FEC 遠東發展

遠東發展有限公司
Far East Consortium International Limited

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)
Stock Code 股份代號：035

Steadfast in Efforts Striving Forward
迎風而上 堅毅前行

INTERIM REPORT 2025-26 中期報告



Contents

Corporate Information

BOARD OF DIRECTORS

Executive Directors

David CHIU, Tan Sri Dato', B.Sc. (Chairman and Chief Executive Officer)
Cheong Thard HOONG, B.ENG., ACA
Dennis CHIU, B.A.
Craig Grenfell WILLIAMS, B.ENG. (CIVIL)
Wing Kwan Winnie CHIU, BBS, JP
Jennifer Wendy CHIU

Independent Non-Executive Directors

Kwong Siu LAM
Wai Hon Ambrose LAM
Lai Him Abraham SHEK

AUDIT COMMITTEE

Wai Hon Ambrose LAM (Chairman)
Kwong Siu LAM
Lai Him Abraham SHEK

NOMINATION COMMITTEE

David CHIU (Chairman)
Kwong Siu LAM
Wai Hon Ambrose LAM
Lai Him Abraham SHEK

REMUNERATION COMMITTEE

Wai Hon Ambrose LAM (Chairman)
David CHIU
Lai Him Abraham SHEK

EXECUTIVE COMMITTEE

David CHIU
Cheong Thard HOONG
Dennis CHIU
Craig Grenfell WILLIAMS
Wing Kwan Winnie CHIU
Jennifer Wendy CHIU
Wai Hung Boswell CHEUNG

ESG STEERING COMMITTEE

Wing Kwan Winnie CHIU (Chairman)
Cheong Thard HOONG
Wai Hung Boswell CHEUNG

JOINT MANAGING DIRECTORS

Wing Kwan Winnie CHIU
Jennifer Wendy CHIU

CHIEF FINANCIAL OFFICER

Wai Hung Boswell CHEUNG

COMPANY SECRETARY

Wai Hung Boswell CHEUNG

AUTHORISED REPRESENTATIVES

David CHIU
Wai Hung Boswell CHEUNG

LEGAL ADVISORS

Ashurst
Deacons
Kao, Lee & Yip
Reed Smith Richards Butler LLP
Woo Kwan Lee & Lo

AUDITOR

Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditors

PRINCIPAL BANKERS

Hong Kong

Australia and New Zealand Banking Group Limited
Bangkok Bank Public Company Limited, Hong Kong Branch
Bank of China (Hong Kong) Limited
Bank of Communications Co., Ltd.
Cathay United Bank Company, Limited, Hong Kong Branch
China CITIC Bank International Limited
China Everbright Bank Co., Ltd., Hong Kong Branch
China Minsheng Banking Corp., Ltd., Hong Kong Branch
Dah Sing Bank, Limited
DBS Bank (Hong Kong) Limited
First Commercial Bank Limited, Hong Kong Branch
Fubon Bank (Hong Kong) Limited
Hang Seng Bank Limited
Hua Xia Bank Co., Limited Hong Kong Branch
Industrial and Commercial Bank of China (Asia) Limited
Nanyang Commercial Bank, Limited
O-Bank Co., Ltd.
OCBC Bank (Hong Kong) Limited
Oversea-Chinese Banking Corporation Limited
Ping An Bank Co., Ltd., Hong Kong Branch
Public Bank (Hong Kong) Limited
Shanghai Pudong Development Bank Co., Ltd.
The Hongkong and Shanghai Banking Corporation Limited
The Bank of East Asia, Limited
United Overseas Bank Limited

Malaysia

Public Bank Berhad
The Hongkong and Shanghai Banking Corporation Limited

Singapore

DBS Bank Ltd.
RHB Bank Berhad
The Hongkong and Shanghai Banking Corporation Limited

Australia

Australia and New Zealand Banking Group Limited
DBS Bank Limited, Australia Branch
United Overseas Bank Limited, Sydney Branch
Westpac Banking Corporation

Chinese Mainland

China Minsheng Banking Corp., Ltd., Shanghai Branch
Nanyang Commercial Bank (China) Limited
Shanghai Pudong Development Bank Co., Ltd.

United Kingdom

Oversea-Chinese Banking Corporation Limited
The Bank of East Asia, Limited
The Hong Kong and Shanghai Banking Corporation Limited

Corporate Information

PLACE OF INCORPORATION

Cayman Islands

REGISTERED OFFICE

JTC (Cayman) Limited
P.O. Box 30745,
60 Nexus Way,
6th Floor, Camana Bay,
Grand Cayman KY1-1203,
Cayman Islands

PRINCIPAL OFFICE

16th Floor,
Far East Consortium Building,
121 Des Voeux Road Central,
Hong Kong

SHARE REGISTRAR

Tricor Investor Services Limited
17/F., Far East Finance Centre,
16 Harcourt Road,
Hong Kong

LISTING INFORMATION

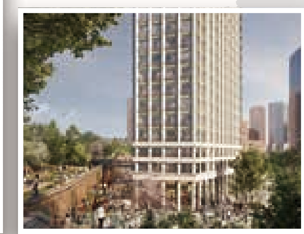
Ordinary Shares (Code: 035)
USD360,000,000 Senior Guaranteed Perpetual Capital Notes issued by FEC Finance Limited (Code: 5781)
The Stock Exchange of Hong Kong Limited

WEBSITE

http://www.fecil.com.hk

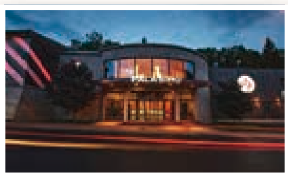
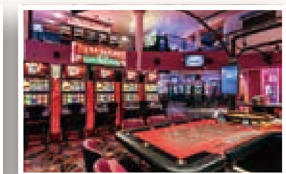
UNITED KINGDOM

- Property development
- Property investment
- Hotel operations
- Car park operations

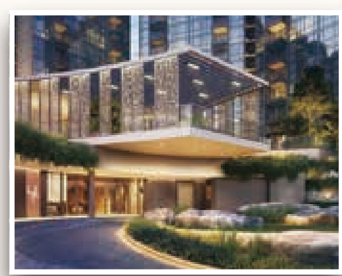
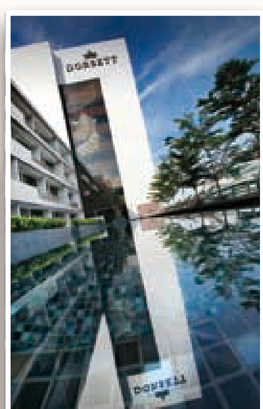
CONTINENTAL EUROPE

- Hotel operations
- Car park operations
- Gaming and entertainment

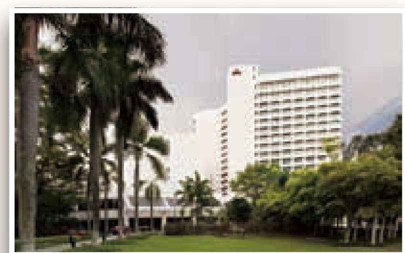
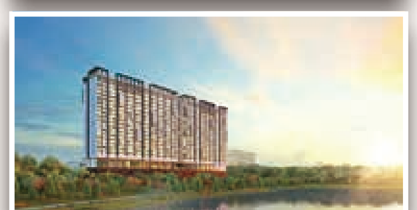
SINGAPORE

- Property development
- Property investment
- Hotel operations

MALAYSIA

- Property development
- Hotel operations
- Car park operations

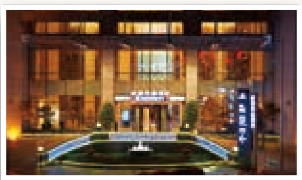
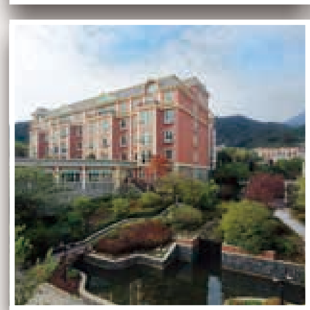
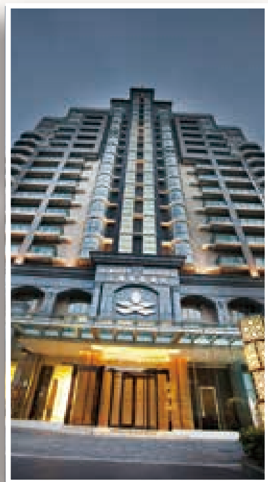



DIVERSIFIED AND BALANCED PORTFOLIO OF BUSINESSES

FEC has a geographically diverse footprint across the Asia Pacific and Europe

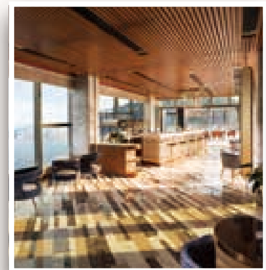
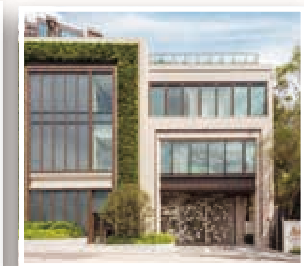
CHINESE MAINLAND

- Property development
- Property investment
- Hotel operations

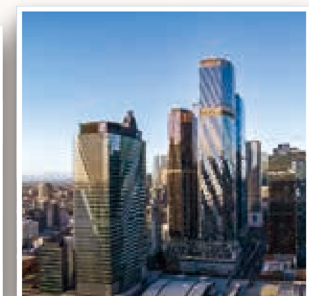
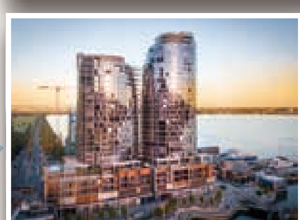
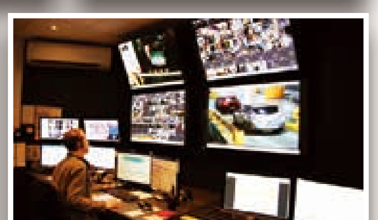
HONG KONG

- Property development
- Property investment
- Hotel operations

AUSTRALIA & NEW ZEALAND

- Property development
- Property investment
- Hotel operations
- Car park operations
- Gaming and entertainment

CAPTURE THE UPSWING

West Side Place, Melbourne

Major Events in First Half of Financial Year 2025/26

May 2025

The Group completed the disposal of a mortgage portfolio in Hong Kong for a consideration of approximately HK$485 million

Jun 2025

The Group won "Best Small-Cap Company (Gold)" at the "Asia's Best Companies 2025"

The Group won three awards in the "HKIRA 11th Investor Relations Award 2025"

- Best ESG (E)
- Best Investor Meeting
- Best Annual Report

Jul 2025

The Group completed the disposal of the stake in BC Invest for an initial consideration of AUD106 million

BC Invest

The Group completed a residential project in London – Aspen at Consort Place

The Group started the handover of Tower B, Tower C and Bromley Street of Victoria Riverside in Manchester, the UK

Aug 2025

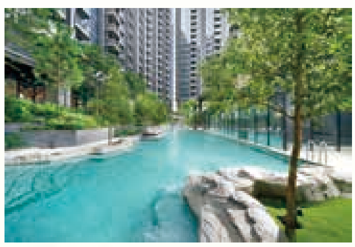
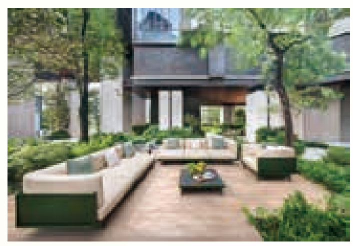
The Group entered into the Implementation Deed to increase its interest in QWB project up to 50%

Dorsett Wanchai has been crowned "Favourite Family Hotel" by HK01

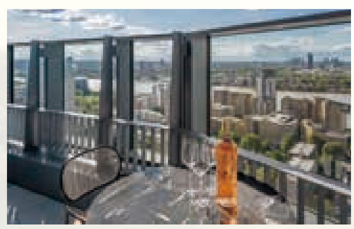
Major Events in First Half of Financial Year 2025/26

Sep 2025

The Group started the handover of The Pavilia Forest in Hong Kong

The Group started the handover of Dorsett Place Waterfront Subang in Malaysia

The Group soft-opened Dorsett Canary Wharf London in the UK

The Group soft-opened HubX Shanghai in Shanghai


Oct 2025

The Group entered into an agreement to dispose a car park in Chatswood, Sydney

Nov 2025

The Group entered into a non-binding term sheet to dispose certain interest of Ritz-Carlton Perth

The Group won three awards in the IESGB's 5th edition of the ESG Achievement Awards

- **Outstanding Sustainability Vision Awards Distinction**
- **Outstanding ESG Awards Listed Company —Platinum Award**
- **Outstanding Sustainable Dividend Award 20+ years**


DEEPLY ROOTED FAR AHEAD

640 Bourke Street, Melbourne

Interim Results 2025/26

Victoria Riverside, Manchester

INTERIM RESULTS

The board of directors (the "Board") of Far East Consortium International Limited (the "Company") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 September 2025. These unaudited consolidated financial statements have been reviewed by the Company's audit committee (the "Audit Committee") prior to recommending them to the Board for approval.

Financial year ended or ending 31 March is referred to as "FY" throughout this report.

INTERIM DIVIDEND

The Board resolved not to declare an interim dividend for the six months ended 30 September 2025 (six months ended 30 September 2024: HK1.0 cent per share).

ALWAYS READY TO AIM HIGH

Victoria Riverside, Manchester

Management Discussion and Analysis

Perth Hub, Perth

BUSINESS UPDATE

- For the first six months ended 30 September 2025 ("1H FY2026"), the Group continued its strategic initiatives, including the monetisation of non-core assets and divestment of non-core businesses, which enhanced liquidity and improved capital deployment efficiency. These initiatives reflect management's commitment to maintaining financial discipline and positioning the Group for sustainable growth in a volatile global landscape.

- As at 30 September 2025, the Group's total bank loans, notes and bonds decreased by HK$1,426 million to HK$23,945 million; and net debt decreased by HK$1,246 million to HK$20,247 million, reflecting improved capital management and disciplined financial execution. The adjusted net gearing ratio[i], a non-GAAP financial measure, was reduced to 64.9%, further strengthening the Group's statement of financial position.

- In 1H FY2026, revenue decreased by 27.4% to approximately HK$3.8 billion as compared to the six months ended 30 September 2024 ("1H FY2025"). Adjusted revenue[i], a non-GAAP financial measure, reflecting the Group's revenue together with the attributable revenue contributions from joint venture ("JV") property development projects, decreased by 5.9% to approximately HK$4.9 billion. The main reason was that fewer residential property development was completed and settled as compared with the same period last year. Despite the lower recognition of revenue from property development, performance from the Group's core businesses remained largely similar as compared to 1H FY2025, demonstrating resilience and stability amidst market fluctuations.

- The Group's adjusted revenue from property development[i], a non-GAAP financial measure, recorded a decrease of 10.3% to approximately HK$3,227 million for 1H FY2026, as compared with 1H FY2025. Key revenue contributors include Aspen at Consort Place in London, United Kingdom ("UK") which completed in July 2025, with handover activities continuing throughout 1H FY2026; and Victoria Riverside (Tower B, Tower C and Bromley Street) in Manchester, the UK which completed and commenced the handover process in July 2025. Sales of completed inventories, including West Side Place in Melbourne, Australia, as well as Mount Arcadia in Hong Kong, were also key contributors to revenue during the 1H FY2026. JV property development projects, including The Pavilia Forest in Hong Kong and Dorsett Place Waterfront Subang (Towers A and B) in Malaysia were completed in August and September 2025, respectively, with both commencing handover process in September 2025. Meanwhile, Queen's Wharf Residences (Tower 4) in Brisbane, Australia, continued ongoing handover progress and contributed to adjusted revenue from property development[i], a non-GAAP financial measure.

The Pavilia Forest, Hong Kong

Management Discussion and Analysis

- As at 30 September 2025, the cumulative attributable presales value of properties under development and unbooked contracted sales stood at approximately HK$9.3 billion. The Group launched a property development, 640 Bourke Street, in Melbourne in late March 2025. The project received a measured level of market interest, indicating steady demand for well-considered residential offerings within the central business district ("CBD"). In July 2025, the Group relaunched the remaining units of Queen's Wharf Residences (Tower 5) with a further price increment and received a positive response. The Group continues to accelerate the completion of its development pipeline, including Victoria Riverside (Tower A) in Manchester, the UK, which is expected to be completed in 1H FY2027 and to contribute positively to revenue and cash flow.

640 Bourke Street, Melbourne

- Revenue from the Group's hotel operations and management business increased by 9.6% to approximately HK$1,070 million for 1H FY2026, as compared with the same period in the prior year. The increase was mainly contributed by Dorsett Kai Tak in Hong Kong and the continued resilient performance in Malaysia and Australia.

- Dorsett Canary Wharf London soft-opened in September 2025. Located in London's CBD and the heart of Canary Wharf, the hotel offers 237 contemporary guest rooms and food and beverage services. In the same month, the Group opened HubX Shanghai, its first hostel in the city. The 115-room hostel is adjacent to Shanghai University.

- Over the next 12 months, the Group is expected to open Dorsett Perth in Australia. This addition is anticipated to strengthen the Group's recurring income portfolio and support long-term growth in both revenue and profitability.

Dorsett Canary Wharf, London

- Revenue from car park operations and facilities management amounted to approximately HK$343 million, representing a decrease of 9.7% as compared with 1H FY2025. The decrease was primarily attributable to the discontinuation of underperforming assets and monetised matured car parks which is part of the Group's strategic initiatives to continue to enhance the quality of its car park portfolio. In parallel, the Group secured new contracts in both car park operations and facilities management, contributing to portfolio expansion and supporting improvements in operational efficiency.

- The Group's gaming business is operated under Palasino Holdings Limited ("Palasino"; Stock Code: 2536; collectively with its subsidiaries, the "Palasino Group"). The Group maintained a controlling stake of 71.62% in Palasino as at 30 September 2025. Revenue from the Group's gaming business for 1H FY2026 increased by 11.4% to approximately HK$218 million as compared with the same period last year. This was primarily driven by increased visits following successful marketing campaign launched in Austria.

Palasino Wullowitz, Czech Republic

Management Discussion and Analysis

- The integrated resort under the joint developments at Queen's Wharf Brisbane, Brisbane, Queensland, Australia (the "QWB Project"), in which the Group owns a 25% stake, had its soft opening on 29 August 2024. A hotel and gaming facilities with premium gaming rooms were unveiled with positive responses. Other facilities such as food and beverage outlets, retail and dining spaces and two hotels will be launched in phases in the near future.

- On 12 August 2025, the Group, together with Chow Tai Fook Enterprises Limited ("CTFE") ("JV Partner", and collectively with the Group, the "JV Partners") entered into an implementation deed ("Implementation Deed") with The Star Entertainment Group ("The Star") which will, subject to satisfaction of relevant conditions precedent, result in increasing the Group's stake to 50% of the QWB Project integrated resort in an orderly fashion and in accordance with agreed transition principles. Destination Brisbane Consortium ("DBC"), the entity responsible for developing the QWB Project, is currently owned 50% by The Star, 25% by CTFE, and 25% by the Group. Upon completion of the transaction, DBC will be jointly owned by the JV Partners, with each holding a 50% interest. For details, please refer to the announcements of the Company dated 12 August 2025 and 17 November 2025.

Queen's Wharf Brisbane, Brisbane

- The Group continued to implement its deleveraging strategy through the monetisation of non-core assets and businesses, with the objective of reducing debt and reallocating capital to projects with higher return potential. In 1H FY2026, the Group monetised approximately HK$1.0 billion of non-core assets and businesses in aggregate. As at 30 September 2025, total bank loans, notes and bonds decreased by approximately HK$1,426 million or 5.6% to HK$23,945 million, reflecting the Group's disciplined approach to capital management.

- As part of these initiatives, the Group completed the disposal of its interest in a mortgage portfolio in Hong Kong on 27 May 2025 for an initial consideration of approximately HK$485 million. The portfolio was comprised of mortgage loans secured on Hong Kong properties developed by the Group. In connection with the disposal, the Group entered into a participation agreement in May 2025, under which it retains an economic interest in the mortgage portfolio. Taking into account the transaction under the participation agreement, the net proceeds received by the Group amounted to approximately HK$344 million. For details, please refer to the announcements of the Company dated 22 May 2025, 27 May 2025 and 1 August 2025.

- In addition, on 2 July 2025, the Group completed the sale of its 53.21% stake in BC Investment Group Holdings Limited ("BC Invest") for an initial consideration of approximately AUD106 million (equivalent to approximately HK$513 million). Simultaneously, all outstanding Class R debentures of approximately AUD8.3 million and Class S participating shares of approximately GBP2.3 million held by the Group were redeemed by BC Invest or its subsidiaries prior to or in conjunction with the completion of the transaction. For details, please refer to the announcements of the Company dated 28 February 2025, 2 May 2025 and 2 July 2025.

FINANCIAL HIGHLIGHTS

- The adjusted revenue[i], a non-GAAP financial measure, decreased by 5.9% to HK$4,940 million in 1H FY2026.
- The Group's profitability for the period was primarily impacted by various impairment losses during the period, partially offset by growth in recurring income business, lower finance costs and the gain from disposal of its stake in BC Invest. As a result, the Group's net loss attributable to shareholders was recorded at HK$988 million in 1H FY2026. Impairment losses that affected the Group's profitability include:
  - impairment loss on properties for sale amounted to approximately HK$193 million;
  - impairment loss recognised on deposits for acquisition of property, plant and equipment amounted to approximately HK$88 million;
  - share of impairment loss recognised by a JV of approximately HK$530 million; and
  - share of impairment loss recognised by an associate of approximately HK$110 million.
- As at 30 September 2025 the adjusted cash profit[i], a non-GAAP financial measure, increased by 509.8% to approximately HK$203 million and the Group's adjusted total equity[i], a non-GAAP financial measure, slightly decreased by 1.9% to approximately HK$31,192 million.
- Loss per share in 1H FY2026 increased by 18.3% to HK32.3 cents. The Board resolved not to declare an interim dividend for 1H FY2026 (1H FY2025: HK1.0 cent per share).
- The Group has continued to prudently manage its capital structure by refinancing some of its shorter-term debts through the bank market and continued to monetise its non-core assets and businesses in an effort to reduce its debt level and optimise the Group's capital structure. Adjusted net gearing ratio[i], a non-GAAP financial measure, decreased to 64.9% and proforma adjusted net gearing ratio, before impairment loss on properties for sale, impairment loss under recognised on deposits for acquisition of property, plant and equipment, share of impairment loss recognised by a JV and share of impairment loss recognised by an associate, decreased to 63.0%, reflecting improved capital management and disciplined financial execution. Net debt to adjusted total assets[i], a non-GAAP financial measure, was maintained at a healthy level of 34.1% as at 30 September 2025.
- The Group's net debt dropped to approximately HK$20.2 billion as at 30 September 2025 as compared with approximately HK$21.5 billion as at 31 March 2025. The Group's liquidity position stood at approximately HK$3.7 billion, with a comfortable level of cash and marketable securities available as at 30 September 2025. Furthermore, the Group had five unencumbered hotel assets valued at HK$1.3 billion as at 30 September 2025.
- Adjusted net asset value per share[i], a non-GAAP financial measure, decreased by 2.0% to approximately HK$9.13 as at 30 September 2025 as compared to HK$9.32 as at 31 March 2025.

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.

FINANCIAL REVIEW

1. Profit and loss analysis

The Company's consolidated revenue for 1H FY2026 was approximately HK$3.8 billion, a decrease of 27.4% as compared with 1H FY2025, with less property development revenue recognition during the period. Adjusted gross profit[i], a non-GAAP financial measure, came in at approximately HK$1.3 billion, as compared with approximately HK$1.6 billion for 1H FY2025. A breakdown of the Group's revenue and gross profit is set out below:

	Property development HK$'000	Hotel operations and management HK$'000	Car park operations and facilities management HK$'000	Gaming operations HK$'000	Others HK$'000	Total HK$'000
1H FY2026						
Revenue	**2,042,260**	**1,070,105**	**343,314**	**218,447**	**81,654**	**3,755,780**
Gross profit	**446,692**	**268,997**	**60,749**	**85,668**	**56,580**	**918,686**
Depreciation	**-**	**163,848[ii]**	**8,323[ii]**	**6,910**	**-**	**179,081**
Impairment	**193,296**	**15,912**	**-**	**-**	**-**	**209,208**
Adjusted gross profit[i]	**639,988**	**448,757**	**69,072**	**92,578**	**56,580**	**1,306,975**
Adjusted gross profit margin[i]	**31.3%**	**41.9%**	**20.1%**	**42.4%**	**69.3%**	**34.8%**
1H FY2025						
Revenue	3,519,437	976,608	380,012	196,118	99,567	5,171,742
Gross profit	943,239	258,009	81,897	78,133	72,397	1,433,675
Depreciation	–	166,419[ii]	11,137[ii]	3,453	–	181,009
Adjusted gross profit[i]	943,239	424,428	93,034	81,586	72,397	1,614,684
Adjusted gross profit margin[i]	26.8%	43.5%	24.5%	41.6%	72.7%	31.2%

Notes:

(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.

(ii) Excludes depreciation of leased properties under HKFRS 16.

Revenue from property development business amounted to approximately HK$2.0 billion in 1H FY2026, a decrease of 42.0% as compared with 1H FY2025. Adjusted revenue from property development[i], a non-GAAP financial measure, which accounted for the attributable revenue contributions from JV property development projects, stood at approximately HK$3.2 billion, representing a decrease of 10.3% as compared with approximately HK$3.6 billion in 1H FY2025. Major contributors to the adjusted revenue from property development[i], a non-GAAP financial measure, included Victoria Riverside (Towers B, C and Bromley Street) in Manchester, the UK, Aspen at Consort Place in London, West Side Place in Melbourne and Mount Arcadia in Hong Kong; as well as JV projects, The Pavilia Forest in Hong Kong, Dorsett Place Waterfront Subang in Malaysia and Queen's Wharf Residences (Tower 4) in Brisbane, Australia. Adjusted gross profit[i], a non-GAAP financial measure, of approximately HK$640 million was recorded during 1H FY2026, representing a 31.3% adjusted gross profit margin[i], a non-GAAP financial measure, an increase as compared with 1H FY2025 due to higher gross profit margin recorded from properties sales in Australia and the UK during 1H FY2026.

Revenue from hotel operations and management continued its growth, increasing by 9.6% as compared with the same period last year to approximately HK$1,071 million in 1H FY2026. Adjusted gross profit margin[i], a non-GAAP financial measure, for the Group's hotel operations decreased from 43.5% in 1H FY2025 to 41.9% in 1H FY2026, partly due to the performance of Dorsett Kai Tak, Hong Kong not yet being fully optimised.

Car park operations and facilities management revenue amounted to approximately HK$343 million during 1H FY2026, a decrease of 9.7% as compared with 1H FY2025. Adjusted gross profit[i], a non-GAAP financial measure, of approximately HK$69 million was recorded for 1H FY2026. Adjusted gross profit margin[i], a non-GAAP financial measure, decreased to 20.1% in 1H FY2026 from 24.5% in 1H FY2025, primarily driven by the disposal of a car park in Boundary Farm, Manchester, the UK in September 2024 and the increase in property holding cost, including land tax.

Revenue from gaming business increased by 11.4% to approximately HK$218 million in 1H FY2026 as compared with 1H FY2025. Adjusted gross profit[i], a non-GAAP financial measure, was approximately HK$93 million in 1H FY2026. Adjusted gross profit margin[i], a non-GAAP financial measure, increased to 42.4% in 1H FY2026 from 41.6% in 1H FY2025. The increase was driven by increased visits following successful marketing campaign launched in Austria.

The Group's overall profitability in 1H FY2026 was primarily impacted by various impairment losses during the period, partially offset by growth in recurring income business, lower finance costs and the gain from disposal of its stake in BC Invest. As a result, loss attributable to shareholders of the Company was recorded at HK$988 million in 1H FY2026, an increase of 28.4% as compared with HK$770 million in 1H FY2025. While the profitability reflected the impact of non-cash impairment losses, adjusted cash profit[i], a non-GAAP financial measure, was approximately HK$203 million in 1H FY2026, an increase of 509.8% from HK$33 million recorded in 1H FY2025.

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.

2. Liquidity, financial resources, and net gearing

The following table sets out the Group's bank and cash balances, investment securities (which are considered as cash equivalent items due to their easily monetisable nature), bank loans and borrowings and obligations under finance leases and equities as at 30 September 2025.

Consolidated statement of financial position	As at 30 September 2025 HK$'million	As at 31 March 2025 HK$'million
Bank loans, notes and bonds		
Due within 1 year[ii]	**10,727**	11,596
Due 1–2 years	**7,546**	5,294
Due 2–5 years	**4,552**	7,368
Due more than 5 years	**1,120**	1,113
Total bank loans, notes and bonds	**23,945**	25,371
Investment securities	**1,083**	1,135
Bank and cash balances[iii]	**2,615**	2,743
Liquidity position	**3,698**	3,878
Net debts[iv]	**20,247**	21,493
Carrying amount of the total equity[v]	**12,842**	13,099
Add: hotel revaluation surplus[vi]	**18,350**	18,681
Adjusted total equity[i]	**31,192**	31,780
Adjusted net gearing ratio[i] (net debts to adjusted total equity[i])	**64.9%**	67.6%
Proforma adjusted net gearing ratio before impairment[vii]	**63.0%**	65.8%
Net debt to adjusted total assets[i]	**34.1%**	35.1%

Notes:

(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.

(ii) Includes an amount of approximately HK$10,727 million, which is reflected as liabilities due within one year even though such a sum is not repayable within one year, as the relevant banks and/or financial institutions have discretionary rights to demand immediate repayment.

(iii) Represents total restricted bank deposits, deposits in financial institutions and bank balances and cash.

(iv) Represents total bank loans, notes and bonds less investment securities and bank and cash balances.

(v) Includes 2019 Perpetual Capital Notes.

(vi) Based on the independent valuations carried out as at 31 March 2025, except for (i) Lushan Resort, HubX Shanghai and Dorsett Canary Wharf London which were accounted for based on independent valuations assessed after 31 March 2025; and (ii) the adjustment in Dorsett Wuhan, where certain areas were reclassified as investment property as at 30 September 2025.

(vii) Excludes the effect on impairment loss recognised on properties for sale, impairment loss recognised on deposits for acquisition of property, plant and equipment, share of impairment loss recognised by a JV and share of impairment loss recognised by an associate.

To better manage the Group's liquidity position, the Group allocates a portion of its cash position in marketable and liquid investment securities. Investment securities shown on the consolidated statement of financial position represent primarily fixed-income securities and investments in fixed-income funds; investments in the listed shares and investments in notes.

The liquidity position of the Group as at 30 September 2025 was approximately HK$3,698 million. The Group's adjusted total equity[i], a non-GAAP financial measure, as at 30 September 2025 was approximately HK$31,192 million, adjusting for the unrecognised hotel revaluation surplus of approximately HK$18,350 million, which is based on independent valuations carried out as at 31 March 2025, except for (i) Lushan Resort, HubX Shanghai and Dorsett Canary Wharf London which were accounted for independent valuations assessed after 31 March 2025; and (ii) the adjustment in Dorsett Wuhan, where certain areas were reclassified as investment property as at 30 September 2025, and includes the 2019 Perpetual Capital Notes.

The Group's adjusted net gearing ratio[i], a non-GAAP financial measure, decreased to 64.9% as at 30 September 2025 as compared with 67.6% as at 31 March 2025. In 1H FY2026, various non-cash impairment losses impacted the profitability and the adjusted net gearing ratio[i], a non-GAAP financial measure. To highlight the Group's debt reduction efforts, the proforma adjusted net gearing ratio before impairment which excludes the effect on impairment loss on properties for sale, impairment loss under recognised on deposits for acquisition of property, plant and equipment, share of impairment loss recognised by a JV and share of impairment loss recognised by an associate, decreased to 63.0% as at 30 September 2025. This reflects the Group's strong commitment to enhancing liquidity, reducing debt levels and improving the gearing and financial position.

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.

To strengthen the Group's financial position, the Group has implemented a series of debt reduction initiatives to reduce its finance costs:

- **accelerating the completion of property development projects** – the Group expedited the completion of several major developments during the period. Victoria Riverside comprises Towers A, B, C and Bromley Street. Towers B and C, together with Bromley Street, with a combined expected gross development value ("GDV") of approximately HK$1,053 million, were completed and commenced handover process in July 2025 and were substantially settled in 1H FY2026. This facilitated the full settlement of the construction loan for the entire development, including Tower A, within the same period. Tower A, with an expected GDV of approximately HK$1,045 million, is scheduled for completion in 1H FY2027. Upon its completion and settlement, the Group anticipates further cash inflow and continued improvement in its gearing and liquidity position.

- **actively monetising inventory** – the Group continued to drive cash inflows during 1H FY2026 by actively pursuing the sales of existing inventory, including Mount Arcadia in Hong Kong, Aspen at Consort Place in London, the UK, as well as West Side Place in Melbourne, Australia. Upon completion of The Pavilia Forest in Hong Kong in September 2025, the Group's existing inventory was valued at approximately HK$10.0 billion as at 30 September 2025. The Group intensified its sales effort to monetise its existing inventory, supported by active selling campaigns across Hong Kong, the UK and Australia.

- **divesting non-core asset and business** – the Group completed two non-core asset and business disposals, including (i) a mortgage portfolio in Hong Kong; and (ii) the Group's equity interest in BC Invest during 1H FY2026, generating aggregate proceeds of approximately HK$1.0 billion. The proceeds were used for general working capital and contributed to improve liquidity and gearing ratio. In addition, the Group entered into a non-binding term sheet to dispose certain interest in a company which indirectly holding Ritz-Carlton Perth ("Target Company") and received the first instalment of AUD20 million in November 2025. The Group intends to jointly own the Target Company upon completion. For details, please refer to the announcement of the Company dated 11 November 2025.

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- **optimising hotel portfolio for sustainable growth** – the Group strategically aligned hotel openings with the economic recovery cycle, ensuring a well-timed ramp-up and revenue contribution. Dorsett Kai Tak, the Group's flagship hotel in Hong Kong, soft opened in September 2024 and delivering strong contributions, reinforcing the Group's market presence in Hong Kong, which remains one of the major sources of hotel revenue for the Group. Dorsett Canary Wharf London in London, the UK, soft-opened in September 2025. The hotel strategically located in Canary Wharf, one of London's CBDs, the hotel is well-positioned to capture both corporate and leisure demand, leveraging the advantages of its prime location. Dorsett Perth in Australia which is scheduled to open within the next 12 months, this hotel further enhances the Group's recurring income streams. Collectively, these initiatives strengthen revenue contribution, generate additional liquidity from operating cash flow, and advance the Group's diversification strategy.

	As at 30 September 2025 HK$ million	As at 31 March 2025 HK$ million
The Company's notes	**518**	516
Unsecured bank loans	**3,650**	4,576
Secured bank loans		
– Property development and investment	**6,172**	6,664
– Hotel operations and management	**13,218**	13,230
– Car park operations and facilities management	**298**	288
– Gaming operations	**49**	54
– Others	**40**	43
Total bank loans, notes and bonds	**23,945**	25,371

As at 30 September 2025, total bank loans, notes and bonds amounted to approximately HK$23.9 billion, a decrease of approximately HK$1,426 million or 5.6% as compared with 31 March 2025. The reduction was primarily due to repayment of project loans and unsecured loans with cashflow from disposal of non-core assets and the settlement of certain projects, including Victoria Riverside in Manchester, Aspen at Consort Place in London and West Side Place in Melbourne.

As at 30 September 2025, the Group's bank loans, notes and bonds which were due within one year was approximately HK$10,727 million. Of this amount, (i) approximately HK$5,819 million were secured corporate, hospitality and car park loans, expected for rollover or refinancing to longer maturities; (ii) approximately HK$780 million were in secured development loans, mostly to be repaid from the presales proceeds upon settlement; (iii) approximately HK$2,703 million were unsecured corporate loans; (iv) approximately HK$639 million will be repaid in accordance with the repayment schedule; and (v) approximately HK$786 million were in relation to bank loans with a repayable on demand clause and therefore being classified as current liabilities.

Bank loans, notes and bonds, denominated in:	**As at 30 September 2025**	As at 31 March 2025
HKD	**69.1%**	68.0%
AUD	**10.8%**	11.9%
SGD	**4.5%**	4.2%
GBP	**6.3%**	7.7%
RMB	**8.3%**	7.4%
Others	**1.0%**	0.8%
	100%	100%

As at 30 September 2025, the primary currency of indebtedness for the Group's bank loans, notes and bonds was Hong Kong dollar, representing approximately 69.1% of the Group's total bank loans, notes and bonds. Other significant currency debts included Australian dollar, Singapore dollar, Great British pound and Renminbi, accounting for approximately 10.8%, 4.5%, 6.3% and 8.3%, respectively.

Following interest rate cut by the US Federal Reserve since the fourth quarter of 2024, including two reductions between September and October 2025, a downward trend in interest rates has emerged. Given Hong Kong's linked exchange rate system, the Group expects local interest rates to follow, which would help reduce average interest rate and ease overall finance costs. As at 30 September 2025, the Group had 94.8% bank loans, notes and bonds with floating rates (as at 31 March 2025: 97.1%) while the remaining had fixed rates.

In 1H FY2026, the average interest rate for bank loans decreased to 5.03% from 6.12% as compared with FY2025.

As at 30 September 2025, the Group's undrawn banking facilities, other than those used for treasury function, stood at approximately HK$904 million. Of this amount, approximately HK$129 million is allotted to development/construction facilities while the balance of approximately HK$775 million is for the Group's general corporate use. When combined with presales to be recognised from the Group's ongoing property development projects, the unutilised banking facilities place the Group in a good financial position to fund not only its existing business and operations, but also its sustainable growth going forward.

In addition, the Group has other assets such as five unencumbered hotel assets amounting to approximately HK$1,292 million. These can be used as collateral for further bank borrowings which could provide additional liquidity for the Group, should this be necessary.

The Group executed a fixed interest rate swap on a portion of its outstanding debt, effectively fixing the finance costs in May 2025. It remains committed to a proactive approach of recycling capital and monetising assets and businesses to maintain relatively stable indebtedness ratios and prevent financing costs from becoming an excessive drag on operating results.

3. Foreign exchange management

In 1H FY2026, the contribution from the Group's non-Hong Kong operations was affected by the movement of foreign currencies against the Hong Kong dollar. The table below denotes the exchange rates of the Hong Kong dollar against the local currencies of countries in which the Group has significant operations.

Rate	**As at 30 September 2025**	As at 31 March 2025	Change
HK$/AUD	**5.11**	4.87	4.9%
HK$/RMB	**1.09**	1.07	1.9%
HK$/MYR	**1.84**	1.75	5.1%
HK$/GBP	**10.43**	10.05	3.8%
HK$/CZK	**0.38**	0.34	11.8%
HK$/SGD	**6.03**	5.79	4.1%

Average rate for	**1H FY2026**	1H FY2025	Change
HK$/AUD	**4.99**	5.22	(4.4%)
HK$/RMB	**1.08**	1.10	(1.8%)
HK$/MYR	**1.80**	1.77	1.7%
HK$/GBP	**10.24**	10.11	1.3%
HK$/CZK	**0.36**	0.34	5.9%
HK$/SGD	**5.91**	5.93	(0.3%)

The Group adopts a practice whereby investments in its non-Hong Kong operations are hedged by borrowings in the local currency of the countries where such investments are made. The impact of movements in the above currencies to the Group's loss attributable to shareholders for 1H FY2026 is analysed below:

Increase to the Group's loss attributable to shareholders for 1H FY2026 assuming exchange rates of the following currencies against the Hong Kong dollar remained constant during the period:

	HK$ million
AUD	(0.5)
RMB	0.3
MYR	(1.1)
GBP	(1.7)
CZK	(0.6)
SGD	0.1
Total impact	**(3.5)**

The movement in foreign currencies also had an impact on the consolidated statement of financial position of the Group. As net assets of the Group's non-Hong Kong operations are translated into Hong Kong dollars for consolidation purposes, the movements in foreign currencies have affected the value in Hong Kong dollar-equivalent of such net assets and therefore the Group's net asset position. The Group's net asset value would have been approximately HK$571 million lower as at 30 September 2025 assuming exchange rates remained constant during 1H FY2026.

4. Net asset value per share

	As at 30 September 2025 HK$ million	As at 31 March 2025 HK$ million
Equity attributable to shareholders of the Company	**9,568**	9,824
Add: Hotel revaluation surplus	**18,350**	18,681
Adjusted net asset value attributable to shareholders[i]	**27,918**	28,505
Number of shares issued (million)	**3,059**	3,059
Adjusted net asset value per share[i]	**HK$9.13**	HK$9.32

After adjusting for the revaluation surplus on hotel assets of approximately HK$18,350 million based on independent valuations assessed as at 31 March 2025, except for (i) Lushan Resort, HubX Shanghai and Dorsett Canary Wharf London which were accounted for independent valuations assessed after 31 March 2025; and (ii) the adjustment in Dorsett Wuhan, where certain area were reclassified as investment property as at 30 September 2025, adjusted net asset value attributable to shareholders[i], a non-GAAP financial measure, was approximately HK$27,918 million. Adjusted net asset value per share[i], a non-GAAP financial measure, for the Company as at 30 September 2025 was approximately HK$9.13.

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.

5. Capital expenditures

The Group's capital expenditure primarily went towards acquisitions, development and construction and refurbishment of hotel properties, plant and equipment and investment properties.

In 1H FY2026, the Group's capital expenditures amounted to approximately HK$206 million, primarily attributable to (i) Dorsett Perth in Australia; (ii) Dorsett Canary Wharf London in the UK; and (iii) Palasino Mikulov in Czech Republic. The capital expenditure was funded through a combination of borrowings and internal resources.

6. Capital commitments

The Group continued to carefully monitor its capital commitments in order to optimise its investments and spending. The table below provides a summary of the Group's capital commitments:

	As at 30 September 2025 HK$ million	As at 31 March 2025 HK$ million
Capital expenditures contracted but not provided in the consolidated financial statements in respect of:		
Acquisition, development and refurbishment of		
– hotel properties	**117**	302
– hotel properties to a JV	**69**	76
– investment properties	**399**	60
Commitment to provide capital injection to an associate	**433**	412
Commitment to provide credit facility to a JV	**–**	504
Capital injection to investment funds	**22**	33
	1,040	1,387

As at 30 September 2025, the Group's capital commitments amounted to approximately HK$1,040 million, primarily attributable to investment properties including the long lease residential development in Baoshan, Shanghai and the following hotel developments: (i) Dorsett Perth in Australia; and (ii) The Star Residences – Epsilon on the Gold Coast in Australia. The capital commitments will be financed through a combination of borrowings and internal resources. All of these hotel developments are in the final stage of construction. It is expected that their capital expenditure will be substantially reduced in the coming financial year.

BUSINESS REVIEW

1. Property division

The Group's property division includes property development and property investment.

Property development

The Group has a diversified portfolio of residential property developments in Australia, the UK, Hong Kong, Singapore, Malaysia and Chinese Mainland, which are largely focused on the mass residential market. The Group's strong regional diversification reduces volatility and allows us to take advantage of different property cycles. The Group has established strong local teams to carry out property development in each of these markets, as their presence allows the Group to identify trends and source the most attractive opportunities, such as the partnership with Manchester City Council ("MCC"). These land acquisition strategies have resulted in a land banking strategy comprising of a relatively low land cost base for the Group's development projects and little capital kept idle.

Total cumulative attributable presales value of the Group's residential properties under development and unbooked contracted sales amounted to approximately HK$9.3 billion as at 30 September 2025. Most presales proceeds are not reflected in the Group's consolidated statement of profit and loss until the relevant projects are completed.

The following table sets out a breakdown of the Group's total cumulative attributable presales value and the cumulative unbooked contracted sales of residential properties as at 30 September 2025.

Developments	Location	Attributable presales HK$ million	Expected financial year of completion
Projects under presales			
Queen's Wharf Residences (Tower 5)[i]	Brisbane	2,146	FY2029
The Star Residences – Epsilon (Tower 2)[ii]	Gold Coast	530	FY2027
640 Bourke Street	Melbourne	1,235	FY2029
Victoria Riverside – Crown View (Tower A)	Manchester	1,033	FY2027
Collyhurst Village	Manchester	287	FY2026 – FY2027
Red Bank Riverside – Falcon	Manchester	554	FY2028
Red Bank Riverside – Kingfisher	Manchester	755	FY2028
Sub-total		**6,540**	

Developments	Location	Attributable contracted sales HK$ million
Contracted sales of completed projects		
The Towers at Elizabeth Quay	Perth	15
West Side Place (Towers 1 and 2)	Melbourne	191
West Side Place (Towers 3 and 4)	Melbourne	120
Aspen at Consort Place	London	163
Victoria Riverside – Park View (Tower C)	Manchester	131
Victoria Riverside – Bromley Street	Manchester	62
Dorsett Place Waterfront Subang – Tower A[i] [iii]	Subang Jaya	51
Dorsett Place Waterfront Subang – Tower B[i] [iii]	Subang Jaya	43
Royal Riverside (Tower 5)	Guangzhou	1
King's Manor	Shanghai	17
Mount Arcadia	Hong Kong	42
Marin Point	Hong Kong	5
The Pavilia Forest[i]	Hong Kong	1,883
Sub-total		**2,724**
Total		**9,264**

Notes:

(i) The Group has 50% interest in the development.

(ii) The Group has 33.3% interest in the development.

(iii) Excludes contract presales already recognised as revenue up to 30 September 2025.

As at 30 September 2025, the expected attributable GDV of the Group's active residential property development projects under various stages of development across the regions was approximately HK$61.8 billion.

Details of the Group's current pipeline are shown below:

Developments	Attributable saleable floor area[i] Sq. ft.	Expected attributable GDV[ii] HK$ million	Launched/ expected launch	Expected financial year of completion
Pipeline developments				
Melbourne				
640 Bourke Street	519,000	3,954	Launched	FY2029
Brisbane				
Queen's Wharf Residences[iii]				
– Tower 5	350,000	2,815	Launched	FY2029
– Tower 6	169,000	1,225	Planning	FY2029

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Developments	Attributable saleable floor area[i] Sq. ft.	Expected attributable GDV[ii] HK$ million	Launched/ expected launch	Expected financial year of completion
Gold Coast				
The Star Residences[iv]				
– Tower 2 – Epsilon	109,000	543	Launched	FY2027
– Towers 3 to 5	374,000	1,859	Planning	Planning
Hong Kong				
Lam Tei, Tuen Mun	383,000	6,320	Planning	Planning
Ho Chung, Sai Kung[v]	19,000	472	FY2027	FY2027
Sai Ying Pun[vi]	75,000	1,717	FY2027	FY2028
Yau Kom Tau	235,000	3,050	Planning	Planning
London				
Ensign House	296,000	3,546	Planning	Planning
Ensign House – Affordable Housing	108,000	431	Planning	Planning
Manchester				
MeadowSide (Plot 4)	244,000	1,274	Planning	Planning
Victoria North[vii]				
– Victoria Riverside				
• Crown View (Tower A)	207,000	1,045	Launched	FY2027
– Collyhurst Village	138,000	413	Launched	FY2026 – FY2027
– Collyhurst Village Social/Affordable Housing	53,000	183	Launched	FY2026 – FY2027
– Red Bank Riverside				
• Falcon	131,000	708	Launched	FY2028
• Kingfisher	230,000	1,271	Launched	FY2028
• NT02-NT04	721,000	4,054	Planning	FY2028 – FY2030
– Network Rail	1,532,000	8,613	Planning	Planning
– Others	967,000	5,438	Planning	Planning
Trafford	421,000	2,034	Planning	Planning
Trafford Affordable Housing	147,000	522	Planning	Planning
Malaysia				
Dorsett Place Waterfront Subang[viii]				
– Tower C	167,000	275	Planning	Planning
Total developments pipeline as at 30 September 2025	**7,595,000**	**51,762**		

Developments	Attributable saleable floor area[i] Sq. ft.	Expected attributable GDV[ii] HK$ million
Completed developments available for sale		
Melbourne		
West Side Place		
– Towers 1 and 2	76,000	374
– Towers 3 and 4	59,000	267
Brisbane		
Queen's Wharf Residences		
– Tower 4[iii]	1,000	8
Perth		
The Towers at Elizabeth Quay	79,000	561
London		
Aspen at Consort Place	157,000	2,037
Hornsey Town Hall	11,000	97
Manchester		
Victoria North		
– Victoria Riverside		
• Park View (Tower C)	34,000	157
• Bromley Street	31,000	140
Malaysia		
Dorsett Place Waterfront Subang[viii]		
– Tower A	38,000	131
– Tower B	77,000	178
Shanghai		
King's Manor	8,000	53
The Royal Crest II	2,000	14
District 17A	5,000	27
Guangzhou		
Royal Riverside	6,000	18
Hong Kong		
Marin Point	44,000	521
Manor Parc	17,000	247
Mount Arcadia	12,000	271
Mount Arcadia (4 houses)	13,000	293
The Pavilia Forest[ix]	223,000	4,607
Total completed developments available for sale as at 30 September 2025	**893,000**	**10,001**
Total pipeline and completed developments available for sale as at 30 September 2025	**8,488,000**	**61,763**

Notes:

(i) The figures represent approximate saleable floor area which may vary subject to finalisation of development plans.

(ii) The amounts represent expected GDV attributable to the Group, which may change subject to market conditions.

(iii) Total saleable floor area of this development is approximately 1,544,000 sq. ft.. The Group has 50% interest in the development.

(iv) The Group has 33.3% interest in these developments.

(v) Total saleable floor area of this development is approximately 58,000 sq. ft.. The Group has 33.3% interest in the development.

(vi) The total saleable floor area and GDV figures are estimated figures and subject to approval from Urban Renewal Authority ("URA").

(vii) The total saleable floor area and GDV figure is estimated based on land already acquired and expected number of units to be built. As the master developer of Victoria North, the Group is expecting further land acquisitions, which will increase both saleable floor area and GDV for this development.

(viii) Total saleable floor area of this development is approximately 1,054,000 sq. ft.. The Group has 50% interest in the development.

(ix) Total saleable floor area of this development is approximately 508,000 sq. ft.. The Group has 50% interest in the development.

Australia

Melbourne

West Side Place is a mixed-use residential development located in the CBD of Melbourne. The project consists of four towers with two hotels, including a luxury Ritz-Carlton hotel of 257 rooms in Tower 1 and a Dorsett-branded hotel of 316 rooms in Tower 3.

Towers 1 and 2 comprise a total of 1,377 apartments with a total saleable floor area of approximately 1.1 million sq. ft. and an expected total GDV of approximately HK$4.9 billion. The development is completed. As at 30 September 2025, the expected GDV of completed stocks available for sale was approximately HK$374 million, of which approximately HK$191 million was recorded as contracted sales. Sales and settlements are expected to continue in the second half of FY2026.

Towers 3 and 4 comprise a total of 1,519 apartments which feature a total saleable floor area of approximately 1.1 million sq. ft. with an expected total GDV of approximately HK$5.1 billion. The development is completed. As at 30 September 2025, the expected GDV of completed stocks available for sale was approximately HK$267 million, of which approximately HK$120 million was recorded as contracted sales. Sales and settlements are expected to continue in the second half of FY2026.

640 Bourke Street, located in Melbourne and adjacent to West Side Place and Upper West Side, is a mixed-use development. The project will reach 68 levels, featuring high-end 1-, 2-, and 3- bedroom apartments. The development consists 606 residential units with a total saleable floor area of approximately 519,000 sq. ft., and an expected total GDV of approximately HK$4.0 billion, as well as 430 sq. m. of retail space and 296 car park bays. Upon the launch of the development in late February 2025, approximately HK$1,235 million worth of units were presold as at 30 September 2025. The development is expected to be completed in FY2029. Together with West Side Place and Upper West Side, 640 Bourke Street will form a continuous stretch of mixed-use developments across three consecutive city blocks, significantly contributing to the revitalisation of the western edge of the CBD.

Perth

Perth Hub, the first phase of the Perth City Link project, is a mixed-use development adjacent to the Perth Arena. It consists of Lots 2 and 3 of the Perth City Link and features 314 residential apartments and a 260-room Dorsett hotel, with a total expected GDV of approximately HK$816 million. The development is completed and all units have been settled as at 30 September 2025.

After being selected as the preferred proponent of the Perth City Link projects, the Group secured Lots 4, 9 and 10 of the Perth City Link projects. These three lots will host a wide range of boutique apartments and an integrated retail, entertainment, commercial and hospitality complex. This project is currently in the planning stage.

The Towers at Elizabeth Quay is a two-tower mixed-use flagship development project which consists of approximately 371,000 sq. ft. in total saleable floor area of residential apartments and a luxury Ritz-Carlton hotel of 205 rooms. As at 30 September 2025, the expected GDV of the completed stocks available for sale was approximately HK$561 million. Of this amount, approximately HK$15 million has been recorded as contracted sales.

Brisbane

Queen's Wharf Residences is a development in which the Group holds a 50% stake. Located adjacent to the QWB Project, it comprises three towers with a total of 1,829 apartments and a saleable floor area of approximately 1.5 million sq. ft.. The development has an expected total GDV of approximately HK$11.1 billion (attributable GDV of approximately HK$5.6 billion).

Tower 4 is the only residential tower directly connected to the QWB Project and features 667 residential apartments, with a total saleable floor area of approximately 506,000 sq. ft. and total GDV of approximately HK$3.0 billion (attributable GDV of approximately HK$1.5 billion). The development has been completed and the handover process commenced in March 2025. As at 30 September 2025, the expected attributable GDV of the completed stocks available for sale was approximately HK$8 million.

Tower 5 initially comprises 819 residential apartments with a total saleable floor area of approximately 701,000 sq. ft., with all units fully presold. Due to rising costs and strong demand for residential units in Brisbane, the Group offered revised agreements with a price increment to original buyers in December 2024, with over 60% of buyers accepting the agreements within three months. In addition, the Group secured planning approval for the inclusion of 28 additional units, increasing the total saleable floor area to approximately 701,000 sq. ft. and raising the expected total GDV to approximately HK$5.6 billion (attributable GDV of approximately HK$2.8 billion). The remaining units have re-launched on the market in July 2025 with a further price increment. As at 30 September 2025, the Group presold approximately HK$4.3 billion (attributable GDV of approximately HK$2.1 billion) worth of units. Completion of the development is expected to be in FY2029.

Tower 6 is a residential tower and features 315 residential apartments, with a total saleable floor area of approximately 337,000 sq. ft. and an expected total GDV of approximately HK$2.5 billion (attributable GDV of approximately HK$1.2 billion). The project is in planning stage and is expected to be completed together with Tower 5 in FY2029.

Gold Coast

The Star Residences – Epsilon (Tower 2), which the Group has a 33.3% stake, features 437 residential apartments with a total saleable floor area of approximately 327,000 sq. ft. and an expected total GDV of approximately HK$1.6 billion (attributable GDV of approximately HK$543 million). It also features the first Andaz Hotel in Australia with 202 rooms. As at 30 September 2025, the Group presold approximately HK$1.6 billion (attributable GDV of approximately HK$530 million) worth of units. Completion of the development is expected to be in FY2027.

United Kingdom

London

Aspen at Consort Place is a mixed-use development site located at Marsh Wall, Canary Wharf in London. It comprises 502 residential units, 139 affordable housing units, a 237-room hotel and commercial spaces, spanning a total saleable floor area of approximately 482,000 sq. ft..

The development was completed in July 2025. As at 30 September 2025, the expected GDV of completed stocks available for sale was approximately HK$2.0 billion, of which approximately HK$163 million was recorded as contracted sales. Sales and settlements are expected to continue in the second half of FY2026.

In North London, Hornsey Town Hall is a mixed-use redevelopment project entailing the transformation of an existing town hall into a hotel/serviced apartment tower with communal areas, alongside a residential segment. It comprises 135 residential units and 11 social/affordable units, spanning a total saleable floor area of approximately 114,000 sq. ft.. The development is completed. As at 30 September 2025, the expected GDV of completed stocks available for sale was approximately HK$97 million, which will be launched for sale following the hotel and other facilities within the development being operational and fulfilling their intended community purpose.

Ensign House in Canary Wharf, London, which is adjacent to Aspen at Consort Place, is intended to evolve into a residential tower comprising over 400 residential units and approximately 120 affordable housing units. It features a total saleable floor area of approximately 296,000 sq. ft. for residential units, with a total expected GDV of approximately HK$3.5 billion. The project is in planning stage.

Manchester

Victoria North is one of the UK's largest regeneration projects spanning more than 390 acres (equivalent to 17 million sq. ft.) through a JV between the Group and MCC. The development is designed to deliver approximately 20,000 new homes over the next ten to fifteen years, integrating high-quality housing and social infrastructure to support city centre expansion. Recently recognised by the UK Government in September 2025 as one of twelve potential New Towns, the project is acknowledged as nationally significant.

To support the progression of the new Metrolink stop at Sandhills, the Ministry of Housing Communities and Local Government recently awarded GBP1.5 million to Transport for Greater Manchester to advance the outline business case. This strategic transport infrastructure will integrate Victoria North and its residents into a broader range of economic opportunities within Greater Manchester, while also serving as a catalyst for rental and capital value growth.

Further capital funding has been allocated by the Department for Transport to support the construction of the new Metrolink station at Sandhills, as part of the integrated transport settlement to the Greater Manchester Combined Authority. The station is targeted to be built and operational by 2030.

Initial phases of development within Victoria North are underway, with additional projects progressing as part of the long-term development pipeline and the creation of investible propositions.

Victoria Riverside, located in Red Bank, comprises three towers with 596 units and 38 townhouses, spanning a total saleable floor area of approximately 460,000 sq. ft. with an expected total GDV of approximately HK$2.0 billion.

Tower A (Crown View) features 275 residential units with approximately 207,000 sq. ft. of total saleable floor area and an expected total GDV of approximately HK$1.0 billion. Total presold value of approximately HK$1.0 billion was recorded as at 30 September 2025. It is expected to be completed in 1H FY2027.

Tower B (City View) consists of 128 affordable housing units, was presold to Trafford Housing Trust, part of L&Q, one of England's largest housing associations, for a consideration of GBP26 million. It was completed and settled in July 2025 and is now managed by the Group's in-house operator, Found.

Tower C (Park View) features 193 residential units with a total saleable floor area of approximately 129,000 sq. ft. and an expected total GDV of approximately HK$602 million. It was completed and commenced the handover process in July 2025, supporting the full repayment of the development loan. As at 30 September 2025, the expected GDV of the completed stocks available for sale was approximately HK$157 million. Of this amount, approximately HK$131 million has been recorded as contracted sales.

Further completions took place at Bromley Street which consists of 38 townhouses with a total saleable floor area of approximately 39,000 sq. ft. and an expected total GDV of approximately HK$177 million. As at 30 September 2025, the expected GDV of the completed stocks available for sale was approximately HK$140 million. Of this amount, approximately HK$62 million has been recorded as contracted sales.

Collyhurst Village forms part of the initial phases of the Victoria North masterplan, comprising 144 private residential units with a total saleable floor area of approximately 153,000 sq. ft. and an expected total GDV of approximately HK$455 million. The first phases of homes for open market sale were completed in July 2025. A total presold value of approximately HK$287 million was recorded as at 30 September 2025. The development also includes 130 affordable housing units with a total saleable floor area of approximately 104,000 sq. ft.. The first phase of affordable housing was completed in September 2025 with a total remaining GDV of approximately HK$183 million. Further phased completions are expected throughout the second half of FY2026 to FY2027.

The future pipeline in Manchester is concentrated in Red Bank Riverside, adjacent to the Group's Victoria Riverside development. This phase comprises seven buildings, ranging from 6 to 34 storeys, and is expected to deliver approximately 1,551 homes across a total saleable floor area of approximately 1,082,000 sq. ft. with an expected total GDV of approximately HK$6.0 billion. The development also includes a new high street featuring approximately 20,000 sq. ft. of commercial and retail space. Remediation ground works are expected to complete in March 2026, with phased plot completions between FY2028 and FY2030.

Falcon, one of the residential towers within the Red Bank Riverside, was launched in March 2024. The development features 189 residential units with a total saleable floor area of approximately 131,000 sq. ft. and an expected total GDV of approximately HK$708 million. As at 30 September 2025, the Group presold approximately HK$554 million worth of units. Remaining units will be launched upon completion.

Kingfisher, another residential tower within Red Bank Riverside, was launched in August 2024. The development features 322 residential units with a total saleable floor area of approximately 230,000 sq. ft. and an expected total GDV of approximately HK$1.3 billion. The Group presold approximately HK$755 million worth of units as at 30 September 2025.

At MeadowSide, the Group's first major residential development in Manchester, three of the four plots (Plots 2, 3 and 5) were completed and fully settled. Plot 4 received planning permission for a 40-storey residential building; however, the Group continues to assess opportunities to increase gross floor area and enhance GDV, leveraging the location's evolving market dynamics.

In August 2024, a 50/50 public-private partnership was formalised to deliver the redevelopment of the former Greater Manchester Police Headquarters site on Chester Road in Old Trafford. The Group, as a private sector partner, retains 50% interest, while Trafford Metropolitan Borough Council (25%) and Greater Manchester Combined Authority (25%) acted as public sector partners.

Situated in a prime area near Manchester United Football Club and Old Trafford Cricket Ground, the site carried an estimated GDV of approximately GBP322 million. The development aims to deliver approximately 1,200 new homes, including affordable housing units, a 250-room hotel and approximately 30,000 sq. ft. of ground-floor commercial space, complemented by new public open spaces to support the new community. The development is currently being designed and a planning application is anticipated in Spring 2026.

Chinese Mainland

The Group has been developing California Garden, a premier township development in Shanghai, over the years. The development is comprised of a diversified portfolio of residences, including low-rise and high-rise apartments as well as townhouses. As at 30 September 2025, the expected GDV of completed stocks available for sale of King's Manor was approximately HK$53 million; and the expected GDV of completed stocks available for sale of Royal Crest II was approximately HK$14 million.

Royal Riverside in Guangzhou is a 5-tower residential development. As at 30 September 2025, the expected GDV of completed stocks available for sale was approximately HK$18 million.

Hong Kong

The Group built its development pipeline in Hong Kong over the years through the acquisition of redevelopment sites, participating in government tenders and participating in URA tenders.

Mount Arcadia is a residential development site situated on Tai Po Road, featuring 62 apartments and 4 houses with a total saleable floor area of approximately 84,000 sq. ft. and an expected GDV of approximately HK$1.8 billion. The development has been completed. As at 30 September 2025, the expected GDV of completed stocks available for sale was approximately HK$271 million, of which approximately HK$42 million was secured as contracted sales. The 4 houses, with an expected total GDV of approximately HK$293 million, are planned to be launched for sale in the near term.

In November 2021, the Group formed a JV which is held as to 50% by the Group to acquire a Kai Tak site for residential development – The Pavilia Forest. The residential development features 1,305 residential apartments with a total saleable floor area of approximately 508,000 sq. ft. and an expected total GDV of approximately HK$10.4 billion. The development was completed in August 2025 and commenced the handover process in September 2025. As at 30 September 2025, the expected attributable GDV of the completed stocks available for sale was approximately HK$9.2 billion (attributable GDV of approximately HK$4.6 billion) worth of units. Of this amount, approximately HK$1.9 billion has been recorded as contracted sales. A majority of buyers opted for a cash payment plan, benefitting the Group by reducing finance costs.

Manor Parc is a residential development at Tan Kwai Tsuen consisting of 24 town houses with approximately 50,000 sq. ft. in total saleable floor area. The development has been completed. As at 30 September 2025, the expected GDV of completed stocks available for sale was approximately HK$247 million. The remaining units will be sold on a completed basis.

Marin Point is a residential development at Sha Tau Kok. This development is made up of 261 low-rise apartments with approximately 103,000 sq. ft. in total saleable floor area. The development has been completed. As at 30 September 2025, the expected GDV of completed stocks available for sale was approximately HK$521 million. Of this amount, approximately HK$5 million have been secured as contracted sales. The remaining units will be sold on a completed basis.

The Group acquired a site in Lam Tei, Tuen Mun in June 2021. The project is currently in planning stage, with an expected total GDV estimated at HK$6.3 billion and a total saleable floor area of approximately 383,000 sq. ft.. The project is currently under planning stage.

The Group formed a JV, in which the Group holds a 33.3% stake, to acquire a residential site in Ho Chung, Sai Kung, in September 2021. The development features 26 high-end houses with total saleable floor area of approximately 58,000 sq. ft. and an expected total GDV of approximately HK$1.4 billion (attributable GDV of approximately HK$472 million). Construction has commenced and is slated to complete in FY2027. The development is expected to be launched for sales in FY2027, subject to market condition.

In September 2022, the Group acquired the development right, through a tender conducted by URA, for a land that covers a site area of about 1,077.3 sq. m. at Sai Ying Pun, Hong Kong. It is a mixed-use residential and commercial development, featuring an expected saleable floor area of approximately 75,000 sq. ft. for residential units and 2,800 sq. ft. for commercial spaces. The development has obtained building plan approval. Foundation works of the project have been completed, and superstructure construction is underway. The development is slated for launch in FY2027 and is expected to be completed in FY2028.

The Group obtained planning approval for a site in Yau Kom Tau, Tsuen Wan, designated for mixed-use residential development. The project has a total expected GDV of approximately HK$3.1 billion and an expected saleable floor area of approximately 235,000 sq. ft.. The development is currently in the planning stage.

Malaysia

Dorsett Place Waterfront Subang, adjacent to the esteemed 5-star hotel Dorsett Grand Subang, is a development which the Group holds a 50% interest. The development consists of three blocks and will offer 1,989 fully-serviced suites. The development was completed in September 2025. The revenue of Towers A and B has been recognised according to the progress of development and handover process of Towers A and B was commenced in September 2025. As at 30 September 2025, the expected attributable GDV of the completed stocks available for sales for Towers A and B was approximately HK$309 million. Of this amount, approximately HK$94 million was recorded as contracted sales. Tower C has not been launched and the Group is evaluating changing its use for long-term income purpose.

Singapore

Cuscaden Reserve is a residential development site in the prime area of District 9 in Singapore. The Group has a 10% interest in the development. It provides approximately 17,000 sq. ft. in attributable saleable floor area. As at 30 September 2025, the development has been completed and fully settled.

Property investment

The Group's property investments comprise investments in retail and office buildings primarily situated in Hong Kong, Chinese Mainland, Singapore, the UK and Australia. In 1H FY2026, a fair value loss on investment properties of approximately HK$77 million was recorded. As at 30 September 2025, the valuation of investment properties was approximately HK$5.9 billion (as at 31 March 2025: approximately HK$5.8 billion).

Previously, the Group acquired two sites in Baoshan, Shanghai slated for the development of residential blocks designated for leasing purposes. One of the sites is completed with a lettable floor area of approximately 573,000 sq. ft., delivering approximately 1,700 units. Leasing operation is expected to commence in the second half of FY2026. And the other site is initiating ground work. The site is expected to provide approximately 2,600 accommodation units. Completion of this site is expected in FY2029.

2. Hotel operations and management

The Group owns and operates its hotel portfolio, Dorsett Hotels and Resorts through four distinct lines of business, which focus on the three to four-star hotel segment. These include the "Dorsett" core brand; the contemporary and lifestyle-focused "Dao by Dorsett" hotel brand; the "d.Collection" brand, which features boutique hotels with unique identities; and the "Silka" brand, which are value-led branded hotels for streamlined and cost-efficient stays.

As at 30 September 2025 the Group owned a total of 38 hotels including the wholly-owned Dorsett Group, the Ritz-Carlton hotels in Perth and Melbourne, HubX Shanghai, the partially-owned Palasino Group, Dorsett Gold Coast and The Star Grand in Australia, as well as Dorsett Changi City and Dao by Dorsett AMTD in Singapore. There are approximately 9,700 rooms distributed across Chinese Mainland, Hong Kong, Malaysia, Singapore, Australia, the UK and Continental Europe.

On 23 September 2025, the Group soft-launched Dorsett Canary Wharf London in London, the UK. The hotel offers 237 contemporary guest rooms, versatile conferencing facilities and food and beverage servers. It is strategically located in the heart of Canary Wharf, one of London's CBDs catering to both corporate and leisure demand.

On 29 September 2025, the Group opened HubX Shanghai in Chinese Mainland, the 115-room hotel is adjacent to the Shanghai University, which has over 40,000 full-time students. This is the Group's first hostel in Shanghai.

The operating performance of the Group's owned hotels summarised by region for 1H FY2026 is as follows. The results of hotels by region are expressed in the respective local currency ("LC") and Hong Kong dollars ("HK$").

	Occupancy rate ("OCC")		Average room rate ("ARR")			Revenue per available room ("RevPAR")			Revenue	
	1H FY2026	1H FY2025	**1H FY2026 (LC)**	1H FY2025 (LC)	% Change	**1H FY2026 (LC)**	1H FY2025 (LC)	% Change	**1H FY2026 (LC'million)**	1H FY2025 (LC'million)
Hong Kong (HK$)	**83.4%**	80.8%	**685**	645	6.2%	**571**	521	9.6%	**370**	292
Malaysia (MYR)	**63.1%**	62.9%	**234**	224	4.5%	**148**	141	5.0%	**51**	49
Chinese Mainland (RMB)	**55.4%**	64.9%	**355**	354	0.3%	**197**	230	(14.3%)	**84**	99
Singapore (SGD)(i)	**83.5%**	84.7%	**195**	198	(1.5%)	**163**	168	(3.0%)	**10**	10
United Kingdom (GBP)	**79.4%**	86.1%	**135**	130	3.8%	**107**	112	(4.5%)	**9**	9
Australia (AUD)(ii)	**68.8%**	62.9%	**368**	351	4.8%	**253**	221	14.5%	**57**	49
			(HK$)	(HK$)		**(HK$)**	(HK$)		**(HK$ million)**	(HK$ million)
Dorsett Group Total(iii)	**72.9%**	72.7%	**784**	745	5.2%	**572**	542	5.5%	**983**	891
Palasino Group	**58.8%**	58.4%	**722**	713	1.3%	**428**	420	1.9%	**87**	86

Notes:

(i) Excludes Dao by Dorsett AMTD Singapore and Dorsett Changi City Singapore which are equity accounted.

(ii) Excludes Dorsett Gold Coast and The Star Grand which are equity accounted.

(iii) Excludes Palasino Group but includes Ritz-Carlton Perth, Ritz-Carlton Melbourne and HubX Shanghai.

In 1H FY2026, Dorsett Group recorded a total revenue of approximately HK$983 million, representing an increase of 10.3% from approximately HK$891 million in 1H FY2025. OCC stood at 72.9%, marking a slight increase of 0.2 percentage points as compared with 72.7% in 1H FY2025. ARR increased by 5.2% to approximately HK$784 from approximately HK$745 as compared with the same period last year. As a result, RevPAR increased by 5.5% to approximately HK$572 per night in 1H FY2026 from approximately HK$542 per night in 1H FY2025. The Group also recorded a growth in rental, food and beverage, and other income in addition to the increase in room revenue. Looking ahead, the Dorsett Group will pursue its strategic growth and geographic resilience by transitioning toward an asset-light model.

Hong Kong

The Group's hotel operations in Hong Kong experienced a moderate increase in 1H FY2026 in both OCC and ARR. Overall OCC increased by 2.6 percentage points to 83.4% in 1H FY2026, as compared to 80.8% in 1H FY2025. ARR also rose by 6.2% to approximately HK$685 from approximately HK$645 in 1H FY2025. As a result, total revenue for the Group's Hong Kong hotels increased 26.5% to approximately HK$370 million in 1H FY2026, as compared to the same period last year.

Performance in the Hong Kong's hospitality sector reflects a competitive landscape where hotels are adapting pricing strategies to balance occupancy gains amid rising operational costs and regional rivalry. The sector grapples with challenges such as cost-conscious spending from Chinese Mainland visitors, a strong Hong Kong dollar curbing affordability, and evolving patterns where short-stay trips favour Shenzhen alternatives.

Bolstered by supportive government policies, including the Tourism Blueprint 2.0 with HK$1.2 billion allocated for implementation and expanded Individual Visit Scheme to 59 cities in Chinese Mainland, the Group is confident in Hong Kong's strong outlook as Asia's events capital. Looking ahead, the Group will continue strategic initiatives to drive OCC and revenue, including targeted marketing, partnerships with attractions such as Kai Tak Sports Park, and innovative offerings tailored to evolving leisure and business traveller preferences.

Malaysia

In 1H FY2026, Malaysia's tourism and hotel industries demonstrated strong momentum, driven by a steady influx of both domestic and international visitors. This growth was propelled by the extended mutual visa-free policy with Chinese Mainland, alongside similar exemptions for Indian nationals.

During 1H FY2026, revenue from the Group's hotels in Malaysia increased 4.2% to approximately MYR51 million as compared with 1H FY2025. The OCC reached 63.1%, reflecting a slight increase of 0.2 percentage points from 62.9% in the same period last year. ARR experienced an increase of 4.5%, rising to approximately MYR234 as compared with approximately MYR224 in 1H FY2025. RevPAR continued its upward trend, rising 5.0% to approximately MYR148 in 1H FY2026 from approximately MYR141 in 1H FY2025. This indicates strengthening demand for accommodations as more tourists choose Malaysia as their preferred destination.

The outlook for Malaysia's tourism and hotel sectors remains robust. Ongoing infrastructure upgrades, enhanced connectivity, and promotion of eco-cultural experiences will drive sustained growth. The Group remains committed to delivering outstanding service and innovative hospitality solutions, ensuring its hotels thrive in this revitalising market and positioning them for sustained success in the years ahead.

Chinese Mainland

In 1H FY2026, Chinese Mainland's domestic tourism remained strong, fuelled by longer holidays and government vouchers for cultural and rural travel. However, Chinese Mainland's hospitality sector is highly competitive due to the rapid expansion of domestic and foreign hotel brands. In addition, rising price sensitivity and economic caution limited consumers' discretionary spending, while a shift in travel consumption patterns, with travellers increasingly favouring short-haul and budget-friendly options, further diluted demand. At the same time, expanded visa-free entry and a surge in outbound travel shifted demand overseas. This triple pressure – domestic spending restraint, changing travel habits, and outbound flow impacted the profitability of the Group's hotels in Chinese Mainland.

In 1H FY2026, OCC decreased 9.5 percentage points to 55.4% as compared with 64.9% in 1H FY2025. However, ARR experienced a slight increase of 0.3% to approximately RMB355 from approximately RMB354 in the same period last year. As a result, RevPAR decreased 14.3% to approximately RMB197 per night in 1H FY2026 from approximately RMB230 per night in 1H FY2025. Overall, the revenue for the Group's hotels in Chinese Mainland decreased 15.4% to approximately RMB84 million in 1H FY2026 as compared with approximately RMB99 million in 1H FY2025.

Despite softer results, the Group remains optimistic about prospects. Visa-free access extended to 46 countries, 240-hour transit exemptions, RMB590 billion in railway upgrades, and domestic stimulus via subsidies and digital platforms is expected to drive inbound and domestic demand, supporting stronger performance ahead.

Singapore

Singapore's tourism sector delivered a mixed performance in 1H FY2026. Visitor arrivals in the first quarter were broadly in line with previous year, while the second quarter recorded year-on-year growth. The improvement was supported by key demand drivers, including the World Aquatics Championships, the local university graduation season and school holidays in China.

Key factors affecting the overall 1H FY2026 results included tariff tensions that began in April 2025, the strong Singapore dollar relative to currencies of neighbouring countries, and an oversupply of hotel rooms. The latter was particularly acute in the Chinatown area, which saw an increase of nearly 1,000 rooms, impacting both OCC and ARR for hotels.

Amid this, the Group's hotel in Singapore reported a decrease in OCC of 1.2 percentage points to 83.5% as compared with 1H FY2025. ARR also experienced a slight decrease of 1.5% to approximately SGD195 from approximately SGD198 in 1H FY2025. This contributed to 3.0% reduction in RevPAR to approximately SGD163 per night. Overall, total revenue from the Group's hotel in Singapore dropped slightly to approximately SGD10 million.

Looking ahead, the Group remains optimistic that ongoing investments in tourism infrastructure, stronger MICE (Meetings, Incentives, Conferences, Exhibitions) business, corporate travel recovery and anticipated growth in regional leisure arrivals will drive improved occupancy and revenue momentum in the coming periods.

UK

In 1H FY2026, the UK hospitality sector demonstrated a negative trajectory, driven by the slight decline of both domestic and international travellers. Amid challenges such as rising operational costs and ongoing competition from other European cities, the OCC of the Group's hotels in London decreased 6.7 percentage points to 79.4% as compared with 86.1% in 1H FY2025. ARR experienced an increase of 3.8% to approximately GBP135, while RevPAR recorded a decrease of 4.5% to approximately GBP107 per night from approximately GBP112 per night in 1H FY2025. Overall, total revenue from the Group's hotels in the UK dropped slightly to approximately GBP8 million, at a level similar to the same period last year. The stable revenue was mainly attributable to corporate contracts as well as wholesale groups and strong summer holiday demand in the region.

The Group soft-opened Dorsett Canary Wharf London on 23 September 2025. The hotel is at its ramp-up phase and when fully opened, it is expected to contribute to the Group's UK hotels' performance. The addition is strategically planned to strengthen the Group's presence in the region, addressing the growing demand for quality accommodations in London's dynamic urban centre.

Australia

The Group currently owns four operating hotels in Australia. The Ritz-Carlton Perth, The Ritz-Carlton Melbourne and Dorsett Melbourne are fully owned, while Dorsett Gold Coast is owned through a JV with 33.3% stake.

During 1H FY2026, overall OCC of the Group's hotels in Australia improved by 5.9 percentage points to 68.8% from 62.9% in 1H FY2025, and ARR surged by 4.8% to approximately AUD368 from approximately AUD351 in 1H FY2025, resulting in an increase in RevPAR by 14.5% to approximately AUD253 per night, as compared with the same period last year. Demand recovery drove growth in general and all major cities in Australia recorded an improvement in hotel occupancy.

While other leisure-centric cities experienced contraction as Australians opted for international travel or returned to major cities, the performance of the Group's hotels in Melbourne remained resilient in terms of OCC. Overall, the Group's hotels in Australia generated total revenue of approximately AUD57 million in 1H FY2026, reflecting an increase of 16.4% as compared to 1H FY2025. With several major sporting events on the cards across the country, performance is poised for a positive run.

Looking ahead, the Group is set to launch a new hotel in Perth, further expanding its footprint in Australia. This expansion will not only strengthen the Dorsett brand in the region but also position the Group for continued growth and success in the competitive hospitality landscape.

3. Car park operations and facilities management

The Group's car park operations and facilities management business, including the "Care Park" and Australian Property Management brands, with a portfolio of car park bays owned or managed amounting to approximately 107,000 car park bays as at 30 September 2025. Among the 313 car parks, 22 are self-owned with 6,172 car park bays and one is JV owned with 383 car park bays. The remaining car park bays in Australia, New Zealand, the UK, Hungary and Malaysia are under management contracts with third-party car park owners.

Revenue from car park operations and facilities management was approximately HK$343 million, a 9.7% decrease as compared with 1H FY2025. The decrease in revenue is attributed to the continued strategic phase out of underperforming car parks and the adjusted gross profit margin[i], a non-GAAP financial measure, decreased to 20.1% in 1H FY2026, which is primarily driven by the disposal of a car park in Boundary Farm, Manchester, the UK in September 2024 and the increase in property holding cost, including land tax.

The Group launched a mobile application ("Care Park Application") to enhance user experience and operational efficiency. The third phase of the Care Park Application is currently in final testing and will be launched in the next quarter. The Group has invested in new technology that incorporates the Care Park Application and noting an increase in yield management and positive customer feedback.

As part of the Group's monetisation strategy, the Group entered into an agreement to dispose a car park in Sydney, Australia in October 2025 and the transaction is expected to be completed in January 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.

4. Gaming operations and facilities management

Palasino Group

The Group operates its portfolio of one integrated land-based casino and two full-service land-based casinos in the Czech Republic under Palasino Group which features slot machines and gaming tables. Palasino Group was separately listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 26 March 2024. The Group currently owns 71.62% of Palasino Group.

Revenue from the Group's gaming business in 1H FY2026 were approximately HK$218 million, an increase of 11.4%, compared to approximately HK$196 million in 1H FY2025. The increase was primarily due to increased visitation as a result of the successful marketing campaign launched in Austria.

The following tables set forth certain operating data of Palasino's casinos for the period ended 30 September 2025:

	As at 30 September 2025	As at 31 March 2025
Number of slot machines	**638**	630
Number of tables	**57**	57

	1H FY2026	1H FY2025
Slots revenue (HK$ million)	**171**	158
Table game revenue (HK$ million)	**47**	38
Average slot win per machine per day (HK$)[i]	**1,510**	1,524
Table games hold percentage[ii]	**26.9%**	23.6%

Notes:

(i) Average slot win per machine per day is defined as divide the total slot machine gross win by the average number of slot machines on opening and closing and subsequently divide by the number of days the machines were operational.

(ii) Table hold percentage is defined as total gross win in table game divided by the table games drop.

Investments in QWB Project

The Group together with its JV partner has partnered with The Star to establish DBC for the QWB Project in Brisbane. This development features three world-class hotels, a high-end casino with private gaming areas, food and beverage outlets, more than 6,000 sq. m. of retail and dining space, and thousands of car parking spaces.

DBC holds a 99-year casino license in Brisbane, which includes a 25-year exclusivity within 60 kilometre of Brisbane CBD. DBC has also received approval for up to 2,500 electronic gaming machines and unlimited gaming tables, including electronic derivations.

The initial phase of the high-end casino, The Star Brisbane, opened to the public on 29 August 2024, with The Star serving as the casino operator under the casino management agreement. This phase features the main gaming floor and premium gaming rooms housing approximately 1,600 slot machines and 180 gaming tables. It also includes The Star Grand with 340 rooms, an event centre, Sky Deck, car parks, public spaces, and food and beverage outlets. The development is connected to the Neville Bonner pedestrian bridge. Further food and beverage venues and the leisure deck will be opened progressively throughout FY2026 and FY2027.

On 12 August 2025, the Group entered into the Implementation Deed with The Star, such that the Group's stake in the QWB Project will increase up to 50% upon the completion of the transaction. For details, please refer to the announcements of the Company dated 12 August 2025 and 17 November 2025.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG")

The Group remains committed to advancing a sustainable future by transforming climate change initiatives into long-term business opportunities. Building on prior efforts, the Group is progressing the development of its net zero strategy roadmap, ensuring alignment with the latest climate science, internationally recognised standards, and best practices. Emissions Projections are being refined to support both near-term and long-term target setting.

In 1H FY2026, the Group further strengthened its ESG agenda, reinforcing resilience and sustainable value creation for shareholders. Leveraging the task force on climate-related financial disclosures framework, the Group expanded its climate risk assessment by conducting additional scenario analyses and deepening stakeholder engagement to identify material risks and opportunities across its operations. The operational and financial implications of these findings have been integrated into the Group's risk management and strategic planning processes, ensuring preparedness for evolving regulatory requirements and positioning the Group to capture opportunities in the transition to a low-carbon economy.

At the same time, the Group enhanced its monitoring and reporting capabilities through the continued deployment of its AI-enabled carbon reporting tool. This system has improved the frequency, efficiency, and granularity of emissions data collection and analysis, providing management with actionable insights to support decision-making. Collectively, these initiatives underscore the Group's determination to drive meaningful progress, strengthen resilience, and inspire broader participation in the journey toward a sustainable and climate-resilient future.

OUTLOOK

The past six months have been marked by a challenging operating environment. Elevated interest rates and persistent macroeconomic volatility continued to exert pressure on financial performance. In response, the Group remains focused on cost control and debt reduction, with the monetisation of non-core assets and businesses remaining a central strategic objective.

The Group has demonstrated strong discipline in managing its capital structure. As at 30 September 2025, net debt decreased by approximately 5.8% to HK$20,247 million, and the adjusted net gearing ratio[i], a non-GAAP financial measure, declined to 64.9% from 67.6% compared with 31 March 2025. This improvement reflects the Group's commitment to prudent financial management and disciplined capital allocation. Looking ahead, the Group will continue to prioritise the reduction of net debt and further improvement of its gearing position through active portfolio refinement, monetisation of non-core assets, and careful deployment of capital.

In property development, the expected attributable GDV of the Group's active residential property development projects across various stages was approximately HK$61.8 billion as at 30 September 2025. This pipeline is considered sufficient to support revenue growth over the next six to eight years. Accordingly, the Group does not anticipate urgent need of immediate land replenishment and will continue to adopt a selective and disciplined approach to future land acquisitions.

In March 2025, the Group launched 640 Bourke Street in Melbourne. Market reception was strong, reinforcing the Group's near-to-medium-term revenue pipeline. The Group may consider launching its Sai Ying Pun project in Hong Kong and a 33.3% JV project in Ho Chung, Sai Kung, Hong Kong during FY2027, subject to market condition.

As at 30 September 2025, the cumulative attributable presales value and unbooked contracted sales stood at approximately HK$9.3 billion, providing considerable visibility and capital for the future development.

The Group's long-lease development in Baoshan, Shanghai was completed and is expected to commence leasing operations in the second half of FY2026. This project will introduce a new stream of recurring cash inflows and further strengthen the Group's financial position.

Management Discussion and Analysis

In hotel operation and management business, Dorsett Kai Tak, Hong Kong, which is adjacent to the Kai Tak Sports Park, is expected to continue to benefit from the increased visitor traffic following the commencement of major events. Revenue contribution from this flagship property is anticipated to stabilise and materialise during the year and beyond.

The Group currently has four hotels in the development pipeline. Dorsett Perth is scheduled to open within the next 12 months. The addition is expected to enhance the Group's overall hotel performance. Looking ahead, the Group maintains a positive outlook for sustained growth in the hospitality sector, supported by rising demand from both corporate and leisure travellers.

In car park operations, the Group continues to review its portfolio and remains committed to divesting or discontinuing underperforming or mature assets to streamline operations. Concurrently, the Group is actively pursuing new management contracts as part of its transition towards an asset-light model. Investments in digital transformation are also underway to improve user experience and operational efficiency across the portfolio.

Within the gaming segment, Palasino Group is actively exploring opportunities to expand its footprint into Asia. Plans are underway to launch a new casino in Mikulov, Czech Republic, in the second half of FY2026 or the first half of FY2027.

The Group's investment in the QWB project, which had its soft opening in August 2024, is expected to deliver long-term value despite initial expenses. The Group remains confident in the project's growth prospects, particularly in light of the 2032 Olympic Games in Brisbane, which is anticipated to drive tourism and economic expansion. The Group has entered into the Implementation Deed to restructure its investment in QWB, which is expected to unlock opportunities for operational improvement and portfolio optimisation.

The Group continues to monetise non-core assets and businesses to generate cash inflows. It is also evaluating the potential capitalisation of hotel revaluation surplus to enhance financial flexibility. During the 1H FY2026, the Group continued to undertake material impairments as part of its prudent financial adjustments. These measures are expected to lay the foundation for improved future performance and ensure the Group remains well-positioned for sustainable growth.

To preserve a strong financial position, the Group remains committed to optimising its balance sheet, refining its portfolio, and executing monetisation strategies for non-core assets and businesses to support debt repayment and reduce overall leverage amid ongoing market volatility. With several landmark projects approaching completion and handover, the Group expects visible cash inflows that will contribute to further improvements in gearing and capital structure. Despite the uncertain economic environment, the Group continues to adopt a prudent and disciplined approach to financial management.

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.

Non-GAAP Financial Measures

To supplement the consolidated results of the Group prepared in accordance with HKFRS, non-GAAP financial measures of adjusted cash profit, adjusted cash profit margin, adjusted gross profit, adjusted gross profit margin, adjusted net asset value attributable to shareholders, adjusted net asset value per share, adjusted total assets, adjusted net gearing ratio, adjusted total equity, adjusted revenue and adjusted revenue from property development have been presented in this report. The Company's management believes that the non-GAAP financial measures provide investors with clearer view on the Group's financial results, and with useful supplementary information to assess the performance of the Group's strategic operations by excluding certain non-cash items and certain impact from non-recurring activities and minority interests. Nevertheless, the use of these non-GAAP financial measures has limitations as an analytical tool. These unaudited non-GAAP financial measures should be considered in addition to, and not as a substitute for, analysis of the Group's financial performance prepared in accordance with HKFRS. In addition, these non-GAAP financial measures may be defined differently from similar terms used by other companies.

Adjusted cash profit represents the loss attributable to shareholders of the Company before (i) change in fair value of financial assets at fair value through profit or loss ("FVTPL"); (ii) loss on disposal of debt instruments at fair value through other comprehensive income ("FVTOCI"); (iii) change in fair value of derivative financial instruments; (iv) reversal of impairment loss on amount due from a JV; (v) change in fair value of investment properties (after tax); (vi) impairment loss under expected credit loss ("ECL") model recognised on trade debtors; (vii) impairment loss under ECL model recognised on debt instruments at FVTOCI; (viii) impairment loss recognised on deposits for acquisition of property, plant and equipment; (ix) impairment loss on properties for sale; (x) share of impairment loss recognised by a JV; (xi) share of impairment loss recognised by an associate; and (xii) depreciation and impairment; and adjusted for minority interests. We do not believe said items are reflective of our core cash profit from our operating performance during the periods presented.

Adjusted cash profit margin represents the adjusted cash profit (as defined above) which represents the loss attributable to shareholders of the Company before (i) change in fair value of financial assets at FVTPL; (ii) loss on disposal of debt instruments at FVTOCI; (iii) change in fair value of derivative financial instruments; (iv) reversal of impairment loss on amount due from a JV; (v) change in fair value of investment properties (after tax); (vi) impairment loss under ECL model recognised on trade debtors; (vii) impairment loss under ECL model recognised on debt instruments at FVTOCI; (viii) impairment loss recognised on deposits for acquisition of property, plant and equipment; (ix) impairment loss on properties for sale; (x) share of impairment loss recognised by a JV; (xi) share of impairment loss recognised by an associate; and (xii) depreciation and impairment; and adjusted for minority interests divided by the revenue. We do not believe said items are reflective of our core cash profit margin from our operating performance during the periods presented.

Adjusted gross profit represents gross profit before depreciation and excludes depreciation of leased properties under HKFRS 16. We do not believe said items are reflective of our core cash profit from our operating performance during the periods presented.

Adjusted gross profit margin represents the adjusted gross profit which represents the gross profit before depreciation and excludes depreciation of leased properties under HKFRS 16 divided by the revenue. We do not believe said items are reflective of the Group's core cash profit margin from the Group's operating performance during the periods presented.

Adjusted net asset value attributable to shareholders represents the equity attributable to shareholders of the Company after accounting the hotel revaluation surplus which was based on independent valuation carried out as at 31 March 2025, except for (i) Lushan Resort, HubX Shanghai and Dorsett Canary Wharf London which were accounted for based on independent valuations assessed after 31 March 2025; and (ii) the adjustment in Dorsett Wuhan, where certain areas were reclassified as investment property as at 30 September 2025 and was not recognised in the Group's consolidated financial statements. We believe the adjustment of hotel revaluation surplus brings a more meaningful and useful information of the asset value of the Group.

Non-GAAP Financial Measures

Adjusted net asset value per share represents the adjusted net asset value attributable to shareholders after adjusting for the hotel revaluation surplus which was based on independent valuation carried out as at 31 March 2025, except for (i) Lushan Resort, HubX Shanghai and Dorsett Canary Wharf London which were accounted for based on independent valuations assessed after 31 March 2025; and (ii) the adjustment in Dorsett Wuhan, where certain areas were reclassified as investment property as at 30 September 2025 and was not recognised in the Group's consolidated financial statements divided by the number of shares issued as at 30 September 2025, respectively. We believe the adjustment of hotel revaluation surplus brings a more meaningful and useful information of the asset value of the Group.

Adjusted total assets represent the total assets after accounting for the hotel revaluation surplus which was based on independent valuation carried out as at 31 March 2025, except for (i) Lushan Resort, HubX Shanghai and Dorsett Canary Wharf London which were accounted for based on independent valuations assessed after 31 March 2025; and (ii) the adjustment in Dorsett Wuhan, where certain areas were reclassified as investment property as at 30 September 2025 and was not recognised in the Company's consolidated financial statements. We believe the adjustment of hotel revaluation surplus brings a more meaningful and useful information of the asset value of the Group.

Adjusted total equity represents the total equity includes the 2019 Perpetual Capital Notes and after accounting for the hotel revaluation surplus which was based on independent valuation carried out as at 31 March 2025, except for (i) Lushan Resort, HubX Shanghai and Dorsett Canary Wharf London which were accounted for based on independent valuations assessed after 31 March 2025; and (ii) the adjustment in Dorsett Wuhan, where certain areas were reclassified as investment property as at 30 September 2025 and was not recognised in the Group's consolidated financial statements. We believe the adjustment of hotel revaluation surplus brings a more meaningful and useful information of the asset value of the Group.

Adjusted net gearing ratio represents the net debts (total bank loans, notes and bonds less investment securities, restricted bank deposits, deposits in financial institutions, bank balances and cash) to adjusted total equity which includes the 2019 Perpetual Capital Notes and after accounting for the hotel revaluation surplus which was based on independent valuation carried out as at 31 March 2025, except for (i) Lushan Resort, HubX Shanghai and Dorsett Canary Wharf London which were accounted for based on independent valuations assessed after 31 March 2025; and (ii) the adjustment in Dorsett Wuhan, where certain areas were reclassified as investment property as at 30 September 2025 and was not recognised in the Group's consolidated financial statements. We believe the adjustment of hotel revaluation surplus brings a more meaningful and useful information of the asset value of the Group.

Adjusted revenue represents the consolidated revenue after adjusting for the sales generated from JV residential property projects, including The Pavilia Forest in Hong Kong, Dorsett Place Waterfront Subang in Malaysia and Queen's Wharf Residences (Tower 4) in Brisbane, Australia, which is not presented as the consolidated revenue in the financial statements and accounted in the share of results from JVs by equity accounting which is not presented as the consolidated revenue in the financial statements. It enhances the overall understanding of the Group's core operating performance during the year presents.

Adjusted revenue from property development represents the segment revenue of property development after adjusting for the sales generated from JV residential property projects, including The Pavilia Forest in Hong Kong, Dorsett Place Waterfront Subang in Malaysia and Queen's Wharf Residences (Tower 4) in Brisbane, Australia, which is not presented as the consolidated segment revenue of property development in the financial statements and accounted in the share of results from JVs by equity accounting which is not presented as the consolidated segment revenue of property development in the financial statements. It enhances the overall understanding of the Group's core operating performance during the year presents.

Non-GAAP Financial Measures

The following tables set forth the reconciliations of the Group's non-GAAP financial measures for the years ended 30 September 2025 and comparative figures to the nearest measures prepared in accordance with HKFRS:

	1H FY2026 HK$'000	1H FY2025 HK$'000
Loss attributable to shareholders of the Company	**(988,420)**	(769,907)
Less: Change in fair value of financial assets at FVTPL	**(58,780)**	(2,013)
(Gain)/loss on disposal of debt instruments at FVTOCI	**(318)**	21,122
Change in fair value of derivative financial instruments	**(4,462)**	(44)
Reversal of impairment loss under ECL model on amount due from a JV	**(10,047)**	–
Add: Change in fair value of investment properties (after tax)	**85,412**	115,953
Impairment loss under ECL model recognised on trade debtors	**7,523**	5,468
Impairment loss under ECL model recognised on debt instruments at FVTOCI	**–**	9,372
Impairment loss recognised on deposits for acquisition of property, plant and equipment	**88,427**	–
Impairment loss on properties for sale	**193,296**	–
Share of impairment loss recognised by a JV	**530,000**	217,125
Share of impairment loss recognised by an associate	**110,368**	204,385
Depreciation and impairment of property, plant and equipment[i]	**250,325**	231,881
Adjusted cash profit (Non-GAAP)	**203,324**	33,342
Adjusted cash profit margin (Non-GAAP)	**5.4%**	0.6%

	1H FY2026 HK$'000	1H FY2025 HK$'000
Gross profit	**918,686**	1,433,675
Depreciation[ii]	**179,081**	181,009
Impairment	**209,208**	–
Adjusted gross profit (Non-GAAP)	**1,306,975**	1,614,684
Adjusted gross profit margin (Non-GAAP)	**34.8%**	31.2%

	As at 30 September 2025 HK$'million	As at 31 March 2025 HK$'million
Equity attributable to shareholders of the Company	**9,568**	9,824
Hotel revaluation surplus[iii]	**18,350**	18,681
Adjusted net asset value attributable to shareholders (Non-GAAP)	**27,918**	28,505
Number of shares issued (million)	**3,059**	3,059
Adjusted net asset value per share (Non-GAAP)	**HK$9.13**	HK$9.32

Non-GAAP Financial Measures

	As at 30 September 2025 HK$'million	As at 31 March 2025 HK$'million
Total assets	**41,056**	42,543
Hotel revaluation surplus[iii]	**18,350**	18,681
Adjusted total assets (Non-GAAP)	**59,406**	61,224

	As at 30 September 2025 HK$'million	As at 31 March 2025 HK$'million
Total equity	**12,842**	13,099
Hotel revaluation surplus[iii]	**18,350**	18,681
Adjusted total equity (Non-GAAP)	**31,192**	31,780
Net debts	**20,247**	21,493
Adjusted net gearing ratio (net debts to adjusted total equity) (Non-GAAP)	**64.9%**	67.6%

	1H FY2026 HK$'000	1H FY2025 HK$'000
Revenue	**3,755,780**	5,171,742
Attributable sales from JV residential projects	**1,184,264**	76,466
Adjusted revenue (Non-GAAP)	**4,940,044**	5,248,208

	1H FY2026 HK$'000	1H FY2025 HK$'000
Revenue from property development	**2,042,260**	3,519,437
Attributable sales from JV residential projects	**1,184,264**	76,466
Adjusted revenue from property development (Non-GAAP)	**3,226,524**	3,595,903

Notes:

i. Represents the aggregate amount of depreciation expense recognised in cost of sales and administrative expenses for the year but excludes any minority interests.

ii. Represents the depreciation expense recognised in cost of sales but excludes the depreciation expenses of leased properties under HKFRS 16.

iii. Based on the independent valuations carried out as at 31 March 2025, except for (i) Lushan Resort, HubX Shanghai and Dorsett Canary Wharf London which were accounted for based on independent valuations assessed after 31 March 2025; and (ii) the adjustment in Dorsett Wuhan, where certain areas were reclassified as investment property as at 30 September 2025.

Other Information

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2025, the Group had approximately 4,200 employees. The Group provides its employees with comprehensive benefit packages and career development opportunities, including medical benefits, both internal and external trainings appropriate for various level of staff roles and functions.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 September 2025, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to Section 352 of the SFO, to be entered into the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 (the "Model Code") of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") to be notified to the Company and the Stock Exchange, were as follows:

A. THE COMPANY

A.1 Long position in the ordinary shares

Name of directors	Capacity	Number of ordinary shares interested	Approximate % of the Company's issued share capital[vi]
David CHIU	Beneficial owner	30,476,055	1.00%
	Interest of spouse	22,704,008[i]	0.74%
	Interest of controlled corporations	1,665,943,469[i]	54.46%
Cheong Thard HOONG	Beneficial owner	13,473,715	0.44%
	Joint interest	802[ii]	0.00%
Dennis CHIU	Beneficial owner	7,213	0.00%
	Interest of controlled corporation	4,282,932[iii]	0.14%
	Joint interest	2,709,643[iv]	0.09%
Wing Kwan Winnie CHIU	Beneficial owner	990,854	0.03%
Jennifer Wendy CHIU	Beneficial owner	2,841,411	0.09%
	Interest of spouse	2,183,166[v]	0.07%

Notes:

(i) 1,665,924,745 shares were held by Sumptuous Assets Limited and 18,724 shares were held by Modest Secretarial Services Limited, companies controlled by Tan Sri Dato' David CHIU and 22,704,008 shares were held by Mrs. Nancy CHIU NG, spouse of Tan Sri Dato' David CHIU.

(ii) 802 shares were held by Mr. Cheong Thard HOONG jointly with his spouse, Ms. Pei Chun TENG.

(iii) 4,282,932 shares were held by Max Chain Holdings Limited, a company controlled by Mr. Dennis CHIU and his brother Mr. Daniel Tat Jung CHIU.

(iv) 2,709,643 shares were held by Mr. Dennis CHIU jointly with his spouse, Ms. Lee Keng LEOW.

(v) 2,183,166 shares were held by Mr. Ching Chi HUI, spouse of Ms. Jennifer Wendy CHIU.

(vi) The percentage represents the number of ordinary shares interested divided by the Company's issued shares as at 30 September 2025.

Other Information

A.2 Long position in the underlying shares – physically settled unlisted equity derivatives

Name of director	Capacity	Number of underlying shares in respect of the share options granted	Approximate % of the Company's issued share capital*
Wing Kwan Winnie CHIU	Beneficial owner	10,000,000	0.33%
Jennifer Wendy CHIU	Beneficial owner	10,000,000	0.33%

Details of the above share options as required to be disclosed by the Listing Rules are disclosed in the below section headed "Share Option Schemes".

* The percentage represents the number of underlying shares interested divided by the Company's issued shares as at 30 September 2025.

A.3 Debentures

As at 30 September 2025, Tan Sri Dato' David CHIU has an interest in the USD360,000,000 Senior Guaranteed Perpetual Capital Notes issued by FEC Finance Limited, a wholly-owned subsidiary of the Company, in the principal amount of USD5,000,000.

B. ASSOCIATED CORPORATIONS

B.1 Long position in the ordinary shares

Name of directors	Name of associated corporation	Capacity	Number of ordinary share(s) interested	Approximate % of the relevant issued share capital
David CHIU	Palasino	Interest of controlled corporations	578,844,662[i]	71.76%[ii]
	Sumptuous Assets Limited	Interest of controlled corporations	1[iii]	100%[iv]
Cheong Thard HOONG	Palasino	Beneficial owner	334,579	0.04%[ii]
Craig Grenfell WILLIAMS	Care Park Group Pty. Ltd. ("Care Park")	Beneficiary of a discretionary trust	959[v]	9.59%[vi]
Wing Kwan Winnie CHIU	Palasino	Beneficial owner	168,000	0.02%[ii]
Jennifer Wendy CHIU	Palasino	Beneficial owner	168,000	0.02%[ii]

Notes:

(i) 1,144,662 shares in Palasino were held by Sumptuous Assets Limited, a company controlled by Tan Sri Dato' David CHIU. 577,700,000 shares in Palasino were held by Ample Bonus Limited, a wholly-owned subsidiary of the Company in which Tan Sri Dato' David CHIU owned approximately 56.20% interest in the share capital of the Company and was therefore deemed to have an interest in the shares.

(ii) The percentage represents the number of ordinary shares interested divided by Palasino's issued shares as at 30 September 2025.

(iii) 1 share was held by Far East Organization (International) Limited, a company controlled by Tan Sri Dato' David CHIU.

(iv) The percentage represents the number of ordinary shares interested divided by Sumptuous Assets Limited's issued shares as at 30 September 2025.

(v) These shares in Care Park were held by Chartbridge Pty. Ltd. in its capacity as the trustee of the Craig Williams Family Trust, and Mr. Craig Grenfell WILLIAMS, as a beneficiary of the Craig Williams Family Trust, was deemed to be interested in these shares.

(vi) The percentage represents the number of ordinary shares interested divided by Care Park's issued shares as at 30 September 2025.

Save as disclosed above, as at 30 September 2025, none of the directors or chief executive of the Company had or is deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to Section 352 of the SFO, to be entered into the register referred to therein; or (c) were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

SHARE OPTION SCHEMES

FECIL Share Option Schemes

The Company's share option schemes ("FECIL Share Option Schemes") were adopted for the purpose of providing incentives and rewards to employees or executives or officers of the Company or any of its subsidiaries (including executive and non-executive directors) and business consultants, agents and legal or financial advisers who will contribute or have contributed to the Company or any of its subsidiaries. Under FECIL Share Option Schemes, the directors of the Company may grant options to eligible employees including directors of the Company and its subsidiaries, to subscribe for shares of the Company.

The Company's first and second share option schemes were expired on 28 August 2012 and 31 August 2022 respectively. In order to continue to provide incentives and rewards to the eligible employees and participants, the Company adopted its third share option scheme pursuant to a resolution passed by the Shareholders on 30 August 2022 (the "2022 Scheme") for a period of 10 years commencing on the adoption date.

Other Information

The following table discloses movements in the Company's share options during the six months ended 30 September 2025:

Category of grantee	Date of grant	Exercise price per share HK$	Number of share options: Outstanding at 01.04.2025	Granted during the period	Exercised during the period	Lapsed/ cancelled during the period	Outstanding at 30.09.2025	Exercise period[v]
Directors								
Wing Kwan Winnie CHIU[i]	09.07.2025	0.806	–	4,000,000[ii] to [iv]	–	–	4,000,000	01.09.2026–31.08.2034
			–	2,000,000[ii] to [iv]	–	–	2,000,000	01.09.2027–31.08.2034
			–	2,000,000[ii] to [iv]	–	–	2,000,000	01.09.2028–31.08.2034
			–	2,000,000[ii] to [iv]	–	–	2,000,000	01.09.2029–31.08.2034
			–	10,000,000	–	–	10,000,000	
Jennifer Wendy CHIU[i]	09.07.2025	0.806	–	4,000,000[ii] to [iv]	–	–	4,000,000	01.09.2026–31.08.2034
			–	2,000,000[ii] to [iv]	–	–	2,000,000	01.09.2027–31.08.2034
			–	2,000,000[ii] to [iv]	–	–	2,000,000	01.09.2028–31.08.2034
			–	2,000,000[ii] to [iv]	–	–	2,000,000	01.09.2029–31.08.2034
			–	10,000,000[ii] to [iv]	–	–	10,000,000	
Total			–	20,000,000	–	–	20,000,000	

Notes:

(i) Ms. Wing Kwan Winnie CHIU and Ms. Jennifer Wendy CHIU are the daughters of Tan Sri Dato' David CHIU, an executive director, the Chairman and Chief Executive Officer of the Company and the ultimate controlling shareholder of the Company. Accordingly, Ms. Wing Kwan Winnie CHIU and Ms. Jennifer Wendy CHIU are associates of Tan Sri Dato' David CHIU. The grant of share options to Ms. Wing Kwan Winnie CHIU and Ms. Jennifer Wendy CHIU was approved by the independent shareholders at the Company's annual general meeting held on 27 August 2025 pursuant to the Listing Rules.

(ii) The closing price of the Company's shares immediately before the date of grant of share options was HK$0.80.

(iii) The fair value of share options granted on 9 July 2025 was approximately HK$0.198 per option as at the date of grant. For details of accounting standard and policy adopted, please refer to note 21 to the condensed consolidated financial statements.

(iv) There was no performance target attached to the options.

(v) The vesting period of the share options is from the date of grant until the commencement of the exercise period.

The number of share options available for grant under the 2022 Scheme as at 1 April 2025 and 30 September 2025 were 241,961,867 and 221,961,867 respectively. The number of shares that may be issued in respect of share options granted under the 2022 Scheme during the six months ended 30 September 2025 divided by the weighted average number of ordinary shares of the Company in issue (excluding treasury shares) for the six months ended 30 September 2025 is 0.65%.

Further information on FECIL Share Option Schemes and the share options granted by the Company is set out in note 21 to the condensed consolidated financial statements.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the six months ended 30 September 2025 was the Company or any of its subsidiaries 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.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 September 2025, so far as was known to the directors and chief executive of the Company, the interests or short positions of substantial shareholders and other persons in the shares and underlying shares of the Company as recorded in the register of the Company required to be kept under Section 336 of the SFO were as follows:

Name of substantial shareholders	Capacity	Number of ordinary shares interested	Approximate % of the Company's issued share capital[iii]
Sumptuous Assets Limited	Beneficial owner	1,665,924,745[i] (long position)	54.46%
Deacon Te Ken CHIU	Beneficial owner	13,022,647 (long position)	0.43%
	Interest of controlled corporations	140,942,693[ii] (long position)	4.61%
	Interest of spouse	1,624,301[ii] (long position)	0.05%

Notes:

(i) The interests of Sumptuous Assets Limited were also disclosed as the interests of Tan Sri Dato' David CHIU in the above section headed "Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporations". Tan Sri Dato' David CHIU is a director of Sumptuous Assets Limited.

(ii) 140,942,693 shares were held by various companies controlled by Mr. Deacon Te Ken CHIU's estate and 1,624,301 shares were held by Mrs. Ching Lan JU CHIU, spouse of Mr. Deacon Te Ken CHIU. Mr. Deacon Te Ken CHIU passed away on 17 March 2015 and his interests in the ordinary shares of the Company forms part of his estate.

(iii) The percentage represents the number of ordinary shares interested divided by the Company's issued shares as at 30 September 2025.

Save as disclosed above, as at 30 September 2025, no other persons were recorded in the register of the Company required to be kept under Section 336 of the SFO as having interests or short positions in the shares and underlying shares of the Company.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

Throughout the six months ended 30 September 2025, the Company has complied with the code provisions (the "Code Provisions") set out in the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Listing Rules, except for the deviation from Code Provision C.2.1 described below.

Pursuant to Code Provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Currently Tan Sri Dato' David CHIU assumes the roles of both the Chairman and Chief Executive Officer of the Company. The Board believes that this structure provides the Group with strong and consistent leadership and allows for more effective and efficient business planning and decisions as well as execution of long-term business strategies. As such, it is beneficial to the business prospects of the Group.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct regarding directors' securities transactions in the Company. Following specific enquiry made by the Company, all directors of the Company have confirmed they have complied with the required standards set out in the Model Code throughout the six months ended 30 September 2025.

The Company has also applied the principles of the Model Code for securities transactions by employees who are likely to be in possession of inside information of the Company and/or its securities. No incident of non-compliance of the principles of the Model Code by the Group's employees has been noted by the Company.

The Company has been notifying directors of the Company and relevant employees, if any, of the prohibitions on dealings in the securities of the Company according to the Model Code, whenever black-out periods arise. In addition, the Company requires directors of the Company and relevant employees to copy their notifications of intended dealings to the company secretary as well as one designated director of the Company for receiving such notifications.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended 30 September 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including treasury shares).

As at 30 September 2025, there were no treasury shares held by the Company.

AUDIT COMMITTEE

The Audit Committee, comprising all of the Company's three independent non-executive directors, namely Mr. Wai Hon Ambrose LAM, Mr. Kwong Siu LAM and Mr. Lai Him Abraham SHEK, has reviewed the accounting principles, standards and practices adopted by the Company, and discussed matters relating to auditing, risk management and internal control and financial reporting, including the review of the unaudited consolidated interim results of the Group for the six months ended 30 September 2025.

CHANGES IN INFORMATION OF THE DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, changes in information of directors of the Company, as notified to the Company, subsequent to the date of the Company's 2025 Annual Report are set out below:

Mr. Wai Hon Ambrose LAM, an independent non-executive director of the Company, (i) has been appointed as a non-executive director of Yuzhou Group Holdings Company Limited (a company listed on the Stock Exchange, stock code: 1628) with effect from 1 September 2025; and (ii) has resigned as a non-executive director of Sunac China Holdings Limited (a company listed on the Stock Exchange, stock code: 1918) with effect from 20 November 2025.

Mr. Lai Him Abraham SHEK, an independent non-executive director of the Company, has resigned as an independent non-executive director of China Resources Building Materials Technology Holdings Limited (a company listed on the Stock Exchange, stock code: 1313) with effect from 24 October 2025.

By order of the Board of
Far East Consortium International Limited
Wai Hung Boswell CHEUNG
Company Secretary

Hong Kong, 27 November 2025

Report on Review of Condensed Consolidated Financial Statements

Deloitte. 德勤

TO THE BOARD OF DIRECTORS OF
FAR EAST CONSORTIUM INTERNATIONAL LIMITED

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Far East Consortium International Limited (the "Company") and its subsidiaries set out on pages 57 to 92, which comprise the condensed consolidated statement of financial position as of 30 September 2025 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
27 November 2025

Condensed Consolidated Statement of Profit or Loss

For the Six Months Ended 30 September 2025

	NOTES	Six months ended 30.9.2025 HK$'000 (unaudited)	30.9.2024 HK$'000 (unaudited)
Revenue	5	3,755,780	5,171,742
Cost of sales and services		(2,317,870)	(3,439,682)
Depreciation and impairment of hotel and car park assets		(246,226)	(226,658)
Impairment loss on properties for sale		(193,296)	–
Gaming tax		(79,702)	(71,727)
Gross profit		918,686	1,433,675
Other income		66,970	48,156
Other gains and losses	6	112,995	(331,044)
Administrative expenses			
– Hotel operations and management		(251,077)	(241,297)
– Others		(326,174)	(343,643)
Pre-operating expenses			
– Hotel operations and management		(5,453)	(14,217)
Professional fees in relation to listing of a subsidiary		–	(1,949)
Selling and marketing expenses		(187,887)	(269,769)
Share of results of associates		(217,128)	(238,317)
Share of results of joint ventures		(402,905)	(207,067)
Finance costs	7	(373,344)	(496,598)
Loss before tax		(665,317)	(662,070)
Income tax expense	8	(138,843)	(2,029)
Loss for the period	9	(804,160)	(664,099)
Attributable to:			
Shareholders of the Company		(988,420)	(769,907)
Owners of perpetual capital notes		183,045	103,321
Other non-controlling interests		1,215	2,487
		184,260	105,808
		(804,160)	(664,099)
Loss per share			
– Basic (HK cents)		(32.3)	(27.3)
– Diluted (HK cents)		(32.3)	(27.3)

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 September 2025

	Six months ended	
	30.9.2025	30.9.2024
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Loss for the period	**(804,160)**	(664,099)
Other comprehensive income (expense) for the period		
Items that may be subsequently reclassified to profit or loss:		
Exchange differences arising on translation of foreign operations	**684,984**	944,000
Fair value change on debt instruments at fair value through other comprehensive income ("FVTOCI")	**6,375**	67
Reclassification adjustment on disposal of debt instruments at FVTOCI	**(318)**	21,122
Impairment loss under expected credit loss ("ECL") model recognised on debt instruments at FVTOCI	**–**	9,372
Share of other comprehensive expense of an associate	**(20,201)**	(12,248)
Deferred taxation on revaluation gain of properties under property, plant and equipment upon transfer to investment properties	**(21,523)**	–
Revaluation gain of properties under property, plant and equipment upon transfer to investment properties (Note 12)	**86,092**	–
Item that will not be reclassified to profit or loss:		
Fair value change on equity instruments at FVTOCI	**(8,233)**	(120,895)
Other comprehensive income for the period	**727,176**	841,418
Total comprehensive (expense) income for the period	**(76,984)**	177,319
Total comprehensive (expense) income attributable to:		
Shareholders of the Company	**(256,710)**	68,964
Owners of perpetual capital notes	**183,045**	103,321
Other non-controlling interests	**(3,319)**	5,034
	179,726	108,355
	(76,984)	177,319

Condensed Consolidated Statement of Financial Position

At 30 September 2025

	NOTES	30.9.2025 HK$'000 (unaudited)	31.3.2025 HK$'000 (audited)
Non-current Assets			
Investment properties	12	5,942,996	5,825,232
Property, plant and equipment	12	12,891,520	12,502,779
Goodwill		68,400	68,400
Interests in associates	13	1,541,171	1,711,669
Interests in joint ventures	14	1,215,809	2,231,075
Investment securities	15	315,415	328,853
Deposits for acquisition of property, plant and equipment		13,933	92,640
Amounts due from joint ventures		2,589,857	2,202,234
Amounts due from associates		347,384	99,817
Amount due from an investee company		119,995	119,995
Loan receivables		688,002	622,627
Pledged deposits	23	4,752	4,980
Deferred tax assets		124,537	148,744
Other assets	16(c)	66,130	155,133
Other receivables	16(a)	–	38,220
Restricted bank deposits		20,018	17,911
		25,949,919	26,170,309
Current Assets			
Properties for sale			
Completed properties		3,776,161	3,810,392
Properties under development		5,690,297	6,506,517
Other inventories		14,011	14,470
Debtors, deposits and prepayments	16(a)	592,331	598,537
Customers' deposits under escrow		335,093	360,277
Contract assets	16(b)	579,515	556,450
Contract costs		193,712	171,159
Amounts due from joint ventures		26,847	41,612
Amounts due from associates		24,463	19,084
Amount due from a shareholder of non-wholly owned subsidiary		23,682	22,739
Tax recoverable		112,674	104,306
Investment securities	15	767,175	806,246
Loan receivables		24,905	19,997
Derivative financial instruments		–	2,385
Restricted bank deposits		108,576	348,401
Pledged deposits	23	87,680	90,128
Cash and cash equivalents		2,486,112	2,377,354
		14,843,234	15,850,054
Assets classified as held for sale	17	262,516	522,993
		15,105,750	16,373,047

Condensed Consolidated Statement of Financial Position

At 30 September 2025

	NOTES	30.9.2025 HK$'000 (unaudited)	31.3.2025 HK$'000 (audited)
Current Liabilities			
Creditors and accruals	18	1,990,185	1,831,703
Contract liabilities		591,215	653,680
Lease liabilities		48,865	47,923
Amount due to a related company		1,220	1,180
Amounts due to associates		7,745	7,137
Amount due to a director		69,882	69,882
Amounts due to joint ventures		131,625	145,123
Amounts due to shareholders of non-wholly owned subsidiaries		29,082	27,856
Tax payable		431,137	336,393
Bank and other borrowings	19	10,727,342	11,596,159
		14,028,298	14,717,036
Net Current Assets		1,077,452	1,656,011
Total Assets less Current Liabilities		27,027,371	27,826,320
Non-current Liabilities			
Lease liabilities		266,742	273,451
Notes		517,581	516,426
Bank and other borrowings	19	12,699,656	13,258,803
Deferred tax liabilities		698,442	676,240
Other liabilities		2,963	2,852
		14,185,384	14,727,772
Net Assets		12,841,987	13,098,548
Capital and Reserves			
Share capital	20	305,904	305,904
Share premium		5,106,778	5,106,778
Reserves		4,155,146	4,411,363
Equity attributable to shareholders of the Company		9,567,828	9,824,045
Owners of perpetual capital notes	22	2,972,430	2,969,455
Other non-controlling interests		301,729	305,048
		3,274,159	3,274,503
Total Equity		12,841,987	13,098,548

The condensed consolidated financial statements on pages 57 to 92 were approved and authorised for issue by the Board of Directors on 27 November 2025 and are signed on its behalf by:

DAVID CHIU
DIRECTOR

WING KWAN WINNIE CHIU
DIRECTOR

JENNIFER WENDY CHIU
DIRECTOR

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2025

	Attributable to shareholders of the Company														
	Share capital HK$'000	Share premium HK$'000	Capital redemption reserve HK$'000	Assets revaluation reserve HK$'000	FVTOCI reserve HK$'000	Exchange reserve HK$'000	Hedging reserve HK$'000	Equity-settled share based compensation reserve HK$'000	Other reserve HK$'000	Retained profits HK$'000	Total HK$'000	Owners of perpetual capital notes HK$'000	Other non-controlling interests HK$'000	Sub-total HK$'000	Total HK$'000
At 1 April 2024	281,760	4,880,059	35,964	54,727	(1,251,777)	(2,765,993)	70,908	-	964,380	9,409,937	11,679,965	2,903,198	288,181	3,191,379	14,871,344
(Loss) profit for the period	-	-	-	-	-	-	-	-	-	(769,907)	(769,907)	103,321	2,487	105,808	(664,099)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	941,453	-	-	-	-	941,453	-	2,547	2,547	944,000
Fair value change on debt instruments at FVTOCI	-	-	-	-	67	-	-	-	-	-	67	-	-	-	67
Reclassification adjustment on disposal of debt instruments at FVTOCI	-	-	-	-	21,122	-	-	-	-	-	21,122	-	-	-	21,122
Impairment loss under ECL model recognised on debt instruments at FVTOCI	-	-	-	-	9,372	-	-	-	-	-	9,372	-	-	-	9,372
Fair value change on equity Instruments at FVTOCI	-	-	-	-	(120,895)	-	-	-	-	-	(120,895)	-	-	-	(120,895)
Share of other comprehensive expense of an associate	-	-	-	-	-	-	(12,248)	-	-	-	(12,248)	-	-	-	(12,248)
Other comprehensive income (expense) for the period	-	-	-	-	(90,334)	941,453	(12,248)	-	-	-	838,871	-	2,547	2,547	841,418
Total comprehensive (expense) income for the period	-	-	-	-	(90,334)	941,453	(12,248)	-	-	(769,907)	68,964	103,321	5,034	108,355	177,319
Distribution to owners of perpetual capital notes	-	-	-	-	-	-	-	-	-	-	-	(103,930)	-	(103,930)	(103,930)
Dividends recognised as distribution (note 11)	-	-	-	-	-	-	-	-	-	(281,760)	(281,760)	-	-	-	(281,760)
Partial disposal of equity interest in subsidiaries without loss of control (Note ii)	-	-	-	-	-	-	-	-	11,558	-	11,558	-	13,724	13,724	25,282
At 30 September 2024 (unaudited)	281,760	4,880,059	35,964	54,727	(1,342,111)	(1,824,540)	58,660	-	975,938	8,358,270	11,478,727	2,902,589	306,939	3,209,528	14,688,255

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2025

	Attributable to shareholders of the Company														
	Share capital HK$'000	Share premium HK$'000	Capital redemption reserve HK$'000	Assets revaluation reserve HK$'000	FVTOCI reserve HK$'000	Exchange reserve HK$'000	Hedging reserve HK$'000	Equity-settled share based compensation reserve HK$'000	Other reserve HK$'000	Retained profits HK$'000	Total HK$'000	Owners of perpetual capital notes HK$'000	Other non-controlling interests HK$'000	Sub-total HK$'000	Total HK$'000
At 1 April 2025	305,904	5,106,778	35,964	54,727	(1,414,196)	(3,105,236)	29,994	-	987,404	7,822,706	9,824,045	2,969,455	305,048	3,274,503	13,098,548
(Loss) profit for the period	-	-	-	-	-	-	-	-	-	(988,420)	(988,420)	183,045	1,215	184,260	(804,160)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	689,518	-	-	-	-	689,518	-	(4,534)	(4,534)	684,984
Fair value change on debt instruments at FVTOCI	-	-	-	-	6,375	-	-	-	-	-	6,375	-	-	-	6,375
Reclassification adjustment on disposal of debt instruments at FVTOCI	-	-	-	-	(318)	-	-	-	-	-	(318)	-	-	-	(318)
Fair value change on equity Instruments at FVTOCI	-	-	-	-	(8,233)	-	-	-	-	-	(8,233)	-	-	-	(8,233)
Share of other comprehensive expense of an associate	-	-	-	-	-	-	(20,201)	-	-	-	(20,201)	-	-	-	(20,201)
Deferred taxation on the revaluation gain of properties under property, plant and equipment upon transfer to investment properties	-	-	-	(21,523)	-	-	-	-	-	-	(21,523)	-	-	-	(21,523)
Revaluation gain of properties under property, plant and equipment upon transfer to investment properties (note 12) (Note i)	-	-	-	86,092	-	-	-	-	-	-	86,092	-	-	-	86,092
Other comprehensive (expense) income for the period	-	-	-	64,569	(2,176)	689,518	(20,201)	-	-	-	731,710	-	(4,534)	(4,534)	727,176
Total comprehensive (expense) income for the period	-	-	-	64,569	(2,176)	689,518	(20,201)	-	-	(988,420)	(256,710)	183,045	(3,319)	179,726	(76,984)
Distribution to owners of perpetual capital notes	-	-	-	-	-	-	-	-	-	-	-	(180,070)	-	(180,070)	(180,070)
Recognition of equity settled share-based compensation expense	-	-	-	-	-	-	-	493	-	-	493	-	-	-	493
At 30 September 2025 (unaudited)	305,904	5,106,778	35,964	119,296	(1,416,372)	(2,415,718)	9,793	493	987,404	6,834,286	9,567,828	2,972,430	301,729	3,274,159	12,841,987

Notes:

(i) The assets revaluation reserve is arising from the transfer of properties from property, plant and equipment to investment properties and will be transferred to retained profits when the relevant properties are disposed of.

(ii) Upon the exercise of over-allotment option in relation to the global offerings of Palasino Holdings Limited ("Palasino"), a non-wholly owned subsidiary of the Group, on 23 April 2024, that resulted in a disposal of additional 1.1% equity interests of Palasino, and a credit balance of HK$11,558,000 has been recognised in other reserves representing net proceeds from the exercise of over-allotment option over the net asset value of Palasino attributable to non-controlling shareholders as at 23 April 2024.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2025

	NOTE	Six months ended 30.9.2025 HK$'000 (unaudited)	30.9.2024 HK$'000 (unaudited)
Operating activities			
Loss before tax		(665,317)	(662,070)
Adjustments for:			
Share of results of joint ventures		402,905	207,067
Share of results of associates		217,128	238,317
Depreciation of property, plant and equipment		241,098	234,967
Change in fair value of investment properties		76,591	132,649
Change in fair value of financial assets at FVTPL		(58,780)	(2,013)
Change in fair value of derivative financial instrument		(4,462)	44
(Gain) loss on disposal of debt instruments at FVTOCI		(318)	21,122
Gain on disposal of interest in joint venture	6	(270,555)	–
Impairment loss under ECL model recognised on debt instruments at FVTOCI		–	9,372
Impairment loss recognised on deposits for acquisition of property, plant and equipment		88,427	–
Impairment loss for properties for sale		193,296	–
Reversal of impairment loss under ECL model on amount due from a joint venture		(10,047)	–
Finance costs		373,344	496,598
Others		25,582	3,212
Operating cash flows before movement from working capital		608,892	679,265
Decrease in properties for sale		1,192,059	2,124,785
Decrease (increase) in debtors, deposits and prepayments		9,414	(139,612)
Increase in loan receivables		(70,283)	(448,001)
Decrease in other receivables		38,220	–
Decrease in contract assets		21,788	388,803
(Increase) decrease in contract costs		(13,695)	23,428
Increase in creditors and accruals		110,419	106,045
Decrease (increase) in customers' deposits under escrow		42,905	(89,108)
Increase in contract liabilities		(84,873)	(135,190)
Cash from operations		1,854,846	2,510,415
Income tax paid		(56,916)	(155,128)
Net cash from operating activities		**1,797,930**	**2,355,287**

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2025

	Six months ended	
	30.9.2025 HK$'000 (unaudited)	30.9.2024 HK$'000 (unaudited)
Investing activities		
Acquisition and development expenditure of property, plant and equipment	(340,834)	(602,502)
Proceeds from disposal of property, plant and equipment	–	195,004
Acquisition and development expenditure of investment properties	(63,892)	(148,566)
Proceeds from disposal of investment properties	–	10,022
Capital investment in joint ventures	–	(75,927)
Proceeds from disposal of a joint venture	547,370	–
Capital investment in an associate	–	(367,519)
Dividend income received from joint ventures	667,850	–
Advance to associates	(248,613)	–
Advance to joint ventures	(267,467)	(149,485)
Repayment from joint ventures	10,047	99,377
Purchase of equity investments at fair value through profit or loss ("FVTPL")	(2,662)	(298,682)
Proceeds from disposal of debt investments at FVTPL	(28,684)	–
Proceeds from disposal of equity investments at FVTPL	9,374	305,631
Purchase of debt instruments at FVTOCI	(12,495)	(50,282)
Proceeds from sale/redemption of debt instruments at FVTOCI	88,787	225,406
Purchase of investment funds	–	(109,045)
Proceeds from sale of investment funds	64,928	79,760
Placement of pledged bank deposits	–	(64,788)
Release of pledged bank deposits	–	464
Placement of restricted bank deposits	–	(17,753)
Release of restricted bank deposits	255,147	247,990
Other investing activities	6,182	20,321
Net cash from (used in) investing activities	685,038	(700,574)

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2025

	Six months ended	
	30.9.2025 HK$'000 (unaudited)	30.9.2024 HK$'000 (unaudited)
Financing activities		
New bank and other borrowings raised	3,057,125	5,896,937
Repayment of bank and other borrowings	(4,711,309)	(6,536,201)
Interest paid	(632,498)	(911,313)
Repayment of lease liabilities	(34,666)	(48,773)
Distribution to owners of perpetual capital notes	(180,070)	(103,930)
Proceeds from disposal of partial interest in Palasino	–	25,282
Repayment to shareholders of non-wholly owned subsidiaries	–	(143,592)
Other financing activities	(19,170)	18,410
Net cash used in financing activities	(2,520,588)	(1,803,180)
Net decrease in cash and cash equivalents	(37,620)	(148,467)
Cash and cash equivalents at beginning of the period	2,377,354	2,733,621
Effect of foreign exchange rate changes	146,378	155,553
Cash and cash equivalents at end of the period	2,486,112	2,740,707
Analysis of the balances of cash and cash equivalents		
Bank balances and cash	2,486,112	2,740,707

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

1. GENERAL

The Company was incorporated as an exempted company with limited liability in the Cayman Islands. The shares of the company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 ("HKAS 34") "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants as well as with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments which are measured at fair values.

Excepted as below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2025 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 March 2025.

Property, plant and equipment

If a property becomes an investment property because its use has changed as evidenced by end of owner occupation, any difference between the carrying amount and the fair value of that item (including the relevant leasehold land classified as right-of-use assets) at the date of transfer is recognised in other comprehensive income and accumulated in revaluation reserve.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability

The application of the amendments to a HKFRS Accounting Standard in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

4. SEGMENT INFORMATION

The Group determines its operating segments based on internal reporting about components that are regularly reviewed by the chief operating decision makers. Information reported to the Group's chief operating decision makers, who are the executive directors of the Company, for the purposes of resource allocation and assessment of performance is mainly focused on the different management teams of the related business operations by various geographical locations stated as below:

- Property development (including investment properties developed and managed by the same management team)
- Property investment
- Hotel operations and management (including the investment properties which are an integral part of the hotel buildings and which are managed by the hotel management team as well as securities investments made and monitored by the same team)
- Car park operations and facilities management
- Gaming operations (including investment in The Star Entertainment Group which is engaged in the gaming business in Australia and is classified as equity instruments at FVTOCI)
- Securities and financial product investments
- Provision of mortgage services (including securities investment made and monitored by the same team)

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

4. SEGMENT INFORMATION (continued)

The following is an analysis of the Group's revenue and results by reportable and operating segment.

	Segment revenue		Segment profit (loss)	
	Six months ended 30.9.2025 HK$'000 (unaudited)	Six months ended 30.9.2024 HK$'000 (unaudited)	Six months ended 30.9.2025 HK$'000 (unaudited)	Six months ended 30.9.2024 HK$'000 (unaudited)
Property development				
– Australia	805,171	846,428	290,111	42,117
– Hong Kong ("HK") (note 1)	143,362	897,672	(789,065)	39,199
– Malaysia	–	–	36,939	33,676
– Other regions in the People's Republic of China excluding HK ("PRC")	11,356	4,847	10,253	(7,703)
– Singapore	2,955	574,479	12,190	51,520
– United Kingdom ("UK")	1,079,416	1,196,011	183,218	180,124
	2,042,260	3,519,437	(256,354)	338,933
Property investment				
– Australia	16,085	13,835	14,018	11,923
– HK	19,869	21,910	(110,936)	(48,352)
– PRC	19,479	19,971	7,846	(64,135)
– UK	2,359	3,751	178	4,156
	57,792	59,467	(88,894)	(96,408)
Hotel operations and management				
– Australia	286,370	257,308	7,501	(34,683)
– HK	369,600	292,242	(21,701)	(63,640)
– Malaysia	91,276	87,788	14,875	18,223
– PRC	90,537	109,007	(59,935)	11,892
– Singapore	57,954	58,239	13,728	15,793
– UK	87,596	86,050	8,097	10,710
– Europe (other than UK)	86,772	85,974	(4,391)	8,755
	1,070,105	976,608	(41,826)	(32,950)
Car park operations and facilities management				
– Australia and New Zealand	267,840	288,879	29,995	38,374
– UK	52,735	59,502	1,338	(13,578)
– Europe (other than UK)	2,869	17,449	244	(1,523)
– Malaysia	19,870	14,182	2,985	524
	343,314	380,012	34,562	23,797
Gaming operations				
– Australia (note 2)	–	–	(211,555)	(237,860)
– Czech Republic	218,447	196,118	42,051	41,632
	218,447	196,118	(169,504)	(196,228)
Securities and financial product investments in HK	19,055	13,595	84,335	6,178
Provision of mortgage services				
– Australia	1,789	17,267	262,356	19,978
– HK	3,018	9,238	1,617	9,133
	4,807	26,505	263,973	29,111
Segment revenue/segment (loss) profit	3,755,780	5,171,742	(173,708)	72,433
Unallocated corporate income and expenses and other gains and losses			(61,408)	(71,247)
Net foreign exchange loss			(56,857)	(166,658)
Finance costs			(373,344)	(496,598)
Loss before tax			(665,317)	(662,070)

4. SEGMENT INFORMATION (continued)

Notes:

1. Included in the segment loss of HK is a write-down of inventories of approximately HK$530,000,000 (2024: HK$217,125,000) recorded by a joint venture, which is engaged in property development in HK, and shared by the Group.

2. Included in the segment loss of Australia is an impairment loss of approximately HK$110,368,000 (2024: HK$204,385,000) recorded by an associate, which is engaged in gaming operations in Australia, and shared by the Group.

None of the segments derived any revenue from transactions with other segments.

No revenue from any single customer contributed over 10% of the total revenue of the Group.

Segment profit (loss) represents the profit earned by (loss from) each segment without allocation of central administration costs, certain bank interest income, other interest income, other gains and losses, net foreign exchange loss, professional fees in relation to listing of a subsidiary, directors' emoluments and finance costs. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and performance assessment.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

4. SEGMENT INFORMATION (continued)

Segment assets

The following is an analysis of the Group's assets by reportable segment as at the end of the reporting period. Segment assets represent assets held by each segment without allocation of certain assets, which are mainly cash and cash equivalents.

	As at 30.9.2025 HK$'000 (unaudited)	As at 31.3.2025 HK$'000 (audited)
Property development		
– Australia	3,442,864	4,110,673
– HK	4,637,298	5,351,584
– Malaysia	319,341	281,734
– PRC	2,575,365	2,454,821
– Singapore	611,595	605,314
– UK	5,255,133	5,828,482
	16,841,596	18,632,608
Property investment		
– Australia	396,562	362,060
– HK	2,666,120	2,773,171
– PRC	6,675	8,849
– UK	35,097	35,959
	3,104,454	3,180,039
Hotel operations and management		
– Australia	4,936,000	4,664,222
– HK	4,935,002	5,013,922
– Malaysia	724,005	697,001
– PRC	1,954,563	1,925,428
– Singapore	590,537	569,002
– UK	1,953,746	1,688,598
– Europe (other than UK)	258,618	245,583
	15,352,471	14,803,756
Car park operations and facilities management		
– Australia and New Zealand	792,892	811,165
– Europe	138,184	135,604
– Malaysia	126,517	126,556
	1,057,593	1,073,325
Gaming operations		
– Australia	37,047	43,153
– Czech Republic	204,286	156,399
	241,333	199,552
Securities and financial product investments in HK	1,000,751	1,008,093
Provision of mortgage services		
– Australia	534	353,386
– HK	718,595	647,820
	719,129	1,001,206
Segment assets	38,317,327	39,898,579
Unallocated corporate assets	2,738,342	2,644,777
Total assets	41,055,669	42,543,356

4. SEGMENT INFORMATION (continued)

Segment assets (continued)

Information about segment liabilities are not regularly reviewed by the chief operating decision makers. Accordingly, segment liabilities information is not presented.

5. REVENUE

	Six months ended	
	30.9.2025 HK$'000 (unaudited)	30.9.2024 HK$'000 (unaudited)
Sales of properties	**1,961,413**	3,458,538
Construction revenue	**–**	47,910
Hotel revenue		
– room revenue	**915,368**	844,918
– food and beverage	**109,389**	66,940
Car park income		
– parking revenue	**301,703**	320,906
– management fee	**42,507**	60,082
Gaming revenue	**218,447**	196,118
Provision of property management services	**60,942**	23,650
Other operations	**32,759**	15,972
Revenue from contracts with customers	**3,642,528**	5,035,034
Leasing of properties – operating lease	**89,221**	94,529
Loan interest income	**3,021**	9,238
Interest income from financial instruments	**19,827**	29,442
Dividend income from financial instruments	**1,183**	3,499
	3,755,780	5,171,742
Timing of revenue recognition from contracts with customers		
– At a point in time	**2,322,008**	3,737,568
– Over time	**1,320,520**	1,297,466
	3,642,528	5,035,034

The disaggregation of revenue by geographical location is consistent with the segment disclosures under Note 4.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

5. REVENUE (continued)

Set out below is the reconciliation of the revenue from contracts with customers with the amount disclosed in the segment information.

	For the six months ended 30 September 2025				
	Segment revenue HK$'000	Leasing of properties and car park income HK$'000	Food and beverage HK$'000	Interest and dividend income HK$'000	Consolidation HK$'000
Property development	2,042,260	(80,847)	–	–	1,961,413
Hotel operations	1,070,105	(12,589)	(142,148)	–	915,368
Car park operations	343,314	896	–	–	344,210
Gaming operations	218,447	–	–	–	218,447
Provision of property management services	–	60,942	–	–	60,942
Food and beverage	–	–	109,389	–	109,389
Other operations	–	–	32,759	–	32,759
Revenue from contracts with customers	3,674,126	(31,598)	–	–	3,642,528
Leasing of properties	57,792	31,598	–	(169)	89,221
Provision of mortgage services	4,807	–	–	(1,786)	3,021
Interest income and dividend income from financial instruments	19,055	–	–	1,955	21,010
Total revenue	3,755,780	–	–	–	3,755,780

	For the six months ended 30 September 2024				
	Segment revenue HK$'000	Leasing of properties and car park income HK$'000	Food and beverage HK$'000	Interest and dividend income HK$'000	Consolidation HK$'000
Property development*	3,519,437	(12,989)	–	–	3,506,448
Hotel operations	976,608	(48,778)	(82,912)	–	844,918
Car park operations	380,012	976	–	–	380,988
Gaming operations	196,118	–	–	–	196,118
Provision of property management services	–	23,650	–	–	23,650
Food and beverage	–	–	66,940	–	66,940
Other operations	–	–	15,972	–	15,972
Revenue from contracts with customers	5,072,175	(37,141)	–	–	5,035,034
Leasing of properties	59,467	37,141	–	(2,079)	94,529
Provision of mortgage services	26,505	–	–	(17,267)	9,238
Interest income and dividend income from financial instruments	13,595	–	–	19,346	32,941
Total revenue	5,171,742	–	–	–	5,171,742

* Revenue from property development includes sales of properties and construction revenue.

6. OTHER GAINS AND LOSSES

	Six months ended	
	30.9.2025	30.9.2024
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Change in fair value of investment properties	**(76,591)**	(132,649)
Gain (loss) on disposal of debt instruments at FVTOCI	**318**	(21,122)
Gain on disposal of interests in joint venture (Note)	**270,555**	–
Change in fair value of financial assets at FVTPL	**58,780**	2,013
Change in fair value of derivative financial instruments	**4,462**	44
(Loss) gain on disposal of property, plant and equipment	**(1,769)**	2,168
Net foreign exchange loss	**(56,857)**	(166,658)
Impairment loss under ECL model recognised on debt instruments at FVTOCI	**–**	(9,372)
Impairment loss under ECL model recognised on trade debtors	**(7,523)**	(5,468)
Impairment loss recognised on deposits for acquisition of property, plant and equipment	**(88,427)**	–
Reversal of impairment loss under ECL model on amount due from a joint venture	**10,047**	–
	112,995	(331,044)

Note:

In the current interim period, the Group completed the sale of its entire 53.21% interest in BC Investment Group Holdings Limited ("BC Group"), a joint venture of the Group, comprising 12,149,864 shares, to BCSIHC Pty Ltd (as trustee for the BCSIHC Trust), an independent third party resulting in a gain of HK$270,555,000. Prior to the transaction, BCSIHC Pty Ltd was also a shareholder of BC Group. The initial consideration was Australian dollar ("A$") 8.75 per share, amounting to A$106,311,310 (equivalent to approximately HK$547,370,000), plus a Per Share Earn-Out Payment, as detailed in the Company's announcement published on 28 February 2025.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

7. FINANCE COSTS

	Six months ended	
	30.9.2025	30.9.2024
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Interest on:		
Bank borrowings	**592,927**	856,988
Other loans	**2,352**	34
Interest on notes	**14,581**	12,826
Interest on lease liabilities	**6,352**	7,463
Amortisation of front-end fee	**14,557**	14,939
Others	**16,921**	4,689
Total interest costs	**647,690**	896,939
Less: amounts capitalised to:		
– properties for sale (properties under development)	**(221,845)**	(304,748)
– property, plant and equipment (owned properties)	**(52,501)**	(95,593)
	373,344	496,598

Borrowing costs capitalised during the period which arose on the general borrowing pool of the Group were calculated by applying a capitalisation rate of 3.7% to 8.9% (six months ended 30.9.2024: 5.1% to 9.5%) per annum to expenditure on the qualifying assets.

8. INCOME TAX EXPENSE

	Six months ended	
	30.9.2025	30.9.2024
	HK$'000	HK$'000
	(unaudited)	(unaudited)
The income tax expense (credit) comprises:		
Current tax:		
Hong Kong Profits Tax	**28,028**	62,580
PRC Enterprise Income Tax ("PRC EIT")	**3,938**	6,783
PRC Land Appreciation Tax ("PRC LAT")	**3,761**	41
Australia Income Tax	**12,869**	–
Malaysia Income Tax	**3,491**	2,029
UK income tax	**33,375**	–
Czech Republic Income Tax	**5,268**	6,173
	90,730	77,606
Dividend withholding tax and interest withholding tax	**53,882**	7,656
(Over) under provision in prior years:		
Hong Kong Profits Tax	**(3,333)**	4,256
PRC LAT	**(31)**	–
Australia Income Tax	**–**	(2,141)
Malaysia Income Tax	**–**	(566)
	141,248	86,811
Deferred taxation	**(2,405)**	(84,782)
	138,843	2,029

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the period of each individual company comprising the Group less tax losses brought forward where applicable.

PRC EIT is calculated in accordance with the EIT Law and Implementation Regulations of the EIT Law at the rate of 25%.

PRC LAT is levied at the deemed levying rates in accordance with the relevant PRC tax laws and regulations.

The domestic statutory tax rate of Australia, Malaysia, Singapore, UK and Czech Republic is 30%, 24%, 17%, 25% and 21% (31.3.2025: 30%, 24%, 17%, 25% and 21%) of the estimated assessable profits, respectively.

9. LOSS FOR THE PERIOD

	Six months ended	
	30.9.2025	30.9.2024
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Loss for the period has been arrived at after charging:		
Depreciation of property, plant and equipment (including depreciation of leased properties of HK$21,023,000 (six months ended 30.9.2024: HK$25,769,000))	**241,098**	234,967
Impairment loss on		
– property, plant and equipment included in "depreciation and impairment of hotel and car park assets"	**15,912**	–
– properties for sale	**193,296**	–
and after crediting (included in other income):		
Bank interest income	**13,075**	16,664
Government grants	**10,812**	59

10. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the shareholders of the Company is based on the consolidated loss for the period attributable to the shareholders of the Company of HK$988,420,000 (six months ended 30.9.2024: HK$769,907,000) and the number of shares calculated as follows:

	Six months ended	
	30.9.2025	30.9.2024
	'000	'000
	(unaudited)	(unaudited)
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	**3,059,040**	2,817,604

At 30 September 2025, 20,000,000 granted shares options underlying scheme were excluded from the diluted weighted-average number of ordinary shares calculation because their effect would have been anti-dilutive.

The computation of diluted loss per share for the period ended 30 September 2024 did not assume the effect of scrip dividend because the fair value of those scrip dividend was higher than the average market price for shares. The potential ordinary shares were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive. Accordingly, the amounts of diluted loss per share for the period ended 2024, were same as basic loss per share.

11. DIVIDENDS

	Six months ended	
	30.9.2025	30.9.2024
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Dividends recognised as distribution during the period:		
Final dividend for the year ended 31 March 2024 of HK10 cents	**–**	281,760

The directors did not recommend payment of final dividend for the year ended 31 March 2025.

No dividends were paid, declared or proposed during the interim period. The directors of the Company have determined that no dividend will be paid in respect of the interim period.`

12. MOVEMENTS IN INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT

During the period ended 30 September 2025, the Group acquired certain property, plant and equipment amounting to HK$46,432,000 (six months ended 30.9.2024: HK$113,570,000), incurred development expenditure on certain hotel properties under development amounting to HK$229,201,000 (six months ended 30.9.2024: HK$455,323,000), reclassified from investment properties amounting to HK$63,720,000 to property, plant and equipment (six months ended 30.9.2024: HK$100,740,000) and disposed of certain property, plant and equipment amounting to HK$3,210,000 (six months ended 30.9.2024: HK$192,836,000) with proceeds of HK$Nil (six months ended 30.9.2024: HK$195,004,000) received.

During the period ended 30 September 2025, the Group has acquired investment properties amounted to HK$Nil (six months ended 30.9.2024: HK$3,871,000) and incurred development expenditure of investment properties amounting to HK$76,591,000 (six months ended 30.9.2024: HK$112,582,000).

During the period ended 30 September 2025, the Group changed the use of certain hotel properties and determined that their function had switched from owner-operated hospitality assets to investment properties to receive rental income. As a result, the carrying value of these properties, amounted to HK$10,918,000, no longer meets the definition of owner-occupied property under HKAS 16 and has been reclassified as investment properties in accordance with HKAS 40. The fair value of these properties at the date of transfer was HK$97,010,000 and was determined by a professional valuer using income approach. Fair value gain of HK$86,092,000 upon transfer from property, plant and equipment to investment properties was recognized in asset revaluation reserve.

During the period ended 30 September 2025, the Group changed the use of certain investment properties and determined that their function had switched from investment properties to owner-operated hospitality assets. As a result, the carrying value of these properties, amounted to HK$63,720,000, no longer meet the definition of investment property under HKAS 40 and have been reclassified as property, plant and equipment in accordance with HKAS 16.

Upon the completion of the investment properties under development, the respective valuation technique has been changed from residual value approach to income capitalisation approach to derive a more representative fair value.

12. MOVEMENTS IN INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT (continued)

The valuations of the completed investment properties, which falls under level 3 of the fair value hierarchy, was arrived at by reference to market unit rates which represent market evidence of transaction prices for similar properties at similar locations or by capitalisation of future rental which is estimated by reference to comparable rental as available in the relevant markets. In the valuation, the market rentals of all lettable units of the properties are made reference to the rentals achieved by the Group in the lettable units as well as those of similar properties in the neighbourhood. The capitalisation rate adopted is by reference to the yield rates observed by the valuer for similar properties in the locality and adjusted for the valuer's knowledge of factors specific to the respective properties.

The fair value of the investment properties at 30 September 2025 and 31 March 2025 have been arrived at on the basis of valuations carried out on these date by the following independent firms of qualified professional valuers not connected to the Group:

Location of the investment properties	Independent qualified professional valuers	Qualification
Australia	CBRE Valuations Pty Limited Colliers International (WA) Pty Ltd.	Member of the Australian Property Institute
Czech Republic	Grant Thornton Appraisal Services a. s.	Qualified valuer registered based on the decision of the Minister of Justice of the Czech Republic
HK/PRC	Cushman & Wakefield Limited Knight Frank Petty Ltd.	Member of the Hong Kong Institute of Surveyors
Singapore	Savills Valuation and Professional Services (S) Pte. Ltd. Knight Frank Pte. Ltd.	Member of the Singapore Institute of Surveyors and Valuers
UK	Hallams Property Consultants LLP Thwaites Real Estate Ltd.	Royal Institution of Chartered Surveyors

For investment properties under construction or development, which falls under level 3 of the fair value hierarchy, the valuations have been arrived at assuming that the investment properties will be completed in accordance with the development proposals and the relevant approvals for the proposals have been obtained. The key inputs in the valuations include the market value of the completed investment properties, which are estimated with reference to sales evidence of similar properties in the nearest locality, with adjustments made to account for differences in locations and other factors specific to the respective properties based on the valuers' judgement. Costs of development are also taken into account including construction costs, finance costs and professional fees, as well as developer's profit margin which reflects the remaining risks associated with the development of the properties at the valuation date and the return that the developer would require for bringing them to completion status, which is determined by the valuers based on its analyses of recent land transactions and market value of similar completed properties in the respective locations.

12. MOVEMENTS IN INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT (continued)

The Group considers valuations of the Group's investment properties are the best estimate. Changes to the assumptions, including the potential risk of any market valuation, policy, geopolitical and social changes or other unexpected incident as a result of change in macroeconomic environment, increased complexity in international trade tensions, geopolitics changes in policy direction and/or mortgage requirement, or other unexpected incidents would result in changes in the fair value of the Group's investment properties and the corresponding adjustments to the amount of gain or loss reported in the condensed consolidated statement of profit or loss.

13. INTERESTS IN ASSOCIATES

The recoverable amount of interest in an associate, namely, Destination Brisbane Consortium Integrated Resort Holdings Pty Ltd ("DBC") was derived by a valuation prepared by the management and approved by the board of directors of DBC. During the period, as the recoverable amount of assets was less than their carrying amount, included in the share of result from interests in associates is an impairment loss of DBC of approximately HK$110,368,000 (31.03.2025: HK$248,750,000) recognised during the period ended 30 September 2025.

On 12 August 2025, the Group entered into an Implementation Deed with its joint venture partners, Chow Tai Fook Enterprises Limited ("CTFE") and The Star Entertainment Group ("STAR"), to restructure the ownership of major Australian assets. The transaction involves swapping interests in DBC and Destination Gold Coast Consortium Pty Ltd ("DGCC"), together with related hotel, car park, and other STAR's related assets.

As a result of the change in ownership structure, the Group and CTFE will acquire STAR's 50% equity interest in DBC, the Treasury Hotel and Car Park assets, and the Charlotte Street Car Park in Brisbane, while STAR will acquire the Group and CTFE's 66.67% interest in DGCC, which includes the Dorsett and Andaz hotel towers and related development trusts.

Subsequent to the announcement dated 12 August 2025 in respect of the transaction with STAR, the Company issued a supplemental announcement on 17 November 2025. In consideration, the Group and CTFE agreed to pay STAR a cash amount of A$18,000,000 (equivalent to approximately HK$91,980,000) and an earn-out payment, which is contingent upon the financial performance of DBC in the year of 2030. Additionally, an interest-free loan of A$35,000,000 (equivalent to approximately HK$178,850,000) will be provided by the Group and CTFE to DGCC and prepaid to STAR as an advance on future proceeds from the sales of properties, with repayment contingent upon the completion.

As at 30 September 2025, the Group has provided guarantees for debt facilities held by DBC amounting to A$400,000,000 (equivalent to approximately HK$2,044,000,000). Upon completion of the aforementioned transaction, STAR will be released from its bank guarantee in respect of DBC's debt facilities. The Group and CTFE, as the continuing shareholders of DBC, have undertaken to provide guarantees and financial support to DBC to ensure the ongoing funding and development of the Queen's Wharf Brisbane project.

As at the date of approval for issuance of the condensed consolidated financial statements, the transaction has not yet been completed. Further details of the transaction are set out in the Company's announcements dated 12 August 2025 and 17 November 2025.

14. INTERESTS IN JOINT VENTURES

As at 30 September 2025, the net realisable value of property held for sale under one of the joint ventures, River Riches Limited is less than its carrying amount, included in the share of result from joint ventures is an impairment loss of approximately HK$530,000,000 (31.03.2025: HK$217,000,000) recognised during the period ended 30 September 2025.

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15. INVESTMENT SECURITIES

	30.9.2025 HK$'000 (unaudited)	31.3.2025 HK$'000 (audited)
(i) Financial assets at FVTPL		
(a) Investments held for trading		
Listed equity securities	174,574	135,088
(b) Debt instruments at FVTPL		
Listed debt securities	21,597	–
(c) Equity instruments at FVTPL		
Unlisted equity securities	51,526	53,383
(d) Investment funds	579,804	609,372
	827,501	797,843
(ii) Financial assets at FVTOCI		
(a) Debt instruments at FVTOCI		
Listed debt securities	217,508	207,636
Unlisted debt securities	534	86,467
	218,042	294,103
(b) Equity instruments at FVTOCI		
Equity securities listed overseas	37,047	43,153
Total	1,082,590	1,135,099

	30.9.2025 HK$'000	31.3.2025 HK$'000
Analysed for reporting purposes as:		
Non-current assets	315,415	328,853
Current assets	767,175	806,246
	1,082,590	1,135,099

Other than the investment held for trading, the classification of investment securities under current assets is based on the realisation plan of the investment securities estimated by the management to meet with the Group's cash outflow in coming next twelve months.

16. DEBTORS, DEPOSITS AND PREPAYMENTS, CONTRACT ASSETS AND OTHER ASSETS

(a) Debtors, deposits and prepayments

	30.9.2025 HK$'000 (unaudited)	31.3.2025 HK$'000 (audited)
Trade debtors		
– Contracts with customers	169,813	146,053
– Lease receivables	69,422	63,315
Less: allowance for expected credit loss	(88,197)	(80,674)
	151,038	128,694
Utility and other deposits	26,816	31,994
Prepayment and other receivables	369,703	392,891
Other tax recoverable	9,475	16,997
Consideration receivables (note i)	35,299	66,181
	592,331	636,757
Analysed for reporting purpose as:		
Non-current assets	–	38,220
Current assets	592,331	598,537
	592,331	636,757

Note:

(i) On 15 May 2023, the Company has entered into a sale and purchase agreement with Alvord Global Limited (the "Purchaser"), whereby the Group has agreed to sell and the Purchaser has agreed to purchase the entire issued shares and paid-up shares of Well Distinct Limited and its subsidiaries, wholly owned subsidiaries of the Group, for an aggregate consideration of approximately Malaysian Ringgit ("MYR") 120,303,000 (equivalent to approximately HK$221,357,000), of which HK$186,058,000 has been settled as at 30 September 2025 and the remaining considerations amounting to HK$35,299,000 (31.3.2025: HK$66,181,000) bearing interest at 4% per annum will be settled within 3 years from the date of the agreement, with HK$35,299,000 (31.3.2025: HK$27,961,000) being classified as current asset and HK$Nil (31.3.2025: HK$38,220,000) being classified as non-current asset. The disposal has been completed on 27 September 2023.

16. DEBTORS, DEPOSITS AND PREPAYMENTS, CONTRACT ASSETS AND OTHER ASSETS (continued)

(a) Debtors, deposits and prepayments (continued)

The following is an aged analysis of trade debtors and lease receivables, net of allowance for expected credit loss, based on the invoice date at the end of the reporting period, which approximates the respective revenue recognition date except lease receivables and receivables from sales of properties recognised over time:

	30.9.2025 HK$'000 (unaudited)	31.3.2025 HK$'000 (audited)
0–60 days	**138,034**	113,728
61–90 days	**5,699**	2,607
Over 90 days	**7,305**	12,359
	151,038	128,694

Trade debtors mainly represent receivables from renting of properties, use of hotel facilities and sales of properties. Rentals are payable on presentation of demand notes. Hotel room revenue is normally settled by cash or credit card. The Group allows an average credit period of 14 to 60 days to its corporate customers and travel agents.

Proceeds from sales of properties are settled according to the payment terms of the sale and purchase agreements.

(b) Contract assets

Contract assets represent the unbilled amount resulting from sale of properties recognised over time.

The contract assets relate to the Group's right to consideration for work performance and not billed because the right is conditional on the Group's future performance. The contract assets are transferred to trade debtors when the right becomes unconditional.

The Group's sales contracts include payment schedules which require stage payments over the construction period once certain specified milestones are reached. The Group requires certain customers to provide upfront deposits of certain percentage of total contract sum as part of its credit risk management policies.

16. DEBTORS, DEPOSITS AND PREPAYMENTS, CONTRACT ASSETS AND OTHER ASSETS (continued)

(c) Other assets

As at 31 March 2025, included in Group's other assets was the cash consideration paid amounting to A$22,500,000 (equivalent to approximately HK$128,878,000) for the heads of agreement which the Group entered into with, among others, CTFE and STAR in relation to their joint developments at Queen's Wharf Brisbane, Brisbane, Queensland, Australia and Broadbeach Island, Gold Coast, Queensland, Australia, and certain hotel and car park assets currently owned either outright by STAR, or in partnership with the Company, in Brisbane, Queensland, Australia as detailed in the Company's announcement published on 7 March 2025.

Subsequently, the Group entered into an Implementation Deed with CTFE and STAR to restructure the ownership of its major Australian assets. The transaction involves swapping interests in DBC and DGCC, together with related hotel, car park, and other STAR's related assets. As a result, partial cash consideration paid amounting to A$17,500,000 (equivalent to approximately HK$89,425,000) during the year ended 31 March 2025 was reclassified from other assets to amounts due from joint ventures as at 30 September 2025. This amount forms part of an interest-free loan of A$35,000,000 (equivalent to approximately HK$178,850,000) provided by the Group and CTFE to DGCC and prepaid to STAR as an advance on future proceeds from the sales of properties, with repayment contingent upon the completion as disclosed in Note 13. The remaining cash consideration paid, amounting to A$5,000,000 (equivalent to approximately HK$25,500,000), remains in other assets as at 30 September 2025. Further details of this transaction are set out in Note 13 to the condensed consolidated financial statements.

17. ASSETS CLASSIFIED AS HELD FOR SALE

On 25 February 2025, Quality Drive Limited ("Hotel Seller"), an indirect wholly-owned subsidiary of the Group and AMTD IDEA Group ("Purchaser"), an independent third party to the Group, among others, entered into a sale and purchase agreement ("SPA"), the Hotel Seller has agreed to sell, and the Purchaser has agreed to purchase, the equity interest in Quality Hornsey Propco Limited ("Hotel PropCo") with consideration being pounds sterling ("GBP") 22,656,000 (equivalent to approximately HK$236,302,000), subject to certain adjustments on completion date. Further, on 25 February 2025, the Hornsey TH Holdco Limited ("Town Hall Seller"), an indirect wholly owned subsidiary of the Group and the Purchaser, among others, entered into another SPA, whereby the Town Hall Seller has agreed to sell, and the Purchaser has agreed to purchase, the equity interest in Hornsey TH PropCo Limited with consideration being GBP24,544,000 (equivalent to approximately HK$255,994,000), subject to certain adjustments on completion date. Up to the date of approval for issuance of the condensed consolidated financial statements, the disposals have yet to be completed. Further details of the disposals are set out in the Company's announcement dated 25 February 2025.

The related assets in respect of the above disposals have been classified as held for sale and are separately presented in the condensed consolidated statement of financial position as the directors expect that the sales are highly probable and will be completed within 12 months from the end of the reporting period.

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17. ASSETS CLASSIFIED AS HELD FOR SALE (continued)

The major classes of assets classified as held for sale are as follows:

	30.9.2025 HK$'000 (unaudited)	31.3.2025 HK$'000 (audited)
Properties, plant and equipment	262,516	252,951
Interest in a joint venture	–	270,042
	262,516	522,993

18. CREDITORS AND ACCRUALS

	30.9.2025 HK$'000 (unaudited)	31.3.2025 HK$'000 (audited)
Trade creditors		
– Construction cost and retention payable for properties for sale	361,733	279,738
– Others	88,401	100,471
	450,134	380,209
Construction cost and retention payable for capital assets	681,559	583,307
Rental deposits and rental receipts in advance	105,015	99,489
Other tax payables	158,888	165,003
Other payables and accrued charges	594,589	603,695
	1,990,185	1,831,703

The following is an aged analysis of the trade creditors, based on the invoice date:

	30.9.2025 HK$'000 (unaudited)	31.3.2025 HK$'000 (audited)
0–60 days	417,249	370,334
61–90 days	18,901	2,090
Over 90 days	13,984	7,785
	450,134	380,209

19. BANK AND OTHER BORROWINGS

	30.9.2025 HK$'000 (unaudited)	31.3.2025 HK$'000 (audited)
Bank loans	22,825,076	24,789,602
Other loans (Note)	653,536	123,850
	23,478,612	24,913,452
Less: front-end fee	(51,614)	(58,490)
	23,426,998	24,854,962
Analysed for reporting purpose as:		
Secured	19,823,014	20,329,655
Unsecured	3,655,598	4,583,797
	23,478,612	24,913,452
Current liabilities	10,727,342	11,596,159
Non-current liabilities	12,699,656	13,258,803
	23,426,998	24,854,962

Note: On 27 May 2025, the Group completed a transaction with North Quest Investments (Singapore) Pte. Limited ("North Quest"), an independent third party to the Group. North Quest provided a borrowing amounting to approximately HK$347,095,000 to the Group. The borrowing is secured by the loan receivables amounting to HK$550,975,000 of the Group.

	Bank loans		Other loans	
	30.9.2025 HK$'000 (unaudited)	31.3.2025 HK$'000 (audited)	30.9.2025 HK$'000 (unaudited)	31.3.2025 HK$'000 (audited)
The borrowings repayable based on scheduled repayment dates set out in the loan agreements are as follows:				
Revolving loans without specified repayment terms and loans repayable within one year	3,542,360	5,086,375	56,212	43,450
More than one year, but not exceeding two years	7,490,409	5,253,365	13,978	–
More than two years, but not exceeding five years	3,955,743	7,288,575	318,149	80,400
More than five years	656,180	636,463	265,197	–
	15,644,692	18,264,778	653,536	123,850
The carrying amounts of the borrowings that contain a repayment on demand clause (shown under current liabilities) but repayable:				
Within one year	6,343,253	4,805,602	–	–
More than one year, but not exceeding two years	64,773	1,538,325	–	–
More than two years, but not exceeding five years	682,547	70,584	–	–
More than five years	38,197	51,823	–	–
	7,128,770	6,466,334	–	–
	22,773,462	24,731,112	653,536	123,850

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20. SHARE CAPITAL

	Number of ordinary shares of HK$0.10 each	Nominal value HK$'000
Authorised		
At 1 April 2024 (audited), 30 September 2024 (unaudited)		
1 April 2025 (audited)	4,000,000,000	400,000
Increase on 27 August 2025	4,000,000,000	400,000
At 30 September 2025 (unaudited)	8,000,000,000	800,000
Issued and fully paid:		
At 31 March 2024 (audited) and 30 September 2024 (unaudited)	2,817,604,206	281,760
Issue of shares in lieu of cash dividend (Note)	241,436,276	24,144
At 31 March 2025 (audited) and 30 September 2025 (unaudited)	3,059,040,482	305,904

Note: On 18 February 2025 and 24 October 2024, the Company issued and allotted 24,174,726 and 217,261,550 new fully paid shares of HK$0.10 each at HK$0.9180 and HK$1.0525, respectively to the shareholders who elected to receive shares in the Company in lieu of cash for the 2025 interim dividend and 2024 final dividend pursuant to the scrip dividend scheme announced by the Company on 10 January 2025 and 17 September 2024, respectively. These new ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company.

21. SHARE-BASED PAYMENTS

The Company's share option schemes ("FECIL Share Option Schemes") were adopted for the purpose of providing incentives and rewards to employees or executives or officers of the Company or any of its subsidiaries (including executive and non-executive directors) and business consultants, agents and legal or financial advisers who will contribute or have contributed to the Company or any of its subsidiaries. Under FECIL Share Option Schemes, the directors of the Company may grant options to eligible employees including directors of the Company and its subsidiaries, to subscribe for shares of the Company.

The Company's first and second share option schemes were expired on 28 August 2012 and 31 August 2022, respectively. In order to continue to provide incentives and rewards to the eligible employees and participants, the Company adopted its third share option scheme pursuant to a resolution passed by the Shareholders on 30 August 2022 for a period of 10 years commencing on the adoption date.

21. SHARE-BASED PAYMENTS (continued)

During the period ended 30 September 2025, 20,000,000 (six months ended 30.9.2024: Nil) share options were granted to certain directors under the 2022 Scheme. Particulars of the share options granted under 2022 Scheme and their movements during the period ended 30 September 2025 were as follows:

				Number of share options				
Grantees	Date of grant	Exercise price	Exercise period	As at 1 April 2025	Granted during the year	Exercised during the year	Cancelled/ lapsed during the year	As at 30 September 2025
Wing Kwan Winnie CHIU	9 July 2025	HK$0.806	1 September 2026 to 31 August 2034	–	4,000,000	–	–	4,000,000
			1 September 2027 to 31 August 2034	–	2,000,000	–	–	2,000,000
			1 September 2028 to 31 August 2034	–	2,000,000	–	–	2,000,000
			1 September 2029 to 31 August 2034	–	2,000,000	–	–	2,000,000
				–	10,000,000	–	–	10,000,000
Jennifer Wendy CHIU	9 July 2025	HK$0.806	1 September 2026 to 31 August 2034	–	4,000,000	–	–	4,000,000
			1 September 2027 to 31 August 2034	–	2,000,000	–	–	2,000,000
			1 September 2028 to 31 August 2034	–	2,000,000	–	–	2,000,000
			1 September 2029 to 31 August 2034	–	2,000,000	–	–	2,000,000
				–	10,000,000	–	–	10,000,000
				–	20,000,000	–	–	20,000,000

The Binomial model has been used to estimate the fair value of the options. The inputs into the model were as follows:

Share price on the grant date	HK$0.79
Exercise price	HK$0.806
Expected life	9.15 years
Expected volatility	26.33%
Expected dividend yield	2.35%
Risk-free interest rate	2.85%

Expected volatility was determined by using the historical volatility of the Company's share price over the previous 9.15 years. The expected life used in the model has been adjusted, based on the valuer's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The variables and assumptions used in computing the fair value of the share options are based on the valuer's best estimate. The value of an option varies with different variables of certain subjective assumptions.

During the period, the Group recognised share-based compensation expense of approximately HK$493,000 in relation to share options granted by the Company.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

22. PERPETUAL CAPITAL NOTES

On 12 September 2019, 16 September 2019 and 24 February 2020, FEC Finance Limited ("FEC Finance"), an indirect wholly owned subsidiary of the Group, issued USD250,000,000, USD50,000,000 and USD60,000,000 7.375% guaranteed perpetual capital notes ("2019 Perpetual Capital Notes") at an issue price of 100 per cent of the aggregate nominal amount of the 2019 Perpetual Capital Notes. Any amount payable arising from distribution or redemption were unconditionally and irrevocably guaranteed by the Company under the USD1,000,000,000 guaranteed medium term note programme. Distribution on 2019 Perpetual Capital Notes are payable semi-annually in arrears on April and October each year ("Distributions Payment Date") and can be deferred at the discretion of FEC Finance and is not subject to any limit as to the number of times distributions. The 2019 Perpetual Capital Notes have no fixed maturity and are redeemable at FEC Finance's option on 18 October 2024 or any Distributions Payment Date at their principal amounts. While any distributions are unpaid or deferred, the Company cannot declare or, pay dividends or make distributions or similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank, which includes the ordinary shares of the Company.

On 18 October 2024, in accordance with the agreement, the settlement of principal on the perpetual capital notes was deferred. As a result, the interest rate applicable to the notes stepped up from 7.375% to 12.814%.

The perpetual capital notes holders endorsed modifications to the provisions of the 2019 Perpetual Capital Notes in 2024. These changes allow FEC Finance to opt for redemption of a minimum cumulative principal of USD20,000,000 of the 2019 Perpetual Capital Notes. The redemption can be executed by providing the holders with an advance notification that is both non-revocable and falls within a timeframe of no fewer than 15 days and no more than 30 days prior to the redemption date, which is set on a specific date of each month at the discretion of FEC Finance. There is no redemption of 2019 Perpetual Capital Notes during the current interim period.

The 2019 Perpetual Capital Notes are classified as equity instrument. Any distributions made by FEC Finance to the holders are recognised in equity in the condensed consolidated financial statements of the Group.

23. CHARGE ON ASSETS

Bank borrowing of HK$19,823,014,000 (31.3.2025: HK$20,329,655,000) outstanding at the end of the reporting period are secured by a fixed charge over the following assets of the Group and together with a floating charge over other assets of the property owners and benefits accrued to those properties:

	30.9.2025 HK$'000 (unaudited)	31.3.2025 HK$'000 (audited)
Investment properties	**3,768,300**	3,398,801
Property, plant and equipment (excluding right-of-use assets)	**8,505,281**	8,670,911
Right-of-use assets	**1,031,707**	1,036,291
Contract assets	**579,515**	556,450
Properties for sale	**6,063,045**	6,885,122
Pledged deposits	**92,432**	95,108
Total	**20,040,280**	20,642,683

In addition, the shares of certain subsidiaries are pledged as securities to obtain certain banking facilities granted to the Group at the end of the reporting periods.

23. CHARGE ON ASSETS (continued)

Restrictions or covenants on leases

In addition to lease liabilities disclosed above, lease liabilities of HK$315,607,000 (31.3.2025: HK$321,374,000) are recognised with related right-of-use assets of HK$211,010,000 (31.3.2025: HK$225,200,000) as at 30 September 2025. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

24. CAPITAL COMMITMENTS

	30.9.2025 HK$'000 (unaudited)	31.3.2025 HK$'000 (audited)
Capital expenditure contracted for but not provided in respect of:		
Acquisition, development and refurbishment of properties		
– hotel, office properties and equipment	**116,761**	301,529
– investment properties	**399,175**	60,445
Capital injection to investment funds	**22,087**	32,319
	538,023	394,293
The Group's share of the capital commitment relating to its joint ventures and associates, but not recognised at the end of the reporting date is as follows:		
Commitment to contribute funds for the acquisition, development and refurbishment of hotel properties	**69,394**	75,745
Commitment to provide capital injection to an associate	**432,562**	412,246
Commitment to provide a credit facility to a joint venture	**–**	504,443
	501,956	992,434
	1,039,979	1,386,727

25. SIGNIFICANT RELATED PARTIES TRANSACTIONS

(a) During the period, the Group entered into the following transactions with related parties:

	Six months ended	
	30.9.2025 HK$'000 (unaudited)	30.9.2024 HK$'000 (unaudited)
Provision for sales and marketing services by a former joint venture	**–**	672
Interest income from unlisted debt securities issued by a former joint venture	**1,789**	17,267
Interest received from a former joint venture	**–**	3,885
Property management fee income from a joint venture	**25,245**	2,153

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25. SIGNIFICANT RELATED PARTIES TRANSACTIONS (continued)

(b) The remuneration of directors and other members of key management during the period are as follows:

	Six months ended	
	30.9.2025	30.9.2024
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Short-term benefits	**6,165**	6,489
Post-employment benefits	**93**	93
	6,258	6,582

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

The Group has entered into three (six months ended 30.9.2024: three) management services contracts and license agreements respectively for the provision of hotel management services to certain companies in Malaysia which are controlled by a director of the Company. During the year ended 30 September 2025, the total hotel management service income and trademark license fee income of HK$1,783,000 (six months ended 30.9.2024: HK$1,612,000) was recognised under these contracts.

26. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value of the Group's financial instruments that are measured at fair value on a recurring basis

Certain financial instruments of the Group are measured at fair values at the end of each reporting period. The following table gives information about how the fair values of these financial instruments are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are based on quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that included inputs for the asset or liability that are not based on observable market data (unobservable inputs).

26. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

Fair value of the Group's financial instruments that are measured at fair value on a recurring basis (continued)

	Financial assets (liabilities) included in the condensed consolidated statement of financial position	Fair value as at 30.9.2025 HK$'000 (unaudited)	Fair value as at 31.3.2025 HK$'000 (audited)	Fair value hierarchy	Valuation technique and key inputs
1a)	Listed equity securities classified as financial assets at FVTPL	**174,574**	135,088	Level 1	Quoted bid prices in an active market.
1b)	Listed equity securities classified as equity instruments at FVTOCI	**37,047**	43,153	Level 1	Quoted bid prices in an active market.
1c)	Unlisted equity securities classified as financial assets at FVTPL	**41,275**	44,340	Level 2	Reference to market value provided by brokers/ financial institution.
1d)	Unlisted equity securities classified as financial assets at FVTPL	**10,251**	9,043	Level 3	Market approach; price to earning ratio of market comparable companies and discount rate of lack of marketability 15.7% (31.3.2025: 15.7%).
2a)	Listed debt securities classified as financial assets at FVTPL	**21,597**	–	Level 1	Quoted bid prices in an active market.
2b)	Unlisted debt securities classified as financial assets at FVTOCI	**534**	86,467	Level 2	Reference to market value provided by brokers/ financial institution.
2c)	Listed debt securities classified as financial assets at FVTOCI	**217,508**	207,636	Level 1	Quoted bid prices in an active market.
3a)	Investment funds classified as financial assets at FVTPL	**259,274**	295,423	Level 1	Quoted bid prices in an active market.
3b)	Investment funds classified as financial assets at FVTPL	**48,262**	36,487	Level 2	Redemption value quoted by the relevant investment funds with reference to the underlying assets (mainly listed securities) of the funds.
3c)	Investment funds classified as financial assets at FVTPL	**272,268**	277,462	Level 3	Reference to the net asset value of the unlisted equity investment provided by the external counterparties.
4a)	Interest rate swap contracts classified as derivative financial instruments	**Assets – –**	Assets – 2,385	Level 2	Discounted cash flow. Future cash flows are estimated based on interest rates (from observable interest rates at the end of the reporting period) and contracted forward interest rates, discounted at a rate that reflects the credit risk of various counterparties.

There were no transfers between level 1, 2 and 3 during the period ended 30 September 2025 and 30 September 2024.

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26. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

Fair value of the Group's financial instruments that are measured at fair value on a recurring basis (continued)

The directors of the Company consider that the carrying amounts of the financial assets and financial liabilities measured at amortised cost in the condensed consolidated financial statements approximate to their fair value.

Reconciliation of Level 3 fair value measurements of financial assets

	Unlisted equity securities classified as financial assets at FVTPL HK$'000	Investment funds classified as financial assets at FVTPL HK$'000
As 1 April 2024	35,931	284,287
Addition	–	4,247
Disposal	–	(7,819)
Fair value movement	(12,420)	(794)
Exchange loss	(419)	(2,236)
As 30 September 2024	23,092	277,685
As 1 April 2025	9,043	277,462
Addition	–	9,860
Disposal	–	–
Fair value movement	1,208	7,664
Distribution paid	–	(22,779)
Exchange loss	–	61
As 30 September 2025	10,251	272,268

No sensitivity analysis is disclosed for the impact of changes in the relevant unobservable input for any of the level 3 financial instruments of the Group, as the management considers that the exposure is insignificant to the Group.

27. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the reporting period, the Group has entered into a term sheet in respect of a possible disposal of certain interest in the company holding the title or other rights in respect of The Ritz Carlton Hotel in Perth, Australia to an independent third party. Further details of the transaction are set out in the Company's announcement dated 11 November 2025.

Save as disclosed above, the events after the reporting period has been set out in Note 13 to the condensed consolidated financial statements.

28. COMPARATIVE FIGURES

Certain comparative figures have been reclassified in these condensed consolidated financial statements, which have no material effect on previously reported profit and equity, to conform with the current year's presentation.

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