Joint Managing Directors' Report

In FY2026, we focused on financial resilience, disciplined capital management, and strategic agility to navigate a challenging global macroeconomic environment. This proactive stance allowed us to manage the prolonged recalibration within the property development section, particularly in Hong Kong, while steadily stabilising our hospitality operations amidst evolving travel and tourism trends.

Throughout the year, we decisively advanced our strategy to monetise non-core assets and businesses. This disciplined approach accelerated capital recycling, unlocked internal liquidity, and lowered corporate carrying costs. By doing so, we shielded our balance sheet from near-term volatility while maintaining the flexibility to capture high-yield, long-term growth opportunities across both our property development and hospitality portfolios.

Balance sheet deleveraging sat at the heart of this framework, with asset sale proceeds systematically applied to liability management. As at 31 March 2026, our total bank loans, notes, and bonds decreased by 7.5% to HK$23.5 billion, reducing financing costs and meaningfully strengthening our financial position. Looking ahead, we remain confident in our structural resilience and capacity to capitalise on long-term growth across our diversified global footprint.

Below is a summary of our key achievements in FY2026, alongside a comprehensive business update outlining our operational progress and sustainable vision.

KEY ACHIEVEMENTS AND BUSINESS PROGRESS UPDATE

Hotel Operations and Management

- Our hotel operations and management business recorded growth across core regions including Hong Kong, Singapore, Australia, and Malaysia. The sustained recovery in global travel demand, alongside government-backed initiatives, supported our strong performance.

- Revenue from hotel operations increased by 14.6% year-on-year to approximately HK$2.4 billion, with adjusted gross profit[i], a non-GAAP financial measure, rising by 20.6% to approximately HK$1.1 billion in FY2026, compared to approximately HK$0.9 billion in FY2025. This performance reflects the operational stabilisation of Dorsett Kai Tak in Hong Kong as well as an increase in occupancy and revenue per available room across the Group's hotel portfolio.

Winnie CHIU
Joint Managing Director and Executive Director

- In FY2026, we expanded our hospitality presence with the launch of two new hotels and our inaugural hostel brand. In September 2025, we opened HubX Shanghai on Jinqiu Road, a vibrant residential and academic hub near Shanghai University. This was followed by the official launch of Dorsett Canary Wharf London – a 237-room business hotel ideally located in London's CBD in October 2025 to capture strong corporate and leisure demand.

- During FY2026, we also opened Dao by Dorsett North London, housed within the beautifully restored, Grade II-listed Hornsey Town Hall. In June 2026, in line with our disciplined approach to capital allocation, the property was subsequently sold to a third party under a strategic disposal agreement, allowing the Group to realise the value of its investment while retaining the hotel management contract and continuing to benefit from its ongoing operation. This transaction allows the Group to successfully crystallise development value and immediately enhance our corporate liquidity upon completion. By executing this divestment, we reinforce our long-term strategic migration toward a highly efficient, asset-light business model focused on maximising capital returns.

Property Development

- Our adjusted revenue from the property development business[i], a non-GAAP financial measure, was approximately HK$6.4 billion in FY2026, representing a decrease of 13.1% compared to approximately HK$7.3 billion in FY2025. This contraction was primarily due to scheduled project gaps; however, despite fewer completions, execution across our core geographical clusters remained highly proactive.

- Our landmark development, Aspen at Consort Place in London, achieved completion in May 2025, with phased handovers proceeding smoothly throughout FY2026. In Manchester, Victoria Riverside (Towers B and C) reached completion, with handovers commencing in July 2025. The capital generated from these handovers enabled the full settlement and closure of the development's underlying construction loan facilities.

Wendy CHIU
Joint Managing Director and Executive Director

- Ongoing handovers at Queen's Wharf Residences (Tower 4) in Brisbane and inventory monetisation at West Side Place in Melbourne continued to inject strong liquidity into our adjusted revenue streams.

- Our JV residential projects, The Pavilia Forest in Hong Kong and Dorsett Place Waterfront Subang (Towers A and B) in Malaysia, completed on schedule and commenced the handover process in September 2025. The Pavilia Forest recorded significant progress in handover and delivery and fully settled its construction loan as at 31 March 2026.

- As at 31 March 2026, our cumulative attributable presales value and unbooked contracted sales stood at approximately HK$8.4 billion. We recently launched 640 Bourke Street in Melbourne and a robust market relaunch with higher pricing for the remaining units at Queen's Wharf Residences (Tower 5) in Brisbane. Both received a positive response. We are planning to launch two developments, Sai Ying Pun and Ho Chung, in Hong Kong in the second half of FY2027, subject to market conditions.

- The second phase of Victoria Riverside in Manchester, with an expected total GDV of approximately HK$1.0 billion, is scheduled for completion in the first half of FY2027. This milestone is set to pave the way for significant cash inflows and contribute further to our debt reduction initiatives.

- In addition, in January 2026, the Group completed a 1,700-unit designated build-to-rent long-leased development in Baoshan, Shanghai, successfully launching leasing operations by March 2026.

Car Park Operations

- Our car park operations and facilities management business contributed approximately HK$666 million in revenue, representing a decrease of 6.6% compared to FY2025.

- In alignment with our strategic objectives, we selectively phased out underperforming car parks from our portfolio to optimise operational efficiency, which included the successful divestment of a car park in Malaysia. Concurrently, we actively pursued and secured new asset-light management contracts to strengthen our market position and enhance recurring income streams.

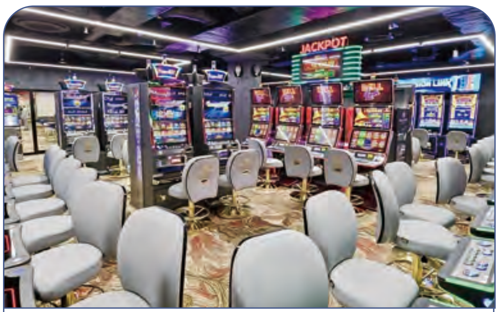
- To future-proof this business segment, the Group implemented a series of fundamental changes to its operational model. This included the widespread adoption of AI-enabled tools across core functions to drive automation, enhance predictive data analysis, and support agile corporate decision-making.

- By combining these advanced technological solutions with rigorous cost discipline, we have successfully streamlined workflows, reduced overheads, and structurally enhanced long-term operational efficiency across our international parking network.

Gaming Operations

- Gaming revenue under the Palasino Group recorded an increase of 9.6% to approximately HK$448 million compared to FY2025. This expansion was driven by a higher table games hold percentage and increased slot volumes, propelled by stronger visitation resulting from continuous, targeted marketing initiatives, promotions, and advertising campaigns.

- In December 2025, we successfully executed the launch of our newest casino property, Palasino Mikulov. The venue features a gaming floor equipped with 106 slot machines and 10 gaming tables, supported by a comprehensive loyalty programme designed to capture new customer segments and drive sustainable contributions to the local economy.



Palasino Mikulov, Czech Republic

- In March 2026, the Group, alongside our JV partner, completed the ownership transition and refinancing of the Queen's Wharf Brisbane ("QWB") Project. Under this arrangement, the JV Partners have become 50/50 owners of Destination Brisbane Consortium ("DBC"), which owns the QWB integrated resort.

- The successful completion of the DBC transaction followed the satisfaction of all required conditions precedent. This included securing necessary approvals from the Queensland Government, the Office of Liquor and Gaming Regulation, the Foreign Investment Review Board, and DBC's financiers, who have unanimously agreed to refinance DBC's existing debt facilities.

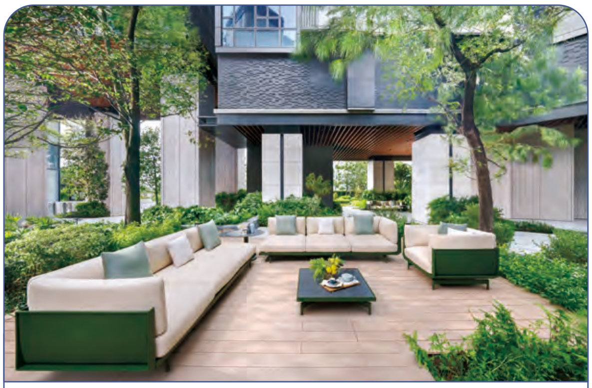
Queen's Wharf Brisbane, Brisbane

- As part of the broader transaction framework, the Joint Venture Partners intend to complete the acquisition of the Treasury Hotel, Treasury Car Park, and Charlotte Street Car Park from The Star in the second half of 2026.

Balance Sheet and Management

- We remain steadfast in executing our capital management roadmap, proactively prioritising debt reduction, capital recycling, and the mitigation of finance costs. Over the FY2026, our capital optimisation initiatives were anchored by the expedited completion of major property developments and the prompt retirement of their associated construction loans. Most notably, the successful handovers at Victoria Riverside in Manchester, Aspen at Consort Place in London, and Perth Hub in Perth facilitated the systematic wind-down of project-specific debt facilities, significantly lowering our leverage profile. Furthermore, following the completion and rollout of our major international flagship hospitality developments, we have achieved a substantial reduction in outstanding capital expenditure requirements for our hotel pipeline. This reduction in near-term development commitments materially alleviates funding pressure and preserves our internal cash resources.

- Active inventory monetisation and tactical marketing campaigns remain core drivers of our organic cash generation strategy. Following the completion of The Pavilia Forest in Hong Kong in September 2025, our total remaining completed residential inventory stood at approximately HK$7.0 billion as at 31 March 2026. We are actively monetising this portfolio, including premium units at Mount Arcadia in Hong Kong, Aspen at Consort Place in London, and West Side Place in Melbourne, to generate highly visible cash inflows that support continuous debt repayment.



The Pavilia Forest, Hong Kong

Mount Arcadia, Hong Kong

- To further accelerate capital recycling and optimise the balance sheet without altering long-term operational stability, we aggressively pursued the divestment of mature and non-core assets during the year. We completed several major capital-release transactions, including the sale of our remaining stake in BC Invest, the disposal of a localised mortgage portfolio in Hong Kong, and the divestment of underperforming car park assets in Malaysia.
- In addition, we entered into structured agreements for the disposal of a hotel, town hall and office development in Hornsey, London, a 50% stake in the Ritz-Carlton, Perth, and a 49.9% stake in the Ritz-Carlton, Melbourne. Collectively, these completed and agreed transactions monetised approximately HK$2.5 billion in aggregate. The capital harvested from these non-core assets has been systematically deployed to repay short-term borrowings and fortify overall balance sheet liquidity.
- As part of our commitment to maintaining long-term financial resilience, we have recognised material and prudent impairments of approximately HK$1.2 billion in aggregate during FY2026. By proactively absorbing these non-operational accounting adjustments, we have effectively derisked our statement of financial position from historical market volatility, thereby establishing a stable and transparent framework to support superior future earnings performance.

Note:

(i) Represents a non-GAAP financial measure which is defined and reconciled to the nearest comparable GAAP measures in the "Non-GAAP financial measures" section below.

RESULTS HIGHLIGHTS

The decrease in revenue in FY2026 primarily reflects the scheduled phasing of project completions and a lower volume of residential settlements compared with the previous year. When accounting for the attributable revenue contribution from our JV projects, our adjusted revenue[i], a non-GAAP financial measure, stood at approximately HK$10.0 billion for FY2026.

While we achieved steady underlying revenue across our operational footprint, our accounting profitability was influenced by prevailing macroeconomic challenges and several non-operational factors. The net loss attributable to shareholders was approximately HK$1,211 million. This impact was driven significantly by less property development completion due to the scheduled phasing of project completions and recognised impairment losses which placed short-term pressure on our bottom-line profitability. By proactively addressing these financial adjustments within the current period, we have cleared the path for improved future earnings performance.

Our adjusted net asset value per share[i], a non-GAAP financial measure, slightly decreased by 1.3% to HK$9.20 as at 31 March 2026, from HK$9.32 as at 31 March 2025.

The Board resolved not to recommend a final dividend for FY2026 (FY2025: Nil).

For more detailed information on our financial results, please refer to the section entitled "Management Discussion and Analysis."

Note:

(i) Represents a non-GAAP financial measure which is defined and reconciled to the nearest comparable GAAP measures in the "Non-GAAP financial measures" section below.

CAPITAL STRUCTURE

Throughout the year, we maintained a prudent and cautious approach to our capital structure. We settled several major loan financings, which included (i) a number of secured and unsecured loan facilities, including a HK$2.6 billion facility; and (ii) the full settlement of the construction loan for the Victoria Riverside, which was approximately HK$699 million.

As at 31 March 2026, our cash and liquidity position amounted to approximately HK$3.7 billion (as at 31 March 2025: HK$3.9 billion). Moreover, our undrawn banking facilities stood at approximately HK$1.6 billion, and unencumbered hotel assets valued at approximately HK$726 million and our unsold inventory. These assets could be monetised or used as collateral to raise additional funds. Furthermore, we persistently review our portfolio of non-core assets and business and remain open to the possibility of monetising certain assets should the terms be considered favourable. We are also considering the unlock the hotel revaluation surplus at the opportune moment.

The adjusted net gearing ratio[i], a non-GAAP financial measure, decreased to 63.0% as at 31 March 2026.

Note:

(i) Represents a non-GAAP financial measure which is defined and reconciled to the nearest comparable GAAP measures in the "Non-GAAP financial measures" section below.

POST YEAR-END

On 1 April 2026, we entered into an agreement to dispose of a 49.9% interest in The Ritz-Carlton, Melbourne for approximately A$58.2 million (equivalent to approximately HK$315 million) with completion expected in the first half of FY2027. For further details, please refer to the Company's announcement dated 1 April 2026.

On 1 April 2026, we issued a notice to the holders of the 2019 Perpetual Capital Notes electing to defer the distribution schedules for 18 April 2026. This distribution will be deferred to the next payment date in accordance with the terms and conditions of the 2019 Perpetual Capital Notes.

On 29 May 2026, we completed the disposal of a 50% interest in The Ritz-Carlton Perth for an aggregate consideration of A$100.0 million (equivalent to approximately HK$515 million) and is expected to recognise a gain of approximately A$32.5 million (equivalent to approximately HK$168 million) from the transaction. For further details, please refer to the Company's announcements dated 8 December 2025 and 29 May 2026.

On 2 June 2026, we entered into a sale and purchase agreement with the purchaser regarding the disposal of office in the UK and a deed of variation with the purchaser to vary certain terms of the disposal of office, as well as certain terms of the disposal of hotel and town hall in the UK, the sale and purchase agreements of which were entered into in February 2025. Each of the conditions precedent under the original hotel sale and purchase agreement and the original town hall sale and purchase agreement has been fulfilled or waived as the date of the deed of variation and the disposal of the hotel was completed on the date of the deed of variation. The aggregate consideration for the transactions revised to approximately GBP59.5 million (equivalent to approximately HK$627 million), covering the consideration for the target shares and the amount of the hotel loan and the office loans. We expected to record a gain of approximately GBP25.7 million (equivalent to approximately HK$271 million) from this revised transactions. For further details, please refer to the Company's announcements dated on 25 February 2025, 9 May 2025, 6 March 2026 and 2 June 2026.

CORPORATE GOVERNANCE AND ENVIRONMENTAL, SOCIAL AND GOVERNANCE

As a Hong Kong-listed corporation, we view our sustainability mandate not merely as a regulatory checkbox, but as an essential driver of long-term capital preservation. We actively look to exceed the latest statutory ESG disclosure benchmarks, ensuring that our growth remains ethical, resilient, and deeply aligned with the interests of our global stakeholder base.

To deepen our understanding of our environmental footprint, we have joined forces with specialist environmental consultants to upgrade our data architecture and rigorously capture greenhouse gas emissions across our portfolio. Alongside this carbon accounting framework, we commissioned independent experts to execute a comprehensive physical climate risk scenario analysis. Through this exercise and our structured stakeholder workshops, we have successfully mapped out the specific climate risks and commercial opportunities impacting our international property and hospitality networks.

We believe that robust environmental stewardship must be backed by transparent financial metrics. To this end, we have partnered with industry-leading advisors proficient in the task force on climate-related financial disclosures framework. This collaboration enables us to provide our investors with clear, institutional-grade insights into our climate resilience, allowing us to champion sustainable development while protecting our balance sheet from climate-driven market volatility.

Throughout the financial year, we have directed substantial capital and human resources toward achieving our ESG objectives, keeping responsible business practices at the absolute centre of our corporate strategy. We are proud that our progress has been validated by several prestigious international awards during the period.

Furthermore, we remain convinced that flawless corporate governance is the bedrock of any sustainable enterprise. We continue to prioritise open, proactive dialogue with the investment community, upholding an exceptional standard of market transparency. These ongoing efforts across investor relations and corporate social responsibility have earned us multiple global accolades, further reinforcing our position as an ethical operator on the world stage.

Examples of awards include:

- Three awards at "The Institute of ESG & Benchmark's ESG Achievement Awards 2024/2025", including "Outstanding Sustainability Vision Awards Distinction", "Outstanding ESG Awards Listed Company – Platinum Award" and "Outstanding Sustainable Dividend Award 20+ years";

- Four awards at the "Hong Kong Investor Relations Association 12th IR Awards 2026", including "Best IR Company"," Best ESG (E)"," Best ESG (S)" and"10 Years IR Awards Winning Company";

- Two awards at the "FinanceAsia's 2026 Asia's Best Companies Poll", including "Best Small-cap Company in Hong Kong (Gold)" and "Best CFO (Bronze)"; and

- Three awards at the "Corporate Governance Asia 16th Asian Excellence Award 2026", including "Asia's Best CEO: Mr. David Chiu, Chairman and Chief Executive Officer", "Asia's Best CFO: Mr. Boswell Cheung, Chief Financial Officer and Company Secretary" and "Best Investor Relations Company".

PROSPECTS

The global business environment in FY2027 is anticipated to remain intricate, presenting a combination of persistent macroeconomic challenges and clear structural opportunities. Fluctuating market conditions, geopolitical uncertainties, and high baseline financing costs continue to shape our international operating landscape. However, we remain steadfast in our strategic direction, navigating these complexities through absolute financial discipline and precise tactical execution. Backed by a highly diversified portfolio that fosters deep operational resilience, we are well positioned to mitigate cyclical risks, capitalise on emerging opportunities, and ensure steady progress across all core business segments.

Our property development pipeline provides exceptional cash flow visibility for the forthcoming years. As at 31 March 2026, our cumulative attributable presales value and unbooked contracted sales stood at approximately HK$8.4 billion, with ongoing developments progressing smoothly and in strict alignment with our schedules. The next 24 months will represent a period of capital generation as several landmark projects reach completion and global unit handovers commence. Notably, the scheduled handover of Victoria Riverside (Tower A) in Manchester is set to contribute materially to our revenue runway, driving robust cash inflows and supporting our primary objective of aggressive debt retirement.

Furthermore, subject to prevailing market conditions, we are preparing to launch our Sai Ying Pun residential project and Ho Chung residential project in Hong Kong in the second half of FY2027, which will further strengthen our localised market presence. Backed by a substantial existing land bank sufficient to support revenue growth over the next six to eight years, we do not anticipate an urgent need to replenish land resources. This allows us to maintain a highly selective, cash-preserving, and disciplined approach to future land acquisitions.

Our hotel operations and management business remains a critical cornerstone of our long-term corporate strategy, anchoring our structural shift toward recurring income streams to balance the inherent cyclicality of residential property settlements. During FY2026, we successfully expanded our operating footprint by opening the 237-room Dorsett Canary Wharf in London, and the 115-room HubX in Shanghai. These properties are expected to start delivering positive revenue contributions and operational scaling over the coming months.

We currently have four hotels remaining in our development pipeline, with Dorsett Perth in Australia slated for opening within the next 12 months. Crucially, following the completion and rollout of major flagship projects globally, we do not foresee significant capital expenditure requirements for our remaining pipeline, which materially alleviates funding pressure, preserves internal cash resources, and directly supports the preservation of balance sheet liquidity.

In our car park and facilities management segment, we remain committed to progressively divesting mature and lower-performing assets to streamline operations and recycle capital. We are actively expanding our third-party management contracts to transition the segment further toward a high-margin, asset-light model, which will contribute directly to leverage reduction and operational efficiency. Moving forward, we will continue to deploy and upgrade our proprietary automated systems and digital initiatives across our active parking networks to enhance the end-user experience and ensure we remain a market leader in technological innovation.

Our gaming operations under the Palasino Group remain highly stable, delivering a reliable stream of recurring cash flow. Following the successful launch of our new casino destination in Mikulov, Czech Republic, in December 2025, we expect the segment to benefit from increased regional visitation, expanded patron spending, and operational scaling.

Regarding our strategic investment in the landmark Queen's Wharf Brisbane (QWB) project, we maintain an exceptionally optimistic outlook for its long-term growth prospects, particularly ahead of the 2032 Olympic Games. We successfully increased our investment in Destination Brisbane Consortium (DBC) to a 50% stake on 31 March 2026. This move unlocks immediate opportunities for operational improvement and asset allocation.

Joint Managing Directors' Report

While the global macroeconomic environment remains characterised by near-term uncertainty, the emerging downward trend in interest rates following the US Federal Reserve's monetary adjustments is expected to alleviate our financing costs over the medium term. By maintaining a healthy liquidity position of approximately HK$3.7 billion, tightly managing our capital allocation, and utilising our deep pool of unencumbered hotel assets, we remain completely confident in our ability to navigate short-term market volatility. We express our sincere appreciation to our shareholders, partners, and employees for their continued trust as we execute our strategy of financial resilience, stable growth, and long-term value creation for all stakeholders.

Winnie CHIU
Joint Managing Director and
Executive Director

Wendy CHIU
Joint Managing Director and
Executive Director

25 June 2026