Committee with effect from 1 July 2025. The majority of the members 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 2025, 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, capability and various diversity aspects as set out in the 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.

Each of Dr. Fung Kwok-lun, William and Dr. Leung Nai-pang, Norman (being two of 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/or 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. Fung Kwok-lun, William and Dr. Leung Nai-pang, Norman will not affect their exercise of independent judgment and was satisfied that each of Dr. Fung Kwok-lun, William and Dr. Leung Nai-pang, Norman 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 2025 and the attendance records of the members at the meeting are set out below:

Committee members	Meeting attended/held
Wong Yue-chim, Richard *(Chairman)*	1/1
Kwan Cheuk-yin, William	1/1
Yip Dicky Peter	1/1
Leung Nai-pang, Norman	1/1

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 AGM and shall then be eligible for re-election. In accordance with 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.

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 a 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 environmental, social and governance ("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.

The Audit and Risk Management Committee held three meetings during the year ended 30 June 2025. It had reviewed the interim and annual results of the Group, and discussed and approved the relevant financial reports; 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 and the internal audit plans. 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 *(Chairman)*	3/3
Yip Dicky Peter	3/3
Leung Nai-pang, Norman	3/3
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 2025 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.

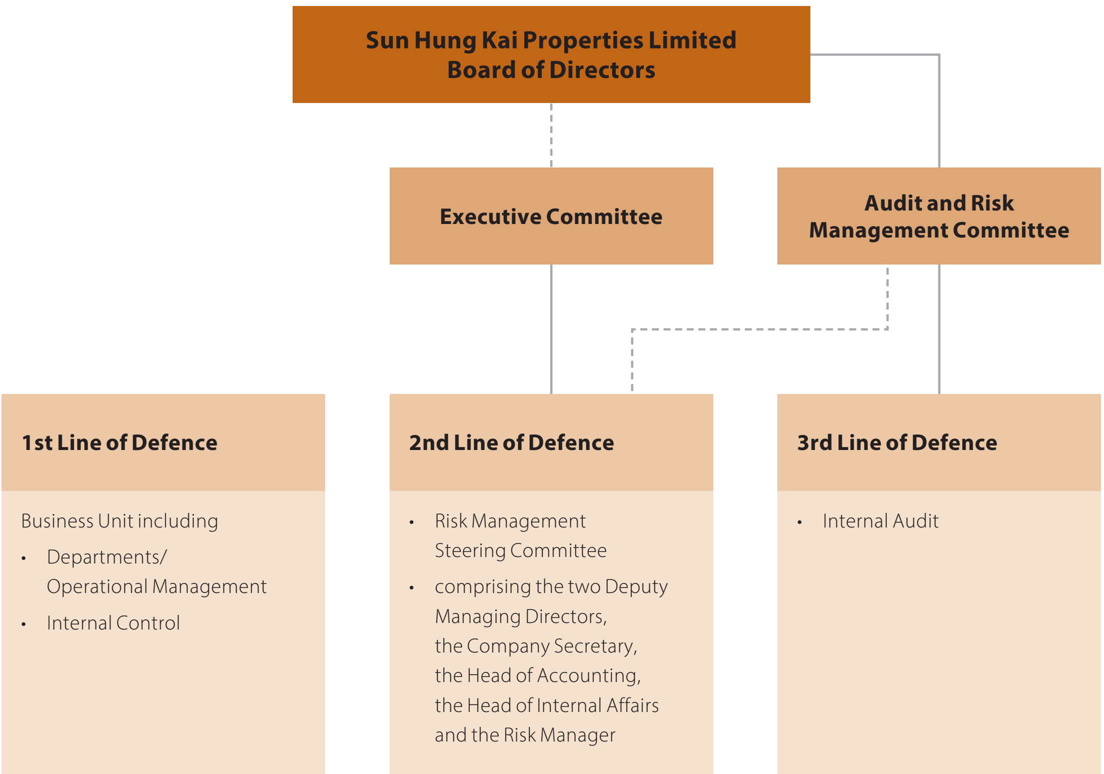
The fees in respect of audit and non-audit services provided to the Company and its subsidiaries by the external auditor for the year ended 30 June 2025 amounted to approximately HK$26 million and HK$8 million respectively. The non-audit services mainly consist of consultancy, taxation, review and other 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 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:



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.

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, 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.

Key Risk Factors

The following section lists out the key risks and uncertainties facing the Group. 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 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.

Risks Pertaining to the Property Market on the Mainland

The Group has material interests in residential and commercial property development and property investment on the mainland and is therefore subject to the risks associated with the mainland property market. The Group's operations on the 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 2025, 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 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. 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 2025, 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, 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. Based on the result of the review, the Board considered that for the year ended 30 June 2025, the risk management and internal control systems of the Group were effective and adequate.

Shareholder Relations

Dividend Policy

The Company has adopted a dividend policy which aims to provide shareholders of the Company 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. The 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.

Shareholders' Communication Policy

The Board 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 the shareholders are timely, transparent, accurate and open. Information will be communicated to the shareholders mainly 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.

Interim reports, annual reports and circulars are sent to the shareholders in a timely manner and are also available on the websites of the Company and HKEX. The Company's website provides shareholders with its corporate information, such as its principal business activities and major property projects, the corporate governance practices and sustainable development of the Group. For efficient communication with shareholders and in the interest of environmental protection, arrangements are made to allow shareholders to elect to receive corporate communications of the Company by electronic means through the Company's website.

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 allows the Directors to meet and communicate 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 2024 AGM was held on 7 November 2024 at the Company's headquarters. Businesses transacted at the 2024 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 and the renewal of general mandates with respect to the buy-back of shares and the issue of new shares.

The attendance records of the Directors at the 2024 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	✓
Lau Tak-yeung, Albert	
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	✓

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.

The latest version of the Articles of Association, where no amendment was made during the year ended 30 June 2025, is available on the websites of the Company and HKEX.

In order to reflect recent amendments to the Listing Rules and the Companies Ordinance, a special resolution will be proposed at the forthcoming AGM for the shareholders to consider and, if thought fit, approve the adoption of a new set of Articles of Association.

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 2025, which were approved by the Board of Directors (the "Board") on 4 September 2025.

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 216 to 224, 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 2025 (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 99. A description of the principal risks and uncertainties facing the Group is set out in the "Corporate Governance Report" on pages 122 and 123. 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 100 to 107 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 2025, including share of results from joint ventures and associates, amounted to HK$19,884 million (2024: HK$19,605 million). After taking non-controlling interests into account, profit attributable to the Company's shareholders was HK$19,277 million (2024: HK$19,046 million).

Dividends

An interim dividend of HK$0.95 per share (2024: HK$0.95 per share) was paid on 20 March 2025. The Board has recommended a final dividend of HK$2.80 per share (2024: HK$2.80 per share), making a total dividend of HK$3.75 per share for the full year ended 30 June 2025 (2024: 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, 6 November 2025 (the "2025 Annual General Meeting"), will be payable in cash on Thursday, 20 November 2025 to the shareholders of the Company (the "Shareholders") whose names appear on the register of members of the Company on Wednesday, 12 November 2025. Shares of the Company will be traded ex-dividend as from Monday, 10 November 2025.

Shares Issued

No shares were issued by the Company during both the years ended 30 June 2024 and 2025.

Details of the share capital of the Company are set out in note 30 to the consolidated financial statements and on pages 162 and 163 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 2025. The Company did not hold any treasury shares as at 30 June 2025.

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 162 and 163 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.

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 mainland held by the Group are set out on pages 68 and 69, and pages 78 and 79 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 141 to 151 respectively.

During the year, Mr. Lau Tak-yeung, Albert retired as an Executive Director at the annual general meeting of the Company held on 7 November 2024. 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. Kwok Ping-luen, Raymond, Dr. Fung Kwok-lun, William, Dr. Leung Nai-pang, Norman, Mr. Fan Hung-ling, Henry, Mr. Kwok Kai-wang, Christopher and Mr. Chan Hong-ki, Robert will retire from office and, being eligible, have offered themselves for re-election at the 2025 Annual General Meeting. Dr. Fung Kwok-lun, William and Dr. Leung Nai-pang, Norman, 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 2025 Annual General Meeting.

Details regarding the re-election of the above Directors at the 2025 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 2025, 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*

	Number of shares held							
Name of Directors	Personal interests (held as beneficial owner)	Family interests (interests of spouse or child under 18)	Corporate interests (interests of controlled corporation)	Other interests	Sub-total	Number of underlying shares held under equity derivatives	Total	% of issued voting shares as at 30.06.2025
Kwok Ping-luen, Raymond	188,743	1,580,000[1]	–	612,087,491[2,3&9]	613,856,234	–	613,856,234	21.18
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	–	–	–	584,767,860[4,5&9]	584,767,860	–	584,767,860	20.18
Kwok Kai-fai, Adam	–	–	32,000[6]	592,841,735[7,8&9]	592,873,735	–	592,873,735	20.46
Kwok Kai-wang, Christopher	110,000[10]	60,000[1]	–	590,928,588[2,3&9]	591,098,588	–	591,098,588	20.40
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	–	–	590,928,589[2,3&9]	590,960,589	–	590,960,589	20.39

Notes:

1. *These shares in the Company were held by the spouse of the Director concerned.*

2. *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:*

   (a) *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*

   (b) *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.*

3. *Messrs. Kwok Ping-luen, Raymond, Kwok Kai-wang, Christopher and Kwok Ho-lai, Edward were deemed to be interested in 569,769,686 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.*

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 352,435,061 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 571,682,832 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 569,769,686 shares, 352,435,061 shares and 571,682,832 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 121,252,223 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. *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")

	Number of shares held						
Name of Directors	Personal interests (held as beneficial owner)	Family interests (interests of spouse or child under 18)	Other interests	Sub-total	Number of underlying shares held under equity derivatives[1]	Total	% of issued voting shares as at 30.06.2025
Kwok Ping-luen, Raymond	–	–	3,485,000[2&3]	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[2&5]	11,927,658	–	11,927,658	0.51
Kwok Kai-fai, Adam	–	–	11,927,658[2&5]	11,927,658	–	11,927,658	0.51
Kwok Kai-wang, Christopher	–	–	13,272,658[2,3&5]	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[2,3&5]	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 2025 were as follows:*

				Number of share options				
Name of Director	Date of grant	Exercise price per share (HK$)	Exercise period	Balance as at 01.07.2024	Granted during the year	Exercised during the year	Cancelled/ Lapsed during the year	Balance as at 30.06.2025
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.*

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

Name of Directors	Number of shares held: Personal interests (held as beneficial owner)	Other interests	Sub-total	Number of underlying shares held under equity derivatives	Total	% of issued voting shares as at 30.06.2025
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)*	–	12,011,498[1&2]	12,011,498	–	12,011,498	1.09

Notes:

1. *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.*

2. *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.*

(c) **Transport International Holdings Limited ("Transport International")**

Name of Directors	Number of shares held: Personal interests (held as beneficial owner)	Sub-total	Number of underlying shares held under equity derivatives[1]	Total	% of issued voting shares as at 30.06.2025
Kwok Ping-luen, Raymond	661,239[2]	661,239	830,000	1,491,239	0.28
Lui Ting, Victor	300,000	300,000	–	300,000	0.06
Li Ka-cheung, Eric	17,600	17,600	830,000	847,600	0.16
Leung Nai-pang, Norman	682,044	682,044	920,000	1,602,044	0.30
Fung Yuk-lun, Allen	–	–	830,000	830,000	0.16

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 Transport International under its share option scheme. Details of these share options and their movements during the year ended 30 June 2025 were as follows:*

Name of Directors	*Date of grant*	*Exercise price per share (HK$)*	*Exercise period*	*Number of share options: Balance as at 01.07.2024*	*Granted during the year*	*Exercised during the year*	*Cancelled/ Lapsed during the year*	*Balance as at 30.06.2025*
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.

2. *Of these shares in Transport International, 655,994 shares were held jointly with the spouse of Mr. Kwok Ping-luen, Raymond.*

(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 30.06.2025
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 2025, 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 2025.

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 2025 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 2025, 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				
	Personal interests (held as beneficial owner)	Corporate interests (interests of controlled corporation)	Other interests	Total	% of issued voting shares as at 30.06.2025
(i) Substantial shareholders					
HSBC Trustee (C.I.) Limited	–	–	1,336,019,743[1&2]	1,336,019,743	46.10
Kwong Siu-hing	25,024	–	814,800,737[1(a)&2]	814,825,761	28.12
Adolfa Limited ("Adolfa")	231,182,838	121,252,223	–	352,435,061[2&3]	12.16
Bertana Limited ("Bertana")	231,182,838	121,252,223	–	352,435,061[2&4]	12.16
Cyric Limited ("Cyric")	231,182,838	121,252,223	–	352,435,061[2&5]	12.16
(ii) Other persons					
Highvern Cayman Limited	–	–	253,491,701[6]	253,491,701	8.75
Kwok Kai-ho, Jonathan	–	–	232,332,798[6]	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[6(a)]	–	–	187,357,707	6.47

Notes:

1.(a) *Madam Kwong Siu-hing was deemed to be interested in 814,800,737 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.

(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, 121,252,223 shares were held through corporations of which each of Adolfa, Bertana and Cyric was interested in one-third of the entire issued share capital. These 121,252,223 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.(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 6(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 2025, 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 2025, the Group employed more than 38,000 employees. The related employees' costs before reimbursements for the year amounted to approximately HK$15,122 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.

Bank and Other Borrowings

Details of bank and other borrowings as at 30 June 2025 are set out in notes 24 and 27 to the consolidated financial statements.

Interest Capitalized

Interest capitalized during the year amounted to HK$1,895 million (2024: HK$2,199 million).

Charitable Donations

HK$43 million (2024: HK$47 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 mainland and in Singapore, and (ii) hotel operations in Hong Kong and on the 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 mainland. Therefore, they are not regarded as being interested in such Excluded Businesses on the 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.

Directors' Report

Connected Transactions

During the period from the date of the 2023/24 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 2025 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 108 to 126.

Sufficiency of Public Float

As at the date of this report, based on information that was publicly available to the Company and within the knowledge of the Directors, the Company maintained the amount of public float as required under the Listing Rules.

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

Kwok Ping-luen, Raymond
Chairman & Managing Director

Hong Kong, 4 September 2025

Directors' Biographical Information

Directors

Kwok Ping-luen, Raymond
Hon LLD, Hon DBA, MBA, MA (Cantab), JP
Chairman & Managing Director (Age: 72)

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 47 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 2025, 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$3.87 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: 69)

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 2025, 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.

Directors' Biographical Information

Lui Ting, Victor
BBA
Deputy Managing Director (Age: 71)

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 2025, 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: 78)

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, the founding chairman of Ping An OneConnect Bank (Hong Kong) Limited (now known as PAO Bank Limited), and an independent director of S.F. Holding Co., Ltd. Mr. Yip was the chief representative for the Asia-Pacific Region of Institute of International Finance from July 2012 to July 2015. He has been appointed as the chairman and an independent non-executive director of Lufax Holding Ltd with effect from 23 April 2025.

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 2025, 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.

Professor Wong Yue-chim, Richard
SBS, JP
Independent Non-Executive Director (Age: 73)

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 2025, 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: 72)

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 2025, 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.

Directors' Biographical Information

Dr. Fung Kwok-lun, William
SBS, OBE, JP
Independent Non-Executive Director (Age: 76)

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 and The Hongkong and Shanghai Hotels, Limited. 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 2025, 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: 85)

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 is the chairman and an independent non-executive director of Transport International Holdings Limited.

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 2025, 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.

Leung Ko May-yee, Margaret

SBS, JP

Independent Non-Executive Director (Age: 73)

Mrs. Leung has been an Independent Non-Executive Director of the Company since March 2013. She 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, Agricultural Bank of China Limited and China Mobile Limited. She has been appointed as an independent non-executive director of Bank of China Limited with effect from 1 August 2025. 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 and Li & Fung Limited as well as the deputy chairman, managing director and chief executive of Chong Hing Bank 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, an Honorary Steward of The Hong Kong Jockey Club, and 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. Mrs. Leung was 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 2025, Mrs. Leung is entitled to receive a fee of HK$300,000 for being a Director of the Company.

Directors' Biographical Information

Fan Hung-ling, Henry
SBS, JP
Independent Non-Executive Director (Age: 77)

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.

For the year ended 30 June 2025, Mr. Fan is entitled to receive a fee of HK$300,000 for being a Director of the Company.

Kwan Cheuk-yin, William
LLB
Non-Executive Director (Age: 90)

Mr. Kwan has been a Non-Executive Director of the Company since July 1999 and is a member of both the Nomination Committee and the Remuneration Committee of the Company. Mr. Kwan was the managing partner of Woo Kwan Lee & Lo, Solicitors and had over 62 years of experience in legal practice. He retired as such on 31 March 2021 and thereafter he was appointed a consultant of the firm. He is a former director and advisor and currently a voting member of the Tung Wah Group of Hospitals. He is a vice president of Scout Association of Hong Kong, a vice chairman of the Scout Performing Arts Committee, a chairman of Air Activities Committee, an adviser of Air Activities Development Fund Committee, a chairman of Scout Association of Hong Kong Leadership Training Institute Foundation Management Committee, a member of Programme Committee of Scout Association of Hong Kong and a vice chairman of World Scout Foundation Baden-Powell Fellowship Hong Kong Chapter. Mr. Kwan is a past member of the Stamp Advisory Committee and was a committee member of the Hong Kong Philatelic Society up to 31 March 2021 and thereafter was appointed honorary life president of the Hong Kong Philatelic Society. He is an honorary member of the Federation of Inter-Asia Philately (FIAP), president of FIAP Grand Prix Club, formerly vice president of FIAP and winner of two Grand Prix International at FIP Exhibitions. He is also a president of the Hong Kong Branch of the King's College London Association, a permanent advisor of Wah Yan (Hong Kong) Past Students Association and a chairman of Wah Yan Dramatic Society. Mr. Kwan is a committee member and legal advisor of South China Athletic Association and former vice manager of its Football Section as well as manager of its Ten Pin Bowling Section and an honorary legal advisor of the Hong Kong Society for Reproductive Society.

Mr. Kwan was commissioner general and vice chairman of the Organizing Committees of the Hong Kong 1994, 1997, 2001 and 2004 International Stamp Exhibitions and was commissioner general and chairman of the Organizing Committees of the Hong Kong 2009 and 2015 International Stamp Exhibitions. He served on the Hong Kong Golf Club General Committee on several occasions in various capacities. He graduated from King's College, London University and is a fellow of King's College London, the Institute of Arbitrators and the Royal Philatelic Society, London.

For the year ended 30 June 2025, Mr. Kwan is entitled to receive fees of HK$300,000 for being a Director of the Company, and HK$60,000 for being a member of each of the Nomination Committee and the Remuneration Committee of the Company.

Kwok Kai-chun, Geoffrey
BA
Non-Executive Director (Age: 40)

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 2025, Mr. Kwok is entitled to receive a fee of HK$300,000 for being a Director of the Company.

Kwok Kai-fai, Adam
MBA, BSc, SBS
Executive Director (Age: 42)

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 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, an advisor of Our Hong Kong Foundation and a president of Hong Kong United Youth Association. In addition, Mr. Kwok is a founder and executive 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 2025, 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.

Directors' Biographical Information

Kwok Kai-wang, Christopher
MBA, BSc, JP
Executive Director (Age: 38)

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 2025, 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: 66)

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 2025, 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.

Fung Yuk-lun, Allen
BA, Ph.D.
Executive Director (Age: 57)

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, the vice president of The Hong Kong Federation of Youth Groups and a board member of the Hong Kong Tourism Board. 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 2025, 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$23.79 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.

Directors' Biographical Information

Fung Sau-yim, Maureen
BSc(Hons) Est. Mgt., MHousMan (Distinction), MBA, FHKIS, FRICS, RPS (GP), CIREA, FISCM
Executive Director (Age: 63)

Ms. Fung has been an Executive Director of the Company since August 2022. She is a member of the Executive Committee of the Company, and was appointed as a member of the Nomination Committee of the Company with effect from 1 July 2025. She is also a director of certain subsidiaries of the Company. Ms. Fung holds a Bachelor of Science degree in Estate Management from University of Reading, United Kingdom, an MBA degree from Northeast Louisiana University, United States and a Master's degree of Housing Management with distinction from The University of Hong Kong. She was elected as distinguished alumni of the Centre of Urban Studies and Urban Planning of The University of Hong Kong (1980–2010). She is a fellow member of The Hong Kong Institute of Surveyors and The Royal Institution of Chartered Surveyors, a registered professional surveyor and a China Real Estate Appraiser. She is also the founding chairman of the Institute of Shopping Centre Management in Hong Kong.

Ms. Fung joined the Group in 1991 and has progressed through the ranks. She is responsible for strategic planning, development and management of various key shopping malls of the Group in Hong Kong, Shanghai, Nanjing, Beijing and Hangzhou.

Ms. Fung serves the Hong Kong community enthusiastically, she is a member of the Aviation Development and Three-runway System Advisory Committee and the Advisory Committee on Arts Development of the Culture, Sports and Tourism Bureau. Ms. Fung was granted Hong Kong ten outstanding woman volunteer award by Radio Television Hong Kong and Hong Kong Young Women's Christian Association, the Secretary of Home Affair's Certificate of Commendation and the Chief Executive's Commendation for Community Service.

For the year ended 30 June 2025, Ms. Fung is entitled to receive a fee of HK$300,000 for being a Director of the Company and other emoluments of approximately HK$23.96 million. With effect from 1 July 2025, she is also entitled to receive a fee of HK$60,000 per annum for being a member of the Nomination Committee of the Company.

Chan Hong-ki, Robert
BSc(BS), MHKIS, MRICS, RPS(BS), AP(Surveyor)
Executive Director (Age: 61)

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 2025, 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: 44)

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 of shopping malls and new project development with retail component. 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), MCIOB

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

Independent Auditor's Report and Consolidated Financial Statements

Independent Auditor's Report

Deloitte. 德勤

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 158 to 224, which comprise the consolidated statement of financial position as at 30 June 2025, 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 2025, 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"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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 judgment is involved in determining the inputs used in the valuation. As at 30 June 2025, the Group's investment properties under development amounted to HK$65,651 million which represented 8.0% of the Group's total assets. Decrease in fair value of investment properties under development of HK$1,376 million was recognized in the consolidated income statement for the year then ended. The Group's investment properties under development are stated at fair value based on the valuation carried out by independent qualified valuers (the "Valuers"). The valuation was dependent on certain key estimates which requires significant judgment, 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, by comparing them to an estimated range, on a sample basis, based on evidence of comparable market transactions and other publicly available information of the property industry; and • Assessing the completeness and consistency of information provided by the Group to the Valuers; and evaluating the accuracy of the key inputs used in the valuation on a sample basis.
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 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. As disclosed in note 21 to the consolidated financial statements, the Group's properties under development for sale amounted to HK$133,201 million which represented 16.3% of the Group's total assets, as at 30 June 2025.	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, on a sample basis, by comparing the carrying values with the market prices achieved less future costs to completion in the same projects or comparable properties, based on our knowledge of the Group's business and current market development in the real estate industry; and • Obtaining an understanding of the management's process in estimating the future costs to completion for the properties under development for sale; and assessing the reasonableness of their estimations, on a sample basis, by comparing the expected costs to the Group's development budgets and the actual development costs of similar projects recently completed by the Group and by checking to construction contracts and other relevant documents.

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 judgment 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 the independent auditor's report is Lee Po Chi (practicing certificate number: P05288).

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
4 September 2025

Consolidated Income Statement

For the year ended 30 June 2025
(Expressed in millions of Hong Kong dollars)

	Notes	2025	2024
Revenue	3(a)	**79,721**	71,506
Direct costs		**(45,531)**	(39,292)
Other net income	5	**288**	1,766
Selling and marketing expenses		**(5,064)**	(3,906)
Administrative expenses		**(3,336)**	(3,322)
Operating profit		**26,078**	26,752
Change in fair value of investment properties		**(2,730)**	(1,481)
Finance costs		**(2,856)**	(4,046)
Finance income		**371**	479
Net finance costs	6	**(2,485)**	(3,567)
Share of results of:			
Associates		**194**	259
Joint ventures		**3,696**	1,620
		3,890	1,879
Profit before taxation	7	**24,753**	23,583
Taxation	10	**(4,869)**	(3,978)
Profit for the year		**19,884**	19,605
Profit for the year attributable to:			
Company's shareholders		**19,277**	19,046
Non-controlling interests		**607**	559
		19,884	19,605
(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		**$6.65**	$6.57
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		**$7.54**	$7.50

Consolidated Statement of Comprehensive Income

For the year ended 30 June 2025
(Expressed in millions of Hong Kong dollars)

	2025	2024
Profit for the year	**19,884**	19,605
Items that may be reclassified subsequently to profit or loss:		
Exchange difference on translation of mainland subsidiaries	**1,810**	(355)
Cash flow hedge		
– fair value losses recognized directly through other comprehensive income	**(96)**	(236)
– fair value gains transferred to consolidated income statement	**(32)**	(53)
	(128)	(289)
Debt securities		
– fair value gains recognized directly through other comprehensive income	**2**	2
– fair value losses transferred to consolidated income statement	**–**	1
	2	3
Share of other comprehensive income/(losses) of associates and joint ventures	**1,019**	(62)
Items that will not be reclassified to profit or loss:		
Fair value losses of equity securities at fair value through other comprehensive income	**(110)**	(227)
Share of other comprehensive income/(losses) of an associate	**42**	(14)
Other comprehensive income/(losses) for the year	**2,635**	(944)
Total comprehensive income for the year	**22,519**	18,661
Total comprehensive income for the year attributable to:		
Company's shareholders	**21,889**	18,089
Non-controlling interests	**630**	572
	22,519	18,661

Consolidated Statement of Financial Position

As at 30 June 2025
(Expressed in millions of Hong Kong dollars)

	Notes	**2025**	2024
Non-current assets			
Investment properties	13	**417,045**	408,424
Property, plant and equipment	14	**50,689**	50,190
Associates	15	**8,136**	7,954
Joint ventures	16	**96,551**	93,101
Financial investments	17	**1,197**	1,681
Intangible assets	18	**3,839**	4,338
Other non-current assets	19	**3,724**	3,743
		581,181	569,431
Current assets			
Properties for sale	21	**197,452**	214,077
Inventories		**417**	502
Trade and other receivables	22	**20,060**	17,115
Financial investments	17	**864**	748
Bank deposits and cash	23	**16,919**	16,221
		235,712	248,663
Current liabilities			
Bank and other borrowings	24	**(14,384)**	(10,498)
Trade and other payables	25	**(32,412)**	(32,412)
Deposits received on sales of properties	26	**(14,300)**	(11,226)
Current tax payable		**(8,996)**	(7,876)
		(70,092)	(62,012)
Net current assets		**165,620**	186,651
Total assets less current liabilities		**746,801**	756,082
Non-current liabilities			
Bank and other borrowings	27	**(95,833)**	(116,589)
Deferred tax liabilities	28	**(24,031)**	(23,905)
Other non-current liabilities	29	**(4,563)**	(4,517)
		(124,427)	(145,011)
NET ASSETS		**622,374**	611,071
CAPITAL AND RESERVES			
Share capital	30	**70,703**	70,703
Reserves		**547,148**	536,014
Shareholders' equity		**617,851**	606,717
Non-controlling interests		**4,523**	4,354
TOTAL EQUITY		**622,374**	611,071

Directors:

Kwok Ping-luen, Raymond

Lui Ting, Victor

Consolidated Statement of Cash Flows

For the year ended 30 June 2025
(Expressed in millions of Hong Kong dollars)

	Notes	2025	2024
Operating activities			
Operating cash inflow	32(a)	**30,726**	31,276
Changes in working capital	32(a)	**13,610**	2,259
Cash generated from operations	32(a)	**44,336**	33,535
Interest expenses and other finance costs paid		**(4,638)**	(6,291)
Bank interest received		**375**	481
Interest received from investments		**53**	70
Dividends received from equity securities		**67**	75
Dividends received from associates and joint ventures		**2,617**	2,113
Tax paid			
– Hong Kong		**(2,970)**	(4,129)
– Outside Hong Kong		**(1,760)**	(1,338)
Net cash from operating activities		**38,080**	24,516
Investing activities			
Additions to investment properties		**(6,856)**	(5,610)
Additions to property, plant and equipment		**(2,231)**	(4,396)
Purchase of long-term financial investments		**(225)**	(131)
Conditional consideration adjustment received relating to investment in joint ventures		**14**	12
Net advances to associates and joint ventures		**(1,313)**	(23)
Payment of mobile licence fees		**(244)**	(225)
Net proceeds from disposal of investment properties		**2,725**	674
Proceeds from disposal of property, plant and equipment		**7**	5
Proceeds from disposal of other financial assets		**471**	81
Net cash used in investing activities		**(7,652)**	(9,613)
Financing activities			
Drawdown of bank and other borrowings		**17,418**	28,462
Repayment of bank and other borrowings		**(35,006)**	(26,344)
Principal elements of lease payments		**(1,014)**	(1,625)
Decrease in amounts due to non-controlling interests		**(32)**	(21)
Decrease in bank deposits maturing after more than three months		**63**	818
Decrease/(increase) in pledged bank deposit		**3**	(2)
Proceeds from issue of shares by a subsidiary		**125**	–
Payment for repurchase of shares by a subsidiary		**(5)**	(17)
Purchase of additional interest in a subsidiary		**(2)**	(30)
Capital reduction of a subsidiary		**–**	(180)
Dividends paid to Company's shareholders		**(10,867)**	(13,475)
Dividends paid to non-controlling interests		**(479)**	(695)
Net cash used in financing activities		**(29,796)**	(13,109)
Increase in cash and cash equivalents		**632**	1,794
Cash and cash equivalents at beginning of year		**16,034**	14,277
Effect of foreign exchange rates changes		**132**	(37)
Cash and cash equivalents at end of year	32(b)	**16,798**	16,034

Consolidated Statement of Changes in Equity

For the year ended 30 June 2025
(Expressed in millions of Hong Kong dollars)

	Attributable to Company's shareholders							
	Share capital	Capital reserves	Investment revaluation reserve	Exchange reserve	Retained profits	Total	Non-controlling interests	Total
At 1 July 2023	70,703	1,176	600	(9,355)	538,931	602,055	4,741	606,796
Profit for the year	–	–	–	–	19,046	19,046	559	19,605
Exchange difference on translation of mainland subsidiaries	–	–	–	(368)	–	(368)	13	(355)
Fair value losses on cash flow hedge	–	(289)	–	–	–	(289)	–	(289)
Fair value gains of debt securities at fair value through other comprehensive income	–	–	3	–	–	3	–	3
Fair value losses of equity securities at fair value through other comprehensive income	–	–	(227)	–	–	(227)	–	(227)
Transfer to retained profits upon disposal of equity securities	–	–	(1)	–	1	–	–	–
Share of other comprehensive income/(losses) of associates and joint ventures	–	–	41	(130)	13	(76)	–	(76)
Other comprehensive (losses)/income for the year	–	(289)	(184)	(498)	14	(957)	13	(944)
Total comprehensive (losses)/income for the year	–	(289)	(184)	(498)	19,060	18,089	572	18,661
Recognition of equity-settled share-based payments	–	–	–	–	–	–	11	11
Lapse of share award/options of a subsidiary	–	–	–	–	19	19	(19)	–
Final dividend paid	–	–	–	–	(10,722)	(10,722)	–	(10,722)
Interim dividend paid	–	–	–	–	(2,753)	(2,753)	–	(2,753)
Adjustments relating to changes in interests in subsidiaries	–	29	–	–	–	29	(76)	(47)
Capital reduction of a subsidiary	–	–	–	–	–	–	(180)	(180)
Dividends to non-controlling interests	–	–	–	–	–	–	(695)	(695)
At 30 June 2024	70,703	916	416	(9,853)	544,535	606,717	4,354	611,071

	Attributable to Company's shareholders							
	Share capital	Capital reserves	Investment revaluation reserve	Exchange reserve	Retained profits	Total	Non-controlling interests	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**

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 2024. 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 content 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.

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.

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.

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.

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.

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.

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.

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).

(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 2025

	The Company and its subsidiaries		Associates and joint ventures			
	Revenue	Results	Share of revenue	Share of results	Combined revenue	Consolidated 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
Telecommunications	6,253	752	–	–	6,253	752
Transport infrastructure and logistics	4,441	1,188	4,181	478	8,622	1,666
Data centre operations	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

3. Segment Information (cont'd)

(a) Segment revenue and results (cont'd)

For the year ended 30 June 2024

	The Company and its subsidiaries		Associates and joint ventures			
	Revenue	Results	Share of revenue	Share of results	Combined revenue	Consolidated results
Property development						
Hong Kong	24,745	6,513	–	–	24,745	6,513
Mainland	361	50	2,316	1,287	2,677	1,337
	25,106	6,563	2,316	1,287	27,422	7,850
Property rental						
Hong Kong	15,212	11,293	2,730	2,130	17,942	13,423
Mainland	5,154	4,211	1,151	816	6,305	5,027
Singapore	–	–	744	550	744	550
	20,366	15,504	4,625	3,496	24,991	19,000
Hotel operations	4,421	521	840	129	5,261	650
Telecommunications	6,221	701	–	–	6,221	701
Transport infrastructure and logistics	4,571	1,294	4,041	418	8,612	1,712
Data centre operations	2,674	1,266	–	–	2,674	1,266
Other businesses	8,147	1,125	308	55	8,455	1,180
Segment total	71,506	26,974	12,130	5,385	83,636	32,359
Other net income/(loss)		1,766		(95)		1,671
Unallocated administrative expenses		(1,988)		–		(1,988)
Operating profit		26,752		5,290		32,042
Change in fair value of investment properties						
Hong Kong		(565)		(1,449)		(2,014)
Mainland		(916)		(114)		(1,030)
Singapore		–		264		264
		(1,481)		(1,299)		(2,780)
Net finance costs		(3,567)		(714)		(4,281)
Profit before taxation		21,704		3,277		24,981
Taxation						
– Group		(3,978)		–		(3,978)
– Associates		–		(36)		(36)
– Joint ventures		–		(1,362)		(1,362)
Profit for the year		17,726		1,879		19,605

Results from property development include selling and marketing expenses of HK$1,139 million (2024: HK$349 million) and HK$185 million (2024: HK$175 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.

(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 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)**
Telecommunications	**9,265**	**–**	**9,265**	**(5,035)**
Transport infrastructure and logistics	**2,284**	**4,757**	**7,041**	**(1,772)**
Data centre operations	**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)**
At 30 June 2024				
Property development				
Hong Kong	203,512	3,851	207,363	(23,707)
Mainland	17,889	5,490	23,379	(472)
	221,401	9,341	230,742	(24,179)
Property investment				
Hong Kong	301,846	68,917	370,763	(5,090)
Mainland	109,722	11,007	120,729	(2,711)
Singapore	–	5,322	5,322	–
	411,568	85,246	496,814	(7,801)
Hotel operations	27,280	1,803	29,083	(628)
Telecommunications	9,478	–	9,478	(5,113)
Transport infrastructure and logistics	2,552	4,343	6,895	(1,767)
Data centre operations	14,640	–	14,640	(1,600)
Other businesses	7,641	322	7,963	(4,169)
	694,560	101,055	795,615	(45,257)
Bank deposits and cash			16,221	–
Financial investments			2,429	–
Bank and other borrowings			–	(127,087)
Unallocated corporate assets/(liabilities)			3,829	(2,898)
Current tax payable			–	(7,876)
Deferred tax liabilities			–	(23,905)
Total assets/(liabilities)			818,094	(207,023)

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	
	2025	2024	**2025**	2024
Property investment for rental	**–**	–	**8,228**	7,186
Hotel operations	**635**	588	**238**	504
Telecommunications	**1,605**	1,644	**1,342**	1,376
Transport infrastructure and logistics	**709**	769	**683**	549
Data centre operations	**638**	587	**1,334**	3,513
Other businesses	**184**	190	**208**	174
Unallocated corporate assets	**44**	45	**11**	54
	3,815	3,823	**12,044**	13,356

(d) *Geographical information*

The Group's non-current assets by geographical location is analyzed as follows:

	2025			2024		
	The Company and its subsidiaries	**Associates and joint ventures**	**Consolidated**	The Company and its subsidiaries	Associates and joint ventures	Consolidated
Hong Kong	**353,997**	**79,648**	**433,645**	349,214	77,614	426,828
Mainland	**117,504**	**17,453**	**134,957**	113,662	17,184	130,846
Singapore	**–**	**6,564**	**6,564**	–	5,322	5,322
Others	**72**	**1,022**	**1,094**	76	935	1,011
	471,573	**104,687**	**576,260**	462,952	101,055	564,007
Other non-current assets			**3,724**			3,743
Financial investments			**1,197**			1,681
Total non-current assets			**581,181**			569,431

(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 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
Telecommunications	1,838	4,415	6,253	–	6,253
Transport infrastructure and logistics	104	4,045	4,149	292	4,441
Data centre operations	–	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

4. Revenue from Contracts with Customers (cont'd)

(a) Disaggregation of revenue from contracts with customers (cont'd)

For the year ended 30 June 2024

	Revenue from contracts with customers: recognized at a point in time	Revenue from contracts with customers: recognized over time	Revenue from contracts with customers: Subtotal	Revenue from other sources	Total
(i) By segments					
Property development	25,106	–	25,106	–	25,106
Property rental	–	2,154	2,154	18,212	20,366
Hotel operations	1,751	2,670	4,421	–	4,421
Telecommunications	1,712	4,509	6,221	–	6,221
Transport infrastructure and logistics	96	4,115	4,211	360	4,571
Data centre operations	–	2,674	2,674	–	2,674
Property management	227	5,293	5,520	–	5,520
Department store operations	1,895	–	1,895	–	1,895
Financial services and others	–	45	45	687	732
	30,787	21,460	52,247	19,259	71,506
(ii) Geographical markets					
Hong Kong	30,158	20,999	51,157	14,110	65,267
Mainland	618	420	1,038	5,149	6,187
Others	11	41	52	–	52
	30,787	21,460	52,247	19,259	71,506

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$10,323 million (2024: HK$3,208 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 2025, 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$38,050 million (2024: HK$30,860 million). This represents the aggregate amount of revenue expected to be recognized by the Group in the future, of which approximately 86% (2024: 82%) 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.

(Expressed in millions of Hong Kong dollars)

5. Other Net Income

	Notes	2025	2024
Gain on land resumption	(a)	**1,137**	1,095
Profit on sale of investment properties	(b)	**390**	343
Impairment provisions for development properties	(c)	**(1,384)**	–
Others		**145**	328
		288	1,766

(a) During the year, the Group recorded a 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 Hung Shui Kiu/Ha Tsuen New Development Area.

(b) Profit on sale of investment properties, mostly derived from the disposal of 51 units in Tower 2 and 3 of Dynasty Court, was calculated based on net sales proceeds over fair values. Underlying profit inclusive of HK$1,836 million fair value gains realized amounted to HK$2,226 million.

(c) The impairment provisions 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	2025	2024
Interest and other finance costs on bank and other borrowings		**4,604**	6,090
Notional non-cash interest accretion	(a)	**62**	65
Finance costs on lease liabilities		**85**	90
Less: Amount capitalized	(b)	**(1,895)**	(2,199)
		2,856	4,046
Interest income on bank deposits		**(371)**	(479)
		2,485	3,567

(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 3.07% to 4.51% (2024: 3.76% to 4.91%) per annum.

7. Profit before Taxation

	2025	2024
Profit before taxation is arrived at		
after charging:		
Cost of properties sold	**22,612**	16,480
Cost of other inventories sold	**2,822**	2,672
Depreciation of property, plant and equipment	**3,105**	3,088
Amortization of		
Intangible assets (included in direct costs)	**710**	735
Contract acquisition costs	**1,242**	982
Credit loss allowance on financial assets and contract assets	**212**	72
Lease expenses		
Short-term and low-value assets leases	**146**	142
Variable lease payments	**33**	35
Staff costs (including directors' emoluments and retirement schemes contributions)	**10,559**	10,605
Share-based payments	**9**	11
Auditors' remuneration	**31**	29
Loss on disposal of financial investments at fair value through profit or loss	**27**	26
Loss on disposal of property, plant and equipment	**59**	12
and crediting:		
Dividend income from investments	**67**	75
Interest income from investments	**32**	69
Fair value gains on financial investments at fair value through profit or loss	**63**	25

(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 c) Share-based payments	2025 Total emoluments	2024 Total emoluments
Executive Directors								
Kwok Ping-luen, Raymond		**0.56**	**3.10**	**0.24**	**0.29**	**–**	**4.19**	4.09
Wong Chik-wing, Mike		**0.30**	**15.33**	**10.56**	**1.16**	**–**	**27.35**	30.08
Lui Ting, Victor		**0.30**	**12.92**	**12.96**	**1.16**	**–**	**27.34**	30.33
Kwok Kai-fai, Adam		**0.30**	**7.44**	**2.07**	**0.02**	**–**	**9.83**	10.11
Kwok Kai-wang, Christopher		**0.35**	**6.56**	**2.16**	**0.02**	**–**	**9.09**	9.45
Tung Chi-ho, Eric		**0.35**	**9.99**	**10.51**	**0.85**	**–**	**21.70**	24.07
Fung Yuk-lun, Allen		**0.51**	**8.50**	**14.65**	**0.43**	**1.21**	**25.30**	25.10
Lau Tak-yeung, Albert	(a)	**0.11**	**2.58**	**–**	**–**	**–**	**2.69**	18.93
Fung Sau-yim, Maureen		**0.30**	**8.58**	**14.59**	**0.79**	**–**	**24.26**	25.21
Chan Hong-ki, Robert		**0.35**	**8.56**	**7.60**	**0.61**	**–**	**17.12**	19.10
Non-Executive Directors								
Kwan Cheuk-yin, William		**0.42**	**–**	**–**	**–**	**–**	**0.42**	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		**0.30**	**–**	**–**	**–**	**–**	**0.30**	0.30
Fan Hung-ling, Henry		**0.30**	**–**	**–**	**–**	**–**	**0.30**	0.30
Wu Xiang-dong	(b)	**–**	**–**	**–**	**–**	**–**	**–**	0.10
Total 2025		**8.08**	**83.56**	**75.34**	**5.33**	**1.21**	**173.52**	
Total 2024		8.38	87.76	98.60	5.18	1.30		201.22

The above analysis included four (2024: five) 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 individual for financial year 2025 are:

	2025
Salaries, allowances and benefits in kind	**8.88**
Discretionary bonuses	**14.34**
Retirement schemes contributions	**0.82**
	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) Mr. Wu Xiang-dong retired as an Independent Non-Executive Director at the annual general meeting of the Company held on 2 November 2023.

(c) 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 15% 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$426 million (2024: HK$440 million). Forfeited contributions for the year of HK$1 million (2024: HK$3 million) were used to reduce the existing level of contributions.

(Expressed in millions of Hong Kong dollars)

10. Taxation

	2025	2024
Current tax expenses		
Hong Kong profits tax	**2,439**	2,549
(Over)/under provision in prior years	**(16)**	14
	2,423	2,563
Tax outside Hong Kong	**3,372**	1,336
Total current tax	**5,795**	3,899
Deferred tax (credit)/expenses		
Change in fair value of investment properties	**(713)**	(353)
Other origination and reversal of temporary differences	**(213)**	432
Total deferred tax	**(926)**	79
Total income tax expenses	**4,869**	3,978

(a) Hong Kong profits tax is provided at the rate of 16.5% (2024: 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:

	2025	2024
Profit before share of results of associates, joint ventures and taxation	**20,863**	21,704
Tax at Hong Kong profits tax rate of 16.5% (2024: 16.5%)	**3,442**	3,581
Effect of different tax rates of subsidiaries operating outside Hong Kong	**1,799**	217
Net effect of non-deductible expenses and non-taxable income	**(154)**	(376)
Utilization of tax losses previously not recognized	**(291)**	(170)
Recognition of tax losses and other temporary differences previously not recognized	**(322)**	–
Tax losses and other temporary differences not recognized	**148**	347
(Over)/under provision in prior years	**(16)**	14
Withholding tax on income distributions	**263**	365
Tax expenses	**4,869**	3,978

(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 ending 30 June 2026. Based on assessments conducted using financial data for the year ended 30 June 2025, the Group does not expect to 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*

	2025	2024
Interim dividend declared and paid of HK$0.95 (2024: HK$0.95) per share	**2,753**	2,753
Final dividend proposed after the end of the reporting period of HK$2.80 (2024: HK$2.80) per share	**8,114**	8,114
	10,867	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*

	2025	2024
Final dividend in respect of the previous financial year, approved and paid during the year of HK$2.80 (2023: HK$3.70) per share	**8,114**	10,722

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$19,277 million (2024: HK$19,046 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 (2024: 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$21,855 million (2024: HK$21,739 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:

	2025	2024
Profit attributable to the Company's shareholders as shown in the consolidated income statement	**19,277**	19,046
Decrease/(increase) in fair value of investment properties		
Subsidiaries	**2,730**	1,481
Associates	**112**	(53)
Joint ventures	**(1,285)**	1,352
	1,557	2,780
Effect of corresponding deferred tax expenses		
Subsidiaries	**(713)**	(353)
Joint ventures	**(86)**	8
Non-controlling interests	**(16)**	(23)
Unrealized fair value losses of investment properties net of deferred tax	**742**	2,412
Fair value gains of investment properties net of deferred tax realized on disposal	**1,836**	281
Net effect of change in fair value of investment properties	**2,578**	2,693
Underlying profit attributable to the Company's shareholders	**21,855**	21,739

(Expressed in millions of Hong Kong dollars)

13. Investment Properties

(a) Movement during the year

	Completed	Under development	Total
Valuation			
At 1 July 2023	337,987	65,572	403,559
Additions	725	6,461	7,186
Transfer upon completion	10,934	(10,934)	–
Transfer from property, plant and equipment	13	–	13
Disposals	(331)	–	(331)
Exchange difference	(354)	(168)	(522)
Increase/(decrease) in fair value	240	(1,721)	(1,481)
At 30 June 2024 and 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	**351,394**	**65,651**	**417,045**

(b) Investment properties valuation

The Group's investment properties were valued at their fair values at 30 June 2025 and 30 June 2024 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.

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	
	2025	2024	**2025**	2024
Completed				
Hong Kong	**275,417**	274,585	**5.0%**	5.1%
Mainland	**75,977**	74,629	**6.6%**	6.6%
	351,394	349,214		

	Fair value (residual method)		Capitalization rate	
	2025	2024	**2025**	2024
Under development				
Hong Kong	**29,662**	25,578	**3.3% – 5.5%**	3.5% – 5.5%
Mainland	**35,989**	33,632	**5.0% – 8.8%**	5.0% – 8.8%
	65,651	59,210		

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$390 million (2024: HK$343 million).

(d) Gross rental income and direct operating expenses from investment properties during the year amounted to HK$18,561 million (2024: HK$19,066 million) and HK$4,625 million (2024: HK$4,512 million) respectively.

Notes to the Consolidated Financial Statements

(Expressed in millions of Hong Kong dollars)

14. Property, Plant and Equipment

Movement during the year

	Ownership interests in leasehold land and buildings held for own use						
	Hotel properties	**Other completed properties**	**Properties under development**	**Subtotal**	**Other properties leased for own use**	**Plant and equipment**	**Total**
Cost							
At 1 July 2023	21,018	12,500	13,333	46,851	5,540	18,978	71,369
Additions	118	16	3,262	3,396	1,210	1,564	6,170
Transfer upon completion	1,318	1,316	(4,373)	(1,739)	–	1,739	–
Disposals	(2)	–	–	(2)	(252)	(890)	(1,144)
Transfer to completed investment properties	–	(13)	–	(13)	–	–	(13)
Exchange difference	(42)	(2)	14	(30)	–	(5)	(35)
At 30 June 2024 and 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	**22,532**	**13,765**	**13,266**	**49,563**	**6,917**	**21,979**	**78,459**
Accumulated depreciation and impairment							
At 1 July 2023	6,108	3,033	–	9,141	3,556	11,504	24,201
Charge for the year	535	252	–	787	1,075	1,226	3,088
Disposals	(2)	–	–	(2)	(252)	(873)	(1,127)
Exchange difference	(3)	(1)	–	(4)	–	(1)	(5)
At 30 June 2024 and 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	**7,215**	**3,546**	**–**	**10,761**	**4,891**	**12,118**	**27,770**
Net book value at 30 June 2025	**15,317**	**10,219**	**13,266**	**38,802**	**2,026**	**9,861**	**50,689**
Net book value at 30 June 2024	15,772	10,533	12,236	38,541	2,119	9,530	50,190

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 2025		At 30 June 2025
	Notes	**Additions**	**Depreciation**	**Net book value**
Right-of-use assets				
Ownership interests in leasehold land held for own use	(i)	**–**	**220**	**14,324**
Other properties leased for own use	(ii)	**933**	**1,020**	**2,026**
		933	**1,240**	**16,350**

(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 nineteen 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

	2025	2024
Unlisted shares, at cost less impairment loss	**7**	7
Hong Kong listed shares, at cost	**2,221**	2,109
Share of post-acquisition reserves	**5,908**	5,838
	8,136	7,954
Market value of Hong Kong listed associate	**2,086**	2,008

The Group's effective interest in the revenue, results, assets and liabilities of its associates are summarized below:

	2025	2024
Investment properties	**4,793**	4,766
Other non-current assets	**5,257**	5,399
Current assets	**2,157**	2,056
Current liabilities	**(1,797)**	(1,641)
Non-current liabilities	**(2,274)**	(2,626)
Net assets	**8,136**	7,954
Revenue	**4,052**	3,885
Fair value change of investment properties net of related deferred tax	**(112)**	53
Profit for the year	**194**	259

Particulars regarding principal associates are set out in the section headed "Principal Associates" of the Annual Report 2025.

(Expressed in millions of Hong Kong dollars)

16. Joint Ventures

	2025	2024
Unlisted shares, at cost less impairment loss	**29,677**	29,693
Share of post-acquisition reserves	**55,116**	52,973
	84,793	82,666
Amounts due from joint ventures	**11,758**	10,435
	96,551	93,101

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$1,915 million (2024: HK$1,763 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:

	2025	2024
Investment properties	**105,050**	100,632
Other non-current assets	**3,731**	3,215
Current assets	**27,219**	26,024
Current liabilities	**(22,542)**	(20,683)
Non-current liabilities	**(28,665)**	(26,522)
Net assets	**84,793**	82,666
Revenue	**6,346**	8,245
Fair value change of investment properties net of related deferred tax	**1,371**	(1,360)
Profit for the year	**3,696**	1,620

Particulars regarding principal joint ventures are set out in the section headed "Principal Joint Ventures" of the Annual Report 2025.

17. Financial Investments

	2025			
	Measured at FVTPL	**Measured at FVOCI**	**Measured at amortized cost**	**Total**
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**

17. Financial Investments (cont'd)

	2024			
	Measured at FVTPL	Measured at FVOCI	Measured at amortized cost	Total
Non-current assets				
Debt securities	13	157	360	530
Equity securities	440	711	–	1,151
	453	868	360	1,681
Current assets				
Debt securities	–	–	74	74
Equity securities	674	–	–	674
	674	–	74	748

18. Intangible Assets

	Concession assets	**Mobile licences**	**Goodwill**	**Total**
Cost				
At 1 July 2023, 30 June 2024 and 1 July 2024	6,936	7,964	169	15,069
Additions	**–**	**211**	**–**	**211**
Derecognition	**(6,936)**	**–**	**–**	**(6,936)**
At 30 June 2025	**–**	**8,175**	**169**	**8,344**
Accumulated amortization and impairment				
At 1 July 2023	6,436	3,533	21	9,990
Amortization	262	473	–	735
Impairment	–	–	6	6
At 30 June 2024 and 1 July 2024	6,698	4,006	27	10,731
Amortization	**238**	**472**	**–**	**710**
Derecognition	**(6,936)**	**–**	**–**	**(6,936)**
At 30 June 2025	**–**	**4,478**	**27**	**4,505**
Net book value at 30 June 2025	**–**	**3,697**	**142**	**3,839**
Net book value at 30 June 2024	238	3,958	142	4,338

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.

(Expressed in millions of Hong Kong dollars)

19. Other Non-Current Assets

	Notes	2025	2024
Mortgage loan receivables		**2,393**	2,844
Other loan receivables		**1,204**	1,086
Total loans receivables		**3,597**	3,930
Less: Amount due within one year included under trade and other receivables		**(546)**	(265)
		3,051	3,665
Derivative financial instruments	20	**33**	78
Deferred tax assets	28	**640**	–
		3,724	3,743

Mortgage loan receivables are secured by first or second mortgages on properties and repayable by monthly instalments with various tenors up to 29 years (2024: 30 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$1,759 million (2024: HK$1,946 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

		2025		2024	
	Notes	Assets	Liabilities	Assets	Liabilities
Fair value hedges					
– interest rate swaps		**4**	**–**	–	5
– cross currency interest rate swaps		**–**	**2**	–	14
		4	**2**	–	19
Cash flow hedges					
– cross currency interest rate swaps		**33**	**431**	71	340
Not designated as accounting hedges					
– forward foreign exchange contracts		**1**	**–**	7	–
		38	**433**	78	359
Representing:					
Current portion	22 & 25	**5**	**2**	–	–
Non-current portion	19 & 29	**33**	**431**	78	359
		38	**433**	78	359

The total outstanding derivative financial instruments as at the year end date are analyzed as follows:

		Notional principal amount	
	Maturing date	**2025**	2024
Designated as accounting hedges			
– interest rate swaps and cross currency interest rate swaps	Feb 2026 – May 2030 (2024: Feb 2026 – May 2030)	**16,302**	16,302
Not designated as accounting hedges			
– forward foreign exchange contracts	Sep 2025 (2024: Sep 2025)	**87**	87
		16,389	16,389

21. Properties for Sale

	2025	2024
Stock of completed properties for sale	**64,251**	72,881
Properties under development for sale	**133,201**	141,196
	197,452	214,077

22. Trade and Other Receivables

	Notes	2025	2024
Trade receivables	(a)	**3,252**	3,645
Other account receivables, deposits and prepayments	(b)	**15,539**	12,255
Deposits for acquisition of properties		**255**	247
Contract assets	(c)	**463**	703
Short-term loans	19	**546**	265
Derivative financial instruments	20	**5**	–
		20,060	17,115

(a) At 30 June 2025, 59% (2024: 63%) of trade receivables are aged less than 30 days, 13% (2024: 11%) between 31 to 60 days, 10% (2024: 7%) between 61 to 90 days and 18% (2024: 19%) 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 2025 amounted to HK$287 million (2024: HK$204 million).

(b) The balance includes contract acquisition costs of HK$241 million (2024: HK$217 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 61% (2024: 61%) of the Group's bank deposits and cash are denominated in Hong Kong dollar, 28% (2024: 33%) in Renminbi and 11% (2024: 6%) in US dollar.

24. Bank and Other Borrowings

	Note	2025	2024
Long-term bank and other borrowings due within one year	27	**14,384**	10,498

The carrying amounts of the bank and other borrowings approximate their fair values.

(Expressed in millions of Hong Kong dollars)

25. Trade and Other Payables

	Notes	**2025**	2024
Trade payables	(a)	**2,476**	3,070
Other payables and accrued expenses		**26,760**	26,076
Contract liabilities	(b)	**1,203**	1,179
Amounts due to non-controlling interests	(c)	**1,181**	1,213
Lease liabilities	29	**790**	874
Derivative financial instruments	20	**2**	–
		32,412	32,412

(a) At 30 June 2025, 59% (2024: 57%) of trade payables are aged less than 30 days, 7% (2024: 9%) between 31 to 60 days, 3% (2024: 5%) between 61 to 90 days and 31% (2024: 29%) 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:

	2025	2024
At 1 July	**11,226**	4,162
Exchange difference	**(13)**	(31)
Decrease as a result of recognizing revenue during the year	**(10,323)**	(3,208)
Increase as a result of receiving sales deposits during the year	**13,410**	10,303
At 30 June	**14,300**	11,226

27. Bank and Other Borrowings

The Group's long-term bank and other loans are repayable as follows:

	Note	2025	2024
Bank loans repayable			
Within one year		**5,711**	8,148
After one year but within two years		**16,836**	11,522
After two years but within five years		**34,921**	57,437
After five years		**11,819**	9,826
		69,287	86,933
Bonds and notes repayable			
Within one year		**8,673**	2,350
After one year but within two years		**2,235**	8,530
After two years but within five years		**28,987**	17,379
After five years		**1,035**	11,895
		40,930	40,154
		110,217	127,087
Less: Amount due within one year included under current liabilities	24	**(14,384)**	(10,498)
		95,833	116,589

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	
	2025	2024	**2025**	2024
Bank loans	**63,576**	78,785	**63,576**	78,785
Bonds and notes	**32,257**	37,804	**31,139**	34,978
	95,833	116,589	**94,715**	113,763

(a) The carrying amounts of the Group's total borrowings are analyzed as follows:

	2025	2024
Secured	**7,525**	3,479
Unsecured	**102,692**	123,608
	110,217	127,087

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 1.86% (2024: 4.99%) at the year end date.

(c) The bonds and notes are repayable on various dates up to June 2033 (2024: June 2033) and carry interest, after hedging where appropriate, at effective rate per annum of 2.77% (2024: 2.82%) at the year end date.

(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):

	2025	2024
Hong Kong dollar	**77,834**	99,867
Renminbi	**30,411**	25,527
British pound	**1,972**	1,693
	110,217	127,087

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 2023	8,833	15,641	(664)	100	23,910
Charged/(credited) to consolidated income statement	810	(353)	(394)	16	79
Charged to reserve	–	–	–	1	1
Exchange difference	(14)	(71)	1	(1)	(85)
At 30 June 2024 and 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	**10,306**	**14,854**	**(1,875)**	**106**	**23,391**

The following amounts, determined after appropriate offsetting, are presented separately on the consolidated statement of financial position:

	Note	2025	2024
Deferred tax assets	19	**(640)**	–
Deferred tax liabilities		**24,031**	23,905
		23,391	23,905

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$5,410 million (2024: HK$8,598 million), of which HK$748 million (2024: HK$1,272 million) of tax losses will expire at various dates up to 2029 (2024: 2028). 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	2025	2024
Asset retirement and other obligations		**46**	52
Contractual obligations for mobile licences		**2,421**	2,413
Lease liabilities	(a)	**1,665**	1,693
Derivative financial instruments	20	**431**	359
		4,563	4,517

(a) At the year end date, the Group's lease liabilities are repayable as follows:

	2025	2024
Within one year	**790**	874
After one year but within two years	**503**	415
After two years but within five years	**456**	489
After five years	**706**	789
	2,455	2,567
Less: Amount due within one year included under trade and other payables	**(790)**	(874)
	1,665	1,693

30. Share Capital

	Number of shares in million	Amount
Issued and fully paid:		
Ordinary shares		
At 30 June 2024 and 30 June 2025	**2,898**	**70,703**

(Expressed in millions of Hong Kong dollars)

31. Statement of Financial Position of the Company

	Notes	2025	2024
Non-current assets			
Subsidiaries	(a)	**31,440**	31,431
Current assets			
Amounts due from subsidiaries		**214,357**	203,304
Bank deposits and cash		**66**	62
		214,423	203,366
Current liabilities			
Trade and other payables		**(72)**	(69)
Net current assets		**214,351**	203,297
NET ASSETS		**245,791**	234,728
CAPITAL AND RESERVES			
Share capital	30	**70,703**	70,703
Reserves	(b)	**175,088**	164,025
SHAREHOLDERS' EQUITY		**245,791**	234,728

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 2025.

(b) The movement of Company reserves during the year are as follows:

	Capital reserve	Retained profits	Total
At 1 July 2023	5,297	150,383	155,680
Profit for the year	–	21,820	21,820
Final dividend paid for the year ended 30 June 2023	–	(10,722)	(10,722)
Interim dividend paid for the year	–	(2,753)	(2,753)
At 30 June 2024 and 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	**5,297**	**169,791**	**175,088**

Reserves of the Company available for distribution to equity shareholders of the Company as at 30 June 2025 amounted to HK$169,791 million (2024: HK$158,728 million).

32. Notes to Consolidated Statement of Cash Flows

(a) Reconciliation of operating profit to cash generated from operations

	2025	2024
Operating profit	**26,078**	26,752
Depreciation and amortization	**5,057**	4,805
Profit on sale of investment properties	**(390)**	(343)
Loss on disposal of property, plant and equipment	**59**	12
Dividend income from investments	**(67)**	(75)
Loss on disposal of long-term financial investments	**13**	3
Interest income from investments	**(32)**	(69)
Fair value losses on long-term financial investments at FVTPL	**23**	63
Share-based payments	**9**	11
Other non-cash items	**105**	8
Exchange difference	**(129)**	109
Operating cash inflow	**30,726**	31,276
Decrease in stock of completed properties for sale	**22,672**	17,658
Increase in properties under development for sale	**(8,569)**	(20,015)
Decrease in loans receivables	**333**	216
Decrease/(increase) in inventories	**85**	(5)
Increase in trade and other receivables	**(4,061)**	(3,302)
Increase in short-term financial investments at FVTPL	**(92)**	(70)
Increase in trade and other payables	**168**	713
Increase in deposits received on sales of properties	**3,074**	7,064
Changes in working capital	**13,610**	2,259
Cash generated from operations	**44,336**	33,535

(b) Analysis of the balance of cash and cash equivalents at end of year

	2025	2024
Bank deposits and cash	**16,919**	16,221
Less: Bank deposits maturing after more than three months	**(76)**	(139)
Less: Pledged bank deposits	**(45)**	(48)
	16,798	16,034

(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 2023	125,053	1,234	3,001	129,288
Changes from financing cash flows	2,118	(21)	(1,625)	472
Adjustment due to fair value change of financial instruments	10	–	–	10
Net exchange difference	(94)	–	–	(94)
New leases arranged during the year	–	–	1,191	1,191
At 30 June 2024 and 1 July 2024	127,087	1,213	2,567	130,867
Changes from financing cash flows	**(17,588)**	**(32)**	**(1,014)**	**(18,634)**
Adjustment due to fair value change of financial instruments	**21**	**–**	**–**	**21**
Net exchange difference	**697**	**–**	**–**	**697**
New leases arranged during the year	**–**	**–**	**902**	**902**
At 30 June 2025	**110,217**	**1,181**	**2,455**	**113,853**

33. Joint Operations

At the year end date, the aggregate amounts of assets and liabilities recognized in the consolidated financial statements relating to the Group's interests in joint operations are as follows:

	2025	2024
Investment properties	**21,544**	21,810
Stocks of completed properties for sale	**2,630**	1,938
Properties under development for sale	**3,035**	3,794
	27,209	27,542
Trade and other payables	**630**	990
Current tax payable	**106**	139
Deferred tax liabilities	**231**	223
	967	1,352
Revenue	**2,231**	2,070
Expenses	**1,467**	1,161

34. 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**	
	2025	2024	**2025**	2024
Interest income	**–**	–	**96**	94
Cash rental paid	**2**	–	**81**	58
Other revenue from services rendered	**70**	326	**3,331**	2,410
Purchase of goods and services	**–**	–	**204**	578

(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.

35. 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:

	2025	2024
(a) Capital commitments in respect of investment properties and property, plant and equipment		
Contracted but not provided for	**3,749**	3,533
Authorized but not contracted for	**11,434**	12,164
(b) The Group's share of capital commitments of joint ventures		
Contracted but not provided for	**1,894**	2,229
Authorized but not contracted for	**1,852**	3,309

(c) Guarantees for bank borrowings of joint ventures and other guarantees in the aggregate amount of HK$1,955 million (2024: HK$1,907 million).

36. 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:

	2025	2024
Within one year	**14,198**	14,205
After one year but within two years	**8,654**	8,878
After two years but within three years	**4,369**	4,757
After three years but within four years	**2,072**	2,341
After four years but within five years	**934**	1,214
After five years	**647**	487
	30,874	31,882

37. Charges of Assets

At the year end date, certain bank deposits of the Group's subsidiaries in the aggregate amount of HK$45 million (2024: HK$48 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$17,492 million (2024: HK$5,840 million) have been charged to secure their bank borrowings.

38. 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.

39. 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 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 2025, it is estimated that a 10% (2024: 10%) appreciation/depreciation in Hong Kong dollar against all other currencies, with all other variables held constant, would decrease/increase the profit before taxation for the year by approximately HK$65 million (2024: increase/decrease by HK$86 million). The other comprehensive income would be decreased/increased by HK$58 million (2024: HK$38 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.

39. Financial Risk Management (cont'd)

(b) *Interest rate risk (cont'd)*

As at 30 June 2025, it is estimated that an increase/a decrease of 100 basis points (2024: 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$249 million (2024: HK$689 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 2024.

(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 2025, it is estimated that an increase/a decrease of 10% (2024: 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$76 million and HK$64 million (2024: HK$68 million and HK$55 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 35, the Group does not provide any other guarantee which would expose the Group to material credit risk.

39. 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 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**

	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 2024							
Trade payables	25	3,070	3,070	2,962	104	4	–
Other payables and accrued expenses	25	26,076	26,079	22,383	1,897	1,685	114
Amounts due to non-controlling interests	25	1,213	1,213	1,213	–	–	–
Lease liabilities	25 & 29	2,567	2,854	933	448	559	914
Bank and other borrowings	24 & 27	127,087	143,991	15,638	24,623	80,859	22,871
Other non-current liabilities	29	2,465	2,808	–	236	744	1,828
Derivative financial instruments	20	359	416	(12)	(20)	104	344
		162,837	180,431	43,117	27,288	83,955	26,071

(Expressed in millions of Hong Kong dollars)

40. 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 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**

40. Fair Value of Financial Instruments (cont'd)

(a) *Financial instruments carried at fair value (cont'd)*

As at 30 June 2024

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at FVTPL				
Debt securities	13	–	–	13
Equity securities	674	–	440	1,114
Financial assets at FVOCI				
Debt securities	157	–	–	157
Equity securities	389	7	315	711
Derivative financial instruments				
Cross currency interest rate swaps	–	71	–	71
Forward foreign exchange contracts	–	7	–	7
	1,233	85	755	2,073
Financial liabilities				
Bond and notes subject to fair value hedges	–	1,030	–	1,030
Derivative financial instruments				
Cross currency interest rate swaps	–	354	–	354
Interest rate swaps	–	5	–	5
	–	1,389	–	1,389

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.

(Expressed in millions of Hong Kong dollars)

40. 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		
	FVTPL	**FVOCI**	**Total**
Unlisted equity securities			
At 1 July 2023	474	315	789
Purchases	30	–	30
Change in fair value recognized in profit or loss	(64)	–	(64)
At 30 June 2024 and 1 July 2024	440	315	755
Purchases	**28**	**–**	**28**
Sales	**(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	**290**	**313**	**603**

(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.

	2025		2024	
	Carrying amount	**Fair value**	Carrying amount	Fair value
Debt securities	**48**	**53**	434	439
Long-term borrowings	**95,833**	**94,715**	115,559	112,733

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.

41. 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:

	2025	2024
Bank loans	**69,287**	86,933
Bonds and notes	**40,930**	40,154
Total borrowings	**110,217**	127,087
Less: Bank deposits and cash	**(16,919)**	(16,221)
Net debt	**93,298**	110,866
Shareholders' equity	**617,851**	606,717
Net debt-to-shareholders' equity ratio	**15.1%**	18.3%

42. Approval of the Consolidated Financial Statements

The consolidated financial statements set out on pages 158 to 224 were approved by the board of directors on 4 September 2025.

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 2025 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	73.32	Provision of data centre, facilities management and value-added services, installation and maintenance services	236,051,433
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 9) 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
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
Beautiglory Investment Limited		100	Property development and investment	8
Beauty Marble Investment Limited		100	Property investment	2
Beijing New Town Plaza Real Estate Co., Ltd.	5c	100	Property investment	US$9,000,000*
Beijing Sun Dong An Co., Ltd.	5a	100	Property investment	US$129,000,000*
Best Numbers Limited	1	100	Property investment	US$1
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

Name	Note	Total Attributable Equity Interest Held by the Company (%)	Activities	Issued Share Capital/ Registered Capital* (HK$)
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*
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

Principal Subsidiaries

Name	Note	Total Attributable Equity Interest Held by the Company (%)	Activities	Issued Share Capital/ Registered Capital* (HK$)
Gleamland Limited	1	100	Property investment	US$1
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 9) 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 Alliance Limited		100	Property trading	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
Hongyi (Shanghai) Corporate Development Co., Ltd.	5c, 13	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		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
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
Keep York Limited		100	Property development and investment	2
Kimrose Investments Ltd.	1	100	Property investment	US$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

Name	Note	Total Attributable Equity Interest Held by the Company (%)	Activities	Issued Share Capital/ Registered Capital* (HK$)
Lansmart Limited		100	Property trading and investment holding	2
Lee Bit Kai Investment Company Limited	6	100	Property investment	1,000
Leverson Limited	1	100	Property investment and hotel operation	US$1
Light Time Investments Limited		100	Property development 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
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 development and 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 development, 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
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
Route 3 (CPS) Company Limited		70	Toll road operation	10,000
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
Shanghai Central Plaza Property Co., Ltd.	5a	80	Property investment	US$42,000,000*
Shanghai International Commerce Centre Co., Ltd.	5c	100	Property development and investment	US$290,500,000*
Shanghai SHK International Commerce Centre Co., Ltd.	5c	100	Property development and investment	US$90,000,000*

Principal Subsidiaries

Name	Note	Total Attributable Equity Interest Held by the Company (%)	Activities	Issued Share Capital/ Registered Capital* (HK$)
Shanghai SHK Weiyi Property Co., Ltd.	5c	100	Property investment	RMB600,000,000*
Shanghai Weijing Commercial Operation Management Co., Ltd.	5c	100	Property investment	RMB600,000,000*
Shanghai SHK Weizheng Property Co., Ltd.	5c	100	Property investment	RMB1,220,000,000*
Shanghai SHK Weiwan Property Co., Ltd.	5c	100	Property investment	RMB17,803,054,100*
Shanghai Xin Zhong Hui Property Co., Ltd.	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
Sun Hung Kai Development (Lujiazui II) Ltd.	5c	100	Property investment	US$61,355,000*
Sun Hung Kai Development (Zhang Yang) Ltd.	5c	100	Property development and investment	US$24,000,000*
Sun Hung Kai IFC (Nanjing) Co., Ltd.	5c	100	Property investment	RMB721,914,400*
Sun Hung Kai ICC (Suzhou) Co., Ltd.	5b	90	Property development and investment	RMB1,800,000,000*
Sun Hung Kai Properties (Capital Market) Limited	2,6,12	100	Finance	US$10
Sun Hung Kai Properties Investment (Guangzhou) Limited	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 10) 25,000 (Note 11) 25,000
Sunfez Company Limited		100	Property investment	200
Sunrit Enterprises Limited		100	Property investment	4,000,000
Super Great Limited		100	Property development and investment	1
Superwick Limited		100	Property trading	1
Tainam Holdings Limited	1	100	Property investment	US$1
Tamworth Development Limited		100	Property development	2
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
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

Name	Note	Total Attributable Equity Interest Held by the Company (%)	Activities	Issued Share Capital/ Registered Capital* (HK$)
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 9) 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 and investment	1
Well Famous Enterprise Limited		100	Property investment	1
Well Logic Properties Investment Limited	1	100	Property investment	US$1
Wellden Limited		100	Property investment	2
Wetland Park Management Service Limited		100	Property 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 Land Enterprises Limited		100	Property investment	2
Winter Ranch Limited	1	100	Property investment	US$1
Wonder Charm Assets Limited	1	100	Property investment	US$1
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. *Redeemable share.*
10. *"A" share.*
11. *"B" share.*
12. *At 30 June 2025, the carrying amount of guaranteed notes issued by Sun Hung Kai Properties (Capital Market) Limited is HK$36,547 million (2024: HK$38,013 million), which are repayable on various dates up to June 2033 (2024: June 2033) at average effective rate of 2.8% (2024: 2.82%) per annum.*
13. *At 30 June 2025, the carrying amount of commercial mortgage-backed securities issued by Hongyi (Shanghai) Corporate Development Co., Ltd. is RMB4,000 million (2024: RMB2,000 million). Series 1 of RMB2,000 million has a tenor of 18 years from the date of issue up to September 2040, interest rate is 2.85% per annum and is fixed for every 3 years. 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 2025 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
[#+] China Resources Sun Hung Kai Properties (Wuxi) Limited	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
[#+] Guangzhou Fujing Properties Development Co., Ltd.	3	33.33	Property development and investment	Registered capital
[#+] 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
[+] Ranny Limited		50	Property investment	Ordinary
[#+] River Trade Terminal Co. Ltd.	1	50	River trade terminal	Ordinary
[#] Senica International Limited	4	22.50	Investment holding	Ordinary
[#+] Shanghai Xintian Real Estate Co., Ltd.	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

	Name	Note	Total Attributable Equity Interest Held by the Company (%)	Activities	Class of Share/ Registered Capital
+	Xipho Development Company Limited		33.33	Property trading	Ordinary
#+	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
#+	Hangzhou River East Estates Co., Ltd.	3	45	Property development and investment	Registered capital
#+	Hangzhou River West Co., Ltd.	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 2025 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	44.87	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.

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