

ANNUAL REPORT

2025

 SWIRE PROPERTIES

Stock Code: 01972





CONTENTS

2	Company Profile
6	2025 Highlights
14	Financial Highlights
15	Ten-Year Financial Summary
18	Chairman's Statement
21	Chief Executive's Statement
24	Key Business Strategies

MANAGEMENT DISCUSSION & ANALYSIS

28	Review of Operations
74	Financial Review
81	Financing

CORPORATE GOVERNANCE & SUSTAINABILITY

92	Corporate Governance
112	Risk Management
119	Directors and Officers
122	Directors' Report
129	Sustainability Review

AUDITOR'S REPORT AND ACCOUNTS

138	Independent Auditor's Report
142	Consolidated Statement of Profit or Loss
143	Consolidated Statement of Other Comprehensive Income
144	Consolidated Statement of Financial Position
145	Consolidated Statement of Cash Flows
146	Consolidated Statement of Changes in Equity
147	Notes to the Financial Statements
207	Accounting Policies
210	Principal Subsidiary, Joint Venture and Associated Companies

SUPPLEMENTARY INFORMATION

213	Schedule of Principal Group Properties
223	Glossary
224	Financial Calendar and Information for Investors



COMPANY PROFILE

Swire Properties Limited (the “Company”) is a leading developer, owner and operator of mixed-use, principally commercial, properties in Hong Kong and the Chinese Mainland, with a record of creating long-term value by placemaking and transforming urban areas. Our business comprises three elements: property investment, property trading, and hotel investment and management.



Founded in Hong Kong in 1972, the Company is listed on The Stock Exchange of Hong Kong Limited and, with its subsidiaries, employs around 5,800 people. The Company's shopping malls are home to more than 2,200 retail outlets. Its offices house a working population estimated to exceed 71,000.

In Hong Kong, we have spent over 50 years developing an industrial area into what is now Taikoo Place and Cityplaza, one of Hong Kong's largest business districts comprising office space, the largest shopping mall on Hong Kong Island and a hotel and serviced apartments. Pacific Place, built on the former Victoria Barracks site, is one of Hong Kong's premier retail and business addresses. In the Chinese Mainland, the Company has six major commercial projects in operation in Beijing, Guangzhou, Chengdu and Shanghai, and has several projects under development in Beijing, Guangzhou, Shanghai, Sanya and Xi'an. Similar in scale to our developments in Hong

Kong, our Chinese Mainland properties are in prime locations with excellent transport connections.

The Company has interests in the luxury and high-quality residential markets in Hong Kong, the Chinese Mainland, Indonesia, Vietnam and Thailand. There is also a plan to develop a luxury residential and hospitality project in Miami, U.S.A. Swire Hotels develops and manages hotels in Hong Kong, the Chinese Mainland and the U.S.A., with confirmed expansion plans to open new hotels in Japan and the Chinese Mainland.

The Company had interests in investment properties in the Brickell financial district in Miami, U.S.A., until their disposals in June 2025. The Company has offices in South East Asia which explore opportunities in the property markets in the region.

Captures what we do and how we do it. It underlines the creative mindset and long-term approach that enables us to seek out new perspectives, and original thinking that goes beyond the conventional. It also encapsulates our ability to unlock the potential of places and create vibrant destinations that can engender further growth and create sustainable value for our stakeholders.



CREATIVE

TRANSFORMATION



2025 HIGHLIGHTS

March

During Swire Properties' Arts Month, the Company continued its 13th year of partnership with Art Basel Hong Kong, with Pacific Place hosting the art fair's only offsite installation *Lanternfly Ballet*. Starstreet Precinct featured sculptural installation *Beauty and Gesture (La Beauté et le Geste)*, while Taikoo Place showcased *The Jewel System* by Sara Shakeel – two transformative and signature art installations at ArtisTree and Two Taikoo Place.

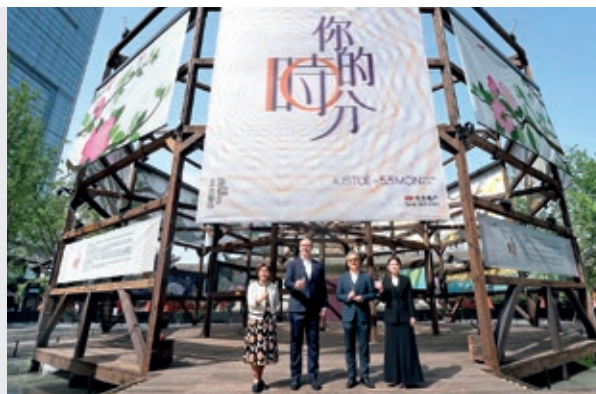
Hong Kong



April

Taikoo Li Chengdu, the Company's flagship mixed-use development in Southwest China, celebrated its 10th anniversary.

Chengdu



June

Disposed 75% interest in the Brickell City Centre shopping centre, and entire interests in the Brickell City Centre car parking spaces and certain shared facilities to Simon Property Group for a total consideration of up to US\$548.7 million.

U.S.A.

Acquired a 25% interest in the joint venture company that owns the Mandarin Oriental, Miami from the Mandarin Oriental Hotel Group for a consideration of US\$37 million. The Company plans to redevelop the site into a residential and hospitality development.

U.S.A.

May

Celebrated the official opening of Two Queensway Bridge, a new footbridge connecting Pacific Place with Harcourt Garden which greatly enhances walkability in the area.

Hong Kong



September

FWD Hong Kong and Swire Properties signed a decade-long lease to expand the insurance company's office space at Taikoo Place.

Hong Kong

Started the presale of THE HEADLAND RESIDENCES in Hong Kong.

Hong Kong





October

Introduced Upper House Residences Bangkok, the world's first Upper House branded residences, and The Wireless Residences by Upper House.

Bangkok

Completed the disposal of an industrial site in Tsing Yi, Hong Kong for a consideration of HK\$663 million.

Hong Kong

Announced the structural topping out of all buildings at Taikoo Place Beijing, marking a major milestone for this landmark, mixed-use riverfront development.

Beijing



Artist's Impression



November

Offered 453 car parking spaces of the Stage 10 in the Taikoo Shing residential development in Hong Kong for sale. 435 car parking spaces have been sold up to 6th March 2026.

Hong Kong

December

Phase 1 of Taikoo Li Julong Wan Guangzhou, the retail portion of a mixed-use development in which the Group holds a 50% interest, opened progressively.

Guangzhou

Announced the naming of Qiantan Place in Shanghai, featuring two premium Grade-A office towers – One Qiantan Place and Two Qiantan Place, forming the office component of the expanded, mixed-use Taikoo Li Qiantan development.

Shanghai



Artist's Impression



January 2026

Transformation of Taikoo Li Sanlitun achieved a key milestone, anchored by the comprehensive trade-mix upgrade at Taikoo Li Sanlitun North.

Beijing

Recorded strong presales in the fourth batch of units at Lujiazui Taikoo Yuan Residences, with 225 of the 250 units launched sold up to 6th March 2026.

Shanghai

March 2026

Completed the sale of two residential houses at 6 Deep Water Bay Road for a consideration of HK\$2.2 billion.

Hong Kong





2025 SUSTAINABLE DEVELOPMENT HIGHLIGHTS



“Our vision is to be the leading sustainable development performer in our industry globally by 2030.”

– GUY BRADLEY, CHAIRMAN



Global Sector Leader – Listed (Mixed Use) for the 9th consecutive year

Global Development Sector Leader (Mixed Use) for the 6th consecutive year



Hang Seng Corporate Sustainability Index Series Member 2025-2026



Ranked No.1 for the 8th consecutive year and maintained the highest “AAA” rating



Included in the S&P Global Sustainability Yearbook since 2017

Included in the S&P Global Sustainability Yearbook (China) since 2023



Top 100 companies for gender equality globally by Equileap
Ranked No.1 in Hong Kong

RICS Hong Kong Awards 2025

Environmental Impact Award

Caring Employer Medal 2025

“Disability Inclusive Employer”

Green Building Award 2025

Green Building Leadership (Developer Category): Pioneer Award

Hong Kong Council of Social Service’s 2024/25 Caring Company Scheme

“Performance Recognition: Leading Performance”

HKILA Awards 2024

Taikoo Place Open Space Project: “Excellence in Private Development” category

“Special Listing: Caregiver-friendly Company”

Hong Kong Volunteer Award 2025

Outstanding Corporate – Excellence Award

HKICPA Best Corporate Governance and ESG Awards 2025

Large Market Capitalization Category ESG Awards – Special Mention

Hong Kong Public Relations Awards 2025

Sustainability We All Count – Make Way For Nature: Silver Award in the Corporate Sustainability category

Hong Kong Management Association 2025 Best Annual Reports Awards

Sustainability Report 2024: Best Environmental, Social and Governance Reporting Award;
Annual Report 2024: Bronze Award (General category)

The Asset Triple A Awards for Sustainable Finance 2026

Best Issuer for Sustainable Finance – Hong Kong
Best Green Bond – Real Estate – CNH3.5 billion triple-tranche green bond

Randstad Hong Kong Employer Brand Awards 2025

Most Attractive Employer in the Property and Real Estate Sector



SD 2050 Vision

BUILDING THE WORLD'S MOST SUSTAINABLE COMMUNITIES

2025 was a defining year for our Sustainable Development (“SD”) Strategy. We have achieved the majority of our 2025 sustainability targets across our pillars. This reinforces our confidence in the SD 2030 roadmap and that we are well positioned to move into the next phase of our journey with momentum.

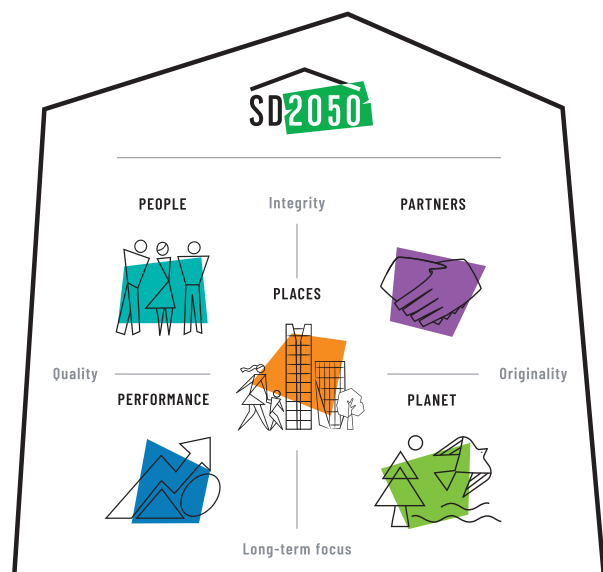
We undertook a comprehensive review of our SD 2030 Strategy, reimagining our long-term sustainability ambitions to ensure they support our ambitious growth plans.

SD 2050 Mission

Lead transformative change in the built environment that harmonises business, people and nature. Through our commitment to placemaking, strategic partnerships and sustainability performance, we will build thriving and inclusive communities that create long-term value for our stakeholders.

Anchored by the SD 2050 commitments to **“Zero” – Zero Harm, Net-Zero Carbon, Zero Waste to Landfill and Water Neutrality** – SD 2050 aims to strengthen partnerships for a resilient value chain; reinforce our role as a preferred landlord with future-ready, industry-leading buildings, foster a purpose-driven culture that aligns employee values with corporate goals; and strengthen social cohesion and resilience through collaborative engagement.

SD 2050 strategy will provide a clear roadmap to drive innovation, manage risks proactively and optimise resource efficiency – ultimately creating long-term value for our stakeholders and leading transformative change in the built environment that harmonises business, people and nature.





SUSTAINABLE DEVELOPMENT (SD) 2030 STRATEGY: 2025 RESULTS



Places
Through effective placemaking and long-term placekeeping, we aim to continue to transform the places in which we invest so as to create value, whilst retaining their character, supporting communities and enhancing people's lives.

Youth Empowerment

Since 2019, the Swire Properties Placemaking Academy ("SPPA") has generated **over HK\$68** million in social value by empowering young people to design, plan and execute our annual community event – The White Christmas Street Fair.

Connectivity

Officially opened in May 2025, Two Queensway Bridge links Pacific Place with government and commercial precincts across Admiralty. The 24-hour pedestrian bridge promotes walkability and community access through sustainable, inclusive design.



People
We aim to create an environment where our employees will be healthier, happier and more productive, to invest in our employees and to provide rewarding career paths so as to develop a diverse and industry-leading team.

Talent Management

2025 KPI	2025 Results
A 25% increase in training hours/employee/year ¹	23.3 training hours/employee/year (↑91%)
	>166,000 training hours delivered

Occupational Health and Safety

2025 KPI	2025 Results
Maintain Lost Time Injury Rate ("LTIR")	
Non-hotel operations: ≤1.2	Non-hotel operations: 0.26
Hotel operations: ≤2.0	Hotel operations: 1.2

Zero fatalities and zero serious injuries across our operations.

Diversity and Inclusion

2025 KPI	2025 Results
Maintain a female representation of no less than 40% in the workforce	42.4% of the workforce is female
Maintain a gender balance in strategic leadership	40.4% of strategic leader positions are held by women ²
Maintain gender pay ratio at 1:1	Gender pay ratio (female to male) ³ : 1:0.95

Volunteering

Our Community Ambassador Programme contributed to **over 10,800** volunteer services hours, supporting **92** activities.

Achieved three-star recognition under the Leading Performance tier of the HKCSS Caring Company Scheme, ranking first overall among more than 20 awarded companies.



Partners

We aim to continue to develop long-term, mutually beneficial relationships with our business partners and other key parties so as to improve our environmental, social and economic performance.

Suppliers

2025 KPI	2025 Results
25% of products and services purchased for wholly owned new and existing investment portfolios shall be sustainable ⁴	>25% of these products and services purchased were sustainable ⁴

HK\$1,722 million spent on sustainable procurement⁴

Reduce 5-year rolling average accident rate per 1,000 contractor workers ⁵ in our Hong Kong development projects by 50%	Achieved a 78% reduction in accident rate
---	--

Tenants

2025 KPI	2025 Results
50% of tenants in office portfolios ⁶ to sign the Green Performance Pledge to jointly improve environmental performance	66% of tenants (186 tenants from over 5.8 million sq ft LFA) signed GPP

Collectively, reduction in electricity use by **436,400 kWh** (equivalent to 132 households' annual consumption) and diverted **over 200 tonnes** of waste from landfill from all Hong Kong GPP participating tenants.



Over 140 outlets in Hong Kong and the Chinese Mainland took part in our **Green Kitchen Initiative**, driving sustainable practices among F&B tenants.



Green Retail Partnership continues to gain traction – We are collaborating with 10 LVMH maisons to jointly develop and implement an eco-design checklist for new stores.



Signed an MOU with Kering Group to promote sustainable store design and ESG data sharing.

1 Compared to the baseline year of 2016.
 2 We missed our 2025 target. This figure was largely driven by changes in the composition of the strategic leadership following business growth and several appointments made during the year.
 3 Gender pay ratio is calculated based on a non-weighted average methodology. We missed our 2025 target. The gender pay ratio represents a variance within accepted market benchmarks and reflects the impact of role mix and seniority distribution across the workforce.
 4 Products that meet specific sustainability criteria such as green certification or accreditation by reputable, independent third parties.

Performance (Environment)



We aim to continue to design, construct and manage high quality developments that contribute positively to the environment and the communities in which we operate.

Climate Change



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

2025 KPI

Absolute GHG emissions (Scope 1 and Scope 2)⁷:

↓25%

2025 Results

↓52%

2030 KPI

Value chain GHG emissions

Scope 3 – Downstream Leased Assets:⁸

↓28% per square metre

2025 Results

↓63%

Energy

2025 KPI

Reduction of electricity use intensity^{7,9}

Hong Kong Portfolio¹⁰
↓20%

2025 Results

Hong Kong Portfolio¹⁰
↓22%

Chinese Mainland Portfolio¹⁰

↓13%

Chinese Mainland Portfolio¹⁰

↓12%¹¹

Resource and Circularity

2025 KPI

Commercial waste diversion rate

Hong Kong Portfolio¹⁰
30%

2025 Results

Hong Kong Portfolio¹⁰
30%

Chinese Mainland Portfolio¹⁰

40%

Chinese Mainland Portfolio¹⁰

50%

Building/Asset Investment

2025 KPI

100% of wholly-owned¹² new development projects to achieve the highest environmental building assessment scheme rating

2025 Results

100% of new development projects¹² achieved the highest ratings

91% of wholly-owned existing developments¹² achieved the highest ratings

5 Using 2015-2019 (5-year average) as baseline. Accidental rate represents the number of reportable accidents per 1,000 contractor workers. It is calculated as the total number of reportable accidents multiplied by 1,000 and then divided by average daily number of contractor workers on-site.

6 Measured by occupied lettable floor area ("LFA") of office portfolios at 100% basis comprising of Taikoo Place and Pacific Place in Hong Kong and Taikoo Hui Guangzhou.

7 Compared to the 2019 baseline.

8 Compared to the 2018 baseline.

9 The 2025 KPIs under Energy have been updated per our approved 1.5°C-aligned SBT. Energy Use Intensity has been renamed to "Electricity Use Intensity" in 2022 to reflect the use of electricity for the provision of shared services for and in the common parts of our buildings. The actual scope of this KPI remains unchanged.

Performance (Economic)



We aim to deliver sustainable economic performance coupled with good corporate governance and high ethical standards.

Financial Performance

HK\$8,620 million in underlying profit attributable to shareholders

Green Financing

2025 KPI

Achieve a minimum of 50% of bond and loan facilities from green financing

2025 Results

~70% of current bond and loan facilities are from green financing

Issued green bonds totalling approximately HK\$4.5 billion and arranged sustainability-linked loans amounting to approximately HK\$5.1 billion.

Corporate Governance

2025 KPI

Maintain no less than 30% of female representation on our Board

2025 Results

35.7% of our Board positions are held by female members

Disclosures and Recognitions

Prepared our Sustainability Report in compliance with HKEX ESG Code Appendix C2 and with reference to IFRS S2 and HKFRS S2 for Climate-related Disclosures, also incorporated the recommendations of TNFD.



Global Sector Leader –
Listed (Mixed Use) –
9th consecutive year

Global Development Sector
Leader (Mixed Use) –
6th consecutive year



Hang Seng Corporate
Sustainability Index
Series Member 2025-2026



Ranked No. 1 –
8th consecutive year,
"AAA" rating



S&P Global
Sustainability
Yearbook Member
Corporate Sustainability
Assessment 2025
S&P Global 2025
For terms of use, visit www.spglobal.com/yearbook



FTSE4Good

10 Hong Kong portfolio and Chinese Mainland portfolio refer to our office and retail portfolios and hotels in Hong Kong and the Chinese Mainland respectively.

11 We narrowly missed our 2025 electricity use intensity target for Chinese Mainland portfolio. This was primarily due to higher electricity consumption caused by several factors. Although energy demand increased as a result of electrification works for the heating system at Taikoo Li Sanlitun and additional electricity consumption for on-site wastewater recycling at INDIGO and Taikoo Li Chengdu, these initiatives created other environmental benefits by reducing our overall carbon emissions and fresh water consumption. In addition, a shift from district cooling systems to more energy efficient, self-operated chillers at Taikoo Li Qiantan, together with higher cooling demand driven by extreme weather conditions in Shanghai, contributed to the increase in energy demand.

12 Joint venture projects and trading properties are excluded.

FINANCIAL HIGHLIGHTS

Results For the year	Note	2025 HK\$M	2024 HK\$M	Change
Revenue		16,041	14,428	11%
Profit/(Loss) attributable to the Company's shareholders				
Underlying	(a), (b)	8,620	6,768	27%
Recurring underlying	(a), (b)	6,260	6,479	-3%
Reported		(1,533)	(766)	-100%
Cash generated from operations		10,024	6,489	54%
Net cash inflow/(outflow) before financing		10,661	(2,515)	N/A
		HK\$	HK\$	
Earnings/(Loss) per share				
Underlying	(c)	1.49	1.16	28%
Recurring underlying	(c)	1.09	1.11	-2%
Reported	(c)	(0.27)	(0.13)	-108%
Dividend per share				
First interim		0.35	0.34	3%
Second interim		0.80	0.76	5%
Financial Position At 31st December		HK\$M	HK\$M	
Total equity (including non-controlling interests)		271,342	278,427	-3%
Net debt		39,540	43,746	-10%
Gearing ratio	(a)	14.6%	15.7%	-1.1%pt.
		HK\$	HK\$	
Equity attributable to the Company's shareholders per share	(a), (d)	46.80	47.35	-1%

Notes:

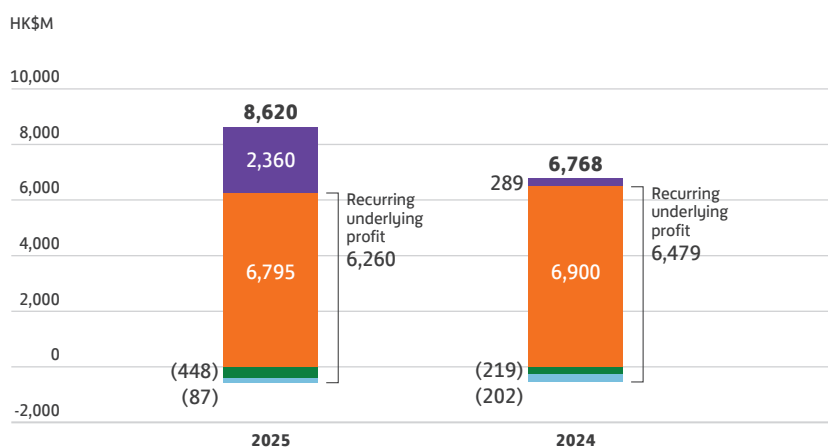
(a) Refer to glossary on page 223 for definition.

(b) A reconciliation between reported loss and underlying profit attributable to the Company's shareholders is provided on page 29.

(c) Refer to note 14 to the financial statements for the weighted average number of shares.

(d) Refer to note 33 to the financial statements for the number of shares at the year end.

Underlying Profit/(Loss) by Segment



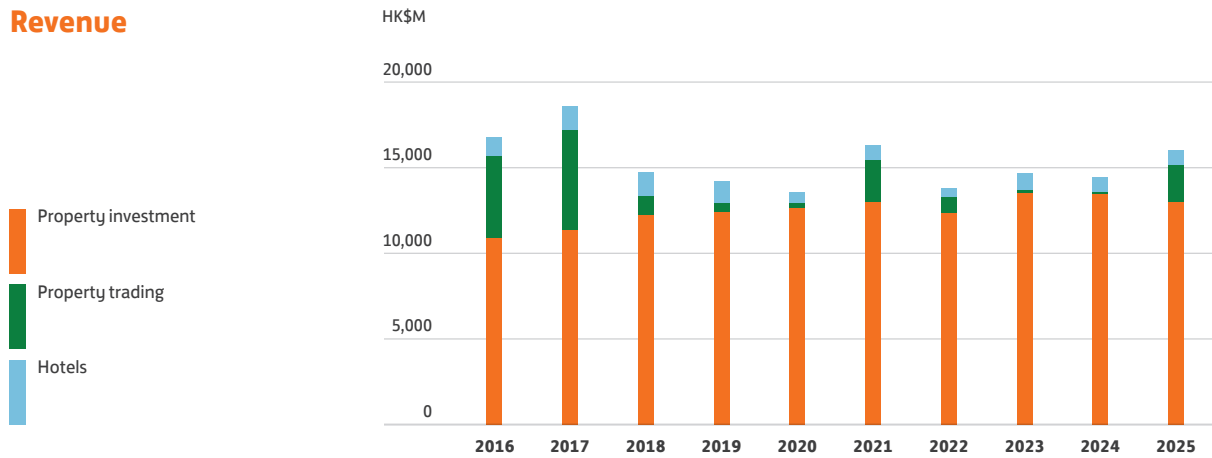
TEN-YEAR FINANCIAL SUMMARY

	2016 HK\$M	2017 HK\$M	2018 HK\$M	2019 HK\$M	2020 HK\$M	2021 HK\$M	2022 HK\$M	2023 HK\$M	2024 HK\$M	2025 HK\$M
STATEMENT OF PROFIT OR LOSS										
Revenue										
Property investment	10,902	11,380	12,254	12,410	12,635	12,981	12,340	13,525	13,452	13,014
Property trading	4,760	5,833	1,061	516	312	2,443	921	166	88	2,110
Hotels	1,130	1,345	1,404	1,296	641	894	565	979	888	917
	16,792	18,558	14,719	14,222	13,588	16,318	13,826	14,670	14,428	16,041
Profit/(Loss) Attributable to the Company's Shareholders										
Property investment	5,938	6,671	8,732	10,061	8,839	8,654	8,025	7,325	7,234	6,363
Property trading	1,199	1,111	99	(18)	(87)	601	171	(169)	(233)	193
Hotels	(117)	(43)	(41)	(70)	(524)	(307)	(341)	(100)	(191)	(87)
Change in fair value of investment properties	8,030	26,218	19,876	3,450	(4,645)	(1,836)	125	(4,419)	(7,576)	(8,002)
	15,050	33,957	28,666	13,423	3,583	7,112	7,980	2,637	(766)	(1,533)
Dividends for the year	4,154	4,505	4,914	5,148	5,324	5,558	5,850	6,143	6,375	6,621
Retained profit	10,896	29,452	23,752	8,275	(1,741)	1,554	2,130	(3,506)	(7,141)	(8,154)
STATEMENT OF FINANCIAL POSITION										
Net Assets Employed										
Property investment	248,466	283,045	299,659	289,185	282,257	288,246	293,752	300,678	289,799	278,827
Property trading	6,616	3,942	4,143	7,789	7,249	9,637	11,612	17,334	26,108	25,857
Hotels	7,520	7,738	7,394	7,229	7,243	6,061	5,841	6,816	6,266	6,198
	262,602	294,725	311,196	304,203	296,749	303,944	311,205	324,828	322,173	310,882
Financed by										
Equity attributable to the Company's shareholders	225,369	257,381	279,275	286,927	288,216	291,624	289,211	285,082	275,326	269,460
Non-controlling interests	1,856	1,997	2,016	1,984	1,928	1,986	3,047	3,067	3,101	1,882
Net debt	35,377	35,347	29,905	15,292	6,605	10,334	18,947	36,679	43,746	39,540
	262,602	294,725	311,196	304,203	296,749	303,944	311,205	324,828	322,173	310,882
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
Earnings/(Loss) per share	2.57	5.80	4.90	2.29	0.61	1.22	1.36	0.45	(0.13)	(0.27)
Dividends per share	0.71	0.77	0.84	0.88	0.91	0.95	1.00	1.05	1.10	1.15
Equity attributable to shareholders per share	38.52	44.00	47.74	49.05	49.27	49.85	49.44	48.73	47.35	46.80
RATIOS										
Return on average equity attributable to the Company's shareholders	6.8%	14.1%	10.7%	4.7%	1.2%	2.5%	2.7%	0.9%	-0.3%	-0.6%
Gearing ratio	15.6%	13.6%	10.6%	5.3%	2.3%	3.5%	6.5%	12.7%	15.7%	14.6%
Interest cover – times	15.48	38.81	33.29	28.85	12.93	20.78	48.26	9.96	1.72	2.05
Dividend payout ratio	27.6%	13.3%	17.1%	38.4%	148.6%	78.1%	73.3%	233.0%	N/A	N/A
UNDERLYING										
Profit (HK\$M)	7,112	7,834	10,148	24,130	12,166	9,532	8,706	11,570	6,768	8,620
Return on average equity attributable to the Company's shareholders	3.2%	3.2%	3.8%	8.5%	4.2%	3.3%	3.0%	4.0%	2.4%	3.2%
Earnings per share (HK\$)	1.22	1.34	1.73	4.12	2.08	1.63	1.49	1.98	1.16	1.49
Interest cover – times	8.89	10.68	12.58	48.16	32.10	32.96	74.74	26.76	8.92	10.23
Dividend payout ratio	58.4%	57.5%	48.4%	21.3%	43.8%	58.3%	67.2%	53.1%	94.2%	76.8%

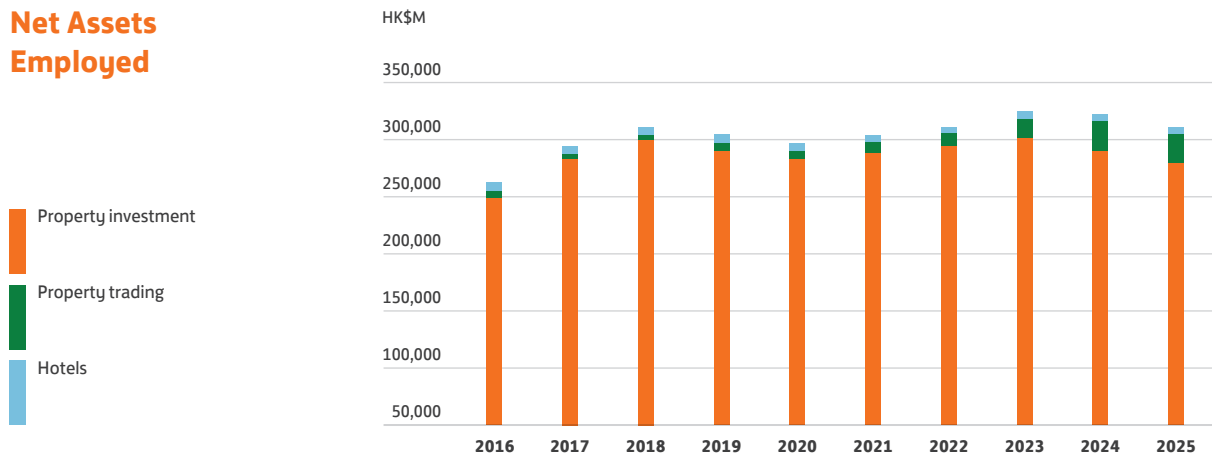
Notes:

- The information for all years is shown in accordance with the Group's current accounting policies and disclosure practices. Consequently figures for years prior to 2025 may be different from those originally presented.
- The equity attributable to the Company's shareholders and the returns by segment for 2025 and 2024 are shown in the Financial Review – Investment Appraisal and Performance Review on page 80.
- Underlying profit is discussed on pages 29 to 31.
- Refer to Glossary on page 223 for definitions and ratios.

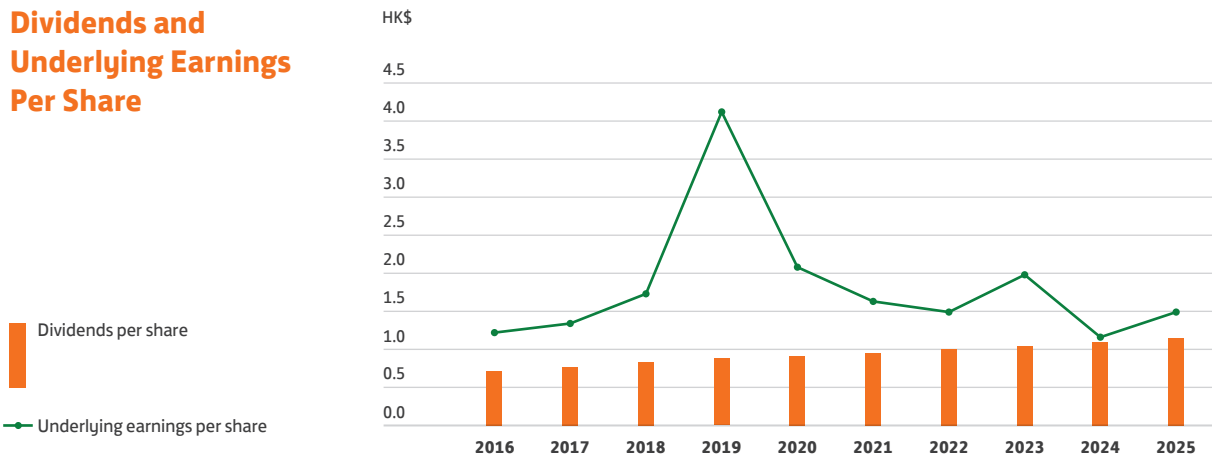
Revenue



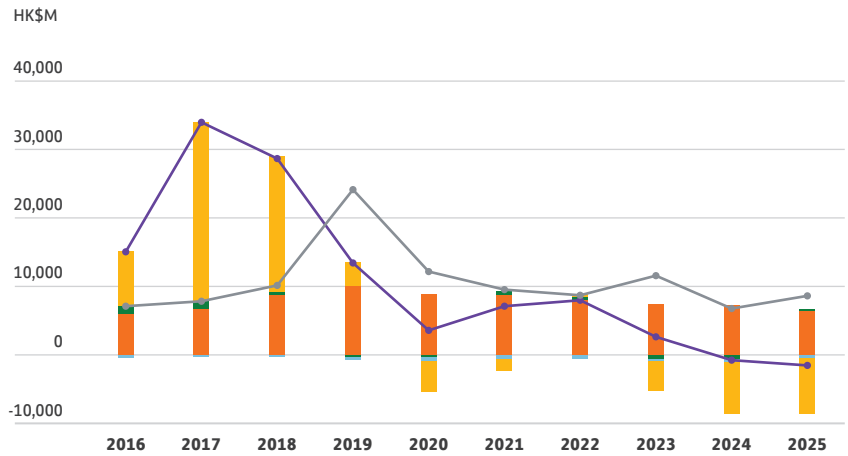
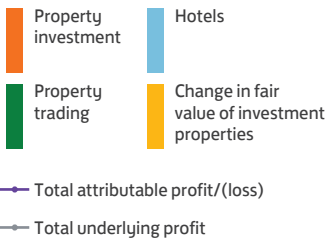
Net Assets Employed



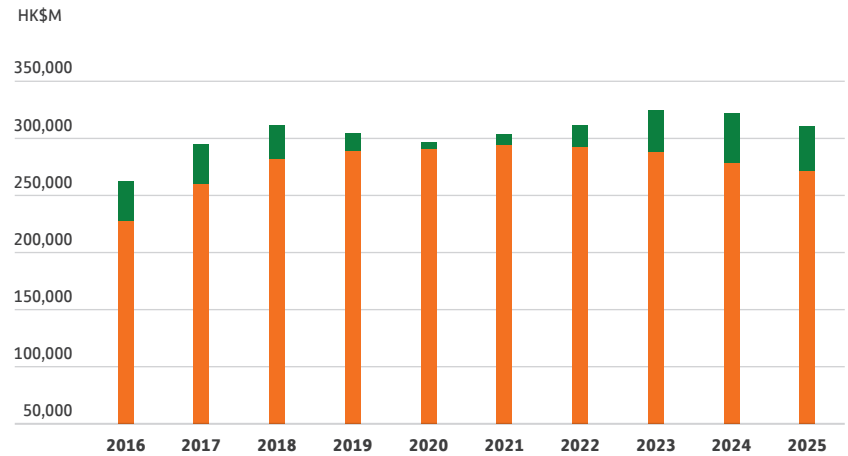
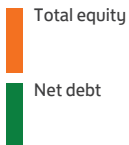
Dividends and Underlying Earnings Per Share



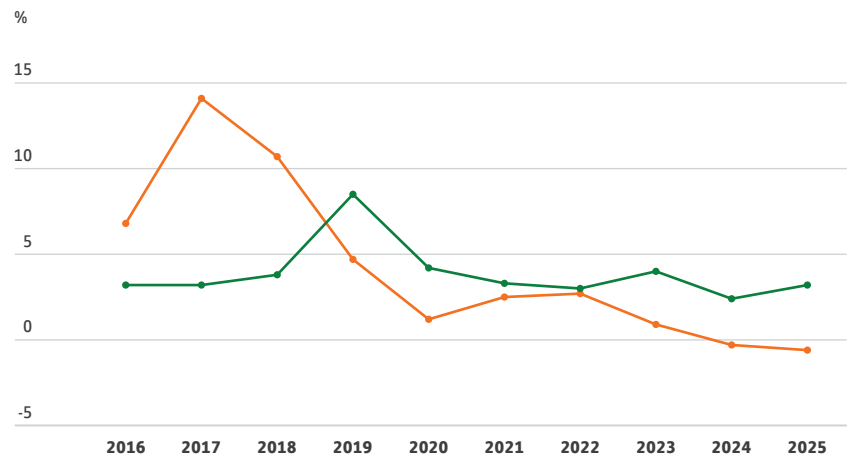
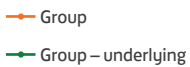
Profit/(Loss) Attributable to the Company's Shareholders



Total Equity and Net Debt



Returns on Average Equity



CHAIRMAN'S STATEMENT

With more than 50 years of history in Hong Kong, our confidence in the city's long-term outlook is as strong as ever, and we remain committed to shaping its urban landscape and supporting the communities we serve.

Dear Shareholders,

Swire Properties delivered a strong performance in 2025, with underlying profit rising year-on-year. Thanks to the successful execution of our capital recycling strategy, together with our disciplined capital management, a strong balance sheet, and improving retail momentum across Hong Kong and the Chinese Mainland, these results continued to reinforce the resilience of our business. With more than 50 years of history in Hong Kong, our confidence in the city's long-term outlook is as strong as ever, and we remain committed to shaping its urban landscape and supporting the communities we serve.

Summary of Financial Results

Our underlying profit attributable to shareholders increased by 27% to HK\$8,620 million in 2025, which principally reflected the profit arising from the disposal of our interests in the Brickell City Centre retail mall, its car parking spaces and certain shared facilities, and two adjacent land parcels in Miami, as well as an industrial site and the 43rd floor of One Island East in Hong Kong. Our recurring underlying profit decreased by 3% from HK\$6,479 million in 2024 to HK\$6,260 million in 2025, primarily reflecting the loss of rental income from the

Brickell City Centre retail mall after its disposal, a reduction in office rental income in Hong Kong and higher sales and marketing expenses incurred for several residential trading projects launched and due to launch over the next few years.

Our reported loss attributable to shareholders in 2025 was HK\$1,533 million, compared to a loss of \$766 million in 2024. There was a fair value loss on investment properties of HK\$7,716 million in 2025 compared to HK\$6,299 million in 2024. A change in the fair value of investment properties is non-cash in nature and has no impact on our operating cash flows nor on underlying profit attributable to shareholders. Our balance sheet remains strong and the change in fair value is not expected to have any impact on our investment strategy.

Progressive Dividends

We declared a second interim dividend for 2025 of HK\$0.80 per share. This, together with the first interim dividend of HK\$0.35 per share paid in October 2025, amounts to a full year dividend of HK\$1.15 per share, representing a 5% increase over the dividend per share for 2024. The second interim dividend for 2025 will be paid on Thursday, 7th May 2026 to shareholders registered at the close of business on the record date, being Thursday, 2nd April 2026. Shares of the Company will be traded ex-dividend from Tuesday, 31st March 2026.

Our policy is to deliver sustainable growth in dividends and to pay out approximately half of our underlying profit in ordinary dividends over time. Riding on the progress of our planned investments and capital recycling strategy, our aim is to deliver a progressive, mid-single digit annual growth in dividends.

Strategic Progress and Capital Recycling

We continue to make good progress in executing our HK\$100 billion investment plan this year, with approximately 67% of the planned investments committed and the majority of our Chinese Mainland allocation now deployed. In Hong Kong, we are pacing the next phase of our development plans at Taikoo Place in response to market conditions. We are well placed to capture emerging opportunities – including new residential pipelines – ensuring a steady revenue stream, reinforcing our financial strength, and fueling long-term business growth.

Capital recycling continued to be a key part of our strategy. We completed our exit from our Miami investment portfolio and undertook several divestments in Hong Kong, including the sale of car parking spaces at Taikoo Shing and a non-core industrial site in Tsing Yi. These transactions released capital from mature assets for reinvestment into higher-return opportunities. These efforts have kept gearing low and further strengthened our balance sheet – providing us with the capacity and confidence to continue delivering sustainable dividend growth.

Building Momentum Across Our Portfolio

Our retail portfolio continued to show encouraging improvement, supported by strong footfall and robust leasing activity. Experiential retail remains a major differentiator for us, with the debut of The Louis at HKRI Taikoo Hui in Shanghai a strong example of the growing demand for immersive luxury concepts. We are excited to mark a significant milestone in Beijing with the strategic transformation of Taikoo Li Sanlitun North. The opening of stand-alone stores by leading global brands, each with distinctive architecture, reflects our ability to shape the retail landscape through destination-led cultural and lifestyle experiences. This next chapter will also introduce a

substantial number of “first stores” to the city, giving fresh momentum to Beijing’s status as an international consumption centre city.

At the same time, we are expanding our presence in the Greater Bay Area. At Taikoo Li Julong Wan in Guangzhou, we began the project’s phased opening in December 2025, with around 46 shops – including eight pop-up stores – now open. Retail sales and foot traffic have been solid since the festive December weekend, reflecting positive early momentum. Exhibitions, innovative pop-ups and cultural programmes will be hosted throughout the year, further deepening our footprint in one of the Chinese Mainland’s most vibrant metropolitan areas.

Our residential business also gained momentum. The sale of 6 Deep Water Bay Road – one of the highest-value residential transactions in Hong Kong in recent years – highlighted sustained demand for exceptional homes. In Shanghai, Lujiazui Taikoo Yuan Residences achieved healthy sales, while our pipeline in South East Asia, including Upper House Residences Bangkok, continued to make steady progress. In the United States, we made excellent progress with the divestment of our retail portfolio and several adjacent development lots in Brickell.

Despite subdued conditions in the office sector, occupancy across our portfolio remained steady, supported by tenants’ preference for high-quality, amenity-rich workplaces. We were pleased to welcome expansions by FWD Insurance and the Securities & Futures Commission at Taikoo Place, and a renewal of Crédit Agricole CIB at Pacific Place. Connectivity in Admiralty was further enhanced with the opening of the Two Queensway Bridge, reinforcing Pacific Place’s position as a key commercial hub as the district continues to evolve. This year also marked an important milestone with the progression of Taikoo Place Beijing, extending Taikoo Place’s placemaking credentials to the capital.

Our hospitality business continued its expansion under the unified Upper House brand, with new Houses scheduled to open in Shenzhen (2027), Xi'an (2028) and Tokyo (2029) – extending our luxury offering into some of Asia's most dynamic cities.

Sustainability and Community

Last year marked a significant milestone as we were recognised as the world's top performer in our industry by the Dow Jones Best-in-Class World Index – six years ahead of our target timeline. Our continued presence in leading global sustainability indices reflects the maturity of our ESG approach and the strength of our tenant partnerships, including initiatives such as the Green Performance Pledge.

We are now advancing our 2050 Sustainable Development Strategy with a clear vision to build the world's most sustainable communities. This means addressing real-world challenges, setting ambitious long-term decarbonisation targets, and deepening tenant collaboration – not simply for compliance, but to help shape a lasting legacy for future generations.

In Hong Kong, the tragedy in Tai Po in December was a solemn reminder of the role companies must play in supporting our communities. Together with the Swire Group's HK\$10 million contribution I am grateful to our colleagues for their efforts to assist those affected. Such events reaffirm our longstanding bond with the city we call home.

Outlook

We remain confident in the long-term outlook for our core markets. We are committed to Hong Kong, which continues to benefit from its unparalleled connectivity with the Chinese Mainland and the rest of the world. Well-positioned as part of the Greater Bay Area, Hong Kong offers unique and enduring advantages.

With a robust pipeline of new openings, continued growth in our residential business, recovering retail performance and steady office occupancy, we are building on a solid foundation. As we reinforce our core assets, we continue to be guided by disciplined capital allocation and supported by a strong balance sheet. Our focus is on delivering sustainable dividend growth and long-term value creation for shareholders.

Finally, I would like to thank my colleagues at Swire Properties for their professionalism and dedication towards the achievement of these strong results. I also wish to place on record my personal appreciation to Fanny Lung, who retires as Chief Financial Officer this year after more than eight years on the Board and over three decades with the Swire Group. Her leadership and financial stewardship have been instrumental to our progress, and we wish her well in her retirement.

Guy Bradley

Chairman

Hong Kong, 12th March 2026

CHIEF EXECUTIVE'S STATEMENT

As we move into 2026, we remain confident in the quality of our portfolios, our strong pipeline of new developments and our ability to capture opportunities that create long-term value for our shareholders.

Dear Shareholders,

2025 was another challenging year for our industry. Against a backdrop of global uncertainty and uneven market recovery, Swire Properties continued to build momentum by focusing on quality, disciplined execution and the development of exceptional, future-ready mixed-use commercial and residential portfolios. Our HK\$100 billion investment plan – now well underway – is reshaping our presence across our three core markets of Hong Kong, the Chinese Mainland and South East Asia, and remains central to our vision for sustainable growth.

With a strong pipeline of new developments and a clear strategic roadmap, we remain well positioned to capture emerging opportunities while delivering long-term value for our stakeholders.

Business Performance

Our underlying profit attributable to shareholders increased by 27% to HK\$8,620 million in 2025, which principally reflected the profit arising from the disposal of non-core assets. Recurring underlying profit (excluding divestments) was HK\$6,260 million in 2025, compared to HK\$6,479 million in 2024. The decline in recurring underlying profit from investment property reflected the loss of rental income following the disposal of Brickell City Centre shopping mall in Miami, as well as lower office rental

income in Hong Kong, which was driven by high vacancy levels and continued pressure on rents from new supply for much of the year. Signs of stabilisation did emerge towards the final quarter, and despite the challenging backdrop, our office portfolio has remained resilient. Occupancy held steady, supported by expansions from existing tenants and renewed interest driven by a more active IPO market. Two Taikoo Place and Six Pacific Place continued to attract demand for premium, amenity-rich workplaces, while the broader portfolio maintained strong tenant retention. Towards year-end, improving sentiment in the financial sector contributed to increased leasing enquiries. Pacific Place benefited from Central's early recovery trend, and Taikoo Place – recognised for its sustainability leadership and strong placemaking achievements – remains well positioned to attract occupiers seeking high-specification workspaces.

In retail, Hong Kong's market conditions improved gradually as the year progressed. Our malls maintained 100% occupancy and high footfall, supported by continuous enhancements to tenant mix, dynamic marketing efforts and loyalty initiatives. Retail sales at our flagship malls outperformed the broader market despite the ongoing impact of outbound travel trends. Looking ahead, shifting consumer behaviour will continue to prompt intense competition between online and physical channels. However, a robust calendar of international events and improving inbound tourism activity are expected to support sector recovery.

In the Chinese Mainland, our retail portfolio delivered an improved and resilient performance. The relaxation of government policies – including visa-free entry, the value-added tax refund scheme, and the further rollout of economic stimulus measures – helped boost consumer confidence. Attributable retail sales grew by 7%, outperforming the market and remaining 65% above 2019 levels (excluding vehicle sales). Highlights during the year

included the opening of “The Louis” by LOUIS VUITTON at HKRI Taikoo Hui in Shanghai, which quickly became the talk of the town, generating significant buzz and immensely boosting footfall in the mall. In Beijing, the reopening and repositioning of Taikoo Li Sanlitun North unveiled a transformed retail landscape, featuring standout architectural works and prestigious global luxury flagships. Foot traffic and retail sales increased across most of our malls despite ongoing upgrading works, supported by a more favourable macroeconomic backdrop, strengthened consumer confidence and the continued enhancement of the retail experience in our malls.

Demand for office space remained subdued in Beijing, Guangzhou and Shanghai due to economic uncertainty and new supply. Vacancy levels are expected to rise, particularly in decentralised locations. Despite this, our portfolio – anchored by high-quality, well-managed assets – is well placed to capture selective demand driven by the ongoing “flight-to-quality” trend.

In the U.S.A., the shops at Brickell City Centre delivered a steady performance prior to disposal mid-year, with retail sales and gross rental income increasing by 4% and 7% respectively. Completing the divestment – along with the adjacent land parcels – represented another important milestone in our capital recycling strategy and unlocked meaningful proceeds for reinvestment.

The performance of our property trading portfolio reflected planned launch-related expenses in Hong Kong and the U.S.A., as well as the sale of certain residential units locally. In the Chinese Mainland, sales momentum remained strong. Lujiazui Taikoo Yuan Residences in Shanghai continued to be well received by high end residential buyers, with 225 of 250 units pre-sold across four batches as at 6th March 2026. These strong results

reinforce our confidence in the market’s demand for exceptional residential products. Century Summit and Century Heights in Shanghai also performed very well, achieving 98% pre-sales. Progress with our residential pipeline across South East Asia also continued to gain traction, benefitting from rising demand for luxury living in these fast-growing markets.

Our hotels recorded an improved overall performance in Hong Kong and the Chinese Mainland, with stronger occupancy and revenue per available room. EAST Miami continued to perform strongly, and our upcoming managed hotels in Tokyo, Beijing, Shenzhen, Shanghai and Xi’an will further extend our hospitality footprint.

Active Capital Recycling

Disciplined capital recycling continues to support our long-term growth ambitions. In 2025, we exited our Miami retail investment portfolio and continued to streamline non-core holdings. These steps release capital that is being redeployed into our HK\$100 billion investment plan, including future residential opportunities across Hong Kong, the Chinese Mainland and South East Asia.

Future Prospects

Looking ahead, we remain focused on the disciplined execution of our investment plans. In Hong Kong, while office demand remains subdued in the near term, improving confidence in capital markets is driving renewed leasing activity. Pacific Place and Taikoo Place – with their sustainability credentials, premium specifications and integrated amenities – are well placed to benefit from this flight-to-quality trend. Although retail sentiment is expected to stay measured, our malls continue to attract healthy footfall through curated experiential strategies.

In the Chinese Mainland, retail momentum is expected to accelerate, supported by an improvement in consumer confidence and growing demand from lifestyle, sports and leisure brands seeking experiential spaces. Our strong pipeline – including the expansion of Taikoo Place Beijing, Taikoo Li Sanlitun, Taikoo Li Qiantan and Taikoo Hui Guangzhou and new projects, including Lujiazui Taikoo Yuan, Taikoo Li Sanya, Taikoo Li Xi'an and Taikoo Li Julong Wan – reflect our confidence in the region's long-term fundamentals and our commitment to shaping vibrant, high-quality urban destinations.

Confidence in the residential property market in Hong Kong is improving gradually and is expected to strengthen over the medium to long term, supported by favourable policies and renewed demand from both local and Chinese Mainland buyers. The successful sale of 6 Deep Water Bay Road and the launch of THE HEADLAND RESIDENCES underscore this recovery, with both projects attracting keen interest from discerning purchasers. We also expect the luxury residential market in South East Asia to continue gaining momentum, supported by positive long-term fundamentals.

Sustainability, Innovation and Social Engagement

Having achieved our SD 2030 industry leadership goal ahead of plan, we are now advancing our SD 2050 vision – integrating business, people and nature through innovation, placemaking and strategic partnerships. Our staff-led staff volunteering initiative, the Community

Ambassador programme, celebrates its 25th anniversary this year. The Swire Properties Placemaking Academy also continues to deepen engagement and enhance social value across our communities. At the same time, our digital transformation initiatives, including generative AI pilots, are strengthening operational agility and elevating the customer experience.

Looking Ahead

Despite headwinds in 2025, our teams delivered a resilient performance and made significant progress across all our core markets. As we move into 2026, we remain confident in the quality of our portfolios, our strong pipeline of new developments and our ability to capture opportunities that create long-term value for our shareholders.

I would like to express my deepest appreciation to all our colleagues and partners across Hong Kong, the Chinese Mainland and internationally. Their professionalism, dedication and teamwork have been instrumental in everything that we achieved this year. Their commitment continues to shape the future of our company and the communities we serve.

Thank you also to our shareholders for your trust and continued support.

Tim Blackburn
Chief Executive

Hong Kong, 12th March 2026

KEY BUSINESS STRATEGIES

As a leading developer, owner and operator of mixed-use, principally commercial, properties in Hong Kong and the Chinese Mainland, our strategic objective is sustainable growth in shareholder value in the long term. To achieve this objective, we employ five strategies.

1. Create long-term value by conceiving, designing, developing, owning and managing transformational mixed-use and other projects in urban areas

With our long-term placemaking vision, we will continue to design projects which we believe will have the necessary scale, mix of uses and transport links to become key commercial destinations and to transform the areas in which they are situated.

2. Maximise the earnings and value of our completed properties through active asset management and by reinforcing our assets through enhancement, redevelopment and new additions

We manage our completed properties actively (including by optimising the mix of retail tenants and early renewal negotiations with office tenants) and with a view to the long term, to maintain consistently high levels of service and to enhance and reinforce our assets. By doing so, we believe that we will maximise the occupancy and earnings potential of our properties.

Tenants increasingly scrutinise the sustainable development credentials of landlords and buildings. We aim to be at the forefront of sustainable development by incorporating relevant design elements, technologies and programmes to improve our performance in Environment, Social and Governance, and by engagement with tenants and others with whom we do business.

3. Develop luxury and high-quality residential property activities

Our residential developments are aimed at buyers of luxury and high-quality properties, where we believe we have a competitive advantage. We will look to acquire appropriate sites for trading and investment with reasonable returns in the markets in Hong Kong.

We will seek residential development opportunities in the Chinese Mainland. These are likely to be ancillary to our mixed-use developments. That said, in the right locations and cities we may also consider standalone residential development opportunities.

We will also actively explore residential trading opportunities in four target markets of Jakarta, Singapore, Bangkok and Ho Chi Minh City in South East Asia.

4. Focus principally on Hong Kong and the Chinese Mainland, and selectively in South East Asia

In Hong Kong, we will continue to focus on reinforcing our existing investment property assets and on seeking new sites suitable for transformative developments and for residential projects.

In Chinese Mainland, we will expand our presence with large-scale mixed-use, commercial developments in Tier-1 and emerging Tier-1 cities. We will continue to leverage our established “Taikoo Li” and “Taikoo Hui” brands to develop iconic landmark properties.

While we will continue to concentrate on Hong Kong and the Chinese Mainland, we intend to expand selectively in South East Asia.

5. Manage our capital base conservatively

We intend to maintain a strong balance sheet supported by an active capital recycling strategy, with a view to investing in and financing our projects in a disciplined and targeted manner.

We aim to maintain exposure to a range of debt maturities and a range of debt types and lenders. Our current debt profile reflects a mix of revolving and term bank loans and medium term notes.

In implementing the above strategies, the principal risks and uncertainties facing by the Group are that the economies in which it operates (in particular Hong Kong and the Chinese Mainland) may not perform as well in the future as they have in the past and the uncertainties as to whether this will happen.

MANAGEMENT DISCUSSION & ANALYSIS





LV

DIOR

LOUIS VUITTON

DIOR

REVIEW OF OPERATIONS

	2025 HK\$M	2024 HK\$M
Revenue		
Gross Rental Income derived from		
Office	5,248	5,488
Retail	7,193	7,388
Residential	438	440
Other Revenue ⁽¹⁾	135	136
Property Investment	13,014	13,452
Property Trading	2,110	88
Hotels	917	888
Total Revenue	16,041	14,428
Operating Profit/(Losses) derived from		
Property investment		
From operations	7,712	8,250
Sale of interests in investment properties	(49)	(220)
Fair value losses in respect of investment properties	(6,095)	(5,996)
Property trading	497	(178)
Hotels	(107)	(154)
Total Operating Profit	1,958	1,702
Share of Post-tax (Losses)/Profit from Joint Venture and Associated Companies	(1,258)	826
Loss Attributable to the Company's Shareholders	(1,533)	(766)

⁽¹⁾ Other revenue is mainly estate management fees.

Additional information is provided in the following section to reconcile reported and underlying profit/(loss) attributable to the Company's shareholders. These reconciling items principally adjust for the fair value movements on investment properties and the associated deferred tax in the Chinese Mainland and the U.S.A., and for other deferred tax provisions in relation to investment properties. In 2025, the Group's investment properties recorded fair value losses in Hong Kong and the Chinese Mainland of HK\$6,857 million and HK\$896 million respectively. Further adjustments were also made to remove the effect of the movement in the fair value of the liability in respect of a put option in favour of the owner of a non-controlling interest and a bargain purchase gain arising from the acquisition of an additional interest in a joint venture company in 2024. Amortisation of right-of-use assets classified as investment properties is charged to underlying profit.

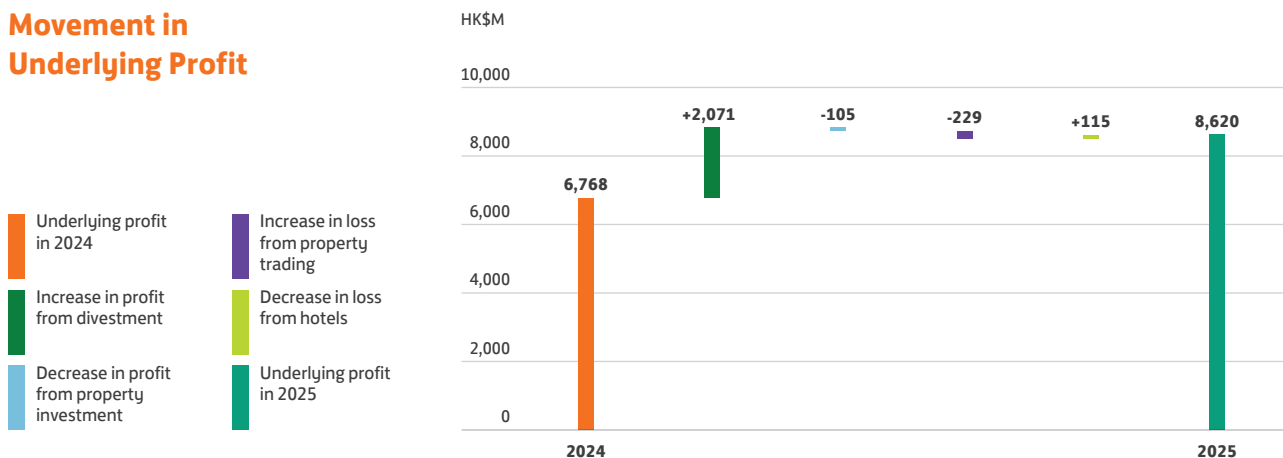
Underlying Profit Reconciliation	<i>Note</i>	2025 HK\$M	2024 HK\$M
Loss Attributable to the Company's Shareholders per Financial Statements		(1,533)	(766)
Adjustments in respect of investment properties:			
Fair value losses in respect of investment properties	<i>(a)</i>	7,753	6,219
Deferred tax on investment properties	<i>(b)</i>	288	1,283
Fair value gains realised on sale of interests in investment properties	<i>(c)</i>	2,195	534
Depreciation of investment properties occupied by the Group	<i>(d)</i>	22	22
Non-controlling interests' share of fair value movements less deferred tax		(39)	76
Movement in the fair value of the liability in respect of a put option in favour of the owner of a non-controlling interest	<i>(e)</i>	14	55
Reversal of impairment loss on a hotel held as part of a mixed-use development	<i>(f)</i>	–	(11)
Bargain purchase gain arising from the acquisition of an additional interest in a joint venture company	<i>(g)</i>	–	(566)
Less amortisation of right-of-use assets reported under investment properties	<i>(h)</i>	(80)	(78)
Underlying Profit Attributable to the Company's Shareholders		8,620	6,768
Profit from divestment		(2,360)	(289)
Recurring Underlying Profit Attributable to the Company's Shareholders		6,260	6,479

Notes:

- (a) This represents the fair value movements as shown in the Group's consolidated statement of profit or loss and the Group's share of fair value movements of joint venture and associated companies.
- (b) This represents deferred tax movements on the Group's investment properties, plus the Group's share of deferred tax movements on investment properties held by joint venture and associated companies. These comprise deferred tax on fair value movements on investment properties in the Chinese Mainland and the U.S.A., and deferred tax provisions made in respect of investment properties held for the long-term where it is considered that the liability will not reverse for some considerable time. It also includes certain tax adjustments arising from transfers of investment properties within the Group.
- (c) Prior to the implementation of HKAS 40, changes in the fair value of investment properties were recorded in the revaluation reserve rather than the consolidated statement of profit or loss. On sale, fair value gains/(losses) were transferred from the revaluation reserve to the consolidated statement of profit or loss.
- (d) Prior to the implementation of HKAS 40, no depreciation was charged on investment properties occupied by the Group.
- (e) The value of the put option in favour of the owner of a non-controlling interest is calculated principally by reference to the estimated fair value of the portion of the underlying investment property in which the owner of the non-controlling interest is interested.
- (f) Under HKAS 40, hotel properties are stated in the accounts at cost less accumulated depreciation and any provision for impairment losses, rather than at fair value. If HKAS 40 did not apply, wholly-owned and joint venture hotel properties held for the long-term as part of mixed-use property developments would be accounted for as investment properties. Accordingly, any increase or decrease in their values would be recorded in the revaluation reserve rather than in the consolidated statement of profit or loss.
- (g) The bargain purchase gain arising from the acquisition of an additional interest in a joint venture company was calculated principally by reference to the market value of the underlying properties portfolio of the joint venture company in comparison with the consideration paid.
- (h) HKFRS 16 amends the definition of investment property under HKAS 40 to include properties held by lessees as right-of-use assets to earn rentals or for capital appreciation or both, and requires the Group to account for such right-of-use assets at their fair value. The amortisation of such right-of-use assets is charged to underlying profit.

Underlying Profit

Movement in Underlying Profit



Our reported loss attributable to shareholders in 2025 was HK\$1,533 million, compared to a loss of HK\$766 million in 2024. There was a fair value loss on investment properties (after deducting non-controlling interests) of HK\$7,716 million in 2025, compared to HK\$6,299 million in 2024, mainly arising from the Hong Kong office portfolios for both years.

Underlying profit attributable to shareholders (which principally adjusts for changes in the fair value of investment properties) increased by HK\$1,852 million from HK\$6,768 million in 2024 to HK\$8,620 million in 2025. The increase was driven primarily by gains arising from the disposal of our interests in the Brickell City Centre shopping centre, its car parking spaces and certain shared facilities, and two adjacent land parcels in Miami, U.S.A., as well as an industrial site and the 43rd floor of One Island East in Hong Kong in 2025. These gains were partly offset by the loss of rental income from the Brickell City Centre retail mall after its disposal, lower rental income from the Hong Kong office portfolios and higher sales and marketing expenses incurred for several residential trading projects.

Recurring underlying profit (which excludes profit from divestments) was HK\$6,260 million in 2025, compared to HK\$6,479 million in 2024.

Recurring underlying profit from property investment decreased in 2025. This principally reflected the loss of rental income from the Brickell City Centre retail mall after its disposal and lower office rental income in Hong Kong.

In Hong Kong, high vacancy rates and new supply exerted downward pressure on office rents until the fourth quarter of 2025, when rents became more stable. Despite these challenges, occupancy of our office portfolio remained largely steady, with increased leasing activity driven by the expansion of existing tenants. The office market gained renewed momentum, underpinned by an active IPO market and improved sentiment in the financial sector. The retail market demonstrated signs of mild growth in the second half of 2025, notwithstanding structural challenges such as the ongoing trend for outbound travel and changes in customer spending behaviour. Through continuous trade mix upgrades, dynamic marketing, promotional campaigns and loyalty programme initiatives, footfall and sales performance at our malls remained resilient.

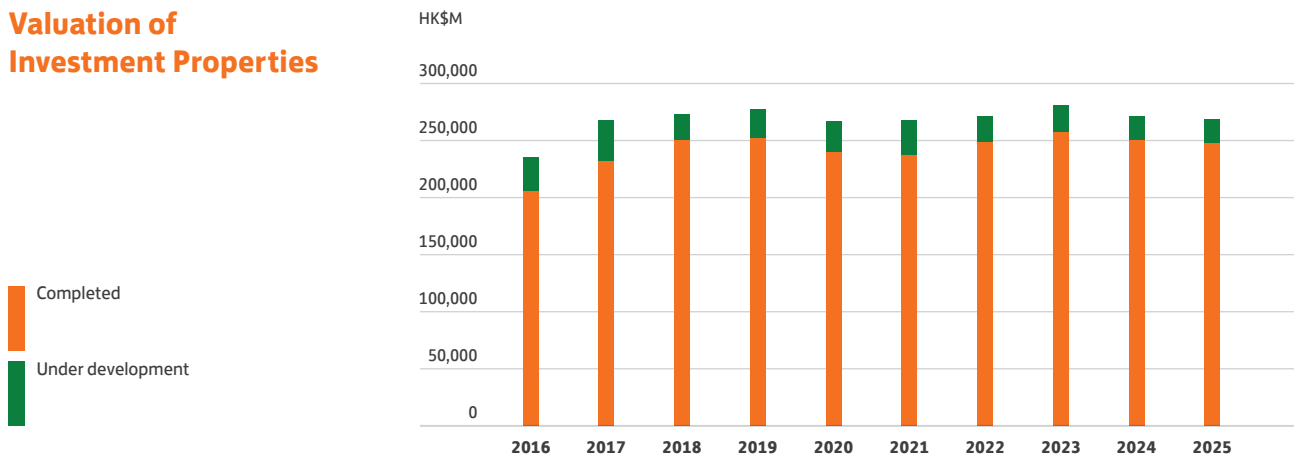
In the Chinese Mainland, our retail portfolio delivered an improved performance in the second half of 2025, supported by enhanced market sentiment and consumer confidence resulting from the government's expanded stimulus package, which continued to benefit the overall economy. Our malls have begun to realise the positive impact from ongoing upgrade initiatives, including the opening of "The Louis" by LOUIS VUITTON at HKRI Taikoo Hui in Shanghai and the reopening of Taikoo Li Sanlitun North in Beijing. Despite temporary disruptions from upgrading works at some of our malls, overall foot traffic and retail sales recorded solid growth.

In the U.S.A., retail sales and gross rental income, up to the date of disposal of Brickell City Centre shopping centre in late June 2025, grew compared to the same period in 2024, reflecting an improved tenant mix and higher opening rate.

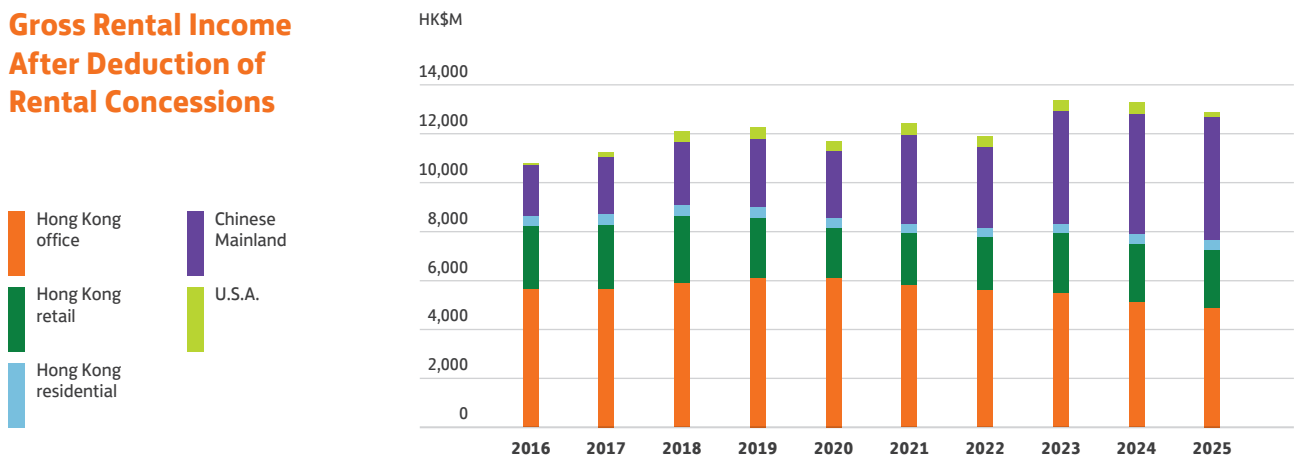
The underlying loss from property trading in 2025 was primarily a result of sales and marketing expenses incurred for several residential trading projects, particularly in Hong Kong and the U.S.A., which have either been launched or are planned to launch in the coming few years. Additionally, there was a loss on the sale of some residential units in Hong Kong.

The overall hotel performance in Hong Kong and the Chinese Mainland improved in 2025, reflecting higher occupancy and revenue per available room on average across the portfolio. The performance of our managed hotel in the U.S.A. was strong.

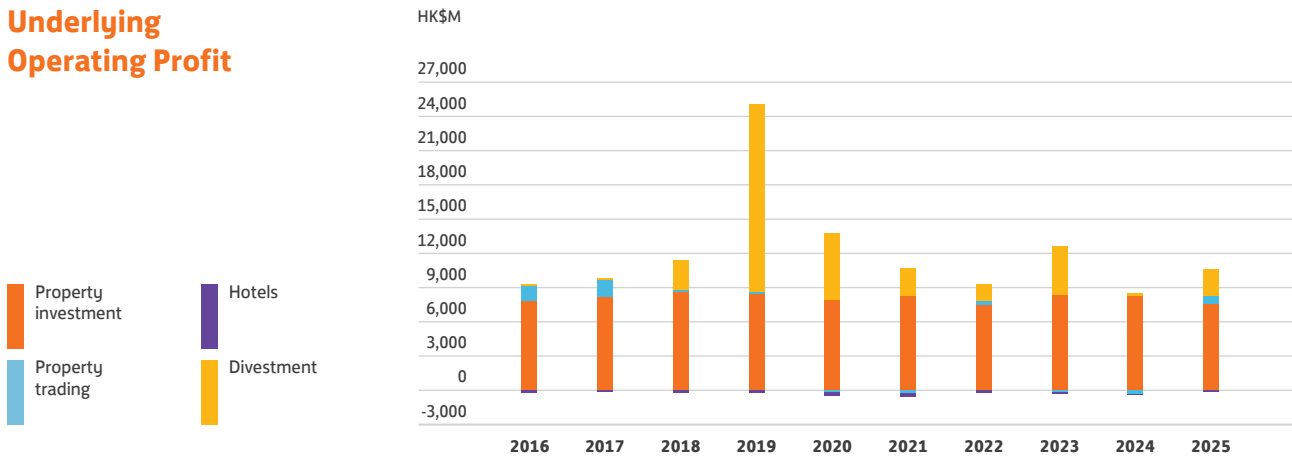
Valuation of Investment Properties



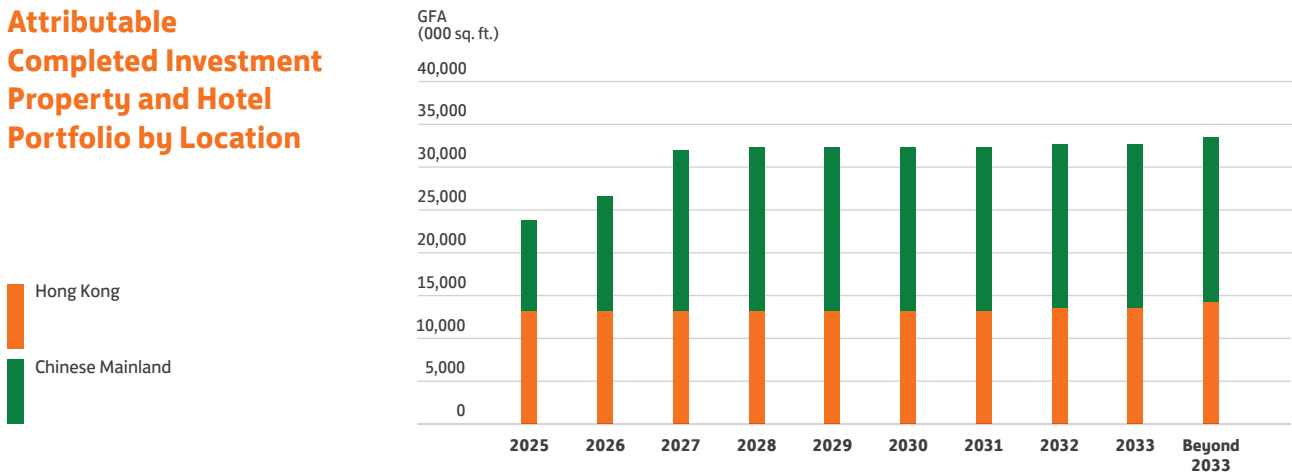
Gross Rental Income After Deduction of Rental Concessions



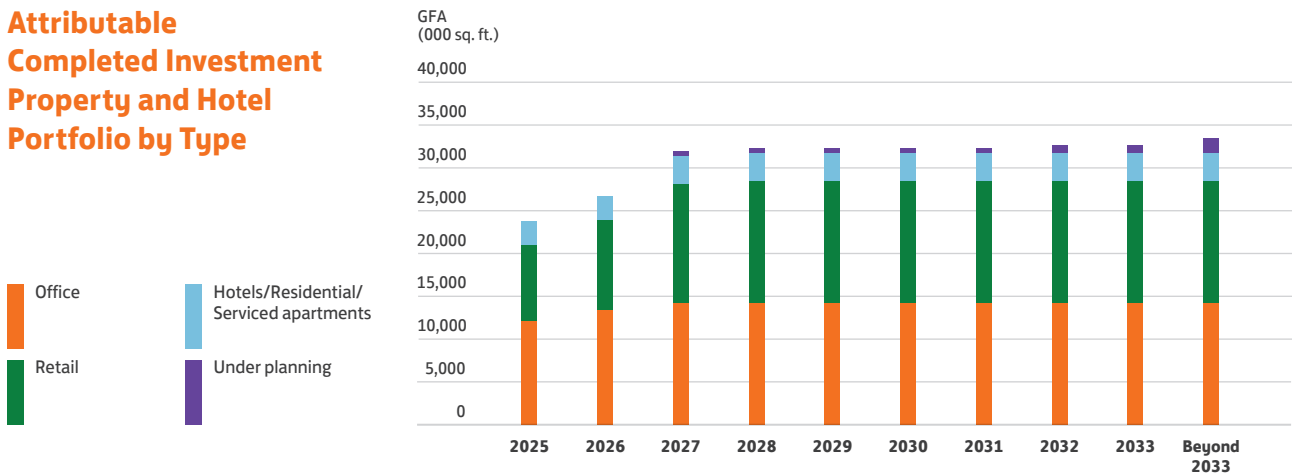
Underlying Operating Profit



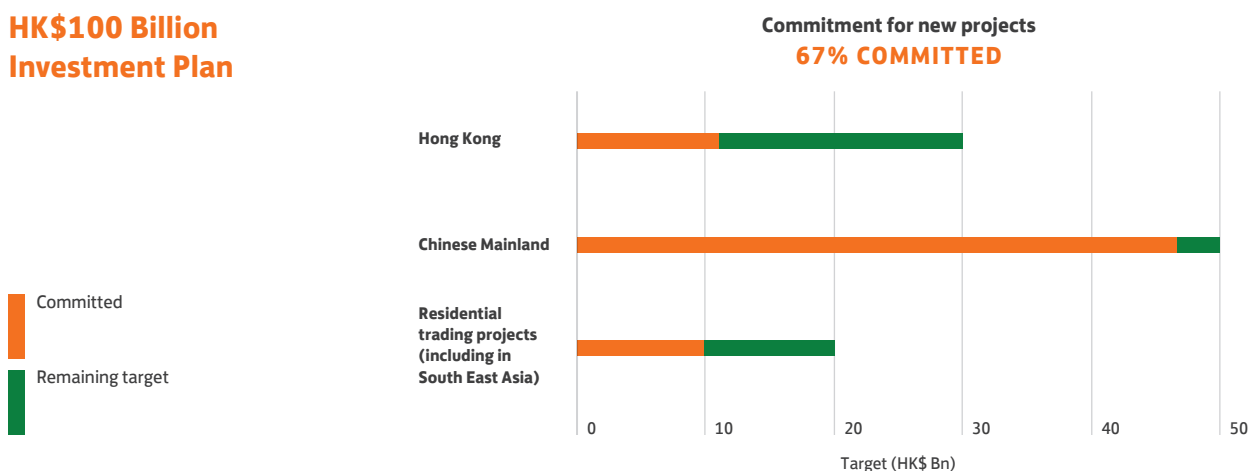
Attributable Completed Investment Property and Hotel Portfolio by Location



Attributable Completed Investment Property and Hotel Portfolio by Type



HK\$100 Billion Investment Plan



In March 2022, the Company announced a plan to invest HK\$100 billion over ten years in development projects in Hong Kong and the Chinese Mainland, and in residential trading projects (including in South East Asia). The target allocation is HK\$30 billion to Hong Kong, HK\$50 billion to the Chinese Mainland and HK\$20 billion to residential trading projects (including in South East Asia). At 6th March 2026, approximately HK\$67 billion of the planned investments had been committed (HK\$11 billion to Hong Kong, HK\$46 billion to the Chinese Mainland and HK\$10 billion to residential trading projects). Major committed projects include residential developments at THE HEADLAND RESIDENCES, 269 Queen’s Road East, 983-987A King’s Road and 16-94 Pan Hoi Street in Hong Kong, and at Upper House Residences Bangkok and The Wireless Residences by Upper House (formerly known as the Wireless Road project) in Bangkok; a retail-led mixed-use development in Taikoo Li Xi’an; a retail-led development in Sanya; mixed-use developments in Lujiazui Taikoo Yuan and the New Bund in Shanghai; Taikoo Li Julong Wan Guangzhou; Phase 3 of Taikoo Hui (formerly known as No. 387 Tianhe Road) in Guangzhou; as well as office and other commercial use developments at 8 Shipyard Lane and at 1067 King’s Road in Hong Kong. Uncommitted projects include further retail-led mixed-use projects in Tier-1 and emerging Tier-1 cities in the Chinese Mainland, including Beijing and Shenzhen, with a plan to double our gross floor area in the Chinese Mainland, further expansion at Pacific Place and Taikoo Place in Hong Kong as well as further residential trading projects in Hong Kong, the Chinese Mainland, Miami and South East Asia.

Key Developments

In April 2025, the Group acquired the 12.07% interest in the Brickell City Centre shopping centre (with an approximate leasable area of 500,000 square feet) in Miami, U.S.A. from Bal Harbour Shops (“BHS”), for a consideration of US\$73.5 million. Following the acquisition, the Group’s interest in the Brickell City Centre shopping centre increased to 75%, with Simon Property Group (“SPG”) holding a 25% interest.

In May, September 2025, and January 2026, an associated company in which the Group holds a 40% interest launched the sales of the second, third and fourth batches of Lujiazui Taikoo Yuan Residences, a luxury residential development in Shanghai, following a successful first launch in December 2024. 175 out of 200 units of the total of the second, third and fourth batches were pre-sold up to 6th March 2026, bringing in cumulative sales proceeds of RMB11.7 billion since the launch in 2024.

In May 2025, the Group completed the sale of the Brickell City Centre land which is adjacent to the Brickell City Centre shopping centre, with an approximate GFA of 1.5 million square feet, for a consideration of approximately US\$211.5 million. The land had previously been held for development.

In June 2025, the Group completed the disposal of its 75% interest in the Brickell City Centre shopping centre, and its entire interests in the Brickell City Centre car parking spaces and certain shared facilities to SPG for a total consideration of up to US\$548.7 million, of which up to US\$36.1 million will be payable as a contingent consideration at a later date. The amount of the contingent consideration is subject to the satisfaction of certain conditions.

In June 2025, the Group acquired a 25% interest in the joint venture company which owns the Mandarin Oriental, Miami from the Mandarin Oriental Hotel Group for a consideration of US\$37 million, increasing the Group's ownership to 100%. The hotel ceased operations in May 2025 and is scheduled for demolition in the second quarter of 2026 to allow for the construction of The Residences at The Mandarin Oriental, Miami, which is currently under planning.

In July 2025, the Group completed the sale of the North Squared site in Miami, U.S.A. with an approximate GFA of 523,000 square feet for a consideration of US\$45 million.

In September 2025, the Group started the pre-sales of the first batch of THE HEADLAND RESIDENCES in Hong Kong, with 143 out of 300 launched units pre-sold up to 6th March 2026.

In October 2025, the Group completed the disposal of an industrial site in Tsing Yi, Hong Kong to a third-party buyer for a consideration of HK\$663 million.

In November 2025, the Group offered a further 453 car parking spaces in the Taikoo Shing residential development in Hong Kong for sale. 435 car parking spaces have been sold up to 6th March 2026.

In December 2025, the Group completed the sale of the 43rd floor at One Island East in Quarry Bay to the Securities and Futures Commission ("SFC"), in accordance with the sale and purchase agreement entered into in November 2023.

In December 2025, Phase 1 of Taikoo Li Julong Wan Guangzhou, the retail portion of a mixed-use development in which the Group holds a 50% interest, was opened progressively. Phase 1 consists of a range of retail, food and beverage, and lifestyle shops as well as exhibition and event space.

In March 2026, the Group completed the sale of two residential houses at 6 Deep Water Bay Road to a third-party buyer for a consideration of HK\$2.2 billion.

Portfolio Overview

The aggregate gross floor area ("GFA") attributable to the Group at 31st December 2025 was approximately 38.4 million square feet.

Of the aggregate GFA attributable to the Group, approximately 33.5 million square feet are investment properties and hotels, comprising completed investment properties and hotels of approximately 23.8 million square feet, and investment properties under development or held for future development of approximately 9.7 million square feet. In Hong Kong, the investment property and hotel portfolio comprise approximately 14.3 million square feet attributable to the Group of primarily Grade-A office and retail premises, hotels, serviced apartments and other luxury residential accommodation. In the Chinese Mainland, the Group has interests in 11 major commercial developments in prime locations in Beijing, Guangzhou, Chengdu, Shanghai, Xi'an and Sanya. These developments are expected to comprise approximately 19.2 million square feet of attributable GFA when they are all completed. Of this, 10.6 million square feet has already been completed. Outside of Hong Kong and the Chinese Mainland, the investment property portfolio comprised the shopping centre and car parking spaces at the Brickell City Centre development in Miami, U.S.A., until their disposals in June 2025.

The tables below illustrate the GFA (or expected GFA) attributable to the Group of the investment property and hotel portfolio at 31st December 2025.

Completed Investment Properties and Hotels (GFA attributable to the Group in million square feet)

	Office	Retail	Hotels ⁽¹⁾	Residential/ Serviced Apartments	Under Planning	Total
Hong Kong	9.2	2.6	0.8	0.6	–	13.2
Chinese Mainland	2.9	6.4	1.1	0.2	–	10.6
U.S.A. ⁽²⁾	–	–	–	–	–	–
Total	12.1	9.0	1.9	0.8	–	23.8

**Investment Properties and Hotels Under Development or Held for Future Development
(expected GFA attributable to the Group in million square feet)**

	Office	Retail	Hotels ⁽¹⁾	Residential/ Serviced Apartments	Under Planning	Total
Hong Kong	–	–	–	–	1.1	1.1
Chinese Mainland	2.2	5.3	0.4	0.1	0.6	8.6
U.S.A.	–	–	–	–	– ⁽³⁾	–
Total	2.2	5.3	0.4	0.1	1.7	9.7

**Total Investment Properties and Hotels
(GFA (or expected GFA) attributable to the Group in million square feet)**

	Office	Retail	Hotels ⁽¹⁾	Residential/ Serviced Apartments	Under Planning	Total
Total	14.3	14.3	2.3	0.9	1.7	33.5

⁽¹⁾ Hotels are accounted for in the financial statements under property, plant and equipment and, where applicable, the leasehold land portion is accounted for under right-of-use assets.

⁽²⁾ The Brickell City Centre retail development was sold in June 2025.

⁽³⁾ This property previously accounted for under properties held for development in the financial statements with GFA of 1.5 million square feet was sold in May 2025.

The trading portfolio comprises completed units available for sale at EIGHT STAR STREET, LA MONTAGNE and 6 Deep Water Bay Road (with sale completed in March 2026) in Hong Kong, as well as Savyavasa in Indonesia. Additionally, the completed units of Phase 1 of THE HEADLAND RESIDENCES in Hong Kong are available for sale. There are seven residential projects under development; three in Hong Kong, two in the Chinese Mainland, one in Vietnam and one in Thailand. There is also a plan to develop a luxury residential and hospitality project on Brickell Key in Miami, U.S.A.

The table below illustrates the GFA (or expected GFA) attributable to the Group of the trading property portfolio at 31st December 2025.

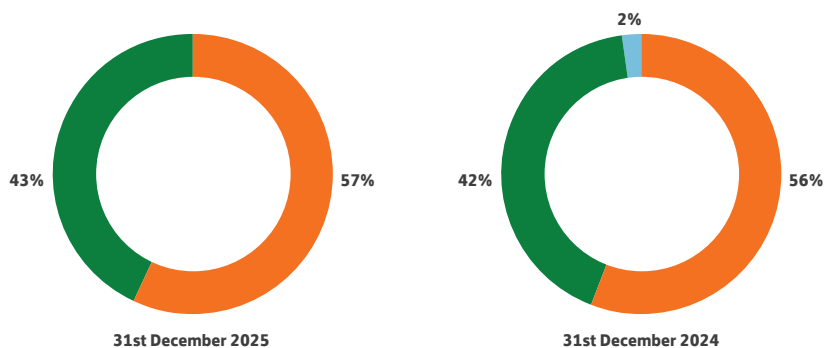
**Trading Properties
(GFA (or expected GFA) attributable to the Group in million square feet)**

	Completed Development ⁽¹⁾	Under Development or Held for Development	Total
Hong Kong	0.4	0.5	0.9
Chinese Mainland	–	1.0	1.0
U.S.A. and elsewhere	0.6	2.4	3.0
Total	1.0	3.9	4.9

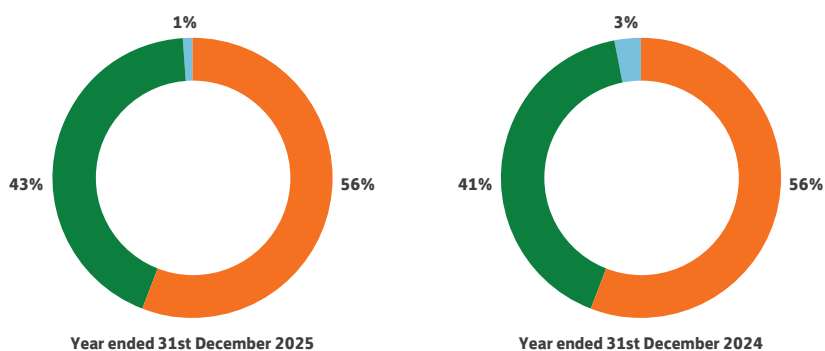
⁽¹⁾ Completed development comprises EIGHT STAR STREET, LA MONTAGNE, 6 Deep Water Bay Road and Phase 1 of THE HEADLAND RESIDENCES in Hong Kong, and Savyavasa in Indonesia.

The charts below show the analysis of the Group's completed investment properties GFA (excluding hotels), gross rental income and net assets employed by region on an attributable basis.

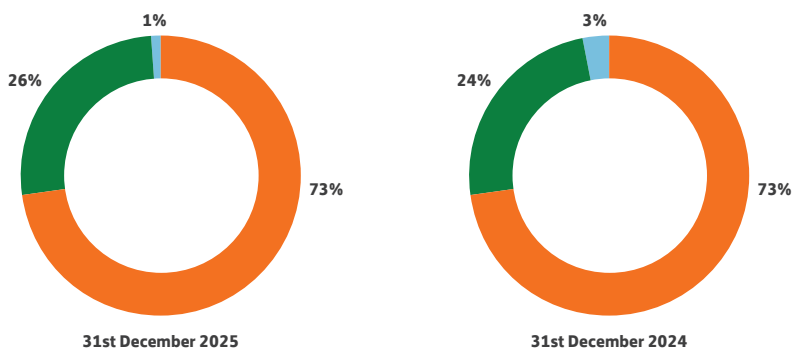
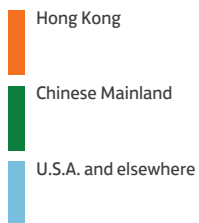
Completed Investment Properties GFA (Excl. Hotels)



Attributable Gross Rental Income



Net Assets Employed



Investment Properties – Hong Kong

Offices

Overview

The completed office portfolio in Hong Kong comprises an aggregate of 10.0 million square feet of space on a 100% basis. Total attributable gross rental income from our office properties in Hong Kong was HK\$5,162 million in 2025. At 31st December 2025, our office properties, completed and under development, in Hong Kong were valued at HK\$167,565 million. Of this amount, the Group's attributable interest was HK\$159,372 million.

Hong Kong Office Portfolio

	GFA (sq. ft.) (100% Basis)	Occupancy (at 31st December 2025)	Attributable Interest
Pacific Place	2,186,433	96%	100%
Taikoo Place – One Island East ⁽¹⁾ and One Taikoo Place	2,297,463	91%	100%
Taikoo Place – Two Taikoo Place	994,973	73%	100%
Taikoo Place – Other Office Towers ⁽²⁾	3,122,431	88%	50%/100%
Others ⁽³⁾	1,382,438	85%	26.67%/50%/100%
Total	9,983,738		

⁽¹⁾ Excluding the 43rd, 45th to 54th floors (except for the 49th floor) which have been disposed of.

⁽²⁾ Including PCCW Tower, of which the Group owns 50%.

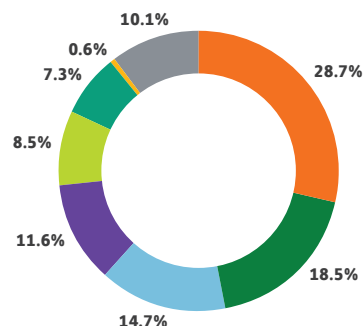
⁽³⁾ Others comprise One Citygate (26.67% owned), Berkshire House (50% owned), SPACES.8QRE (wholly-owned), Five Pacific Place (wholly-owned), Six Pacific Place (wholly-owned) and South Island Place (50% owned).

Gross rental income from the Hong Kong office portfolio in 2025 was HK\$4,885 million, representing a 4% decrease from 2024. High vacancy rates, coupled with new supply continue to exert downward pressure on office rents across the Hong Kong market. Despite these headwinds, our office portfolio continues to remain resilient. At 31st December 2025, the office portfolio was 89% let. The two latest buildings, Two Taikoo Place and Six Pacific Place (which were completed in September 2022 and February 2024, respectively), were 73% and 66% let, respectively. Excluding Two Taikoo Place and Six Pacific Place, the rest of the office portfolio was 91% let.

The chart below shows the mix of tenants of the office properties by the principal nature of their businesses (based on internal classifications) as a percentage of the office area at 31st December 2025.

Office Area by Tenants' Businesses

(At 31st December 2025)





TAIKOO PLACE

HONG KONG

At 31st December 2025, the top ten office tenants (based on attributable gross rental income in the twelve months ended 31st December 2025) together occupied approximately 25% of the Group's total attributable office area in Hong Kong.

Pacific Place

The performance of the offices at One, Two, and Three Pacific Place showed resilience in 2025. These offices were 96% let at 31st December 2025.

New tenants included Admiralty Asia Partners, MOG Digitech, Asia-Germany Industrial Promotion Limited, Midwood Capital, Harbour Wealth, Heyuan Trading, Karas So LLP, Arga Investment, Keyrock Capital, Vast Asia Pacific, and Jin Li industrial. Existing tenants including CLSA, Temple Chambers, Ubiquant, Visa, Charles Russell Speechlys, Polymer, and Tencent expanded their spaces. Renewals were notable among tenants such as Hong Kong Monetary Authority, Daiwa, China Harmony, Ninety One, Sanitorium, Cornell Capital, Tianfu, Yanchang Petroleum, Ruima, Matthews Global, Resona Bank, Vision Credit, Northern Light, HongShan Capital, China Great Bay Area Fund, Shenwan Hongyuan, TPP Management, Anchor

Equity, and Rifa Securities. Mishcon confirmed relocations within the portfolio upon lease expiry. Futu committed to a consolidation of its group businesses in the portfolio alongside lease renewals from the anchor tenants of Societe Generale and Crédit Agricole CIB.

At Six Pacific Place, the occupation permit was obtained in February 2024, and the building was 66% let at 31st December 2025, with commitments from FIS Systems, Private Wealth Management Association, Shin Kong Bank, and West of England P&I in 2025.

Taikoo Place

The performance of One Taikoo Place and One Island East (excluding the ten floors disposed of) at Taikoo Place was steady. These two office towers were 96% and 87% let, respectively, at 31st December 2025. In One Taikoo Place, Factory Mutual Insurance Company became a tenant. Chubb, Guantao, Kering, JT Hong Kong Holdings Limited, and The Great Room renewed their leases. At One Island East, HSBC became a tenant. Huachin Mining leased more space, while Aedas, AIG, Amgen, Allied World, Reed Smith Richards Butler, Squarepoint Capital, and Transamerica Life Bermuda renewed their leases.

Two Taikoo Place was 73% let at 31st December 2025. Deckers, Philip Morris International and WTW became tenants.

There are six other office towers at Taikoo Place (including PCCW Tower, in which we have a 50% interest). These offices were 88% let at 31st December 2025. Check Point, Prohealth Sports and Spinal Physiotherapy Centre, Ramaxel, and Uphealth became tenants. DFI Retail Group, Fortune&Future, FWD Insurance, and Radiance Sea leased more space, while Berkshire Hathaway Speciality Insurance, Chubb, Covestro, ELEVATE, Horspath, and Mighty Ocean relocated within the same portfolio. ACCA, Ageas, Bayer, Burberry, Chung Shek Enterprises, CJ ENM, FTI Consulting, Gianni & Origoni, Gravitas Recruitment Group, ISS, Jones Lang LaSalle Management Service, Ivi Bank, Qantas Airways, QBE Insurance, Schindler Lifts, SinoEnergy Capital, TotalEnergies, and Yahoo! Hong Kong renewed their leases.

South Island Place

The offices were 94% let at 31st December 2025. Tenants include KPMG, Fleet Management Limited, the Competition Commission and SCMP. The Group has a 50% interest in the development.

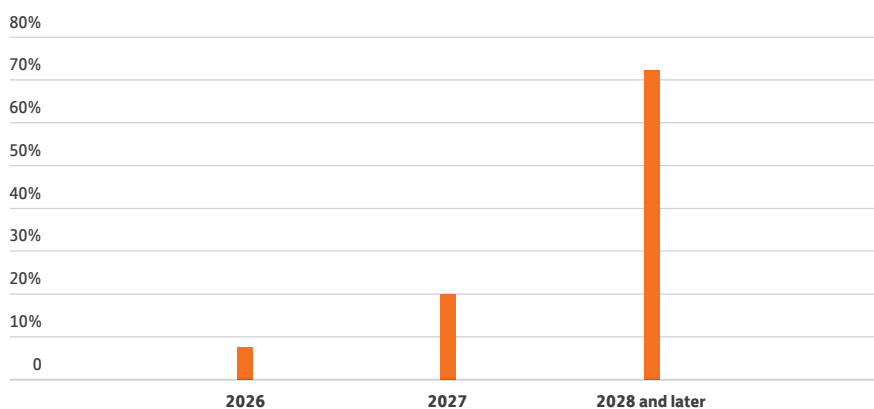
Hong Kong Office Market Outlook

Hong Kong's office market has gained renewed momentum in recent months, underpinned by an active IPO market and improved sentiment in the financial sector. Increased leasing activity has been driven by incremental expansion of existing tenants and the "flight-to-quality" trend, as tenants take advantage of favourable market conditions to upgrade their premises. This has contributed to a gradual decline in office vacancy rates, while rents have remained largely stable since the fourth quarter of 2025. Following the early and gentle recovery of office sentiment led by the Central district, Pacific Place has seen an uptick in leasing activity. While Taikoo Place, recognised for its sustainability credentials and a proven track record in placemaking and tenant engagement, continues to operate in a highly competitive environment, it remains well-positioned to attract premium occupiers seeking high-specification office buildings.

The following chart shows the percentage of attributable gross rental income from the office properties in Hong Kong, for the month ended 31st December 2025, derived from leases expiring in the periods with no committed renewals or new lettings. Tenancies accounting for approximately 7.6% of the attributable gross rental income in the month of December 2025 are due to expire in 2026, with tenancies accounting for a further 20.0% of such rental income due to expire in 2027.

Office Lease Expiry Profile

(At 31st December 2025)



Retail

Overview

The completed retail portfolio in Hong Kong comprises an aggregate of 3.2 million square feet of space on a 100% basis. Total attributable gross rental income from our retail properties in Hong Kong was HK\$2,549 million in 2025, broadly in line with last year. At 31st December 2025, our retail properties in Hong Kong were valued at HK\$51,471 million. Of this amount, the Group's attributable interest was HK\$42,334 million.

The retail portfolio principally consists of The Mall at Pacific Place, Cityplaza at Taikoo Shing and Citygate Outlets at Tung Chung. The Group wholly owns The Mall and Cityplaza, and has a 26.67% interest in the Citygate development (comprising Citygate Outlets). The malls are managed by the Group.

Hong Kong Retail Portfolio

	GFA (sq. ft.) (100% Basis)	Occupancy (at 31st December 2025)	Attributable Interest
The Mall, Pacific Place	711,182	100%	100%
Cityplaza	1,096,898	100%	100%
Citygate Outlets	803,948	100%	26.67%
Others ⁽¹⁾	549,525	100%	26.67%/60%/100%
Total	3,161,553		

⁽¹⁾ Others largely comprise Taikoo Shing neighbourhood shops and StarCrest retail premises (which are wholly-owned), Island Place retail premises (60% owned) and Tung Chung Crescent neighbourhood shops (26.67% owned).

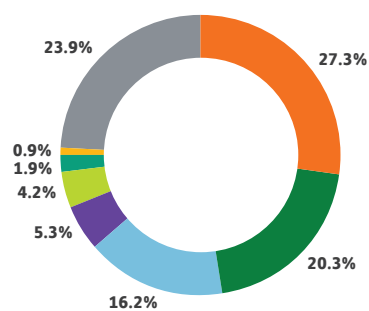
Gross rental income from the retail portfolio in Hong Kong was HK\$2,355 million in 2025, similar to that in 2024. Diverse marketing campaigns and intensive activations were launched to attract both local customers and tourists to our malls. Hong Kong's retail market demonstrated signs of stabilisation in the second half of 2025, notwithstanding the structural challenges including the outbound travel trend and changes in customer spending behaviour. Retail sales increased by 6%, 3% and 2%, respectively, at The Mall at Pacific Place, Cityplaza, and Citygate Outlets in 2025. The provisional estimate of the retail sales in the Hong Kong market as a whole increased by 1% in 2025.

The malls were almost fully let throughout the year.

The chart below shows the mix of the tenants of the retail properties by the principal nature of their businesses (based on internal classifications) as a percentage of the retail area at 31st December 2025.

Retail Area by Tenants' Businesses

(At 31st December 2025)





PACIFIC PLACE

HONG KONG

At 31st December 2025, the top ten retail tenants (based on attributable gross rental income in the twelve months ended 31st December 2025) together occupied approximately 26% of the Group's total attributable retail area in Hong Kong.

The Mall at Pacific Place

The Mall at Pacific Place is in the mixed-use Pacific Place development. The offices and the four hotels at Pacific Place provide a flow of shoppers for The Mall.

The Mall was fully let. Tenant mix refinement and store upgrade has continued throughout the year to enhance customer experience. New retail and F&B brands were introduced, including ARMANI/CAFFÉ, Brunello Cucinelli, Calvin Klein Underwear, Chaumet, DOLCE & GABBANA, GIORGIO ARMANI, Miu Miu, Petit Bazaar, and TOM FORD. Loro Piana expanded its presence vertically, while Chloé, Cova, Jimmy Choo, and The North Face relocated within The Mall. The premises occupied by ALEXANDRE DE PARIS, Dim Sum Library, GigaSports, Liquid Gold, Peking Garden, Simply Toys, Theory, and Venchi were refitted.

Cityplaza

Cityplaza is the largest shopping mall on Hong Kong Island, with a total floor area of approximately 1.1 million square feet. The six-level mall has more than 170 shops and restaurants, a cinema, an indoor ice rink and over 800 indoor parking spaces.

Despite a challenging retail environment in 2025, due to the continuous outbound travel and growing trend of online shopping, Cityplaza was fully let throughout the year. The mall welcomed various new tenants, including Dr. Martens, FURLA, Izakaya Hirokoji, KEW+, moodytiger, My Little Korner, NO BRAND NO NAME, noc, Vee Dental, and VIVAIA, while Crocs and OGAWA have relocated within the mall. GU has debuted its only store on Hong Kong Island, and FILA has unveiled its largest store in the same area, featuring a comprehensive collection of athleisure wear for adults and kids. Following its expansion and renovation, Global Timepieces has introduced an exhibition-style gallery dedicated to Rolex, offering an elevated luxury shopping experience. MOMI&TOY'S, a popular Japanese confectionery brand, has established its first presence in Hong Kong at the mall.

Citygate Outlets

Citygate Outlets is the largest premium outlet mall in Hong Kong with approximately 200 shops and restaurants, and with two hotels. It is near tourist attractions and transportation links (Hong Kong International Airport and the Hong Kong-Zhuhai-Macao Bridge) which appeals to both local shoppers and tourists.

Citygate has maintained 100% occupancy throughout 2025 with ongoing trade mix refinement. New tenants included A Cheng Goose, American Vintage, Canton House, Comvita, Golden Dragon, Gyu Kaku J, Hong Kong Disneyland Treasures, Luscious Yunnan Rice Noodles, Matin Kim, Marithé François Girbaud, Mister Donut, National Geographic, Salomon, Shabu Days by Mou Mou Club, Simply Toys, Shokudo Wara, VIVAIA, Wedgwood, and Georg Jensen & Royal Copenhagen.

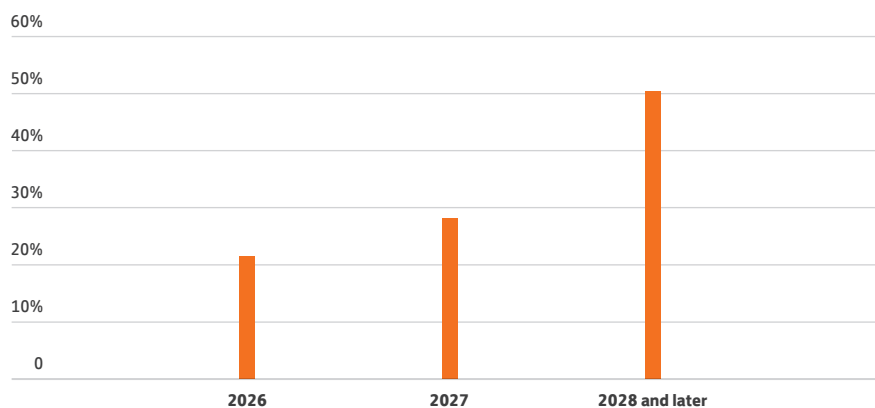
Hong Kong Retail Market Outlook

Despite the positive impact of a rising stock market, ongoing shifts in consumer shopping behaviour are expected to intensify competition between physical and online retail channels in Hong Kong. Retailers are likely to maintain prudent and strategic approaches amid market uncertainties, given ongoing concerns about returns on capital expenditure and increasing operating costs. The gradual recovery of inbound tourism, together with a robust calendar of international events and conferences, is anticipated to stimulate demand across Hong Kong's retail and F&B sectors. Supported by continuous trade mix upgrades, strong and dynamic marketing and promotional campaigns, and loyalty programme initiatives, footfall and sales performance at our malls are expected to remain resilient.

The following chart shows the percentage of attributable gross rental income from the retail properties in Hong Kong, for the month ended 31st December 2025, derived from leases expiring in the periods with no committed renewals or new lettings. Tenancies accounting for approximately 21.5% of the attributable gross rental income in the month of December 2025 are due to expire in 2026, with tenancies accounting for a further 28.2% of such rental income due to expire in 2027.

Retail Lease Expiry Profile

(At 31st December 2025)



Residential

The completed residential portfolio available for lease comprises Pacific Place Apartments at Pacific Place, EAST Apartments in Quarry Bay, STAR STUDIOS in Wan Chai and a number of luxury houses on Hong Kong Island and Lantau Island, with an aggregate GFA of approximately 0.6 million square feet. The residential portfolio was approximately 79% let at 31st December 2025. Demand for our residential investment properties remains steady and is primarily driven by local residents and increasing interest from the Chinese Mainland and overseas markets.

Investment Properties Under Development

Wah Ha Factory Building, 8 Shipyard Lane and Zung Fu Industrial Building, 1067 King's Road

In 2018, the Group submitted compulsory sale applications in respect of these two sites in Quarry Bay. The Group obtained full ownership of Zung Fu Industrial Building and Wah Ha Factory Building in March 2022 and July 2023, respectively. The two sites are intended to be redeveloped for office and other commercial uses with an aggregate GFA of approximately 779,000 square feet.

9-43 Hoi Wan Street and 29-41 Tong Chong Street

In June 2022, the Group submitted a compulsory sale application for the majority portion of the site in Quarry Bay. The gross site area is approximately 24,800 square feet. Proceeding with the development (the planning of which is being reviewed) is subject to the Group having successfully bid in the compulsory sale.

Others

One Island East, 18 Westlands Road

In November 2023, the Group entered into agreements for the sale of twelve office floors (42nd to 54th floors excluding the 49th floor) at One Island East in Quarry Bay to the SFC. Completion of the sale of the nine floors (45th to 54th floors excluding the 49th floor) currently occupied by the SFC took effect in December 2023. Completion for the 43rd floor took place on 31st December 2025. Completion for the 44th floor will take place not earlier than 31st December 2026 and not later than 31st December 2027 while completion for the 42nd floor will take place not earlier than 31st December 2027 and not later than 31st December 2028. The total GFA of the twelve floors is approximately 300,000 square feet.

Taikoo Shing Car Parking Spaces – Stage 10

In November 2025, the Group offered a further 453 car parking spaces in the Taikoo Shing residential development in Hong Kong for sale. 435 car parking spaces have been sold at 6th March 2026. All of the sales had been recognised at 31st December 2025.

Investment Properties – Chinese Mainland

Overview

The property portfolio in the Chinese Mainland comprises an aggregate of 30.8 million square feet of space, 19.2 million square feet of which is attributable to the Group. Completed properties amount to 14.4 million square feet, with 16.4 million square feet under development. Total attributable gross rental income from investment properties in the Chinese Mainland was HK\$6,253 million in 2025. At 31st December 2025, the investment properties in the Chinese Mainland were valued at HK\$134,951 million. Of this amount, the Group's attributable interest was HK\$95,725 million.

Chinese Mainland Property Portfolio ⁽¹⁾

	GFA (sq. ft.) (100% Basis)				Attributable Interest
	Total	Investment Properties	Hotels	Under Planning	
<i>Completed</i>					
Taikoo Li Sanlitun, Beijing	1,621,783	1,621,783	–	–	100%
Taikoo Li Chengdu	1,654,565	1,461,428	193,137	–	100%
Taikoo Hui, Guangzhou	3,782,327	3,272,893	509,434	–	97%
INDIGO, Beijing ⁽²⁾	1,894,141	1,535,840	358,301	–	50%
HKRI Taikoo Hui, Shanghai	3,731,964	3,155,381	576,583	–	50%
Taikoo Li Qiantan, Shanghai	1,188,727	1,188,727	–	–	50%
Phase 2 of Taikoo Hui, Guangzhou (formerly known as Hui Fang, Guangzhou)	90,847	90,847	–	–	100%
Taikoo Li Julong Wan Guangzhou ⁽³⁾	417,930	417,930	–	–	50%
Others	2,917	2,917	–	–	100%
Sub-Total	14,385,201	12,747,746	1,637,455	–	
<i>Under Development</i>					
Taikoo Li Sanlitun, Beijing ⁽⁴⁾	145,258	145,258	–	–	100%
Taikoo Place Beijing ⁽⁵⁾	4,045,514	3,698,711	346,803	–	49.895%
Taikoo Li Xi'an ⁽⁶⁾	2,896,119	2,622,434	273,685	–	70%
Taikoo Li Sanya ⁽⁷⁾	2,486,894	2,486,894	–	–	50%
Shanghai New Bund Mixed-use Project ⁽⁸⁾	2,943,782	2,943,782	–	–	40%
Lujiazui Taikoo Yuan, Shanghai ⁽⁹⁾	2,886,453	1,347,201	–	1,539,252	40%
Taikoo Li Julong Wan Guangzhou ⁽³⁾	301,513	301,513	–	–	50%
Phase 3 of Taikoo Hui, Guangzhou (formerly known as No. 387 Tianhe Road, Guangzhou) ⁽¹⁰⁾	654,782	654,782	–	–	97%
Sub-Total	16,360,315	14,200,575	620,488	1,539,252	
Total	30,745,516	26,948,321	2,257,943	1,539,252	

⁽¹⁾ Including hotels and properties leased for investment.

⁽²⁾ INDIGO forms part of Taikoo Place Beijing.

⁽³⁾ This is the retail portion of a mixed-use development in Liwan district of Guangzhou. GFA as shown above represented the sites acquired and leased as of 31st December 2025. The GFA will increase to approximately 1,615,000 square feet, subject to further relevant transaction agreements. The Group has a 50% interest in the retail portion of the development. The development scheme is being planned. The first phase of the retail portion was opened progressively in December 2025. The overall development is planned to be completed in phases from 2027.

⁽⁴⁾ Building N1 (formerly known as The Opposite House hotel) was closed in June 2024 and is under redevelopment for retail use.

⁽⁵⁾ This is an office-led mixed-use development. The development is planned to be completed in phases from late 2026.

⁽⁶⁾ This is a retail-led mixed-use development. The total GFA is subject to change. The development is planned to be completed in phases from 2027.

⁽⁷⁾ This is a retail-led development. The development is planned to be completed in phases from 2026. Project name has yet to be confirmed.

⁽⁸⁾ This is a mixed-use development including two office towers, One Qiantan Place and Two Qiantan Place and a new retail phase/extension. The development is planned to be completed in 2026.

⁽⁹⁾ This is a mixed-use development. The development scheme is being planned. The development is expected to be completed in phases from 2026.

⁽¹⁰⁾ As an extension to the shopping mall of Taikoo Hui in Guangzhou, the refurbishment of the property is expected to be completed from 2027.

Gross rental income from the Group's investment property portfolio in the Chinese Mainland was HK\$5,032 million in 2025, 3% higher than in 2024, mainly reflecting the improvement to tenant mix in the cities where our malls operate.

Retail

The completed retail portfolio in the Chinese Mainland comprises an aggregate of 8.3 million square feet of space, 6.4 million square feet of which is attributable to the Group. Total attributable gross rental income from our retail properties in the Chinese Mainland increased by 2%, to HK\$5,353 million, in 2025. At 31st December 2025, our completed retail properties in the Chinese Mainland were valued at HK\$75,271 million. Of this amount, the Group's attributable interest was HK\$62,900 million.

The portfolio consists of Taikoo Li Sanlitun in Beijing, Taikoo Li Chengdu and Phase 2 of Taikoo Hui in Guangzhou (formerly known as Hui Fang), which are wholly-owned by the Group, Taikoo Hui in Guangzhou, which is 97% owned, INDIGO in Beijing, HKRI Taikoo Hui and Taikoo Li Qiantan in Shanghai, and Taikoo Li Julong Wan Guangzhou, each of which is 50% owned.

Chinese Mainland Completed Retail Portfolio

	GFA (sq. ft.) (100% Basis)	Occupancy (at 31st December 2025)	Attributable Interest
Taikoo Li Sanlitun, Beijing	1,621,783	99%	100%
Taikoo Li Chengdu	1,354,624	97%	100%
Taikoo Hui, Guangzhou	1,529,392	100%	97%
INDIGO, Beijing	946,769	99%	50%
HKRI Taikoo Hui, Shanghai	1,107,220	96%	50%
Taikoo Li Qiantan, Shanghai	1,188,727	98%	50%
Taikoo Li Julong Wan Guangzhou ⁽¹⁾	417,930	N/A	50%
Phase 2 of Taikoo Hui, Guangzhou (formerly known as Hui Fang, Guangzhou) ⁽²⁾	90,847	N/A	100%
Total	8,257,292		

⁽¹⁾ GFA as stated in the above table represents the first phase of the retail portion which was opened progressively in December 2025. Occupancy rate will be disclosed once it is fully opened.

⁽²⁾ Under renovation.

Retail sales in the Chinese Mainland improved in 2025 due to an expanded economic stimulus package issued by the government which improved consumer confidence, technological advancement that attracted investment and increased spending, and measures taken to encourage spending by international tourists such as visa-free entry and a value-added tax refund scheme. Despite disruption caused by upgrading works at some of our malls, overall foot traffic and retail sales continued to increase, underscoring the appeal of our malls. Our malls continued to benefit from the ongoing enhancement of the tenant mix. Notably, HKRI Taikoo Hui welcomed "The Louis" by LOUIS VUITTON in June 2025, while Taikoo Li Sanlitun further strengthened its luxury offerings with the opening

of global flagship stores from LOUIS VUITTON Maison, House of DIOR Beijing, and Tiffany & Co. in December 2025. Retail sales (excluding sales by vehicle retailers) at our malls on an attributable basis in the Chinese Mainland increased by 7% in 2025, outperforming the market, and were 65% higher than in 2019 (pre-pandemic). Retail sales at Taikoo Li Sanlitun and INDIGO in Beijing, Taikoo Li Chengdu, Taikoo Hui in Guangzhou, HKRI Taikoo Hui and Taikoo Li Qiantan in Shanghai increased by 11%, 3%, 7%, 2%, 50% and 7%, respectively. In comparison with 2019, retail sales at Taikoo Li Sanlitun, Taikoo Li Chengdu, Taikoo Hui, HKRI Taikoo Hui and INDIGO increased by 12%, 32%, 70%, 27% and 1%, respectively, while Taikoo Li Qiantan had not yet commenced business in 2019.

The Group's gross rental income from retail properties in the Chinese Mainland increased by 3%, to HK\$4,628 million, in 2025.

The chart below shows the mix of the tenants of the retail properties by the principal nature of their businesses (based on internal classifications) as a percentage of the retail area at 31st December 2025.

Retail Area by Tenants' Businesses

(At 31st December 2025)



At 31st December 2025, the top ten retail tenants (based on attributable gross rental income in the twelve months ended 31st December 2025) together occupied approximately 24% of the Group's total attributable retail area in the Chinese Mainland.

Taikoo Li Sanlitun, Beijing

Taikoo Li Sanlitun is in the Sanlitun area of the Chaoyang district of Beijing. It was our first retail development in the Chinese Mainland. It comprises three neighbouring retail sites, South, North and West. There are approximately 288 retail outlets.

Taikoo Li Sanlitun South concentrates on contemporary fashion and lifestyle flagship stores. Acne Studios, Apple, ARC'TERYX, lululemon, and World of Ralph Lauren are tenants. In 2025, new tenants including MUJI, TOTEME and ZIMMERMANN reinforced its robust performance. Tenants in Taikoo Li Sanlitun North are principally retailers of luxury, designer fashion and lifestyle brands. Alexander McQueen, BALENCIAGA, Bape, CANADA GOOSE, CELINE, Gucci, I.T, LOEWE and Moncler are tenants. In 2025, the opening of iconic standalone maisons and architecturally distinctive flagship stores including House of DIOR Beijing, Loro Piana, LOUIS VUITTON Maison, Polène, Tiffany & Co. and SAINT LAURENT RIVE DROITE BEIJING reinforced Taikoo Li

Sanlitun North's status as a luxury fashion landmark. Building N1 (formerly known as The Opposite House hotel), adjacent to Taikoo Li Sanlitun North, is being redeveloped into a new retail landmark for global flagship stores. The building was topped out in November 2025 and is expected to open in 2027.

As an extension to Taikoo Li Sanlitun South, tenants in Taikoo Li Sanlitun West include the newly renovated DESCENTE Kinetic Lab Global Experience Centre, Nike Rise and UNIQLO Global Sanlitun Flagship Store.

Retail sales and gross rental income at Taikoo Li Sanlitun in Beijing increased by 11% and 3%, respectively, in 2025, driven by strong footfall at Taikoo Li Sanlitun South and West following successful upgrades, brand positioning and the opening of new flagship and pop-up stores. Growth was further supported by the introduction of visa-free entry to the Chinese Mainland and a value-added tax refund scheme for international tourists, and nearby developments such as the renovated Workers' Stadium, Sanlitun Bar Street, and metro lines. Demand for retail space remained robust as Taikoo Li Sanlitun strengthened its position as a luxury, fashion and social destination. The development was 99% let at 31st December 2025.



TAIKOO HUI

GUANGZHOU

Taikoo Li Chengdu

Taikoo Li Chengdu is in the Jinjiang district of Chengdu and is part of the Chunxi Road/Daci Temple shopping district. It is our second Taikoo Li project in the Chinese Mainland. Apple, BALenciAGA, Boucheron, Cartier Maison, DIOR, Gucci, GOYARD, Harry Winston, Hermès, LEMAIRE, LOUIS VUITTON Maison and The Hall by LOUIS VUITTON, Miu Miu, Moncler, MUJI, Tiffany & Co., World of Ralph Lauren, Fangsuo, Olé Supermarket and a 1,720-seat Palace-j'aime cinema are tenants. In 2025, 59 brands opened new stores or upgraded to their latest concept stores including AUDEMARS PIGUET, DESCENTE, DESCENTE BLANC, emis, GOLDEN GOOSE flagship store, GREGORY, LÄDERACH, LINDBERG, MUJI flagship store, On flagship store, R13, Salomon flagship store, TOPOLOGIE, WOORYOUNGMI, ZIMMERMANN, and FU RONG CHUAN.

Retail sales and gross rental income at Taikoo Li Chengdu increased by 7% and 5% respectively in 2025, reflecting ongoing renovation and upgrade of anchor flagship stores. The Group continues to reinforce the development as a premium shopping and leisure destination. The development was 97% let at 31st December 2025.

Taikoo Hui, Guangzhou

Taikoo Hui is in the Tianhe district of Guangzhou. Its mall is a popular shopping centre in Guangzhou. ARC'TERYX, BALenciAGA, BLANCPAIN, BOTTEGA VENETA, Cartier, CELINE, CHANEL, DIOR, FERRAGAMO, GENTLE MONSTER, Gucci, Hermès, I.T, LAOPU GOLD, LOEWE, LOUIS VUITTON, MIKIMOTO, SAINT LAURENT, Van Cleef & Arpels, Victoria's Secret, Fangsuo and Olé Supermarket are tenants. Acne Studios, alexanderwang, Galenic, Guerlain, HELENA RUBINSTEIN, JIL SANDER, KENZO Kids, KOLON SPORT, MARNI, MIKI HOUSE, POLO RALPH LAUREN, Pomellato, SING JEWEL BOUTIQUE, Songmont, SUNION, TOM FORD, 1730 MUSEE DU PAIN, Grid Coffee, Nino Matcha, and QUCHASHAN became tenants in 2025.

Both retail sales and gross rental income at Taikoo Hui in Guangzhou increased by 2% in 2025, reflecting continuous improvements in the tenant mix. The mall was 100% let at 31st December 2025.

Hui Fang (now known as Phase 2 of Taikoo Hui), which is in close proximity to Taikoo Hui shopping mall, is being revamped as a new lifestyle destination to bring customers new experience in fashion, F&B, social and wellbeing. The revamp is expected to be completed at the end of 2026.

Design development of Phase 3 of Taikoo Hui (formerly known as No. 387 Tianhe Road), which is connected to Taikoo Hui shopping mall and was acquired in August 2024, is in progress. This property will be renovated as a luxury retail addition to Taikoo Hui and the refurbishment is expected to be completed from 2027.

INDIGO, Beijing

INDIGO mall, part of Taikoo Place Beijing, is in the Jiangtai area in the Chaoyang district of Beijing. It is directly linked to the Beijing Metro Line 14 and is near the airport expressway. ARC'TERYX, Barbour, Calvin Klein, DESCENTE, DIANE VON FURSTENBERG, i.t, LONGINES, lululemon, Massimo Dutti, MUJI, POLO RALPH LAUREN, SEPHORA, UNIQLO, WEEKEND Max Mara, SiSYPHÉ bookstore, sundan, BHG Market Place and a seven-house with 1,000-seat CGV cinema are tenants. BROOKS, Li Auto and LUKFOOK JEWELLERY became tenants in 2025. The mall has strengthened its market position in the northeast Beijing through its continuous tenant mix improvement.

Retail sales at INDIGO in Beijing increased by 3% while gross rental income decreased by 2% in 2025, reflecting the disruption caused by the development of new buildings in Taikoo Place Beijing. The mall was 99% let at 31st December 2025.

HKRI Taikoo Hui, Shanghai

HKRI Taikoo Hui is on Nanjing West Road in the Jing'an district of Puxi, Shanghai. It has excellent transport connections, being next to the Nanjing West Road metro station (which serves three metro lines) and near the Yan'an Expressway.

HKRI Taikoo Hui is our second Taikoo Hui development in the Chinese Mainland. Starbucks Reserve Roastery, CANADA GOOSE, COS, Diptyque, drivepro lab, Ermenegildo Zegna, Fred, Guerlain, Golden Goose, IWC, lululemon, LOEWE, Max Mara, Nio, RIMOWA, self-portrait, SPACE, Tesla, Ho Hung Kee, KANPAI CLASSIC, Shanghai Club, The Cheesecake Factory, Venchi, and a city'super supermarket are tenants. In 2025, "The Louis" by LOUIS VUITTON opened and instantly became a new landmark in Shanghai. New concept and flagship stores including DIOR Beauty, FERRAGAMO, HELENA RUBINSTEIN, MACKAGE, R13, Sporty & Rich, and ZIMMERMANN became tenants.

Retail sales and gross rental income at HKRI Taikoo Hui in Shanghai increased by 50% and 1%, respectively, in 2025, reflecting continued tenant mix improvement despite disruption caused by major structural and reconfiguration works in 2025. The mall was 96% let at 31st December 2025.

Taikoo Li Qiantan, Shanghai

Jointly developed with a subsidiary of Shanghai Lujiazui Finance & Trade Zone Development Co., Ltd., Taikoo Li Qiantan is a landmark retail development in Qiantan, Pudong new district in Shanghai. The development has direct access to three metro lines, with a fourth line scheduled to open in 2027. It has an aggregate GFA of 1,188,727 square feet and space for approximately 300 shops. It is our second development in Shanghai and the third Taikoo Li project in the Chinese Mainland.

Taikoo Li Qiantan presents a curated selection of luxury and experiential concepts. Key tenants include AUDEMARS PIGUET, Bvlgari, Christian Dior Couture, Cartier, Gucci, Hermès, LOUIS VUITTON, Moncler, Tiffany & Co., Van Cleef & Arpels, and Xin Rong Ji, along with anchor tenants including HUAWEI, MUJI, TSUTAYA, and MOVIE MOVIE. The luxury category continued to demonstrate solid growth in 2025. More than 70 new stores opened in 2025, including Aesop, Balmain, I.T Blue Block & Beams, Lancôme, M Essential, Max Mara, Prada Beauty, Rolex, Sporty & Rich, and Tasaki. A few "first in China" stores including A. Society, Charbonnel et Walker, DESCENTE's new concept store, Maison du Caviar Truffe • MCT, and The Beast's new concept store were also introduced in the development in 2025.

Retail sales at Taikoo Li Qiantan in Shanghai grew by 7% while gross rental income decreased by 3% in 2025. The development was 98% let at 31st December 2025.

Chinese Mainland Retail Market Outlook

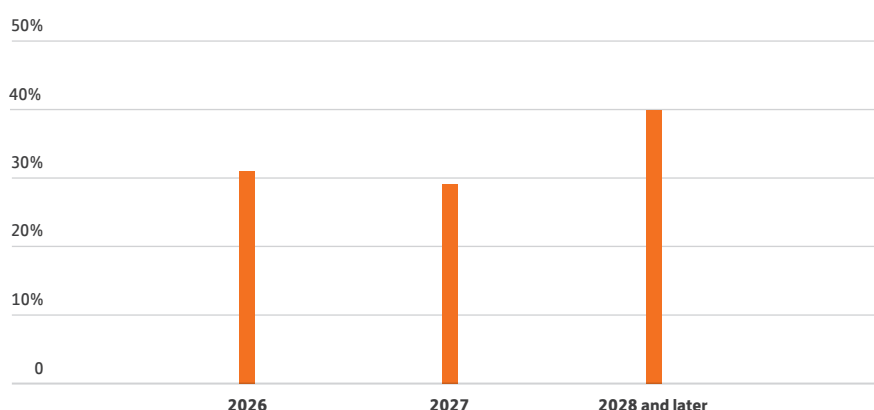
The retail market in the Chinese Mainland has shown signs of improved momentum and sentiment supported by a series of expanded stimulus packages issued by the government and technological advancement that is attracting investment and increasing spending. The retail sector is expected to gradually build momentum with further developments, whilst retailers maintain a cautiously positive outlook in the medium to long-term. Several segments, including lifestyle, leisure and sports, have gained traction, demonstrating the potential to drive new consumer demand and highlighting the importance of maintaining a diverse range of high-quality brands across our portfolios. Retailers, although more selective, are actively seeking high-quality retail spaces to expand and focus on offering unique experiences, special concepts and customer engagement, emphasising the importance of the unique positioning, brand mix and premium services across our portfolios. The market is in a transition phase, shaped by new consumer values towards experiences.

Market demand for retail space is expected to remain cautious in 2026. While luxury retailers are likely to be conservative with expansion plans, demand for high-quality retail space in key locations with high potential and experiential concepts such as Beijing, Chengdu and Shanghai where the Group operates, is expected to continue. In Guangzhou, demand for space from luxury brands is expected to remain steady. Overall, demand from goldsmith, sports and leisure brands is expected to increase.

The following chart shows the percentage of attributable gross rental income from the retail properties in the Chinese Mainland, for the month ended 31st December 2025, derived from leases expiring in the periods with no committed renewals or new lettings. Tenancies accounting for approximately 31% of the attributable gross rental income in the month of December 2025 are due to expire in 2026, with tenancies accounting for a further 29.1% of such rental income due to expire in 2027.

Retail Lease Expiry Profile

(At 31st December 2025)



Offices

The completed office portfolio in the Chinese Mainland comprises an aggregate of 4.2 million square feet of space, 2.9 million square feet of which is attributable to the Group. Total attributable gross rental income from our office properties in the Chinese Mainland decreased by 3% to HK\$818 million in 2025. At 31st December 2025, our completed office properties in the Chinese Mainland were valued at HK\$19,230 million. Of this amount, the Group's attributable interest was HK\$11,927 million.

The portfolio comprises of Taikoo Hui in Guangzhou, which is 97% owned, and INDIGO in Beijing (part of Taikoo Place Beijing) and HKRI Taikoo Hui in Shanghai, each of which is 50% owned.

Chinese Mainland Completed Office Portfolio

	GFA (sq. ft.) (100% Basis)	Occupancy (at 31st December 2025)	Attributable Interest
Taikoo Hui, Guangzhou	1,693,125	90%	97%
INDIGO, Beijing	589,071	93%	50%
HKRI Taikoo Hui, Shanghai	1,900,838	93%	50%
Total	4,183,034		

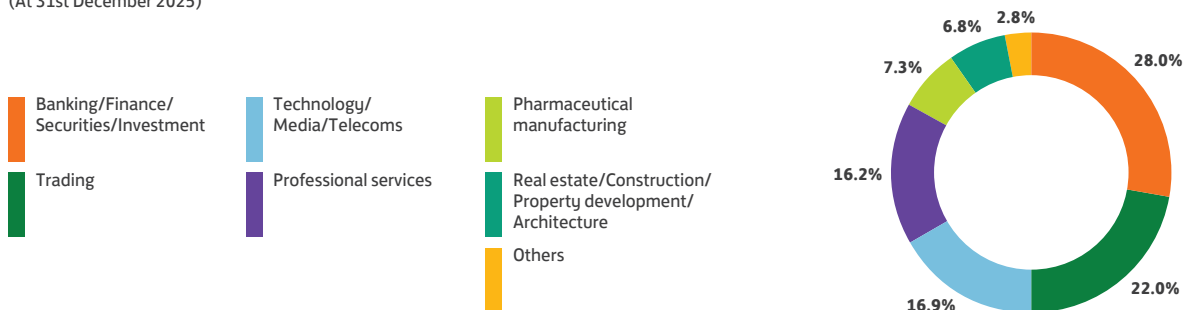
Demand for office space in Beijing, Shanghai and Guangzhou remained subdued amid ongoing economic uncertainty. In Guangzhou and Shanghai, new supply led to increased vacancy rates. In Beijing, new supply was limited but demand for office space was soft.

The Group's gross rental income from office properties in the Chinese Mainland decreased by 4% to HK\$363 million in 2025.

The chart below shows the mix of the tenants of the office properties by the principal nature of their businesses (based on internal classifications) as a percentage of the office area at 31st December 2025.

Office Area by Tenants' Businesses

(At 31st December 2025)



At 31st December 2025, the top ten office tenants (based on attributable gross rental income in the twelve months ended 31st December 2025) together occupied approximately 44% of the Group's total attributable office area in the Chinese Mainland.

Taikoo Hui, Guangzhou

There are two office towers at Taikoo Hui, Guangzhou. They were 90% let at 31st December 2025. Demand for office space in 2025 was weak. New supply in decentralised areas continues to exert downward pressure on rents. Canon, CHANEL, Donoo, Everwin Law, Eyugame, FedEx, HSBC, Microsoft, Roche, Samsung, SK Holdings, Sumitomo Corporation, TOYOTA and UOB are tenants. Acebon, Hair Code and TUV leased more space in 2025. Lian Dining Group, OCBC and rednote became tenants in 2025.

INDIGO, Beijing

ONE INDIGO, part of Taikoo Place Beijing, was 93% let at 31st December 2025. Demand for office space in 2025 was weak. Increased office vacancy rates, particularly in the Wangjing area of the Chaoyang district exerted downward pressure on rents. The main tenants are technology, media and telecoms companies. Alcon, Bell Cloud, Cathay Pacific, CJ Group, Coupang, Disney, Eli Lilly, Goodman, Mitsubishi, Rolls Royce, Schlumberger and Western Cloud are tenants. China State Construction, Euler Technology, Right Capital, Software One and Watt New Media became tenants in 2025.



ONE INDIGO

BEIJING

HKRI Taikoo Hui, Shanghai

There are two office towers at HKRI Taikoo Hui in Shanghai. They were 93% let at 31st December 2025. Demand for office space in 2025 was sluggish. New supply and higher vacancy rates in Nanjing West Road put pressure on rents. The main tenants are financial services companies, pharmaceutical companies, law firms, gaming companies and retailers. Abbvie, Advent Capital, Allbright, Alliance Bernstein, Amore Pacific, Authentic Brands Group, Bank of China, Bally, Beautiful Tree, Blackstone, Canali, CHANEL, CITIC Capital, Electronic Arts, Eli Lilly, Fangda Partners, Fidelity, H&M, Han Kun, Harry Winston, Jimmy Choo, JLL, JunHe, KKR, Michael Kors, Neuberger Berman, Supercell, Towers Research Capital, Versace, Warburg Pincus and Warner Brothers are tenants. Beautiful Tree, Eli Lilly, JunHe and Neuberger Berman leased more space in 2025. General Atlantic and Kingland Law became tenants in 2025.

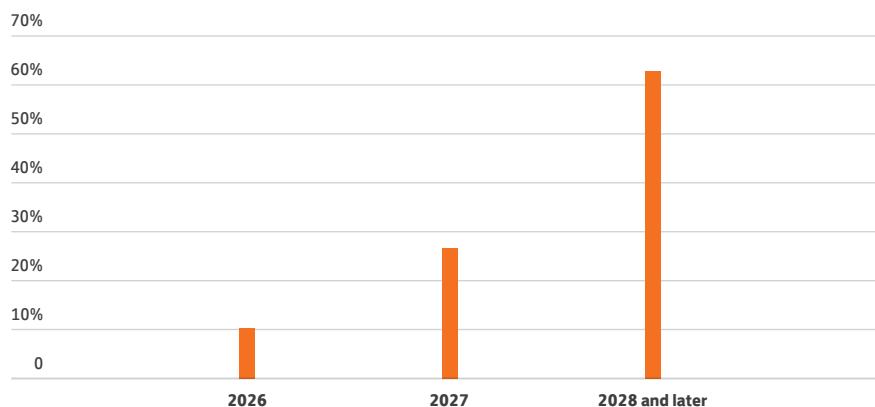
Chinese Mainland Office Market Outlook

Across the Chinese Mainland, soft demand and new supply are expected to increase office vacancy levels in 2026. In Shanghai, new supply and existing vacant stock will continue to put pressure on rents. In Guangzhou, new supply, particularly in decentralised areas, is set to weigh on rents as demand remains weak. In Beijing, despite limited new supply, demand remains weak and rents are still expected to stay under pressure as vacancies increase. While sentiment remains cautious, amid economic uncertainty, our high-quality and well-managed office portfolio is well positioned to capture demand from the ongoing 'flight-to-quality' trend.

The following chart shows the percentage of attributable gross rental income from the office properties in the Chinese Mainland, for the month ended 31st December 2025, derived from leases expiring in the periods with no committed renewals or new lettings. Tenancies accounting for approximately 10.4% of the attributable gross rental income in the month of December 2025 are due to expire in 2026, with tenancies accounting for a further 26.7% of such rental income due to expire in 2027.

Office Lease Expiry Profile

(At 31st December 2025)



Serviced Apartments

There are 24 serviced apartments at the Mandarin Oriental in Taikoo Hui Guangzhou, 42 serviced apartments at Upper House Chengdu (formerly known as The Temple House) in Taikoo Li Chengdu and 102 serviced apartments at Upper House Shanghai (formerly known as The Middle House Residences) in HKRI Taikoo Hui Shanghai.

The performance of the serviced apartments in 2025 was stable. Occupancy at the Mandarin Oriental in Guangzhou, Upper House Chengdu and Upper House Shanghai was 88%, 79% and 91% respectively at 31st December 2025.

Chinese Mainland Serviced Apartments Market Outlook

The performance of the serviced apartments is expected to remain stable in 2026.

Investment Properties Under Development

Taikoo Place Beijing

Taikoo Place Beijing is an extension of the existing INDIGO development, comprising approximately 4 million square feet of GFA. Designed as an office-led mixed-use development, the project is scheduled to open in phases from late 2026. All buildings have reached superstructure topping-out. Façade, mechanical and electrical installation works for office towers are in progress. The development is being undertaken in partnership with China Life Insurance Company Limited. The Group has a 49.895% interest in this development.

Taikoo Li Xi'an

Taikoo Li Xi'an is located at the Small Wild Goose Pagoda historical and cultural zone in the Beilin district of Xi'an and is being developed as a retail-led mixed-use development comprising retail and cultural facilities, a hotel and serviced residences. The estimated GFA is approximately 2.9 million square feet and is subject to change. Basement and superstructure works are in progress. The project is expected to be completed in phases from 2027. The development is being conducted in collaboration with Xi'an Cheng Huan Cultural Investment and Development Co., Ltd. The Group has a 70% interest in this development.

Taikoo Li Sanya

Strategically located in the heart of Haitang Bay National Coastal Recreation Park in Sanya, the development is our first-ever resort-style premium retail development including underground parking and other ancillary facilities, with a GFA of approximately 2.5 million square feet. In collaboration with China Tourism Group Duty Free Corporation Limited, the development will constitute Phase III of the Sanya International Duty-Free Complex. Basement, superstructure, façade, mechanical and electrical installation works are in progress. The development is expected to be completed in phases from 2026. The Group has a 50% interest in this development.

Shanghai New Bund Mixed-use Project

The New Bund Mixed-use Project is situated within Shanghai's middle-ring road and spans a site area of approximately 686,000 square feet. Located at the intersection of three Shanghai metro lines, the site is adjacent to Taikoo Li Qiantan, our first joint venture development with the Lujiazui group. It is a mixed-use development comprising retail, office and residential components, with an approximate GFA of 4.1 million square feet (including retail floor area below ground). The office towers and retail podium have been topped out. Façade and interior fit-out works are in progress. The development is expected to be completed in 2026. Approximately 98% of the total saleable area of the residential towers (Century Summit and Century Heights) was pre-sold at 6th March 2026. The Group has a 40% interest in this development.

Lujiazui Taikoo Yuan, Shanghai

Jointly developed with the Lujiazui group, Lujiazui Taikoo Yuan, situated along the Huangpu River and within the inner-ring road in the Pudong district of Shanghai, is being developed into a mixed-use landmark comprising premium residential properties, retail, office and cultural facilities, and a hotel and serviced apartments. The estimated GFA is approximately 4.2 million square feet (including retail floor area below ground), subject to relevant planning approval. The office towers of Lujiazui Taikoo Yuan have been topped out. Superstructure works of retail portion are in progress. Façade and interior fit-out works are also in progress. The development is expected to be completed in phases from 2026. The pre-sale of the second, third and fourth batches of the residential units was launched in May, September 2025, and January 2026, respectively. 225 out of 250 units were pre-sold for the four batches up to 6th March 2026. The Group has a 40% interest in this development.

Taikoo Li Julong Wan Guangzhou

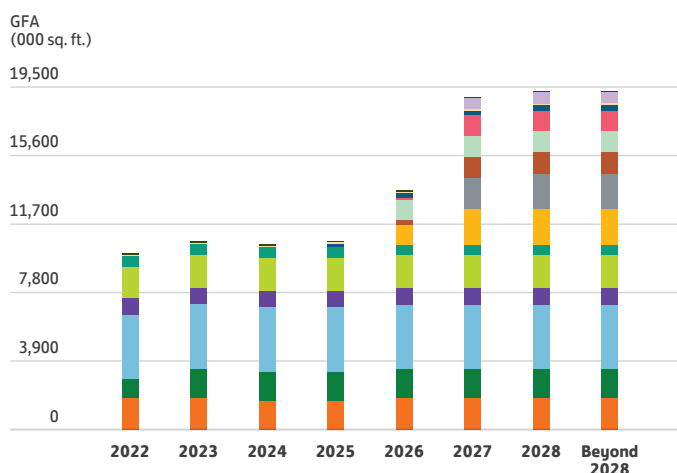
The Group is collaborating with the Guangzhou Pearl River Enterprises Group to develop the retail portion of a mixed-use development in the Liwan district of Guangzhou, the centre of the Guangzhou-Foshan metropolitan area. The entire development will have an approximate GFA of 5.7 million square feet. The Group acquired and leased the retail site, with a GFA of approximately 719,000 square feet as of 31st December 2025. This will increase to approximately 1,615,000 square feet, subject to further transaction agreements. Phase one of the retail portion of the development, consisting of a range of retail, dining and lifestyle shops, as well as exhibition and event space, was opened progressively in December 2025, while basement and superstructure works for subsequent phases are in progress. The overall development is planned to be completed in phases from 2027. The Group has a 50% interest in the retail portion of this development.

Phase 3 of Taikoo Hui, Guangzhou (formerly known as No. 387 Tianhe Road, Guangzhou)

In August 2024, Taikoo Hui Guangzhou acquired a property directly connected to the Taikoo Hui shopping mall to form the Phase 3 of Taikoo Hui. The building has an approximate GFA of 655,000 square feet and will be renovated to become a luxury retail extension of the shopping mall. Design development is in progress and the refurbishment is expected to be completed from 2027. The Group has a 97% interest in this property.

The chart below illustrates the expected attributable area of the completed property portfolio in the Chinese Mainland at 31st December 2025.

Expected Attributable Area of Completed Property Portfolio in the Chinese Mainland at 31st December 2025



- (1) INDIGO forms part of Taikoo Place Beijing.
- (2) The development is expected to be completed in phases from late 2026.
- (3) The development is expected to be completed in phases from 2027.
- (4) The development is expected to be completed in phases from 2026. Project name has yet to be confirmed.
- (5) The development is expected to be completed in 2026.
- (6) The development is expected to be completed in phases from 2026.
- (7) The development is expected to be completed in phases from 2027. GFA as shown above represented the retail sites acquired and leased as of 31st December 2025. The GFA will increase to approximately 1,615,000 square feet, subject to further relevant transaction agreements.
- (8) Formerly known as Hui Fang, Guangzhou. The property is being renovated and is expected to be completed at end of 2026, forming part of Taikoo Hui, Guangzhou.
- (9) Formerly known as No.387 Tianhe Road, Guangzhou. The refurbishment of the property is expected to be completed from 2027, forming part of Taikoo Hui, Guangzhou.

Others

ZHANGYUAN, Shanghai

In 2021, the Group formed a joint venture management company with Shanghai Jing'an Real Estate (Group) Co., Ltd. This company, in which the Group has a 60% interest, is engaged in the revitalisation and management of the ZHANGYUAN shikumen compound in the Jing'an district of Shanghai. When the revitalisation is completed, the compound will have a GFA (including car parking spaces) of 673,871 square feet above ground and 956,949 square feet underground. The compound comprises over 40 shikumen blocks with approximately 170 two or three-storey houses, and is connected to three metro lines and to HKRI Taikoo Hui. The first phase (the West zone) was completed and opened in November 2022. Construction and renovation works for the second phase (the East zone) are in progress. The second phase is planned to be completed and opened by phases from 2026. The Group does not have an ownership interest in the compound.



BRICKELL CITY CENTRE

MIAMI

Investment Properties – U.S.A.

Overview

Brickell City Centre, Miami

Brickell City Centre is an urban mixed-use development in the Brickell financial district of Miami, U.S.A. which comprises a shopping centre and car parking spaces, two office towers (Two and Three Brickell City Centre, which were sold in 2020), a hotel with serviced apartments (EAST Miami, which was sold in 2021) managed by Swire Hotels and two residential towers (Reach and Rise) developed for sale. All the residential units at Reach and Rise have been sold.

The Group owned 62.93% of the shopping centre at the Brickell City Centre development, with a leasable area of approximately 500,000 square feet, at 1st January 2025. In January 2025, Bal Harbour Shops (“BHS”) exercised its option to sell its 12.07% interest of the shopping centre to the Group, which was completed in April 2025, for a consideration of US\$73.5 million. A gain was recorded on the derecognition of the corresponding put option liability. Following the acquisition, the Group’s interest in

the Brickell City Centre shopping centre increased to 75%, with Simon Property Group (“SPG”) holding a 25% interest.

In June 2025, the Group completed the disposal of its 75% interest in the shopping centre, and its entire interest in the car parking spaces and certain shared facilities to SPG for a total consideration of up to US\$548.7 million, of which up to US\$36.1 million will be payable as a contingent consideration at a later date. The amount of the contingent consideration is subject to the satisfaction of certain conditions.

Retail sales and gross rental income, up to the date of disposal of the shopping centre in late June 2025, increased by 4% and 7% respectively, compared to the same period in 2024, reflecting an improved tenant mix and higher opening rate.

Additionally, the Group completed the sale of the Brickell City Centre land which is adjacent to the shopping centre, with an approximate GFA of 1.5 million square feet, for a consideration of approximately US\$211.5 million in May 2025. The land had previously been held for development.

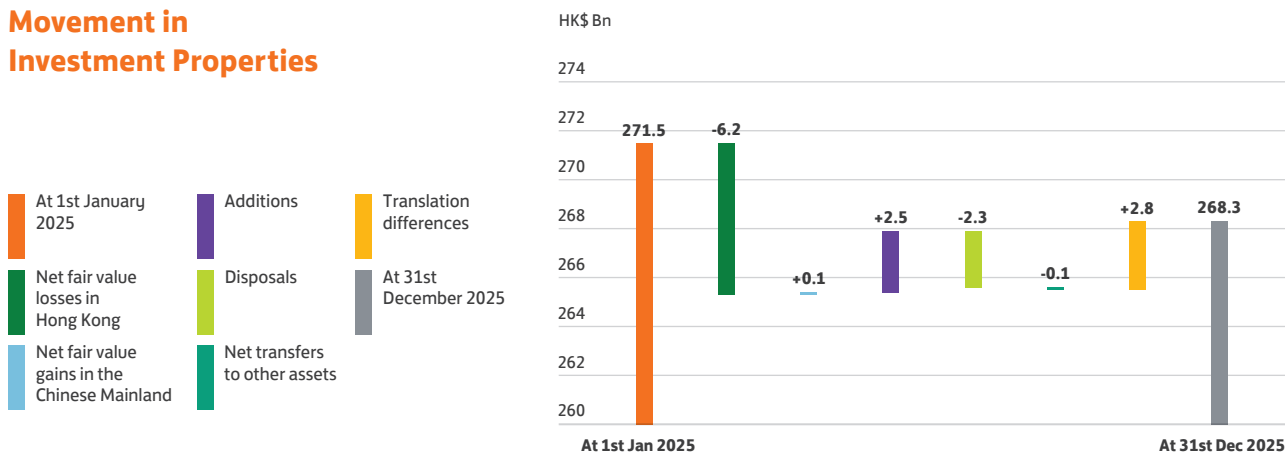
Valuation of Investment Properties

The portfolio of investment properties was valued at 31st December 2025 on the basis of market value, with 99% by value having been valued by Cushman & Wakefield Limited. The amount of this valuation was HK\$268,313 million, compared to HK\$271,502 million at 31st December 2024.

The decrease in the valuation of the investment property portfolio primarily reflected a reduction in the fair value of the office investment properties in Hong Kong and disposal of investment properties, partly offset by the additions in 2025 and a foreign exchange translation gain in respect of the investment properties in the Chinese Mainland. The reduction of 12.5 basis points in the capitalisation rates of certain office investment properties in Hong Kong lessened the fair value loss.

Under HKAS 40, hotel properties are not accounted for as investment properties. The hotel buildings are included within property, plant and equipment. The leasehold land is included within right-of-use assets. Both are recorded at cost less accumulated depreciation or amortisation and any provision for impairment.

Movement in Investment Properties



Property Trading

Overview

The trading portfolio comprises completed units available for sale at EIGHT STAR STREET, LA MONTAGNE and 6 Deep Water Bay Road (with sale completed in March 2026) in Hong Kong, as well as Savyavasa in Indonesia. Additionally, the completed units at Phase 1 of THE HEADLAND RESIDENCES in Hong Kong are available for sale. There are seven residential projects under development; three in Hong Kong, two in the Chinese Mainland, one in Vietnam and one in Thailand. There is also a plan to develop a luxury residential project on Brickell Key in Miami, U.S.A.

Property Trading Portfolio (At 31st December 2025)

	GFA (sq. ft.) (100% Basis)	Actual/Expected Construction Completion Date	Attributable Interest
<u>Completed</u>			
Hong Kong			
– EIGHT STAR STREET, Wan Chai	980 ⁽¹⁾	2022	100%
– LA MONTAGNE, Wong Chuk Hang	351,496 ⁽¹⁾	2024	25%
– 6 Deep Water Bay Road	14,965 ⁽¹⁾	2025	100%
Indonesia			
– Savyavasa, South Jakarta	483,745 ⁽¹⁾	2025	50%
<u>Under Development</u>			
Hong Kong			
– THE HEADLAND RESIDENCES, Chai Wan	692,276 ⁽²⁾	from 2025	80%
– 269 Queen's Road East, Wan Chai	102,990 ⁽³⁾	2027	100%
– 983-987A King's Road and 16-94 Pan Hoi Street, Quarry Bay	404,738 ⁽⁴⁾⁽⁶⁾	2028	50%
Chinese Mainland			
– Century Summit and Century Heights, Shanghai	1,159,057 ⁽⁵⁾	2026	40%
– Lujiazui Taikoo Yuan Residences, Shanghai	1,222,751 ⁽⁶⁾⁽⁷⁾	from 2026	40%
Vietnam			
– Empire City, Ho Chi Minh City	5,357,318	2031	15.73%
Thailand			
– Upper House Residences Bangkok and The Wireless Residences by Upper House, Bangkok (formerly known as Wireless Road Project)	1,632,067 ⁽⁶⁾	from 2029	40%
<u>Held for Development or sale</u>			
U.S.A.			
– South Brickell Key, Miami, Florida	895,000 ⁽⁸⁾	under planning	100%
– Brickell, Miami, Florida – North Squared site	523,000	sold in July 2025	100%

(1) Remaining saleable area.

(2) Excluding a retail shop of approximately 1,968 sq. ft. Phase 1 of the development was completed in 2025.

(3) Excluding a retail podium of approximately 13,197 sq. ft.

(4) Excluding a retail podium of approximately 49,936 sq. ft.

(5) Residential GFA only and part of Shanghai New Bund Mixed-use Project.

(6) Total GFA subject to change.

(7) Excluding the public rental housing of approximately 71,925 sq. ft. to be handed over to the Government upon completion.

(8) Including the GFA of the existing Mandarin Oriental hotel, which is planned to be demolished in the second quarter of 2026, for the development of The Residences at Mandarin Oriental, Miami.

Hong Kong

EIGHT STAR STREET, Wan Chai

EIGHT STAR STREET at 8 Star Street, Wan Chai is a residential building (with retail outlets on the lowest two levels) of approximately 34,000 square feet. The occupation permit was obtained in May 2022. 36 out of 37 units had been sold at 6th March 2026. Sales of 36 units had been recognised up to 31st December 2025, with 1 sale in 2025.

LA MONTAGNE, Wong Chuk Hang

A joint venture formed by the Group, Kerry Properties Limited and Sino Land Company Limited is undertaking a residential development in Wong Chuk Hang. This development comprises two residential towers (Phases 4A and 4B) with an aggregate GFA of approximately 638,000 square feet and 800 residential units. The occupation permit and consent to assign were obtained in November 2024 and May 2025, respectively. Pre-sales of Phase 4A started in July 2023. 353 out of 432 units had been sold at 6th March 2026. Sales of 289 units had been recognised in 2025. Handover of units to purchasers commenced in June 2025. The Group has a 25% interest in the joint venture.

6 Deep Water Bay Road

Originally comprised of six three-storey semi-detached houses, the site has been redeveloped into two houses with an aggregate GFA of approximately 15,000 square feet. The occupation permit was obtained in April 2025. Both houses were sold in December 2025 and handed over to the buyer in March 2026.

THE HEADLAND RESIDENCES, Chai Wan

In 2021, a project company held 80% by the Group and 20% by China Motor Bus Company, Limited completed a land exchange with the HKSAR Government in respect of a plot of land in Chai Wan. The plot of land is being redeveloped into a residential complex (with retail outlet) with an aggregate GFA of approximately 694,000 square feet. Superstructure works are in progress at the Phase 2 site. The occupation Permit for Phase 1 was obtained in August 2025 while the development of Phase 2 is expected to be completed in the second quarter of 2026. Pre-sales of the first batch started in September 2025. 143 out of 300 launched units in Phase 1 had been pre-sold at 6th March 2026.

269 Queen's Road East, Wan Chai

In June 2022, the Group acquired (via a government land tender) a plot of land at 269 Queen's Road East in Wan Chai. The site is being developed primarily for residential

use with an aggregate GFA of approximately 116,000 square feet. Superstructure works are in progress. The development is expected to be completed in 2027.

983-987A King's Road and 16-94 Pan Hoi Street, Quarry Bay

In 2018, a joint venture company in which the Group holds a 50% interest submitted a compulsory sale application in respect of the sites in Quarry Bay. In October 2023, the joint venture company obtained full ownership of the sites. Foundation works are in progress. The sites will be redeveloped for residential and retail use with a GFA of approximately 455,000 square feet. The development is expected to be completed in 2028.

Hong Kong Residential Market Outlook

In Hong Kong, residential sales have been gradually improving, supported by recent interest rate cuts and the relaxation of mortgage measures. However, market confidence and sentiment are expected to take some time to recover following the end of the interest rate hike cycle. Demand is expected to improve in the medium to long-term, driven by local buyers and an increase in demand from Chinese Mainland buyers.

Chinese Mainland

In November 2023, the Group completed the acquisition of a 40% equity interest in two landmark developments from the Lujiazui group (Shanghai New Bund Mixed-use Project and Lujiazui Taikoo Yuan in Shanghai's Pudong New Area). These two developments include residential components: Century Summit and Century Heights within the New Bund Mixed-use Project, and Lujiazui Taikoo Yuan Residences within the Lujiazui Taikoo Yuan project.

Century Summit and Century Heights, Shanghai

The residential towers have been topped out and façade and interior fit-out works are in progress at Century Summit and Century Heights. Approximately 98% of the total saleable area had been pre-sold at 6th March 2026, with an expected completion date in 2026.

Lujiazui Taikoo Yuan Residences, Shanghai

Lujiazui Taikoo Yuan Residences is the Company's flagship residential project in the Chinese Mainland, situated along the Huangpu River and within the inner-ring road in the Pudong district of Shanghai. The pre-sales of the second, third and fourth batches of 57, 83 and 60 residential units in Lujiazui Taikoo Yuan Residences started in May,

September 2025, and January 2026 respectively. 225 out of the total 250 units had been pre-sold for all four batches up to 6th March 2026. The remaining units are expected to launch progressively in 2026. The superstructure was topped out in September 2025 while façade and interior fit-out works are in progress, with an expected completion date from 2026 onwards.

Chinese Mainland Residential Market Outlook

The market for high-quality residential developments in prime locations of Tier-1 cities in the Chinese Mainland is expected to remain strong in the near term. Premium projects in Shanghai achieved robust sales, as evidenced by the successful launches of the second, third and fourth batches of Lujiazui Taikoo Yuan Residences in May, September 2025 and January 2026, despite increased supply in the second half of 2025. The outlook for Beijing and Shanghai's luxury residential market is anticipated to be stable in the long term.

Indonesia

In 2019, a joint venture between the Group and Jakarta Setiabudi Internasional Group completed the acquisition of a plot of land in South Jakarta. The land has been developed into a residential project with an aggregate GFA of approximately 1,123,000 square feet. The development, named Savyavasa, comprises around 400 residential units across 3 towers. The SLF certificate (Indonesian Occupation Permit) was received in the fourth quarter of 2025. Handover of units to buyers has begun. The Group has a 50% interest in the joint venture company. 184 units, including all units in tower 1, had been sold at 6th March 2026.

Vietnam

In 2021, the Group made a minority investment in Empire City, a residential-led mixed-use development (with residential, retail, office, hotel and serviced apartment components) in Ho Chi Minh City. The development is under construction and is expected to be completed in phases up to 2031. The Group invested in the development through an agreement with Gaw Capital Partners, an existing participant in the development. Nearly all of the launched residential units or 53% of the total units of the whole project had been sold at 6th March 2026.

Thailand

In February 2023, the Group acquired a 40% interest in a site located on Wireless Road in the Lumpini sub-district in Pathum Wan district, Bangkok. In partnership with City

Realty Co. Ltd., the site is under construction for residential purposes with a site area of approximately 136,000 square feet. The Environmental Impact Assessment was approved in February 2025 and substructure works are in progress. The development comprises two towers named Upper House Residences Bangkok and The Wireless Residences by Upper House with approximately 156 and 239 residential units, respectively, to be completed from 2029. VIP sales have commenced, along with the opening of the sales gallery in Bangkok.

U.S.A.

Pre-sales for The Residences at The Mandarin Oriental, Miami, a luxury residential and hospitality project (which is currently under planning), were launched in 2024. The development will consist of two towers on Brickell Key. The first tower will comprise luxury private residences. The second tower will comprise a new Mandarin Oriental hotel as well as private residences and hotel residences. The existing Mandarin Oriental hotel closed in May 2025 and is scheduled for demolition in the second quarter of 2026 to allow for construction of the new development to begin.

In July 2025, the Group completed the sale of the North Squared site in Brickell, Miami with an approximate GFA of 523,000 square feet.

Indonesia, Vietnam, Thailand and U.S.A. Residential Market Outlook

Urbanisation, a rising middle class and a limited supply continue to support luxury residential demand in South East Asia. Markets such as Jakarta, Ho Chi Minh City and Bangkok are expected to improve. Despite some market uncertainty, outlook for the luxury residential market in Miami remains robust. Florida remains an attractive destination for U.S.A. and international homebuyers due to its favourable climate and tax regime, as well as its location as a gateway city to and from Latin America.

Residential Property Management

The Group manages 18 residential estates which it has developed. It also manages OPUS HONG KONG, a residential property in Hong Kong which the Group redeveloped for Swire Pacific Limited. The management services include day to day assistance for residents, management, maintenance, cleaning, security and renovation of common areas and facilities. The Group places great emphasis on maintaining good relationships with residents.



UPPER HOUSE HONG KONG

HONG KONG

Hotels

Managed Hotels and Restaurants

Overview

The Group owns and manages (through Swire Hotels) hotels in Hong Kong, the Chinese Mainland, and the U.S.A. Upper House (formerly known as The House Collective), comprising Upper House Hong Kong (formerly known as The Upper House), Upper House Chengdu (formerly known as The Temple House), and Upper House Shanghai (formerly known as The Middle House), is a group of small and distinctive luxury hotels. There are EAST hotels in Hong Kong, Beijing, and Miami. EAST Miami (owned by a third-party) has been managed by the Group under a third-party hotel management agreement since October 2021. There are confirmed plans to open five new hotels,

including in Tokyo, Japan, and Beijing, Shenzhen, Shanghai and Xi'an in the Chinese Mainland. The Group also has interests in non-managed hotels in Hong Kong, Guangzhou and Shanghai. The non-managed hotel in Miami ceased operations in May 2025.

In comparison with 2024, the overall performance of managed hotels in Hong Kong and the Chinese Mainland improved, reflecting higher occupancy and revenue per available room on average across the portfolio. The operating result of the managed hotel in the U.S.A. was strong.

The managed hotels (including restaurants and hotel management office) recorded an operating profit before depreciation of HK\$60 million in 2025, compared with HK\$17 million in 2024.

Hotel Portfolio (managed by Swire Hotels)

	No. of Rooms (100% Basis)	Attributable Interest
<i>Completed</i>		
Hong Kong		
– Upper House Hong Kong	117	100%
– EAST Hong Kong	331	100%
– Headland Hotel ⁽¹⁾	501	0%
Chinese Mainland		
– EAST Beijing	365	50%
– Upper House Chengdu ⁽²⁾	142	100%
– Upper House Shanghai ⁽²⁾	213	50%
U.S.A.		
– EAST Miami ⁽³⁾	352	0%
Total	2,021	

⁽¹⁾ Headland Hotel is owned by Airline Property Limited, a wholly-owned subsidiary of Cathay Pacific Airways Limited.

⁽²⁾ Comprising one hotel tower and one serviced apartment tower.

⁽³⁾ EAST Miami (including serviced apartments in the hotel tower) is owned by a third party.

Upper House Hong Kong

At Upper House Hong Kong, a 117-room luxury hotel at Pacific Place in Hong Kong, revenue per available room improved, while the food and beverage business remained soft. In 2025, the hotel was ranked number ten in The World's 50 Best Hotels. The hotel was also ranked by Condé Nast Traveler as number one in the Best Hotels in Hong Kong, and ranked number six in the Top 25 hotels in China by Tripadvisor. It also received an award from Tatler Asia and was awarded two keys in 2025 Michelin Keys.

EAST Hong Kong

At EAST Hong Kong, a 331-room hotel in Taikoo Shing, revenue per available room was stable, while the food and beverage business was soft. The hotel received awards from Tripadvisor, Ctrip, and Dianping.

EAST Beijing

EAST Beijing is a 365-room hotel at INDIGO in Beijing, in which the Company has a 50% interest. Both occupancy and revenue per available room experienced challenges with pressure on rate and demand. The hotel received awards from Tripadvisor and Dianping.

Upper House Chengdu

Upper House Chengdu has 100 hotel rooms and 42 serviced apartments at Taikoo Li Chengdu. Revenue per

available room improved. The hotel was ranked by Condé Nast Traveler as number two in the Best Hotels in China. The Mi Xun Spa was awarded Best Urban Wellness Oasis in SpaChina Wellness and Spa Awards 2025. The Mi Xun Tea House was awarded with 1-star and a Green Star in the MICHELIN Guide Chengdu 2026. The hotel also received awards from Tripadvisor, Trip.com, and Tatler Asia, and was awarded one key in 2025 Michelin Keys.

Upper House Shanghai

Upper House Shanghai, in which the Company has a 50% interest, has 111 hotel rooms and 102 serviced apartments at HKRI Taikoo Hui, Shanghai. Revenue per available room was stable. The hotel was ranked number eight in the Best Hotels in China by Condé Nast Traveler. Mi Xun Spa was named as Best Fitness Center and Spa in SpaChina Wellness and Spa Awards 2025. The hotel also received awards from Tripadvisor, and Travel + Leisure, and was awarded one key in 2025 Michelin Keys.

EAST Miami

EAST Miami at the Brickell City Centre development in Miami has 263 hotel rooms and 89 serviced apartments. The hotel is managed by Swire Hotels under a third-party hotel management agreement since October 2021. Its revenue per available room was stable in 2025, with overall strong performance.

Non-managed Hotels

Overview

The Group has ownership interests in (but does not manage) hotels with 2,799 rooms in aggregate.

Hotel Portfolio (not managed by the Group)

	No. of Rooms (100% Basis)	Attributable Interest
<u>Completed</u>		
Hong Kong		
– Island Shangri-La Hong Kong	544	20%
– JW Marriott Hotel Hong Kong	608	20%
– Conrad Hong Kong	513	20%
– Novotel Citygate Hong Kong	440	26.67%
– The Silveri Hong Kong – MGallery	206	26.67%
Chinese Mainland		
– Mandarin Oriental, Guangzhou ⁽¹⁾	287	97%
– The Sukhothai Shanghai	201	50%
U.S.A.		
– Mandarin Oriental, Miami ⁽²⁾	–	100%
Total	2,799	

⁽¹⁾ Including serviced apartments in the hotel tower.

⁽²⁾ Ceased operations since May 2025.

The performance of non-managed hotels in Hong Kong and the Chinese Mainland was stable. The Mandarin Oriental, Guangzhou is a leading luxury hotel in Guangzhou. The Chinese restaurant at the hotel, Jiang by Chef Fei, obtained a 2-star Michelin award for the seventh consecutive year. The newly opened TANG Restaurant and LIANG Bar have enhanced the dining and social experience. The Sukhothai Shanghai is a luxury hotel in Shanghai.

In June 2025, the Group acquired a 25% interest in the joint venture company which owns the Mandarin Oriental, Miami from the Mandarin Oriental Hotel Group, increasing the Group's ownership to 100%. The hotel ceased operations in May 2025 and is scheduled for demolition in the second quarter of 2026 to allow for the construction of The Residences at The Mandarin Oriental, Miami, which is currently under planning.

Hotels Market Outlook

The hotel business in Hong Kong is expected to remain competitive in 2026, despite early signs of improvement in room demand. The hotel business in the Chinese Mainland is expected to remain stable in 2026 while the managed hotel in the U.S.A. is expected to perform well in 2026.

We are expanding our hotel management business, with a focus on extending our hotel brands in Asia Pacific through hotel management agreements.

Capital Commitments

Capital Expenditure and Commitments

Capital expenditure in 2025 on Hong Kong investment properties and hotels, including the Group's share of the capital expenditure of joint venture companies, amounted to HK\$1,079 million (2024: HK\$1,353 million). Outstanding capital commitments at 31st December 2025 were HK\$11,103 million (2024: HK\$11,548 million), including the Group's share of the capital commitments of joint venture companies of HK\$37 million (2024: HK\$28 million).

Capital expenditure in 2025 on Chinese Mainland investment properties and hotels, including the Group's share of the capital expenditure of joint venture companies, amounted to HK\$3,064 million (2024: HK\$4,246 million).

Outstanding capital commitments at 31st December 2025 were HK\$18,350 million (2024: HK\$20,072 million), including the Group's share of the capital commitments of joint venture companies of HK\$9,748 million (2024: HK\$11,548 million). The Group is committed to provide funding of HK\$1,217 million (2024: HK\$845 million) of the capital commitments of joint venture companies. In addition to this, the Group is committed to make capital injections into joint venture companies of HK\$982 million (2024: HK\$1,549 million).

Capital expenditure in 2025 on investment properties and hotels in the U.S.A. amounted to HK\$24 million (2024: HK\$147 million). There were no outstanding capital commitments at 31st December 2025 (2024: HK\$37 million).

Profile of Capital Commitments for Investment Properties and Hotels

	Expenditure	Forecast Expenditure				2029 and later	Total Commitments ⁽¹⁾	Commitments relating to Joint Venture Companies ⁽²⁾
		2025 HK\$M	2026 HK\$M	2027 HK\$M	2028 HK\$M			
Hong Kong	1,079	810	382	508	9,403	11,103	37	
Chinese Mainland	3,064	7,575	6,022	2,107	2,646	18,350	9,748	
U.S.A.	24	–	–	–	–	–	–	
Total	4,167	8,385	6,404	2,615	12,049	29,453	9,785	

⁽¹⁾ The capital commitments (including those authorised by Directors but not contracted for) represent the Group's capital commitments of HK\$19,668 million plus the Group's share of the capital commitments of joint venture companies of HK\$9,785 million.

⁽²⁾ The Group is committed to provide funding of HK\$1,217 million of the capital commitments of joint venture companies.



Development Highlights

TAIKOO LI SANLITUN, BEIJING

Beginning in 2022, Taikoo Li Sanlitun embarked on a comprehensive transformation programme driven by tenants' growing demand for bespoke retail environments and customers' desire for richer, more diverse experiences. This multi-year strategy has reshaped the entire destination, notably the comprehensive trade-mix upgrade at North zone. The area now showcases a curated lineup of flagship stores, each a masterpiece of architecture designed by the world's leading luxury brands, including House of DIOR Beijing, Hermès, LOUIS VUITTON Maison and Tiffany & Co., which brings an elevated, experiential dimension to urban retail. These luxury boutiques are joined by a curated selection of flagship stores by premium and contemporary brands including Alaïa, BALenciAGA, Burberry, Fendi, Loro Piana, Max Mara, Polène, Rolex, Sacai and SAINT LAURENT RIVE DROITE BEIJING.

Complementing the North zone's transformation, the South zone has also completed a successful brand repositioning and tenant upgrade programme. West zone and its surrounding streetscape have undergone significant enhancements, including a new pedestrian bridge linking the South and West zones to improve connectivity.

Since the opening of several flagship stores in the North zone in December 2025, Taikoo Li Sanlitun has seen strong growth in footfall, reflecting the market's positive response to these enhancements. The transformation continues with the redevelopment of Building N1 (formerly known as The Opposite House hotel) and ongoing placemaking initiatives across the neighbourhood. Together, these efforts reinforce Taikoo Li Sanlitun's position as a future-forward urban landmark and contribute to Beijing's evolution as a truly world-class city.



Major Transformation of Fashion and Cultural Landmark Revealed





Development Highlights

QIANTAN PLACE, SHANGHAI NEW BUND MIXED-USE PROJECT

Qiantan Place forms the office component of the expanded, mixed-use Taikoo Li Qiantan development, featuring two premium Grade-A office towers – One Qiantan Place and Two Qiantan Place, jointly developed by Swire Properties and Lujiazui Group. Spanning a gross floor area (GFA) of approximately 125,600 sqm, One Qiantan Place features 30 storeys of premium office space, while Two Qiantan Place offers 24 storeys.

The two office towers are seamlessly integrated with an expanded retail podium and the existing Taikoo Li Qiantan

Future-ready Workspaces in Pudong’s New Mixed-use Development

mall via underground passageways and skybridges. This purpose-built design offers access to over 500 retail, dining and lifestyle choices within a five-minute walk, fostering a vibrant “live-work-thrive” experience steeped in Taikoo Li Qiantan’s wellness-driven concept.

Inspired by Swire Properties’ flagship developments Pacific Place and Taikoo Place in Hong Kong, the name Qiantan Place reflects the Company’s continued confidence in the Shanghai market. The project is scheduled for completion in 2026.

Gross Floor Area

125,600 sqm

Estimated Completion Year

2026

Owners

Lujiazui Group (60%)

Swire Properties (40%)

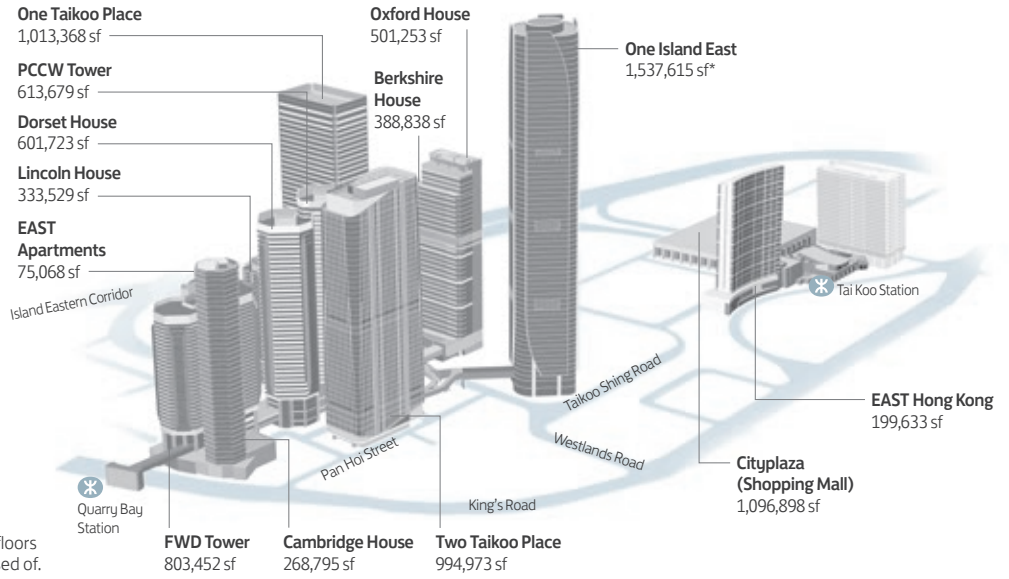


Lujiazui Taikoo Yuan Residences Show Flat, Shanghai



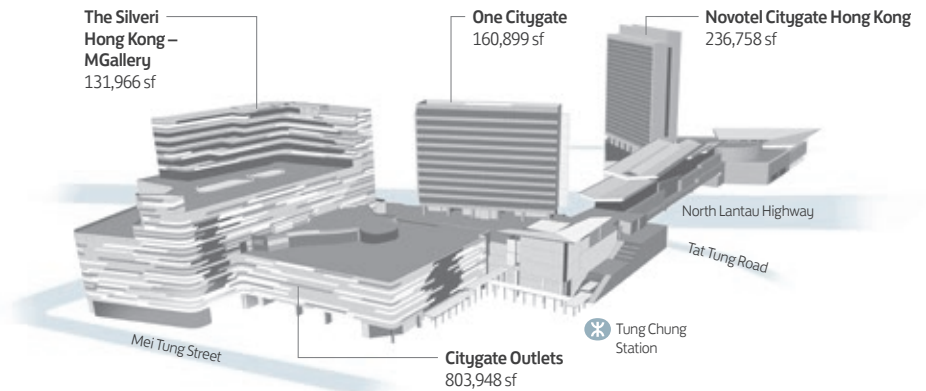
HONG KONG

Taikoo Place and Cityplaza

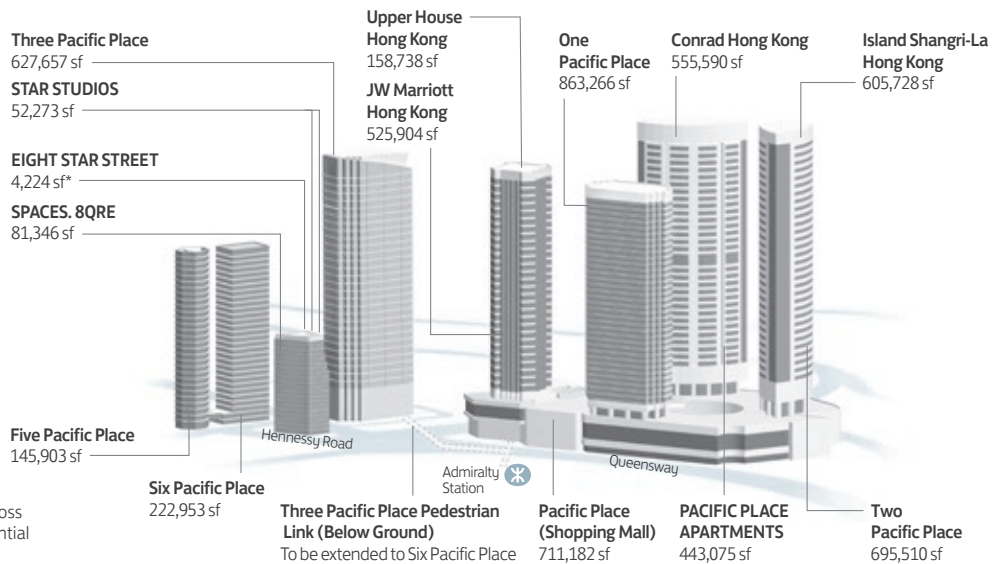


* Including the 43rd, 45th to 54th floors (except for the 49th floor) disposed of.

Citygate



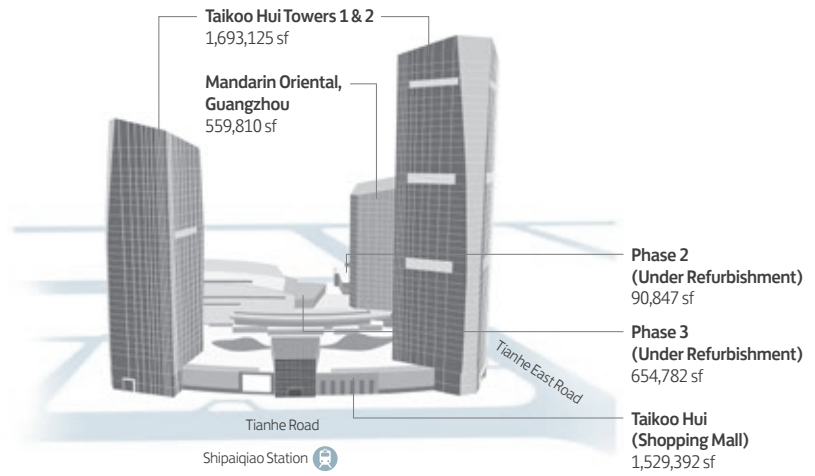
Pacific Place



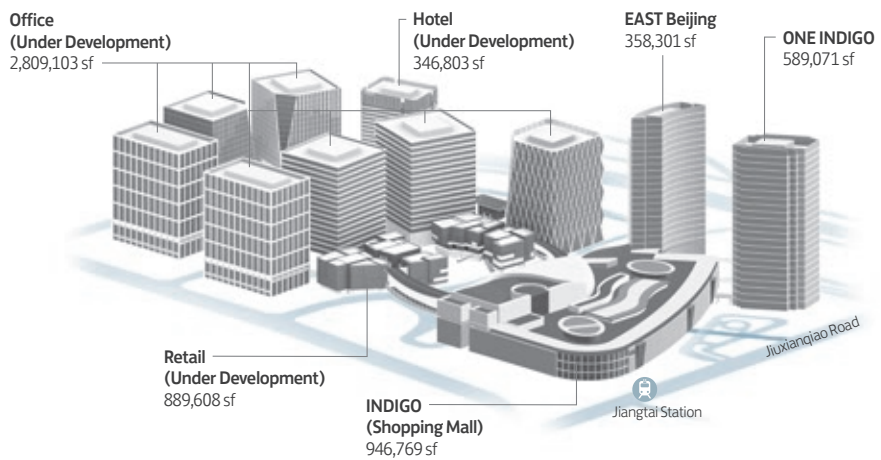
* Floor area shown including the gross floor area of the remaining residential unit of 1,373 sf.

CHINESE MAINLAND

Taikoo Hui GUANGZHOU

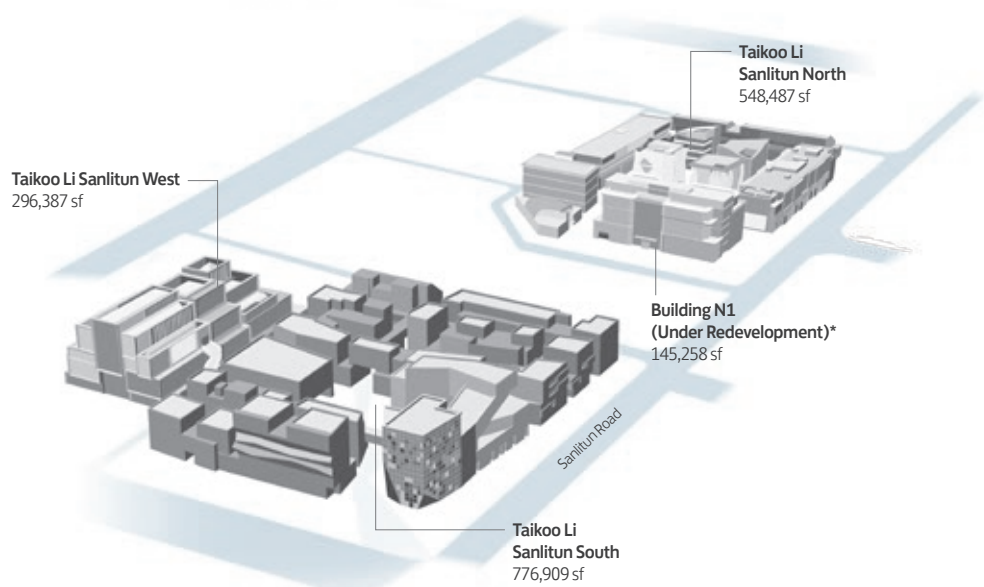


Taikoo Place Beijing



Taikoo Place Beijing will combine the existing INDIGO with its Phase Two extension, planned to be completed in phases from mid 2026 onwards.

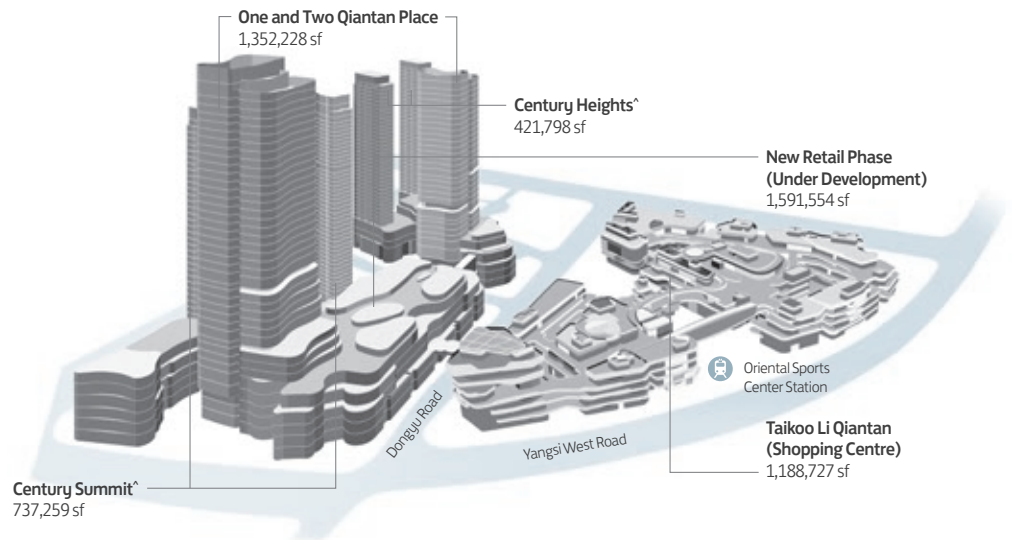
Taikoo Li Sanlitun



* Subject to planning approval

Taikoo Li Qiantan and Qiantan Place

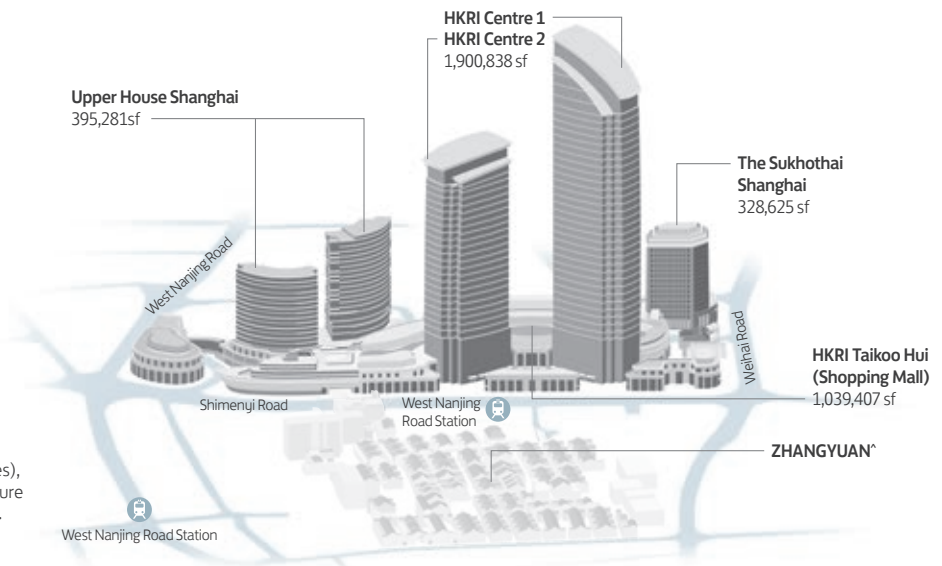
SHANGHAI



^ Residential trading under development

HKRI Taikoo Hui and ZHANGYUAN

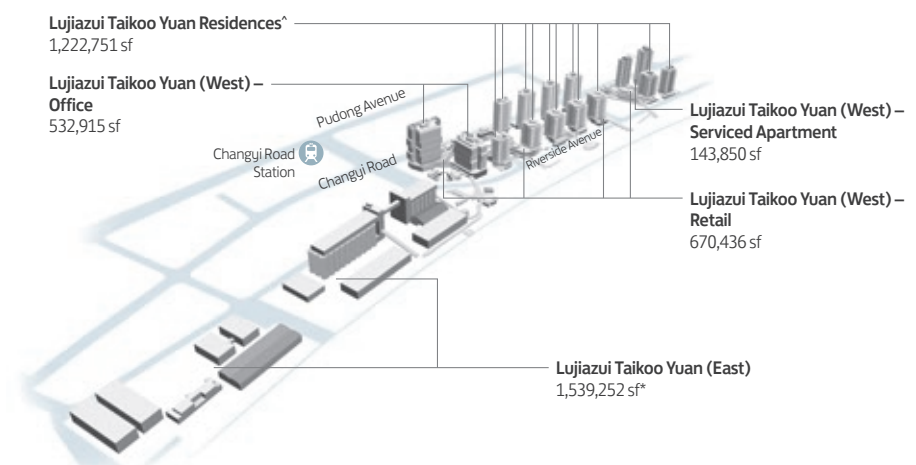
SHANGHAI



^ ZHANGYUAN, with gross floor area of 1,630,820 sf (including car parking spaces), is operated and managed by a joint venture which is 60% owned by Swire Properties. Swire Properties does not have an ownership interest in the compound.

Lujiazui Taikoo Yuan (UNDER DEVELOPMENT)

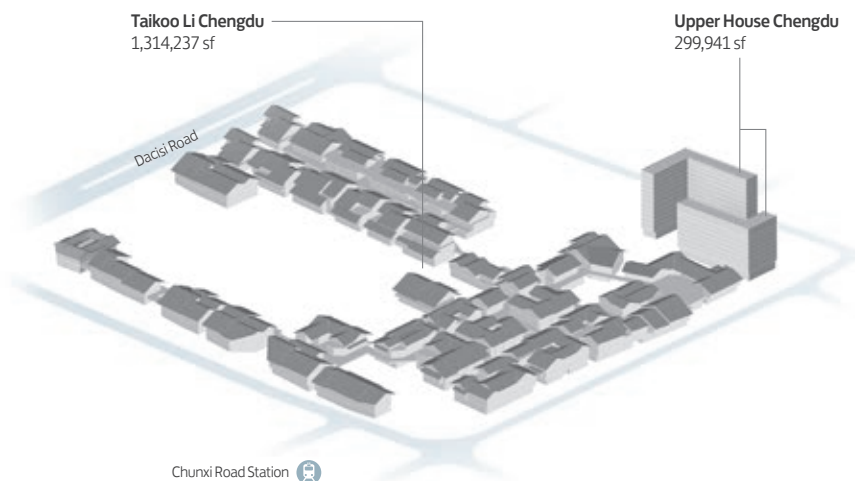
SHANGHAI



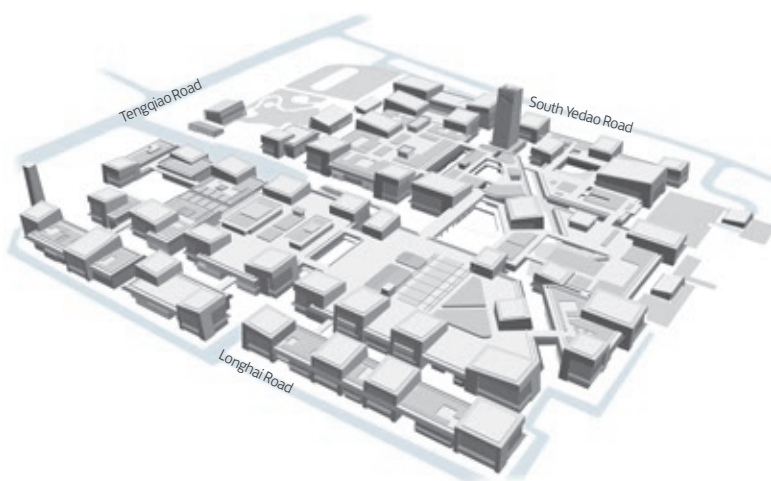
* Subject to planning approval

^ Residential trading

Taikoo Li Chengdu
CHENGDU



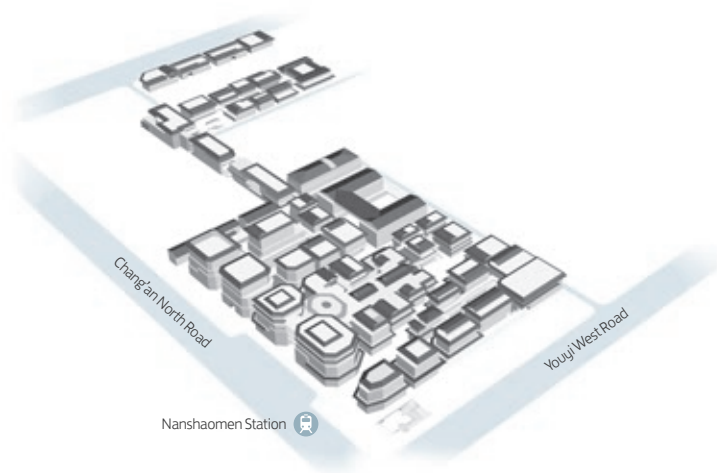
Taikoo Li Sanya*
(UNDER DEVELOPMENT)
HAINAN



Retail development with gross floor area of 2,486,894 sf

* Project name has yet to be confirmed

Taikoo Li Xi'an
(UNDER DEVELOPMENT)
XI'AN



Taikoo Li Xi'an with gross floor area of 2,896,119 sf (subject to planning approval) is located within Small Wild Goose Pagoda Protection Planning Zone.

Notes:

Gross floor area figures are shown on a 100% basis.

These diagrams are not to scale and are for illustration purposes only.

These diagrams illustrate the major developments of Swire Properties. For details of other developments, please refer to the Schedule of Principal Group Properties on pages 213 to 222.

FINANCIAL REVIEW

References are to “Notes to the Financial Statements” on pages 147 to 206.

Consolidated Statement of Profit or Loss

	2025 HK\$M	2024 HK\$M	Reference
Revenue	16,041	14,428	Note 4
<p>Revenue increased by HK\$1,613 million compared to 2024, principally due to higher property trading and hotel revenue, partly offset by lower gross rental income from property investment.</p> <p>Gross rental income from property investment decreased by HK\$437 million. In Hong Kong, gross rental income decreased by HK\$262 million, mainly reflecting a weak office market with subdued demand and a surplus supply. In the Chinese Mainland, gross rental income increased by HK\$125 million, primarily reflecting the tenant mix improvements in some of the malls after the completion of renovations. In the U.S.A., gross rental income decreased by HK\$300 million, principally due to the loss of rental income after the disposal of Brickell City Centre shopping mall in June 2025.</p> <p>Revenue from property trading increased by HK\$2,022 million. In 2025, revenue was recognised from the sale of Brickell City Centre land and the North Squared site in the U.S.A. and 1 unit of EIGHT STAR STREET in Hong Kong, whereas in 2024, revenue was recognised from the sale of 2 units of EIGHT STAR STREET.</p> <p>Revenue from hotels increased by HK\$29 million, resulting from the improved overall performance of hotels in Hong Kong and the Chinese Mainland, partly offset by the loss of revenue arising from the closure of The Opposite House in Beijing since June 2024.</p>			

Consolidated Statement of Profit or Loss *(continued)*

	2025 HK\$M	2024 HK\$M	Reference
Gross Profit	10,657	10,170	
<p>Gross profit increased by HK\$487 million. Gross profit from property investment decreased by HK\$404 million, while gross profit from property trading and hotel increased by HK\$870 million and HK\$22 million respectively. Gross profit from property investment decreased, principally due to lower office gross profit in Hong Kong and the loss of gross profit after disposal of the shopping centre in the U.S.A., partly offset by higher retail gross profit in the Chinese Mainland. Gross profit from property trading reflected the recognition of profits on the sale of Brickell City Centre land and the North Squared site in the U.S.A., and EIGHT STAR STREET in Hong Kong. Gross profit from hotel business improved with higher overall revenue per available room.</p>			
Operating Profit	1,958	1,702	Note 8(a)
<p>The increase in operating profit of HK\$256 million was principally due to higher gross profit, partly offset by higher fair value loss, and administrative and selling expenses.</p> <p>A fair value loss on investment properties of HK\$6,095 million was recorded in 2025, compared to HK\$5,996 million in 2024. Investment properties in Hong Kong recorded a fair value loss of HK\$6,204 million, principally due to lower rents, while investment properties in the Chinese Mainland recorded a fair value gain of HK\$109 million, reflecting higher rents for some of the malls. The reduction of 12.5 basis points in the capitalisation rates of certain office investment properties in Hong Kong lessened the fair value loss.</p> <p>Administrative and selling expenses increased by HK\$78 million compared to 2024. The increase principally reflected higher sales and marketing expenses on trading properties and inflation in 2025.</p>			

Consolidated Statement of Profit or Loss *(continued)*

	2025 HK\$M	2024 HK\$M	Reference
Net Finance Charges	954	991	Note 10
The decrease of HK\$37 million was principally due to a decrease in the cost of borrowings in Hong Kong and the Chinese Mainland and the absence of finance charges in the U.S.A. following the disposal of the Group's interest in the Brickell City Centre, partly offset by a higher level of borrowings in Hong Kong and the Chinese Mainland.			
Share of Profit Less Losses of Joint Venture Companies	(1,472)	704	Note 8(a)
The loss of HK\$1,472 million, compared to a profit of HK\$704 million, principally reflected a higher fair value loss on investment properties of HK\$1,469 million in 2025 and a bargain purchase gain arising from the acquisition of an additional interest in a joint venture company of HK\$566 million recognised in 2024.			
Share of Profit Less Losses of Associated Companies	214	122	Note 8(a)
The increase of HK\$92 million principally reflected a higher fair value gain on investment properties of HK\$102 million in 2025.			
Taxation	1,297	2,138	Note 11
The decrease of HK\$841 million was principally due to the reduction in deferred tax in relation to the fair value changes in respect of investment properties in the Chinese Mainland and the U.S.A.			
Loss Attributable to the Company's Shareholders	(1,533)	(766)	Note 8(a)
The increase in loss of HK\$767 million principally reflected lower net rental income from investment properties, a share of losses of joint venture companies and an increase in the fair value loss on investment properties, partly offset by higher property trading gross profit and lower taxation.			

Consolidated Statement of Financial Position

	2025 HK\$M	2024 HK\$M	Reference
Property, Plant and Equipment	3,414	3,404	Note 15
<p>The increase in property, plant and equipment was primarily due to foreign exchange translation gains (principally in respect of leasehold buildings in the Chinese Mainland) and additions to plant and equipment for the year, partly offset by the transfer of property for investment property use and the depreciation for the year.</p>			
Investment Properties	268,407	271,617	Note 16
<p>The decrease in investment properties of HK\$3,210 million was principally due to a fair value loss of HK\$6,095 million and disposals of an industrial site, the 43rd floor at One Island East and certain car parking spaces in Hong Kong (in total HK\$2,313 million), partly offset by foreign exchange translation gains of HK\$2,799 million and additions during the year (after netting off cost written back) of HK\$2,545 million. The additions reflected capital expenditure at the Taikoo Place office buildings in Hong Kong, Taikoo Li Sanlitun in Beijing, Taikoo Li Xi'an, and other projects in Hong Kong and the Chinese Mainland. The foreign exchange translation gains were principally in respect of investment properties in the Chinese Mainland.</p>			
Properties Held for Development	60	1,201	Note 19
<p>The decrease in properties held for development of HK\$1,141 million was principally due to the disposals of Brickell City Centre land and the North Squared site in the U.S.A. during the year.</p>			
Joint Venture Companies and Loans Due from Joint Venture Companies	34,657	36,130	Note 20
<p>The decrease of HK\$1,473 million principally reflected movements in loans due from joint venture companies and the Company's share of losses of joint venture companies (fair value loss net off by operating profits), partly offset by increase in equity to joint venture companies and the Company's share of foreign exchange translation gains in respect of joint venture companies in the Chinese Mainland.</p>			
Associated Companies and Loans Due from Associated Companies	11,550	10,876	Note 21
<p>The increase of HK\$674 million principally reflected the Company's share of profits of associated companies (including fair value gain) and the Company's share of foreign exchange translation gains in respect of associated companies in the Chinese Mainland.</p>			
Properties for Sale	15,448	12,676	Note 23
<p>The increase of HK\$2,772 million primarily reflected the development expenditures of 6 Deep Water Bay Road, THE HEADLAND RESIDENCES and 269 Queen's Road East in Hong Kong, and acquisition of a 25% interest in the Mandarin Oriental hotel, Miami for a planned new development of residential and hospitality project in the U.S.A.</p>			

Consolidated Statement of Financial Position *(continued)*

	2025 HK\$M	2024 HK\$M	Reference
Trade and Other Receivables	4,033	4,205	Note 24
The decrease of HK\$172 million mainly reflected a refund of a deposit paid for a tender for a property investment project in the Chinese Mainland, partly offset by deposits received from a development project and placed in escrow in the U.S.A.			
Assets Classified as Held for Sale	–	5,012	Note 26
At 31st December 2024, the balance represented interest in Brickell City Centre shopping mall in the U.S.A. identified for sale. The disposals were completed in June 2025. As a result, there was zero balance at 31st December 2025.			
Trade and Other Payables	14,332	11,993	Note 27
The increase of HK\$2,339 million principally reflected the interest-bearing advances from an associated company and an increase in advances from a non-controlling interest, partly offset by the settlement of a put option over a non-controlling interest.			
Long-Term Loans and Bonds (including the component due within one year)	49,243	48,347	Note 29
The increase of HK\$896 million was principally due to the drawdown of bank loans in Hong Kong and the Chinese Mainland and the issue of medium term notes in Hong Kong, partly offset by loan repayment and maturity of medium term notes.			
Deferred Tax Liabilities	15,610	14,776	Note 31
The increase of HK\$834 million principally reflected the deferred tax charges for the year and foreign exchange translation in the Chinese Mainland.			
Equity Attributable to the Company's Shareholders	269,460	275,326	Notes 33 and 34
The decrease of HK\$5,866 million in equity attributable to the Company's shareholders represents repurchase of the Company's shares till May 2025 and dividends paid to the Company's shareholders, partly offset by the total comprehensive income for the year attributable to the Company's shareholders (HK\$1,244 million).			
Non-Controlling Interests	1,882	3,101	Note 36
The decrease in non-controlling interests of HK\$1,219 million mainly reflected the disposal of the Group's interest in the Brickell City Centre shopping centre in the U.S.A. during 2025 and dividends paid to the owners of non-controlling interests, partly offset by foreign exchange translation gains in respect of entities in which there are non-controlling interests.			

Consolidated Statement of Cash Flows

	2025 HK\$M	2024 HK\$M	Reference
Cash Generated from Operations	10,024	6,489	Note 41(a)
Cash generated from operations of HK\$10,024 million principally comprised cash inflows from property investment and a refund of a deposit paid for a tender of a property investment project of approximately HK\$10,266 million and from property trading of approximately HK\$2,500 million, partly offset by operating expenses of approximately HK\$1,652 million and expenditure on properties for sale of approximately HK\$1,389 million (after netting off contribution from a non-controlling interest).			
Tax Paid	1,199	1,276	
The decrease principally reflected less tax paid in Hong Kong.			
Purchase of Property, Plant and Equipment	182	276	Note 41(b)
The amount principally reflected additions of plant and equipment in Hong Kong and the Chinese Mainland.			
Additions of Investment Properties	1,958	4,169	
The amount in 2025 principally reflected capital expenditure on the Taikoo Place redevelopment, Six Pacific Place, Phase 3 of Taikoo Hui, Guangzhou, Taikoo Li Xi'an and on other projects in Hong Kong and the Chinese Mainland.			
Proceeds from Disposal of Investment Properties	872	454	
The amount in 2025 principally reflected the proceeds from the disposal of the 43rd floor at One Island East and Taikoo Shing car parking spaces in Hong Kong.			
Proceeds from Disposal of Subsidiary Companies	4,524	–	Note 41(c)
The amount in 2025 reflected the proceeds arising from the disposals of an industrial site in Hong Kong, and the Brickell City Centre shopping mall, and its entire interest in the car parking space and certain shared facilities in the U.S.A.			
Repayment of Loans by Joint Venture Companies (Net of Purchase of Shares and Equity to Joint Venture Companies)	285	(1,918)	
The amount in 2025 principally reflected net inflow of loans with joint venture companies of HK\$1,227 million, partly offset by equity injected in joint venture companies of HK\$942 million.			
Repayment of Loans, Bonds and Lease Liabilities (Net of Loans Drawn, and Refinancing)	285	(7,694)	
The amount in 2025 principally reflected the repayment of bank loans and maturity of medium term notes, partly offset by drawdown of bank loans in Hong Kong and the Chinese Mainland and the issue of medium term notes in Hong Kong.			

Investment Appraisal and Performance Review

	Net Assets Employed		Capital Commitments ⁽¹⁾	
	2025 HK\$M	2024 HK\$M	2025 HK\$M	2024 HK\$M
Property investment	278,827	289,799	28,401	31,064
Property trading	25,857	26,108	–	–
Hotels	6,198	6,266	1,052	593
Total net assets employed	310,882	322,173	29,453	31,657
Less: net debt	(39,540)	(43,746)		
Less: non-controlling interests	(1,882)	(3,101)		
Equity attributable to the Company's shareholders	269,460	275,326		

	Equity Attributable to the Company's Shareholders ⁽²⁾		Return on Average Equity Attributable to the Company's Shareholders ⁽²⁾	
	2025 HK\$M	2024 HK\$M	2025	2024
Property investment	258,282	264,710	-0.6%	-0.1%
Property trading	5,240	4,830	3.8%	-5.9%
Hotels	5,938	5,786	-1.5%	-3.4%
Total	269,460	275,326	-0.6%	-0.3%

⁽¹⁾ The capital commitments represent the Group's capital commitments plus the Group's share of the capital commitments of joint venture companies.

⁽²⁾ Refer to Glossary on page 223 for definitions.

FINANCING

Capital Structure

The Group aims to maintain a capital structure which enables it to invest in and finance projects in a disciplined and targeted manner.

The Group's primary objectives when managing capital are to safeguard the Group's ability to operate as a going concern, so that it can continue to provide returns for shareholders, and to secure access to finance at a reasonable cost.

The Group considers a number of factors in monitoring its capital structure, which principally include the gearing ratio, cash interest cover and the return cycle of its investments.

Medium Term Note Programme

In 2012, Swire Properties MTN Financing Limited, a wholly-owned subsidiary of the Company, established a US\$3 billion Medium Term Note ("MTN") Programme. The aggregate nominal amount of the MTN Programme was increased to US\$5 billion in 2025. Notes issued under the MTN Programme are unconditionally and irrevocably guaranteed by the Company. At 31st December 2025, the MTN Programme was rated A by Fitch and (P)A2 by Moody's, in each case in respect of notes with a maturity of more than one year.

The MTN Programme enables the Group to raise money directly from the capital markets. Under the MTN Programme, notes may be issued in United States dollars or in other currencies, in various amounts and for various tenors.

Changes in Financing

Audited Financial Information

During the year, the Group raised approximately HK\$18,898 million. This comprised:

- term and revolving loan facilities aggregating HK\$14,497 million
- medium term notes aggregating HK\$4,401 million

During the year, the Group made various repayments of debt. This comprised:

- repayment and prepayment of term and revolving loan facilities aggregating HK\$10,006 million
- repayment of medium term notes of HK\$5,002 million

	Loans and bonds		Lease liabilities HK\$M	Total 2025 HK\$M	2024 HK\$M
	due within one year HK\$M	due after one year HK\$M			
At 1st January	6,760	41,587	520	48,867	41,776
Loans drawn and refinanced	384	10,036	–	10,420	8,408
Bonds issued	–	4,395	–	4,395	6,904
Bonds matured	(5,002)	–	–	(5,002)	(1,100)
Repayment of loans	(4,203)	(5,803)	–	(10,006)	(6,435)
New leases arranged during the year	–	–	33	33	12
Principal elements of lease payments	–	–	(92)	(92)	(83)
Reclassification	11,090	(11,090)	–	–	–
Currency adjustment	302	740	20	1,062	(678)
Other non-cash movements	18	29	(1)	46	63
At 31st December	9,349	39,894	480	49,723	48,867

Net Debt

Audited Financial Information

Net debt at 31st December 2025 was HK\$39,540 million, compared with HK\$43,746 million at 31st December 2024. The decrease in net debt principally reflected the proceeds from sale of subsidiaries owning Brickell City Centre, partly offset by capital and development expenditure in Hong Kong and the Chinese Mainland.

The Group's borrowings are principally denominated in Hong Kong dollars and Renminbi. Outstanding borrowings at 31st December 2025 and 2024 were as follows:

	2025 HK\$M	2024 HK\$M
Borrowings included in non-current liabilities		
Bank borrowings	20,399	19,596
Bonds	19,495	21,991
Borrowings included in current liabilities		
Bank borrowings	1,898	1,844
Bonds	7,451	4,916
Total borrowings	49,243	48,347
Lease liabilities		
Included in non-current liabilities	390	434
Included in current liabilities	90	86
Less: short-term deposits and bank balances	10,183	5,121
Net debt	39,540	43,746

Sources of Finance

Audited Financial Information

At 31st December 2025, committed loan facilities and debt securities amounted to HK\$62,617 million, of which HK\$13,227 million (21%) remained undrawn. In addition, the Group had undrawn uncommitted facilities totalling HK\$400 million. Sources of funds at 31st December 2025 comprised:

	Available HK\$M	Drawn HK\$M	Undrawn Expiring Within One Year HK\$M	Undrawn Expiring After One Year HK\$M
Facilities from third parties				
Term loans	18,038	12,211	–	5,827
Revolving loans	17,600	10,200	500	6,900
Bonds	26,979	26,979	–	–
Total committed facilities	62,617	49,390	500	12,727
Uncommitted facilities				
Bank loans and overdrafts	400	–	400	–
Total	63,017	49,390	900	12,727

Note:

The figures above are stated before unamortised loan fees of HK\$147 million.

i) Loans and Bonds

Audited Financial Information

For accounting purposes, loans and bonds are classified as follows:

	2025			2024		
	Drawn, Before Unamortised Loan Fees HK\$M	Unamortised Loan Fees HK\$M	Carrying Value HK\$M	Drawn, Before Unamortised Loan Fees HK\$M	Unamortised Loan Fees HK\$M	Carrying Value HK\$M
Long-term loans and bonds at amortised cost	49,390	(147)	49,243	48,487	(140)	48,347
Less: amount due within one year included under current liabilities	9,353	(4)	9,349	6,765	(5)	6,760
	40,037	(143)	39,894	41,722	(135)	41,587

ii) Bank Balances and Short-term Deposits

The Group had bank balances and short-term deposits of HK\$10,183 million at 31st December 2025, compared to HK\$5,121 million at 31st December 2024.

Maturity Profile and Refinancing

Bank loans and other borrowings are repayable on various dates up to 2040 (2024: up to 2033). The weighted average term and cost of the Group's debt are:

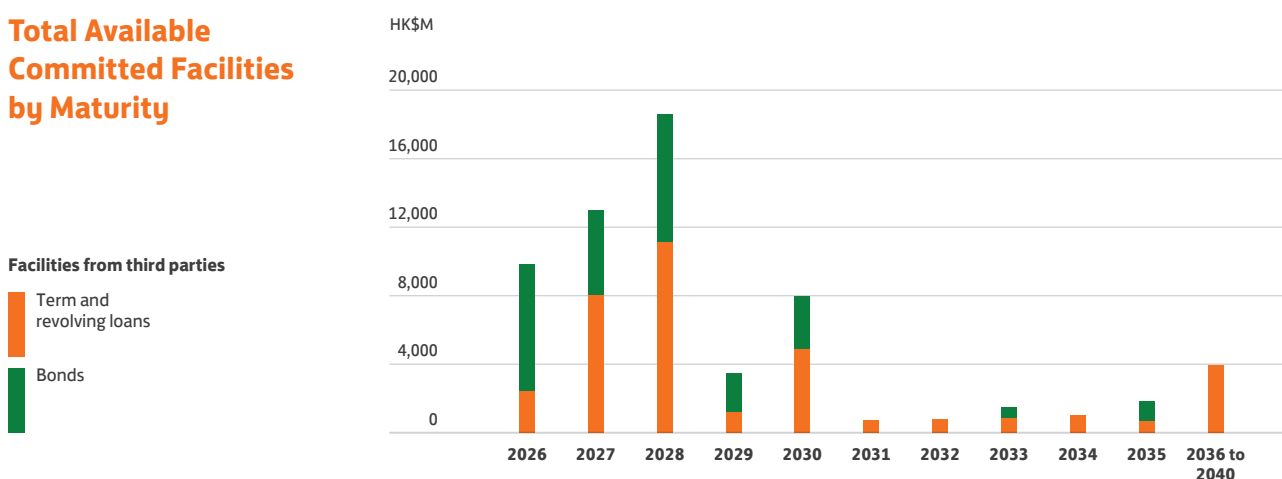
	2025	2024
Weighted average term of debt	3.3 Years	2.5 Years
Weighted average cost of debt	3.5%	4.0%

Note:

The weighted average cost of debt above is stated on gross debt basis.

The maturity profile of the Group's available committed facilities is set out below:

Total Available Committed Facilities by Maturity



Audited Financial Information

The table below sets forth the maturity profile of the Group's borrowings:

	2025		2024	
	HK\$M		HK\$M	
Bank borrowings and bonds from third parties due				
Within 1 year	9,349	19%	6,760	14%
1-2 years	11,572	23%	11,090	23%
2-5 years	23,583	48%	28,626	59%
After 5 years	4,739	10%	1,871	4%
Total	49,243	100%	48,347	100%
Less: Amount due within one year included under current liabilities	9,349		6,760	
Amount due after one year included under non-current liabilities	39,894		41,587	

Currency Profile

Audited Financial Information

An analysis of the carrying amounts of gross borrowings by currency (after cross-currency swaps) is shown below:

	2025		2024	
	HK\$M		HK\$M	
Currency				
Hong Kong dollars	25,088	51%	27,531	57%
Renminbi	24,155	49%	17,337	36%
United States dollars	–	–	3,479	7%
Total	49,243	100%	48,347	100%

Finance Charges

Audited Financial Information

An analysis of outstanding borrowings by reference to whether they bear interest at fixed or floating rates is shown below:

	2025		2024	
	HK\$M		HK\$M	
Fixed	35,694	72%	31,076	64%
Floating	13,696	28%	17,411	36%
Sub-total	49,390	100%	48,487	100%
Less: Unamortised loan fee	147		140	
Total	49,243		48,347	

The exposure of the Group's borrowings to fixed and floating interest rates can be illustrated as follows:

	Floating Interest Rates HK\$M	Fixed Interest Rates Maturing in:			Total HK\$M
		1 Year or Less HK\$M	1 to 5 Years HK\$M	Over 5 Years HK\$M	
At 31st December 2025	13,614	9,174	24,666	1,789	49,243
At 31st December 2024	17,333	5,215	24,352	1,447	48,347

Audited Financial Information (continued)

Interest charged and earned during the year was as follows:

	2025 HK\$M	2024 HK\$M
Interest charged on:		
Bank loans and overdrafts	815	952
Bonds	875	782
Interest-bearing advances from joint venture companies and associated companies	9	5
Lease liabilities	17	19
Net fair value gains on derivative instruments		
Cash flow hedges – transferred from other comprehensive income	(5)	(55)
Cross-currency swaps not qualifying as hedges	(1)	(1)
Other financing costs	171	169
	1,881	1,871
(Gains)/losses on the movement in the fair value of the liability in respect of a put option in favour of the owner of a non-controlling interest	(74)	74
Capitalised on:		
Investment properties	(307)	(407)
Properties for sale	(282)	(314)
	1,218	1,224
Interest income on:		
Short-term deposits and bank balances	(103)	(74)
Loans to joint venture and associated companies	(161)	(159)
	(264)	(233)
Net finance charges	954	991

The capitalised interest rates on funds both borrowed generally and used for the development of investment properties and properties for sale were between 2.8% and 5.7% per annum (2024: 3.1% and 6.2% per annum).

The amount transferred from other comprehensive income in respect of cash flow hedges in 2025 includes HK\$12 million (2024: HK\$12 million) relating to currency basis.

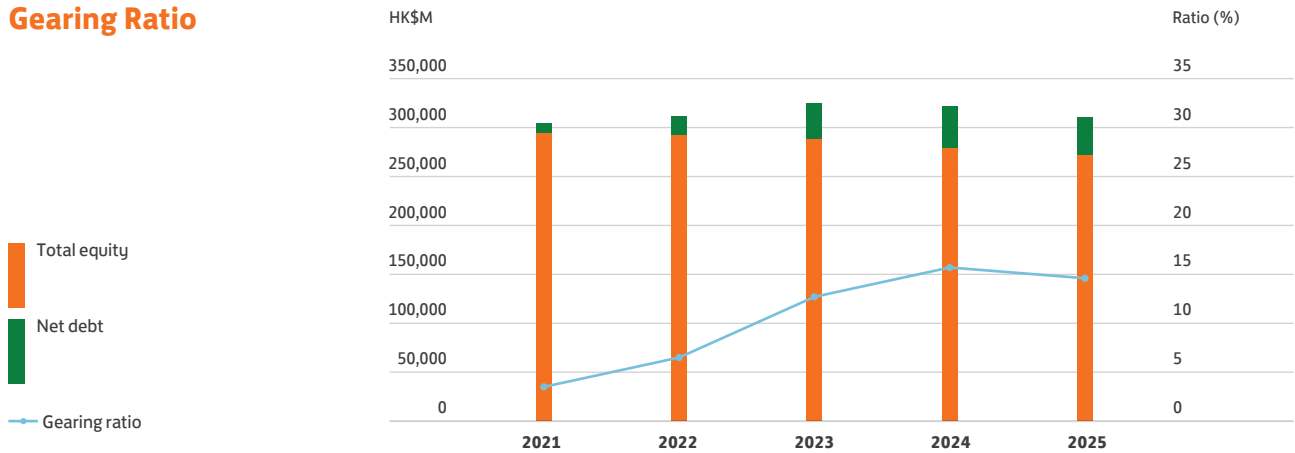
The interest rates per annum (after cross-currency and interest rate swaps) at 31st December were as follows:

	2025			2024		
	HKD %	RMB %	USD %	HKD %	RMB %	USD %
Long-term loans and bonds	2.4-4.7	2.6-3.6	–	2.4-6.0	3.0-3.6	5.1-5.3

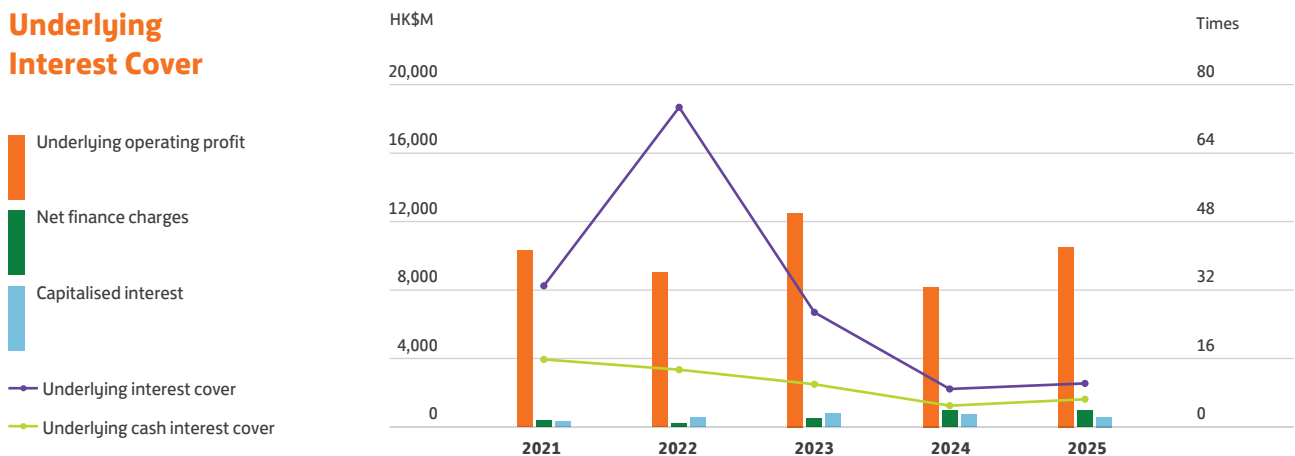
Gearing Ratio and Interest Cover

The following graphs illustrate the gearing ratio and underlying interest cover for each of the last five years:

Gearing Ratio



Underlying Interest Cover



	2025	2024
Gearing ratio ⁽¹⁾	14.6%	15.7%
Interest cover – times ⁽¹⁾		
Per financial statements	2.1	1.7
Underlying	10.2	8.9
Cash interest cover – times ⁽¹⁾		
Per financial statements	1.3	1.0
Underlying	6.5	5.0

⁽¹⁾ Refer to Glossary on page 223 for definitions.

Capital Management

Audited Financial Information

The Group's primary objectives when managing capital are to safeguard the Group's ability to operate as a going concern, so that it can continue to provide returns for shareholders, and to secure access to finance at a reasonable cost.

The Group considers a number of factors in monitoring its capital structure, which principally include the gearing ratio, cash interest cover and the return cycle of its investments. For the purpose of the gearing ratio, the Group defines net debt as total borrowings and lease liabilities less short-term deposits and bank balances. Capital comprises total equity, as shown in the consolidated statement of financial position.

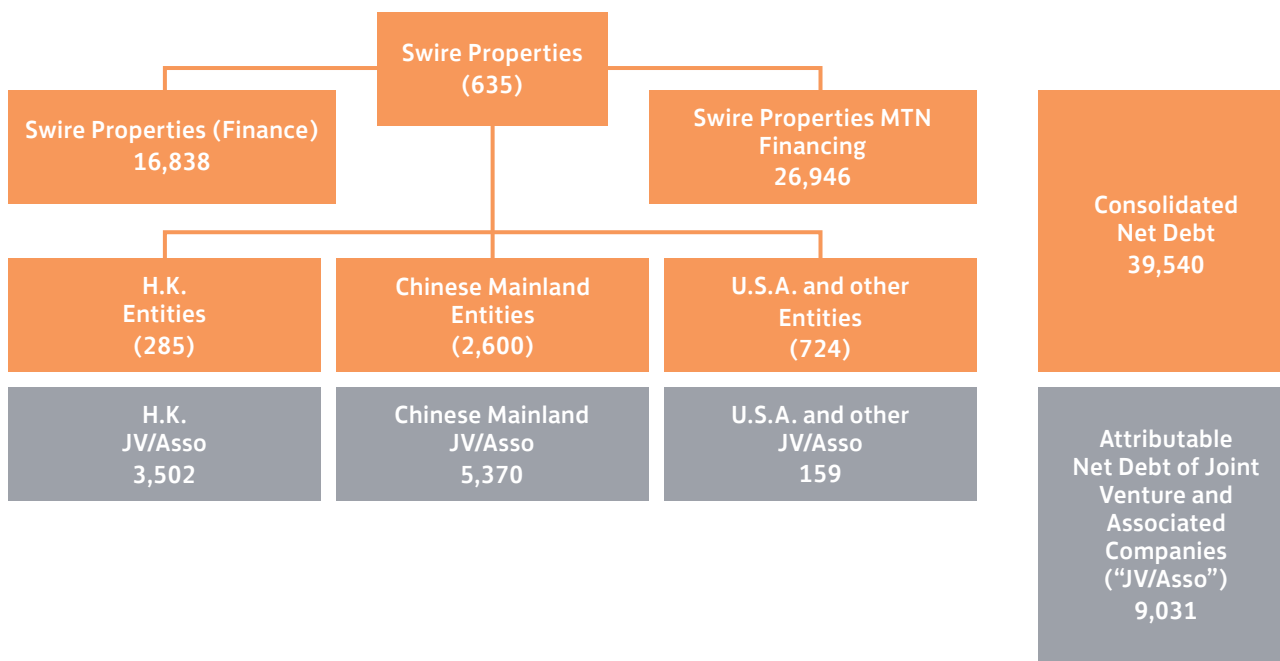
In order to maintain or adjust the gearing ratio, the Group may adjust the amount of dividends paid to shareholders, repurchase shares, raise new debt financing or sell assets to reduce debt. The gearing ratios at 31st December 2025 and 31st December 2024 were as follows:

	2025 HK\$M	2024 HK\$M
Total borrowings	49,243	48,347
Lease liabilities	480	520
Less: Short-term deposits and bank balances	10,183	5,121
Net debt	39,540	43,746
Total equity	271,342	278,427
Gearing ratio	14.6%	15.7%

The Group has given certain covenants under facilities from third-parties, including maintenance of a minimum amount of tangible net worth. The Group has significant headroom on all covenants, and does not expect any breach in the foreseeable future.

Attributable Net Debt

The chart below illustrates, by entity, the Group's attributable net debt/(cash) (in HK\$ million):



Debt in Joint Venture and Associated Companies

In accordance with HKFRS Accounting Standards, the net debt of the Group reported in the consolidated statement of financial position does not include the net debt of its joint venture and associated companies. These companies had the following net debt positions at the end of 2025 and 2024:

	Net Debt of Joint Venture and Associated Companies		Portion of Net Debt Attributable to the Group		Debt Guaranteed by the Group	
	2025 HK\$M	2024 HK\$M	2025 HK\$M	2024 HK\$M	2025 HK\$M	2024 HK\$M
Hong Kong Entities	7,746	8,964	3,502	3,231	2,694	2,376
Chinese Mainland Entities	10,071	9,068	5,370	4,754	–	1,579
U.S.A. and other Entities	360	223	159	109	155	190
Total	18,177	18,255	9,031	8,094	2,849	4,145

If the attributable portion of the net debt in joint venture and associated companies were to be added to the Group's net debt, gearing would rise to 17.9%.



CORPORATE GOVERNANCE &
SUSTAINABILITY



CORPORATE GOVERNANCE

Corporate and Governance Culture

Swire Properties is committed to ensuring that its affairs are conducted in accordance with its corporate and governance culture and values of integrity, originality, excellence, humility, teamwork, continuity and high ethical standards, which form a coherent set of principles that are relevant across the Company's business and underpin everything it does. This reflects its belief that, in the achievement of its long-term objectives, it is imperative to act with probity, transparency and accountability. By so acting, Swire Properties believes that shareholder value will be maximised in the long term and that its employees, those with whom it does business and the communities in which it operates will all benefit.

Corporate governance is the process through which the Board instructs management of the Group to conduct its affairs with a view to ensuring that its objectives are met. The Board is committed to maintaining and developing robust corporate governance practices that are intended to ensure:

- satisfactory and sustainable returns to shareholders
- that the interests of those who deal with the Company are safeguarded
- that overall business risk is understood and managed appropriately
- the delivery of high-quality products and services to the satisfaction of customers
- that high standards of ethics are maintained
- sustainable development of the business and the communities in which the Company operates with a view to create long-term value

The Board provides guidance to management by defining the purpose, values and strategic direction of the Group, and plays an important role in establishing and instilling a culture that reinforces the values of acting lawfully, ethically and responsibly. The Company's Corporate Code of Conduct ensures that the corporate culture and expected behaviours are clearly communicated to everyone in the Group. Appropriate policies and procedures are in place to promote and reinforce the need for

employees and others who deal with the Company to act with honesty and integrity and to raise concerns about actual or suspected cases of impropriety. Indicators used for assessing and monitoring social and corporate governance related data (including staff turnover rates, whistleblowing data, employee surveys and breaches of the Company's Corporate Code of Conduct) are set out in the Sustainability Report 2025 of the Company. The Group offers competitive remuneration and benefits designed to attract, motivate and retain talented people at all levels. Having regard to the corporate culture reflected in the policies and practices of the Group, the Board is satisfied that the purpose, values and strategic directions of the Group are aligned with its culture.

Corporate Governance Statement

The Corporate Governance Code (the "CG Code") as published by The Stock Exchange of Hong Kong Limited sets out the principles of good corporate governance and provides two levels of recommendation:

- code provisions, with which issuers are expected to comply, but with which they may choose not to comply, provided they give considered reasons and explanations for non-compliance
- recommended best practices, with which issuers are encouraged to comply, but which are provided for guidance only

The Company supports the principles-based approach of the CG Code and the flexibility this provides for the adoption of corporate policies and procedures which recognise the individuality of companies. Swire Properties has adopted its own corporate governance code which is available on its website (www.swireproperties.com). Corporate governance does not stand still; it evolves with the business and operating environment. The Company is always ready to learn and adopt best practices.

The Company complied with all the code provisions set out in the CG Code contained in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") as applicable for and throughout the year covered by the annual report.

The Board of Directors

Role of the Board

The Company is governed by a Board of Directors, which is responsible for the strategic leadership and direction of the Group designed to maximise shareholder value, while taking due account of the interests of those with whom the Group does business.

Responsibility for achieving the Company's objectives and running the business on a day-to-day basis is delegated to management. The Board exercises a number of reserved powers which include:

- maintaining and promoting the culture of the Company
- formulating long-term strategy
- approving public announcements, including financial statements
- committing to major acquisitions, divestments and capital projects
- authorising significant changes to the capital structure and material borrowings
- any issue, or buy-back, of equity securities under the relevant general mandates
- approving treasury policy
- setting dividend policy
- approving appointments to the Board
- ensuring that appropriate management development and succession plans are in place
- setting the Group remuneration policy
- approving annual budgets and forecasts
- reviewing operational and financial performance
- reviewing the effectiveness of the Group's risk management and internal control systems
- ensuring the adequacy of the resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit, financial reporting and environmental, social and governance ("ESG") functions
- overseeing and approving sustainable development matters

To assist it in fulfilling its duties, the Board has three primary committees, the Audit Committee (see pages 106 to 108), the Nomination Committee (see pages 103 to 104) and the Remuneration Committee (see page 104).

Chairman and Chief Executive

The CG Code requires that the roles of Chairman and Chief Executive be separate and not performed by the same individual to ensure there is a clear division of responsibilities between the running of the Board and the executives who run the business.

Guy Bradley, the Chairman, is responsible for:

- leadership of the Board
- setting its agenda and taking into account any matters proposed by other Directors for inclusion in the agenda
- facilitating effective contributions from and dialogue with all Directors and constructive relations between them
- ensuring that all Directors are properly briefed on issues arising at Board meetings and that they receive accurate, timely and clear information
- obtaining consensus amongst the Directors
- ensuring, through the Board, that good corporate governance practices and procedures are followed

Tim Blackburn, the Chief Executive, is responsible for implementing the policies and strategies set by the Board in order to ensure the successful day-to-day management of the Group's business.

Throughout the year, there was a clear division of responsibilities between the Chairman and the Chief Executive.

Board Composition

The Board is structured with a view to ensuring it is of a high calibre and has a balance of skills, experience and diversity of perspectives appropriate to the Company's business so that it works effectively as a team, and that individuals or groups do not dominate any decision-making.

The Board comprises the Chairman, three other Executive Directors and ten Non-Executive Directors. Their biographical details are set out in the section of this annual report headed Directors and Officers and are posted on the Company's website. Fanny Lung will cease to be a Director of the Company in May 2026 for reason of her retirement from the John Swire & Sons Limited ("Swire") group.

Tim Blackburn, Guy Bradley, Adam Fenwick, Fanny Lung, Mabelle Ma, Martin Murray and Richard Sell are directors and/or employees of the Swire group. Merlin Swire is a shareholder, director and employee of the Swire group. Raymond Lim was an adviser to the Swire group.

The Non-Executive Directors bring independent advice, judgement and, through constructive challenge, scrutiny of executives and review of performance and risks. The Audit, Nomination and Remuneration Committees of the Board comprise only Non-Executive Directors.

Five of the ten Non-Executive Directors are Independent Non-Executive Directors, which represents at least one-third of the Board of Directors.

The Independent Non-Executive Directors:

- provide open and objective challenge to management and other Board members
- raise intelligent questions and challenge constructively and with vigour
- bring outside knowledge of the businesses and markets in which the Group operates, providing informed insight and responses to management

Board Independence

The Company has in place effective mechanisms to ensure that independent views and input are available to the Board. The Nomination Committee, a majority of which comprises Independent Non-Executive Directors, assesses the suitability and independence of potential candidates to be appointed as Independent Non-Executive Directors and reviews the independence of each Independent Non-Executive Director annually. The Independent Non-Executive Directors meet with the Chairman at least once annually without the presence of other Directors and they can interact with management and other Directors including the Chairman through formal and informal means. Independent professional advice is also available to all Directors whenever necessary. A review of these mechanisms is conducted on an annual basis to ensure their effectiveness.

Confirmation has been received from all Independent Non-Executive Directors that they are independent as regards the factors set out in Rule 3.13 of the Listing Rules. None of them holds cross-directorships or has significant links with other Directors through involvements in other companies or bodies. The Board considers that all of the Independent Non-Executive Directors are independent in character and judgement.

Spencer Fung has served as an Independent Non-Executive Director for more than nine years. If re-elected at the Annual General Meeting for 2026, May Wu will have served as an Independent Non-Executive Director for more than nine years as from 15th May 2026. The Directors are of the opinion that they remain independent, notwithstanding their length of tenure. Spencer Fung and May Wu continue to demonstrate the attributes of an Independent Non-Executive Director noted above and there is no evidence that their tenure has had any impact on their independence. During their tenure, Spencer Fung and May Wu have not been involved in the daily management of the Company nor in any relationship or circumstances which would materially interfere with their exercise of independent judgement. They have not held any interests in the shares of the Company. They have demonstrated strong independence by providing impartial views and exercising independent judgment at Board and Board committee meetings. Drawing upon experience and skills acquired through their other directorships and offices, they also bring fresh and objective perspectives to the Board. The Board believes that their detailed knowledge of the Company's business and their external experience continue to be of significant benefit to the Company, and that they maintain an independent view of its affairs.

Taking into account all of the circumstances described in this section, the Company considers all of the Independent Non-Executive Directors to be independent as regards the factors set out in Rule 3.13 of the Listing Rules.

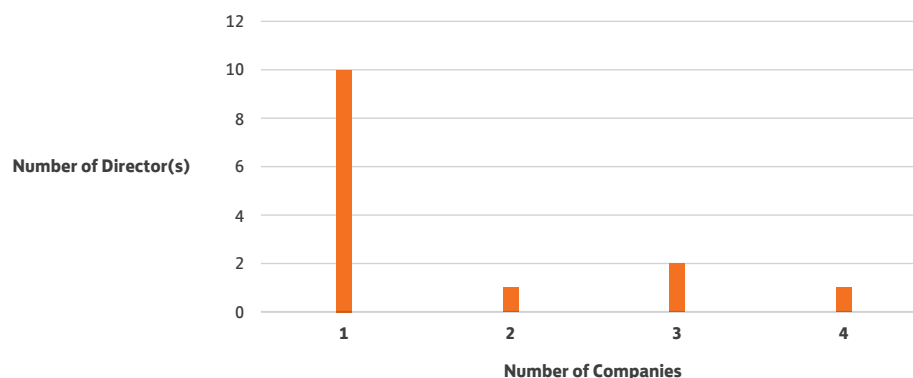
Responsibilities of Directors

On appointment, the Directors receive information about the Group including:

- the role of the Board and the matters reserved for its attention
- the role and terms of reference of Board committees
- the Group's corporate governance practices and procedures
- the powers delegated to management
- the latest financial information

Directors update their skills, knowledge and understanding of the Company's businesses through their participation at meetings of the Board and its committees and through regular meetings with management at the head office and in the divisions. Directors are regularly updated by the Company Secretary on their legal and other duties as Directors of a listed company.

LISTED COMPANY DIRECTORSHIP(S)



Through the Company Secretary, Directors are able to obtain appropriate professional training and advice.

Each Director ensures that he/she can devote sufficient time and attention to the affairs of the Group. All Directors disclose to the Board on their first appointment their interests as a Director or otherwise in other companies or organisations and such declarations of interests are updated regularly. No Director was a director of more than four listed companies (including the Company) at 31st December 2025.

Details of Directors' other appointments are shown in their biographies in the section of this annual report headed Directors and Officers.

Board Processes

All committees of the Board follow the same processes as the full Board.

The dates of the 2025 Board meetings were determined in 2024 and any amendments to this schedule were notified to Directors at least 14 days before regular meetings. Appropriate arrangements are in place to allow Directors to include items in the agenda for regular Board meetings.

Agendas and accompanying Board papers are circulated with sufficient time to allow the Directors to prepare before meetings.

The Chairman takes the lead to ensure that the Board acts in the best interests of the Company, that there is effective communication with the shareholders and that their views are communicated to the Board as a whole.

Board decisions are made by vote at Board meetings and supplemented by the circulation of written resolutions between Board meetings.

Minutes of Board meetings are taken by the Company Secretary and, together with any supporting papers, are made available to all Directors. The minutes record the matters considered by the Board, the decisions reached, and any concerns raised or dissenting views expressed by Directors. Draft and final versions of the minutes are sent to all Directors for their comment and records respectively.

Board meetings are structured so as to encourage open discussion, frank debate and active participation by Directors in meetings.

Directors meet at least once annually to discuss the Company's strategy, including investment and divestment plans and other strategic initiatives. The strategy session also serves as a platform for raising new initiatives and ideas.

The Board is provided with such information and explanations as are necessary to enable Directors to make an informed assessment of the financial and other information put before the Board. Queries raised by Directors are answered fully and promptly.

When necessary, the Independent Non-Executive Directors meet privately to discuss matters which are their specific responsibility. One such meeting was held in 2025.

The Chairman meets at least annually with the Independent Non-Executive Directors without the presence of other Directors.

Board Activities

The Board met five times in 2025, including a strategy session. The attendance of individual Directors at meetings of the Board and its committees is set out in the table below. Attendance at Board meetings was 100%. All Directors attended Board meetings in person or through electronic means of communication during the year.

Directors	Meetings Attended/Held				2025 Annual General Meeting
	Board	Audit Committee	Nomination Committee	Remuneration Committee	
Executive Directors					
Guy Bradley – Chairman	5/5				✓
Tim Blackburn	5/5				✓
Fanny Lung	5/5				✓
Mabelle Ma	5/5				✓
Non-Executive Directors					
Adam Fenwick	5/5		1/1	2/2	✓
Raymond Lim	5/5				✓
Martin Murray	5/5	4/4			✓
Richard Sell	5/5				✓
Merlin Swire	5/5				✓
Independent Non-Executive Directors					
Thomas Choi	5/5		1/1	2/2	✓
Spencer Fung	5/5	3/4		2/2	✓
May Wu	5/5	4/4			✓
Yan Yan	5/5				✓
Angela Zhu	5/5		1/1		✓
Average attendance	100%	92%	100%	100%	100%

Key areas of the activities of the Board during the year are summarised below.

Leadership and People

- Reviewed the structure, size, composition of the Board and the independence of the Independent Non-Executive Directors
 - Discussed updates from the Nomination Committee on matters including the Company's progress in achieving measurable objectives on board diversity, updates on employee diversity and the implementation and effectiveness of the Group's diversity policy
 - Considered and approved the recommendations from the Nomination Committee on election and re-election of Directors at the 2025 Annual General Meeting
 - Discussed updates from the Remuneration Committee on matters including compensation of the Executive Directors of the Company, gender pay equity and CEO pay ratio of the Group
-

Strategy

- Discussed the Group's 10-year plan regarding its business strategies and projections
 - Discussed the Group's investment and divestment strategies
 - Considered and approved the Group's investments, acquisitions or disposals, overall portfolio direction and investment plans, capital allocation strategy and growth objectives
 - Reviewed the Group's progress under the HK\$100 billion investment plan
 - Discussed updates on the Group's geographic portfolio and macro-economic developments
-

Financial and Business Performance

- Reviewed and approved the interim and annual results announcements as well as the interim and annual reports
 - Discussed and approved the 2026 annual budget and longer-term financial plans
 - Reviewed business updates and operating results of the Group, its operating environment and performance outlook
 - Reviewed implementation status of the Group's capital allocation strategy
 - Discussed development progress of projects and investments
 - Approved and declared the second interim dividend for 2024 and the first interim dividend for 2025
 - Reviewed and approved the Group's major financing arrangements and fund-raising activities
-

Audit, Risk Management and Internal Control

- Discussed updates from the Audit Committee on matters relating to results announcements and annual/interim reports, compliance with regulatory and statutory requirements, reviewed the effectiveness of the Company's risk management process and internal control systems, findings from the Group Internal Audit Department, significant accounting and audit issues and codes and policies of the Company
- Approved the Group's 2026 audit strategy and reviewed progress on the 2025 audit programme
- Reviewed the Group's corporate risk register and key items including geopolitical risks, cybersecurity risks, sustainability-related risks and other major risks, and discussed the relevant risk management measures
- Discussed the digital strategy and data governance of the Group
- Reviewed the Group's health and safety performance, including its performance in meeting safety targets, hazards reporting system, safety management measures and health and wellbeing initiatives

Governance and Compliance

- Chairmen of the various Board committees updated the Board on their committee meetings, including key matters discussed, and issues raised in the meetings
- Reviewed the continuing connected transactions conducted by the Group
- Reviewed and approved regulatory announcements to be published by the Company
- Reviewed updates on the Company's legal and compliance matters
- Reviewed and approved updates on the Company's codes and policies
- Reviewed the terms of reference adopted by the Company
- Received declarations of interest from Directors

Sustainability

- Reviewed and approved the sustainability report of the Company
 - Discussed the Group's progress towards meeting the decarbonisation and other ESG targets under SD 2030 Strategy, performance in key sustainability indices, regulatory developments towards sustainability, climate-related and other key ESG matters
 - Reviewed and approved the Company's SD 2050 Strategy and KPIs
-

Continuous Professional Development

The Company makes available continuous professional development for all Directors at the expense of the Company so as to develop and refresh their knowledge and skills.

All Directors have been provided with “A Guide on Directors’ Duties” issued by the Companies Registry, “Guidelines for Directors” issued by the Hong Kong Institute of Directors and “Corporate Governance Guide for Boards and Directors” issued by The Stock Exchange of Hong Kong Limited and other training materials on various topics, including ESG matters and regulatory updates issued by The Stock Exchange of Hong Kong Limited or external advisers. They were invited to attend seminars and conferences about financial, commercial, economic, risk management, legal, regulatory and other business matters.

Directors have provided the Company with their training records. During 2025, each of the Directors has participated in continuous professional development as required under Rules 3.09F and 3.09G of the Listing Rules, covering topics identified in the table below:

Directors	Training Topic and Format				
	Roles, Functions and Responsibilities of the Board, its Committees and its Directors, and Board Effectiveness	Issuers’ Obligations and Directors’ Duties and Key Regulatory Developments	Corporate Governance and ESG Matters	Risk Management and Internal Controls	Updates on Industry-Specific Developments, Business Trends and Strategies
Executive Directors					
Guy Bradley – Chairman	●●	●	●●	●●	●
Tim Blackburn	●●	●	●●	●●	●
Fanny Lung	●●	●	●●	●●	●
Mabelle Ma	●●	●	●●	●●	●
Non-Executive Directors					
Adam Fenwick	●●	●	●●	●●	●
Raymond Lim	●●	●	●●	●●	●
Martin Murray	●●	●	●●	●●	●
Richard Sell	●●	●	●●	●●	●
Merlin Swire	●●	●	●●	●●	●
Independent Non-Executive Directors					
Thomas Choi	●●	●	●●	●●	●
Spencer Fung	●●	●	●●	●●	●
May Wu	●●	●	●●	●●	●
Yan Yan	●●	●	●●	●●	●
Angela Zhu	●●	●	●●	●●	●

Notes:

- Training in the format of seminars, conferences or webinars conducted by external auditors, financial advisers or other training providers
- Training in the format of self-study, such as reading materials, watching videos and attending e-learning courses

Directors' and Officers' Insurance

The Company has arranged appropriate insurance cover in respect of potential legal actions against its Directors and Officers.

Conflicts of Interest

If a Director has a material conflict of interest in relation to a transaction or proposal to be considered by the Board, the individual is required to declare such interest and abstain from voting. The matter is considered at a Board meeting and voted on by Directors who have no material interest in the transaction.

Delegation by the Board

Responsibility for delivering the Company's strategies and objectives, as established by the Board, and responsibility for day-to-day management is delegated to the Chief Executive. The Chief Executive has been given clear guidelines and directions as to his powers and, in particular, the circumstances under which he should report back to, and obtain prior approval from, the Board before making commitments on behalf of the Company.

The Board monitors management's performance against the achievement of financial and non-financial measures, the principal items monitored being:

- detailed monthly management accounts consisting of statements of profit or loss, financial position and cash flows compared to budget, together with forecasts
- reports dealing with health and safety and other ESG matters
- internal and external audit reports
- feedback from customers, others with whom the Group does business, trade associations and service providers

Securities Transactions

The Company has adopted a code of conduct (the "Securities Code") regarding securities transactions by Directors on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix C3 to the Listing Rules. These rules are available on the Company's website.

A copy of the Securities Code has been sent to each Director of the Company and is sent to each Director twice annually, immediately before the two financial period ends, with a reminder that the Director cannot deal in the securities and derivatives of the Company during the blackout period before the Group's interim and annual results have been published, and that all their dealings must be conducted in accordance with the Securities Code.

Under the Securities Code, Directors are required to notify the Chairman and receive a dated written acknowledgement before dealing in the securities and derivatives of the Company and, in the case of the Chairman himself, he must notify the Chairman of the Audit Committee and receive a dated written acknowledgement before any dealing.

On specific enquiries made, all the Directors of the Company have confirmed that they have complied with the required standard set out in the Model Code and the Securities Code.

Directors' interests at 31st December 2025 in the shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance) are set out in the section of this annual report headed Directors' Report.

Appointment and Re-election

Potential new Directors are identified and considered by the Nomination Committee for appointment by the Board. A Director appointed by the Board is subject to election by shareholders at the first annual general meeting after his or her appointment, and all Directors are subject to re-election by shareholders every three years.

Potential new Board members are identified on the basis of skills, knowledge and experience which, on assessment by the Directors, will enable them to make a positive contribution to the diversity, performance and effectiveness of the Board. The Company reviews the composition of the Board on a continuing basis by keeping track of the tenure of Directors and any further skills that the Board is looking to acquire. It maintains a pipeline of candidates comprising internal and external candidates as may be identified from time to time. Executive search agencies may be engaged as appropriate to identify external candidates with the desired skillsets. The composition of the Board includes directors who are appointed as Independent Non-Executive Directors, nomination from substantial shareholder and executives of the Company.

In assessing the suitability of a proposed candidate (including Directors eligible for election or re-election), the following non-exhaustive list of factors will be considered:

- the corporate strategy of the Company
- the structure, size, composition and needs of the Board
- the potential contributions a candidate can bring to the Board, including skillsets, experience and other attributes that are complementary to the Board
- the qualifications, integrity and expected time commitment of the candidate
- various aspects of diversity (including gender, age, cultural and educational background and ethnicity) with reference to the Board Diversity Policy of the Company
- the independence of a candidate to be appointed as an Independent Non-Executive Director

On 9th March 2026, the Nomination Committee, having reviewed the Board's composition and after taking into account the requirement that all Directors are subject to election or re-election (as the case may be) in accordance with the Company's Articles of Association, nominated Thomas Choi, Raymond Lim and May Wu for recommendation to shareholders for re-election at the 2026 Annual General Meeting. The nominations were made in accordance with objective criteria (including gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge, length of service, number of directorships of listed companies and the legitimate interests of the Company's principal shareholders), with due regard for the benefits of diversity, as set out in the Company's Board Diversity Policy. The Nomination Committee is satisfied with the independence of Thomas Choi and May Wu having regard to the criteria set out in the Listing Rules.

On 10th March 2026, the Board, having considered the recommendation of the Nomination Committee and having taken into account the respective contributions of Thomas Choi, Raymond Lim and May Wu to the Board and their firm commitment to their roles, recommended all of them for re-election at the 2026 Annual General Meeting.

The particulars of the Directors standing for re-election are set out in the section of this annual report headed Directors and Officers and will also be set out in the circular to shareholders to be distributed with this annual report and posted on the Company's website.

Full details of changes in the Board during the year and to the date of this report are provided in the section of this annual report headed Directors' Report.

Board Diversity

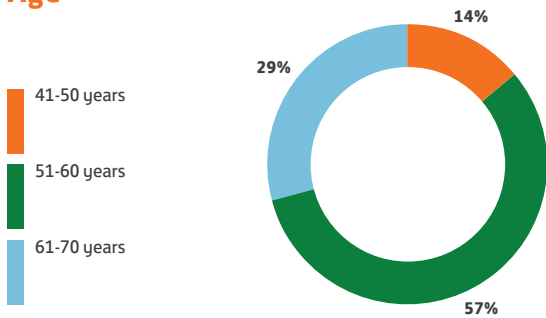
The Board has adopted a Board Diversity Policy, which is available on the Company's website. Responsibility for the implementation, monitoring and annual review of this policy has been delegated to the Nomination Committee.

The Board's composition reflects a balance of skills, experience and diversity of perspectives among its members that are relevant to the Company's strategy, governance and business and contributes to the Board's effectiveness.

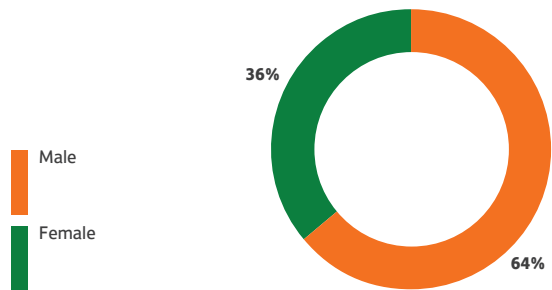
SKILLS, EXPERTISE AND EXPERIENCE



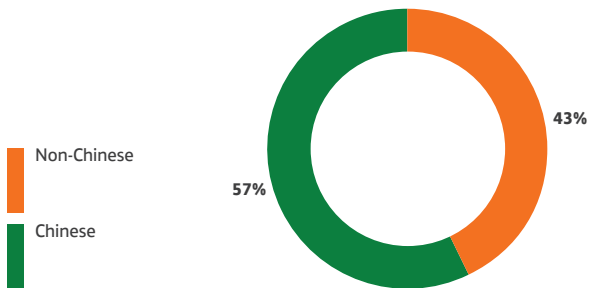
Age



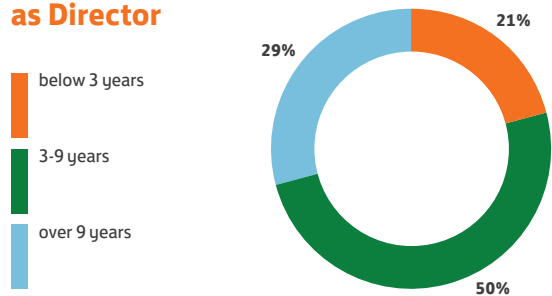
Gender



Ethnicity



Years of Service as Director



In order to achieve a diversity of perspectives among members of the Board, it is the policy of the Company to consider a number of factors when deciding on appointments to the Board and the continuation of those appointments. Such factors include gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge, length of service and the interests of the Company.

The Board is committed to maintaining an appropriate percentage of female Board members, which shall be not less than 30% at all times. The female representation on the Board at the date of this report is 36%.

The Company is also committed to maintaining a gender balance in the workforce with a target of keeping the female ratio at not less than 40% at all times. The female representation in the workforce at 31st December 2025 was 42.4%. Details of gender diversity in the workforce are disclosed in the section of this annual report headed Sustainability Review and in the Sustainability Report 2025 of the Company.

The Company has adopted the following measures to develop a pipeline of potential successors to the Board:

- the Company keeps track of the tenure of Directors and the need for new or replacement directors to be appointed (as the case may be), and maintains a running list of candidates comprising internal and external candidates as may be identified from time to time
- principles and key criteria for evaluating candidates for directorship are set out in the Nomination Committee's terms of reference and the Company's Board Diversity Policy
- the skills and experience of existing Directors help set the criteria and desired skillsets for internal and external candidate search
- executive search agencies may be engaged as appropriate to identify suitable external candidates

Nomination Committee

The Nomination Committee comprises three Non-Executive Directors, Angela Zhu, Thomas Choi and Adam Fenwick. Two of the Committee members are Independent Non-Executive Directors, one of whom, Angela Zhu, is Chairman. All the members served for the whole of 2025.

The terms of reference of the Nomination Committee comply with the CG Code and are posted on the Company's website.

The Nomination Committee's duties include:

- to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually, assist the Board in maintaining a board skills matrix and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy
- to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorship
- to assess the independence of the Independent Non-Executive Directors
- to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman and the Chief Executive
- to review regularly the implementation and effectiveness of the Company's policy on board diversity

The Nomination Committee met once in 2025. A summary of its work is as follows:

- conducted (i) an annual review of the structure, size and composition (including the skills, knowledge and experience) of the Board and considered that the Board's composition reflects an appropriate mix of skills, experience and diversity among its members that are relevant to the Company's strategy, governance and business and contributes to the Board's effectiveness; (ii) an annual assessment of the independence of each Independent Non-Executive Director and considered all of the Independent Non-Executive Directors to be independent; and (iii) an annual review of the implementation and effectiveness of the Company's Board Diversity Policy and considered it to be appropriate
- reviewed the Board's target of maintaining not less than 30% of female Board members and considered it to be appropriate
- made recommendations to the Board in respect of the proposed appointment of a new Director and the election and re-election of the Directors retiring at the 2025 Annual General Meeting

The Nomination Committee assessed the Board's diversity by reviewing a comparison against industry and peer group companies, and the relevant experience and skillsets of the Directors. The Committee considered that:

- the ratios for the objective criteria (e.g. age, gender and ethnicity) amongst Board members were reasonable
- the Company was in a good position in terms of gender diversity compared with its peers
- the Board shall maintain not less than 30% of female members on the Board

Remuneration Committee

Full details of the remuneration of the Directors are provided in note 9 to the financial statements.

The Remuneration Committee comprises three Non-Executive Directors, Spencer Fung, Thomas Choi and Adam Fenwick. Two of the Committee members are Independent Non-Executive Directors, one of whom, Spencer Fung, is Chairman. All the members served for the whole of 2025.

The terms of reference of the Remuneration Committee have been reviewed with reference to the CG Code and are posted on the Company's website.

The Remuneration Committee reviews and approves the remuneration proposals with respect to the Executive Directors of the Company, with reference to the Company's Remuneration Policy and the Board's corporate goals and objectives.

The Remuneration Committee exercises the powers of the Board to determine the remuneration packages of individual Executive Directors (including salaries, bonuses, benefits in kind and the terms on which they participate in any provident fund or other retirement benefit scheme), taking into consideration salaries paid by peer group companies, time commitment and responsibilities and employment conditions elsewhere in the Group.

In order to be able to attract and retain employees with the appropriate skills, experience and of suitable calibre, the Swire group provides a competitive remuneration package designed to be commensurate, overall, with those of its peer group. This typically comprises salary, housing, retirement benefits, allowances, medical benefits and a discretionary bonus.

The Remuneration Committee reviewed the structure and levels of remuneration paid to Executive Directors at its meeting in October 2025. At this meeting the Committee considered a report prepared for it by Mercer Limited, an independent firm of consultants, which confirmed that the remuneration of the Company's Executive Directors was competitive with that paid to equivalent positions in peer group companies. The Committee also reviewed the annual fees payable to the Company's Non-Executive Directors (who are not employees or directors of the Swire group) and endorsed a proposal to increase the fees for consideration and approval by the Board.

No Director takes part in the determination of his or her own remuneration.

The following fee levels have been approved by the Board:

Fee	2025 HK\$	2026 HK\$
Director's Fee	575,000	690,000
Fee for Audit Committee Chairman	268,000	320,000
Fee for Audit Committee Member	186,000	225,000
Fee for Nomination Committee Chairman	83,000	100,000
Fee for Nomination Committee Member	60,000	75,000
Fee for Remuneration Committee Chairman	83,000	100,000
Fee for Remuneration Committee Member	60,000	75,000

Details of emoluments paid to each Director in 2025 are set out in note 9 to the financial statements.

Accountability and Audit

Financial Reporting

The Board acknowledges its responsibility for:

- the proper stewardship of the Company's affairs, to ensure the integrity of financial information
- preparing annual and interim financial statements and other related information that give a true and fair view of the Group's affairs and of its results and cash flows for the relevant periods, in accordance with HKFRS Accounting Standards and the Hong Kong Companies Ordinance
- selecting appropriate accounting policies and ensuring that these are consistently applied
- making judgements and estimates that are prudent and reasonable
- ensuring that the application of the going concern assumption is appropriate

Risk Management and Internal Control

The Board acknowledges its responsibility to establish, maintain and review the effectiveness of the Group's risk management and internal control systems. This responsibility is primarily fulfilled on its behalf by the Audit Committee as discussed on pages 106 to 108.

The foundation of strong risk management and internal control systems is dependent on the ethics and culture of the organisation, the quality and competence of its personnel, the direction provided by the Board, and the effectiveness of management.

Since profits are, in part, the reward for successful risk taking in business, the risk management and internal control 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.

The key components of the Group's control structure are as follows:

Culture: The Board believes that good corporate governance reflects the culture of an organisation. This is more significant than any written procedures.

The Company aims at all times to act ethically and with integrity, and to instill this behaviour in all its employees by example from the Board down. The Company has a Corporate Code of Conduct, which is posted on its website.

The Company is committed to developing and maintaining high professional and ethical standards. These are reflected in the rigorous selection process and career development plans for all employees. The organisation prides itself on being a long-term employer which instills in individuals, as they progress through the Group, a thorough understanding of the Company's ways of thinking and acting.

Channels of communication are clearly established, allowing employees a means of communicating their views upwards with a willingness on the part of more senior personnel to listen. Employees are aware that, whenever the unexpected occurs, attention should be given not only to the event itself, but also to determining the cause.

Through the Company's Corporate Code of Conduct, employees are encouraged (and instructed as to how) to report control deficiencies or suspicions of impropriety to those who are in a position to take necessary action. The Company has a Whistleblowing Policy and system for employees and those who deal with the Group to raise concerns, in confidence and with anonymity, where desired, about actual or suspected cases of impropriety in any matter related to the Group. The policy is available on the Company's website.

The Company has an Anti-Fraud and Anti-Corruption Policy which sets out the Company's policy and systems that promote and support compliance with applicable laws and regulations that counter bribery and corruption, fraud, money laundering and criminal/terrorist financing, and enhances the provisions relating to the aforesaid areas in the Company's Corporate Code of Conduct. The policy is available on the Company's website.

Risk assessment: The Board of Directors and the management each have a responsibility to identify and analyse the risks underlying the achievement of business objectives, and to determine how such risks should be managed and mitigated.

The Company has implemented the three lines of defence model of risk governance which is designed to minimise conflicts of interest and ensure independent oversight of risk management. Details of the three lines of defence model are set out in the section of this annual report headed Risk Management.

Management structure: The Group has a clear organisational structure that, to the extent required, delegates the day-to-day responsibility for the design, documentation and implementation of procedures and monitoring of risk. Individuals appreciate where they will be held accountable in this process.

The annual control self-assessment process requires management to assess, through the use of detailed questionnaires, the adequacy and effectiveness of risk management and internal controls over the reliability of financial reporting, the effectiveness and efficiency of operations and compliance with applicable laws and regulations. The control self-assessment questionnaires cover the material controls across the core functions of the Company, with the aim of ensuring that these material controls function as intended, effectively manage associated risks, and support the achievement of business objectives. This process and its results are reviewed by internal auditors and form part of the Audit Committee's annual assessment of control effectiveness.

Controls and review: The control environment comprises policies and procedures intended to ensure that relevant management directives are carried out and actions that may be needed to address risks are taken. These may include approvals and verifications, reviews, safeguarding of assets and segregation of duties. Control activities can be divided into operations, financial reporting and compliance, although there may, on occasion, be some overlap between them. The typical control activities include:

- analytical reviews: for example, conducting reviews of actual performance versus budgets, forecasts, prior periods and competitors
- direct functional or activity management: reviews of performance reports, conducted by managers in charge of functions or activities
- information-processing: performing controls intended to check the authorisation of transactions and the accuracy and completeness of their reporting, for example, exception reports
- physical controls: ensuring equipment, inventories, securities and other assets are safeguarded and subjected to periodic checks
- performance indicators: carrying out analyses of different sets of data, operational and financial, examining the relationships between them, and taking corrective action where necessary
- segregation of duties: dividing and segregating duties among different people, with a view to strengthening checks and minimising the risk of errors and abuse

The Company has in place effective processes and systems for the identification, capture and reporting of operational, financial and compliance-related information in a form and time-frame intended to ensure that staff carry out their designated responsibilities.

Internal audit: Independent of management, the Group Internal Audit Department ("GIAD") reports directly to the Audit Committee and performs regular review of key risk areas and monitors compliance with Group accounting, financial and operational procedures. The role of GIAD is discussed further on pages 108 to 109.

Audit Committee

The Audit Committee, consisting of three Non-Executive Directors, May Wu, Spencer Fung and Martin Murray, assists the Board in discharging its responsibilities for corporate governance and financial reporting. Two of the Committee members are Independent Non-Executive Directors, one of whom, May Wu, is Chairman. All members served for the whole of 2025.

The terms of reference of the Audit Committee follow the guidelines set out by the Hong Kong Institute of Certified Public Accountants and comply with the CG Code. They are available on the Company's website.

The Audit Committee met four times in 2025. Regular attendees at the meetings are the Chief Financial Officer, the Group General Counsel and Company Secretary, the General Manager, Group Finance, the Group Head of Internal Audit, the Director/General Manager, Digital and IT, and the external auditors. The Audit Committee meets at least twice a year with the external auditors, and at least once a year with the Group Head of Internal Audit, in each case without the presence of management. Each meeting receives written reports from the external auditors and GIAD. The external valuer (Cushman & Wakefield Limited) also attended two of the meetings.

The work of the Committee during 2025 included reviews of the following matters:

- the completeness, accuracy and integrity of formal announcements relating to the Group's performance including the 2024 annual and 2025 interim reports and announcements, with recommendations to the Board for approval
- the Sustainability Report 2024 of the Company
- the Group's compliance with regulatory and statutory requirements
- the Group's risk management and internal control systems
- the Group's risk management processes
- the Group's cybersecurity and policy and governance mechanisms in relation to AI
- the Group's ESG matters
- the approval of the 2026 annual internal audit programme and review of progress on the 2025 programme
- periodic reports from GIAD and progress in resolving any matters identified in them
- significant accounting and audit issues
- the Company's policy regarding connected transactions and the nature of such transactions

- the relationship with the external auditors as discussed on pages 109 to 110
- the external quality assessment of GIAD
- the Company's compliance with the CG Code
- the Company's codes and policies
- the Company's SD 2050 Strategy and KPIs

In 2026, the Committee has reviewed, and recommended to the Board for approval, the 2025 financial statements.

Assessing the Effectiveness of Risk Management and Internal Control Systems

On behalf of the Board, the Audit Committee reviews annually the continued effectiveness of the Group's risk management and internal control systems dealing with risk and financial accounting and reporting, the effectiveness and efficiency of operations, compliance with laws and regulations, and risk management functions.

This assessment considers:

- the scope and quality of management's ongoing monitoring of risks (including ESG risks) and of the risk management and internal control systems, the work and effectiveness of internal audit and the assurances provided by the Chief Financial Officer
- the changes in the nature and extent of significant risks (including ESG risks) since the previous review and the Group's ability to respond to changes in its business and the external environment
- the extent and frequency with which the results of monitoring are communicated, enabling the Committee to build up a cumulative assessment of the state of control in the Group and the effectiveness with which risk is being managed
- the adequacy of resources (internal and external) for designing, implementing and monitoring the risk management and internal control systems, including staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit, and financial reporting functions, as well as those relating to the Group's ESG performance and reporting

- the incidence of any significant control failings or weaknesses that have been identified at any time during the period and the extent to which they have resulted in unforeseen outcomes or contingencies that have had, could have had, or may in the future have, a material impact on the Company's financial performance or condition
- the effectiveness of the Company's processes in relation to financial reporting and statutory and regulatory compliance
- areas of risk identified by management
- the relevant information and periodic confirmation provided by management to the Board for monitoring the implementation and effectiveness of risk management and internal control systems
- significant risks reported by GIAD
- work programmes proposed by GIAD and the external auditors
- significant issues arising from internal and external audit reports
- the results of management's control self-assessment exercise

As a result of the above review, the Board confirms, and management has also confirmed to the Board, that the Group's risk management and internal control systems are effective and adequate and have complied with the CG Code provisions on risk management and internal control throughout the year and up to the date of this annual report.

In forming its view, the Board considered management confirmations, GIAD's risk-based assurance and the independent auditor's communications. The Board is satisfied that the risk management and internal control systems operated effectively to (a) deal with identified risks, (b) safeguard the Group's assets, (c) reasonably prevent and detect fraud, misconduct and loss, (d) ensure the accuracy of financial reporting, and (e) achieve compliance with applicable laws and regulations.

Company Secretary

The Company Secretary is an employee of the Company and is appointed by the Board. The Company Secretary is responsible for facilitating the Board's processes and communications among Board members, with shareholders and with management. The Company Secretary undertakes at least 15 hours of relevant professional training annually to update skills and knowledge.

Group Internal Audit Department

The Swire group has had GIAD in place for 30 years. GIAD plays a critical role in monitoring the governance of the Group and conducts audits of the Group and of other companies in the Swire group. The department is staffed by 29 audit professionals including a team based in the Chinese Mainland which reports to the Group Head of Internal Audit in Hong Kong.

GIAD reports directly to the Audit Committee without the need to consult with management, and via the Audit Committee to the Board. GIAD has unrestricted access to all areas of the Group's operating companies and functions, assets, records and personnel in the course of conducting its work.

The annual internal audit programme and resources are reviewed and agreed with the Audit Committee.

Scope of Work

Audits are designed to provide assurance that the risk management and internal control systems of the Group are implemented properly and operating effectively, and that the risks associated with the achievement of business objectives are being properly identified, monitored and managed.

The frequency of each audit is determined by GIAD using its own risk assessment methodology, which is based on the COSO (Committee of Sponsoring Organizations of the Treadway Commission) internal control framework, considering such factors as recognised risks, organisational change, overall materiality of each unit, previous internal audit results, external auditors' comments, output from the work of the Swire Pacific Group Risk Management Committee and management's views. Each operating company or function is typically audited at least once every three years. Acquired businesses would normally be audited within 12 months of acquisition. 11 assignments were conducted for Swire Properties in 2025.

In addition, GIAD assists the Audit Committee in carrying out the analysis and independent appraisal of the adequacy and effectiveness of the Group's risk management and internal control systems through its review of the process by which management has completed the annual control self-assessment, and the results of this assessment.

Furthermore, GIAD conducts ad-hoc projects and investigative work as may be required by management or the Audit Committee.

Audit Conclusion and Response

Copies of internal audit reports are sent to the Chairman of the Board, the Chief Executive, the Chief Financial Officer and the external auditors. The results of each audit are also presented to the Audit Committee.

Management is required to provide action plans in response to internal audit recommendations, including those aimed at resolving material internal control defects. These are agreed by GIAD, included in its reports and followed up with a view to ensuring that they are satisfactorily undertaken.

External Auditors

The Audit Committee acts as a point of contact, independent from management, with the external auditors (the "auditors"). The auditors, PricewaterhouseCoopers, have direct access to the Chairman of the Audit Committee, who meets with them periodically without management present.

The Audit Committee's duties in relation to the auditors include:

- recommending to the Board, for approval by shareholders, the auditors' appointment
- approval of the auditors' terms of engagement
- consideration of the letters of representation to be provided to the auditors in respect of the interim and annual financial statements
- review of reports and other ad-hoc papers from the auditors
- annual appraisal of the quality and effectiveness of the auditors
- assessment of the auditors' independence and objectivity, including the monitoring of non-audit services provided, with a view to ensuring that their independence and objectivity are not, and are not seen to be, compromised
- approval of audit and non-audit fees

Auditors' Independence

Independence of the auditors is of critical importance to the Audit Committee, the Board and shareholders. The auditors write annually to the members of the Audit Committee confirming that they are independent accountants in accordance with the Code of Ethics for Professional Accountants of the Hong Kong Institute of Certified Public Accountants and that they are not aware of any matters which may reasonably be thought to bear on their independence. The Audit Committee assesses the independence of the auditors by considering and discussing each such letter (and having regard to the fees payable to the auditors for audit and non-audit work and the nature of the non-audit work) at a meeting of the Audit Committee.

Provision of Non-audit Services

In deciding whether the auditors should provide non-audit services the following key principles are considered:

- the auditors should not audit their own firm's work
- the auditors should not make management decisions
- the auditors' independence should not be impaired
- quality of service

In addition, the Company has a protocol in place for approval of the provision of non-audit services by the auditors. Any services which may be considered to be in conflict with the role of the auditors must be submitted to the Audit Committee for approval prior to engagement, regardless of the amounts involved. The protocol is updated from time to time to ensure its effectiveness.

Fees paid to the auditors are disclosed in note 7 to the financial statements.

Inside Information

With respect to procedures and internal controls for the handling and dissemination of inside information, the Company:

- is required to disclose inside information as soon as reasonably practicable in accordance with the Securities and Futures Ordinance and the Listing Rules
- conducts its affairs with close regard to the "Guidelines on Disclosure of Inside Information" issued by the Securities and Futures Commission
- has included in its Corporate Code of Conduct a strict prohibition on the unauthorised use of confidential or inside information

Shareholders

Communication with Shareholders and Investors

The Board recognises its responsibility to represent the interests of all shareholders and to maximise shareholder value. Communication with shareholders and accountability to shareholders is a high priority of the Company.

The Company has a Shareholders' Communication Policy which is available on the Company's website. The Shareholders' Communication Policy aims to ensure that shareholders and the investment community are provided with appropriate and timely access to material information about the Company. It sets out the Company's framework for promoting effective communication with its shareholders so as to enable them to exercise their rights as shareholders in an informed manner, and to allow the investment community to engage actively with the Company.

The methods used to communicate with shareholders include the following:

- the Chief Executive and Chief Financial Officer make themselves available for meetings with major shareholders, investors and analysts over two-month periods immediately after the announcement of the interim and annual results and at certain other times during the year. In addition, they attended regular meetings with analysts and investors in Hong Kong, analyst briefings, investor group briefings, overseas roadshows and investor conferences during the year
- through the Company's website. This includes electronic copies of financial reports, webcasts of analyst presentations given at the time of the interim and annual results announcements, slides of presentations given at investor conferences, latest news, public announcements and general information about the Group's businesses
- through publication of interim and annual reports
- through the annual general meeting as discussed below and other general meetings that may be convened

Shareholders may send their enquiries and concerns to the Board by post or email at ir@swireproperties.com. The relevant contact details are set out in the Financial Calendar and Information for Investors section of this annual report. The Company's Shareholders' Communication Policy also sets out channels for shareholders to communicate their views on various matters.

The Audit Committee reviews the implementation and effectiveness of the Shareholders' Communication Policy annually. Having considered the multiple channels of communication in place as described above, it is satisfied that the Shareholders' Communication Policy has been properly implemented and is effective.

The Annual General Meeting

The annual general meeting is an important forum to engage with shareholders. The most recent annual general meeting was held on 13th May 2025. The meeting was open to shareholders. The Directors who attended the meeting are shown in the table on page 96.

At the annual general meeting, separate resolutions were proposed for each issue and were voted on by poll. The procedures for conducting a poll were explained at the meeting prior to the polls being taken. The agenda items were:

- receiving the report of the Directors and the audited financial statements for the year ended 31st December 2024
- electing/re-electing Directors
- re-appointing the auditors and authorising the Directors to set their remuneration
- a general mandate authorising the Directors to make on-market share buy-backs
- a general mandate authorising the Directors to allot and issue shares up to 20% of the number of shares then in issue, provided that the aggregate number of the shares so allotted wholly for cash would not exceed 5% of the number of the shares then in issue

Minutes of the meeting together with voting results are available on the Company's website.

Dividend Policy

The Company has a policy on the payment of dividends, which is set out in the section of this annual report headed Directors' Report.

Shareholder Engagement

Pursuant to Article 95 of the Company's Articles of Association, if a shareholder wishes to propose a person other than a retiring Director for election as a Director at a general meeting, he or she should deposit a written notice of nomination at the registered office of the Company within the 7-day period commencing on and including the day after the despatch of the notice of the meeting. The procedures for nominating candidates to stand for election as Directors at general meetings are set out in the Corporate Governance section of the Company's website.

If they wish to propose a resolution relating to other matters to be considered at a general meeting, shareholders are requested to follow the requirements and procedures set out in the Corporate Governance section of the Company's website.

Shareholder(s) representing at least 5% of the total voting rights of all members may request the Board to convene a general meeting. The objects of the meeting must be stated in the related requisition deposited at the Company's registered office. Detailed requirements and procedures are set out in the Corporate Governance section of the Company's website.

Other Information for Shareholders

Key shareholder dates for 2026 are set out in the section of this annual report headed Financial Calendar and Information for Investors and in the Financial Calendar on the Company's website.

No amendment has been made to the Company's Articles of Association during the year.

RISK MANAGEMENT

The Board is responsible for determining the **Risk Appetite** and maintaining the **Risk Governance Structure** that facilitate the **Risk Management Process** to identify and analyse the **Risk Profile** underlying for the achievement of business objectives of the Company, and to determine how such risks should be managed and mitigated, thereby striking a balance between threats and opportunities. The Board oversees management in the design, implementation and monitoring of the risk management and internal control systems, and management provides confirmations to the Board on the effectiveness of these systems.

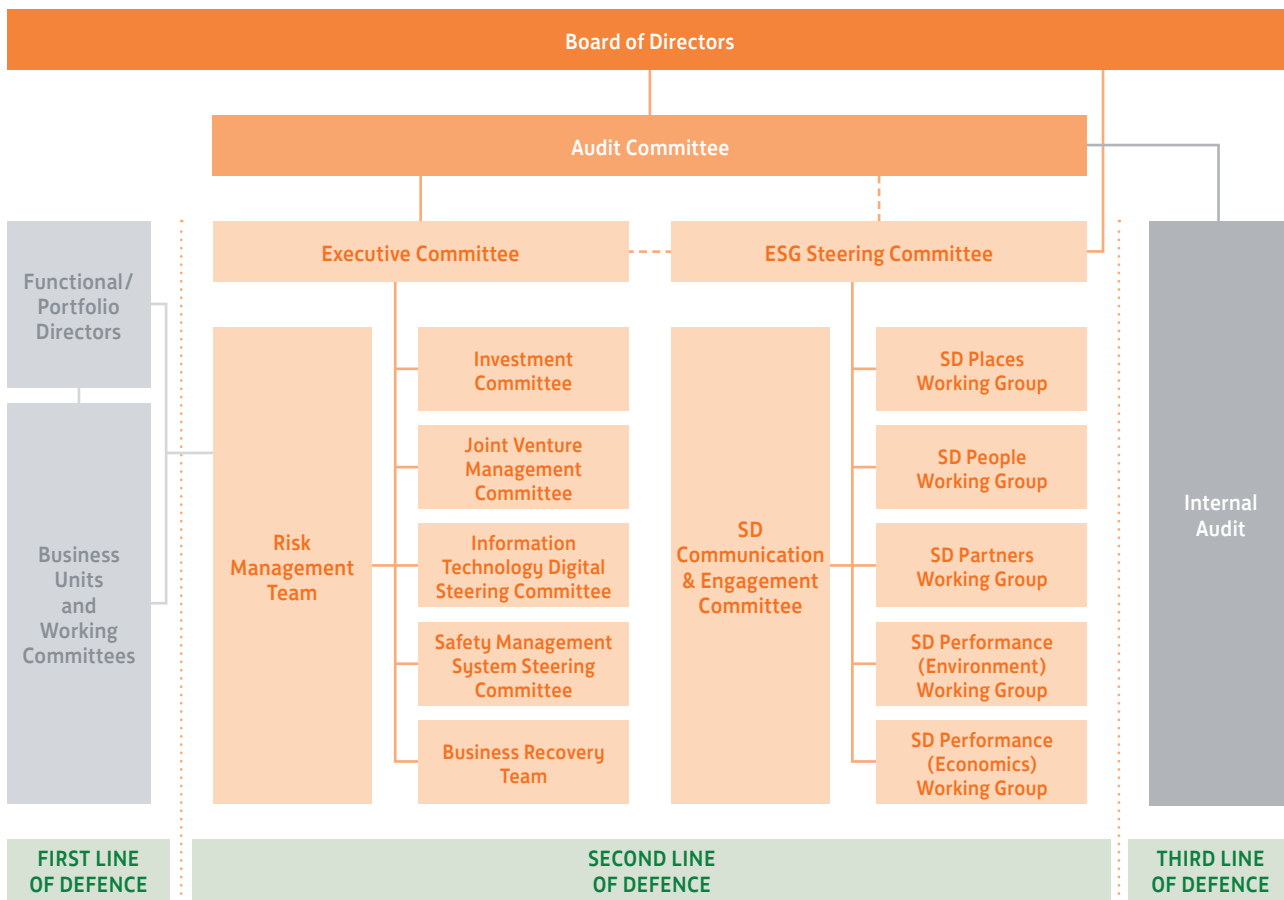
The effectiveness of the risk management process and internal control systems is subject to audit by internal audit, with support from external specialists where necessary.

Further discussion of risk management is set out in the sections of the Corporate Governance Report headed “Accountability and Audit – Risk Management and Internal Control”, “Audit Committee – Assessing the Effectiveness of Risk Management and Internal Control Systems” and “Group Internal Audit Department – Scope of Work” on pages 105 to 106, pages 107 to 108 and pages 108 to 109 respectively.

Risk Appetite

The Board acknowledges its responsibility to determine the nature and extent of the risks the Company is willing to take in achieving the Company’s strategic objectives whilst not exposing the Company to excessive risk of financial losses, business disruption, negative reputation, regulatory non-compliance and people’s health and safety. The Company has established and maintains an appropriate and effective risk management process and internal control systems to retain only risks that are manageable and at a reasonable level, whilst exploring and capturing opportunities where appropriate. In alignment with our risk appetite, the Company has established a risk assessment matrix to evaluate and prioritise the key risks by taking into account of both financial and non-financial impact, as well as impact to our Sustainable Development (“SD”) Strategy, which are documented in the corporate risk register. Moreover, the Company’s vulnerability and exposure to the key risks are assessed regularly to ensure that the appropriate internal controls and mitigating measures are in place for preventing and responding to any major incidents.

Risk Governance Structure



The Board has ultimate responsibility for risk management, overseeing its design and implementation. The Board is supported by the Audit Committee.

The Company has implemented the three lines of defence model of risk governance. The model is designed to minimise conflicts of interest and ensure independent oversight of risk management.

In the first line of defence, the management of each business and operating unit identifies, analyses and reports the risks for which it is responsible. Risks are mitigated, minimised and eliminated, where practicable and economically viable. Where risk cannot be eliminated, the related economic returns are required to reflect the level of risk retained and to balance threats against opportunities. The first line of defence is supervised by the functional heads and portfolio directors.

The second line of defence led by the Executive Committee (“ExCom”) supports the first line and provides assurance to the Board that risk is being managed effectively. The ExCom chaired by the Chief Executive (also acting in the capacity of Executive Director) comprises two other Executive Directors and six executive officers. It manages all the risks to which the Company is subject and is responsible for the design, implementation and monitoring of the relevant risk management processes and internal control systems of the Company. Among each ExCom meetings in general, review of the corporate risk register will be conducted to evaluate the Company’s risk profile and exposure, to oversee the management of major risks, to identify emerging and potential risks and to analyse risk events which materialise, with a view to their resolution and to learning from them. Sensitivity analysis or deep dive sessions on contemporary risk area such as geopolitical, economic or operational issues are conducted by ExCom as appropriate. Matters of significance that arise are reported as appropriate to the Audit Committee and ultimately to the Board of Directors.

ExCom is supported by committees with specialisation in respective corporate and operating functions across the Company including investment appraisal, joint venture management, health and safety, crisis management, information security and data protection. ExCom is also supported by the risk management team headed by the Chief Financial Officer. In relation to the Company’s SD Strategy, the Environmental, Social and Governance (“ESG”) Steering Committee has been set up and reports to the Board. The ESG Steering Committee is supported by working groups to manage the ESG risks and opportunities, including climate-related and nature-related ones with respect to the five SD pillars: Places, People, Partners, Performance (Environment) and Performance (Economic). It is also supported by the SD Communication & Engagement Committee to oversee the implementation of communication and engagement initiatives. Sustainability-related risks, including climate and environmental risks, are overseen by the ESG Steering Committee which ensures that the Company operates sustainably and effectively. The ESG Steering Committee reports material SD and ESG issues (including climate-related and nature-related risks and opportunities) and the progress made towards key performance indicators to the Board. The Chairman of the Audit Committee, who is also an independent non-executive director of the Company and reports to the Board, is a member of the ESG Steering Committee. Details of the responsibilities of each SD Working Groups are documented in the SD Governance section of our Sustainability Report 2025.

The third line of defence is provided by the Group Internal Audit Department to assist the Audit Committee in carrying out analysis and independent assessment of the adequacy and effectiveness of the risk management and the internal control systems through a systematic review of the processes and internal controls. Details of the scope of work is set out on pages 107 to 108.

Risk Management Process



The following diagram illustrates the key risk management processes of the Company. It covers both a “top down” and “bottom up” approach. The Board provides guidance from the top through the Executive Committee on its risk priorities, while the operating business units assess their risks from their respective perspectives. In 2025, cross-functional workshops were conducted to identify or review sustainability-related risks, including climate and nature-related issues, using the Group sustainability risk taxonomy. These identified risks were analysed, prioritised and monitored alongside all other enterprise and corporate risks for strategic planning, budgeting and performance management. Material risks are reported to the Executive Committee and consolidated into the corporate risk register, which is reviewed by the Audit Committee and the Board on a regular basis.




There have been no significant changes in the Risk Management and Internal Control System during the financial year.



Risk Profile

The Company has established a risk assessment matrix to evaluate and prioritise its risks in terms of the impact and vulnerability. The following table provides a profile of our key risks (listed in alphabetical order), including what we consider to be Swire Properties' principal existing and emerging risks, their possible impacts, risk trend and mitigating measures that are in place or under development. The Group's approach to financial risk management is discussed in note 2 to the financial statements.

Existing Risks and Possible Impacts	Risk Trend	Mitigation Measures
<p>Brand and image</p> <p>The failure to maintain brand position and perception may make us less competitive. Social media, in particular, is considered as a high velocity risk which, if not properly managed, may cause disproportionate negative impact on the Company's brand, image and reputation.</p>		<ul style="list-style-type: none"> • Crisis communication and social media policies are in place and are updated and tested regularly to ensure consistent, responsible and responsive communication (including when handling major incidents) in order to safeguard the Company's reputation. • Closely monitor social media in order to evaluate and provide responses to negative social media content. • Engagement with third parties to understand their perceptions of the Company and to anticipate current and potential economic, political, social or environmental issues that may adversely affect our reputation.
<p>Business disruption</p> <p>Severe disruption to the business caused by acts of man or acts of nature such as extreme weather and pandemics may have adverse financial effects to the Company.</p>		<ul style="list-style-type: none"> • A business recovery plan for major incidents, and other business compliance measures for specific scenarios, operational emergencies and health and safety, are in place and are regularly updated and tested. • Strategic plans are regularly reviewed to maintain business resilience and sustainability. • Conduct site surveys and consult professional advisors to ensure properties in earthquake and hurricane zones are built to meet the relevant building codes and safety standards. • Purchase insurance to the extent practicable to cover financial loss due to property damage, business interruption and third-party liabilities. • Health and safety metrics that are linked to variable compensation have been established for our Chief Executive, ExCom members, relevant strategic leaders and the general managers of our portfolios.

-  Risk level increased during the year 2025
-  Risk level decreased during the year 2025
-  Risk level remained broadly the same

Existing Risks and Possible Impacts

Risk Trend

Mitigation Measures

Business risks

Economic slowdown and uncertainties in the cities we operate may lead to substantial decline in business activities, revenue and profit. Disruptive business models and technologies as well as demographic factors are changing the behaviour and needs of tenant rapidly, leading to a new form of demand and space design.



- Pace new projects with market demands.
- Expand the Company’s presence in other markets, and explore other commercial opportunities in the longer run.
- Monitor and evaluate disruptive business models, with a view to making our operations more robust.
- Continue to carry out improvements to our retail trade mix alongside with experiential shopping, innovative and customer-focused campaigns, loyalty programme initiatives and premium lounges, and crossover promotions between Hong Kong and the Chinese Mainland from helping to broaden our reach to customers.

Climate change

Extreme weather conditions and climate change may increase the risks of physical damage to properties and adversely affect their valuation.



- A Climate Change Policy is in place and is updated regularly.
- Conduct climate risk assessments at all portfolios to manage the risks and to explore the opportunities arising from the transition to a target of net-zero carbon emission.
- Near-Term, Long-Term and Net-Zero targets established and validated under the Science Based Targets initiative (SBTi) Buildings Criteria – continuing to drive immediate and long-term decarbonisation, supported by energy efficiency investment and renewable energy adoption.
- Monitor and reduce carbon emissions from construction activities and embodied carbon from major building and construction materials with the use of innovative technologies.
- Piloting the use of internal carbon pricing (“ICP”) to determine the potential impacts of carbon emissions for our investments, quantify carbon risks to our business operations and better reallocate capital towards low-carbon investment and opportunities.
- Decarbonisation metrics that are linked to variable compensation have been established for our Chief Executive, ExCom members, relevant strategic leaders and the general managers of our portfolios.

Cybersecurity and data protection

Threats to customers, tenants and staff from cyber-attacks on our websites, applications, internet services, data and emails result in business interruption, financial loss and reputational damage.



- Policies on information and cyber security are in place with regular updates.
- Staff trainings, incident response drills and simulation tests are conducted regularly to raise the awareness of data security across the Company.
- Regular evaluation and upgrading of the latest technologies on information security.
- Insurance policy for cyber and crime are in place to transfer the risk and to reduce financial losses.

Existing Risks and Possible Impacts

Risk Trend

Mitigation Measures

Development risks

Delay in the completion of developments may have an adverse financial effect by delaying the timing of property sales and leasing. Cost inflation may also lead to significant financial impact due to economic volatilities, supply chain issues and labour shortage.



- Closely work with contractors to monitor and manage construction progress to avoid delays in case of changing design and unexpected circumstances.
- Stringent contractor prequalification requirements including financial position, manpower resources, safety, and resilience against geopolitical impact.
- Build in contingencies for statutory approvals and communicate with government authorities on a timely basis.

Political risks

Changes in the global and local political landscape, policies and priorities may have significant impact on the business environment. Geopolitical risk and international tensions may impact the maintenance of the optimal portfolio mix. Any trade restrictions and international sanctions may adversely affect operating costs and tenant portfolio.



- Regular review of investment strategy, business model and capital allocation in response to any impact of international tensions and geopolitical risk.
- Maintain high level of sensitivities to political and social issues by closely monitoring social media and government policies with a timely response.
- Engagement with government authorities to anticipate political developments in order to plan appropriate responses and to ensure compliance with applicable laws and regulations.
- Maintain robust corporate governance practice through oversight functions (internal audit, risk management, the company secretary, legal counsel and independent non-executive directors).
- Conduct regular screening and monitoring on key business partners with reference to international sanctions.

Third-party risks

Misaligned interests, cultural fit and renegeing on commitments of joint venture partners may lead to project delays, financial and reputational impact. Changes in financial position resulting in liquidity problems, changes in leadership and stance of joint venture partners resulting in a withdrawal or reduction of their shareholdings, contribution and commitments.



- Conduct proper due diligence for potential joint venture partners and perform regular assessment as to credit rating and business performance.
- Ensure a robust drafting of legal documents to include dispute resolution mechanism and exit strategy.
- Ensure joint venture to adopt or to develop corporate codes with the same standard as that of Swire Properties.
- Maintain robust governance structure to ensure open and timely discussions with joint venture partners by means of regular board meetings with proper agendas, maintenance of financial budgets, proper documentation of actions and responsibilities, proactive partnership management and engagement to minimise miscommunication or disputes.

Emerging Risks and Possible Impacts

Risk Trend

Mitigation Measures

Nature and biodiversity risks

Deteriorating natural environment and biodiversity loss may impact material availability and adversely affect construction costs. Delay in response to growing market demand for nature-inclusive design in properties may have adverse financial effects on the Company.



- A Biodiversity policy is in place and is updated regularly.
- Developed a Nature Transition Plan, which aims to halt and reverse biodiversity loss through minimising land use conversion, sustainable use of natural resources, enhancing urban biodiversity and water resource management.
- Participate in the Taskforce on Nature-related Financial Disclosures (TNFD) to formulate a global risk management and disclosure framework and contribute to collective nature-positive goals.
- Perform biodiversity assessment at our Hong Kong portfolio and new development projects to evaluate the state of urban biodiversity to form the development of targets on the integration of nature-based solutions in our portfolios.
- Conduct nature & biodiversity assessment in accordance with the “LEAP” approach developed by TNFD across our global portfolio to identify the dependencies and impacts on natural assets and ecosystem services.
- Conduct nature & biodiversity assessment of our supply chain, and target to develop nature-related procurement specifications for high impact commodities.

Supply chain resilience

Possible supply chain interruptions arising from incidents including geopolitical events, resource outages and natural catastrophes (due to extreme weather events and climate change) that would significantly disrupt the operations and construction activities, potentially leading to increased costs, reduced productivity, and loss of customer trust.



- Close monitoring of geopolitical trends and events through news media reports, and prevailing public and government opinion.
- Having crisis management and business continuity plans in place.
- Managing relationships with key third-party suppliers and service providers.
- Review of contract terms and conditions to ensure viable alternatives upon disruptions, and close management of product lifecycles in operating companies.
- Perform supplier ESG screening (including climate resilience) and provide improvement recommendations for major suppliers via international ESG assessment and ratings provider.

DIRECTORS AND OFFICERS

Executive Directors

BRADLEY, Guy Martin Coutts, JP, aged 60, has been a Director of the Company since January 2008 and its Chairman since August 2021. He has served as a Director for 18 years and 2 months. His current term of office commenced on 13th May 2025 and will expire at the conclusion of the Company's 2028 annual general meeting. He is also Chairman of John Swire & Sons (H.K.) Limited and Swire Pacific Limited, and a Director of Cathay Pacific Airways Limited. He will become Chairman of Cathay Pacific Airways Limited and Swire Coca-Cola Limited on 13th May 2026. He was the Company's Chief Executive from January 2015 to August 2021. He joined the Swire group in 1987 and has worked with the group in the Hong Kong SAR, Papua New Guinea, Japan, the United States, Vietnam, the Chinese Mainland, the Taiwan region and the Middle East. He is a chartered surveyor, a fellow of The Royal Institution of Chartered Surveyors and a member of The Hong Kong Institute of Surveyors. He is also a member of the Chief Executive's Council of Advisers and the Hong Kong-Europe Business Council, a General Committee member of The Hong Kong General Chamber of Commerce, a special counsellor of Our Hong Kong Foundation and Vice-President of The Real Estate Developers Association of Hong Kong.

BLACKBURN, Timothy Joseph, aged 55, has been a Director and Chief Executive of the Company since August 2021 and has served as a Director for 4 years and 6 months. His current term of office commenced on 13th May 2025 and will expire at the conclusion of the Company's 2028 annual general meeting. He is also a Director of John Swire & Sons (H.K.) Limited. He joined the Swire group in 1994 and has worked with the group in the Hong Kong SAR, Australia, Papua New Guinea, Singapore, London and the Chinese Mainland. He is a chartered surveyor and a member of The Royal Institution of Chartered Surveyors and a Global Governing Trustee of the Urban Land Institute. He is also a Built Environment Pathway Board member of the World Business Council for Sustainable Development.

LUNG, Ngan Yee Fanny, aged 59, has been Chief Financial Officer (retitled from Finance Director) of the Company since October 2017 and has served as a Director for 8 years and 5 months. Her current term of office commenced on 7th May 2024 and will expire at the conclusion of the

Company's 2027 annual general meeting. She was previously Group Director Finance of Hong Kong Aircraft Engineering Company Limited. She joined the Swire group in 1992. She is a member of the 8th Hainan Provincial Committee of the Chinese People's Political Consultative Conference. She is also a member of the Hong Kong Institute of Certified Public Accountants, a member of the Institute of Management Accountants and a fellow of the Association of Chartered Certified Accountants. She will cease to be an Executive Director and the Chief Financial Officer of the Company in May 2026 for reason of her retirement from the Swire group.

MA, Suk Ching Mabelle, aged 58, has been a Director of the Company since August 2021 and has served as a Director for 4 years and 6 months. Her current term of office commenced on 13th May 2025 and will expire at the conclusion of the Company's 2028 annual general meeting. She is also Chief Development Officer (retitled from Director, Development and Valuations) of the Company. She joined the Swire group in 1996. She is a chartered surveyor, a member of The Royal Institution of Chartered Surveyors and a member of The Hong Kong Institute of Surveyors. She has worked in the real estate industry for over 30 years.

Non-Executive Directors

FENWICK, Nicholas Adam Hodnett, aged 65, has been a Director of the Company since May 2018 and has served as a Director for 7 years and 9 months. His current term of office commenced on 13th May 2025 and will expire at the conclusion of the Company's 2028 annual general meeting. He is also a Director of John Swire & Sons Limited. He was employed by the Swire group from 1985 to 1995 and worked for the group in the Hong Kong SAR, Singapore, the Taiwan region, the Philippines and the United States.

LIM, Siang Keat Raymond, aged 66, has been a Director of the Company since July 2013 and has served as a Director for 12 years and 8 months. His current term of office commenced on 9th May 2023 and will expire at the conclusion of the Company's 2026 annual general meeting. He was Senior Adviser to John Swire & Sons (S.E. Asia) Pte. Limited. He was also Non-Executive Chairman of APS Asset Management Pte Ltd and was a Member of the Singapore Parliament from 2001 to 2015.

MURRAY, Martin James, OBE, aged 59, has been a Director of the Company since April 2021 and has served as a Director for 4 years and 11 months. His current term of office commenced on 7th May 2024 and will expire at the conclusion of the Company's 2027 annual general meeting. He is also Finance Director of Swire Pacific Limited and a Director of John Swire & Sons (H.K.) Limited. He will become a Director of Cathay Pacific Airways Limited on 13th May 2026. He was Chief Financial Officer of Cathay Pacific Airways Limited and before that Deputy Finance Director of Swire Pacific Limited. He joined the Swire group in 1995 and has worked with the group in the Hong Kong SAR, the United States, Singapore and Australia. He is a member of The Institute of Chartered Accountants of Scotland and the Hong Kong Institute of Certified Public Accountants and a council member of The Hong Kong Management Association. He is responsible for the Swire Pacific Limited group's sustainability strategy and the sustainable development function and is an Asia Pacific Chapter Member of the Accounting for Sustainability (A4S) CFO Leadership Network and a council member of the World Business Council for Sustainable Development.

SELL, Richard Lawrence, aged 49, has been a Director of the Company since October 2023 and has served as a Director for 2 years and 4 months. His current term of office commenced on 7th May 2024 and will expire at the conclusion of the Company's 2027 annual general meeting. He is also a Director of John Swire & Sons (H.K.) Limited, the Chief Executive Officer of Hong Kong Aircraft Engineering Company Limited and a Director of Hong Kong Aero Engine Services Limited. He was the Chief Executive Officer of Hong Kong Aero Engine Services Limited from July 2021 to June 2023. He joined the Swire group in 1999 and has worked with the group in the Hong Kong SAR, Singapore, India and Europe.

SWIRE, Merlin Bingham, aged 52, has been a Director of the Company since January 2009 and has served as a Director for 17 years and 1 month. His current term of office commenced on 13th May 2025 and will expire at the

conclusion of the Company's 2028 annual general meeting. He is also Deputy Chairman, Chief Executive Officer and a shareholder of John Swire & Sons Limited and a Director of Cathay Pacific Airways Limited and Swire Pacific Limited. He was Chairman of the Company and Swire Pacific Limited from July 2018 to August 2021. He joined the Swire group in 1997 and has worked with the group in the Hong Kong SAR, Australia, the Chinese Mainland and London.

Independent Non-Executive Directors

CHOI, Tak Kwan Thomas, aged 70, has been a Director of the Company since May 2019 and has served as a Director for 6 years and 9 months. His current term of office commenced on 9th May 2023 and will expire at the conclusion of the Company's 2026 annual general meeting. He is a fellow of The Royal Institution of Chartered Surveyors in the United Kingdom and The Hong Kong Institute of Surveyors. He is also an Authorised Person (Surveyor). He was a member of the Appeal Tribunal Panel (Buildings) from December 2000 to November 2013. He was employed by the Company in Hong Kong from 1981 to 2002. He was employed by China Resources (Holdings) Company Limited and worked in the Chinese Mainland from 2002 until his retirement in 2016.

FUNG, Spencer Theodore, aged 52, has been a Director of the Company since December 2012 and has served as a Director for 13 years and 2 months. His current term of office commenced on 13th May 2025 and will expire at the conclusion of the Company's 2028 annual general meeting. He is Group Executive Chairman of Li & Fung. Prior to Li & Fung, Mr. Fung co-founded an eCommerce startup HelloAsia in Silicon Valley and was a manager in the Audit and Assurance team at PricewaterhouseCoopers. He is also an Alternate Representative of Hong Kong, China to APEC Business Advisory Council and a member of the General Committee of The Hong Kong Exporters' Association, Young Presidents' Organization and the Board of Trustees at Northeastern University.

WU, May Yihong, aged 58, has been a Director of the Company since May 2017 and has served as a Director for 8 years and 9 months. Her current term of office commenced on 9th May 2023 and will expire at the conclusion of the Company's 2026 annual general meeting. She is an Independent Director of Noah Holdings Limited, the Chairwoman of its Compensation Committee and a member of its Corporate Governance and Nomination Committee, and an Independent Director of Trip.com Group Limited. Ms. Wu is also an Independent Non-Executive Director of Alibaba Health Information Technology Limited, the Chairwoman of its Audit Committee and a member of its Nomination Committee and Remuneration Committee, and an Independent Director of MakeMyTrip Limited, the Chairperson of its Audit Committee and a member of its Compensation Committee. She is also an Executive Director of Shanghai Sunnyview Eldercare Company Limited. She was Board Advisor of Homeinns Hotel Group from 2019 to 2023, its Chief Strategy Officer from 2010 to 2019 and its Chief Financial Officer from 2006 to 2010.

YAN, Yan, aged 62, has been a Director of the Company since May 2024 and has served as a Director for 1 year and 10 months. Her current term of office commenced on 13th May 2025 and will expire at the conclusion of the Company's 2028 annual general meeting. She is a Managing Director of Rava Partners, an investment company that partners with entrepreneurs to build physical infrastructure in the growing sectors of Asia's economy, such as logistics/industrial, digital assets, life sciences/healthcare, education, and other specialised asset classes. She was Managing Director of Blackstone Asia from 2018 to 2020, during which time she focused on real asset investment and mergers and acquisitions. Prior to that, Ms. Yan held various positions with SOHO China from 1996 to 2018 where she served as the company's President, Chief Financial Officer and Chief Operating Officer, responsible for the company's management, business development and project acquisitions. In the early

part of her career, she had held various management roles in Henderson (China) Investment Co. Ltd. and the Sheraton Hotels group. Ms. Yan has over thirty years of experience in real asset investment, development, and operations.

ZHU, Changlai Angela, aged 50, has been a Director of the Company since May 2023 and has served as a Director for 2 years and 10 months. Her current term of office commenced on 7th May 2024 and will expire at the conclusion of the Company's 2027 annual general meeting. She is the founder and Chief Executive Officer of Shanghai Dechang E-commerce Co., Ltd., trading as Chapter Home, a home lifestyle brand in the Chinese Mainland. She was a consultant and an Executive in Residence at Warburg Pincus Asia LLC, specialising in the consumer retail sector, and a Non-Executive Director of the Southeast Asia Retail Board of IKANO Pte Ltd from 2021 to 2022. Prior to these roles, she worked for the IKEA Group from 1996 to 2021 and held various positions including Global Commercial Director of IKEA Retail Services AB from 2018 to 2021 and Chief Executive Officer of China of IKEA (China) Investment Co., Ltd. from 2013 to 2018.

Company Secretary

LOMAS, Bernadette Mak, aged 60, has been Company Secretary since February 2022. She is also Group General Counsel of the Swire Pacific Limited group. She is qualified to practise law in the Hong Kong SAR and in the State of New York. Prior to joining the Swire Pacific Limited group, she was Group General Counsel and Company Secretary of a leading Hong Kong listed company.

Notes:

1. The Audit Committee comprises May Wu (committee chairman), Spencer Fung and Martin Murray.
2. The Nomination Committee comprises Angela Zhu (committee chairman), Thomas Choi and Adam Fenwick.
3. The Remuneration Committee comprises Spencer Fung (committee chairman), Thomas Choi and Adam Fenwick.
4. Tim Blackburn, Guy Bradley, Fanny Lung, Mabelle Ma, Martin Murray, Richard Sell and Merlin Swire are employees of the John Swire & Sons Limited group.

DIRECTORS' REPORT

The Directors submit their report together with the audited financial statements for the year ended 31st December 2025, which are set out on pages 142 to 212.

Principal Activities

The principal activities of Swire Properties Limited and its subsidiaries (collectively referred to as the "Group") are: (i) property investment, that is the development, leasing and management of commercial, retail and some residential properties; (ii) property trading, that is the development and construction of properties, principally residential apartments, for sale; and (iii) investment in and operation of hotels.

The principal activities of the Company's principal subsidiary, joint venture and associated companies are shown on pages 210 to 212. An analysis of the Group's performance for the year by reportable business segment and geographical area is set out in note 8 to the financial statements.

Consolidated Financial Statements

The consolidated financial statements incorporate the financial statements of the Group together with the Group's interests in joint venture and associated companies. Details of the joint venture and associated companies are provided in notes 20 and 21 to the financial statements.

Dividends

The Directors have declared a second interim dividend of HK\$0.80 per share which, together with the first interim dividend of HK\$0.35 per share paid in October 2025, amount to full year dividend of HK\$1.15 (2024: HK\$1.10) per share. The second interim dividend will be paid on Thursday, 7th May 2026 to shareholders registered at the close of business on the record date, being Thursday, 2nd April 2026. Shares of the Company will be traded ex-dividend as from Tuesday, 31st March 2026.

The Company's dividend policy is to deliver sustainable growth in dividends and to pay out approximately half of our underlying profit in ordinary dividends over time.

Closure of Register of Members

The register of members will be closed on Thursday, 2nd April 2026, during which day no transfer of shares will be effected. In order to qualify for entitlement to the second interim dividend, all transfer forms accompanied by the

relevant share certificates must be lodged with the Company's share registrars, Computershare Hong Kong Investor Services Limited, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 1st April 2026.

To facilitate the processing of proxy voting for the annual general meeting to be held on 12th May 2026, the register of members will be closed from 7th May 2026 to 12th May 2026, both days inclusive, during which period no transfer of shares will be effected. The record date for determining the eligibility of shareholders to attend and vote at the annual general meeting is Tuesday, 12th May 2026. In order to be entitled to attend and vote at the annual general meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrars, Computershare Hong Kong Investor Services Limited, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 6th May 2026.

Business Review

A fair review of the Group's business, a description of the principal risks and uncertainties facing the Group, particulars of important events affecting the Group that have occurred since the end of the financial year and an indication of the likely future development of the Group's business (including, in each case to the extent necessary for an understanding of the development, performance or position of the Group's business, key performance indicators) are provided in the sections of this annual report headed Chairman's Statement, Chief Executive's Statement, Key Business Strategies, Review of Operations, Financial Review and Financing and in the notes to the financial statements. To the extent necessary for an understanding of the development, performance or position of the Group's business, a discussion of the Group's environmental policies and performance and an account of the Group's key relationships with its employees, customers and suppliers and others that have a significant impact on the Group and on which the Group's success depends are provided in the section of this annual report headed Sustainability Review, and a discussion of the Group's compliance with the relevant laws and regulations that have a significant impact on the Group is provided in the sections of this annual report headed Sustainability Review, Corporate Governance, Risk Management and Directors' Report. Detailed information on the Group's sustainability performance is provided in the Sustainability Report 2025 of the Company.

Reserves

Movements in the reserves of the Group and the Company during the year are set out in notes 34 and 35 to the financial statements.

Share Capital

During the year under review, pursuant to the share buy-back programme announced by the Company on 30th August 2024 (“Share Buy-back Programme”) which expired on 12th May 2025, the Company bought back an aggregate of 44,736,600 shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) at an aggregate cost (excluding transaction fees) of HK\$707 million. All the shares bought back were subsequently cancelled.

Details of share buy-backs made during the year and the Company’s share capital are set out in note 33 to the financial statements.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s shares during the year and the Group has not adopted any share option scheme.

At 31st December 2025, taking into account the shares bought back and cancelled, 5,757,484,800 shares were in issue (31st December 2024: 5,814,221,400 shares). The term of the Share Buy-back Programme expired on 12th May 2025.

Accounting Policies

The material accounting policies of the Group are set out in the relevant notes to the financial statements (if they relate to a particular item) and in the section of this annual report headed Accounting Policies.

Auditors

PricewaterhouseCoopers retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of PricewaterhouseCoopers as auditors of the Company is to be proposed at the forthcoming annual general meeting.

Financial Review

A review of the consolidated results, financial position and cash flows of the Group is shown in the section of this annual report headed Financial Review. A ten-year financial summary of the results and of the assets and liabilities of the Group is shown in the section of this annual report headed Ten-Year Financial Summary.

Corporate Governance

The Company complied with all the code provisions set out in the Corporate Governance Code (the “CG Code”) contained in Part 2 of Appendix C1 to the Listing Rules as applicable for and throughout the year covered by the annual report.

Details of the Company’s corporate governance practices are set out in the section of this annual report headed Corporate Governance.

Environmental, Social and Governance

For the year covered by the annual report, the Company has complied with all the applicable provisions set out in the Environmental, Social and Governance Reporting Code contained in Appendix C2 to the Listing Rules. These disclosures are included in the Sustainability Report 2025 of the Company.

Donations

During the year, the Group made donations for charitable purposes of HK\$70 million and donations towards various scholarships of HK\$0.2 million.

Fixed Assets

For details of movements in fixed assets refer to notes 15 and 16 to the financial statements.

The annual valuation of the Group’s investment property portfolio, whether completed or in the course of development, was carried out by professionally qualified valuer (99% by value having been valued by Cushman & Wakefield Limited) on the basis of market value at 31st December 2025. This valuation resulted in a decrease of HK\$6,095 million (2024: HK\$5,996 million) in the carrying value of the investment property portfolio. Such decrease was principally due to the increase in the fair value loss on the office investment properties in Hong Kong.

A schedule of the principal properties of the Group and its joint venture and associated companies is given in the section of this annual report headed Schedule of Principal Group Properties.

Borrowings

For details of the Group’s borrowings refer to the section of this annual report headed Financing.

Interest

For details of the amount of interest capitalised by the Group refer to page 86.

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 and suppliers respectively.

Directors

All the Directors of the Company whose names are listed in the section of this annual report headed Directors and Officers served throughout the calendar year 2025. Fanny Lung will cease to be an Executive Director of the Company in May 2026.

Independence Confirmation

All of the Independent Non-Executive Directors (listed in the section of this annual report headed Directors and Officers) have confirmed their independence as regards the factors in Rule 3.13 of the Listing Rules and the Company considers all of them to be independent.

Term of Appointment

Article 93 of the Company's Articles of Association provides for all Directors to retire at the third annual general meeting following their election by ordinary

resolution. In accordance therewith, Thomas Choi, Raymond Lim and May Wu retire this year and, being eligible, offer themselves for re-election.

Each of the Directors has entered into a letter of appointment, which constitutes a service contract, with the Company for a term of up to three years until retirement under Article 91 or Article 93 of the Articles of Association of the Company, which will be renewed for a term of three years upon each election or re-election. No Director has a service contract with the Company which is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

Fees and Emoluments

Full details of Directors' fees and emoluments are set out in note 9 to the financial statements.

Directors' fees paid to the Independent Non-Executive Directors during the year totalled HK\$3.6 million. They received no other emoluments from the Group.

Directors' Interests

At 31st December 2025, the register maintained under Section 352 of the Securities and Futures Ordinance ("SFO") showed that Directors held the following interests in the shares of the Company's associated corporation (within the meaning of Part XV of the SFO), John Swire & Sons Limited:

	Capacity			Total no. of shares	Percentage of issued share capital (comprised in the class) (%)	Note
	Beneficial interest		Trust interest			
	Personal	Family				
John Swire & Sons Limited						
Ordinary Shares of £1						
Adam Fenwick	–	–	3,136,000	3,136,000	3.14	(1)
Merlin Swire	2,194,216	630,000	21,564,708	24,388,924	24.39	(2)
8% Cum. Preference Shares of £1						
Adam Fenwick	–	–	2,822,400	2,822,400	3.14	(1)
Merlin Swire	3,966,725	–	16,917,930	20,884,655	23.21	(2)

Notes:

- (1) Adam Fenwick was a trustee of a trust which held 3,136,000 ordinary shares and 2,822,400 preference shares in John Swire & Sons Limited included under trust interest and did not have any beneficial interest in those shares.
- (2) Merlin Swire was a trustee and/or a potential beneficiary of trusts which held 10,241,372 ordinary shares and 6,705,528 preference shares in John Swire & Sons Limited included under trust interest and did not have any beneficial interest in those shares.

Other than as stated above, no Director or Chief Executive of the Company had any interest or short position, whether beneficial or non-beneficial, in the shares or underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

Neither during nor prior to the year under review has any right been granted to, or exercised by, any Director of the Company, or to or by the spouse or minor child of any Director, to subscribe for shares, warrants or debentures of the Company.

Other than as stated in this report, no transaction, arrangement or contract of significance to which the Group was a party and in which a Director or an entity connected with a Director is or was materially interested, either directly or indirectly, subsisted during or at the end of the year.

At no time during the year was the Company, or any of its associated corporations, a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Directors' Interests in Competing Businesses

None of the Directors or their respective close associates has any competing interests which need to be disclosed pursuant to Rule 8.10 of the Listing Rules.

Directors of Subsidiaries

The names of all directors who have served on the boards of the subsidiaries of the Company during the year ended 31st December 2025 or during the period from 1st January 2026 to the date of this report are kept at the Company's registered office and made available for inspection by the members of the Company in accordance with Section 390(6) of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong).

Permitted Indemnity

Subject to the Companies Ordinance (Cap. 622 of the Laws of Hong Kong), every Director is entitled under the Company's Articles of Association to be indemnified out of the assets of the Company against all costs, charges, expenses, losses and liabilities which he or she may sustain or incur in or about the execution or discharge of his or her duties and/or the exercise of his or her powers and/or otherwise in relation to or in connection with his or her duties, powers or office. To the extent permitted by such Ordinance, the Company has taken out insurance against the liability and costs associated with defending any proceedings which may be brought against directors of companies in the Group.

Substantial Shareholders' and Other Interests

The register of interests in shares and short positions maintained under Section 336 of the SFO shows that at 31st December 2025 the Company had been notified of the following interests in the shares of the Company held by substantial shareholders and other persons:

Long position	Number of shares	Percentage of voting shares (%)	Type of interest	Note
Swire Pacific Limited	4,796,765,835	83.31	Beneficial owner	(1)
John Swire & Sons Limited	4,796,765,835	83.31	Attributable interest	(2)

Notes:

- (1) Swire Pacific Limited was interested in 4,796,765,835 shares of the Company as beneficial owner.
- (2) John Swire & Sons Limited and its wholly-owned subsidiary John Swire & Sons (H.K.) Limited were deemed to be interested in a total of 4,796,765,835 shares of the Company, in which Swire Pacific Limited was interested, by virtue of the John Swire & Sons Limited group being interested in 64.45% of the equity of Swire Pacific Limited and controlling 70.97% of the voting rights attached to shares in Swire Pacific Limited.

Public Float

Listing Rule 13.32B requires that at least 25% of an issuer's total number of issued shares, or any lower minimum percentage of public float prescribed at the time of listing under Listing Rule 8.08(1), must at all times be held by the public. The Company has been granted by the Stock Exchange a waiver from strict compliance with Listing Rule 8.08(1) so as to allow a lower public float percentage of 10% (or such higher percentage as was held by the public upon completion of the listing of the shares of the Company on the Stock Exchange). On such completion on 18th January 2012, the public float percentage was approximately 10.28%; the minimum percentage of public float applicable to the Company is therefore 10.28% as prescribed under the waiver.

Based on information that is publicly available to the Company and within the knowledge of its Directors at the date of this report:

- (a) during the year ended 31st December 2025, at least 10.28% of the Company's total number of issued shares were held by the public at all times and the Company has complied with the public float requirement under Listing Rule 13.32B, taking into consideration the aforesaid waiver; and
- (b) at 31st December 2025, (i) the public float of the Company was 16.69%, none of which are held by any trustees holding shares for a share scheme or persons who have disclosed their interests pursuant to Part XV of the SFO, and the remaining 83.31% of the total issued shares are held by a non-public shareholder, namely Swire Pacific Limited, and (ii) the Company's issued shares comprised ordinary shares only, ranking *pari passu* with each other.

Continuing Connected Transactions

During the year ended 31st December 2025, the Group had the following continuing connected transactions, details of which are set out below:

(a) Services Agreement

There is an agreement for services ("Services Agreement"), in respect of which John Swire & Sons (H.K.) Limited ("JS&SHK"), a wholly-owned subsidiary of John Swire & Sons Limited ("Swire"), provides to the Company and its subsidiaries advice and expertise of the directors and officers of the Swire group, including (but not limited to) assistance in negotiating with regulatory and other governmental or official bodies, certain staff services (including full or part time services of members of the staff of the Swire group), certain central services and such other services as may be agreed from time to time, and procured for the Company and its subsidiary, joint venture and associated companies the use of relevant trademarks owned by Swire. No fee is payable in consideration of such procurator obligation or such use. The procurator obligation would fall away if the Services Agreement were terminated or not renewed.

In return for these services, JS&SHK receives annual service fees calculated as 2.5% of the Company's consolidated profit before taxation and non-controlling interests after certain adjustments. The fees for each year are payable in cash in arrear in two instalments, an interim payment by the end of October and a final payment by the end of April of the following year, adjusted to take account of the interim payment. The Company also reimburses the Swire group at cost for most of the expenses incurred in the provision of the services.

The Services Agreement, which was entered into between JS&SHK and the Company on 1st December 2004 and took effect from 1st January 2005, was amended and restated with effect from 1st January 2010 and further amended and restated on 9th August 2019. It has been successively renewed upon expiry of each previous term. Following its latest renewal on 1st October 2025, the current term of the Services Agreement is from 1st January 2026 to 31st December 2028 and it is renewable for successive periods of three

years thereafter unless either party to it gives to the other notice of termination of not less than three months expiring on any 31st December.

Particulars of the fees paid and the expenses reimbursed for the year ended 31st December 2025 are given in note 40 to the financial statements.

(b) Tenancy Framework Agreement

The Company, JS&SHK and Swire Pacific Limited (“Swire Pacific”) entered into a tenancy framework agreement (“Tenancy Framework Agreement”) on 14th August 2014 to govern existing and future tenancy agreements between members of the Group, members of the JS&SHK group and members of the Swire Pacific group. The Tenancy Framework Agreement, which took effect from 1st January 2014, has been successively renewed upon expiry of each previous term. Following its latest renewal on 1st October 2024, the current term of the Tenancy Framework Agreement is from 1st January 2025 to 31st December 2027 and it is renewable for successive periods of three years thereafter unless any party to it gives to the other parties notice of termination of not less than three months expiring on any 31st December. Pursuant to the Tenancy Framework Agreement, members of the Group, members of the JS&SHK group and members of the Swire Pacific group enter into tenancy agreements from time to time on normal commercial terms based on prevailing market rentals.

Particulars of the aggregate rentals payable to the Group under tenancies subject to the Tenancy Framework Agreement for the year ended 31st December 2025 are given in note 40 to the financial statements.

At 31st December 2025, the Swire group was interested in 64.45% of the equity of Swire Pacific and controlled 70.97% of the voting rights attached to shares in Swire Pacific and Swire Pacific owned 83.31% of the Company’s total number of issued shares. JS&SHK, as a wholly-owned subsidiary of Swire, and Swire Pacific are therefore connected persons

of the Company under the Listing Rules. The transactions under the Services Agreement and the Tenancy Framework Agreement are continuing connected transactions in respect of which the Company has complied with the disclosure requirements of Chapter 14A of the Listing Rules and announcements dated 7th August 2025 and 9th May 2024 respectively were published.

The pricing policies applicable to the continuing connected transactions of the Group set out above have been followed when determining the price and terms for such transactions.

As directors and/or employees of the Swire group, Tim Blackburn, Guy Bradley, Adam Fenwick, Fanny Lung, Martin Murray and Richard Sell are interested in the Services Agreement and the Tenancy Framework Agreement. Merlin Swire is so interested as a shareholder, director and employee of the Swire group. Before Raymond Lim ceased to be an adviser to the Swire group in November 2025, he was also interested in these agreements.

The Independent Non-Executive Directors of the Company, who are not interested in any connected transactions with the Group, have reviewed and confirmed that the continuing connected transactions as set out above have been entered into by the Group in the ordinary and usual course of business of the Group, on normal commercial terms or better, and according to the agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The auditors of the Company have also reviewed the continuing connected transactions and confirmed to the Board that nothing has come to their attention that causes them to believe that these transactions have not been approved by the Board of the Company; that these transactions were not, in all material respects, in accordance with the pricing policies of the Group if the transactions involve the provision of goods or services by the Group; that these transactions were not entered into, in all material respects, in accordance with the relevant agreements governing the transactions; and that the relevant annual caps have been exceeded.

Connected Transaction

Sale of Interests in Brickell City Centre in Miami

On 27th June 2025,

- (1) Swire Properties One LLC (the "Retail and Facilities Vendor"), a wholly-owned subsidiary of the Company, entered into a membership interest purchase agreement with SPG BCC Holdco Member, LLC (the "Retail Purchaser"), the ultimate beneficial owner of which was Simon Property Group L.P. ("Simon Property"), for the sale and purchase of 75% of the membership interests in BCC Retail Holdco LLC (the "Retail Interests"), which represented the Retail and Facilities Vendor's entire interests in BCC Retail Holdco LLC. BCC Retail Holdco LLC then owned 100% of the membership interests in Brickell City Centre Retail LLC, which then owned the retail element of Brickell City Centre;
- (2) BCC Parking LLC (the "Parking Vendor"), a wholly-owned subsidiary of the Company, entered into a purchase and sale contract with SPG BCC Parking Owner, LLC (the "Parking Purchaser"), the ultimate beneficial owner of which was Simon Property, for the sale and purchase of all the assets related to the ownership and operation of the parking areas at Brickell City Centre by the Parking Vendor (the "Parking Assets"); and
- (3) The Retail and Facilities Vendor entered into a membership interest purchase agreement with BCC SFM Holdco, LLC (the "Facilities Purchaser"), the ultimate beneficial owner of which was Simon Property, for the sale and purchase of the Retail and Facilities Vendor's 100% of the membership interests in BCC Facilities Manager LLC (the "Facilities Interests"), which then owned certain shared areas and facilities at Brickell City Centre.

The consideration for the Retail Interests, the Parking Assets and the Facilities Interests was up to US\$548,725,001, which included a contingent consideration of up to US\$36,100,000 to be paid later, subject to satisfaction of certain conditions.

As at the date of the aforementioned transaction documents, as (a) the Retail and Facilities Vendor, being a wholly-owned subsidiary of the Company, held a 75% membership interests in BCC Retail Holdco LLC, which was therefore a subsidiary of the Company; and (b) the Retail Purchaser held the remaining 25% membership interests in BCC Retail Holdco LLC, the Retail Purchaser and its associates, the Parking Purchaser and the Facilities Purchaser, were therefore connected persons of the Company under the Listing Rules. Accordingly, the disposal of the Retail Interests, the Parking Assets and the Facilities Interests constituted a connected transaction of the Company. The Company has complied with the disclosure requirements of Chapter 14A of the Listing Rules and an announcement dated 27th June 2025 was published.

The related party transactions set out in note 40 and the disposal of subsidiary companies set out in note 41(c) to the financial statements include transactions that constitute continuing connected transactions and connected transactions as defined in Chapter 14A of the Listing Rules for which the disclosure requirements in accordance with the Listing Rules had been met.

On behalf of the Board

Guy Bradley

Chairman

Hong Kong, 12th March 2026



SUSTAINABILITY REVIEW

Guided by the principle of “Creative Transformation”, we pursue sustainable development with an innovative and forward-looking mindset. This drives us to consistently seek new perspectives and original ideas that challenge convention, creating value for our business and our communities.

In 2025, Swire Properties continued its Sustainable Development (SD) 2030 Strategy which incorporates specific commitments and is designed to integrate sustainability into every aspect of our business. Our SD 2030 Strategy has five pillars:

SD2030

Places | People | Partners | Performance (Environment) | Performance (Economic)

This year marks an important milestone in our SD 2030 Strategy: the successful delivery of our 2025 targets. This concludes a significant chapter in our sustainability journey and also lays a strong foundation for the road ahead. Building on the success and our commitment to sustainability leadership, we are proud to introduce the new SD 2050 vision and mission, supported by our “SD 2050 Strategy”, which will take effect in 2026. This forward-looking strategy sets new ambitious targets and key performance indicators to guide our long-term sustainability journey, embedding sustainability deeper into our operations and driving transformative initiatives in the built environment to deliver our SD 2050 Vision: “Building the World’s Most Sustainable Communities”.

For full details on our 2025 progress and our new SD 2050 Strategy, please refer to our Sustainability Report 2025.



“Make Way For Nature” campaign focused on wellbeing

Hong Kong



Ten university students from Swire Properties Placemaking Academy designed White Christmas Street Fair 2025

Hong Kong

Sustainability We All Count

A renewed edition of the communications campaign was launched from June to August 2025, continuing the “Make Way For Nature” theme with a focus on wellbeing. The campaign’s highlights included two eye-catching installations made from recycled materials at Taikoo Place and Pacific Place. These installations not only invited audiences to appreciate the beauty of nature, but also encouraged them to pause and reconnect with the natural world for a more balanced life.

Places

Places are at the heart of, and central to, the achievement of our SD Strategy.

White Christmas Street Fair 2025

Designed by ten local university students from Swire Properties Placemaking Academy’s (“SPPA”) 2025 cohort, this year’s Street Fair drew inspiration from Hong Kong’s iconic neon lights. Under the theme “Colour the Season – LIGHTS OF HOPE”, the students reimagined the event in response to the Tai Po fire tragedy, transforming vibrant colours into symbols of hope and community solidarity. The fair raised HK\$406,670 for Operation Santa Claus, with Swire Properties matching the amount to support Tai Po relief. Alongside other donations, we raised HK\$1.34 million in relief funding for the victims of the fire.

In addition, five secondary school students from The Placemaking Academy Junior Programme, a collaboration

between SPPA and the E-League Programme run by the Eastern District Office, received trainings by industry experts as emcees at the event.

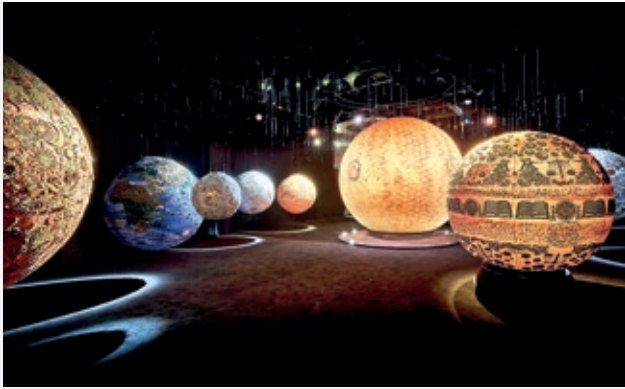
Sustainability remained an important consideration when designing the Street Fair. On-site rental tableware was available to reduce single-use plastic waste, while the traditional neon signs were upcycled into art pieces, with parts of them archived at Swire Archive. Through careful planning in the design and event installations, the Street Fair achieved a waste diversion rate of 96% from landfills.

Swire Properties’ Arts Month 2025

The annual arts and culture event returned in March 2025. Pacific Place hosted the only offsite project for Art Basel Hong Kong’s *Encounters – Lanternfly Ballet* by Monster Chetwynd, while Upper House Hong Kong showcased an exclusive live painting performance by Random International, and Starstreet Precinct presented *Beauty and Gesture* by Laurent Perbos. Taikoo Place featured *ArtisTree Selects: The Jewel System* by Sara Shakeel at ArtisTree and Two Taikoo Place.

Bi-city Youth Cultural Leadership Programme

The Programme, an initiative of Hong Kong Palace Museum with Swire Properties as the Lead Sponsor, entered its fourth edition and cultivated 15 university students from Beijing and Hong Kong this year. Designed to nurture the next generation of cultural talents, the Programme has engaged nearly 150 students since its launch in 2022,



Taikoo Place featured *ArtisTree Selects: The Jewel System* by Sara Shakeel at ArtisTree

Hong Kong



Two Queensway Bridge enhanced accessibility in Admiralty

Hong Kong

offering enriching cultural exchanges and learning activities that foster innovative perspectives.

Two Queensway Bridge

The footbridge officially opened in May 2025, integrating Pacific Place with the existing pedestrian network and significantly enhancing accessibility in Admiralty. The footbridge's design prioritises sustainability and inclusivity, with features such as natural ventilation, energy-efficient skylight windows and lightweight steel construction to minimise environmental impact.

Padel Tour 2025 and Court & Culture

A pop-up padel court returned to Taikoo Place from May to August 2025 at One Taikoo Place, offering nearly 1,000 hours of padel sessions and attracting over 3,300 participants, 70% of whom were office tenants. In October, Court & Culture was launched at One Island East, featuring inclusive public engagements, collaborations with Island East schools, brand partners, and NGO-led initiatives.

People

The contributions of our employees and their wellbeing are critical to our success.

Employees

Swire Properties employs over 7,000 people (including joint venture companies which the Group jointly operates and manages) across our operating regions. Attracting and

developing talented colleagues is central to our success. We are an equal opportunities employer and aim to provide a work environment that is respectful, challenging, rewarding and safe. To promote diversity and inclusion, we set a gender balance target of maintaining female representation at no less than 40%. In 2025, 42.4% of our workforce is female.

In 2025, we offered more than 166,000 hours of training and development in leadership and management, technology, IT, sustainability, diversity and inclusion, languages, health and safety and employee wellness.

As Swire Properties continues to grow, we recognise the importance of scaling our culture alongside the business. The Culture and Values project, launched in 2025, gathered insights from across the company to define what makes us unique and articulate our future direction. Through 23 workshops in Hong Kong and the Chinese Mainland, employees helped shape these core principles.

Health & Safety

In 2025, our commitment to Zero Harm remained on track across the Company and we remain steadfast in our belief that health and safety should never be compromised over our business objectives.

During the year, we maintained zero fatalities and zero serious injuries across our portfolio operations and Swire Hotels operations. We achieved a Lost Time Injury Rate ("LTIR") of 0.26 and Lost Day Rate ("LDR") of 19.63 for



“Court & Culture” featured inclusive public engagements

Hong Kong

portfolio operations and a LTIR of 1.20 and LDR of 13.41 for Swire Hotel operations. Reports of near-misses and hazards reached an all-time high in 2025 – increasing more than eightfold from 2024, indicating a strong and transparent reporting culture across our operations.

We continue to invest in smart technologies to reduce safety risks on construction sites across Hong Kong and the Chinese Mainland. In Hong Kong we are piloting the use of a smart safety harness system on our 269 Queen’s Road East Residential project and on our Taikoo Li Xi’an site, we have implemented the use of 5G remote operated tower cranes and robotic lift installation technology.

Volunteering

In 2025, over 10,800 Community Ambassadors across Hong Kong and the Chinese Mainland dedicated more than 25,400 service hours through 92 engagement activities. The signature initiative “BOOKS FOR LOVE @ \$10” achieved a record-breaking sale of over 300,000 pre-loved books, raising over HK\$1.37 million. “LITTLE FASHION FOR LOVE”, a green initiative that collects and sells pre-loved kidswear, attracted over 7,000 visitors to the charity sale. In 2025, the Swire Properties Community Caring Fund allocated HK\$3.4 million to 24 NGOs. Since 2013, the Fund has donated more than HK\$25 million to 213 initiatives and projects encompassing environmental, community, and children & youth programmes. Notably, we received the “Outstanding Corporate – Excellence Award” at the Hong Kong Volunteer Award 2025 — a meaningful milestone as we celebrate 25th year of the Community Ambassador



Community Ambassador Programme received the “Outstanding Corporate – Excellence Award” at Hong Kong Volunteer Award 2025

Hong Kong

Programme. In addition, we achieved our highest ranking and score to date in the HKCSS Caring Company Scheme, reaching the three-star Leading Performance tier and ranking first overall among over 20 companies in the top tier. We were also honoured with the “Performance Recognition: Leading Performance” and the “Special Listing: Caregiver-friendly Company” awards, underscoring our strong governance, collaborative social initiatives, and support for working caregivers.

In the Chinese Mainland, over 1,200 Community Ambassadors volunteered for the annual “Walk for Love” charity project, with over 300,000 km of accumulated walks achieved. The initiative raised funds to purchase 500 cotton-filled vests to three primary schools in Qinghai.

Partners

Our business partners play a critical part in the success of our SD 2030 Strategy.

Suppliers

We proactively engage our suppliers in our approach to sustainable development. We have our Supplier Code of Conduct to address and manage risks related to regulatory compliance, environmental protection, health and safety, labour practices, human rights, product responsibility and sustainable purchasing in our supply chain. We perform supplier ESG screening to all active suppliers, assessing their ESG risk exposure specific to their country of operation and industry. In 2025, HK\$1,722 million worth of sustainable products and services were procured.



“BOOKS FOR LOVE @ \$10” achieved a record-breaking sale of pre-loved books
Hong Kong



1,200 Community Ambassadors volunteered for the annual **“Walk for Love”**
Chinese Mainland

We also hosted engagement webinars for our suppliers in Hong Kong and the Chinese Mainland to share the company's sustainability vision and the evolving ESG risks facing our industry.

Tenants

We work closely with our commercial tenants to embed sustainability into their fit-out and operations through our bespoke engagement programmes.

Our Green Performance Pledge (“GPP”), a pioneering sustainability initiative for our office tenants, continued to flourish in Hong Kong and the Chinese Mainland. 186 office tenants enrolled, representing over 5.8 million square feet or 66% of occupied office lettable floor area¹, overachieving our 2025 target of 50% signup rate.

Over 140 outlets in Hong Kong and the Chinese Mainland participated in our Green Kitchen Initiative (“GKI”), promoting sustainable practices among F&B tenants. In 2025, while we continued to grow the Sustainable Fit-out Recognition Scheme, we also introduced the new Sustainable Operations Recognition Scheme.

Green Retail Partnership (“GRP”) continues to gain traction. Our strategic partnership with luxury conglomerate LVMH made significant progress, forming a GRP Committee with 10 of the conglomerate’s maisons to

¹ Measured by occupied lettable floor area (“LFA”) of office portfolios at 100% basis comprising of Taikoo Place and Pacific Place in Hong Kong and Taikoo Hui Guangzhou in the Chinese Mainland, as of 31st December 2025.

plan and adopt a jointly-developed eco-design checklist for new stores. We also signed a memorandum of understanding (“MOU”) with Kering in July 2025 to work together to enhance ESG performance across their stores in Swire Properties’ retail malls in Hong Kong and the Chinese Mainland.

Performance (Environment)

As a leading property developer, we are committed to building and managing our developments sustainably.

Climate Change

In 2025, we continued to progress steadily towards our 1.5°C-aligned science-based targets, as part of our core strategy to reach net-zero emissions by 2050. We have committed to achieving an absolute Scope 1 and 2 carbon reduction of 25% compared to the 2019 baseline. In 2025, 52% absolute Scope 1 and 2 carbon reduction was achieved as we continued to adopt innovative low-carbon technologies and investment in energy research and development.

We are proud to be the first company in Hong Kong and the Chinese Mainland to have its science-based targets (“SBTs”) validated and approved under the new SBTi Buildings Sector Science-Based Target-Setting Criteria (“Buildings Criteria”). This establishes our near-term and long-term, sector-specific decarbonisation trajectory aligned with the Paris Agreement, reinforcing our participation in the Business Ambition for 1.5°C and the United Nations Framework Convention on Climate Change (“UNFCCC”) Race to Zero campaign.



Green Performance Pledge continues to gain traction

Hong Kong and Chinese Mainland



Signed a memorandum of understanding with Kering to enhance ESG performance

Hong Kong and Chinese Mainland

Energy

In 2025, our electricity-use intensity decreased by 17.3% compared to the 2019 baseline at our Hong Kong and Chinese Mainland properties. The reduction reflected better monitoring of heating, ventilation and air-conditioning (“HVAC”) systems via our cloud-based smart-energy management platform; upgrading chillers; installation of variable speed drives and energy valves; and more energy-efficient lighting.

We continue to expand our Photovoltaic, Energy Storage, Direct Current, and Flexible (“PEDF”) system, now implemented at Taikoo Li Sanlitun and Taikoo Hui Guangzhou, and expanding to Taikoo Li Chengdu, Pacific Place and Citygate in Hong Kong, with the aim of reducing our carbon emissions by about 10% compared to conventional power distribution systems. Both Taikoo Li Sanlitun (design and operation) and Taikoo Li Chengdu (design) received Three-Star Building PEDF System Ratings.

Resources & Circularity

In 2025, we continued working with our hotels, restaurants and tenants to promote food waste reduction and recycling. More than 9,100 tonnes of food waste was collected from our Hong Kong and Chinese Mainland portfolios and hotels. To strengthen waste segregation, we partnered with Green Council to implement a monthly inspection programme covering 85 F&B outlets in Citygate Outlets, Cityplaza, Pacific Place, and Taikoo Place.

As part of the redevelopment of The Opposite House hotel into a retail landmark (Building N1), over 95% of demolished materials were diverted from landfill through reuse and recycling. In the Chinese Mainland, we also initiated a first-of-its-kind “open ceiling” solution and removed fixed floor boxes for the handover of new office premises in Taikoo Place Beijing and Lujiazui Taikoo Yuan, with world-class standards and quality. This solution tackles the issues of abortive construction work and reduces waste.

Nature and Biodiversity

In 2025, Swire Properties developed its Nature Transition Plan (“the Plan”) which aims to halt and reverse biodiversity loss while supporting our placemaking effort, creating a harmonious environment for business, people, and nature. The Plan aligns with global frameworks, including the United Nations Global Biodiversity Framework (GBF), China National Biodiversity Strategy and Action Plan (2023-2030) (China NBSAP), and Hong Kong Biodiversity Strategy and Action Plan 2035. Swire Properties commits to proactively adopting nature-based solutions, nature-positive design and management practices across its operations, and collaborating with its value chain partners to achieve no net loss of biodiversity and, wherever possible, delivers a net gain in biodiversity by minimising land use conversion, promoting sustainable use of natural resources, enhancing urban biodiversity and improving water resource management.



Taikoo Hui Guangzhou became the world's first commercial building to achieve BEAM Plus EB Global v1.0 Final Platinum Chinese Mainland

We partnered with Kadoorie Farm and Botanic Garden (“KFBG”) to conduct a one-year biodiversity baseline study, documenting the biodiversity and conservation value of our four developments in Hong Kong – Taikoo Place, Cityplaza, Pacific Place and Citygate – through regular faunal and floral surveys. The baseline biodiversity study was completed in 2025, and the study results provided insights into our biodiversity monitoring work and will inform efforts to enhance biodiversity conservation at all our properties in the future.

Green Buildings

In 2025, six properties in Pacific Place and eight Taikoo Place office buildings were awarded WELL Core v2.0 Platinum, while five other Taikoo Place office buildings achieved LEED v4.1 Operations and Maintenance Platinum certification. This brings the total to 16 buildings across Pacific Place and Taikoo Place holding quadruple Platinum certification across BEAM Plus, LEED, WELL, and WiredScore schemes. Additionally, Taikoo Hui Guangzhou became the world's first commercial building to achieve BEAM Plus EB Global v1.0 Final Platinum.

Our sustainability leadership was honoured across key industry awards: we received the Environmental Impact Award at the RICS Hong Kong Awards 2025 and the Pioneer Award in Green Building Leadership (Developer Category) at the Hong Kong Green Building Award 2025 – marking our second win in this sub-category and our fourth in the category overall. Taikoo Li Sanlitun in Beijing was also



Sustainability leadership was further honoured across key industry awards Hong Kong

recognised as the winner in the Project Outside Hong Kong Category and received the Most Popular Award at the Building Surveyor Awards 2025.

Performance (Economic)

We believe that long-term value creation depends on the sustainable development of our business.

Details of our financial performance in 2025 can be found in other parts of this report.

As of 31st December 2025, approximately 70% of our financing was derived from green bonds and sustainability-linked loans. During the year, we issued green bonds totalling approximately HK\$4.5 billion and arranged sustainability-linked loans amounting to approximately HK\$5.1 billion.

We publish our integrated Climate and Nature-related Financial Disclosures in accordance with the applicable provisions set out in Part D of the Environmental, Social and Governance Reporting Code (“HKEX ESG Code”) contained in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Our disclosures were also prepared with reference to International Financial Reporting Standards S2 and Hong Kong Financial Reporting Standards S2 and Taskforce on Nature-related Financial Disclosures (“TNFD”) Recommendations.

Further details of our sustainable development performance, including details of our SD 2030 Strategy, can be found in our Sustainability Report 2025.



Upper House Hong Kong



FINANCIAL CONTENTS

AUDITOR'S REPORT AND ACCOUNTS

138	Independent Auditor's Report
142	Consolidated Statement of Profit or Loss
143	Consolidated Statement of Other Comprehensive Income
144	Consolidated Statement of Financial Position
145	Consolidated Statement of Cash Flows
146	Consolidated Statement of Changes in Equity
147	Notes to the Financial Statements
207	Accounting Policies
210	Principal Subsidiary, Joint Venture and Associated Companies

SUPPLEMENTARY INFORMATION

213	Schedule of Principal Group Properties
223	Glossary
224	Financial Calendar and Information for Investors

INDEPENDENT AUDITOR'S REPORT



To the Shareholders of Swire Properties Limited
(incorporated in Hong Kong with limited liability)

Opinion

What we have audited

The consolidated financial statements of Swire Properties Limited (the “Company”) and its subsidiaries (the “Group”), which are set out on pages 142 to 212, comprise:

- the consolidated statement of financial position as at 31st December 2025;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of other comprehensive income for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the consolidated statement of changes in equity for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31st December 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 (“HKSA”) 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “Code”), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter

Valuation of investment properties

Refer to notes 16, 20, 21 to the Group's consolidated financial statements

The Group's investment properties held by subsidiary companies, joint venture companies and associated companies are carried at fair value as at 31st December 2025, with changes in fair value recorded in the consolidated statement of profit or loss for the year.

Valuations were obtained from a third party valuer (the "valuer") in respect of the majority of the investment properties as at 31st December 2025. The valuations of both completed investment properties and investment properties under development are dependent on the key assumptions, namely market rents and capitalisation rates that require significant management estimates and judgement. The valuation of investment properties under development involves other assumptions such as estimated construction costs to complete and expected developer's profit margin.

We focused on the valuation of investment properties due to the significant judgement and estimates involved in determining the valuation.

How our audit addressed the Key Audit Matter

Our procedures in relation to management's valuation of investment properties included:

- Understanding management's controls and processes for determining the valuation of investment properties and assessing the inherent risk of material misstatement by considering the degree of estimation uncertainty and the judgement involved in determining assumptions to be applied;
- Evaluating the valuer's competence, capabilities and objectivity;
- Reading the external valuation reports and assessing the appropriateness of methodologies used;
- Comparing the market rents and capitalisation rates used by the valuer to an estimated range, determined by reference to publicly available information and recent lettings of the subject properties, on a sample basis, with the involvement of our in-house valuation experts;
- For investment properties under development, comparing the estimated construction costs to complete with management's budgets and testing, on a sample basis, the construction costs to supporting documentation such as quantity surveyor reports and signed contracts, where available, and comparing the expected developer's profit margin used by the valuer to an estimated range with the involvement of our in-house valuation experts; and
- Checking, on a sample basis, the rental data provided by management to the valuer by agreeing them to rental agreements and other supporting evidence.

We found the key assumptions were supported by the available evidence.

Other Information

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon. The other information does not include the specific information presented therein that is identified as being an integral part of the consolidated financial statements and, therefore, covered by our audit opinion on the consolidated financial statements.

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 the Directors and the Audit Committee 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.

The Audit Committee is 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. We report our opinion solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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 consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and 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 the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Tsang Nga Kwan (practising certificate number: P05155).

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 12th March 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31st December 2025

	Note	2025 HK\$M	2024 HK\$M
Revenue	4	16,041	14,428
Cost of sales	5	(5,384)	(4,258)
Gross profit		10,657	10,170
Administrative and selling expenses		(2,273)	(2,195)
Other operating expenses	40	(192)	(182)
Other net losses	6	(179)	(95)
Gains on disposal of subsidiary companies	41 (c)	40	–
Change in fair value of investment properties		(6,095)	(5,996)
Operating profit		1,958	1,702
Finance charges		(1,218)	(1,224)
Finance income		264	233
Net finance charges	10	(954)	(991)
Share of profit less losses of joint venture companies		(1,472)	704
Share of profit less losses of associated companies		214	122
(Loss)/Profit before taxation		(254)	1,537
Taxation	11	(1,297)	(2,138)
Loss for the year		(1,551)	(601)
Loss for the year attributable to:			
The Company's shareholders	34	(1,533)	(766)
Non-controlling interests	36	(18)	165
		(1,551)	(601)
		HK\$	HK\$
Loss per share from loss attributable to the Company's shareholders (basic and diluted)	14	(0.27)	(0.13)

The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the year ended 31st December 2025

	2025 HK\$M	2024 HK\$M
Loss for the year	(1,551)	(601)
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Revaluation of properties previously occupied by the Group		
– (losses)/gains recognised during the year	(21)	1
Defined benefit plans		
– remeasurement gains recognised during the year	77	132
– deferred tax	(13)	(22)
Net translation differences recognised during the year	81	(59)
	124	52
Items that may be reclassified subsequently to profit or loss		
Cash flow hedges		
– (losses)/gains recognised during the year	(98)	120
– transferred to net finance charges	(5)	(55)
– deferred tax	16	(10)
Share of other comprehensive income of joint venture and associated companies recognised during the year	1,261	(856)
Net translation differences recognised during the year	1,560	(1,347)
	2,734	(2,148)
Other comprehensive income for the year, net of tax	2,858	(2,096)
Total comprehensive income for the year	1,307	(2,697)
Total comprehensive income attributable to:		
The Company's shareholders	1,244	(2,803)
Non-controlling interests	63	106
	1,307	(2,697)

The above consolidated statement of other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31st December 2025

	Note	2025 HK\$M	2024 HK\$M
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	15	3,414	3,404
Investment properties	16	268,407	271,617
Intangible assets	17	1,494	1,444
Right-of-use assets	18	2,646	2,786
Properties held for development	19	60	1,201
Joint venture companies	20	21,460	21,167
Loans due from joint venture companies	20	13,197	14,963
Associated companies	21	10,979	10,296
Loans due from associated companies	21	571	580
Derivative financial instruments	30	–	65
Deferred tax assets	31	414	108
Financial assets at fair value through profit or loss		670	638
Other non-current assets	24	281	–
Retirement benefit assets	32	137	66
		323,730	328,335
Current assets			
Properties for sale	23	15,448	12,676
Stocks		90	75
Trade and other receivables	24	4,033	4,205
Derivative financial instruments	30	48	2
Cash and cash equivalents	25	10,183	5,121
		29,802	22,079
Assets classified as held for sale	26	–	5,012
		29,802	27,091
Current liabilities			
Trade and other payables	27	14,332	11,993
Contract liabilities		1,782	637
Taxation payable		304	261
Derivative financial instruments	30	3	–
Long-term loans and bonds due within one year	29	9,349	6,760
Lease liabilities due within one year	28	90	86
		25,860	19,737
Liabilities associated with assets classified as held for sale	26	–	43
		25,860	19,780
Net current assets		3,942	7,311
Total assets less current liabilities		327,672	335,646
Non-current liabilities			
Long-term loans and bonds	29	39,894	41,587
Long-term lease liabilities	28	390	434
Derivative financial instruments	30	80	19
Other payables	27	356	403
Deferred tax liabilities	31	15,610	14,776
		56,330	57,219
NET ASSETS		271,342	278,427
EQUITY			
Share capital	33	10,449	10,449
Reserves	34	259,011	264,877
Equity attributable to the Company's shareholders		269,460	275,326
Non-controlling interests	36	1,882	3,101
TOTAL EQUITY		271,342	278,427

Guy Bradley

May Wu

Directors

Hong Kong, 12th March 2026

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31st December 2025

	Note	2025 HK\$M	2024 HK\$M
Operating activities			
Cash generated from operations	41(a)	10,024	6,489
Interest paid		(1,726)	(1,709)
Interest received		128	133
Tax paid		(1,199)	(1,276)
		7,227	3,637
Dividends received from joint venture and associated companies and financial assets at fair value through profit or loss		244	125
Net cash from operating activities		7,471	3,762
Investing activities			
Purchase of property, plant and equipment	41(b)	(182)	(276)
Additions of investment properties		(1,958)	(4,169)
Purchase of intangible assets		(43)	(46)
Proceeds from disposal of investment properties		872	454
Proceeds from disposal of subsidiary companies, net of cash disposed of	41(c)	4,524	–
Payment for acquisition of a subsidiary company, net of cash acquired	41(e)	(272)	–
Purchase of shares in joint venture companies		–	(712)
Purchase of financial assets at fair value through profit or loss		(32)	(17)
Equity to joint venture companies		(942)	(1,032)
Loans to joint venture companies		(108)	(779)
Repayment of loans by joint venture companies		1,335	605
Loans to associated companies		–	(298)
Initial leasing costs incurred		(4)	(7)
Net cash from/(used in) investing activities		3,190	(6,277)
Net cash inflow/(outflow) before financing activities		10,661	(2,515)
Financing activities			
Loans drawn and refinanced		10,420	8,408
Bonds issued		4,395	6,904
Repayment of loans and bonds		(15,008)	(7,535)
Advances from associated companies	41(d)	2,204	2,049
Principal elements of lease payments		(92)	(83)
		1,919	9,743
Capital contribution from non-controlling interests		–	33
Purchase of interest in a subsidiary through the settlement of put option		(570)	–
Repurchase of the Company's shares	33	(738)	(723)
Dividends paid to the Company's shareholders	34	(6,401)	(6,201)
Dividends paid to non-controlling interests	36	(105)	(95)
Net cash (used in)/from financing activities		(5,895)	2,757
Increase in cash and cash equivalents		4,766	242
Cash and cash equivalents at 1st January		5,212	5,097
Effect of exchange differences		205	(127)
Cash and cash equivalents at 31st December		10,183	5,212
Represented by:			
Bank balances and short-term deposits maturing within three months			
– Include in bank balances and short-term deposits	25	10,183	5,121
– Include in assets classified as held for sale		–	91
		10,183	5,212

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st December 2025

	Note	Attributable to the Company's shareholders				Non-controlling interests HK\$M	Total equity HK\$M
		Share capital HK\$M	Revenue reserve HK\$M	Other reserves HK\$M	Total HK\$M		
At 1st January 2025		10,449	269,080	(4,203)	275,326	3,101	278,427
Loss for the year		–	(1,533)	–	(1,533)	(18)	(1,551)
Other comprehensive income		–	64	2,713	2,777	81	2,858
Total comprehensive income for the year	34, 36	–	(1,469)	2,713	1,244	63	1,307
Increase in share of net assets of subsidiary companies	36	–	–	–	–	193	193
Derecognition upon disposal of subsidiary companies	41(c)	–	–	–	–	(1,370)	(1,370)
Repurchase of the Company's shares		–	(709)	–	(709)	–	(709)
Dividends paid		–	(6,401)	–	(6,401)	(105)	(6,506)
Transfer		–	12	(12)	–	–	–
At 31st December 2025		10,449	260,513	(1,502)	269,460	1,882	271,342

	Note	Attributable to the Company's shareholders				Non-controlling interests HK\$M	Total equity HK\$M
		Share capital HK\$M	Revenue reserve HK\$M	Other reserves HK\$M	Total HK\$M		
At 1st January 2024		10,449	276,689	(2,056)	285,082	3,067	288,149
Loss for the year		–	(766)	–	(766)	165	(601)
Other comprehensive income		–	110	(2,147)	(2,037)	(59)	(2,096)
Total comprehensive income for the year	34, 36	–	(656)	(2,147)	(2,803)	106	(2,697)
Capital contribution from non-controlling interests	36	–	–	–	–	23	23
Repurchase of the Company's shares		–	(752)	–	(752)	–	(752)
Dividends paid		–	(6,201)	–	(6,201)	(95)	(6,296)
At 31st December 2024		10,449	269,080	(4,203)	275,326	3,101	278,427

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

General Information

The Company is a limited liability company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited. The principal activity of the Company is that of a holding company. The principal activities of its major subsidiary, joint venture and associated companies are shown on pages 210 to 212.

1. Changes in Accounting Policies and Disclosures

(a) The following revised standards were required to be adopted by the Group effective from 1st January 2025:

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability
-----------------------------------	-------------------------

The revised standards did not have a significant effect on the Group's consolidated financial statements or accounting policies.

(b) The Group has not early adopted the following new and revised standards and interpretation that have been issued but are effective for annual periods beginning on or after 1st January 2026 in preparing these consolidated financial statements.

Amendments to HKFRS 9 and HKFRS 7 Annual Improvements Project	Classification and Measurement of Financial Instruments ¹ Annual Improvements to HKFRS Accounting Standards – Volume 11 ¹
Amendments to HKFRS 9 and HKFRS 7 HKFRS 18	Contracts Referencing Nature-dependent Electricity ¹ Presentation and Disclosure in Financial Statements ²
HKFRS 19	Subsidiaries without Public Accountability: Disclosures ²
Amendments to HK-Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³

¹ To be applied by the Group from 1st January 2026.

² To be applied by the Group from 1st January 2027.

³ The effective date is to be determined.

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. Based on a preliminary assessment, except for HKFRS 18 which may have an impact to the presentation of the consolidated financial statements for the year ending 31st December 2027, none of the remaining new and revised standards and interpretation are expected to have a significant effect on the Group's consolidated financial statements.

(c) In December 2021, the Organisation for Economic Co-operation and Development (“OECD”) issued model rules for a new global minimum tax framework (“Pillar Two”), commonly known as BEPS 2.0, and various governments around the world have issued, or are in the process of issuing, legislation on this. Pillar Two legislation in Hong Kong, namely the Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Group) Ordinance 2025, was enacted on 6th June 2025 and the rules take retrospective effect from 1st January 2025. Respective governments of the Group's other major operating regions have not substantively enacted the legislation on Pillar Two as of the date of approval of these 2025 financial statements. In conjunction with the ultimate holding company of the Group, an assessment was performed on the various regions that the Group has operations and no material exposure was identified or recognised during the year ended 31st December 2025.

2. Financial Risk Management

Financial risk factors

In the normal course of business the Group is exposed to financial risks attributable to interest rates, currencies, credit and liquidity.

Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(i) Interest rate exposure

The Group's interest rate risk arises primarily from borrowings. Borrowings at variable rates expose the Group to cash flow interest rate risk. Borrowings at fixed rates expose the Group to fair value interest rate risk. The Group earns interest income on cash deposits and some loans due from joint venture and associated companies.

The Group uses interest rate swaps to manage its long-term interest rate exposure.

The impact on the Group's consolidated statements of profit or loss and other comprehensive income of a 100 basis-points increase or decrease in market interest rates from the rates applicable at 31st December, with all other variables held constant, would have been:

	100 basis-points increase in interest rates HK\$M	100 basis-points decrease in interest rates HK\$M
At 31st December 2025		
Impact on profit or loss: (losses)/gains	(35)	35
Impact on other comprehensive income: gains/(losses)	90	(92)
At 31st December 2024		
Impact on profit or loss: (losses)/gains	(123)	123
Impact on other comprehensive income: gains/(losses)	72	(73)

This analysis is based on a hypothetical situation, as in practice market interest rates rarely change in isolation, and should not be considered a projection of likely future profit or losses. The analysis assumes the following:

- Changes in market interest rates affect the interest income or expense of floating rate financial instruments
- Changes in market interest rates only affect interest income or expense in relation to fixed rate financial instruments if these are recognised at fair value
- Changes in market interest rates affect the fair value of derivative financial instruments
- All other financial assets and liabilities are held constant

2. Financial Risk Management *(continued)*

(ii) Currency exposure

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to United States dollars and Chinese Renminbi. Foreign exchange risk arises from the foreign currency denomination of commercial transactions, assets and liabilities, and net investments in foreign operations.

The Group is not subject to any significant foreign currency risk as the revenue, expenses and borrowings of the Group's foreign operating subsidiaries are denominated in the functional currencies of those operations. However, the Group is exposed to insignificant foreign exchange risk on United States dollar medium-term notes and the Group managed this exposure by hedging through cross-currency swap contracts entered by the Group.

Exposure arising from the Group's investments in operating subsidiaries with net assets denominated in foreign currencies is reduced, where practical, by providing funding in the same currency.

Foreign currency funding and deposit exposure is monitored by the treasury department on a continuous basis. The Chief Financial Officer of the Group approve all foreign currency hedges prior to implementation.

The impact on the Group's consolidated statements of profit or loss and other comprehensive income of a strengthening or weakening in the Hong Kong dollar against the United States dollar from the year-end rate of 7.7831 (2024: 7.7632), with all other variables held constant, would have been:

	Strengthening in HKD to lower peg limit (7.75) HK\$M	Weakening in HKD to upper peg limit (7.85) HK\$M
At 31st December 2025		
Impact on profit or loss	–	–
Impact on other comprehensive income: (losses)/gains	(1)	1
At 31st December 2024		
Impact on profit or loss	–	–
Impact on other comprehensive income	–	–

The analysis is based on a hypothetical situation, as in practice market exchange rates rarely change in isolation, and should not be considered a projection of likely future profits or losses. The analysis assumes the following:

- All foreign currency cash flow hedges are highly effective
- Currency risk does not arise from financial assets or liabilities denominated in the functional currencies of the Company and its subsidiary companies
- Currency risk does not arise from financial instruments that are non-monetary items

2. Financial Risk Management *(continued)*

(iii) Credit exposure

The Group's credit risk is primarily attributable to trade and other receivables, derivative financial instruments, receivables from joint venture companies and associated companies and cash and deposits with banks and financial institutions.

Risk management

The exposure to these credit risks is closely monitored on a continuous basis by reference to established credit policies. For banks and financial institutions, only independently rated parties with investment grade credit ratings are accepted as counterparties. Tenants are assessed and rated based on their credit quality, taking into account their financial position, past experience and other factors. The Group does not grant credit terms to its customers, except to corporate customers in the hotel division where commercial trade credit terms are given. The Group also holds non-interest-bearing rental deposits as security against trade debtors. In addition, the Group and the Company monitor the exposure to credit risk in respect of the financial assistance provided to subsidiary, joint venture and associated companies through exercising control, joint control or significant influence over their financial and operating policy decisions and reviewing their financial positions on a regular basis.

The Group has the following major types of assets that are subject to the expected credit loss model:

- Trade receivables
- Other financial assets at amortised cost

Trade receivables

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for trade receivables. As the Group's historical credit loss experience does not indicate different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished among the Group's different customer segments. The expected loss rates are based on historical payment profiles. These rates are adjusted to reflect current and forward-looking information about economic conditions.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators include the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 120 days past due. Impairment charges on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited to the same line item.

Other financial assets at amortised cost

Other financial assets at amortised cost include other receivables and loans due from related parties. Loans due from joint venture, associated and other related companies are considered to have low credit risk as the financial positions and performances of these companies are regularly monitored and reviewed by management of the Group.

2. Financial Risk Management *(continued)*

(iv) Liquidity exposure

The Group takes liquidity risk into consideration when deciding its sources of funds and their tenors, so as to avoid over reliance on funds from any one source and to prevent substantial refinancing in any one period. Cash flow forecasting is performed in the operating entities of the Group and aggregated by the head office. The head office monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable, external regulatory or legal requirements.

The tables below analyse the contractual undiscounted cash flows of the Group's non-derivative financial liabilities and net-settled derivative financial liabilities by relevant maturity groupings based on the remaining periods at the year-end date to the earliest contractual maturity dates.

At 31st December 2025

	Note	Carrying amount HK\$M	Total contractual undiscounted cash flow HK\$M	Within 1 year or on demand HK\$M	More than 1 year but less than 2 years HK\$M	More than 2 years but less than 5 years HK\$M	More than 5 years HK\$M
Trade creditors	27	831	831	831	–	–	–
Rental deposits from tenants	27	2,936	2,936	724	685	1,133	394
Other payables	27	10,565	10,565	10,565	–	–	–
Lease liabilities	28	480	540	105	88	181	166
Borrowings (including interest obligations)	29	49,243	53,147	10,478	12,525	24,813	5,331
Derivative financial instruments	30	83	83	3	18	62	–
Financial guarantee contracts	38	–	2,910	2,910	–	–	–
		64,138	71,012	25,616	13,316	26,189	5,891

At 31st December 2024

	Note	Carrying amount HK\$M	Total contractual undiscounted cash flow HK\$M	Within 1 year or on demand HK\$M	More than 1 year but less than 2 years HK\$M	More than 2 years but less than 5 years HK\$M	More than 5 years HK\$M
Trade creditors	27	933	933	933	–	–	–
Rental deposits from tenants	27	2,942	2,942	756	590	1,251	345
Other payables	27	7,465	7,465	7,465	–	–	–
Put option in respect of a non-controlling interest	27	653	653	653	–	–	–
Lease liabilities	28	520	593	102	85	191	215
Borrowings (including interest obligations)	29	48,347	51,851	8,076	12,059	29,753	1,963
Derivative financial instruments	30	19	19	–	–	19	–
Financial guarantee contracts	38	–	4,208	4,208	–	–	–
		60,879	68,664	22,193	12,734	31,214	2,523

3. Critical Accounting Estimates and Judgements

Estimates and judgements used in preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, inevitably, seldom be equal to the related actual results. The estimates and assumptions that have a significant effect on the carrying amounts of assets and liabilities are discussed in the relevant notes as follows:

- (a) Impairment of property, plant and equipment (note 15)
- (b) Fair value of investment properties (note 16)
- (c) Impairment of goodwill (note 17)

4. Revenue

Accounting Policy

Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain benefits from the good or service. Provided the collectability of the related receivable is probable, revenue is recognised as follows:

- (a) Rental income is recognised when a lease commences. According to the contractual terms, leased properties do not have alternative uses to the Group after the leasing period stipulated in the signed tenancy agreements commence. Rental income is recognised on a straight-line basis over the shortest of (i) the remaining lease term, (ii) the period to the next rent review date and (iii) the period from the commencement date of the lease to the first break option date (if any), exclusive of any turnover rent (if applicable) and other charges and reimbursements (if any). Where the lease includes a rent-free period, the rental income foregone is allocated evenly over the lease term. Turnover rent is recognised when the lessee's revenue transaction is recognised. Rental income forgiven (not recognised as an expected credit loss of operating lease receivables) is treated as a lease modification, and the revised future lease income under the new lease, including any prepaid or accrued lease income relating to the original lease is subsequently recognised as income on a straight-line basis.
- (b) The Group develops and sells residential properties. Revenue is recognised when control over the property has been transferred to the buyers. According to the contractual terms, the properties generally do not have alternative uses to the Group after the signing of sales contracts with the buyers. However, in Hong Kong, the Chinese Mainland and the U.S.A., an enforceable right to payment does not arise until legal title of the property has been transferred to the buyer. Therefore, revenue is recognised upon completion of the transfer of legal title to the buyer.
- (c) Sale of goods are recognised when control of the goods has transferred, being when the goods are delivered to the customer, the customer has full discretion over the use of the goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Sales of food and beverages happen at a point in time and do not include any significant separate performance obligations.
- (d) Sales of services, including services provided by hotel operations and estate management, are recognised when the services are rendered. Revenue is recognised over time rather than at a point in time.

In determining the transaction price, the Group adjusts the promised amount of consideration for the effect of a financing component if it is significant.

4. Revenue (continued)

Accounting Policy (continued)

Definition of terms

Contract asset: An entity's right to consideration in exchange for goods or services that the entity has transferred to a customer when that right is conditional on something other than the passage of time (for example, the entity's future performance).

Contract liability: An entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer.

When the Group enters into sale and purchase contracts for properties or sale contracts for services other than tenancy agreements, if the performance obligations fulfilled by the Group exceed the total payments received to date, a contract asset is recognised; if the total payments received to date exceed the performance obligation fulfilled, a contract liability is recognised. Deposits received upon signing of sale and purchase contracts, or sale contracts are recognised as contract liabilities.

Contract asset and contract liability are defined in HKFRS 15 "Revenue from Contracts with Customers". These two terms do not apply to rental income from lease agreements, which is specifically excluded from the scope of HKFRS 15.

Revenue represents sales by the Company and its subsidiary companies to external customers which comprises:

	2025 HK\$M	2024 HK\$M
Gross rental income from investment properties	12,879	13,316
Property trading	2,110	88
Hotels	917	888
Rendering of other services	135	136
	16,041	14,428
	2025 HK\$M	2024 HK\$M
Revenue recognised in the current reporting period that was related to the contract liability balance at the beginning of the year	–	5

Of the contract liabilities of HK\$1,782 million outstanding at 31st December 2025 (2024: HK\$637 million), HK\$269 million (2024: nil) is expected to be recognised as revenue within one year and the remaining balance of HK\$1,513 million (2024: HK\$637 million) after one year.

The following table shows unsatisfied performance obligations resulting from contracts with customers.

	2025 HK\$M	2024 HK\$M
Aggregate amount of the transaction price allocated to revenue contracts that are partially or fully unsatisfied at the end of the year	11,218	5,286

Of the amount disclosed above at 31st December 2025, HK\$3,087 million (2024: nil) is expected to be recognised as revenue within one year and the remaining balance of HK\$8,131 million (2024: HK\$5,286 million) after one year.

5. Cost of Sales

	2025 HK\$M	2024 HK\$M
Direct rental outgoings in respect of investment properties that		
– generated rental income	2,987	3,034
– did not generate rental income	327	313
	3,314	3,347
Property trading	1,214	62
Hotels	856	849
	5,384	4,258

6. Other Net Losses

	2025 HK\$M	2024 HK\$M
Losses on disposal of investment properties	(89)	–
Losses on disposal of property, plant and equipment	(5)	(10)
Losses on disposal of assets classified as held for sale	–	(220)
Change in fair value of assets classified as held for sale	–	(2)
Reversal on impairment loss on a hotel held as part of a mixed-use development	–	15
Net foreign exchange gains	17	2
Others	(102)	120
	(179)	(95)

7. Expenses by Nature

Expenses included in cost of sales, administrative and selling expenses, and other operating expenses are analysed as follows:

	2025 HK\$M	2024 HK\$M
Impairment charged on trade receivables (note (i))	4	33
Depreciation of property, plant and equipment (note 15)	372	313
Depreciation of right-of-use assets		
– leasehold land held for own use	31	31
– property	48	48
Amortisation of		
– intangible assets (note 17)	53	71
– initial leasing costs in respect of investment properties	83	52
Staff costs (note (ii))	2,423	2,364
Other lease expenses (note (iii))	31	33
Auditors' remuneration		
– audit services	15	14
– tax services	1	1
– other services	6	5

Notes:

- (i) The amounts include impairment charges relating to expected credit losses on forgiveness of lease payments of operating lease receivables, i.e. rent concessions granted to tenants during the year, under HKFRS 9 (2025: nil; 2024: HK\$27 million).
- (ii) The staff costs on a divisional basis are: Property investment of HK\$1,881 million (2024: HK\$1,810 million), Property trading of HK\$114 million (2024: HK\$94 million) and Hotels of HK\$428 million (2024: HK\$460 million).
- (iii) These expenses relate to short-term leases and leases of low-value assets. They are directly charged to the consolidated statement of profit or loss and are not included in the measurement of lease liabilities under HKFRS 16.

8. Segment Information

The Group is organised on a divisional basis: Property investment, Property trading and Hotels. The reportable segments within each of the three divisions are classified according to the nature of the business.

Accounting Policy

Segment information is reported in a manner consistent with the Group's internal financial reporting provided to the Executive Directors for making strategic decisions. A reportable segment comprises either one or more operating segments which can be aggregated together because they share similar economic characteristics or single operating segments which are discloseable separately because they cannot be aggregated or because they exceed certain quantitative thresholds.

(a) Information about reportable segments

Analysis of Consolidated Statement of Profit or Loss

	External revenue HK\$M	Inter-segment revenue HK\$M	Operating profit/(losses) after depreciation and amortisation HK\$M	Finance charges HK\$M	Finance income HK\$M	Share of profit less losses of joint venture companies HK\$M	Share of profit less losses of associated companies HK\$M	Profit/(Losses) before taxation HK\$M	Taxation HK\$M	Profit/(Losses) for the year HK\$M	Profit/(Losses) attributable to the Company's shareholders HK\$M	Depreciation and amortisation charged to operating profit HK\$M
Year ended												
31st December 2025												
Property investment	13,014	4	7,663	(1,199)	223	716	(8)	7,395	(1,004)	6,391	6,363	(314)
Property trading	2,110	–	497	(12)	41	(169)	5	362	(176)	186	193	(87)
Hotels	917	5	(107)	(7)	–	(21)	32	(103)	16	(87)	(87)	(186)
Change in fair value of investment properties	–	–	(6,095)	–	–	(1,998)	185	(7,908)	(133)	(8,041)	(8,002)	–
Inter-segment elimination	–	(9)	–	–	–	–	–	–	–	–	–	–
	16,041	–	1,958	(1,218)	264	(1,472)	214	(254)	(1,297)	(1,551)	(1,533)	(587)
Year ended												
31st December 2024												
Property investment	13,452	3	8,030	(1,213)	230	1,323	(5)	8,365	(1,039)	7,326	7,234	(304)
Property trading	88	–	(178)	–	3	(21)	14	(182)	(54)	(236)	(233)	(29)
Hotels	888	5	(154)	(11)	–	(69)	30	(204)	13	(191)	(191)	(182)
Change in fair value of investment properties	–	–	(5,996)	–	–	(529)	83	(6,442)	(1,058)	(7,500)	(7,576)	–
Inter-segment elimination	–	(8)	–	–	–	–	–	–	–	–	–	–
	14,428	–	1,702	(1,224)	233	704	122	1,537	(2,138)	(601)	(766)	(515)

Note:

Sales between business segments are accounted for at competitive prices charged to unaffiliated customers for similar goods and services.

8. Segment Information *(continued)*

(a) Information about reportable segments *(continued)*

Analysis of total assets of the Group

	Segment assets HK\$M	Joint venture companies* HK\$M	Associated companies* HK\$M	Bank balances and short-term deposits HK\$M	Total assets HK\$M	Additions to non-current assets (Note) HK\$M
At 31st December 2025						
Property investment	275,107	27,428	3,705	9,191	315,431	2,699
Property trading	17,729	5,697	7,220	816	31,462	28
Hotels	4,306	1,532	625	176	6,639	80
	297,142	34,657	11,550	10,183	353,532	2,807
At 31st December 2024						
Property investment	283,907	27,660	3,316	4,940	319,823	4,880
Property trading	15,235	6,760	6,968	51	29,014	85
Hotels	4,157	1,710	592	130	6,589	68
	303,299	36,130	10,876	5,121	355,426	5,033

* The assets relating to joint venture and associated companies include the loans due from these companies.

Note:

In this analysis, additions to non-current assets during the year exclude joint venture and associated companies, financial assets at fair value through profit or loss and other comprehensive income, financial instruments, deferred tax assets and retirement benefit assets.

Analysis of total liabilities and non-controlling interests of the Group

	Segment liabilities HK\$M	Current and deferred tax liabilities HK\$M	External borrowings HK\$M	Lease liabilities HK\$M	Total liabilities HK\$M	Non-controlling interests HK\$M
At 31st December 2025						
Property investment	11,682	15,731	27,435	462	55,310	1,839
Property trading	4,606	183	21,415	17	26,221	1
Hotels	265	–	393	1	659	42
	16,553	15,914	49,243	480	82,190	1,882
At 31st December 2024						
Property investment	10,184	14,900	26,458	516	52,058	3,055
Property trading	2,718	137	21,329	–	24,184	–
Hotels	193	–	560	4	757	46
	13,095	15,037	48,347	520	76,999	3,101

8. Segment Information *(continued)*

(a) Information about reportable segments *(continued)*

Analysis of external revenue of the Group – Timing of revenue recognition

	At a point in time HK\$M	Over time HK\$M	Rental income on leases HK\$M	Total HK\$M
Year ended 31st December 2025				
Property investment	–	135	12,879	13,014
Property trading	2,110	–	–	2,110
Hotels	382	535	–	917
	2,492	670	12,879	16,041
Year ended 31st December 2024				
Property investment	–	136	13,316	13,452
Property trading	88	–	–	88
Hotels	395	493	–	888
	483	629	13,316	14,428

(b) Information about geographical areas

The activities of the Group are principally based in Hong Kong, the Chinese Mainland and the U.S.A.

An analysis of revenue and non-current assets of the Group by principal markets is outlined below:

	Revenue		Non-current assets (Note)	
	2025 HK\$M	2024 HK\$M	2025 HK\$M	2024 HK\$M
Hong Kong	8,366	8,620	208,952	215,660
Chinese Mainland	5,392	5,284	66,951	62,566
U.S.A. and elsewhere	2,283	524	118	2,226
	16,041	14,428	276,021	280,452

Note:

In this analysis, the total of non-current assets excludes joint venture and associated companies (and loans advanced to these companies), financial assets at fair value through profit or loss and other comprehensive income, financial instruments, deferred tax assets and retirement benefit assets.

Of the joint venture and associated companies balances, HK\$6,645 million (2024: HK\$7,105 million) is based in Hong Kong, HK\$25,049 million (2024: HK\$23,686 million) is based in the Chinese Mainland and HK\$745 million (2024: HK\$672 million) is based in U.S.A. and elsewhere.

9. Directors' and Executive Officers' Emoluments

(a) The total emoluments of Directors of the Company disclosed pursuant to section 383 (1) of the Hong Kong Companies Ordinance and the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

	Cash				Non-cash			Total 2025 HK\$'000	Total 2024 HK\$'000
	Salary HK\$'000	Fees HK\$'000	Discretionary bonus (note (i)) HK\$'000	Allowance and benefits HK\$'000	Retirement scheme contributions HK\$'000	Discretionary bonus paid into retirement scheme HK\$'000	Housing and other benefits (note (ii)) HK\$'000		
For the year ended 31st December 2025									
Executive Directors									
Guy Bradley (Chairman) (note (iii))	746	–	767	19	201	767	896	3,396	3,172
Tim Blackburn (note (iv))	4,572	–	6,375	3,569	1,234	2,813	–	18,563	16,908
Fanny Lung (note (iv))	4,622	–	6,067	1,179	1,143	–	–	13,011	12,145
Mabelle Ma	4,101	–	2,006	798	496	–	35	7,436	8,038
Non-Executive Directors									
Adam Fenwick	–	–	–	–	–	–	–	–	–
Raymond Lim	–	575	–	–	–	–	–	575	575
Martin Murray	–	–	–	–	–	–	–	–	–
Richard Sell	–	–	–	–	–	–	–	–	–
Merlin Swire	–	–	–	–	–	–	–	–	–
Independent Non-Executive Directors									
Lily Cheng (note (v))	–	–	–	–	–	–	–	–	266
Thomas Choi	–	695	–	–	–	–	–	695	695
Spencer Fung	–	844	–	–	–	–	–	844	808
May Wu	–	843	–	–	–	–	–	843	843
Yan Yan (note (vi))	–	575	–	–	–	–	–	575	375
Angela Zhu	–	658	–	–	–	–	–	658	629
Total 2025	14,041	4,190	15,215	5,565	3,074	3,580	931	46,596	N/A
Total 2024	13,045	4,191	12,737	5,222	3,583	4,746	930	N/A	44,454

Notes:

- (i) The bonuses disclosed above are related to services as Executive Directors for the previous year.
- (ii) Other benefits include medical and insurance benefits and overseas tax subsidies.
- (iii) The total emoluments are charged to the Group in accordance with the amount of time spent on its affairs.
- (iv) The total emoluments are fully charged to the Group.
- (v) Lily Cheng resigned as an Independent Non-Executive Director of the Company with effect from the conclusion of the Company's 2024 annual general meeting held on 7th May 2024 (the "2024 AGM").
- (vi) Yan Yan was appointed as an Independent Non-Executive Director of the Company with effect from the conclusion of the Company's 2024 AGM.

9. Directors' and Executive Officers' Emoluments *(continued)*

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group are as follows:

	Year ended 31st December	
	2025	2024
Number of individuals:		
Executive Directors (note (i))	2	3
Executive Officers (note (ii))	3	2
	5	5

Notes:

(i) Details of the emoluments paid to these Executive Directors are included in the disclosure set out in note 9(a) above.

(ii) Details of the emoluments paid to the above executive officers are as follows.

	Year ended 31st December	
	2025 HK\$'000	2024 HK\$'000
Cash:		
Salary	7,941	6,128
Discretionary bonus (Note)	4,082	3,910
Allowance and benefits	1,024	677
Non-cash:		
Retirement scheme contributions	2,226	790
Housing and other benefits	12,603	8,348
	27,876	19,853

Note:

The bonuses disclosed above are related to services for the previous year.

The number of the above Executive Officers whose emoluments fell within the following bands:

	Year ended 31st December	
	2025	2024
HK\$11,000,001 – HK\$11,500,000	–	1
HK\$10,000,001 – HK\$10,500,000	1	–
HK\$9,000,001 – HK\$9,500,000	1	–
HK\$8,500,001 – HK\$9,000,000	1	1
	3	2

10. Net Finance Charges

Accounting Policy

Interest costs incurred are charged to the consolidated statement of profit or loss except for those interest charges attributable to the acquisition, construction or production of qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale) which are recognised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale.

Interest income on financial assets at fair value through profit or loss ("FVPL") is included in the net fair value gains/(losses) on these assets. Interest income on financial assets at amortised cost and financial assets at fair value through other comprehensive income ("FVOCI") calculated using the effective interest method is recognised on a time proportion basis in the consolidated statement of profit or loss as part of finance income. Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Any other interest income is included in other net gains/(losses). Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Refer to the table with heading "Audited Financial Information" on page 86 for details of the Group's net finance charges.

11. Taxation

Accounting Policy

The tax charge comprises current and deferred tax. The tax charge is recognised in the consolidated statement of profit or loss, except to the extent that it relates to items recognised in the consolidated statement of other comprehensive income or directly to equity.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

	2025		2024	
	HK\$M	HK\$M	HK\$M	HK\$M
Current taxation				
Hong Kong Profits Tax	424		421	
Chinese Mainland Enterprise Income Tax ("EIT")	687		643	
Other taxes	160		103	
Over-provisions in prior years	(33)		(5)	
		1,238		1,162
Deferred taxation (note 31)				
Change in fair value of investment properties	52		629	
Origination and reversal of temporary differences	7		347	
		59		976
		1,297		2,138

Hong Kong Profits Tax is calculated at 16.5% (2024: 16.5%) on the estimated assessable profits for the year. Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the Chinese Mainland EIT is calculated at 25% (2024: 25%) on the estimated assessable profits for the year. Other taxes are calculated at tax rates applicable in jurisdictions in which the Group is assessable for tax.

11. Taxation (continued)

The tax charge on the Group's (loss)/profit before taxation differs from the theoretical amount that would arise using the Hong Kong profits tax rate of the Company as follows:

	2025 HK\$M	2024 HK\$M
(Loss)/Profit before taxation	(254)	1,537
Calculated at a tax rate of 16.5% (2024: 16.5%)	(42)	254
Share of results of joint venture and associated companies	208	(136)
Effect of different tax rates in other jurisdictions	320	467
Fair value losses on investment properties	1,045	1,415
Income not subject to tax	(155)	(56)
Expenses not deductible for tax purposes	87	104
Unused tax losses not recognised	23	39
Utilisation of previously unrecognised tax losses	(239)	(22)
Recognition of previously unrecognised tax losses	(34)	(11)
Withholding tax	117	89
Over-provisions in prior years	(33)	(5)
Tax charge	1,297	2,138

The Group's share of joint venture companies' tax charges of HK\$157 million (2024: HK\$234 million) and share of associated companies' tax charges of HK\$62 million (2024: HK\$32 million) respectively are included in the share of results of joint venture and associated companies shown in the consolidated statement of profit or loss.

12. Profit Attributable to the Company's Shareholders

Of the profit attributable to the Company's shareholders, HK\$4,106 million (2024: HK\$4,207 million) is dealt with in the financial statements of the Company.

13. Dividends

Accounting Policy

Dividend distributions to the Company's shareholders are recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders or declared by the Company's Directors, where appropriate.

	2025 HK\$M	2024 HK\$M
First interim dividend paid on 9th October 2025 of HK\$0.35 per share (2024: HK\$0.34)	2,015	1,989
Second interim dividend declared on 12th March 2026 of HK\$0.80 per share (2024: HK\$0.76)	4,606	4,386
	6,621	6,375

The second interim dividend is not accounted for in 2025 because it had not been declared or approved at the year-end date. The actual amount payable in respect of 2025 will be accounted for as an appropriation of the revenue reserve in the year ending 31st December 2026 when declared.

14. Loss Per Share (Basic and Diluted)

Basic loss per share is calculated by dividing the loss attributable to the Company's shareholders of HK\$1,533 million (2024: HK\$766 million) by the daily weighted average number of 5,768,725,592 ordinary shares in issue during the year (2024: 5,845,544,241 ordinary shares).

Diluted loss per share is equal to basic loss per share as there was no dilutive potential share outstanding for the year ended 31st December 2025 (2024: same).

15. Property, Plant and Equipment

Accounting Policy

Property, plant and equipment is carried at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

With the exception of freehold land, all other items of property, plant and equipment are depreciated at rates sufficient to write off their original costs to estimated residual values using the straight-line method over their anticipated useful lives in the following manner:

Buildings	2% to 5% per annum
Plant and equipment	10% to 33 $\frac{1}{3}$ % per annum

The assets' expected useful lives and residual values are regularly reviewed and adjusted, if appropriate, at the end of each reporting period to take into account operational experience and changing circumstances.

On the transfer of owner-occupied property to investment property, increases in the carrying amount arising on revaluation of land and buildings are credited to the consolidated statement of other comprehensive income and shown within the property revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged in the consolidated statement of other comprehensive income and debited against the property revaluation reserve directly in equity; all other decreases are charged to the consolidated statement of profit or loss.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amounts and are recognised within other net gains/(losses) in the consolidated statement of profit or loss. When revalued assets are sold, the amounts included in the property revaluation reserve are transferred to the revenue reserve.

Critical Accounting Estimates and Judgements

At each reporting date or whenever a change in circumstances occurs, both internal and external sources of information are considered to assess whether there is an indication that assets are impaired. If such an indication exists, the recoverable amount of the asset is estimated using fair value less costs of disposal and/or value in use calculations as appropriate. If the carrying amount of an asset exceeds its recoverable amount, an impairment charge is recognised to reduce the asset to its recoverable amount. Such impairment charges are recognised in the consolidated statement of profit or loss within other net gains/(losses).

15. Property, Plant and Equipment *(continued)*

	Land and buildings HK\$M	Plant and equipment HK\$M	Total HK\$M
Cost:			
At 1st January 2025	3,764	2,498	6,262
Translation differences	74	46	120
Additions	5	168	173
Disposals	–	(78)	(78)
Net transfers from investment properties (note 16)	151	–	151
Transfers to properties for sale	–	(14)	(14)
Disposal of a subsidiary company	(3)	–	(3)
At 31st December 2025	3,991	2,620	6,611
Accumulated depreciation and impairment:			
At 1st January 2025	1,062	1,796	2,858
Translation differences	23	33	56
Charge for the year (note 7)	96	276	372
Disposals	–	(69)	(69)
Transfers to investment properties (note 16)	(17)	–	(17)
Transfers to properties for sale	–	(1)	(1)
Disposal of a subsidiary company	(2)	–	(2)
At 31st December 2025	1,162	2,035	3,197
Net book value:			
At 31st December 2025	2,829	585	3,414
Cost:			
At 1st January 2024	4,537	2,312	6,849
Translation differences	(75)	(35)	(110)
Additions	4	303	307
Disposals	–	(133)	(133)
Net transfers to investment properties (note 16)	(702)	–	(702)
Transfers from properties for sale	–	51	51
At 31st December 2024	3,764	2,498	6,262
Accumulated depreciation and impairment:			
At 1st January 2024	1,471	1,734	3,205
Translation differences	(28)	(24)	(52)
Charge for the year (note 7)	104	209	313
Disposals	–	(123)	(123)
Reversal of impairment losses	(15)	–	(15)
Transfers to investment properties (note 16)	(470)	–	(470)
At 31st December 2024	1,062	1,796	2,858
Net book value:			
At 31st December 2024	2,702	702	3,404

At 31st December 2025, property, plant and equipment of HK\$430 million (2024: HK\$428 million) are pledged as security for secured loans and other borrowings.

Refer to the table with heading “Audited Financial Information” on page 86 for details of the Group’s capitalised interest rates and the amount of interest capitalised.

16. Investment Properties

Accounting Policy

Investment property comprises freehold land, leasehold land and buildings held for long-term rental yields or for capital appreciation or for both, and that are not occupied by the Group. Property held by the lessee as a right-of-use asset is classified and accounted for as an investment property when the rest of the definition of investment property is met.

Investment properties (including those under development) are carried at fair value and are valued twice a year. The majority of investment properties are valued by independent valuers. The valuations are performed in accordance with the HKIS Valuation Standards 2024 published by The Hong Kong Institute of Surveyors and are on the basis of market value related to individual properties, and separate values are not attributed to land and buildings. These values represent their fair values in accordance with HKFRS 13. Land and buildings that are being developed for future use as investment properties and investment properties that are being redeveloped for continuing use as investment properties are measured at fair value and included as investment properties under development. Changes in fair values are recognised in the consolidated statement of profit or loss.

Subsequent expenditure is charged to an investment property's carrying amount only when it is probable that future economic benefits associated with that expenditure will flow to the Group and the cost can be measured reliably. All other repair and maintenance costs in respect of an investment property are expensed in the consolidated statement of profit or loss during the financial period in which they are incurred.

If an investment property becomes owner-occupied or property for sale, it is reclassified as property, plant and equipment, leasehold land under right-of-use assets or properties for sale respectively, and its fair value at the date of reclassification becomes its deemed cost for accounting purposes.

Expenditure incurred in leasing out the Group's investment properties during development is deferred and amortised on a straight-line basis in the consolidated statement of profit or loss upon occupation of the property over a period not exceeding the term of the leases.

Critical Accounting Estimates and Judgements

Cushman & Wakefield Limited, an independent property valuer, was engaged to carry out a valuation of the major portion of the Group's investment property portfolio at 31st December 2025. This valuation was carried out in accordance with the HKIS Valuation Standards 2024 published by The Hong Kong Institute of Surveyors, which define market value as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties each acted knowledgeably, prudently and without compulsion". The assumptions are principally in respect of market rents and yields.

Management has reviewed the independent property valuation and compared it with its own assumptions, with reference to comparable sales transaction data where such information is available, and has concluded that the independent property valuation of the Group's investment property portfolio is reasonable.

16. Investment Properties *(continued)*

	Completed HK\$M	Under Development HK\$M	Total HK\$M
At 1st January 2025	250,112	21,390	271,502
Translation differences	2,494	305	2,799
Additions	803	1,742	2,545
Disposals	(1,005)	–	(1,005)
Net transfers to property, plant and equipment (note 15)	(166)	(2)	(168)
Net transfers from right-of-use assets	43	–	43
Disposal of subsidiary companies (note 41(c))	(894)	(414)	(1,308)
Net fair value losses	(4,003)	(2,092)	(6,095)
	247,384	20,929	268,313
Add: Initial leasing costs	94	–	94
At 31st December 2025	247,478	20,929	268,407
At 1st January 2024	256,786	24,485	281,271
Translation differences	(1,866)	(145)	(2,011)
Additions	924	3,742	4,666
Cost written back	(21)	–	(21)
Transfer between categories	4,283	(4,283)	–
Net transfers (to)/from property, plant and equipment (note 15)	(51)	283	232
Net transfers (to)/from right-of-use assets	(211)	9	(202)
Transfer to properties for sale	–	(1,682)	(1,682)
Transfer to assets classified as held for sale	(4,755)	–	(4,755)
Net fair value losses	(4,977)	(1,019)	(5,996)
	250,112	21,390	271,502
Add: Initial leasing costs	115	–	115
At 31st December 2024	250,227	21,390	271,617

16. Investment Properties *(continued)***Geographical Analysis of Investment Properties**

	2025 HK\$M	2024 HK\$M
Held in Hong Kong		
On medium-term leases (10 to 50 years)	28,708	29,801
On long-term leases (over 50 years)	175,727	181,275
	204,435	211,076
Held in the Chinese Mainland		
On short-term leases (less than 10 years)	832	858
On medium-term leases (10 to 50 years)	63,046	58,684
	63,878	59,542
Held in the U.S.A.		
Freehold	–	884
	268,313	271,502

At 31st December 2025, investment properties of HK\$17,821 million (2024: HK\$17,782 million) are pledged as security for secured loans and other borrowings.

On 17th November 2023, the Group and the Securities and Futures Commission entered into sale and purchase agreements for the sale of the Group's interest in the 42nd to 54th floors (excluding the 49th floor) of the One Island East office tower in Hong Kong, for a total cash consideration of HK\$5,400 million. Sale of the 45th to 54th floors (excluding the 49th floor) was completed in December 2023 and a loss on disposal was recognised in the consolidated statement of profit or loss during 2023. Sale of 43rd floor was completed during the year and a loss on disposal was recognised in the consolidated statement of profit or loss.

The 42nd and 44th floors of One Island East with a total fair value of HK\$891 million, are included in the investment properties at 31st December 2025. (2024: 42nd to 44th floors with a total fair value of HK\$1,342 million). The sale of each of these floors will be completed in accordance with the terms specified in the sale and purchase agreements before the end of 2028.

Additions include capital expenditure in response to climate change. Such expenditure is intended to reduce carbon emission and energy use, with a view to mitigating climate-related risks and to meet carbon reduction targets. For further details, refer to the Sustainability Review section on pages 129 to 135.

Refer to the table with heading "Audited Financial Information" on page 86 for details of the Group's capitalised interest rates and the amount of interest capitalised.

Valuation processes and techniques underlying management's estimate of fair value

The Group's investment properties were valued at their fair values at 31st December 2025. 99% by value were valued by Cushman & Wakefield Limited on the basis of market value. The independent professionally qualified valuers hold recognised relevant professional qualifications in the jurisdictions in which they valued the Group's investment properties and have recent experience in the locations and types of investment properties valued. The remaining properties were valued by management. The valuation is based on the highest and best use of the properties.

The valuation of the Group's completed investment property portfolio is derived by capitalising the rental income derived from existing tenancies with due provision for reversionary income potential and by making reference to recent comparable sales transactions available in the relevant property market.

The valuation of the Group's investment properties under development is derived by making reference to market capitalisation rates and recent comparable sales transactions in the relevant property market (on the assumption that the properties had already been completed at the valuation date). It also takes into account the construction cost already incurred and the estimated cost to be incurred to complete the project plus the developer's estimated profit and a margin for risk.

16. Investment Properties (continued)

Valuation processes and techniques underlying management's estimate of fair value (continued)

The fair values of the Group's investment properties are sensitive to changes in both observable and unobservable inputs. If capitalisation rates increase, the fair values decrease. If market rents increase, the fair values increase. If estimated costs to complete or the developer's estimated profit and margin for risk increase, the fair values decrease. The opposite is true for decreases in these inputs.

There are inter-relationships between observable and unobservable inputs. Expected vacancy rates may have an impact on yields, with higher vacancy rates resulting in higher yields. For investment properties under development, increases in construction costs that enhance the properties' features may result in an increase in future rental values. An increase in future rental income may be linked with higher costs.

The Group reviews the valuations performed by the independent valuers for financial reporting purposes. Discussions of valuation processes and results are held between management and the independent valuers at least once every half year, in line with the Group's half year reporting dates.

During the valuation, Cushman & Wakefield Limited has, consistent with the relevant valuation standards, where applicable and to the extent that current market participants would, considered the environmental, social and governance factors of the subject properties in the valuations, as observed from inspection and the information provided by the Group.

Fair value hierarchy

The Group's investment properties are measured at fair value and categorised within the fair value hierarchy as follows:

	Completed				Under Development			2025 Total HK\$M
	Hong Kong HK\$M	Chinese Mainland HK\$M	U.S.A. HK\$M	Total HK\$M	Hong Kong HK\$M	Chinese Mainland HK\$M	Total HK\$M	
Level 2	293	418	–	711	4,457	–	4,457	5,168
Level 3	190,242	56,431	–	246,673	9,443	7,029	16,472	263,145
Total	190,535	56,849	–	247,384	13,900	7,029	20,929	268,313
Add: initial leasing costs								94
At 31st December 2025								268,407

	Completed				Under Development			2024 Total HK\$M
	Hong Kong HK\$M	Chinese Mainland HK\$M	U.S.A. HK\$M	Total HK\$M	Hong Kong HK\$M	Chinese Mainland HK\$M	Total HK\$M	
Level 2	1,008	400	–	1,408	5,373	–	5,373	6,781
Level 3	195,053	52,767	884	248,704	9,642	6,375	16,017	264,721
Total	196,061	53,167	884	250,112	15,015	6,375	21,390	271,502
Add: initial leasing costs								115
At 31st December 2024								271,617

Notes:

The levels in the hierarchy represent the following:

Level 2 – Investment properties measured at fair value using inputs other than quoted prices but where those inputs are based on observable market data.

Level 3 – Investment properties measured at fair value using inputs not based on observable market data.

The above investment properties principally comprise commercial and residential properties completed and under development in Hong Kong and the Chinese Mainland. The Group's properties in the U.S.A. were disposed of in June 2025 with details disclosed in note 41(c). Due to the heterogeneous nature of the Group's investment properties, most of them are valued by reference to a level 3 fair value measurement.

16. Investment Properties (continued)**Fair value hierarchy** (continued)

The change in level 3 fair value of investment properties during the year is as follows:

	Completed				Under Development			2025 Total HK\$M
	Hong Kong HK\$M	Chinese Mainland HK\$M	U.S.A. HK\$M	Total HK\$M	Hong Kong HK\$M	Chinese Mainland HK\$M	Total HK\$M	
At 1st January 2025	195,053	52,767	884	248,704	9,642	6,375	16,017	264,721
Translation differences	–	2,466	10	2,476	–	305	305	2,781
Additions	601	193	–	794	489	1,247	1,736	2,530
Disposals	(451)	–	–	(451)	–	–	–	(451)
Transfer between categories	–	–	–	–	174	–	174	174
Net transfers to property, plant and equipment	(166)	–	–	(166)	–	(2)	(2)	(168)
Net transfers from right-of-use assets	43	–	–	43	–	–	–	43
Disposal of subsidiary companies	–	–	(894)	(894)	–	–	–	(894)
Net fair value (losses)/gains	(4,838)	1,005	–	(3,833)	(862)	(896)	(1,758)	(5,591)
At 31st December 2025	190,242	56,431	–	246,673	9,443	7,029	16,472	263,145

	Completed				Under Development			2024 Total HK\$M
	Hong Kong HK\$M	Chinese Mainland HK\$M	U.S.A. HK\$M	Total HK\$M	Hong Kong HK\$M	Chinese Mainland HK\$M	Total HK\$M	
At 1st January 2024	197,756	52,221	5,270	255,247	15,571	3,326	18,897	274,144
Translation differences	–	(1,817)	(36)	(1,853)	–	(145)	(145)	(1,998)
Additions	721	138	64	923	748	2,951	3,699	4,622
Cost written back	(17)	(4)	–	(21)	–	–	–	(21)
Transfer between categories	4,283	–	–	4,283	(4,283)	–	(4,283)	–
Net transfers (to)/from property, plant and equipment	(51)	–	–	(51)	–	283	283	232
Net transfers to right-of-use assets	(211)	–	–	(211)	–	–	–	(211)
Transfer to properties for sale	–	–	–	–	(1,682)	–	(1,682)	(1,682)
Transfer to assets classified as held for sale	–	–	(4,755)	(4,755)	–	–	–	(4,755)
Net fair value (losses)/gains	(7,428)	2,229	341	(4,858)	(712)	(40)	(752)	(5,610)
At 31st December 2024	195,053	52,767	884	248,704	9,642	6,375	16,017	264,721

16. Investment Properties (continued)

Information about level 3 fair value measurements using significant unobservable inputs

	Fair value HK\$M	Valuation technique	Market rent per month ¹ HK\$ per sq. ft. (lettable)	Capitalisation rate
At 31st December 2025				
Completed				
Hong Kong	190,242	Income capitalisation	Low 10's – Low 500's	2.63% – 5.50%
Chinese Mainland	56,431	Income capitalisation	Less than 10 – Mid 300's	5.50% – 6.50%
Sub-total	246,673			
Under development				
Hong Kong	9,443	Residual ³	High 50's	3.63%
Chinese Mainland	7,029	Residual ³	Low 30's – Low 100's	5.50% – 6.75%
Sub-total	16,472			
Total (Level 3)	263,145			
At 31st December 2024				
Completed				
Hong Kong	195,053	Income capitalisation	Mid 10's – Low 500's	2.50% – 5.25%
Chinese Mainland	52,767	Income capitalisation	Less than 10 – Low 300's	5.50% – 6.50%
U.S.A. ²	884	Income capitalisation	N/A	6.00%
Sub-total	248,704			
Under development				
Hong Kong	9,642	Residual ³	Low 60's	3.75%
Chinese Mainland	2,536	Residual ³	High 30's – Low 100's	5.50% – 5.75%
Chinese Mainland	3,839	Sales comparison	–	–
Sub-total	16,017			
Total (Level 3)	264,721			

¹ Market rent is determined in accordance with the definition of that term in the HKIS Valuation Standards 2024 of The Hong Kong Institute of Surveyors, which is “the estimated amount for which all interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion”. It is in effect the rental income (exclusive of usual outgoings) which a property would be expected to earn if it were vacant and available to let at the valuation date. It is not necessarily the same as the rent which a tenant is actually committed to pay.

² Investment properties in the U.S.A. of HK\$4,755 million were transferred to assets classified as held for sale as at 31st December 2024. The main valuation inputs used for these properties were effective market rents per month ranging from less than HK\$10 to mid HK\$70's per square foot and capitalisation rate of 5.50% determined by an independent valuer at 31st December 2024. The properties were disposed of in June 2025.

³ In using the residual method to make fair value measurements of investment properties, two additional unobservable inputs have been used. These are the estimated costs to complete the development and the developer’s estimated profit and margin for risk.

17. Intangible Assets

Accounting Policy

(a) Goodwill

Goodwill represents the excess of the consideration transferred over the fair value of the Group's share of the assets transferred, the liabilities incurred to the former owners of the acquired asset and the equity interests issued by the Group. Goodwill is treated as an asset of the entity acquired and, where attributable to a foreign entity, is translated at the period-end closing rate.

Goodwill is stated at cost less accumulated impairment. Goodwill is allocated to cash-generating units ("CGUs") for the purpose of impairment testing, which is performed annually, or more often if an impairment indicator exists. Impairment charges recognised in respect of goodwill are not reversed.

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(b) Computer software

Computer software licences acquired are capitalised on the basis of the costs incurred to acquire and bring into use the specific software. These costs are amortised over their estimated useful lives of three to five years.

Costs associated with maintaining computer software programmes are recognised as expenses as incurred. Costs that are directly associated with the development of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development employee costs and an appropriate portion of relevant overheads. Computer software costs recognised as assets are amortised over their estimated useful lives of three to five years.

Critical Accounting Estimates and Judgements

The Group recognised HK\$1,419 million of goodwill when it took control of Taikoo Li Chengdu in the Chinese Mainland during 2023. The goodwill is mainly attributable to the growth opportunity in the Chinese Mainland. It also represents the premium paid over the market price to obtain control of the business.

Goodwill is subject to impairment test at each reporting date and when there is indication that the carrying value may not be recoverable. These tests require the use of estimates to calculate recoverable amounts.

The goodwill is allocated to property investment segment of Taikoo Li Chengdu in the Chinese Mainland. Management has determined the recoverable amount of this CGU by assessing the fair value less cost of disposal of the underlying assets. The valuation is considered to be level 3 in the fair value hierarchy due to unobservable inputs used in the valuation.

17. Intangible Assets (continued)

	Goodwill HK\$M	Computer Software HK\$M	Others HK\$M	Total HK\$M
Cost:				
At 1st January 2025	1,294	439	5	1,738
Translation differences	60	2	–	62
Additions	–	43	–	43
At 31st December 2025	1,354	484	5	1,843
Accumulated amortisation:				
At 1st January 2025	–	289	5	294
Translation differences	–	2	–	2
Amortisation for the year (note 7)	–	53	–	53
At 31st December 2025	–	344	5	349
Net book value:				
At 31st December 2025	1,354	140	–	1,494

	Goodwill HK\$M	Computer Software HK\$M	Others HK\$M	Total HK\$M
Cost:				
At 1st January 2024	1,341	393	205	1,939
Translation differences	(47)	–	(2)	(49)
Additions	–	46	–	46
Transfer to assets classified as held for sale	–	–	(198)	(198)
At 31st December 2024	1,294	439	5	1,738
Accumulated amortisation:				
At 1st January 2024	–	239	145	384
Translation differences	–	–	(1)	(1)
Amortisation for the year (note 7)	–	50	21	71
Transfer to assets classified as held for sale	–	–	(160)	(160)
At 31st December 2024	–	289	5	294
Net book value:				
At 31st December 2024	1,294	150	–	1,444

Amortisation of HK\$53 million (2024: HK\$71 million) is included in cost of sales and administrative expenses in the consolidated statement of profit or loss.

Impairment test of goodwill

The recoverable amount of CGU in Taikoo Li Chengdu in the Chinese Mainland is determined by using the calculation of the fair value less cost of disposal. It mainly represents the fair value of investment properties of Taikoo Li Chengdu by reference to the valuation performed by independent valuers at each reporting date, less cost of disposals estimated by management based on the Group's experience with disposal of assets and on industry benchmarks. The results of the impairment test using these inputs show that the recoverable amount exceeds the carrying amount of the CGU. The Group therefore concluded that no impairment was required to such goodwill at 31st December 2025 and 2024.

The main valuation inputs used were effective market rents per month ranging from approximately HK\$10 to HK\$350 (2024: HK\$10 to HK\$300) per square foot and capitalisation rates ranging from 5.50% to 6.50% (2024: 5.50% to 6.50%) determined by an independent valuer at 31st December 2025 and the cost of disposal estimated by the Group's management. Reasonably possible changes in the key assumptions would not result in an impairment.

18. Right-of-use Assets

Accounting Policy

The Group (acting as lessee) leases land, offices, warehouses and equipment. Except for certain long-term leasehold land in Hong Kong, rental contracts are typically made for fixed periods of 1 to 50 years but may have extension and early termination options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Leased assets may not be used as security for borrowing purposes.

Leases are recognised by lessees as right-of-use assets and corresponding liabilities at the date at which the leased assets are available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the consolidated statement of profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each financial period.

Assets and liabilities arising from leases are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payment of penalties for terminating the lease, if the lease term used in the computation assumes the lessee exercises an option to terminate.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

However, if the ownership of the underlying asset is expected to be transferred to the Group by the end of the lease term and if the cost of the right-of-use asset has already included the exercise price of a purchase option, depreciation is calculated on a straight-line basis to write off the cost over the anticipated useful life of the underlying asset to its estimated residual value.

Payments by lessees associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as expenses in the consolidated statement of profit or loss. Short-term leases are leases with a lease term of twelve months or less. Low-value assets comprise information technology equipment and small items of office furniture.

18. Right-of-use Assets *(continued)*

The recognised right-of-use assets relate to the following types of assets:

	2025 HK\$M	2024 HK\$M
Leasehold land held for own use	2,543	2,671
Property	103	115
	2,646	2,786

The Group is the registered owner or occupant of its leasehold land. Upfront payments were made to acquire these interests in land and there are no ongoing payments to be made under the terms of the land leases (so that no lease liabilities are recognised) except, government rents and rates and other payments to the relevant government authorities, which may vary from time to time. Details relating to these interests in land are as follows:

	Leasehold land held for own use	
	2025 HK\$M	2024 HK\$M
Held in Hong Kong		
On medium-term leases (10-50 years)	333	386
On long-term leases (over 50 years)	2,117	2,193
	2,450	2,579
Held in the Chinese Mainland		
On medium-term leases (10-50 years)	93	92
	2,543	2,671

Lease arrangements for other types of assets are negotiated on an individual asset basis and contain a wide range of different terms and conditions including lease payments and lease terms.

At 31st December 2025, right-of-use assets of HK\$93 million (2024: HK\$92 million) are pledged as security for secured loans and other borrowings.

Properties occupied by the Group are transferred to investment properties following the end of occupation by the Group. The valuation decrease from carrying amount to fair value in respect of such transfers during the year ended 31st December 2025 was HK\$21 million (2024: increase of HK\$1 million).

Additions to right-of-use assets during the year ended 31st December 2025 were HK\$33 million (2024: HK\$12 million).

During the year ended 31st December 2025, cash outflows for leases were included in the consolidated statement of cash flows as (a) interest paid of HK\$17 million (2024: HK\$19 million) under “operating activities”, (b) payment for short-term and low-value assets leases of HK\$31 million (2024: HK\$33 million) recorded in cash generated from operations under “operating activities” and (c) principal elements of lease payments of HK\$92 million (2024: HK\$83 million) under “financing activities”.

19. Properties Held for Development

Accounting Policy

Properties held for development comprise freehold land at cost and related costs of preliminary works, and are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Properties held for development are not expected to be sold or developed within the Group's normal operating cycle and are classified as non-current assets.

	2025 HK\$M	2024 HK\$M
Properties held for development		
Freehold land	49	982
Development cost	11	219
	60	1,201

20. Interests in Joint Venture Companies

Accounting Policy

Joint venture companies are those companies interests in which are held for the long term; and over which the Group is in a position to exercise joint control with other venturers in accordance with contractual arrangements, and where the Group has rights to the net assets of those companies. The use of the equity method by the Group to account for the investment in joint venture companies is disclosed in the "Basis of Consolidation" of the Accounting Policies on pages 207 to 209.

	2025 HK\$M	2024 HK\$M
Share of net assets, unlisted	21,460	21,167
Loans due from joint venture companies less provisions		
– Interest-free	10,181	11,524
– Interest-bearing at 3.0% to 3.6% per annum (2024: 3.0% to 6.5% per annum)	3,016	3,439
	13,197	14,963

The loans due from joint venture companies are unsecured and have no fixed terms of repayment. These loans are considered to have low credit risk. The financial position and performance of these companies are regularly monitored and reviewed by the management of the Group.

In June 2025, the Group completed the acquisition of a 25% equity interest in the joint venture company ("JVCo") which owns Mandarin Oriental, Miami from Mandarin Oriental Miami, Inc. for a consideration of US\$37 million. The Group previously held a 75% equity interest in JVCo and following the completion of the acquisition in June 2025, JVCo became a wholly-owned subsidiary of the Company. Since the net assets of the JVCo are primarily concentrated in one underlying property, the transaction was accounted for as an asset acquisition. The cost based approach was adopted and the previously held equity interest was not remeasured. The carrying amount of the previously held equity interest, the consideration paid and direct transaction costs incurred for the acquisition were allocated to the cost of assets acquired.

20. Interests in Joint Venture Companies *(continued)*

The Group's share of assets and liabilities and results of joint venture companies is summarised below:

	2025 HK\$M	2024 HK\$M
Non-current assets		
Investment properties	39,886	38,495
Others	1,632	1,838
Current assets	10,450	10,878
Current liabilities	(4,961)	(3,005)
Non-current liabilities	(25,547)	(27,039)
Net assets	21,460	21,167
Revenue	3,366	2,496
Change in fair value of investment properties	(1,905)	(332)
Expenses	(2,776)	(1,792)
(Loss)/Profit before taxation	(1,315)	372
Taxation	(157)	(234)
(Loss)/Profit for the year*	(1,472)	138
Other comprehensive income	824	(525)
Total comprehensive income for the year	(648)	(387)

* Share of profits of joint venture companies amounted to HK\$704 million in 2024, which comprised of the Group's share of joint venture companies' profits for the year of HK\$138 million and a bargain purchase gain arising from the acquisition of an additional interest in a joint venture company of HK\$566 million.

Investment properties held by the joint venture companies were valued by Cushman & Wakefield Limited on the basis of market value. The significant unobservable inputs used for the valuation of these investment properties are referenced to a level 3 fair value measurement as disclosed in note 16.

Capital commitments and contingencies in respect of joint venture companies are disclosed in notes 37 and 38.

The principal joint venture companies of Swire Properties Limited are shown on pages 210 to 212. There are no joint venture companies that are considered individually material to the Group.

21. Interests in Associated Companies

Accounting Policy

Associated companies are those companies over which the Group has significant influence, but not control or joint control, over their management including participation in financial and operating policy decisions, generally accompanying a shareholding representing between 20% and 50% of the voting rights. The use of the equity method by the Group to account for the investment in associated companies is disclosed in the "Basis of Consolidation" of the Accounting Policies on pages 207 to 209.

	2025 HK\$M	2024 HK\$M
Share of net assets, unlisted	10,303	9,650
Goodwill	676	646
Associated companies	10,979	10,296
Loans due from associated companies less provisions		
– Interest-free	233	242
– Interest-bearing at 5.0% to 5.6% per annum (2024: 5.0% to 6.3% per annum)	338	338
	571	580

21. Interests in Associated Companies *(continued)*

The loans due from associated companies are unsecured and have no fixed terms of repayment, except for interest-bearing loans due from associated companies of HK\$40 million and HK\$298 million which are repayable in 2027 and 2029 respectively. These loans are considered to have low credit risk. The financial position and performance of these companies are regularly monitored and reviewed by the management of the Group.

At 31st December 2025, the Group's 40% equity interest in an associated company of HK\$7,573 million (2024: HK\$7,136 million), was pledged as security to securing advances from another associated company as disclosed in note 27.

The Group's share of assets and liabilities and results of associated companies is summarised below:

	2025 HK\$M	2024 HK\$M
Non-current assets		
Investment properties	5,921	4,870
Others	5,039	3,229
Current assets	11,320	9,764
Current liabilities	(11,279)	(6,881)
Non-current liabilities	(698)	(1,332)
Net assets	10,303	9,650
Revenue	288	288
Change in fair value of investment properties	247	111
Expenses	(259)	(245)
Profit before taxation	276	154
Taxation	(62)	(32)
Profit for the year	214	122
Other comprehensive income	437	(331)
Total comprehensive income for the year	651	(209)

Investment properties held by the associated companies were valued by Cushman & Wakefield Limited on the basis of market value. The significant unobservable inputs used for the valuation of these investment properties are referenced to a level 3 fair value measurement as disclosed in note 16.

The principal associated companies of Swire Properties Limited are shown on pages 210 to 212. There are no associated companies that are considered individually material to the Group.

22. Financial Instruments by Category

Accounting Policy

Financial Assets

(a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through the consolidated statement of other comprehensive income (“OCI”) or through the consolidated statement of profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Group’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are either recorded in the consolidated statement of profit or loss or the consolidated statement of OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(b) Recognition and derecognition

Purchases and sales of financial assets are recognised on their trade date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) Measurement

At initial recognition, except for trade debtors, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs in respect of financial assets at FVPL are expensed in the consolidated statement of profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

– Debt instruments:

Subsequent measurement of debt instruments depends on the Group’s business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- (i) Amortised cost:** Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the consolidated statement of profit or loss and presented in other net gains/(losses) together with foreign exchange gains and losses.
- (ii) FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in the consolidated statement of profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the consolidated statement of profit or loss and recognised in other net gains/(losses). Interest income from these financial assets is included in finance income using the effective interest method. Foreign exchange gains and losses are presented in other net gains/(losses).

22. Financial Instruments by Category *(continued)*

Accounting Policy *(continued)*

Financial Assets *(continued)*

(c) Measurement (continued)

(iii) FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in the consolidated statement of profit or loss and presented net within other net gains/(losses) in the period in which it arises.

– Equity instruments:

The Group subsequently measures all equity investments at fair value. Dividends from such investments are recognised in the consolidated statement of profit or loss as other net gains/(losses) when the Group's right to receive payments is established. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the consolidated statement of profit or loss following the derecognition of the investment.

Changes in the fair value of equity investments at FVPL are recognised in other net gains/(losses) in the consolidated statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(d) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group applies the simplified approach permitted by HKFRS 9 to measure expected credit losses which uses a lifetime expected credit loss allowance for all trade receivables.

The measurement of expected credit losses of operating lease receivable includes consideration of expectations of forgiveness of lease income recognised as part of that receivable.

(e) Significant increases in credit risk

In assessing whether the credit risk of a financial asset has increased significantly since initial recognition, the Group considers that a default event occurs when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse to actions such as realising security. The Group considers information that is reasonable and supportable, including historical experience and forward-looking information that is available.

(f) Write-off policy

The gross carrying amount of a financial asset is written off to the extent that there is no realistic prospect of recovery.

Financial liabilities

Non-derivative financial liabilities with fixed or determinable payments and fixed maturities are measured at amortised cost. They are classified as current liabilities unless the Group has a right to defer settlement of the liability for at least twelve months after the period-end date.

Put options in respect of non-controlling interests in subsidiary companies included in trade and other payables are measured at fair value through the consolidated statement of profit or loss.

22. Financial Instruments by Category (continued)

The accounting policies applied to financial instruments are shown below by line item:

Note	At fair value through profit or loss HK\$M	Derivatives used for hedging HK\$M	Amortised cost HK\$M	Total carrying amount HK\$M	Fair value HK\$M
Assets as per consolidated statement of financial position					
At 31st December 2025					
Loans due from joint venture companies	20	–	–	13,197	13,197
Loans due from associated companies	21	–	–	571	571
Other non-current assets	24	–	–	281	281
Trade and other receivables excluding prepayments	24	–	–	3,959	3,959
Cash and cash equivalents	25	–	–	10,183	10,183
Derivative financial assets	30	–	48	–	48
Financial assets at fair value through profit or loss					
– Unlisted equity investments		670	–	–	670
Total		670	48	28,191	28,909
At 31st December 2024					
Loans due from joint venture companies	20	–	–	14,963	14,963
Loans due from associated companies	21	–	–	580	580
Trade and other receivables excluding prepayments	24	–	–	4,097	4,097
Cash and cash equivalents	25	–	–	5,121	5,121
Derivative financial assets	30	–	67	–	67
Financial assets at fair value through profit or loss					
– Unlisted equity investments		638	–	–	638
Total		638	67	24,761	25,466
Liabilities as per consolidated statement of financial position					
At 31st December 2025					
Trade and other payables excluding non-financial liabilities	27	–	–	14,329	14,329
Long-term loans and bonds	29	–	–	49,243	49,351
Lease liabilities	28	–	–	480	480
Derivative financial liabilities	30	–	83	–	83
Total		–	83	64,052	64,135
At 31st December 2024					
Trade and other payables excluding non-financial liabilities	27	653	–	11,337	11,990
Long-term loans and bonds	29	–	–	48,347	48,145
Lease liabilities	28	–	–	520	520
Derivative financial liabilities	30	–	19	–	19
Total		653	19	60,204	60,674

22. Financial Instruments by Category (continued)

The fair values of financial instruments traded in active markets are based on quoted market prices at the year-end date. The quoted market prices used for financial assets held by the Group are the current bid prices.

The fair values of financial instruments that are not traded in active markets are determined by using valuation techniques such as estimated discounted cash flows or based on quotes from market makers, which use assumptions that are based on market conditions existing at each year-end date.

The book values of trade and other receivables and trade and other payables approximate their fair values.

The fair value of borrowings is not equal to their carrying value, but is based on cash flows discounted using assumptions sourced from the relevant financial institutions or quotes from market makers or alternative market participants supported by observable inputs, such as interest rates. Non-current borrowings would be categorised within level 2 of the fair value hierarchy if they were accounted for at fair value.

Financial instruments that are measured at fair value are included in the following fair value hierarchy:

	Level 2 HK\$M	Level 3 HK\$M	Total carrying amount HK\$M
Assets as per consolidated statement of financial position			
At 31st December 2025			
Derivatives used for hedging (note 30)	48	–	48
Financial assets at fair value through profit or loss			
– Unlisted equity investments	–	670	670
	48	670	718
At 31st December 2024			
Derivatives used for hedging (note 30)	67	–	67
Financial assets at fair value through profit or loss			
– Unlisted equity investments	–	638	638
	67	638	705
Liabilities as per consolidated statement of financial position			
At 31st December 2025			
Derivatives used for hedging (note 30)	83	–	83
At 31st December 2024			
Derivatives used for hedging (note 30)	19	–	19
Put option in respect of a non-controlling interest (note 27)	–	653	653
	19	653	672

Notes:

The levels in the hierarchy represent the following:

Level 2 – Financial instruments measured at fair value using inputs other than quoted prices but where those inputs are based on observable market data.

Level 3 – Financial instruments measured at fair value using inputs not based on observable market data.

22. Financial Instruments by Category *(continued)*

The fair value of derivatives used for hedging in level 2 is based on quotes from market makers or alternative market participants supported by observable inputs. The most significant observable inputs are market interest rates, exchange rates and yields.

There were no transfers of financial instruments between level 2 and level 3 fair value hierarchy classifications and there were no transfers into or out of level 3 fair value hierarchy classifications. The Group's policy is to recognise any transfer into and out of fair value hierarchy levels at the date of the event or change in circumstances that caused the transfer.

There has been no change in the valuation techniques for level 2 and level 3 fair value hierarchy classifications.

The Group's finance department performs the valuations of financial instruments required for reporting purposes, including level 3 fair values. The valuations are reviewed and approved by the Chief Financial Officer.

The following table presents the changes in level 3 financial instruments for the year ended 31st December 2025:

	Financial assets at fair value through profit or loss HK\$M	Put option in respect of a non-controlling interest HK\$M
At 1st January 2025	638	653
Translation differences	–	(1)
Additions	32	–
Derecognition of a put option over a non-controlling interest upon settlement	–	(570)
Distribution	–	(8)
Change in fair value recognised in profit or loss*	–	(74)
At 31st December 2025	670	–
* Included unrealised gain recognised on balances held at 31st December 2025	–	–
At 1st January 2024	623	613
Translation differences	–	(4)
Additions	15	–
Distribution	–	(30)
Change in fair value recognised in profit or loss*	–	74
At 31st December 2024	638	653
* Included unrealised losses recognised on balances held at 31st December 2024	–	74

The fair value of unlisted equity investments classified within level 3 is predominately determined using quotes from market makers, which use assumptions that are based on market conditions existing at each year-end date. The significant unobservable inputs used are yields and market prices. Changing these unobservable inputs based on reasonable alternative assumptions would not significantly change the valuation of the investments.

23. Properties for Sale

Accounting Policy

Properties for sale comprise freehold and leasehold land at cost, construction costs and interest costs capitalised and are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Properties under development are active construction projects which are expected to be sold within the Group's normal operating cycle and are classified as current assets. Completed properties are available for immediate sale and are classified as current assets.

	2025 HK\$M	2024 HK\$M
Properties for sale		
Properties under development		
– development costs	3,042	3,837
– freehold land	109	–
– leasehold land	4,011	8,751
Completed properties		
– development costs	3,489	54
– leasehold land	4,797	34
	15,448	12,676

Refer to the table with heading “Audited Financial Information” on page 86 for details of the Group’s capitalised interest rates and the amount of interest capitalised.

24. Trade and Other Receivables

Accounting Policy

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components. Other receivables are recognised initially at fair value. Trade and other receivables are subsequently measured at amortised cost using the effective interest method, less provision for loss allowance. Trade and other receivables in the consolidated statement of financial position are stated net of such provisions.

	2025 HK\$M	2024 HK\$M
Trade receivables	416	448
Prepayments and accrued income	83	115
Other non-current assets	281	–
Other receivables	3,534	3,642
	4,314	4,205
Amounts due after one year included under non-current assets	(281)	–
	4,033	4,205

The analysis of the age of trade debtors at the year end (based on their invoice dates) is as follows:

	2025 HK\$M	2024 HK\$M
Up to 3 months	392	413
Between 3 and 6 months	18	16
Over 6 months	6	19
	416	448

Other receivables include rent free and other lease incentives to tenants of HK\$1,517 million (2024: HK\$1,609 million), which are amortised over the relevant lease terms.

The other non-current assets at 31st December 2025 represents a contingent consideration for the sale of the Group's interests in the investment properties at Brickell City Centre in the U.S.A. as mentioned in note 41(c). In accordance with the sale and purchase agreement, the contingent consideration is to be received in 2028, the 45th day following the third anniversary of the completion of the disposal.

There is no concentration of credit risk with respect to trade and other receivables, as the Group has a large number of customers.

The Group does not grant any credit terms to its customers, except to corporate customers in the hotel division where commercial trade credit terms are given. The Group also holds non-interest-bearing rental deposits as security against trade debtors. At 31st December 2025, trade debtors of HK\$122 million (2024: HK\$149 million) were past due. The majority of the amount past due is under three months. These relate to a number of independent customers for whom there is no recent history of default. The other classes within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at 31st December 2025 and 31st December 2024 is the carrying value of trade debtors and other receivables disclosed above. The carrying value of rental deposits from tenants held as security against trade debtors at 31st December 2025 was HK\$2,936 million in trade and other payables (2024: HK\$2,942 million).

25. Cash and Cash Equivalents

Accounting Policy

In the consolidated statement of cash flows, cash and cash equivalents comprise cash in hand, amounts repayable on demand from banks and financial institutions and short-term highly liquid investments which were within three months of maturity when acquired, less bank overdrafts. In the consolidated statement of financial position, cash and cash equivalents exclude bank overdrafts which are shown within borrowings in current liabilities.

	2025 HK\$M	2024 HK\$M
Short-term deposits maturing within three months	356	73
Bank balances	9,827	5,048
	10,183	5,121

The effective interest rates on short-term deposits of the Group ranged from 2.5% to 3.4% per annum (2024: at 4.0% per annum).

The maximum exposure to credit risk in respect of bank balances and short-term deposits at 31st December 2025 and 31st December 2024 is the carrying value of the bank balances and short-term deposits disclosed above.

26. Assets Classified as Held for Sale/Liabilities Associated with Assets Classified as Held for Sale

Accounting Policy

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to disposal, except for assets such as deferred tax assets, financial assets and investment property that are carried at fair value.

Non-current assets classified as held for sale and the assets associated with the disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities associated with the disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

As at 31st December 2024, assets classified as held for sale and liabilities associated with assets classified as held for sale represented the Group's interests in certain investment properties in the U.S.A. The Group completed the disposal of its interest in these investment properties to Simon Property Group, a non-controlling interest previously owned a 25% interest in these properties during the year. Details of the disposal are disclosed in note 41(c).

27. Trade and Other Payables

Accounting Policy

Trade and other payables (except for put options over non-controlling interests in subsidiary companies, if any) are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Put options in respect of non-controlling interests in subsidiary companies are measured at the fair value of the expected redemption amounts, and are designated as fair value through profit or loss.

	2025 HK\$M	2024 HK\$M
Trade payables	831	933
Rental deposits from tenants	2,936	2,942
Deposits received on sale of investment properties	356	403
Put option in respect of a non-controlling interest	–	653
Other payables		
Accrued capital expenditure	1,408	1,233
Amounts due to an intermediate holding company	93	92
Amounts due to associated companies	56	37
Advances from a non-controlling interest	1,710	1,476
Interest-bearing advances from associated companies at 0.35% per annum (2024: 0.35% per annum)	4,342	2,021
Others	2,956	2,606
	10,565	7,465
	14,688	12,396
Amounts due after one year included under non-current liabilities	(356)	(403)
	14,332	11,993

Amounts due to an intermediate holding company, associated companies and a non-controlling interest are unsecured, interest-free and have no fixed term of repayment. Included in the interest-bearing advances from associated companies, a balance of HK\$2,115 million (2024: HK\$2,021 million) is secured by the Group's 40% equity interest in another associated company and repayable in 2027 or with a 60-day notice from the lending associated company. The remaining amounts are unsecured and repayable in 2028 or with a 60-day notice from the lending associated company.

Other payables due after one year under non-current liabilities represent deposits received for the sale of the Group's interests in the 42nd and 44th floors (2024: 42nd to 44th floors) of the One Island East office tower in Hong Kong. The sale of each of these floors will be completed in accordance with the terms specified in the sale and purchase agreements before the end of 2028.

The analysis of the age of trade creditors at the year end (based on their invoice dates) is as follows:

	2025 HK\$M	2024 HK\$M
Up to 3 months	831	933

28. Lease Liabilities

	2025 HK\$M	2024 HK\$M
Maturity profile at the year end is as follows:		
Within 1 year	90	86
Between 1 and 2 years	77	71
Between 2 and 5 years	157	162
Over 5 years	156	201
	480	520
Amounts due within one year included under current liabilities	(90)	(86)
	390	434

During the year ended 31st December 2025, the weighted average incremental borrowing rate applied in measuring the lease liabilities was 3.3% per annum (2024: 3.4% per annum).

For the accounting policy in respect of lease liabilities, please refer to right-of-use assets (note 18).

29. Borrowings

Accounting Policy

Borrowings are recognised initially at fair value and subsequently measured at amortised cost. Transaction costs incurred are included in respect of those not held at fair value through profit or loss. Transaction costs are incremental costs that are directly attributable to the initiation of the borrowings, including fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Borrowings are subsequently stated at amortised cost, with any difference between the proceeds (net of transaction costs) and the redemption value recognised in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has a right to defer settlement of the liability for at least twelve months after the period-end date.

For disclosure purposes, the fair value of borrowings stated at amortised cost is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

Refer to the tables with the headings “Audited Financial Information” on pages 82 to 85 for details of the Group’s borrowings.

29. Borrowings (continued)

	2025 HK\$M	2024 HK\$M
Long-term bank loans – secured		
Repayable within 1 year	175	447
Repayable between 1 and 2 years	265	457
Repayable between 2 and 5 years	2,068	2,339
Repayable after 5 years	2,950	424
	5,458	3,667
Long-term bank loans – unsecured		
Repayable within 1 year	1,723	1,397
Repayable between 1 and 2 years	6,334	3,326
Repayable between 2 and 5 years	8,782	13,049
	16,839	17,772
Other borrowings – unsecured		
Repayable within 1 year	7,451	4,916
Repayable between 1 and 2 years	4,973	7,307
Repayable between 2 and 5 years	12,733	13,238
Repayable after 5 years	1,789	1,447
	26,946	26,908
Total	49,243	48,347
Amounts due within one year included under current liabilities		
– secured	175	447
– unsecured	9,174	6,313
	9,349	6,760
Amounts due after one year included under non-current liabilities		
– secured	5,283	3,220
– unsecured	34,611	38,367
	39,894	41,587

During the year ended 31st December 2025, the Group designated certain Renminbi-denominated borrowings in total of HK\$18,737 million (2024: HK\$13,699 million) to hedge the exposure arising from the net investments in subsidiary, joint venture and associated companies with major operations in the Chinese Mainland. Losses arising from these hedging instruments of HK\$798 million (2024: Gains of HK\$389 million) have been recognised in other comprehensive income as an effective hedge.

(a) The effective interest rates per annum (before interest rate and cross-currency swaps) at 31st December were as follows:

	2025			2024		
	HKD %	RMB %	USD %	HKD %	RMB %	USD %
Long-term loans and bonds	2.4-4.7	2.6-3.6	3.5-3.6	2.4-6.0	3.0-3.6	3.5-5.3

Bank loans and other borrowings are repayable on various dates up to 2040 (2024: up to 2033).

(b) The carrying amounts of these long-term bank loans and other borrowings (before cross-currency swaps) are denominated in the following currencies:

	2025 HK\$M	2024 HK\$M
Hong Kong dollars	17,305	19,268
Renminbi	24,155	17,837
United States dollars	7,783	11,242
	49,243	48,347

30. Derivative Financial Instruments

Accounting Policy

Derivatives are initially recognised at fair value on the dates derivative contracts are entered into and are subsequently remeasured to their fair value. The method of recognising 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. The Group designates certain derivatives as either: (a) hedges of highly probable forecast transactions (“cash flow hedges”); or (b) hedges of net investments in foreign operations (“net investment hedges”).

The Group documents at the inception of the transactions the economic relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, whether the derivatives that are used in hedging transactions are highly effective in offsetting cash flows of hedged items.

(a) Cash flow hedges that qualify for hedge accounting

All of the Group’s derivatives relate to cash flow hedges. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the consolidated statement of profit or loss.

When cross-currency swap contracts are used to hedge future cash flow, the Group designates only the change in fair value of the swap contract after exclusion of the foreign currency basis spread component as the hedging instrument. Gains or losses relating to the effective portion of the swap contract after exclusion of the foreign currency basis spread component are recognised in the cash flow hedge reserve within equity. The change in fair value of the foreign currency basis spread of the swap contract, to the extent it relates to the hedged item, is recognised separately as a cost of hedging on a systematic and rational basis over the period of the hedging relationship within OCI in equity. Hedge ineffectiveness is recognised in the consolidated statement of profit or loss within finance costs.

Amounts accumulated in equity are reclassified in the periods when the hedged item affects the consolidated statement of profit or loss. The gains or losses relating to the effective portion of (a) the interest rate swaps hedging variable rate borrowings and (b) cross-currency swap contracts hedging borrowings in foreign currency are recognised in the consolidated statement of profit or loss within finance costs at the same time as the interest expense on the hedged borrowings.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the consolidated statement of profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the consolidated statement of profit or loss.

(b) Net investment hedges

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of a hedge is recognised in equity; the gain or loss relating to the ineffective portion is recognised immediately in the consolidated statement of profit or loss.

Gains and losses accumulated in equity are transferred to the consolidated statement of profit or loss when the foreign operation is disposed of.

(c) Rebalancing of hedge relationships

If the hedge ratio for risk management purpose is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in the consolidated statement of profit or loss at the time of the hedge relationship rebalancing.

30. Derivative Financial Instruments *(continued)*

	2025		2024	
	Assets HK\$M	Liabilities HK\$M	Assets HK\$M	Liabilities HK\$M
Interest rate and cross-currency swaps				
– cash flow hedges				
– due within one year	48	3	2	–
– due after one year	–	80	65	19

The interest rate swaps hedge long-term interest rate exposures. The cross-currency swaps hedge the foreign currency risk relating to United States dollar note issues. Gains and losses recognised in the consolidated statement of other comprehensive income on interest rate and cross-currency swaps at 31st December 2025 are expected to affect the consolidated statement of profit or loss in the years to redemption of the notes and expiry of loans (up to and including 2028).

The notional principal amounts of the outstanding derivative financial instruments are as follows:

	2025 HK\$M	2024 HK\$M
Cross-currency swaps	7,783	7,763
Interest rate swaps	4,150	2,950

In most of the cases, the hedging instruments have a one-to-one hedge ratio with the hedged items.

For the years ended 31st December 2025 and 31st December 2024, all cash flow hedges qualifying for hedge accounting were highly effective.

31. Deferred Taxation

Accounting Policy

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred tax arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the recognition, has no impact on taxable or accounting profit or loss, it is not recognised. Tax rates enacted or substantively enacted by the period-end date are used to determine deferred taxation.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred taxation is provided on temporary differences arising on investments in subsidiary, joint venture and associated companies, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax relating to investment properties in Hong Kong and the U.S.A. is calculated having regard to the presumption that the value of these properties is capable of being recovered entirely through sale. This presumption is rebutted in relation to investment properties in the Chinese Mainland, because the business model applicable to them is to consume substantially all the economic benefits embodied in them over time rather than through sale. Accordingly, deferred tax relating to investment properties in the Chinese Mainland is determined on the basis of recovery through use.

31. Deferred Taxation *(continued)*

Deferred tax assets and liabilities are netted off when the taxes relate to the same taxation authority and where offsetting is legally enforceable. The following amounts, determined after appropriate offsetting, are shown separately in the consolidated statement of financial position:

	2025 HK\$M	2024 HK\$M
Deferred tax assets	414	108
Deferred tax liabilities	(15,610)	(14,776)
At 31st December	(15,196)	(14,668)

Substantially all deferred tax balances are to be recovered or settled after more than 12 months.

The movement on the net deferred tax liabilities account is as follows:

	2025 HK\$M	2024 HK\$M
At 1st January	14,668	13,994
Translation differences	469	(334)
Disposal of a subsidiary company	3	–
Charged to profit or loss (note 11)	59	976
(Credited)/Charged to other comprehensive income	(3)	32
At 31st December	15,196	14,668

The movement in deferred tax assets and liabilities (prior to offsetting balances within the same taxation jurisdiction) during the year is as follows:

Deferred tax liabilities

	Accelerated tax depreciation		Valuation of investment properties		Right-of-use assets		Others		Total	
	2025 HK\$M	2024 HK\$M	2025 HK\$M	2024 HK\$M	2025 HK\$M	2024 HK\$M	2025 HK\$M	2024 HK\$M	2025 HK\$M	2024 HK\$M
At 1st January	5,940	5,590	8,462	8,111	158	170	1,182	1,042	15,742	14,913
Translation differences	82	(59)	384	(278)	7	(5)	7	(3)	480	(345)
Charged/(Credited) to profit or loss	51	409	(252)	629	(5)	(7)	81	133	(125)	1,164
(Credited)/Charged to other comprehensive income	–	–	–	–	–	–	(16)	10	(16)	10
At 31st December	6,073	5,940	8,594	8,462	160	158	1,254	1,182	16,081	15,742

31. Deferred Taxation *(continued)*

Deferred tax assets

	Tax losses		Lease liabilities		Others		Total	
	2025 HK\$M	2024 HK\$M	2025 HK\$M	2024 HK\$M	2025 HK\$M	2024 HK\$M	2025 HK\$M	2024 HK\$M
At 1st January	489	429	115	136	470	354	1,074	919
Translation differences	1	(2)	5	(5)	5	(4)	11	(11)
Disposal of a subsidiary company	–	–	–	–	(3)	–	(3)	–
Credited/(Charged) to profit or loss	21	62	(14)	(16)	(191)	142	(184)	188
Charged to other comprehensive income	–	–	–	–	(13)	(22)	(13)	(22)
At 31st December	511	489	106	115	268	470	885	1,074

Deferred tax assets are recognised in respect of tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses of HK\$1,403 million (2024: HK\$2,404 million) to carry forward against future taxable income.

These amounts are analysed as follows:

	Unrecognised tax losses	
	2025 HK\$M	2024 HK\$M
No expiry date	1,074	1,282
Expiring within 1 year	45	58
Expiring between 1 and 5 years	276	320
Expiring between 5 and 10 years	8	186
Expiring between 10 and 20 years	–	558
	1,403	2,404

32. Retirement Benefits

The Group operates a number of defined benefit and defined contribution retirement benefit schemes for its employees, the assets of which are held in separate trustee administered funds. The majority of the Group's schemes are final salary guaranteed lump sum defined benefit plans.

A defined benefit scheme is a retirement plan that defines the benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The Group has an obligation to provide participating employees with these benefits.

A defined contribution scheme is a retirement plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in current and prior periods.

32. Retirement Benefits *(continued)*

Accounting Policy

For defined benefit schemes, retirement benefit costs are assessed using the projected unit credit method. Under this method, the cost of providing retirement benefits is charged to the consolidated statement of profit or loss so as to spread the regular cost over the service lives of employees.

The asset or liability recognised in the consolidated statement of financial position is the present value of the cost of providing these benefits (the defined benefit obligation) less the fair value of the plan assets at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries and is determined by discounting the estimated future cash outflows using interest rates payable in respect of high quality corporate bonds. The plan assets are valued on a bid price basis.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in the consolidated statement of other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in the consolidated statement of profit or loss. Any differences between the implicit and actual return on assets are charged as remeasurements to the consolidated statement of other comprehensive income.

For defined contribution schemes, the Group's contributions are charged to the consolidated statement of profit or loss in the periods to which the contributions relate.

The Group's obligations and expenses in respect of defined benefit schemes are dependent on a number of factors that are determined using a number of actuarial assumptions. The details of the actuarial assumptions used, including applicable sensitivities are disclosed in note 32(f).

For the year ended 31st December 2025, disclosures are based on valuations prepared by Mercer (Hong Kong) Limited at 31st December 2024 which were updated to reflect the position at 31st December 2025 by Cannon Trustees Limited, the main administration manager of the Group's defined benefit schemes. For the year ended 31st December 2024, disclosures in respect of defined benefit schemes are based on valuations prepared by Mercer (Hong Kong) Limited at 31st December 2024.

Contributions to the defined benefit retirement schemes are made in accordance with the funding rates recommended by independent qualified actuaries to ensure that the plans will be able to meet their liabilities as they become due. The funding rates are subject to annual review and are determined by taking into consideration the difference between the market values of the plans' assets and the present value of accrued past service liabilities, on an ongoing basis, as computed by reference to actuarial valuations. The principal schemes in Hong Kong are valued by qualified actuaries for funding purposes under the provisions of Hong Kong's Occupational Retirement Schemes Ordinance. The latest actuarial valuations indicate that the funding level for the year was 114% (2024: 109%) of the accrued liabilities on an ongoing basis. The Group expects to make contributions of HK\$85 million to its defined benefit schemes in 2026.

Most new employees in Hong Kong are offered the choice of joining the defined benefit retirement schemes or the mandatory provident fund ("MPF") scheme. Where staff elect to join the MPF scheme, both the Company and the staff are required to contribute 5% of the employees' relevant monthly income (capped at HK\$30,000). Staff may elect to contribute more than the minimum as a voluntary contribution. Employees engaged outside Hong Kong are covered by appropriate local arrangements.

(a) The amounts recognised in the consolidated statement of financial position are as follows:

	2025 HK\$M	2024 HK\$M
Present value of funded obligations	1,463	1,237
Fair value of plan assets	(1,600)	(1,303)
Net retirement benefit assets	(137)	(66)
Represented by:		
Retirement benefit assets	(137)	(66)

32. Retirement Benefits *(continued)*

(b) Changes in the present value of the defined benefit obligations are as follows:

	2025 HK\$M	2024 HK\$M
At 1st January	1,237	1,200
Current service cost	92	101
Interest expense	53	50
Actuarial losses/(gains) from changes in financial assumptions	146	(14)
Experience losses/(gains)	10	(32)
Transfer	2	(4)
Benefits paid	(77)	(64)
At 31st December	1,463	1,237

The weighted average duration of the defined benefit obligations is 8.43 years (2024: 8.42 years).

(c) Changes in the fair value of plan assets are as follows:

	2025 HK\$M	2024 HK\$M
At 1st January	1,303	1,155
Interest income	58	50
Return on plan assets, excluding interest income	233	86
Contributions by employers	81	80
Transfer	2	(4)
Benefits paid	(77)	(64)
At 31st December	1,600	1,303

There were no plan amendments, curtailments or settlements during the year.

(d) Net expenses recognised in the consolidated statement of profit or loss are as follows:

	2025 HK\$M	2024 HK\$M
Current service cost	92	101
Net interest income	(5)	–
	87	101

The above net expenses were included in cost of sales and administrative expenses in the consolidated statement of profit or loss.

Total retirement benefit costs charged to the consolidated statement of profit or loss for the year ended 31st December 2025 amounted to HK\$107 million (2024: HK\$119 million), including HK\$20 million (2024: HK\$18 million) in respect of defined contribution schemes.

The actual return on defined benefit plan assets was a gain of HK\$291 million (2024: HK\$136 million).

32. Retirement Benefits *(continued)*

(e) The plan assets of the schemes in Hong Kong are invested in the Swire Group Unitised Trust (“the Unitised Trust”). The Unitised Trust has four sub-funds in which the assets may be invested in accordance with separate and distinct investment policies and objectives. The Unitised Trust and sub-funds are overseen by an investment committee, which meets four times a year.

The make-up of the Unitised Trust is the result of the asset allocation of each sub-fund. The asset allocation of each plan targets a mix of equities, fixed income, absolute return funds and short duration bond sub-funds.

The management of the assets within the sub-funds is delegated by the investment committee to a number of reputable investment managers. The plan assets comprise:

	Defined benefit plans	
	2025 HK\$M	2024 HK\$M
Equities		
Asia Pacific	111	92
Europe	109	80
North America	385	327
Emerging markets	444	354
Bonds		
Global	104	87
Emerging markets	22	17
Absolute return funds	394	333
Cash	31	13
	1,600	1,303

At 31st December 2025, the prices of 47% of equities and 10% of bonds were quoted on active markets (2024: 35% and 11% respectively). The remainder of the prices were not quoted on active markets.

The most significant risk facing the defined benefit schemes of the Group is market risk. This risk embodies the potential for losses and gains and includes price risk, interest rate risk and currency risk as well as factors specific to an individual investment and its issuer and risk specific to a certain market. Market risk is managed principally through diversification of investments by the appointed investment managers. Investment managers enter into agreements that stipulate the performance objective of the investments, which is referenced to a recognised benchmark. The investment committee monitors the overall market risk position on a quarterly basis.

32. Retirement Benefits *(continued)*

(f) The significant actuarial assumptions used are as follows:

	2025	2024
Discount rate	3.16%	4.39%
Expected rate of future salary increases	4.00% to 5.78% p.a.	4.00% to 5.40% p.a.

The sensitivity of the defined benefit obligations to changes in actuarial assumptions is:

	2025			2024		
	Increase/(Decrease) in defined benefit obligation			Increase/(Decrease) in defined benefit obligation		
	Change in assumption	Increase in assumption HK\$M	Decrease in assumption HK\$M	Change in assumption	Increase in assumption HK\$M	Decrease in assumption HK\$M
Discount rate	0.5%	(61)	64	0.5%	(50)	54
Expected rate of future salary increases	0.5%	63	(61)	0.5%	54	(51)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligations to significant actuarial assumptions the same method has been applied as when calculating the retirement benefit liability recognised within the consolidated statement of financial position.

33. Share Capital

	Ordinary shares	HK\$M
<i>Issued and fully paid with no par value:</i>		
At 1st January 2025	5,814,221,400	10,449
Repurchased in 2024 and cancelled during the year	(12,000,000)	–
Repurchased and cancelled during the year	(44,736,600)	–
At 31st December 2025	5,757,484,800	10,449
At 1st January 2024	5,850,000,000	10,449
Repurchased and cancelled in 2024	(35,778,600)	–
At 31st December 2024	5,814,221,400	10,449

During the year ended 31st December 2025, the Company repurchased 44,736,600 ordinary shares on The Stock Exchange of Hong Kong Limited for a total aggregate price of HK\$707 million (excluding transaction fees). The repurchase was governed by section 257 of the Hong Kong Companies Ordinance (Cap. 622). The total amount paid for the repurchased ordinary shares was paid wholly out of the distributable profits of the Company included in its revenue reserve. The Company did not hold any repurchased shares as treasury shares. All the shares repurchased were subsequently cancelled during the year ended 31st December 2025.

Details of shares acquired by month are as follows:

	Number of shares purchased	Highest price paid HK\$	Lowest price paid HK\$	Total ^(note) HK\$M
January	10,905,000	16.00	14.84	168
February	12,000,000	15.86	14.78	184
March	7,816,000	17.00	15.26	127
April	11,008,600	17.00	14.76	178
May	3,007,000	17.00	16.46	50
	44,736,600			707

Note:

Excluding transaction fees of HK\$2 million for shares repurchased.

34. Reserves

	Revenue reserve HK\$M	Merger reserve HK\$M	Property revaluation reserve HK\$M	Cash flow hedge reserve HK\$M	Translation reserve HK\$M	Total HK\$M
At 1st January 2025	269,080	(1,108)	2,043	(2)	(5,136)	264,877
Loss for the year	(1,533)	–	–	–	–	(1,533)
Other comprehensive income						
Revaluation of properties previously occupied by the Group						
– losses recognised during the year	–	–	(21)	–	–	(21)
Defined benefit plans						
– remeasurement gains recognised during the year	77	–	–	–	–	77
– deferred tax	(13)	–	–	–	–	(13)
Cash flow hedges						
– losses recognised during the year	–	–	–	(98)	–	(98)
– transferred to net finance charges	–	–	–	(5)	–	(5)
– deferred tax	–	–	–	16	–	16
Share of other comprehensive income of joint venture and associated companies recognised during the year	–	–	5	–	1,256	1,261
Net translation differences recognised during the year	–	–	–	–	1,560	1,560
Total comprehensive income for the year	(1,469)	–	(16)	(87)	2,816	1,244
Repurchase of the Company's shares	(709)	–	–	–	–	(709)
2024 second interim dividend (note 13)	(4,386)	–	–	–	–	(4,386)
2025 first interim dividend (note 13)	(2,015)	–	–	–	–	(2,015)
Transfer	12	–	(12)	–	–	–
At 31st December 2025	260,513	(1,108)	2,015	(89)	(2,320)	259,011

34. Reserves (continued)

	Revenue reserve HK\$M	Merger reserve HK\$M	Property revaluation reserve HK\$M	Cash flow hedge reserve HK\$M	Translation reserve HK\$M	Total HK\$M
At 1st January 2024	276,689	(1,108)	2,042	(57)	(2,933)	274,633
Loss for the year	(766)	–	–	–	–	(766)
Other comprehensive income						
Revaluation of properties previously occupied by the Group						
– gains recognised during the year	–	–	1	–	–	1
Defined benefit plans						
– remeasurement gains recognised during the year	132	–	–	–	–	132
– deferred tax	(22)	–	–	–	–	(22)
Cash flow hedges						
– gains recognised during the year	–	–	–	120	–	120
– transferred to net finance charges	–	–	–	(55)	–	(55)
– deferred tax	–	–	–	(10)	–	(10)
Share of other comprehensive income of joint venture and associated companies recognised during the year	–	–	–	–	(856)	(856)
Net translation differences recognised during the year	–	–	–	–	(1,347)	(1,347)
Total comprehensive income for the year	(656)	–	1	55	(2,203)	(2,803)
Repurchase of the Company's shares	(752)	–	–	–	–	(752)
2023 second interim dividend	(4,212)	–	–	–	–	(4,212)
2024 first interim dividend (note 13)	(1,989)	–	–	–	–	(1,989)
At 31st December 2024	269,080	(1,108)	2,043	(2)	(5,136)	264,877

- (a) The Group's revenue reserve includes retained earnings from joint venture companies amounting to HK\$9,321 million (2024: HK\$10,647 million) and accumulated losses from associated companies amounting to HK\$145 million (2024: HK\$359 million).
- (b) The Group's revenue reserve includes HK\$4,606 million (2024: HK\$4,386 million) representing the declared second interim dividend for the year (note 13).
- (c) The Group adopted merger accounting in accordance with Accounting Guideline 5, Merger Accounting for Common Control Combinations (issued by the HKICPA) to account for the acquisition of all the shares of Swire Properties US Inc and Swire Properties One LLC in January 2010. These companies were wholly-owned subsidiaries of the immediate holding company of Swire Properties Limited.
- (d) At 31st December 2025, the Group's cash flow hedge reserve includes credit of HK\$3 million (net of tax) (2024: debit of HK\$1 million) relating to the currency basis element of the Group's derivatives which is recognised separately as a cost of hedging.

35. Company Statement of Financial Position and Reserves

(a) Company Statement of Financial Position

At 31st December 2025	Note	2025 HK\$M	2024 HK\$M
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		47	49
Intangible assets		127	139
Right-of-use assets		22	10
Subsidiary companies		123,838	121,109
Loans due from joint venture companies		3,346	3,651
Associated companies		3	3
Retirement benefit assets		121	62
		127,504	125,023
Current assets			
Trade and other receivables		68	84
Cash and cash equivalents		657	345
		725	429
Current liabilities			
Trade and other payables		26,491	20,784
Taxation payable		12	14
Lease liabilities due within one year		14	10
		26,517	20,808
Net current liabilities		(25,792)	(20,379)
Total assets less current liabilities		101,712	104,644
Non-current liabilities			
Long-term lease liabilities		8	1
Deferred tax liabilities		44	33
		52	34
NET ASSETS		101,660	104,610
EQUITY			
Equity attributable to the Company's shareholders			
Share capital	33	10,449	10,449
Reserves	35(b)	91,211	94,161
TOTAL EQUITY		101,660	104,610

Guy Bradley

May Wu

Directors

Hong Kong, 12th March 2026

35. Company Statement of Financial Position and Reserves *(continued)*

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

	Revenue reserve HK\$M
Company	
At 1st January 2025	94,161
Profit for the year (note 12)	4,106
Other comprehensive income	
Defined benefit plans	
– remeasurement gains recognised during the year	65
– deferred tax	(11)
Total comprehensive income for the year	4,160
Repurchase of the Company's shares	(709)
2024 second interim dividend (note 13)	(4,386)
2025 first interim dividend (note 13)	(2,015)
At 31st December 2025	91,211
Company	
At 1st January 2024	96,813
Profit for the year (note 12)	4,207
Other comprehensive income	
Defined benefit plans	
– remeasurement gains recognised during the year	113
– deferred tax	(19)
Total comprehensive income for the year	4,301
Repurchase of the Company's shares	(752)
2023 second interim dividend	(4,212)
2024 first interim dividend (note 13)	(1,989)
At 31st December 2024	94,161

- (i) Distributable reserves of the Company at 31st December 2025 amounted to HK\$91,211 million (2024: HK\$94,161 million).
- (ii) The Company's revenue reserve includes HK\$4,606 million (2024: HK\$4,386 million) representing the declared second interim dividend for the year (note 13).

36. Non-controlling Interests

The movement of non-controlling interests during the year is as follows:

	2025 HK\$M	2024 HK\$M
At 1st January	3,101	3,067
Share of profit less losses for the year	(18)	165
Share of net translation differences	81	(59)
Share of total comprehensive income	63	106
Increase in share of net assets of subsidiary companies	193	–
Capital contribution from non-controlling interests	–	23
Derecognition upon disposal of subsidiary companies (note 41(c))	(1,370)	–
Dividends paid	(105)	(95)
At 31st December	1,882	3,101

37. Capital Commitments

	2025 HK\$M	2024 HK\$M
(a) The Group's outstanding capital commitments at the year end in respect of:		
Property, plant and equipment	173	28
Investment properties	4,441	5,597
	4,614	5,625
The Group's share of capital commitments of joint venture companies at the year end (Note)	3,392	2,825

Note:

Of which the Group is committed to provide funding of HK\$1,217 million (2024: HK\$845 million).

At 31st December 2025, the Group was committed to inject capital of HK\$982 million (2024: HK\$1,549 million) into joint venture companies.

- (b) At 31st December 2025, the Group had unprovided contractual obligations for future repairs and maintenance on investment properties of HK\$243 million (2024: HK\$521 million).

38. Contingencies

Accounting Policy

Contingent liabilities are possible obligations that arise from past events, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of an outflow of economic benefits is remote.

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under HKFRS 9 “Financial Instruments” and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of HKFRS 15 “Revenue from Contracts with Customers”.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations. Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

	2025 HK\$M	2024 HK\$M
Guarantees provided in respect of:		
Bank loans and other liabilities of joint venture companies	2,849	4,145
Bank guarantees given in lieu of utility deposits and others	61	63
	2,910	4,208

The Group has assessed the fair value of the above guarantees and does not consider them to be material. They have therefore not been recognised in the consolidated statement of financial position.

39. Lease Commitments

Accounting Policy

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Receipts by the Group as a lessor under operating leases (net of any incentives paid to lessees) are recognised as income in the consolidated statement of profit or loss on a straight-line basis over the period of the lease.

For commenced leases (which are not identified as low-value or short-term leases) undertaken by the Group as a lessee, right-of-use assets and the corresponding lease liabilities are recognised in the financial statements when the leased assets become available for use. Commitments in respect of leases payable by the Group as a lessee represent the future lease payments for (i) committed leases which have not yet commenced at the year-end date and (ii) short-term leases.

39. Lease Commitments *(continued)*

The Group acts as both lessor and lessee under operating leases. Details of the Group's commitments under non-cancellable operating leases are set out as follows:

(a) Lessor – lease receivables

The leases for investment properties typically run for periods of three to six years. The retail turnover-related rental income received from investment properties during the year amounted to HK\$999 million (2024: HK\$1,072 million).

The future aggregate minimum lease receipts under non-cancellable operating leases were receivable by the Group at the year end as follows:

	2025 HK\$M	2024 HK\$M
Investment properties		
Within 1 year	8,342	8,726
Between 1 and 2 years	6,705	7,168
Between 2 and 3 years	4,715	5,319
Between 3 and 4 years	3,388	3,396
Between 4 and 5 years	2,281	2,391
After 5 years	5,136	4,570
	30,567	31,570

Assets held for deployment on operating leases at the year end were as follows:

	2025 HK\$M	2024 HK\$M
Investment properties at fair value	247,384	250,112

(b) Lessee

At 31st December 2025, there were no future lease payments under leases committed but not yet commenced by the Group and no short-term leases commitments which were significantly dissimilar to those relating to the portfolio of short-term leases for which expenses were recognised for the year ended 31st December 2025 (2024: none).

40. Related Party Transactions

Accounting Policy

Related parties of the Group are individuals and companies, including subsidiary, fellow subsidiary, joint venture and associated companies and key management of the Group or the parent of the Group (including close members of their families), where the individual or company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

40. Related Party Transactions (continued)

There is an agreement for services (“Services Agreement”), in respect of which John Swire & Sons (H.K.) Limited (“JS&SHK”), an intermediate holding company, provides services to various companies in the Group and under which costs are reimbursed and fees are payable. In return for these services, JS&SHK receives annual fees calculated as 2.5% of the Group’s relevant consolidated profit before taxation and non-controlling interests after certain adjustments. The Services Agreement was renewed on 1st October 2025 for three years expiring on 31st December 2028. For the year ended 31st December 2025, service fees payable amounted to HK\$192 million (2024: HK\$182 million). Expenses of HK\$147 million (2024: HK\$126 million) were reimbursed at cost; in addition, HK\$133 million (2024: HK\$118 million) in respect of shared administrative services was reimbursed.

Under a tenancy framework agreement (the “Tenancy Framework Agreement”) between JS&SHK, Swire Pacific Limited (“Swire Pacific”) and the Company dated 14th August 2014, members of the Group enter into tenancy agreements with members of the JS&SHK group and members of the Swire Pacific group from time to time on normal commercial terms based on prevailing market rentals. The Tenancy Framework Agreement was renewed on 1st October 2024 for a term of three years expiring on 31st December 2027. For the year ended 31st December 2025, the aggregate rentals payable to the Group by members of the JS&SHK group and members of the Swire Pacific group under tenancies to which the Tenancy Framework Agreement applies amounted to HK\$100 million (2024: HK\$104 million) and HK\$47 million (2024: HK\$48 million) respectively. These amounts are included under “Rental revenue” to the intermediate holding company and fellow subsidiary companies, respectively, in the summary of related party transactions below within this note.

The above related party transactions constitute continuing connected transactions of the Company, in respect of which the Company has complied with the requirements under Chapter 14A of the Listing Rules. A detail description of the aforesaid agreements is contained in the paragraph titled “Continuing Connected Transactions” in the Directors’ Report on pages 126 to 127.

In addition, the following is a summary of significant transactions between the Group and related parties (including transactions under the Tenancy Framework Agreement), which were carried out in the normal course of the Group’s business. The summary does not include transaction amounts relating to the Services Agreements, which are disclosed above in this note.

	Note	Joint venture companies ^(a)		Associated companies ^(a)		Fellow subsidiary companies ^(a)		Immediate holding company ^(a)		Intermediate holding company ^(a)		Other related parties ^(a)	
		2025 HK\$M	2024 HK\$M	2025 HK\$M	2024 HK\$M	2025 HK\$M	2024 HK\$M	2025 HK\$M	2024 HK\$M	2025 HK\$M	2024 HK\$M	2025 HK\$M	2024 HK\$M
Purchase of services	(a)	–	–	–	–	38	38	–	–	–	–	–	–
Rendering of services	(a)	94	83	–	–	2	–	–	–	1	1	–	–
Rental revenue	(b)	–	–	–	–	47	48	–	–	100	104	2	1
Rental expenses	(b)	13	14	–	–	–	–	–	–	–	–	–	–
Revenue from hotels		14	14	–	–	2	1	–	1	3	4	4	5
Interest income	(c)	119	151	42	8	–	–	–	–	–	–	–	–
Interest charges	(c)	–	–	9	5	–	–	–	–	–	–	–	–

Notes:

- Purchase and rendering of services from and to related parties were conducted in the normal course of business at prices and on terms no less favourable to the Group than those charged by/to and contracted with other suppliers/customers of the Group.
- The Group has, in the normal course of its business, entered into lease agreements with related parties to lease premises for varying periods up to six years. The leases were entered into on normal commercial terms.
- Loans advanced to joint venture and associated companies at 31st December 2025 are disclosed in notes 20 and 21. Advances from associated companies are disclosed in note 27.
- The transactions with these entities do not constitute connected transactions of the Company under Chapter 14A of the Listing Rules.
- The transactions within these entities constitute exempt or non-exempt connected transactions of the Company, in respect of which the Company has complied with the requirements under Chapter 14A of the Listing Rules. The revenue of HK\$47 million and HK\$100 million (from rental of properties) (2024: HK\$48 million and HK\$104 million) relate to the non-exempt continuing connected transactions under the Tenancy Framework Agreement. The disclosures required by Chapter 14A of the Listing Rules are provided under paragraph titled “Continuing Connected Transactions” in the Directors’ Report on pages 126 to 127.

Remuneration of key management, which includes Executive and Non-Executive Directors and Executive Officers, is disclosed in note 9.

41. Notes to the Consolidated Statement of Cash Flows

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

	2025 HK\$M	2024 HK\$M
Operating profit	1,958	1,702
Change in fair value of investment properties	6,095	5,996
Change in fair value of assets classified as held for sale	–	2
Depreciation	451	392
Amortisation of initial leasing costs on investment properties	83	52
Amortisation of intangible assets	53	71
Gains on disposal of subsidiary companies	(40)	–
Losses on disposal of investment properties	89	–
Losses on disposal of property, plant and equipment	5	10
Losses on disposal of assets classified as held for sale	–	220
Reversal on impairment loss on a hotel held as part of a mixed-use development	–	(15)
Other items	1	(115)
Operating profit before working capital changes	8,695	8,315
Increase in properties for sale	(796)	(1,601)
(Increase)/Decrease in stocks	(15)	2
Decrease/(Increase) in trade and other receivables	175	(797)
Increase/(Decrease) in trade and other payables	814	(35)
Increase in contract liabilities	1,145	632
Increase/(Decrease) in retirement benefit liabilities	6	(27)
Cash generated from operations	10,024	6,489

(b) Purchase of property, plant and equipment

	2025 HK\$M	2024 HK\$M
Land and buildings	9	10
Plant and equipment	173	266
Total	182	276

The above purchase amounts do not include interest capitalised on property, plant and equipment.

41. Notes to the Consolidated Statement of Cash Flows (continued)

(c) Disposal of subsidiary companies

	Total HK\$M
Net assets disposed of:	
Investment properties (Note)	6,141
Property, plant and equipment	1
Right of use assets	37
Deferred tax assets	3
Trade and other receivables	14
Trade and other payables	(59)
	6,137
Less: Non-controlling interests derecognised	(1,370)
Gains on disposals	40
	4,807
Satisfied by:	
Cash received (net of transaction costs)	4,524
Contingent consideration	283
	4,807
Analysis of the net inflow of cash and cash equivalents from disposal:	
Net cash proceeds	4,524

Note:

The amounts include investment properties of HK\$1,308 million and assets classified as held for sale of HK\$4,833 million.

The disposal of subsidiary companies consists of the sale of the Group's interests in certain properties in Hong Kong and the U.S.A.

In June 2025, the Group completed the disposal of its interest in the investment properties in the Brickell City Centre in the U.S.A. to Simon Property Group, a non-controlling interest, for a total consideration of up to US\$549 million, of which up to US\$36 million will be payable as a contingent consideration at a later date. The amount of the contingent consideration is subject to the satisfaction of certain conditions.

(d) Analysis of changes in financing during the year

During the year ended 31st December 2025, advances from associated companies of HK\$2,204 million (2024: HK\$2,049 million) were reported under "financing activities" in the consolidated statement of cash flows. As at 31st December 2025, after taking into account of a positive currency adjustment of HK\$117 million (2024: negative currency adjustment of HK\$28 million), the outstanding balances of these advances of HK\$4,342 million (2024: HK\$2,021 million) were recorded in the consolidated statement of financial position under "trade and other payables" as disclosed in note 27.

Refer to the tables with the headings "Audited Financial Information" on page 82 for details of the changes in financing for loans and bonds, and lease liabilities during the year.

41. Notes to the Consolidated Statement of Cash Flows *(continued)***(e) Acquisition of a subsidiary company**

As mentioned in note 20, the Group acquired an additional 25% equity interest in the existing joint venture company which owns Mandarin Oriental, Miami in June 2025, and the joint venture company became a wholly-owned subsidiary of the Company. Details of the purchase consideration and the net identifiable assets acquired are as follows:

	Total HK\$M
Properties for sale	540
Trade and other receivables	7
Bank balances and short-term deposits	18
Trade and other payables	(31)
Net identifiable assets acquired	534
Satisfied by:	
Purchase consideration settled in cash	290
Equity interest previously held by the Group	244
	534
Analysis of the net outflow of cash and cash equivalents for acquisition:	
Purchase consideration settled in cash	290
Less: Cash and cash equivalents acquired	(18)
Net cash outflow on acquisition	272

42. Immediate and Ultimate Holding Company

The immediate holding company is Swire Pacific Limited, a company incorporated and listed in Hong Kong.

The ultimate holding company is John Swire & Sons Limited, a company incorporated in the United Kingdom.

ACCOUNTING POLICIES

Apart from the material accounting policies presented within the corresponding notes to the financial statements, the other material accounting policies applied in the preparation of these consolidated financial statements are set out below:

1. Basis of Preparation

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants. The consolidated financial statements include “Audited Financial Information” in the Financing section on pages 81 to 89. The consolidated financial statements have been prepared under the historical cost convention as modified in relation to the revaluation of investment properties, put options in respect of non-controlling interests, financial assets at fair value through profit or loss and other comprehensive income, defined benefits assets and derivative financial instruments, each of which is carried at fair value.

2. Basis of Consolidation

The consolidated financial statements incorporate the financial statements of Swire Properties Limited, its subsidiary companies (together referred to as the “Group”) and the Group’s interests in joint venture and associated companies.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary company is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are generally expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquired subsidiary either at fair value or at the non-controlling interest’s proportionate share of the acquired subsidiary’s net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquired subsidiary and the acquisition-date fair value of any previous equity interest in the acquired subsidiary over the fair value of the Group’s share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the acquired subsidiary, the difference is recognised directly in the consolidated statement of profit or loss.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred. Accounting policies of subsidiary companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary company is recorded in equity. Gains or losses on disposals to non-controlling interests where control is not lost are also recorded in equity.

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in the consolidated statement of profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associated company, joint venture company or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in the consolidated statement of other comprehensive income are reclassified to the consolidated statement of profit or loss.

Where the Group enters into a contract that contains an obligation (for example a written put option exercisable by the contract counterparty) to acquire shares in a partly-owned subsidiary company from the owner of the non-controlling interest, which is not part of a business combination, the Group records a financial liability in respect of the present value of the redemption amount with a corresponding charge directly to equity. Changes to the value of the financial liability are recognised in the consolidated statement of profit or loss within net finance charges.

2. Basis of Consolidation *(continued)*

In the Group's consolidated statement of financial position, its interests in joint venture and associated companies are accounted for using the equity method of accounting and are initially recognised at cost. The excess of the cost of investment in joint venture and associated companies over the fair value of the Group's share of the identifiable net assets acquired at the date of acquisition represents goodwill. The Group's interests in joint venture and associated companies include goodwill identified on acquisitions, net of any accumulated impairment loss.

The Group's share of its joint venture and associated companies' post-acquisition profits or losses is recognised in the consolidated statement of profit or loss, and its share of post-acquisition movements in the consolidated statement of other comprehensive income is recognised in the consolidated statement of comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses equals or exceeds its interest in the joint venture or associated company, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture or associated company.

The Group assesses at the end of each reporting period whether there is any objective evidence that its interests in joint venture and associated companies are impaired. Such objective evidence includes whether there has been any significant adverse changes in the technological, market, economic or legal environment in which the joint venture and associated companies operate or whether there has been a significant or prolonged decline in value below their cost. If there is an indication that an interest in a joint venture or associated company is impaired, the Group assesses whether the entire carrying amount of the investment (including goodwill) is recoverable. An impairment loss is recognised in the consolidated statement of profit or loss for the amount by which the carrying amount is higher than the higher of the investment's fair value less costs of disposal or value-in-use. Any reversal of such impairment loss in subsequent periods is credited to the consolidated statement of profit or loss.

The Group recognises the disposal of an interest in a joint venture company when it ceases to have joint control and the risks and rewards of ownership have passed to the acquirer.

If the ownership interest in an associated company is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in the consolidated statement of other comprehensive income are reclassified to the consolidated statement of profit or loss where appropriate.

Unrealised gains on transactions between the Group and its joint venture and associated companies are eliminated to the extent of the Group's interest in these companies. Unrealised losses on assets transferred between the Group and its joint venture and associated companies are also eliminated unless the transactions provide evidence of impairment of the assets transferred. Accounting policies of joint venture and associated companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising in respect of investments in associated companies are recognised in the consolidated statement of profit or loss.

3. Subsidiary Companies

Subsidiary companies are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary companies are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Investments in subsidiary companies in the Company's standalone financial statements are stated at cost less provision for any impairment losses. Income from subsidiary companies is accounted for on the basis of dividends received and receivable. Long-term loans to subsidiary companies are considered to be quasi-equity in nature where there is no defined repayment terms and no expectation of repayment.

4. Joint Venture and Associated Companies

In the Company's statement of financial position, its investments in joint venture and associated companies are stated at cost less provision for any impairment losses. Income from joint venture and associated companies is recognised by the Company on the basis of dividends received and receivable. Long-term loans to joint venture and associated companies are subject to expected credit losses assessment. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

5. Foreign Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit or loss, except when deferred in the consolidated statement of other comprehensive income as qualifying cash flow hedges or qualifying net investment hedges.

When a gain or loss on a non-monetary item is recognised directly in the consolidated statement of other comprehensive income, any associated translation difference is also recognised directly in the consolidated statement of other comprehensive income. When a gain or loss on a non-monetary item is recognised in the consolidated statement of profit or loss, any associated translation difference is also recognised in the consolidated statement of profit or loss.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- (ii) Income and expenses for each statement of profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) All resulting exchange differences are recognised in the statement of other comprehensive income and accumulated in a separate component in equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are recognised in the consolidated statement of other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are reclassified in the consolidated statement of profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

6. Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

PRINCIPAL SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES

Showing proportion of capital owned at 31st December 2025

	Attributable to the Group %	Owned directly %	Owned by subsidiaries %	Issued and fully paid up shares/Registered capital	Principal activities
<i>Subsidiary companies:</i>					
Incorporated in Hong Kong:					
Achieve Bright Limited	100	100	–	100 shares (HK\$100)	Property trading
Citiluck Development Limited	100	–	100	1,000 shares (HK\$1,000)	Property investment
Cityplaza Holdings Limited	100	100	–	100 shares (HK\$1,000)	Property investment
Coventry Estates Limited	100	–	100	4 shares (HK\$40)	Property investment
Joyful Sincere Limited (d)	80	–	100	1 share (HK\$1)	Property trading
One Queen's Road East Limited	100	–	100	200 shares (HK\$200)	Property investment
Pacific Place Holdings Limited	100	100	–	2 shares (HK\$2)	Property investment
Redhill Properties Limited	100	100	–	250,000 shares (HK\$7,300,000)	Property trading
Swire Properties (Finance) Limited	100	100	–	1,000,000 shares (HK\$1,000,000)	Financial services
Swire Properties Hotel Management Limited	100	–	100	1 share (HK\$10)	Hotel and restaurant management and consultancy
Swire Properties Management Limited	100	100	–	2 shares (HK\$20)	Property management
Swire Properties MTN Financing Limited	100	100	–	1 share (HK\$1)	Financial services
Swire Properties Real Estate Agency Limited	100	100	–	2 shares (HK\$20)	Real estate agency
Taikoo Place Holdings Limited	100	100	–	2 shares (HK\$2)	Property investment
Incorporated in the Chinese Mainland:					
<i>(Domestic company)</i>					
Beijing Tianlian Real Estate Company Limited(b)(d)	100	–	100	Registered capital of RMB865,000,000	Holding company
<i>(Sino-foreign joint venture)</i>					
Taikoo Hui (Guangzhou) Development Company Limited(b)	97	–	97	Registered capital of RMB3,550,400,000	Property investment
Xi'an Tengyun Real Estate Company Limited(b)	70	–	70	Registered capital of RMB3,653,743,600	Property investment
<i>(Wholly foreign owned enterprises)</i>					
Beijing Anye Property Management Company Limited(b)	100	–	100	Registered capital of RMB160,170,485.20	Property investment
Beijing Sanlitun Hotel Management Company Limited(b)	100	–	100	Registered capital of RMB800,000,000	Property investment
Beijing Sanlitun North Property Management Company Limited(b)	100	–	100	Registered capital of RMB2,784,000,000	Property investment
Beijing Sanlitun South Property Management Company Limited(b)	100	–	100	Registered capital of RMB1,598,000,000	Property investment
Chengdu Qianhao Real Estate Company Limited	100	–	100	Registered capital of US\$329,000,000	Property investment
Sunshine Melody (Guangzhou) Properties Management Limited	100	–	100	Registered capital of RMB295,000,000	Property investment
Swire Properties (China) Investment Company Limited(b)	100	–	100	Registered capital of US\$30,000,000	Holding company

Notes:

- This table lists the principal subsidiary, joint venture and associated companies of the Group including those which, in the opinion of the Directors, materially contribute to the net income of the Group or hold a material portion of the assets or liabilities of the Group. To give full details of these companies would, in the opinion of the Directors, result in particulars of excessive length.
- Translated name.
- Group interest held through joint venture and associated companies.
- Companies the accounts of which are not audited by PricewaterhouseCoopers. These companies accounted for approximately 6.3% of attributable net assets at 31st December 2025.
- Unless otherwise stated, the principal place of operation of each company is the same as its place of incorporation.

	Attributable to the Group %	Owned directly %	Owned by subsidiaries %	Issued and fully paid up shares/Registered capital	Principal activities
<i>Subsidiary companies (continued):</i>					
Incorporated in the United States:					
50A Developer LLC	100	–	100	Limited Liability Company	Property trading and investment
BCC Hotel Management Services LLC	100	–	100	Limited Liability Company	Hotel management
OID Holding Company LLC	100	–	100	Limited Liability Company	Property trading and investment
OID T1 Developer LLC	100	–	100	Limited Liability Company	Property trading
OID T2 Developer LLC	100	–	100	Limited Liability Company	Property trading
Swire Brickell Key Hotel, Ltd.	100	–	100	Limited Partnership	Hotel investment
Swire Jadeco LLC	100	–	100	Limited Liability Company	Property trading
Swire Properties Inc	100	–	100	1,000 shares of US\$0.01 each	Holding company
Swire Properties One LLC	100	–	100	Limited Liability Company	Holding company
Swire Properties US Inc	100	–	100	1,000 shares of US\$0.01 each	Holding company
Swire Realty LLC	100	–	100	Limited Liability Company	Real estate agency
Incorporated in the British Virgin Islands:					
Apex Best Investments Limited (operating in Hong Kong)	100	100	–	1 share of US\$1	Property investment
Boom View Holdings Limited (operating in Hong Kong)	100	100	–	2 shares of US\$1 each	Property investment
Cherish Shine Limited (operating in Hong Kong)	100	100	–	1 share of US\$1	Property investment
Da Long Limited (operating in Hong Kong)	100	100	–	1 share of US\$1	Property investment
Gold Fountain Ventures Limited (operating in Hong Kong)	100	100	–	1 share of US\$1	Property investment
Great City China Holdings Limited (operating in the Chinese Mainland)	100	–	100	100 shares of US\$1 each	Holding company
High Grade Ventures Limited (operating in Hong Kong)	100	100	–	1 share of US\$1	Property trading and investment
Keen Elite Group Limited (operating in Hong Kong)	100	–	100	1 share of US\$1	Property investment
Novel Ray Limited (operating in Hong Kong)	100	100	–	1 share of US\$1	Property investment
One Pacific Place Limited (operating in Hong Kong)	100	–	100	1 share of US\$1	Property investment
Park Concept Group Limited (operating in Hong Kong)	100	100	–	1 share of US\$1	Property investment
Prosperous Dynasty Limited (operating in Hong Kong)	100	100	–	1 share of US\$1	Property investment
Sound Dragon Trading Co., Ltd. (operating in Hong Kong)	100	100	–	1 share of US\$1	Property investment
Sino Flagship Investments Limited (operating in Hong Kong)	100	–	100	1 share of US\$1	Property investment
Swire and Island Communication Developments Limited(d) (operating in Hong Kong)	60	60	–	100 shares of HK\$10 each and 1 non-voting dividend share of HK\$10	Property investment
Swire Properties China Holdings Limited (operating in Hong Kong)	100	100	–	1 share of US\$1	Holding company
<i>Joint venture companies:</i>					
Incorporated in Hong Kong:					
Hareton Limited(d)	50	–	50	100 shares (HK\$1,000)	Property investment
Pacific Grace Limited	50	–	(c)	2 shares (HK\$2)	Property investment
Richly Leader Limited	50	–	50	1,000,000,000 shares (HK\$700,000,000)	Property investment

PRINCIPAL SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES
Showing proportion of capital owned at 31st December 2025

	Attributable to the Group %	Owned directly %	Owned by subsidiaries %	Issued and fully paid up shares/Registered capital	Principal activities
<i>Joint venture companies (continued):</i>					
Incorporated in the British Virgin Islands:					
Dazhongli Properties Limited (operating in the Chinese Mainland)	50	–	50	1,000 shares of US\$1 each	Holding company
Fortune Access Holdings Limited (operating in Hong Kong)	25	–	25	100 shares of US\$1 each	Holding company
Newfoundworld Investment Holdings Limited (operating in Hong Kong)	26.67	–	26.67	15 shares of US\$1 each	Holding company
Parico Resources Limited(d) (operating in Hong Kong)	50	–	(c)	2 shares of US\$1 each	Holding company
Incorporated in the Chinese Mainland:					
<i>(Domestic companies)</i>					
Beijing Linlian Real Estate Company Limited (b)(d)	50	–	50	Registered capital of RMB400,000,000	Property investment
Shanghai Kaiye Commercial Management Company Limited(b)	60	–	60	Registered capital of RMB10,000,000	Property management
<i>(Sino-foreign joint ventures)</i>					
Beijing Xingtaitonggang Properties Company Limited(b)(d)	49.895	–	49.895	Registered capital of RMB9,500,000,000	Property investment
Guangzhou Jushi Investment Development Company Limited(b)	50	–	50	Registered capital of RMB3,670,000,000	Property investment
Shanghai Qianxiu Company Limited(b)	50	–	50	Registered capital of RMB1,549,777,000	Property investment
Sanya Seaside Investment & Development Company Limited(b)(d)	50	–	50	Registered capital of RMB2,500,000,000	Property investment
<i>(Wholly foreign owned enterprise)</i>					
Guan Feng (Shanghai) Real Estate Development Company Limited(b)	50	–	(c)	Registered capital of US\$1,136,530,000	Property investment
Incorporated in Indonesia:					
PT Jantra Swarna Dipta	50	–	50	1,728,176 shares of Rp1,000,000 each	Property trading
Incorporated in Thailand:					
City Dynamic Co., Ltd.(d)	40	–	40	165,000,000 shares of Baht10 each	Property trading
<i>Associated companies:</i>					
Incorporated in Hong Kong:					
Greenroll Limited(d)	20	20	–	45,441,000 shares (HK\$454,410,000)	Hotel investment
Queensway Hotel Limited(d)	20	–	(c)	100,000 shares (HK\$1,000,000)	Hotel investment
Shangri-La International Hotels (Pacific Place) Limited	20	20	–	10,005,000 shares (HK\$10,005,000)	Hotel investment
Incorporated in the Chinese Mainland:					
<i>(Sino-foreign joint ventures)</i>					
Shanghai Dongmao Real Estate Limited(b)	40	–	40	Registered capital of RMB16,000,000,000	Property trading and investment
Shanghai Yaolong Investment Limited(b)	40	–	40	Registered capital of RMB2,200,000,000	Property trading and investment
Incorporated in Vietnam:					
City Garden Thu Thiem Limited Liability Company(d)	20	–	(c)	Charter capital of VND969,797,500,000	Property trading

SCHEDULE OF PRINCIPAL GROUP PROPERTIES

At 31st December 2025

	Gross floor areas in square feet							
	Hong Kong		Chinese Mainland		U.S.A. and Elsewhere		Totals	
	Held through subsidiaries	Held through other companies	Held through subsidiaries	Held through other companies	Held through subsidiaries	Held through other companies	Held through subsidiaries	Held through subsidiaries and other companies
Completed properties for investment								
Retail	2,321,552	224,000	4,596,646	1,830,323	–	–	6,918,198	8,972,521
Office	8,437,823	735,414	1,693,125	1,244,955	–	–	10,130,948	12,111,317
Residential/Service apartments	555,551	–	157,180	73,662	–	–	712,731	786,393
Hotels	358,371	435,770	702,571	467,442	–	–	1,060,942	1,964,154
	11,673,297	1,395,184	7,149,522	3,616,382	–	–	18,822,819	23,834,385
Property developments for investment								
Retail	–	24,968	3,311,798	2,742,869	–	–	3,311,798	6,079,635
Office	–	–	–	2,155,659	–	–	–	2,155,659
Residential/Service apartments	–	–	110,675	57,540	–	–	110,675	168,215
Hotels	–	–	273,685	173,037	–	–	273,685	446,722
Under planning	779,000	–	–	615,701	–	–	779,000	1,394,701
	779,000	24,968	3,696,158	5,744,806	–	–	4,475,158	10,244,932
Completed properties for sale								
Residential/Service apartments	446,095	109,148	–	–	–	561,364	446,095	1,116,607
Retail	1,968	–	–	–	–	–	1,968	1,968
	448,063	109,148	–	–	–	561,364	448,063	1,118,575
Property developments for sale								
Retail	13,197	–	–	–	–	–	13,197	13,197
Residential/Mixed-use	365,544	202,369	–	981,492	895,000	1,495,533	1,260,544	3,939,938
	378,741	202,369	–	981,492	895,000	1,495,533	1,273,741	3,953,135
	13,279,101	1,731,669	10,845,680	10,342,680	895,000	2,056,897	25,019,781	39,151,027

Notes:

- All properties held through subsidiary companies are wholly-owned except for Island Place (60% owned), The Headland Residences (80% owned), Taikoo Hui, Guangzhou (97% owned), Taikoo Li Xi'an (70% owned), and Phase 3 of Taikoo Hui, Guangzhou (formerly known as No. 387 Tianhe Road, Guangzhou) (97% owned). The above summary table includes the floor areas of these five properties on a 100% basis.
- "Other companies" comprise joint venture, associated companies and financial assets at fair value through profit or loss. The floor areas of properties held through such companies are shown on an attributable basis.
- Gross floor areas in Hong Kong and the Chinese Mainland exclude car parking spaces; there are about 8,840 completed car parking spaces in Hong Kong and the Chinese Mainland, which are held by subsidiaries and other companies for investment.
- When a Hong Kong property is held under a renewable lease, the expiry date of the renewal period is shown.
- All properties in the U.S.A. are freehold.

SCHEDULE OF PRINCIPAL GROUP PROPERTIES
At 31st December 2025

Completed properties for investment in Hong Kong	Address	Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Year of completion	Remarks
Office							
1. Pacific Place							
One Pacific Place	88 Queensway, Admiralty	2135	115,066 (part)	863,266	–	1988	
Two Pacific Place	88 Queensway, Admiralty	2047	203,223 (part)	695,510	–	1990	
2. Three Pacific Place	1 Queen's Road East, Wan Chai	2050-2852	40,236	627,657	111	2004/2007	Linked to The Mall at Pacific Place and Admiralty MTR station.
3. FWD Tower, Taikoo Place	979 King's Road, Taikoo Place, Quarry Bay	2881	70,414 (part)	803,452	311	1993	Linked to Dorset House and Cambridge House. Formerly known as Devon House. Renamed "FWD Tower" with effective from 1st January 2026.
4. Dorset House, Taikoo Place	979 King's Road, Taikoo Place, Quarry Bay	2881	238,582 (part)	601,723	204	1994	Linked to FWD Tower and PCCW Tower.
5. Lincoln House, Taikoo Place	979 King's Road, Taikoo Place, Quarry Bay	2881	238,582 (part)	333,529	164	1998	Linked to PCCW Tower and One Taikoo Place.
6. Oxford House, Taikoo Place	979 King's Road, Taikoo Place, Quarry Bay	2881/2899	33,434	501,253	182	1999	Linked to One Taikoo Place.
7. Cambridge House, Taikoo Place	979 King's Road, Taikoo Place, Quarry Bay	2881	70,414 (part)	268,795	–	2003	Linked to FWD Tower.
8. One Island East, Taikoo Place	18 Westlands Road, Taikoo Place, Quarry Bay	2881/2899	109,929 (part)	1,284,095	–	2008	Linked to Two Taikoo Place. Floor area is approximation and excludes ten floors which were disposed to SFC.
9. One Taikoo Place, Taikoo Place	979 King's Road, Taikoo Place, Quarry Bay	2881	238,582 (part)	1,013,368	82	2018	Linked to Lincoln House and Oxford House.
10. Two Taikoo Place, Taikoo Place	979 King's Road, Taikoo Place, Quarry Bay	2881	238,582 (part)	994,973	346	2022	Linked to PCCW Tower and One Island East.
11. SPACES. 8QRE	8 Queen's Road East, Wan Chai	2089/2103/2113	4,612	81,346	–	2013 (Refurbishment)	With ground floor retail.
12. Five Pacific Place	28 Hennessy Road, Wan Chai	2843	9,622	145,903	–	2012	
13. Six Pacific Place	50 Queen's Road East, Wan Chai	2843	14,433	222,953	88	2024	
	Total held through subsidiaries			8,437,823	1,488		
14. PCCW Tower, Taikoo Place	979 King's Road, Taikoo Place, Quarry Bay	2881	238,582 (part)	613,679	217	1994	Linked to Dorset House, Lincoln House and Two Taikoo Place. Floor area shown represents the whole development, in which the Group owns a 50% interest.
15. Berkshire House, Taikoo Place	25 Westlands Road, Taikoo Place, Quarry Bay	2047	25,926	388,838	84	1998	Floor area shown represents the whole development, in which the Group owns a 50% interest.
16. One Citygate	20 Tat Tung Road, Tung Chung, Lantau Island	2047	358,557 (part)	160,899	63	1999/2000	Above Citygate Outlets. Floor area shown represents the whole of the office area of the development, in which the Group owns a 26.67% interest.
17. South Island Place	8 Wong Chuk Hang Road, Wong Chuk Hang	2064	25,260	382,499	137	2018	Floor area shown represents the whole development, in which the Group owns a 50% interest.
	Total held through joint venture companies			1,545,915	501		
	– of which attributable to the Group			735,414			

Completed properties for investment in Hong Kong	Address	Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Year of completion	Remarks
Retail							
1. Pacific Place The Mall at Pacific Place	88 Queensway, Admiralty	2135/2047	318,289 (part)	711,182	426	1988/1990	Shopping centre with restaurants and a cinema. Access to Admiralty MTR station. Pacific Place also comprises serviced apartments and hotels, details of which are given in the Residential and Hotels categories below.
2. Cityplaza	18 Taikoo Shing Road, Taikoo Shing	2899	334,475 (part)	1,096,898	845	1983/1987/1997/2000	Shopping centre with restaurants, ice-skating rink, cinema and access to Tai Koo MTR station.
3. Commercial areas in Stages I - X of Taikoo Shing	Taikoo Shing	2081/2889/2899	–	329,777	669	1977-1985	Neighbourhood shops, schools and car parking spaces.
4. Island Place	500 King's Road, North Point	2047	106,498 (part)	150,223	288	1996	Floor area shown represents the whole shopping centre podium, in which the Group owns a 60% interest.
5. StarCrest	9 Star Street, Wan Chai	2047	40,871 (part)	13,112	83	1999	Floor area shown represents the whole of the retail podium.
6. EAST Apartments, Taikoo Place	23 Tong Chong Street, Taikoo Place, Quarry Bay	2881	8,664 (part)	12,312	–	2014	Floor area shown represents the whole of a 3-storey retail podium (excluding serviced suites above).
7. STAR STUDIOS I & II	8-10 & 18 Wing Fung Street, Wan Chai	2056/2852	6,775 (part)	5,197	–	2016 (Refurbishment)	Floor area shown represents the retail area (excluding residential apartments).
8. EIGHT STAR STREET	8 Star Street, Wan Chai	2856	3,609 (part)	2,851	–	2022	Floor area shown represents the whole of the retail podium.
Total held through subsidiaries				2,321,552	2,311		
9. Tung Chung Crescent	Tung Chung Crescent, Tung Chung, Lantau Island	2047	331,658 (part)	36,053	75	1998/1999	Floor area shown represents the retail space, in which the Group owns a 26.67% interest.
10. Citygate Outlets	18-20 Tat Tung Road, Tung Chung, Lantau Island	2047/2063	466,476 (part)	803,948	1,197	1999/2000/2019	Floor area shown represents the whole of the retail area of the development, in which the Group owns a 26.67% interest.
Total held through joint venture companies				840,001	1,272		
– of which attributable to the Group				224,000			
Residential							
1. Pacific Place Apartments	88 Queensway, Admiralty	2047	203,223 (part)	443,075	–	1990	270 serviced suites below Conrad Hong Kong Hotel.
2. EAST Apartments, Taikoo Place	23 Tong Chong Street, Taikoo Place, Quarry Bay	2881	8,664 (part)	62,756	–	2014	106 serviced suites above a 3-storey retail podium. Floor area shown excludes retail portion.
3. STAR STUDIOS I & II	8-10 & 18 Wing Fung Street, Wan Chai	2056/2852	6,775 (part)	47,076	–	2016 (Refurbishment)	120 apartments above ground floor shops. Floor area shown excludes retail area (5,197 square feet).
4. House B, 36 Island Road, Deep Water Bay	36 Island Road, Deep Water Bay	2097	20,733 (part)	2,644	–	1980	One detached house.
Total held through subsidiaries				555,551	–		
Hotels							
1. EAST Hong Kong	29 Taikoo Shing Road, Taikoo Shing	2899	146,184 (part)	199,633	–	2009	331-room hotel.
2. Upper House Hong Kong (formerly known as The Upper House), Pacific Place	88 Queensway, Admiralty	2135	115,066 (part)	158,738	–	2009 (Refurbishment)	117-room hotel above the JW Marriott Hotel.
Total held through subsidiaries				358,371	–		

SCHEDULE OF PRINCIPAL GROUP PROPERTIES

At 31st December 2025

Completed properties for investment in Hong Kong	Address	Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Year of completion	Remarks	
Hotels (continued)								
3.	JW Marriott Hotel, Pacific Place	88 Queensway, Admiralty	2135	115,066 (part)	525,904	–	1988	608-room hotel, in which the Group owns a 20% interest.
4.	Conrad Hong Kong Hotel, Pacific Place	88 Queensway, Admiralty	2047	203,223 (part)	555,590	–	1990	513-room hotel, in which the Group owns a 20% interest.
5.	Island Shangri-La Hotel, Pacific Place	88 Queensway, Admiralty	2047	203,223 (part)	605,728	–	1991	544-room hotel, in which the Group owns a 20% interest.
Total held through associated companies				1,687,222	–			
– of which attributable to the Group				337,444				
6.	Novotel Citygate Hong Kong, Citygate	51 Man Tung Road, Tung Chung, Lantau Island	2047	358,557 (part)	236,758	25	2005	440-room hotel, in which the Group owns a 26.67% interest.
7.	The Silveri Hong Kong – MGallery, Citygate	16 Tat Tung Road, Tung Chung, Lantau Island	2063	107,919 (part)	131,966	5	2019	206-room hotel, in which the Group owns a 26.67% interest.
Total held through joint venture companies				368,724	30			
– of which attributable to the Group				98,326				

Completed properties for investment in the Chinese Mainland	Address	Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Year of completion	Remarks	
Retail								
1.	Taikoo Li Sanlitun (Taikoo Li Sanlitun South)	19 Sanlitun Road, Chaoyang district, Beijing	2044 (2054 for car parks)	566,332 (part)	776,909	417	2007	Shopping centre with restaurants and cinema.
2.	Taikoo Li Sanlitun (Taikoo Li Sanlitun North)	11 Sanlitun Road, Chaoyang district, Beijing	2044 (2054 for car parks)	566,332 (part)	519,399	340	2007	Shopping centre with restaurants.
3.	Taikoo Li Sanlitun (Taikoo Li Sanlitun West)	58 Workers' Stadium North Road, Chaoyang district, Beijing	2033	40,102	296,387	50	2021	Shopping centre with restaurants leased by the Group.
4.	Building 15	15 Sanlitun North, Chaoyang district, Beijing	2048	4,861	19,011	–	2000s	Commercial building acquired by the Group.
5.	The Red	Building 15A, Sanlitun North, Chaoyang district, Beijing	2027	7,641	10,077	–	2000s	Shopping centre leased by the Group.
6.	Phase 2 of Taikoo Hui (formerly known as Hui Fang)	75 Tianhe East Road, Tianhe district, Guangzhou	2044	174,377 (part)	90,847	100	2008	Shopping centre with restaurants.
7.	Taikoo Hui	383 Tianhe Road, Tianhe district, Guangzhou	2051	526,941 (part)	1,529,392	718	2011	Shopping centre with restaurants. Floor area shown represents the retail portion, in which the Group owns a 97% interest.
8.	Taikoo Li Chengdu	Daci Temple Area, 9 Dongda Street, Jinjiang district, Chengdu	2051	814,604 (part)	1,314,237	1,051	2014	Shopping centre with restaurants and cinema. Floor area shown represents the retail portion.
9.	Heritage Buildings in Taikoo Li Chengdu	Daci Temple Area, 9 Dongda Street, Jinjiang district, Chengdu	2034	N/A	40,387	–	2014	Heritage Buildings leased from the local government as part of the retail operation of Taikoo Li Chengdu.
Total held through subsidiaries				4,596,646	2,676			

Completed properties for investment in the Chinese Mainland	Address	Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Year of completion	Remarks
Retail (continued)							
10. INDIGO	18 Jiuxianqiao Road, Chaoyang district, Beijing	2044 (2054 for car parks)	628,279 (part)	946,769	617	2012	Shopping centre with restaurants and cinema. Floor area shown represents the retail portion, in which the Group owns a 50% interest.
11. HKRI Taikoo Hui	No. 789 Nanjing Road (West), Jing'an district, Shanghai	2049	676,091 (part)	1,039,407	391	2016	Floor area shown represents the retail portion, in which the Group owns a 50% interest.
12. Metrolink in HKRI Taikoo Hui	No. 789 Nanjing Road (West), Jing'an district, Shanghai	2035	N/A	67,813	–	2018	Shopping corridor leased from Shanghai Shentong Metro and operated by HKRI Taikoo Hui, in which the Group owns a 50% interest.
13. Taikoo Li Qiantan	No. 500, Dongyu Road, Pudong district, Shanghai	2053	638,125	1,188,727	907	2020	The Group owns a 50% interest.
14. Taikoo Li Julong Wan Guangzhou	Located between Fangcun Avenue and the Pearl River in the Baietan Julong Wan Area of Liwan district, Guangzhou	2063	432,551 (part)	417,930	160	2025	GFA based on land title figure, including asset-light buildings, in which the Group owns a 50% interest.
Total held through joint venture companies				3,660,646	2,075		
– of which attributable to the Group				1,830,323			
Office							
1. Taikoo Hui Towers 1 & 2	383 Tianhe Road, Tianhe district, Guangzhou	2051	526,941 (part)	1,693,125	–	2011	Floor area shown represents the office portion, in which the Group owns a 97% interest.
Total held through subsidiaries				1,693,125	–		
2. ONE INDIGO	20 Jiuxianqiao Road, Chaoyang district, Beijing	2054	631,072 (part)	589,071	392	2011	Floor area shown represents the office portion, in which the Group owns a 50% interest.
3. HKRI Centre 1 and HKRI Centre 2	288 Shimen Road (No. 1), Jing'an district, Shanghai	2059	676,091 (part)	1,900,838	670	2016	Floor area shown represents the office portion, in which the Group owns a 50% interest.
Total held through joint venture companies				2,489,909	1,062		
– of which attributable to the Group				1,244,955			
Hotels							
1. Mandarin Oriental, Guangzhou	389 Tianhe Road, Tianhe district, Guangzhou	2051	526,941 (part)	Hotel: 509,434 Serviced apartment: 50,376 <hr/> 559,810	– –	2012	263-room hotel and 24 serviced apartments, in which the Group owns a 97% interest.
2. Upper House Chengdu (formerly known as The Temple House)	Daci Temple Area, 9 Dongda Street, Jinjiang district, Chengdu	2051	814,604 (part)	Hotel: 193,137 Serviced apartment: 106,804 <hr/> 299,941	– –	2015	100-room hotel and 42 serviced apartments.
Total held through subsidiaries				859,751	–		
3. EAST Beijing	22 Jiuxianqiao Road, Chaoyang district, Beijing	2044 (2054 for office and car parks)	631,072 (part)	358,301	236	2012	365-room hotel, in which the Group owns a 50% interest.

SCHEDULE OF PRINCIPAL GROUP PROPERTIES

At 31st December 2025

Completed properties for investment in the Chinese Mainland	Address	Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Year of completion	Remarks
Hotels (continued)							
4. The Sukhothai Shanghai Hotel	380 Weihai Road, Jing'an district, Shanghai	2049	676,091 (part)	Hotel: 328,625	87	2018	201-room hotel, in which the Group owns a 50% interest.
Upper House Shanghai (formerly known as The Middle House and The Middle House Residences)	366 Shi Men Yi Road, Jing'an district, Shanghai			Hotel: 247,958 Serviced apartment: 147,323	52 52	2018 2018	111-room hotel, in which the Group owns a 50% interest. 102 serviced apartments, in which the Group owns a 50% interest.
				723,906			
Total held through joint venture companies				1,082,207	427		
– of which attributable to the Group				541,104			

Property developments for investment in Hong Kong	Lot number	Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Stage of completion	Expected completion date	Remarks
Under planning								
1. 8 Shipyard Lane and 1067 King's Road	QBML 2 & Ext sE ss2 QBML 2 & Ext sE ss6	2899	51,937	Under planning: 779,000	To be determined	Under planning.	To be determined	
Total held through subsidiaries				779,000	–			

Retail

1. 983-987A King's Road and 16-94 Pan Hoi Street	QBML 1 sJ ss1 QBML 1 sJ ss2 QBML 1 sJ ss3 QBML 1 sJ ss4 QBML 1 sJ ss5 QBML 1 sJ ss6 QBML 1 sJ ss7 QBML 1 sJ RP QBML 1 sK ss1 QBML 1 sK ss2 QBML 1 sK ss3 QBML 1 sK ss4 QBML 1 sK ss5 QBML 1 sK RP QBML 1 sL ss1 QBML 1 sL RP	2881	43,881 (part)	49,936	To be determined	Foundation work in progress.	2028	Residential blocks over retail podium. Floor area shown represents only the retail podium, in which the Group owns a 50% interest. The area shown is subject to change.
Total held through joint venture companies				49,936	–			
– of which attributable to the Group				24,968				

Property developments for investment in the Chinese Mainland	Address	Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Stage of completion	Expected completion date	Remarks
Retail								
1. Phase 3 of Taikoo Hui, Guangzhou (formerly known as No. 387 Tianhe Road, Guangzhou)	No. 387 Tianhe Road, Guangzhou, connected to the shopping mall at Taikoo Hui Guangzhou	2041	326,848	Under planning: 654,782	134	Design scheme finalised.	From 2027	To be refurbished as a luxury retail extension to Taikoo Hui. Floor area shown represents the retail portion, in which the Group owns a 97% interest.
2. Building N1 (formerly known as The Opposite House under redevelopment)	On the north of current Taikoo Li Sanlitun, Beijing	2044 (2054 for car parks)	566,332 (part)	145,258	54	Superstructure completed. Façade works in progress.	2026	Redevelopment of a complex retail landmark.
3. Taikoo Li Xi'an – retail portion	The Small Wild Goose Pagoda historical and cultural zone, Beilin district, Xi'an	2064	1,383,129 (part)	Under planning: 2,511,758	2,695 (subject to change)	Basement and superstructure works in progress.	From 2027	Retail-led mixed-use development comprising retail and cultural facilities in addition to a hotel and serviced apartments. The Group owns a 70% interest.
Total held through subsidiaries				3,311,798	2,883			

Property developments for investment in the Chinese Mainland		Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Stage of completion	Expected completion date	Remarks	
Retail (continued)									
4.	Taikoo Li Sanya	Next to and on the west of current Phase II of the Sanya International Duty-Free Complex	2063	2,233,401	Under planning: 2,486,894 (under design & further review)	2,582	Basement, superstructure, façade, mechanical and electrical installation works in progress.	From 2026	A premium, resort-style, retail-led development in the Haitang district of Sanya. The Group owns a 50% interest.
5.	Taikoo Place Beijing – retail portion	Next to and on the east of current INDIGO, Beijing	2060	842,807 (part)	Under planning: 889,608	To be determined	Superstructure topped out. Façade, mechanical and electrical installation works in progress.	From late-2026	An office-led, mixed-use extension of the existing INDIGO project comprising a shopping mall, office towers, and a hotel. The Group owns a 49.895% interest.
6.	Taikoo Li Julong Wan Guangzhou	Located between Fangcun Avenue and the Pearl River in the Baietan Julong Wan Area of Liwan district, Guangzhou	2063	432,551 (part)	Under planning: 301,513	To be determined	Basement and superstructure works in progress.	From first half of 2027	Prior to the first phase's completion, exhibitions, events, pop-up shops and activities are being conducted to activate the area starting from late 2025. The Group owns a 50% interest.
Total held through joint venture companies				3,678,015	2,582				
– of which attributable to the Group				1,838,073					
7.	Shanghai New Bund Mixed-use Project – retail portion	Next to and on the east of current Taikoo Li Qiantan, Pudong district, Shanghai	2053	686,789 (part)	Under planning: 1,591,554	1,674 (total for retail and office)	Office towers and retail portion topped out. Façade and interior fit out works in progress.	2026	A mixed-use development comprising retail, office and residential uses, directly opposite Taikoo Li Qiantan. The Group owns a 40% interest.
8.	Lujiazui Taikoo Yuan (West), Shanghai – retail portion	E08-4, E10-2, and E12-1 Plots in Yangjing Riverside, Pudong district, Shanghai	2061	831,659 (part)	Under planning: 670,436	849 (total for retail and office)	Basement structure, superstructure and façade works in progress.	From 2026	West portion of Lujiazui Taikoo Yuan, a mixed-use development comprising premium residential, retail, office and cultural facilities, and potentially a lifestyle hotel. The Group owns a 40% interest.
Total held through associated companies				2,261,990	2,523				
– of which attributable to the Group				904,796					
Office									
1.	Taikoo Place Beijing – office portion	Next to and on the east of current INDIGO, Beijing	2070	842,807 (part)	Under planning: 2,809,103	To be determined	Superstructure topped out. Façade, mechanical and electrical installation works in progress.	From late-2026	An office-led, mixed-use extension of the existing INDIGO project comprising a shopping mall, office towers, and a hotel. The Group owns a 49.895% interest.
Total held through joint venture companies				2,809,103	–				
– of which attributable to the Group				1,401,602					
2.	One and Two Qiantan Place (formerly known as Shanghai New Bund Mixed-use Project – office portion)	Next to and on the east of current Taikoo Li Qiantan, Pudong district, Shanghai	2063	686,789 (part)	Under planning: 1,352,228	1,674 (total for retail and office)	Office towers and retail portion topped out. Façade and interior fit out works in progress.	2026	A mixed-use development comprising retail, office and residential uses, directly opposite Taikoo Li Qiantan. The Group owns a 40% interest.
3.	Lujiazui Taikoo Yuan (West), Shanghai – office portion	E08-4, E10-2, and E12-1 Plots in Yangjing Riverside, Pudong district, Shanghai	2071	831,659 (part)	Under planning: 532,915	849 (total for retail and office)	Basement structure, superstructure and façade works in progress.	2027	West portion of Lujiazui Taikoo Yuan, a mixed-use development comprising premium residential, retail, office and cultural facilities, and potentially a lifestyle hotel. The Group owns a 40% interest.
Total held through associated companies				1,885,143	2,523				
– of which attributable to the Group				754,057					

SCHEDULE OF PRINCIPAL GROUP PROPERTIES

At 31st December 2025

Property developments for investment in the Chinese Mainland	Address	Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Stage of completion	Expected completion date	Remarks
Hotels								
1. Taikoo Li Xi'an – hotel portion	The Small Wild Goose Pagoda historical and cultural zone, Beilin district, Xi'an	2064	1,383,129 (part)	Under planning: 273,685	–	Basement and superstructure works in progress.	From 2027	Retail-led mixed-use development comprising retail and cultural facilities in addition to a hotel and serviced apartments. The Group owns a 70% interest.
Total held through subsidiaries				273,685	–			
2. Taikoo Place Beijing – hotel portion	Next to and on the east of current INDIGO, Beijing	2060	842,807 (part)	Under planning: 346,803	To be determined	Superstructure topped out. Façade, mechanical and electrical installation works in progress.	From late-2027	An office-led, mixed-use extension of the existing INDIGO project comprising a shopping mall, office towers, and a hotel. The Group owns a 49.895% interest.
Total held through joint venture companies				346,803	–			
– of which attributable to the Group				173,037				
Serviced Apartments								
1. Taikoo Li Xi'an – serviced apartment portion	The Small Wild Goose Pagoda historical and cultural zone, Beilin district, Xi'an	2064	1,383,129 (part)	Under planning: 110,675	–	Basement and superstructure works in progress.	From 2027	Retail-led mixed-use development comprising retail and cultural facilities in addition to a hotel and serviced apartments. The Group owns a 70% interest.
Total held through subsidiaries				110,675	–			
2. Lujiazui Taikoo Yuan (West), Shanghai – serviced apartment portion	E08-4, E10-2, and E12-1 Plots in Yangjing Riverside, Pudong district, Shanghai	2091	831,659 (part)	Under planning: 143,850	146	Superstructure works completed. Façade and fit-out works in progress.	From 2026	West portion of Lujiazui Taikoo Yuan, a mixed-use development comprising premium residential, retail, office and cultural facilities, and potentially a lifestyle hotel. The Group owns a 40% interest.
Total held through associated companies				143,850	146			
– of which attributable to the Group				57,540				
Under planning								
1. Lujiazui Taikoo Yuan (East), Shanghai	E13-1 and E13-3 Plots in Yangjing Riverside, Pudong district, Shanghai	2061 for retail 2071 for office and culture	803,759	Under planning: 1,539,252	To be determined	Design scheme under development.	From 2027	East portion of Lujiazui Taikoo Yuan, a mixed-use development comprising premium residential, retail, office and cultural facilities, and potentially a lifestyle hotel. The Group owns a 40% interest.
Total held through associated companies				1,539,252	–			
– of which attributable to the Group				615,701				
Completed properties for sale in Hong Kong								
Completed properties for sale in Hong Kong	Address		Site area in square feet	Gross floor area in square feet	Number of car parks	Year of completion	Remarks	
Residential								
1. EIGHT STAR STREET	No. 8 Star Street, Wan Chai		3,609 (part)	1,373	–	2022	Residential block comprising 37 units over retail podium. As of 31st December 2025, sales of 36 units had been closed. Floor area shown represents the GFA of the remaining residential unit.	
2. 6 Deep Water Bay Road	No. 6 Deep Water Bay Road		28,202	15,000	6	2025	The site was redeveloped into 2 houses.	
3. The Headland Residences	99 Sheung On Street, Chai Wan		96,876 (part)	429,722	243	2025	Phase 1 residential portion of the whole development, in which the Group owns an 80% interest.	
Total held through subsidiaries				446,095	249			

Completed properties for sale in Hong Kong	Address	Site area in square feet	Gross floor area in square feet	Number of car parks	Year of completion	Remarks
Residential (continued)						
4. LA MONTAGNE, Wong Chuk Hang	Site D, THE SOUTHSIDE 11 Heung Yip Road, Wong Chuk Hang	738,199 (part)	436,591	138	2024	Floor area shown represents the GFA of the remaining residential units of the whole Wong Chuk Hang Station Package Four development, in which the Group owns a 25% interest.
Total held through joint venture companies			436,591	138		
– of which attributable to the Group			109,148			
Retail						
1. The Headland Residences	99 Sheung On Street, Chai Wan	96,876 (part)	1,968	1	2025	The retail portion of the whole development, in which the Group owns an 80% interest.
Total held through subsidiaries			1,968	1		

Completed properties for sale in Indonesia	Address	Site area in square feet	Gross floor area in square feet	Number of car parks	Year of completion	Remarks
Residential						
1. Savyavasa, South Jakarta	Jalan Wijaya II/Jalan Dharmawangsa Raya, Kebayoran Baru, South Jakarta	227,982	1,122,728	1,079	2025	3 residential towers with 402 units, in which the Group owns a 50% interest.
Total held through joint venture companies			1,122,728	1,079		
– of which attributable to the Group			561,364			

Property developments for sale in Hong Kong	Lot number	Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Expected completion date	Remarks
Residential							
1. The Headland Residences	CWIL 178	2071	96,876 (part)	Residential: 262,554	–	2026	Phase 2 residential portion of the whole development, in which the Group owns an 80% interest.
2. 269 Queen's Road East	IL 9061	2072	13,203 (part)	Residential: 102,990	To be determined	2027	Residential block over retail podium. Floor area shown represents the residential portion of the development.
Total held through subsidiaries			365,544	–			
3. 983-987A King's Road and 16-94 Pan Hoi Street	QBML 1 sJ ss1 QBML 1 sJ ss2 QBML 1 sJ ss3 QBML 1 sJ ss4 QBML 1 sJ ss5 QBML 1 sJ ss6 QBML 1 sJ ss7 QBML 1 sJ RP QBML 1 sK ss1 QBML 1 sK ss2 QBML 1 sK ss3 QBML 1 sK ss4 QBML 1 sK ss5 QBML 1 sK RP QBML 1 sL ss1 QBML 1 sL RP	2881	43,881 (part)	Residential: 404,738	To be determined	2028	Residential blocks over retail podium. Floor area shown represents only the residential development, in which the Group owns a 50% interest. The area shown is subject to change.
Total held through joint venture companies			404,738	–			
– of which attributable to the Group			202,369				
Retail							
1. 269 Queen's Road East	IL 9061	2072	13,203 (part)	Retail: 13,197	To be determined	2027	The retail portion of the whole development.
Total held through subsidiaries			13,197	–			

SCHEDULE OF PRINCIPAL GROUP PROPERTIES

At 31st December 2025

Property developments for sale in the Chinese Mainland	Lot number/Address	Site area in square feet	Gross floor area in square feet	Number of car parks	Expected completion date	Remarks
1. Shanghai New Bund Mixed-use Project	Next to and on the east of current Taikoo Li Qiantan, Pudong district, Shanghai	686,789 (part)	Residential/ Mixed-use: 1,159,057	1,156	2026	A mixed-use development comprising retail, office and residential uses, directly opposite Taikoo Li Qiantan. As of December 2025, approximately 97% of residential properties have been pre-sold. The Group owns a 40% interest.
2. Lujiazui Taikoo Yuan Residences, Shanghai	E08-4, E10-2, and E12-1 Plots in Yangjing Riverside, Pudong district, Shanghai	831,659 (part)	Residential/ Mixed-use: 1,294,672	1,026	From 2026	11 residential towers for trading in Lujiazui Taikoo Yuan, a mixed-use development comprising premium residential, retail, office and cultural facilities, potentially a lifestyle hotel as well. As of December 2025, approximately 96% of residential properties launched in first 3 batches have been pre-sold. The Group owns a 40% interest. Floor area shown excludes the public rental housing of approximately 71,925 square feet to be handed over to the Government upon completion.
Total held through associated companies			2,453,729	2,182		
– of which attributable to the Group			981,492			

Property developments for sale in Vietnam	Lot number/Address	Site area in square feet	Gross floor area in square feet	Number of car parks	Expected completion date	Remarks
1. Empire City, Ho Chi Minh City	Empire City, Area 2B, Thu Thiem New Urban Area, An Khanh Ward, Ho Chi Minh City	1,103,461	Residential/ Mixed-use: 5,357,318	4,667	In phases up to 2031	A residential-led mixed-use project comprising luxury residential condominiums, an office tower, a hotel, serviced apartments and a retail mall. To be completed in phases up to 2031. The Group effectively owns a 15.73% interest. GFA excludes 172,295 sqm of parking (although this is included in the Group's investment).
Total held through financial assets at fair value through profit or loss			5,357,318	4,667		
– of which attributable to the Group			842,706			

Property developments for sale in Thailand	Lot number/Address	Site area in square feet	Gross floor area in square feet	Number of car parks	Expected completion date	Remarks
1. Upper House Residences Bangkok and The Wireless Residences by Upper House, Bangkok (formerly known as Wireless Road Project)	Wireless Road, Lumpini, Pathumwan, Bangkok	136,186	Residential: 1,632,067	993	From 2029	A freehold luxury condominium project located in the prime Lumpini sub-district, Bangkok. The project is expected to be completed from 2029 onwards. The Group owns a 40% interest in the project.
Total held through joint venture companies			1,632,067	993		
– of which attributable to the Group			652,827			

Property developments for sale in the United States	Lot number/Address	Site area in square feet	Gross floor area in square feet	Number of car parks	Expected completion date	Remarks
1. South Brickell Key, Miami, Florida	750 Cloughton Island Drive, Miami, Florida	105,372	Residential: 550,000	395	To be determined	The Group has announced plans to develop a luxury residential and hospitality project on Brickell Key, Miami.
2. Mandarin Oriental, Miami	500 Brickell Key Drive, Miami, Florida 33131	120,233	Residential: 345,000	600	To be determined	326-room luxury hotel in central Miami. The property is closed to allow for redevelopment into a luxury residential and hospitality project, which is under planning.
Total held through subsidiaries			895,000	995		

GLOSSARY

References in this document to Hong Kong are to Hong Kong SAR (“HKSAR”).

Attributable gross rental income Gross rental income less amount shared by non-controlling interests plus the Group’s share of gross rental income of joint venture and associated companies, and adjusted with related rental concession recognised in the consolidated statement of profit or loss.

Equity attributable to the Company’s shareholders Equity before non-controlling interests.

Gross borrowings Total of loans, bonds and overdrafts.

Net assets employed Total equity plus net debt.

Net debt Total borrowings and lease liabilities less short-term deposits and bank balances.

Underlying profit Reported profit adjusted principally for the impact of (i) changes in the fair value of investment properties, (ii) deferred tax on investment properties and (iii) amortisation of right-of-use assets reported under investment properties.

Recurring underlying profit Underlying profit adjusted for significant credits and charges of a non-recurring nature, including gains or losses on the sale of interests in investment properties and properties held for development.

Ratios

$$\text{Loss per share} = \frac{\text{Loss attributable to the Company's shareholders}}{\text{Weighted average number of shares in issue during the year}}$$

$$\text{Return on average equity attributable to the Company's shareholders} = \frac{\text{Loss attributable to the Company's shareholders}}{\text{Average equity during the year attributable to the Company's shareholders}}$$

$$\text{Equity attributable to the Company's shareholders per share} = \frac{\text{Equity before non-controlling interests}}{\text{Number of shares in issue at the end of the year}}$$

$$\text{Gearing ratio} = \frac{\text{Net debt}}{\text{Total equity}}$$

$$\text{Interest cover} = \frac{\text{Operating profit}}{\text{Net finance charges}}$$

$$\text{Cash interest cover} = \frac{\text{Operating profit}}{\text{Total of net finance charges and capitalised interest}}$$

$$\text{Dividend payout ratio} = \frac{\text{Dividends paid and declared}}{\text{Loss attributable to the Company's shareholders}}$$

FINANCIAL CALENDAR AND INFORMATION FOR INVESTORS

Financial Calendar 2026

Shares traded ex-dividend	31st March
Share register closed for 2025 second interim dividend entitlement	2nd April
Record date for 2025 second interim dividend entitlement	2nd April
Annual Report available to shareholders	9th April
Payment of 2025 second interim dividend	7th May
Share register closed for attending and voting at Annual General Meeting	7th – 12th May
Record date for attending and voting at Annual General Meeting	12th May
Annual General Meeting	12th May
Interim results announcement	August
2026 first interim dividend payable	October

Registered Office

(With effect from 16th May 2025)
Swire Properties Limited
31st Floor, One Pacific Place
88 Queensway
Hong Kong

Registrars

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre
183 Queen's Road East
Hong Kong
Website: www.computershare.com

Stock Code

Hong Kong Stock Exchange 01972

Independent Auditors

PricewaterhouseCoopers
Certified Public Accountants
and Registered Public Interest Entity Auditor

Investor Relations

E-mail: ir@swireproperties.com

Public Affairs

E-mail: pad@swireproperties.com
Tel: (852) 2844-3888
Fax: (852) 2918-9960
Website: www.swireproperties.com

Request for Feedback

In order that we may improve our reporting, we would be grateful to receive your comments on our public announcements and disclosures via e-mail to ir@swireproperties.com.

Disclaimer

This document may contain forward-looking statements that reflect the Company's beliefs, plans or expectations about the future or future events. These forward-looking statements are based on a number of assumptions, estimates and projections, and are therefore subject to inherent risks, uncertainties and other factors beyond the Company's control. The actual results or outcomes of events may differ materially and/or adversely due to a number of factors, including changes in the economies and industries in which the Group operates (in particular in Hong Kong and the Chinese Mainland), macro-economic and geopolitical uncertainties, changes in the competitive environment, data quality, foreign exchange rates, interest rates and commodity prices, and the Group's ability to identify and manage risks to which it is subject. Nothing contained in these forward-looking statements is, or shall be, relied upon as any assurance or representation as to the future or as a representation or warranty otherwise. Neither the Company nor its directors, officers, employees, agents, affiliates, advisers or representatives assume any responsibility to update these forward-looking statements or to adapt them to future events or developments or to provide supplemental information in relation thereto or to correct any inaccuracies.

Printed in Hong Kong

© Swire Properties Limited
太古地產有限公司

