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FAR EAST CONSORTIUM INTERNATIONAL LIMITED

遠東發展有限公司*

(Incorporated in the Cayman Islands with limited liability)

Website: <http://www.fecil.com.hk>

(Stock Code: 35)

USD360,000,000 Senior Guaranteed Perpetual Capital Notes

(Stock Code: 5781)

ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

RESULTS

The board of directors (the “Board”) of Far East Consortium International Limited (the “Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the financial year ended 31 March 2026 (“FY2026”) as follows:

BUSINESS UPDATE

- The global macroeconomic environment remains defined by a complex interplay of geopolitical tensions and structural shifts in trade, contributing to a landscape of persistent uncertainty. These conditions, compounded by localised conflicts and volatile commodity markets, have necessitated a focus on financial resilience and strategic agility. As businesses navigate this period of recalibration, the ability to maintain balance sheet strength while managing the impacts of prolonged inflationary pressures remains critical to long-term stability.
- The Hong Kong property development sector has undergone a period of significant structural transition over the past twelve months. While the market has seen a gradual stabilisation in transaction volumes, the broader recovery remains tempered by persistent macroeconomic constraints. In view of these prevailing conditions, the Group has maintained a disciplined approach toward its development activities and capital commitments. Recognising that the sector is navigating a prolonged recalibration phase, we have prioritised the optimisation of internal liquidity. Central to this strategy is an ongoing commitment to deleveraging through the recycling of non-core assets to strengthen the capital structure. By prioritising debt reduction and the systematic monetisation of completed inventory, the Group is focused on enhancing financial flexibility. This approach is intended to protect against short-term market volatility while preserving the capacity to respond to high-quality opportunities.

* For identification purposes only

- For the financial year ended 31 March 2026, the Group continued its strategic initiatives to monetise non-core assets, locking in a total transaction value of approximately HK\$2.5 billion. This capital recycling program comprised both completed divestments and newly executed transaction contracts during the financial year, including the completed disposal of the Group’s stake in BC Investment Group Holdings Limited (“BC Invest”), the sale of a mortgage portfolio in Hong Kong, and the divestment of mature car park assets in Malaysia, alongside binding agreements entered into for the disposal of a hotel and town hall in Hornsey, office development in London, 50% interest in The Ritz-Carlton Perth, and 49.9% interest in The Ritz-Carlton Melbourne.
- These actions reflect a commitment to financial discipline and to positioning the Group for sustainable growth within a volatile global landscape. Accordingly, as at 31 March 2026, the Group’s total bank loans and notes decreased by approximately HK\$1.9 billion to approximately HK\$23.5 billion, and the adjusted net gearing ratio⁽ⁱ⁾, a non-GAAP financial measure, was reduced to 63.0%. This resulted in an enhancement of the Group’s capital structure and a further strengthening of the statement of financial position.
- In FY2026, revenue decreased by 31.0% to approximately HK\$6.6 billion as compared with the financial year ended 31 March 2025 (“FY2025”). Adjusted revenue⁽ⁱ⁾, a non-GAAP financial measure, reflecting the Group’s revenue together with attributable revenue contributions from joint venture (“JV”) property development projects, decreased by 6.5% to approximately HK\$10.0 billion. This variance was primarily attributable to less residential property developments was completed and settled during the financial year.
- Despite the scheduled phasing of project completions across its geographical portfolio, which resulted in a decrease of property development revenue to approximately HK\$2.9 billion for FY2026, the Group’s other core businesses exhibited steady performance metrics, evidencing the stable nature of recurring income businesses amidst the cyclical nature of the property development business.
- Adjusted revenue from property development⁽ⁱ⁾, a non-GAAP financial measure, was approximately HK\$6.4 billion. In the United Kingdom (“UK”), Aspen at Consort Place in London reached completion in May 2025, with handover activities continuing throughout FY2026. In addition, the Group completed Victoria Riverside (Towers B and C) in Manchester, where the handover process commenced in July 2025. Property development revenue for the financial year was further supported by the monetisation of completed inventories including West Side Place in Melbourne, Australia and Mount Arcadia in Hong Kong. Within the JV property developments, The Pavilia Forest in Hong Kong and Dorsett Place Waterfront Subang (Towers A and B) in Malaysia reached completion, with both projects initiated the handover process in September 2025. In Australia, Queen’s Wharf Residences (Tower 4) in Brisbane continued to contribute to adjusted revenue⁽ⁱ⁾, a non-GAAP financial measure, through ongoing handovers.

- As at 31 March 2026, the cumulative attributable presales value of properties under development and unbooked contracted sales stood at approximately HK\$8.4 billion. The Group launched 640 Bourke Street in Melbourne, Australia in late February 2025, and received a positive response. 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 manage its development pipeline toward scheduled completion, including Victoria Riverside (Tower A) in Manchester, the UK, which is expected to reach completion in the first half of FY2027.
- In January 2026, the Group completed a development site designated for leasing purposes in Baoshan, Shanghai. The development comprises approximately 1,700 units with a lettable floor area of approximately 573,000 sq. ft.. Leasing operations commenced in late March 2026.
- Revenue from the Group’s hotel operations and management business increased by 14.6% to approximately HK\$2.4 billion for FY2026 as compared with FY2025. This growth was primarily attributable to steady performance across Malaysia, Singapore, the UK and Australia, providing an offset to moderated occupancy levels and softer revenue per available room in Chinese Mainland. In FY2026, the Group expanded its presence in London and Shanghai through the opening of Dorsett Canary Wharf London, Dao by Dorsett North London and HubX Shanghai. Furthermore, Dorsett Perth in Perth, Australia is scheduled to open in the second half of FY2027.
- Revenue from car park operations and facilities management amounted to approximately HK\$666 million representing a decrease of 6.6% as compared with FY2025. The Group continued to optimise the quality of its car park portfolio through the divestment of matured assets. In March 2026, the Group completed the disposal of car park assets in Malaysia for a consideration of MYR55.0 million. In parallel, the Group secured new contracts in both car park operations and facilities management which contributed to portfolio expansion and supported 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 31 March 2026. Revenue from the Group’s gaming business for FY2026 increased by 9.6% to approximately HK\$448 million as compared with FY2025, primarily driven by increased visitation following successful marketing initiatives launched in Austria.
- In December 2025, Palasino Group soft launched a new casino property in Czech Republic, Palasino Mikulov. This new casino property features a gaming floor equipped with 106 slot machines and 10 gaming tables, supported by a comprehensive loyalty programme designed to capture new customer segments and drive sustainable contributions to the local economy.

- On 31 March 2026, the Group, together with Chow Tai Fook Enterprises Limited (“JV Partner”, and collectively with the Group, the “JV Partners”) completed the acquisition of 50% equity interest in Destination Brisbane Consortium (“DBC”) from The Star Entertainment Group (“The Star”). Following this completion, the JV Partners each hold 50% equity interest in DBC and the Group recorded a gain of approximately HK\$726 million in FY2026 from the transaction. For further details, please refer to the Company’s announcements dated 12 August 2025, 22 August 2025, 17 November 2025 and 31 March 2026.
- The Group continued the execution of its deleveraging strategy through the monetisation of non-core assets and business, with the objective to reduce total indebtedness and reallocating capital to projects with higher return potential. In FY2026, the Group completed several divestments and entered into several agreements to accelerate its capital recycling program.
- In May 2025, the Group completed the disposal of its beneficial interest in a mortgage portfolio in Hong Kong for a consideration of approximately HK\$485 million, realising net proceeds of approximately HK\$344 million after accounting for the related participation agreement. The mortgage portfolio consists of mortgage loans secured on Hong Kong properties that were developed by the Group. For details, please refer to the Company’s announcements dated 22 May 2025, 27 May 2025 and 1 August 2025.
- In July 2025, the Group completed the disposal of its stake in the BC Invest with an initial consideration for 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. The Group realised a gain of approximately HK\$235 million from the transaction. For details, please refer to the Company’s announcements dated 28 February 2025, 2 May 2025 and 2 July 2025.
- In March 2026, the Group completed the disposal of its car park assets in Malaysia for a consideration of MYR55 million (equivalent to approximately HK\$105 million). The Group realised a gain of approximately MYR39.8 million (equivalent to approximately HK\$76 million) from the transaction. For details, please refer to the Company’s announcements dated 22 December 2025 and 30 March 2026.
- To further support its deleveraging objectives, the Group entered into several agreements that has reached or are expected to reach completion in FY2027. In the UK, the Group progressed with the disposal of its interests in the Hornsey Town Hall development, including the hotel and town hall, as well as its interest in an office asset in London. On 2 June 2026, the Group entered into a deed of variation to vary the terms of the sales and purchase agreements, and the revised aggregate consideration for the transactions is revised to approximately GBP59.5 million (equivalent to approximately HK\$627 million). The sale of the hotel was completed on 2 June 2026. The Group expected to record a gain of approximately GBP25.7 million (equivalent to approximately HK\$271 million) from the transactions. For further details, please refer to the Company’s announcements dated 25 February 2025, 9 May 2025, 6 March 2026 and 2 June 2026.

- Furthermore, in Australia, the Group reached an agreement in December 2025 to dispose of 50% interest in The Ritz-Carlton Perth for AUD100.0 million (equivalent to approximately HK\$515 million), and expects to record a gain of approximately AUD32.5 million (equivalent to approximately HK\$168 million) from the transaction. This transaction was subsequently completed post year-end on 29 May 2026. For further details, please refer to the Company's announcements dated 8 December 2025 and 29 May 2026. Post year-end, the Group reached another agreement in April 2026 to dispose of 49.9% interest in The Ritz-Carlton Melbourne for approximately AUD58.2 million (equivalent to approximately HK\$315 million). The Group expects to record a gain of approximately AUD18.3 million (equivalents to approximately HK\$99 million) from this transaction. For further details, please refer to the Company's announcement dated 1 April 2026.
- These transactions reflect the Group's ongoing commitment to optimising its asset base and strengthening its financial position.

FINANCIAL HIGHLIGHTS

- The Group's revenue decreased by 31.0% to approximately HK\$6,606 million in FY2026, primarily due to less property development completion as compared with FY2025. Net loss attributable to shareholders was approximately HK\$1,211 million. Aside from the lower contribution from property development, the result was primarily impacted by various impairment losses incurred during the financial year amounting to approximately HK\$1.2 billion, share of losses from JVs and associates, a decrease in fair value of investment properties, and a net foreign exchange loss. These factors were partially offset by the provisional gain from acquisition of the additional equity interest in DBC, as well as gains on disposal of interests in a JV and property, plant and equipment.
- Adjusted cash profit⁽ⁱ⁾, a non-GAAP financial measure, was approximately HK\$109 million. Loss per share in FY2026 decreased by 5.0% to HK39.6 cents. The Board resolved not to recommend a final dividend for FY2026 (FY2025: nil).
- The Group's adjusted total equity⁽ⁱ⁾, a non-GAAP financial measure, slightly decreased by 1.1% to approximately HK\$31,417 million as at 31 March 2026 as compared with 31 March 2025. This was mainly driven by the loss attributable to shareholders of the Company and a decrease in unrecognised hotel revaluation surplus, which was partly offset by an exchange gain in other comprehensive income of approximately HK\$1,015 million.
- The Group has continued to prudently manage its capital structure by refinancing shorter term debt through the bank market and monetising non-core assets and business. These initiatives were aimed at reducing indebtedness and optimising the Group's capital structure. The Group's total bank loans, notes and bonds reduced by 7.5% to approximately HK\$23.5 billion as at 31 March 2026 and net debt dropped 7.9% to approximately HK\$19.8 billion as at 31 March 2026 as compared with approximately HK\$21.5 billion as at 31 March 2025.

- The adjusted net gearing ratio⁽ⁱ⁾, a non-GAAP financial measure, decreased to 63.0%, reflecting improved capital management and disciplined financial execution. Net debt to adjusted total assets⁽ⁱ⁾, a non-GAAP financial measure, maintained at a healthy level of 32.6% as at 31 March 2026.
- The Group's liquidity position stood at approximately HK\$3,677 million, with a comfortable level of cash and marketable securities available as at 31 March 2026. Furthermore, the Group had approximately HK\$726 million in unencumbered hotel assets and unsold residential inventories as at 31 March 2026.
- Adjusted net asset value per share⁽ⁱ⁾, a non-GAAP financial measure, slightly decreased by 1.3% to approximately HK\$9.20 as at 31 March 2026 as compared to HK\$9.32 as at 31 March 2025. The Group has not repurchased any shares of the Company in FY2026.

POST YEAR END EVENTS

- On 1 April 2026, the Group entered into an agreement to dispose of a 49.9% interest in The Ritz-Carlton Melbourne for approximately AUD58.2 million (equivalent to approximately HK\$315 million) with completion expected in the first half of FY2027. For further details, please refer to the Company's announcement dated 1 April 2026.
- On 1 April 2026, the Group issued a notice to the holders of the 2019 Perpetual Capital Notes electing to defer the distribution scheduled for 18 April 2026. This distribution will be deferred to the next payment date in accordance with the terms and conditions of the 2019 Perpetual Capital Notes.
- On 29 May 2026, the Group completed the disposal of a 50% interest in The Ritz-Carlton Perth for an aggregate consideration of AUD100.0 million (equivalent to approximately HK\$515 million) and is expected to recognise a gain of approximately AUD32.5 million (equivalent to approximately HK\$168 million) from the transaction. For further details, please refer to the Company's announcements dated 8 December 2025 and 29 May 2026.
- On 2 June 2026, the Group entered into a sale and purchase agreement regarding the disposal of office in the UK and deed of variation with the purchaser to vary certain terms of the disposal of office, as well as certain terms of the disposal if hotel and town hall in the UK, the sale and purchase agreements of which were entered into in February 2025. Each of the conditions precedent under the original hotel sale and purchase agreement and the original town hall sale and purchase agreement has been fulfilled or waived as at the date of the deed of variation, and the disposal of the hotel was completed on the date of the deed of variation. The aggregate consideration for the transactions revised to approximately GBP59.5 million (equivalent to approximately HK\$627 million), covering the consideration for the target shares and the amount of the hotel loan and the office loans. The Group expected to record a gain of approximately GBP25.7 million (equivalent to approximately HK\$271 million) from the revised transactions. For further details, please refer to the Company's announcements dated 25 February 2025, 9 May 2025, 6 March 2026 and 2 June 2026.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (“ESG”) HIGHLIGHTS

- As a company listed in Hong Kong, the Group continues to place strong emphasis on evolving ESG disclosure standards, acknowledging its role in advancing sustainable growth and creating enduring value for stakeholders. To sharpen transparency in environmental reporting, the Group has implemented an AI-enabled carbon tracking system, enhancing both precision and efficiency in emissions measurement. Moving forward, ESG priorities will remain embedded in the Group’s strategic agenda and risk oversight, with sustainable finance initiatives and digital solutions serving as key drivers in accelerating decarbonisation efforts and reinforcing resilience against climate challenges.

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 year ended/ending 31 March is referred to as “FY” throughout this announcement.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 MARCH 2026

	<i>NOTES</i>	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Revenue		6,605,713	9,572,234
Cost of sales and services		(3,918,853)	(6,277,460)
Depreciation and impairment of hotel and car park assets		(568,630)	(474,639)
Impairment loss on properties for sale		(193,296)	(311,065)
Gaming tax		(162,002)	(148,417)
		<hr/>	<hr/>
Gross profit		1,762,932	2,360,653
Other income		160,430	173,236
Impairment losses (including reversals of impairment losses) on financial assets		(5,187)	(95,630)
Other gains and losses	4	293,492	187,306
Provisional gain from acquisition of the additional equity interest in Destination Brisbane Consortium Integrated Resort Holdings Pty Limited (“DBC”)	5	725,531	–
Change in fair value of investment properties		(33,875)	(235,963)
Administrative expenses			
– Hotel operations and management		(509,610)	(494,122)
– Others		(729,910)	(764,619)
Pre-operating expenses			
– Hotel operations and management		(7,956)	(20,913)
Professional fees in relation to listing of a subsidiary		–	(2,386)
Selling and marketing expenses		(294,244)	(507,249)
Share of results of associates		(375,714)	(386,573)
Share of results of joint ventures		(527,298)	(77,558)
Finance costs	6	(834,760)	(1,033,783)
		<hr/>	<hr/>
Loss before tax		(376,169)	(897,601)
Income tax expense	7	(469,413)	(102,094)
		<hr/>	<hr/>
Loss for the year	8	(845,582)	(999,695)
		<hr/>	<hr/>

	<i>NOTES</i>	2026 HK\$'000	2025 <i>HK\$'000</i>
Attributable to:			
Shareholders of the Company		(1,210,699)	(1,275,122)
Owners of perpetual capital notes		362,786	273,101
Other non-controlling interests		2,331	2,326
		<u>365,117</u>	<u>275,427</u>
		<u>(845,582)</u>	<u>(999,695)</u>
Loss per share	9		
Basic (<i>HK cents</i>)		<u>(39.6)</u>	<u>(41.7)</u>
Diluted (<i>HK cents</i>)		<u>(39.6)</u>	<u>N/A</u>

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**
FOR THE YEAR ENDED 31 MARCH 2026

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Loss for the year	(845,582)	(999,695)
Other comprehensive income (expense) for the year		
<i>Items that may be subsequently reclassified to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	1,015,398	(341,337)
Fair value change on debt instruments at fair value through other comprehensive income (“FVTOCI”)	258	(4,021)
Reclassification adjustment on disposal of debt instruments at FVTOCI during the year	11,320	14,648
Impairment loss recognised on debt instruments at FVTOCI included in profit or loss	–	9,372
Share of other comprehensive expense of an associate	(29,010)	(40,914)
<i>Item that will not be reclassified to profit or loss:</i>		
Fair value change on equity instruments at FVTOCI	2,155	(182,418)
Other comprehensive income (expense) for the year	1,000,121	(544,670)
Total comprehensive income (expense) for the year	154,539	(1,544,365)
Total comprehensive (expense) income attributable to:		
Shareholders of the Company	(206,947)	(1,817,698)
Owners of perpetual capital notes	362,786	273,101
Other non-controlling interests	(1,300)	232
	361,486	273,333
	154,539	(1,544,365)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 MARCH 2026

	<i>NOTES</i>	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Non-current Assets			
Investment properties		6,080,512	5,825,232
Property, plant and equipment		12,004,904	12,502,779
Goodwill		68,400	68,400
Finance lease receivables		88,594	–
Interests in associates		221,756	1,711,669
Interests in joint ventures		3,826,111	2,231,075
Investment securities		310,073	328,853
Deposits for acquisition of property, plant and equipment		3,952	92,640
Amounts due from joint ventures		1,991,644	2,202,234
Amounts due from associates		101,890	99,817
Amount due from an investee company		119,995	119,995
Loan receivables		630,933	622,627
Pledged deposits		4,666	4,980
Restricted bank deposits		19,492	17,911
Deferred tax assets		145,654	148,744
Other receivables		11,347	38,220
Other assets		69,750	155,133
		25,699,673	26,170,309
Current Assets			
Properties for sale			
Completed properties		3,083,114	3,810,392
Properties under development		6,205,599	6,506,517
Other inventories		14,056	14,470
Finance lease receivables		6,082	–
Debtors, deposits and prepayments	<i>11</i>	655,164	598,537
Customers' deposits under escrow		353,343	360,277
Contract assets		–	556,450
Contract costs		201,858	171,159
Amounts due from joint ventures		1,270,240	41,612
Amounts due from associates		3,967	19,084
Amount due from a shareholder of non-wholly owned subsidiary		23,800	22,739
Tax recoverable		120,290	104,306
Investment securities		765,670	806,246
Loan receivables		24,320	19,997
Derivative financial instruments		–	2,385
Restricted bank deposits		83,204	348,401
Pledged deposits		63,617	90,128
Cash and cash equivalents		2,497,929	2,377,354
		15,372,253	15,850,054
Assets classified as held for sale	<i>12</i>	1,199,692	522,993
		16,571,945	16,373,047

	<i>NOTES</i>	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Current Liabilities			
Creditors and accruals	13	2,512,142	1,831,703
Contingent consideration payables		155,347	–
Contract liabilities		610,160	653,680
Lease liabilities		45,009	47,923
Amount due to a related company		1,266	1,180
Amounts due to associates		8,858	7,137
Amount due to a director		–	69,882
Amounts due to joint ventures		131,986	145,123
Amounts due to shareholders of non-wholly owned subsidiaries		13,842	27,856
Notes		42,305	–
Tax payable		350,757	336,393
Bank and other borrowings		10,084,541	11,596,159
		<u>13,956,213</u>	<u>14,717,036</u>
Net Current Assets		<u>2,615,732</u>	<u>1,656,011</u>
Total Assets less Current Liabilities		<u>28,315,405</u>	<u>27,826,320</u>
Non-current Liabilities			
Lease liabilities		366,497	273,451
Notes		477,176	516,426
Bank and other borrowings		12,873,466	13,258,803
Deferred tax liabilities		1,069,489	676,240
Amount due to a related party		166,000	–
Amount due to a director		179,882	–
Contingent consideration payables		285,155	–
Other liabilities		2,902	2,852
		<u>15,420,567</u>	<u>14,727,772</u>
Net Assets		<u>12,894,838</u>	<u>13,098,548</u>
Capital and Reserves			
Share capital		305,904	305,904
Share premium		5,106,778	5,106,778
Reserves		4,204,909	4,411,363
Equity attributable to shareholders of the Company		<u>9,617,591</u>	<u>9,824,045</u>
Owners of perpetual capital notes		2,973,499	2,969,455
Other non-controlling interests		303,748	305,048
		<u>3,277,247</u>	<u>3,274,503</u>
Total Equity		<u>12,894,838</u>	<u>13,098,548</u>

NOTES

FOR THE YEAR ENDED 31 MARCH 2026

1. GENERAL

The Company was incorporated as an exempted company with limited liability in the Cayman Islands. The ultimate controlling shareholder is David CHIU. The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Company and its subsidiaries are together referred to as the Group.

2. APPLICATION OF AMENDMENTS TO AN HKFRS ACCOUNTING STANDARD

Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Group has applied following amendments to an HKFRS Accounting Standard as issued by the Hong Kong Institute of Certified Public Accountants (“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 consolidated financial statements:

Amendments to HKAS 21 Lack of Exchangeability

The application of the amendments to an HKFRS Accounting Standard in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

3. SEGMENT INFORMATION

The Group determines its operating segments based on internal reporting about components that are regularly reviewed by the chief operating decision makers (the “CODM”). Information reported to the Group’s CODM, 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 (including interests in associates and joint ventures) stated as below:

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

(a) **Segment revenue and results**

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

	Segment revenue		Segment profit (loss)	
	2026	2025	2026	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Property development				
– Australia	1,352,057	2,327,694	287,796	286,339
– HK	210,769	965,077	(893,618)	(268,389)
– Malaysia	–	–	35,113	32,365
– People's Republic of China excluding HK ("PRC")	31,798	27,853	20,251	1,928
– Singapore	5,925	562,364	16,702	(34,084)
– United Kingdom ("UK")	1,346,661	2,296,090	172,102	400,609
	2,947,210	6,179,078	(361,654)	418,768
Property investment				
– Australia	33,672	27,651	77,191	23,008
– HK	39,666	42,665	(154,893)	(105,969)
– PRC	33,606	41,850	104,318	(71,326)
– UK	5,112	7,619	2,539	7,371
	112,056	119,785	29,155	(146,916)
Hotel operations and management				
– Australia	694,244	584,129	63,047	(32,971)
– HK	885,706	707,667	94,030	19,779
– Malaysia	189,740	169,226	33,417	33,231
– PRC	172,500	194,003	(51,186)	2,450
– Singapore	120,539	103,942	26,308	18,890
– UK	155,667	158,904	(17,307)	7,810
– Europe (other than UK)	163,005	159,345	(4,328)	(3,414)
	2,381,401	2,077,216	143,981	45,775
Car park operations and facilities management				
– Australia and New Zealand	512,968	546,824	35,686	32,444
– UK	106,137	105,779	2,067	(14,257)
– Europe (other than UK)	6,688	32,148	(13,200)	(6,371)
– Malaysia	39,879	27,878	99,820	1,772
	665,672	712,629	124,373	13,588
Gaming operations				
– Australia	–	–	351,810	(378,540)
– Czech Republic	448,114	408,799	70,258	88,955
	448,114	408,799	422,068	(289,585)
Securities and financial product investments in HK	41,918	22,958	99,652	40,996

	Segment revenue		Segment profit (loss)	
	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Provision of mortgage services				
– Australia	1,802	29,937	269,208	33,069
– HK	7,540	21,832	2,433	21,332
	9,342	51,769	271,641	54,401
Segment revenue/segment profit	6,605,713	9,572,234	729,216	137,027
Unallocated corporate income and expenses			(163,988)	(152,789)
Net foreign exchange (loss) gain			(106,637)	151,944
Finance costs			(834,760)	(1,033,783)
Loss before tax			(376,169)	(897,601)

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, net foreign exchange (loss) gain, directors' emoluments and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

(b) 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 including investment properties held for sale without allocation of corporate assets which are mainly cash and cash equivalents.

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Property development		
– Australia	3,261,386	4,110,673
– HK	4,606,436	5,351,584
– Malaysia	337,928	281,734
– PRC	2,830,106	2,454,821
– Singapore	104,660	605,314
– UK	5,318,276	5,828,482
	16,458,792	18,632,608

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Property investment		
– Australia	474,493	362,060
– HK	2,628,216	2,773,171
– PRC	7,263	8,849
– UK	34,214	35,959
	3,144,186	3,180,039
Hotel operations and management		
– Australia	3,587,517	3,072,117
– HK	4,773,740	5,013,922
– Malaysia	749,975	697,001
– PRC	1,931,811	1,925,428
– Singapore	593,094	569,002
– UK	1,885,773	1,688,598
– Europe (other than UK)	269,615	245,583
	13,791,525	13,211,651
Car park operations and facilities management		
– Australia and New Zealand	901,232	811,165
– Europe	75,311	135,604
– Malaysia	113,457	126,556
	1,090,000	1,073,325
Gaming operations		
– Australia	3,231,513	1,635,258
– Czech Republic	201,075	156,399
	3,432,588	1,791,657
Securities and financial product investments in HK	958,218	1,008,093
Provision of mortgage services		
– Australia	559	353,386
– HK	661,539	647,820
	662,098	1,001,206
Segment assets	39,537,407	39,898,579
Unallocated corporate assets	2,734,211	2,644,777
Total assets	42,271,618	42,543,356

4. OTHER GAINS AND LOSSES

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Change in fair value of financial assets at fair value through profit or loss	62,152	41,784
Loss on disposal of debt instruments at FVTOCI	(11,320)	(14,648)
Change in fair value of derivative financial instruments	4,462	1,897
Net foreign exchange (loss) gain	(106,637)	151,944
Impairment loss on deposit for acquisition of properties, plant and equipment	(89,238)	–
Gain on disposal of property, plant and equipment	89,703	6,329
Gain on disposal of property, plant and equipment arising from finance lease arrangement	66,973	–
Gain on disposal of interest in a joint venture	277,397	–
	<u>293,492</u>	<u>187,306</u>

5. PROVISIONAL GAIN FROM ACQUISITION OF THE ADDITIONAL EQUITY INTEREST IN DBC

On 12 August 2025, the Group, together with Chow Tai Fook Enterprises Limited (“CTFE”), entered into an implementation deed (the “Deed”) with The Star to restructure their respective interests in the Queen’s Wharf Brisbane integrated resort project and certain other Australian assets (the “Transaction”). The Deed provides, among other things, for the Group and CTFE to acquire an additional 50% equity interest in DBC from The Star.

On 31 March 2026, the Group, together with CTFE, through their respective subsidiaries, completed the acquisition of the additional 50% equity interest in DBC from The Star (the “Acquisition”).

Prior to completion of the Acquisition, the Group held 25% equity interest in DBC, which was accounted for as an associate using the equity method in accordance with HKAS 28 Investments in Associates and Joint Ventures. Following completion of the Acquisition, the Group and CTFE each hold 50% equity interest in DBC. As all relevant activities of DBC requires the unanimous consent of both parties, the Group and CTFE are assessed to have joint control over DBC. Accordingly, DBC has been reclassified from an associate to a joint venture of the Group and continues to be accounted for using the equity method.

The additional 25% equity interest acquired by the Group as a result of the Transaction is recognised at HK\$1,166,033,000 as at 31 March 2026, representing the fair value of the additional share of DBC’s identifiable net assets, determined in accordance with HKFRS 13 Fair Value Measurement, and is included in interests in joint ventures.

The transfer of certain items included in the Consideration Payables is subject to certain regulatory approvals. If the Deed is terminated subsequent to completion of the Acquisition, the Acquisition remains valid and is not reversible. In such circumstances, alternative settlement mechanisms apply, including payments by the Group and CTFE to The Star an amount equal to any distributions received from a residential project and refund of cash payment (if received by The Star) as mentioned above.

The Contingent Considerations are contingent in nature. Based on management’s assessment, the satisfaction of the relevant conditions, including obtaining required regulatory approvals, is considered the most likely outcome. Accordingly, upon completion of the Acquisition, Consideration Payables of HK\$440,502,000 have been recognised, measured at fair value based on the estimated fair values of the assets and payments to be transferred.

A bargain purchase gain arising from the Transaction of HK\$725,531,000, together with deferred tax charge of HK\$309,626,000, has been recognised on a provisional basis in the consolidated financial statements for the year ended 31 March 2026.

6. FINANCE COSTS

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Interest on:		
Bank borrowings	1,106,819	1,585,943
Other loans	18,617	3,047
Interest on lease liabilities	11,615	14,315
Interest on notes	29,033	26,729
Amortisation of front-end fee of bank loans	25,183	30,205
Others	52,430	8,522
	<hr/>	<hr/>
Total interest costs	1,243,697	1,668,761
Less: amounts capitalised to:		
– properties for sale (properties under development)	(333,040)	(490,091)
– property, plant and equipment (owned properties under development)	(75,897)	(144,887)
	<hr/>	<hr/>
	834,760	1,033,783

7. INCOME TAX EXPENSE

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
The income tax expense (credit) comprises:		
Current tax:		
Hong Kong Profits Tax	34,524	84,798
PRC Enterprise Income Tax (“PRC EIT”)	4,821	11,693
PRC Land Appreciation Tax (“PRC LAT”)	5,231	2,217
Australia Income Tax	17,227	(197)
Malaysia Income Tax	6,493	2,659
UK Income Tax	12,854	66,325
Czech Republic Income Tax	12,053	13,505
	<hr/>	<hr/>
	93,203	181,000
Dividend withholding tax and interest withholding tax	53,883	22,824
(Over) under provision in prior years:		
Hong Kong Profits Tax	(30,075)	(5,959)
PRC LAT	(31)	–
Australia Income Tax	4,559	(23)
Malaysia Income Tax	4,073	4,506
UK Income tax	2,076	(2,373)
	<hr/>	<hr/>
	(19,398)	(3,849)
Deferred taxation	341,725	(97,881)
	<hr/>	<hr/>
	469,413	102,094

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years.

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

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

Pursuant to EIT Law and Implementation Regulations of the EIT Law, distribution of the profits earned by the subsidiaries in the PRC since 1 January 2008 to holding companies is subjected to the PRC withholding tax at the applicable tax rate of 5% or 10%.

The domestic statutory tax rate of Australia, Malaysia, Singapore, UK and Czech Republic is 30%, 24%, 17%, 25% and 21% (2025: 30%, 24%, 17%, 25% and 21%) of the estimated assessable profits, respectively.

8. LOSS FOR THE YEAR

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Loss for the year has been arrived at after charging:		
Cost of properties sold and construction contract recognised as an expense		
– Over time	–	555,950
– At point in time	<u>2,029,954</u>	<u>4,018,685</u>
	<u>2,029,954</u>	<u>4,574,635</u>
Auditor's remuneration		
– audit services	31,052	22,078
– non-audit services	1,430	1,276
Depreciation of property, plant and equipment (included depreciation of leased properties with HK\$35,389,000 (2025: HK\$49,823,000))	512,758	488,730
Amortisation of contract costs	214,175	414,553
Impairment loss on		
– property, plant and equipment included in “depreciation and impairment of hotel and car park assets”	86,185	6,749
– properties for sale	193,296	311,065
Staff costs (included HK\$680,028,000 (2025: HK\$654,058,000) in cost of sales and services)	<u>1,225,385</u>	<u>1,189,604</u>
and after crediting:		
Bank interest income	36,583	34,029
Other interest income	38,739	15,075
Government grants	<u>11,055</u>	<u>353</u>

9. LOSS PER SHARE

The calculation of the basic and diluted loss per share (2025: basic loss per share) attributable to the shareholders of the Company is based on the consolidated loss for the year attributable to the shareholders of the Company of HK\$1,210,699,000 (2025: HK\$1,275,122,000) and the number of shares calculated as follows:

	2026 '000	2025 '000
Weighted average number of ordinary shares for the purpose of basic and diluted (2025: basic) loss per share	<u>3,059,040</u>	<u>3,059,040</u>

No diluted loss per share is presented as there was no potential ordinary share in issue in 2025.

The computation of diluted loss per share does not assume the exercise of the Company's options since their assumed exercise would result in a decrease in loss per share for 2026.

10. DIVIDENDS

	2026 HK\$'000	2025 HK\$'000
Dividends recognised as distribution during the year:		
2026 interim dividend of HKnil cent per share (2025: 2025 interim dividend of HK1.0 cent per share)	–	30,349
2025 final dividend of HKnil cent per share (2025: 2024 final dividend of HK10.0 cents per share)	<u>–</u>	<u>281,760</u>
	<u>–</u>	<u>312,109</u>

The directors do not recommend payment of 2026 interim dividend (2025: recommend payment of 2025 interim dividend of HK1.0 cent per share).

The directors do not recommend payment of final dividend for the years ended 31 March 2025 and 31 March 2026.

11. DEBTORS, DEPOSITS AND PREPAYMENTS

Included in debtors, deposits and prepayments are trade debtors, net of allowance for expected credit losses, of HK\$345,736,000 (2025: HK\$128,694,000).

Trade debtors aged over 60 days are past due but are not impaired.

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 7 to 30 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.

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

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
0–60 days	321,774	113,728
61–90 days	3,201	2,607
Over 90 days	20,761	12,359
	<u>345,736</u>	<u>128,694</u>

12. ASSETS CLASSIFIED AS HELD FOR SALE

During the years ended 31 March 2026 and 2025, the Group entered into several disposal transactions:

- On 25 February 2025, the Group and AMTD IDEA Group (“Purchaser A”), an independent third party to the Group entered into two sale and purchase agreements (“SPAs”) to dispose 100% equity interest in Quality Hornsey Propco Limited (“Hotel PropCo”) with consideration being GBP22,656,000 (equivalent to approximately HK\$233,130,000) and 100% equity interest in Hornsey TH PropCo Limited with consideration being GBP24,544,000 (equivalent to approximately HK\$252,558,000). During the year ended 31 March 2026, the buyer exercised its right to extend the completion date under each SPA.
- On 28 February 2025, the Group entered into the Share Sale Deed (“SSD”) with BCSIHC Pty Ltd (as trustee for the BCSIHC Trust), an independent third party to the Group to dispose the entire interest held by the Group, being 12,149,864 shares of the BC Investment Group Holdings Limited (“BC Group”), a joint venture of the Group with consideration being 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. On 2 July 2025, the Group completed the sale of its entire 53.21% interest in BC Group, and resulting in a gain of HK\$277,397,000 (Note 4). Further details are set out in the Company’s announcement published on 28 February 2025.
- On 8 December 2025, the Group entered into a sale and purchase agreement with The Generation Essentials Group (“Purchaser B”), an independent third party to the Group, to dispose of a 50% interest in Perth FEC Pty Ltd and RC Perth Operations Pty Ltd (“Target Group”) for a consideration of A\$100,000,000 (equivalent to approximately HK\$535,000,000). Upon Completion, the Target Group will be owned as to 50% by the Purchaser B and 50% by the Group. The Target Group will cease to be subsidiaries of the Company and become a joint venture of the Group. Further details of the disposal are set out in the Company’s announcements dated 8 December 2025 and 31 May 2026.
- On 6 March 2026, the Group entered into a legally binding term sheet (“Term Sheet”) with the Purchaser A to sell an office building located at 40, Furnival Street, London, EC4A 1JQ (“UK Office”) for a consideration of GBP18,000,000 (equivalent to approximately HK\$185,200,000). Further details of the disposal are set out in the Company’s announcement dated 6 March 2026.

- On 2 June 2026, the Group entered into a deed of variation to the SPAs to vary the terms of the SPAs for the disposal of the equity interest in Hotel PropCo and Hornsey TH PropCo Limited and UK Office with a revised aggregate consideration of GBP59,500,000 (equivalent to approximately HK\$612,300,000) due to the change of the consideration for the disposal of UK Office from GBP18,000,000 (equivalent to approximately HK\$185,200,000) to approximately GBP12,300,000 (equivalent to approximately HK\$126,600,000) resulting from a change in structure from a direct sale of the UK Office to the equity interest in FEC Property Holdings (UK) Limited. Further details of the disposals are set out in the Company’s announcement dated 2 June 2026.

The related assets in respect of the above disposals have been classified as held for sale and are separately presented in the 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.

13. CREDITORS AND ACCRUALS

Included in creditors and accruals are trade creditors of HK\$387,557,000 (2025: HK\$380,209,000). The following is an aged analysis of the trade creditors, based on the invoice date:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
0–60 days	350,445	370,334
61–90 days	20,476	2,090
Over 90 days	16,636	7,785
	<u>387,557</u>	<u>380,209</u>

FINAL DIVIDEND

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

CLOSURE OF REGISTER OF MEMBERS

The Company’s forthcoming annual general meeting is scheduled to be held on 27 August 2026 (the “2026 AGM”).

For determining the eligibility to attend and vote at the 2026 AGM, the Register of Members of the Company will be closed from Monday, 24 August 2026 to Thursday, 27 August 2026, both days inclusive, during which period no transfer of shares of the Company will be registered. The record date for determining the eligibility of the shareholders of the Company to attend and vote at the 2026 AGM will be Thursday, 27 August 2026. In order to be eligible to attend and vote at the 2026 AGM, unregistered holders of shares of the Company should ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Friday, 21 August 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

1. Profit and loss analysis

The Company's consolidated revenue for FY2026 was approximately HK\$6.6 billion, a decrease of 31.0% as compared with FY2025, with less property development revenue recognition during the financial year. Adjusted gross profit⁽ⁱ⁾, a non-GAAP financial measure, came in at approximately HK\$2.4 billion, a decrease of 19.7% as compared with approximately HK\$3.0 billion for 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
FY2026						
Revenue	2,947,210	2,381,401	665,672	448,114	163,316	6,605,713
Gross profit	722,514	677,421	76,450	162,677	123,870	1,762,932
Depreciation	-	373,150 ⁽ⁱⁱ⁾	17,626 ⁽ⁱⁱ⁾	15,320	-	406,096
Impairment	193,296	61,933	21,132	-	-	276,361
Adjusted gross profit ⁽ⁱ⁾	915,810	1,112,504	115,208	177,997	123,870	2,445,389
Adjusted gross profit margin ⁽ⁱ⁾	31.1%	46.7%	17.3%	39.7%	75.8%	37.0%
FY2025						
Revenue	6,179,078	2,077,216	712,629	408,799	194,512	9,572,234
Gross profit	1,292,530	601,206	157,221	167,771	141,925	2,360,653
Depreciation	-	314,525 ⁽ⁱⁱ⁾	44,272 ⁽ⁱⁱ⁾	8,108	-	366,905
Impairment	311,065	6,749	-	-	-	317,814
Adjusted gross profit ⁽ⁱ⁾	1,603,595	922,480	201,493	175,879	141,925	3,045,372
Adjusted gross profit margin ⁽ⁱ⁾	26.0%	44.4%	28.3%	43.0%	73.0%	31.8%

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\$2,947 million in FY2026, representing a decrease of 52.3% as compared with FY2025. Accounting for the attributable revenue contributions from JV residential projects, adjusted revenue⁽ⁱ⁾, a non-GAAP financial measure, stood at approximately HK\$6,351 million in FY2026, representing a decrease of 13.1% as compared with approximately HK\$7,312 million in 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, Aspen at Consort Place in London, West Side Place in Melbourne and Mount Arcadia in Hong Kong. Contributions were further supported by JV projects including The Pavilia Forest in Hong Kong, Dorsett Place Waterfront Subang in Malaysia, Queen's Wharf Residences (Tower 4) in Brisbane. Adjusted gross profit⁽ⁱ⁾, a non-GAAP financial measure, of approximately HK\$916 million was recorded in FY2026, representing an adjusted gross profit margin⁽ⁱ⁾, a non-GAAP financial measure, of 31.1%. This represents an increase as compared with FY2025 which was primarily driven by higher gross profit margin recorded from properties sales in Australia, the UK and Hong Kong.

Revenue from hotel operations and management continued to grow, increased by 14.6% year-on-year to approximately HK\$2,381 million in FY2026. Adjusted gross profit margin⁽ⁱ⁾, a non-GAAP financial measure, increased to 46.7% in FY2026 from 44.4% in FY2025. This performance reflects the operational stabilisation of Dorsett Kai Tak in Hong Kong as well as an increase in occupancy and revenue per available room across the Group's hotel portfolio in Australia.

Car park operations and facilities management revenue amounted to approximately HK\$666 million in FY2026, representing a decrease of 6.6% as compared with FY2025. Adjusted gross profit⁽ⁱ⁾, a non-GAAP financial measure, of approximately HK\$115 million was recorded in FY2026. Adjusted gross profit margin⁽ⁱ⁾, a non-GAAP financial measure, decreased to 17.3% in FY2026 from 28.3% in FY2025, primarily driven by the increase in property holding cost, including land tax.

Revenue from gaming business increased by 9.6% to approximately HK\$448 million in FY2026 as compared with FY2025. Adjusted gross profit⁽ⁱ⁾, a non-GAAP financial measure, was approximately HK\$178 million with the adjusted gross profit margin⁽ⁱ⁾, a non-GAAP financial measure, decreased to 39.7% in FY2026 from 43.0% in FY2025. This decline was primarily due to the soft launch of new casino, Palasino Mikulov, and was under ramp up phase.

The Group's overall profitability in FY2026 was affected by lower contribution from property development and impacted by various impairment losses incurred during the financial year amounted to approximately HK\$1.2 billion, share of losses from JVs and associates, a decrease in fair value of investment properties, and a net foreign exchange loss. These factors were partially offset by the provisional gain from acquisition of the additional equity interest in DBC, as well as gains on disposal of interest in a JV and property, plant and equipment. As a result, the loss attributable to shareholders of the Company was approximately HK\$1,211 million in FY2026, representing a decrease of 5.1% as compared with HK\$1,275 million in FY2025. Adjusted cash profit⁽ⁱ⁾, a non-GAAP financial measure, was approximately HK\$109 million in FY2026.

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 31 March 2026.

Consolidated statement of financial position	As at 31 March 2026 HK\$'million	As at 31 March 2025 HK\$'million
Bank loans, notes and bonds		
Due within 1 year ⁽ⁱ⁾	10,127	11,596
Due 1–2 years	8,545	5,294
Due 2–5 years	3,757	7,368
Due more than 5 years	1,048	1,113
	<hr/>	<hr/>
Total bank loans, notes and bonds	23,477	25,371
	<hr/>	<hr/>
Investment securities	1,076	1,135
Bank and cash balances ⁽ⁱⁱ⁾	2,601	2,743
	<hr/>	<hr/>
Liquidity position	3,677	3,878
	<hr/>	<hr/>
Net debts⁽ⁱⁱⁱ⁾	19,800	21,493
	<hr/>	<hr/>
Carrying amount of the total equity ^(iv)	12,895	13,099
Add: hotel revaluation surplus ^(v)	18,522	18,681
	<hr/>	<hr/>
Adjusted total equity^(vi)	31,417	31,780
	<hr/>	<hr/>
Adjusted net gearing ratio^(vi) (net debts to adjusted total equity^(vi))	63.0%	67.6%
	<hr/>	<hr/>
Net debt to adjusted total assets^(vi)	32.6%	35.1%
	<hr/>	<hr/>

Notes:

- (i) Includes an amount of approximately HK\$694 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.
- (ii) Represents total restricted bank deposits, deposits in financial institutions and bank balances and cash.
- (iii) Represents total bank loans, notes and bonds less investment securities and bank and cash balances.

- (iv) Includes 2019 Perpetual Capital Notes.
- (v) Based on the independent valuations carried out as at 31 March 2026 (except Dorsett Canary Wharf London, the valuation of which was carried out after 31 March 2026).
- (vi) 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 effectively manage the Group’s liquidity position, a portion of its cash position is allocated to a marketable and liquid investment securities. Investment securities presented on the consolidated statement of financial position represent primarily fixed-income securities and investments in fixed-income funds, alongside investments in the listed shares and investments in notes.

The liquidity position of the Group as at 31 March 2026 was approximately HK\$3,677 million. The Group’s adjusted total equity^(vi), a non-GAAP financial measure, as at 31 March 2026 was approximately HK\$31,417 million, adjusting for the unrecognised hotel revaluation surplus of approximately HK\$18,522 million, which is based on independent valuations assessed as at 31 March 2026 (except Dorsett Canary Wharf London, the valuation of which was carried out after 31 March 2026), and includes the 2019 Perpetual Capital Notes.

The Group’s adjusted net gearing ratio^(vi), a non-GAAP financial measure, decreased to 63.0% as at 31 March 2026 as compared with 67.6% as at 31 March 2025. This positive trajectory was primarily driven by the successful completion of major property development projects, including Perth Hub in Australia, Victoria Riverside in Manchester, the UK, and Aspen at Consort Place in London, the UK, which generated robust cash inflows and enabled the full repayment of their respective construction loans.

Despite non-cash headwinds such as impairment losses and a decrease in the fair value of investment properties during the year, the Group’s disciplined capital recycling and debt reduction efforts yielded significant results. Over a three-year period, the Group’s total bank loans, notes, and bonds decreased by approximately HK\$8.8 billion to approximately HK\$23.5 billion as at 31 March 2026 from HK\$32.3 billion as at 31 March 2023. Concurrently, the adjusted net gearing ratio^(iv), a non-GAAP financial measure, was reduced by 10.8 percentage points to 63.0% from 73.8% over the same period, demonstrating sustained deleveraging and financial resilience.

This continuous improvement reflects the Group’s unwavering commitment to enhancing liquidity, managing debt levels and strengthening its overall financial position. The table below denotes the overall improvement in the Group’s total bank loans, notes and bonds, net debts and adjusted net gearing ratio^(vi), a non-GAAP financial measure.

	As at 31 March 2026 HK\$ million	As at 31 March 2025 HK\$ million	As at 31 March 2024 HK\$ million	As at 31 March 2023 HK\$ million
Total bank loans, notes and bonds	23,477	25,371	27,762	32,274
Net debts ⁽ⁱⁱⁱ⁾	19,800	21,493	22,842	25,729
Adjusted net gearing ratio ^(vi) (net debts to adjusted total equity ^(vi))	63.0%	67.6%	68.1%	73.8%

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

- **accelerating the completion of property development projects** – the Group expedited the completion of several major developments to accelerate capital recycling. Victoria Riverside (Towers B, C and Bromley Street) in Manchester, with a total expected gross development value (“GDV”) of approximately GBP101 million, commenced handovers in July 2025. These completions were largely finalised within FY2026, facilitating the full settlement of the construction loan for the entire development. Furthermore, Victoria Riverside (Tower A), with a total expected GDV of GBP100 million, is scheduled for completion in the first half of FY2027. These milestones have contributed to a reduction in the Group's debt levels and are expected to further advance future cash flows.
- **actively monetising inventory** – the Group continued to drive cash inflows by pursuing sales of existing inventory including Mount Arcadia in Hong Kong, Aspen at Consort Place in London, and West Side Place in Melbourne. Following the completion of The Pavilia Forest in Hong Kong in September 2025, the Group's existing inventory was valued at approximately HK\$7.0 billion as at 31 March 2026. The Group intensified its sales effort to monetise its existing inventory, supported by active selling campaigns across Hong Kong, Australia and the UK.
- **divesting non-core assets and business** – the Group successfully completed three significant non-core assets and business disposals in FY2026, involving (i) BC Invest; (ii) mortgage portfolio in Hong Kong; and (iii) car parks and certain assets in Malaysia. In additions, the Group entered into agreements for the disposal of (i) office, hotel and town hall in London; (ii) 50% stake in The Ritz-Carlton Perth; and (iii) 49.9% stake in The Ritz-Carlton Melbourne. Collectively, these completed and contracted disposals generated total cash inflows of approximately HK\$2.5 billion in FY2026. The proceeds were utilised for general working capital increasing liquidity and supporting the ongoing improvement of the Group's gearing ratio.

- optimising hotel portfolio for sustainable growth** – the Group strategically aligned hotel openings with the market recovery cycle to ensure a well-timed operational ramp-up and revenue contribution. Dorsett Kai Tak, Hong Kong, the Group’s flagship hotel in Hong Kong, soft opened in September 2024 and continues to provide excellent contributions to the Group. This development demonstrates an enhanced market presence in Hong Kong, which remains the Group’s largest contributor of hotel revenue. 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, 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.
- reduction in capital expenditure requirements** – the Group achieved a substantial reduction in outstanding capital expenditure requirements for its hotel pipeline. Following the completion and opening of major flagship hospitality properties globally, the remaining capital commitments required to bring the remaining hotel pipeline to completion have decreased significantly to approximately HK\$173 million. This reduction in near term development expenditure alleviates funding pressure, preserves internal cash resources, and directly supports the Group’s overarching objective of lowering overall leverage and protecting balance sheet liquidity.

	As at 31 March 2026 HK\$ million	As at 31 March 2025 HK\$ million
The Company’s notes	519	516
Unsecured bank loans	3,258	4,576
Secured bank loans		
– Property development and investment	5,908	6,664
– Hotel operations and management	13,415	13,230
– Car park operations and facilities management	293	288
– Gaming operations	44	54
– Others	40	43
Total bank loans, notes and bonds	23,477	25,371

As at 31 March 2026, total bank loans, notes and bonds amounted to approximately HK\$23.5 billion, representing a decrease of approximately HK\$1,894 million or 7.5% as compared with 31 March 2025. This reduction was primarily attributable to a decrease of approximately HK\$1.3 billion of unsecured bank loans, alongside the settlement of project-backed construction loans upon project completion during the financial year, totalling approximately HK\$756 million. Key settlements included loans related to Victoria Riverside in Manchester, Aspen at Consort Place in London and Perth Hub in Perth, alongside scheduled repayments made in accordance with respective terms.

As at 31 March 2026, the Group's bank loans, notes and bonds due within one year stood at approximately HK\$10,127 million. This balance included (i) approximately HK\$5,343 million in secured corporate, hospitality and car park loans which are expected to be rolled-over or refinanced to longer maturities; (ii) approximately HK\$1,159 million in secured development loans, the majority of which are intended to be repaid from project sales proceeds; (iii) approximately HK\$2,361 million in unsecured corporate loans; (iv) approximately HK\$570 million to be repaid in accordance with the existing repayment schedules; and (v) approximately HK\$694 million related to bank loans with a repayable on demand clause, which are consequently classified as current liabilities in accordance with accounting standards.

Bank loans, notes and bonds, denominated in:	As at 31 March 2026	As at 31 March 2025
HKD	69.9%	68.0%
AUD	14.3%	11.9%
SGD	3.0%	4.2%
GBP	2.8%	7.7%
RMB	8.9%	7.4%
Others	1.1%	0.8%
	100%	100%

As at 31 March 2026, the primary currency of indebtedness for the Group's bank loans, notes and bonds was Hong Kong dollar, representing approximately 69.9% of the Group's total bank loans, notes and bonds. Other significant currency debts included Australian dollar, Singapore dollar, Great British pound and Renminbi, which accounted for approximately 14.3%, 3.0%, 2.8% and 8.9% respectively.

As at 31 March 2026, approximately 99.9% of the Group's bank loans, notes and bonds were at floating rates, compared with 97.1% as at 31 March 2025, while the remaining portion was held at fixed rates. In FY2026, the average interest rate for bank loans decreased to 4.87% from 6.12% in FY2025. This reduction reflects the impact of the easing monetary environment and the Group's ongoing efforts to optimise its financing costs.

As at 31 March 2026, the Group's undrawn banking facilities, excluding those utilised for treasury functions, stood at approximately HK\$1,594 million. Of this amount, approximately HK\$752 million was allotted to development and construction facilities, while the remaining balance of approximately HK\$842 million was designated for general corporate use. Coupled with the clear visibility of revenue to be recognised from ongoing property development projects, these unutilised banking facilities provide the Group with sufficient financial resources to fund its existing operations and support sustainable growth.

In addition to these facilities, the Group holds unencumbered hotel properties with an estimated value of approximately HK\$726 million and unsold residential inventories. These assets represent a potential collateral for further bank borrowings and provides additional liquidity for the Group should the need arise.

3. Foreign exchange management

In 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 31 March 2026	As at 31 March 2025	Change
HK\$/AUD	5.35	4.87	9.9%
HK\$/RMB	1.13	1.07	5.6%
HK\$/MYR	1.94	1.75	10.9%
HK\$/GBP	10.29	10.05	2.4%
HK\$/CZK	0.37	0.34	8.8%
HK\$/SGD	6.06	5.79	4.7%
Average rate for	FY2026	FY2025	Change
HK\$/AUD	5.11	4.98	2.6%
HK\$/RMB	1.10	1.08	1.9%
HK\$/MYR	1.85	1.70	8.8%
HK\$/GBP	10.17	9.95	2.2%
HK\$/CZK	0.36	0.34	5.9%
HK\$/SGD	5.93	5.79	2.4%

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 FY2026 is analysed below:

	<i>HK\$ million</i>
AUD	(14.7)
RMB	(0.1)
MYR	(14.4)
GBP	(2.0)
CZK	(0.5)
SGD	(0.4)
Total impact	(32.1)

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\$992 million lower as at 31 March 2026 assuming exchange rates remained constant during FY2026.

4. Net asset value per share

	As at 31 March 2026 <i>HK\$ million</i>	As at 31 March 2025 <i>HK\$ million</i>
Equity attributable to shareholders of the Company	9,618	9,824
Add: Hotel revaluation surplus	18,522	18,681
	<hr/>	<hr/>
Adjusted net asset value attributable to shareholders⁽ⁱ⁾	28,140	28,505
	<hr/>	<hr/>
Number of shares issued (million)	3,059	3,059
Adjusted net asset value per share⁽ⁱ⁾	HK\$9.20	HK\$9.32

After adjusting for the revaluation surplus on hotel assets of approximately HK\$18,522 million based on independent valuations assessed as at 31 March 2026 (except Dorsett Canary Wharf London, the valuation of which was carried out after 31 March 2026), adjusted net asset value attributable to shareholders⁽ⁱ⁾, a non-GAAP financial measure, was approximately HK\$28,140 million. Adjusted net asset value per share⁽ⁱ⁾, a non-GAAP financial measure, for the Company as at 31 March 2026 was approximately HK\$9.20.

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 FY2026, the Group's capital expenditures amounted to approximately HK\$394 million, primarily attributable to the (i) Dorsett Canary Wharf London in London, the UK; (ii) Dorsett Perth in Perth, Australia; and (iii) long-lease residential development in Baoshan, Shanghai. 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 31 March 2026 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	173	302
– hotel properties to JV and associates	66	76
– investment properties	408	60
Commitment to provide credit facility to a JV	–	504
Capital injection to investment funds	22	33
Capital injection to JV and associates	453	412
	1,122	1,387

As at 31 March 2026, the Group's capital commitments amounted to approximately HK\$1,122 million, primarily attributable to the following developments: (i) hotels under QWB Project in Brisbane, Australia; (ii) Dorsett Perth, in Perth, Australia, and (iii) long-lease residential development in Baoshan, Shanghai. 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 are 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\$8.4 billion as at 31 March 2026. 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 31 March 2026.

Developments	Location	Attributable presales HK\$ million	Expected financial year of completion
Projects under presales			
Queen's Wharf Residences (Tower 5) ⁽ⁱ⁾	Brisbane	2,569	FY2029
The Star Residences – Epsilon (Tower 2) ⁽ⁱⁱ⁾	Gold Coast	573	FY2027
640 Bourke Street	Melbourne	1,490	FY2029
Victoria Riverside – Crown View (Tower A)	Manchester	1,011	FY2027
Collyhurst Village	Manchester	241	FY2027
Collyhurst Village Social/Affordable Housing	Manchester	133	FY2027
Red Bank Riverside – Falcon	Manchester	533	FY2030 – FY2031
Red Bank Riverside – Kingfisher	Manchester	818	FY2030 – FY2031
Sub-total		7,368	

Developments	Location	Attributable contracted sales <i>HK\$ million</i>
Contracted Sales of completed projects		
Queen's Wharf Residences (Tower 4) ⁽ⁱ⁾	Brisbane	3
West Side Place (Towers 1 and 2)	Melbourne	97
West Side Place (Towers 3 and 4)	Melbourne	31
Aspen at Consort Place	London	91
Victoria Riverside – Park View (Tower C)	Manchester	43
Victoria Riverside – Bromley Street	Manchester	27
Dorsett Place Waterfront Subang – Tower A ⁽ⁱ⁾⁽ⁱⁱⁱ⁾	Subang Jaya	52
Dorsett Place Waterfront Subang – Tower B ⁽ⁱ⁾⁽ⁱⁱⁱ⁾	Subang Jaya	47
King's Manor (Townhouse)	Shanghai	18
Mount Arcadia	Hong Kong	88
The Pavilia Forest ⁽ⁱ⁾	Hong Kong	580
Sub-total		1,077
Total		8,445

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 31 March 2026.

As at 31 March 2026, the expected attributable GDV of the Group's active residential property development projects under various stages of development across the regions was approximately HK\$58.8 billion.

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

Developments	Attributable saleable floor area ⁽ⁱ⁾ <i>Sq. ft.</i>	Expected attributable GDV ⁽ⁱⁱ⁾ <i>HK\$ million</i>	Launched/ expected launch	Expected financial year of completion
Pipeline developments				
Melbourne				
640 Bourke Street	519,000	4,145	Launched	FY2029
Brisbane				
Queen's Wharf Residences ⁽ⁱⁱⁱ⁾				
– Tower 5	350,000	2,966	Launched	FY2029
– Tower 6	169,000	1,283	Planning	FY2029

Developments	Attributable saleable floor area⁽ⁱ⁾ <i>Sq. ft.</i>	Expected attributable GDV⁽ⁱⁱ⁾ <i>HK\$ million</i>	Launched/ expected launch	Expected financial year of completion
Gold Coast				
The Star Residences ^(iv)				
– Tower 2 – Epsilon	109,000	574	Launched	FY2027
– Towers 3 to 5	374,000	1,966	Planning	Planning
Hong Kong				
Lam Tei, Tuen Mun	383,000	6,320	Planning	Planning
Ho Chung, Sai Kung ^(v)	19,000	485	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	3,498	Planning	Planning
Ensign House – Affordable Housing	108,000	425	Planning	Planning
Manchester				
MeadowSide (Plot 4)	244,000	1,257	Planning	Planning
Victoria North ^(vii)				
– Victoria Riverside				
– Crown View (Tower A)	207,000	1,031	Launched	FY2027
– Collyhurst Village	116,000	346	Launched	FY2027
– Collyhurst Village Social/Affordable Housing	87,000	133	Launched	FY2027
– Red Bank Riverside				
– Falcon	131,000	698	Launched	FY2030 – FY2031
– Kingfisher	230,000	1,254	Launched	FY2030 – FY2031
– NT02 – NT04	721,000	4,000	Planning	Planning
– Network Rail	1,532,000	8,497	Planning	Planning
– Others	967,000	5,365	Planning	Planning
Trafford	421,000	2,007	Planning	Planning
Trafford Affordable Housing	147,000	515	Planning	Planning
Malaysia				
Dorsett Place Waterfront Subang – Tower C ^(viii)	167,000	290	Launched	FY2027
Total developments pipeline as at 31 March 2026	7,607,000	51,822		

Developments	Attributable saleable floor area⁽ⁱ⁾ <i>Sq. ft.</i>	Expected attributable GDV⁽ⁱⁱ⁾ <i>HK\$ million</i>
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Completed developments available for sale

Melbourne

West Side Place

– Towers 1 and 2	19,000	116
– Towers 3 and 4	10,000	51

Brisbane

Queen's Wharf

Residences

– Tower 4 ⁽ⁱⁱⁱ⁾	1,000	8
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Perth

The Towers at Elizabeth

Quay	76,000	565
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London

Aspen at Consort Place

Hornsey Town Hall	148,000	1,913
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	11,000	96
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Manchester

Victoria North –

Victoria Riverside

– Park View (Tower C)	14,000	64
– Bromley Street	24,000	109

Malaysia

Dorsett Place

Waterfront Subang^(viii)

– Tower A	42,000	144
– Tower B	72,000	180

Shanghai

King's Manor

The Royal Crest II	5,000	37
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District 17A	2,000	15
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	5,000	28
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Guangzhou

Royal Riverside

	5,000	15
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Developments	Attributable saleable floor area⁽ⁱ⁾ <i>Sq. ft.</i>	Expected attributable GDV⁽ⁱⁱ⁾ <i>HK\$ million</i>
Hong Kong		
Marin Point	42,000	436
Manor Parc	17,000	247
Mount Arcadia	9,000	204
Mount Arcadia (4 Houses)	13,000	352
The Pavilia Forest ^(ix)	105,000	2,428
Total completed developments available for sale as at 31 March 2026	620,000	7,008
Total pipeline and completed developments available for sale as at 31 March 2026	8,314,000	58,963

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

640 Bourke Street, located in Melbourne adjacent to the West Side Place and Upper West Side, is a mixed-use development. The project will reach 68 levels, feature high-end 1-, 2-, and 3-bedroom apartments. The development consists of 629 residential units with a total saleable floor area of approximately 519,000 sq. ft., and an expected total GDV of approximately HK\$4.1 billion. Upon the launch of the development in late February 2025, approximately HK\$1,490 million worth of units were presold as at 31 March 2026. The Group has increased the price since March 2026. 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.

West Side Place is a completed mixed-use residential development in Melbourne's CBD comprising four towers with 1,377 apartments, featuring a 257-room Ritz-Carlton hotel in Tower 1 and a 316-room Dorsett hotel in Tower 3. Sales and settlements are expected to continue into FY2027. As at 31 March 2026, the expected GDV of completed stocks available for sale for Towers 1 and 2 was approximately HK\$116 million, of which approximately HK\$97 million was recorded as contracted sales. As at 31 March 2026, the expected GDV of completed stocks available for sale for Tower 3 and 4 was approximately HK\$51 million, of which approximately HK\$31 million was recorded as contracted sales.

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 263-room Dorsett hotel, with a total expected GDV of approximately HK\$855 million. The development is completed and all units have been handed over.

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. As at 31 March 2026, the expected GDV of the completed stocks available for sale was approximately HK\$565 million.

Brisbane

Queen's Wharf Residences is a development in which the Group holds 50% stake. Located adjacent to the QWB Project, it comprises three towers with approximately 2,000 apartments and a saleable floor area of approximately 1.5 million sq. ft.. The development has an expected total GDV of approximately HK\$11.7 billion (attributable GDV of approximately HK\$5.8 billion).

Tower 4 is the only residential tower directly connected to the QWB Project and features 666 residential apartments, with a total saleable floor area of approximately 506,000 sq. ft. and an expected total GDV of approximately HK\$3.2 billion (attributable GDV of approximately HK\$1.6 billion). The development has been completed and the handover process commenced in March 2025. As at 31 March 2026, the expected attributable GDV of the completed stocks available for sale was approximately HK\$8 million, of which approximately HK\$3 million was recorded as contracted sales.

Tower 5 initially comprises 847 residential apartments with a total saleable floor area of approximately 701,000 sq. ft., with a total expected GDV of approximately HK\$5.9 billion (attributable GDV of approximately HK\$3.0 billion). The remaining units have re-launched on the market in July 2025 with a further price adjustment. As at 31 March 2026, the Group presold approximately HK\$5.1 billion (attributable GDV of approximately HK\$2.6 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\$2.6 billion (attributable GDV of approximately HK\$1.3 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), 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\$1.7 billion (attributable GDV of approximately HK\$574 million). It also features the first Andaz Hotel in Australia with 202 rooms. As at 31 March 2026, the Group presold approximately HK\$1.7 billion (attributable GDV of approximately HK\$573 million) worth of units. Completion of the development is expected to be in FY2027.

United Kingdom

London

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

As at 31 March 2026, the expected GDV of its completed stocks available for sale was approximately HK\$1.9 billion, of which approximately HK\$91 million was recorded as contracted sales. Sales and settlements are expected to continue in FY2027.

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 31 March 2026, the expected GDV of its completed stocks available for sale was approximately HK\$96 million, which will be launched for sale following the hotel and other facilities within the development being 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. The residential units features a total saleable floor area of approximately 296,000 sq. ft. with an expected total 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 previously awarded GBP1.5 million to Transport for Greater Manchester to advance the outline business case. Since the last report, the Department for Transport has confirmed a capital investment of up to GBP 60 million to deliver the new tram stop, securing the means to complete this key strategic transport infrastructure by June 2030. Designed and delivered by Transport for Greater Manchester as part of an integrated transport settlement, this strategic infrastructure will connect Victoria North and its residents to a wide range of economic opportunities across Greater Manchester while driving local rental and capital value growth.

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\$2.1 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 31 March 2026. It is expected to be completed in first half of 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\$594 million. It was completed and commenced the handover process in July 2025, supporting the full repayment of the development loan. As at 31 March 2026, the expected GDV of the completed stocks available for sale was approximately HK\$64 million. Of this amount, approximately HK\$43 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\$176 million. As at 31 March 2026, the expected GDV of the completed stocks available for sale was approximately HK\$109 million. Of this amount, approximately HK\$27 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\$448 million. The first phases of homes for open market sale were completed in July 2025. A total presold value of approximately HK\$241 million was recorded as at 31 March 2026. 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\$133 million. Further phased completions are expected throughout 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 completed, with phased plot completions between FY2030 and FY2031.

Falcon, one of the residential towers within the Red Bank Riverside, was launched in late 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\$698 million. As at 31 March 2026, the Group presold approximately HK\$533 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\$818 million worth of units as at 31 March 2026.

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.

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 31 March 2026, the expected GDV of completed stocks available for sale of King's Manor was approximately HK\$37 million; and the expected GDV of completed stocks available for sale of Royal Crest II was approximately HK\$18 million.

Royal Riverside in Guangzhou is a 5-tower residential development. As at 31 March 2026, the expected GDV of completed stocks available for sale was approximately HK\$15 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\$1.7 billion. The development has been completed. As at 31 March 2026, the expected GDV of completed stocks available for sale was approximately HK\$204 million, of which approximately HK\$88 million was secured as contracted sales. The 4 houses, with an expected total GDV of approximately HK\$352 million, are planned to be launched for sale in the near term.

The Pavilia Forest is a residential development situated in Kai Tak. It 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 (attributable GDV of approximately HK\$5.2 billion). The development was completed in August 2025 and commenced the handover process in September 2025. As at 31 March 2026, the expected attributable GDV of the completed stocks available for sale was approximately HK\$4.9 billion (attributable GDV of approximately HK\$2.4 billion) worth of units. Of this amount, approximately HK\$580 million has been recorded as contracted sales.

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 31 March 2026, the expected GDV of completed stocks available for sale was approximately HK\$247 million.

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 31 March 2026, the expected GDV of completed stocks available for sale was approximately HK\$436 million.

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\$1.5 billion (attributable GDV of approximately HK\$485 million). Construction has commenced and is slated to complete in FY2027. The development is expected to be launched for sales in 2027, 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 approximately 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 210 residential units and 2,800 sq. ft. for commercial spaces. The development has obtained building plan approval. Foundation works have been completed, and superstructure construction is underway. It is expected to be completed in FY2028. The development is slated for launch in FY2027, subject to market condition.

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 31 March 2026, the expected attributable GDV of the completed stocks available for sales was approximately HK\$324 million. Of this amount, approximately HK\$99 million was recorded as contracted sales.

To optimise long-term recurring income, the Group evaluated a change of use for Tower C, which has been soft-launched as student accommodation under the name YOIHO Dorsett Waterfront Subang. Operations commenced following the first student check-in in May 2026. The first phase operational launch, backed by targeted marketing campaigns, is expected in the first half of FY2027. A full operational launch and grand opening are anticipated in the second half of FY2027, at which point the tower will reach full operational capacity.

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 31 March 2026, 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 FY2026, a fair value loss on investment properties of approximately HK\$34 million was recorded. As at 31 March 2026, the carrying value of investment properties was approximately HK\$6.1 billion (as at 31 March 2025: approximately HK\$5.8 billion).

Previously, the Group acquired two connected sites in Baoshan, Shanghai slated for the development of residential blocks designated for leasing purposes. First phase is completed with a lettable floor area of approximately 573,000 sq. ft., delivering 1,666 units. Leasing operation has commenced on 31 March 2026. And the second phase is initiating ground work and is expected to provide approximately 2,700 accommodation units. Completion of the second phase 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 31 March 2026, 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 Dao by Dorsett AMTD and Dorsett Changi City in Singapore. There are approximately 9,900 rooms distributed across Chinese Mainland, Hong Kong, Malaysia, Singapore, Australia, the UK and Continental Europe.

On 29 September 2025, the Group opened the 115-room HubX Shanghai marking its first hostel in Shanghai, Chinese Mainland. Situated on JinQiu Road in Baoshan, the hostel is located within a vibrant residential hub supported by a stable population base, in close proximity to expanding commercial facilities and educational institutions such as Shanghai University. It is well-positioned to attract a diverse range of guests, including visiting academics, families, and leisure travellers by offering convenience, modern amenities and accessibility within one of Shanghai’s emerging growth corridors.

On 1 October 2025, the Group officially launched Dorsett Canary Wharf London in London, the UK. It is the latest premium 4-star hotel and the third property under the Group’s portfolio in the city. 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. Against this backdrop, Dorsett Canary Wharf London is well placed to capture both corporate and leisure demand, leveraging the synergies of its prime location and the Group’s established reputation in the London hospitality market.

Moreover, the Group opened Dao by Dorsett North London during the year. Housed within the beautifully restored, Grade II listed Hornsey Town Hall, the property thoughtfully blends its original 1930s heritage features with contemporary finishes and modern amenities. A disposal agreement was strategically entered into for this property, enabling the Group to crystallise transaction gains, recycle capital, boost liquidity, and reduce net gearing. This alignment with divesting non-core assets reinforces the Group’s ongoing transition toward an asset-light strategy. For further details, please refer to the Company’s announcements dated 25 February 2025, 9 May 2025, 6 March 2026 and 2 June 2026.

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

	Occupancy rate ("OCC")		Average room rate ("ARR")			Revenue per available room ("RevPAR")			Revenue	
	FY2026	FY2025	FY2026	FY2025	%Change	FY2026	FY2025	%Change	FY2026	FY2025
			(LC)	(LC)		(LC)	(LC)		(LC' million)	(LC' million)
Hong Kong (HK\$)	89.3%	84.1%	761	704	8.1%	679	592	14.7%	886	708
Malaysia (MYR)	60.7%	61.2%	236	227	4.0%	144	139	3.6%	103	99
Chinese Mainland (RMB)	51.7%	59.4%	348	338	3.0%	180	201	-10.4%	157	180
Singapore (SGD) ⁽ⁱ⁾	85.2%	78.3%	199	196	1.5%	170	154	10.4%	20	18
United Kingdom (GBP)	54.9%	81.2%	131	129	1.6%	72	105	-31.4%	15	16
Australia (AUD) ⁽ⁱⁱ⁾	73.6%	67.6%	431	398	8.3%	317	269	17.8%	136	116
			(HK\$)	(HK\$)		(HK\$)	(HK\$)		(HK\$ million)	
Dorsett Group Total ⁽ⁱⁱⁱ⁾	73.4%	72.9%	870	785	10.8%	638	572	11.5%	2,218	1,918
Palasino Group	52.4%	52.4%	731	692	5.6%	383	372	3.0%	163	159

Notes:

- (i) Excludes Dao by Dorsett AMTD 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 FY2026, Dorsett Group recorded a total revenue of approximately HK\$2,218 million, representing an increase of 15.6% from approximately HK\$1,918 million in FY2025. OCC stood at 73.4%, marking an increase of approximately 0.5 percentage points as compared with approximately 72.9% in FY2025. ARR increased by 10.8% to approximately HK\$870 in FY2026 from approximately HK\$785 in FY2025. As a result, RevPAR increased by 11.5% to approximately HK\$638 per night during FY2026, from approximately HK\$572 per night during FY2025.

Looking ahead, the Dorsett Group will continue to pursue its strategic growth through an asset-light business model while selectively participating in strategic investments in asset ownership so as to enjoy potential capital appreciation and optimise long-term value creation. This strategy allows the Dorsett Group to capture upside from asset enhancement initiatives ("AEI") and operational improvements, while preserving its balance sheet strength and investment agility across different market cycles.

Hong Kong

The Group's hotel operations in Hong Kong experienced an increase in FY2026 in both OCC and ARR. Overall OCC increased by 5.2 percentage points to approximately 89.3% in FY2026, as compared to 84.1% in FY2025. ARR also rose by 8.1% to approximately HK\$761, from approximately HK\$704 in FY2025. As a result, total revenue for the Group's Hong Kong hotels increased by 25.1% to approximately HK\$886 million in FY2026 from HK\$708 million in FY2025.

Performance in the Hong Kong's hospitality sector reflects a competitive landscape where hotels have been 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 and the expanded Individual Visit Scheme to 59 Chinese Mainland cities, the Group is confident in Hong Kong's outlook. The latter half of the year saw a further push to establish the city as a premier destination for high-spending visitors, supported by the 2025 Policy Address initiatives such as the Halal certification subsidy scheme targeting the Middle East and ASEAN markets. The successful opening of the Kai Tak Sports Park and a robust calendar of mega-events – including the Hong Kong International Cultural Summit and major sports fixtures in 2026 – have reinforced Hong Kong's status as Asia's events capital.

Dorsett Kai Tak delivers strong operating performance during FY2026, benefitting from robust demand, improved connectivity and its proximity to major event venues. The hotel has demonstrated strong revenue momentum, reinforcing management's confidence in the long-term potential of the Kai Tak district as a major tourism and lifestyle destination.

In the near term, demand is expected to remain strong as supported by a robust event calendar, policy measures to attract high-spending visitors and improving sentiment, while the Group remains confident in Hong Kong's long-term position as a leading tourism and event hub in the region. Looking ahead, the Group will continue strategic initiatives to drive OCC and revenue through targeted marketing and innovative offerings tailored to the "tourism is everywhere" trend.

Malaysia

In 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 and India, which has been a cornerstone of the revitalised arrivals.

During the financial year, revenue from the Group's hotels in Malaysia increased 4.0% to approximately MYR103 million in FY2026 as compared with approximately MYR99 million in FY2025. The OCC stood at 60.7%, reflecting a slight decrease of 0.5 percentage points from 61.2% in FY2025. ARR experienced an increase of 4.0%, rising to approximately MYR236 in FY2026 as compared with approximately MYR227 in FY2025. RevPAR continued its upward trend, rising 3.6% to approximately MYR144 per night in FY2026, from approximately MYR139 per night in FY2025. This indicates strengthening demand for accommodations as more tourists choose Malaysia as their preferred destination.

In FY2026, the slight decline in OCC for the Group's hotels in Malaysia was primarily attributable to the negative impact on Dorsett Grand Labuan due to reduced corporate and project-related travel during the financial year, reflecting softer business activity in the local market, while Silka Maytower Kuala Lumpur faced with intensified competition arising from new and newly refurbished hotel supply within the Kuala Lumpur city centre, which weighed on occupancy despite stable tourist arrivals.

In response, the Group has implemented targeted turnaround measures, including sharpening sales focus towards long-stay, government and corporate segments, strengthening of distribution channels, and refining pricing strategies to improve demand capture. Cost discipline and operational efficiencies have also been reinforced to protect margins while recovery initiatives take effect.

Looking ahead, the management expects near-term performance to improve gradually as business travel normalises and competitive pressures stabilise. The Group remains confident in the long-term prospects of the Malaysian market, supported by sustained tourism inflows, improved connectivity and Malaysia's continued positioning as a cost-competitive leisure and business destination in Southeast Asia.

The Group opened Dao by Dorsett Puteri Cove in Iskandar Puteri, Malaysia on 15 May 2026, bringing the Dao by Dorsett brand to the country for the first time. The hotel is being introduced as a mixed-use stay option with strong appeal for both short and extended stays. Its location, suite-led offering and regional connectivity support demand from both business and leisure travellers seeking convenience, independence and comfort in one address.

Chinese Mainland

In FY2026, Chinese Mainland's domestic tourism remained strong, fuelled by longer holidays and government vouchers for cultural and rural travel. However, the hotel sector remained highly competitive due to the rapid expansion of domestic and foreign brands, driving ongoing innovation and pricing wars. Rising price sensitivity and economic caution continued to limit discretionary spending, while a shift toward "experience-led" and budget-friendly short-haul travel further diluted RevPAR. Simultaneously, expanded visa-free entry for 46 countries and a surge in outbound travel to Japan and Southeast Asia shifted significant demand overseas, particularly during the Golden Week and Lunar New Year periods.

In FY2026, OCC decreased 7.7 percentage points to 51.7% as compared with 59.4% in FY2025. However, ARR experienced an increase of 3.0% to approximately RMB348, from approximately RMB338 in FY2025. As a result, RevPAR decreased 10.4% to approximately RMB180 per night in FY2026, from approximately RMB201 per night in FY2025. Overall, the revenue for the Group's hotels in Chinese Mainland decreased 12.8% to approximately RMB157 million in FY2026 as compared with approximately RMB180 million in FY2025.

The softer performance of the Group's hotels in Chinese Mainland was primarily driven by weak operating results at Lushan Resort, which experienced lower occupancy due to its resort-oriented positioning and uneven recovery in discretionary leisure travel. Demand at the property was further impacted by heightened competition and more price-sensitive consumer behaviour amid a cautious macroeconomic environment, particularly outside peak holiday periods.

The remaining urban hotels of the Group within its Chinese Mainland portfolio demonstrated a relatively more stable operating trend, supported by steady domestic travel and gradual recovery in corporate and short-stay leisure demand.

To address this, the Group has implemented targeted corrective measures, including product repositioning, refreshed marketing initiatives focused on wellness and experiential travel, and more disciplined cost management to better align the operating model with prevailing demand.

Looking ahead, the management expects near-term performance to stabilise as domestic travel sentiment improves and demand becomes more evenly distributed throughout the financial year. Over the medium to longer term, the Group remains confident in the Chinese Mainland market, underpinned by continued urbanisation, infrastructure investment, and the structural growth of domestic tourism.

Singapore

Singapore's tourism sector delivered a steady performance in FY2026, with visitor arrivals showing year-on-year growth into the second half of the year. The improvement was supported by a heavy MICE (Meetings, Incentives, Conferences, Exhibitions) and events calendar, including the World Aquatics Championships, the Singapore FinTech Festival, and the Singapore Airshow 2026 in February 2026. These major events provided crucial prestigious hallmark event visibility and high-yield corporate demand.

Key factors affecting the overall FY2026 results included the persistent strength of the Singapore Dollar and an oversupply of hotel rooms in the Chinatown and central districts. 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, Dorsett Singapore reported an increase in OCC of 6.9 percentage points to 85.2% as compared with FY2025. ARR also experienced an increase of 1.5% to approximately SGD199, from approximately SGD196 in FY2025. This contributed to a 10.4% increase in RevPAR to approximately SGD170 per night. Overall, revenue for the Group's hotel in Singapore increased 11.1% to approximately SGD20 million in FY2026 as compared with approximately SGD18 million in FY2025.

The completion of renovation works at Dorsett Changi City underscored the Group's successful execution of AEI. The addition of new rooms and upgraded facilities has resulted in improved revenue performance and value creation, demonstrating the Group's ability to unlock incremental returns through targeted capital investment.

Looking ahead, near-term performance is expected to be supported by a strong pipeline of MICE and major events, continued corporate travel recovery and improving regional leisure demand. The Group remains confident in the long-term prospects of Singapore, underpinned by its role as a premier global business hub, sustained tourism investment and long-term demand resilience.

United Kingdom

In FY2026, the Group's hotel operations in the UK experienced a notable decline in overall OCC to approximately 54.9%, as compared with approximately 81.2% in FY2025. While ARR showed a modest increase of approximately 1.6% to approximately GBP131, RevPAR declined to approximately GBP72 per night in FY2026.

The decline in OCC was primarily attributable to the addition of two newly opened hotels – Dorsett Canary Wharf London and Dao by Dorsett North London – both of which commenced operations during FY2026 and are currently in their initial ramp-up phase. As with all new openings, these hotels typically operate below stabilised occupancy levels in the early months, which weighed on the overall regional occupancy.

Dao by Dorsett North London is currently in the early stage of operations and is classified as non-core following the Group's decision to divest the asset. Dorsett Canary Wharf London represents a key strategic addition to the Group's UK portfolio. Strategically located in London's global financial district, the hotel is well positioned to capture corporate, conference and premium leisure demand. Supported by a strong event calendar, expanding mixed-use developments and improving transport connectivity, the property is expected to achieve stabilised performance as brand awareness strengthens and occupancy ramps up.

The Group has adopted targeted commercial strategies, including strengthened corporate contracting, enhanced localised marketing, and demand diversification between leisure, long-stay and corporate segments. As these new properties mature and brand awareness improves, management expects a gradual uplift in occupancy and contribution to earnings.

Looking ahead, the Group remains cautiously optimistic on the near-term outlook for the UK hospitality market as inflationary pressures ease and travel demand stabilises, while maintaining strong confidence in the long-term prospects of London, supported by its role as a global financial, cultural and tourism hub.

Australia

The Group currently owns four hotels in Australia. The Ritz-Carlton Perth, The Ritz-Carlton Melbourne and Dorsett Melbourne were wholly owned during the financial year, while Dorsett Gold Coast is owned through a JV with 33.3% stake.

During FY2026, the Group entered into a sale and purchase agreement to dispose of a 50% interest in The Ritz-Carlton Perth for an aggregate consideration of AUD100.0 million (equivalent to approximately HK\$515 million). The transaction is subsequently completed post year-end in May 2026. In additions, the Group entered into another sale and purchase agreement post year-end in April 2026 to dispose of a 49.9% interest in The Ritz-Carlton Melbourne for an aggregated consideration of AUD58.2 million (equivalent to approximately HK\$315 million). The transaction is expected to be completed in the first half of FY2027.

During FY2026, overall OCC of the Group's hotels in Australia improved by 6.0 percentage points to 73.6% from 67.6% in FY2025, and ARR surged by 8.3% to approximately AUD431 from approximately AUD398 in FY2025, resulting in an increase in RevPAR by 17.8% to approximately AUD317 per night, as compared with the same period last year. Demand recovery drove growth across the Australian market in FY2026. Major cities recorded significant improvements in occupancy, with Brisbane and Perth leading in RevPAR growth, while Melbourne remained resilient despite new room supply entering the market.

International visitation reached approximately 92% of pre-pandemic levels by early 2026, bolstered by expanded air capacity and a surge in high-spending tourists seeking luxury and eco-friendly experiences. While some regional leisure-centric areas experienced a contraction as Australians resumed international travel, the Group's urban hotels performed strongly, particularly during peak periods for major sporting and cultural events.

Looking ahead, near-term performance is expected to remain resilient, supported by sustained international visitation, events-driven demand and strong urban market fundamentals. 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. Over the long term, the Group remains confident in Australia's growth prospects, driven by population growth, infrastructure development and continued demand for premium and experiential travel.

Notwithstanding this, the operating environment remains subject to external uncertainties, including geopolitical tensions in the Middle East, which may create short-term volatility in travel sentiment, air connectivity and operating costs. However, consistent with historical trends, the hospitality sector is expected to demonstrate resilience, supported by local demand sources and strong inter-state travel flows.

Continental Europe – Palasino Group

Hotels under Palasino Group saw a slight revenue improvement in FY2026 as compared with the same period last year. Overall OCC maintained at 52.4% and ARR increase by 5.6% to HK\$731. RevPAR slightly increased by 3.0% to HK\$383 per night in FY2026. As a result, total revenue from hotels under Palasino Group slightly increased to approximately HK\$163 million in FY2026 as compared to HK\$159 million in FY2025.

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 98,800 car park bays as at 31 March 2026. Among the 290 car parks, 19 are self-owned with 3,875 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\$666 million, a 6.6% decrease as compared with 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 17.3% in FY2026, which is primarily driven by the increase in property holding cost, including land tax.

As part of the Group's monetisation strategy, the Group completed the disposal of its car park assets in Malaysia for a consideration of MYR55.0 million (equivalent to approximately HK\$105 million) in March 2026. The Group realised a gain of approximately MYR39.8 million (equivalent to approximately HK\$76 million) from the transaction. For details, please refer to the Company's announcements dated 22 December 2025 and 30 March 2026.

During FY2026, Care Park continued to execute its transformation agenda, strengthening the foundations required to support long-term, scalable growth. A major milestone during the year was the launch of Care Park's proprietary mobile application ("Care Park Application") across New Zealand, Australia and the UK, enhancing direct customer engagement and creating a consistent digital experience across sites. This investment provides greater control over pricing, data and future product development and supports the Group's broader technology strategy. In parallel, Care Park introduced dynamic pricing capability in Australia, enabling automated, data-driven yield management without manual intervention. Together, these initiatives enhance pricing agility, optimise asset performance and support improved revenue outcomes over time.

Alongside these technology investments, Care Park continued the centralisation of support and operational functions, resulting in further efficiency gains and a targeted reduction in headcount as duplicated and labour-intensive activities were removed from the operating model. This disciplined approach has lowered the Group's fixed cost base and improved consistency, governance and scalability across regions. The business has also accelerated the adoption of AI-enabled tools across core functions to support decision-making, automation and operational efficiency, reinforcing Care Park's position as an industry leader in technology-led parking management. While cost discipline remained a key focus during FY2026, the strategic priority continues to be growth, with a simplified, centralised and technology-enabled structure now in place to support expansion and enhanced site performance in future years.

4. Gaming operations and facilities management

Palasino Group

The Group operates its portfolio of one integrated land-based casino and three 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 on 26 March 2024. The Group owns 71.62% of Palasino Group as at 31 March 2026.

Palasino Group launched a new casino property, Palasino Mikulov, in Czech Republic during the second half of FY2026. This new casino property features a gaming floor equipped with 106 slot machines and 10 gaming tables, supported by a comprehensive loyalty programme designed to capture new customer segments and drive sustainable contributions to the local economy.

Revenue from the Group's gaming business in FY2026 were approximately HK\$448 million, an increase of 9.6%, compared to approximately HK\$409 million in FY2025. The increase was primarily due to increase in table games hold percentage and slot volumes deriving from increased visitation as a result of continual successful marketing and promotions as well as advertising campaigns.

The following tables set forth certain operating data of Palasino's casinos for the year ended 31 March 2026:

	As at 31 March 2026	As at 31 March 2025
Number of slot machines	738	630
Number of tables	67	57
	FY2026	FY2025
Slots revenue (<i>HK\$ million</i>)	349	326
Table game revenue (<i>HK\$ million</i>)	99	82
Average slot win per machine per day (<i>HK\$</i>) ⁽ⁱ⁾	1,454	1,420
Table games hold percentage ⁽ⁱⁱ⁾	27.7%	24.3%

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 had 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 period 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 Hotel with 340 rooms, an event centre, Sky Deck, car parks, public spaces, and select 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 FY2027.

On 31 March 2026, the Group together with its JV partner successfully completed the ownership transaction with The Star, whereby the JV Partners have become 50/50 joint owners of DBC. The transaction supports the ongoing employment of more than 2,700 jobs, contributing to continuity for employees and stability for the precinct. For details, please refer to the announcements of the Company dated 12 August 2025, 22 August 2025, 17 November 2025 and 31 March 2026.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Group continues to embed sustainability at the core of its strategy, turning climate action into a driver of long-term growth. Building on earlier initiatives, work is underway to advance a comprehensive net zero roadmap, aligned with the latest scientific findings, global standards, and industry best practices. Updated emissions projections are being refined to guide both short-term milestones and long-range targets.

During FY2026, the Group deepened its ESG commitments, reinforcing resilience and sustainable value creation for investors. Using the Task Force on Climate-Related Financial Disclosures framework, the Group broadened its climate risk evaluation through expanded scenario modelling and closer stakeholder dialogue, identifying material risks and

opportunities across operations. These insights have been integrated into risk management and strategic planning, ensuring readiness for regulatory changes and positioning the Group to benefit from the transition to a low-carbon economy.

At the same time, monitoring and reporting capabilities were strengthened through continued deployment of the AI-driven carbon reporting platform. This tool has enhanced the timeliness, efficiency, and granularity of emissions data, equipping management with actionable intelligence to support decision-making. Collectively, these measures highlight the Group's determination to accelerate progress, reinforce resilience, and encourage wider participation in building a sustainable and climate-ready future.

OUTLOOK

The past financial year was defined by a challenging operating environment. While the Group remained focused on execution across its core business segments, revenue experienced a decline primarily due to the scheduled phasing of project completions and a lower volume of residential settlements compared with the previous year. In response, the Group has demonstrated disciplined management of its capital structure. As at 31 March 2026, net debt decreased to HK\$19.8 billion, and the adjusted net gearing ratio⁽ⁱ⁾, a non-GAAP financial measure, declined to 63.0%. This improvement reflects a commitment to prudent financial management and disciplined capital allocation. Looking ahead, the Group will continue to prioritise the reduction of net debt and the further improvement of its gearing position through active portfolio refinement, the monetisation of non-core assets, and the careful deployment of capital.

In property development, significant cash flow visibility is provided by the scheduled handover of several landmark projects over the next 24 months. The completion of Victoria Riverside (Tower A) in Manchester and the continued settlement of units at Aspen at Consort Place in London are expected to contribute materially to debt repayment and liquidity. The expected attributable GDV of active residential projects stood at approximately HK\$58.8 billion as at 31 March 2026. This pipeline is considered sufficient to support revenue growth over the next six to eight years, and the Group does not anticipate an urgent need to replenish land resources in the near term. Consequently, the Group will continue to adopt a selective and disciplined approach to future land acquisitions.

Market reception for 640 Bourke Street in Melbourne has remained positive since its launch in late February 2025, reinforcing the near-term revenue pipeline and supporting a price increment implemented in March 2026 to reflect its prime location. In Hong Kong, the Group is planning to launch its Sai Ying Pun project and Ho Chung, Sai Kung project in Hong Kong in the second half of FY2027, subject to prevailing market conditions. Furthermore, the cumulative attributable presales value and unbooked contracted sales of approximately HK\$8.4 billion as at 31 March 2026, provide significant visibility and capital for future development phases.

The Group's transition toward an asset-light model in the hospitality and car park segments will underpin the growth of recurring income. The operational ramp-up of Dorsett Kai Tak in Hong Kong, alongside the new opening of HubX Shanghai and Dorsett Canary Wharf London, provides a stable foundation for revenue.

The Group currently has 4 hotels in its development pipeline, with Dorsett Perth scheduled to open within the next twelve months. In the car park segment, the Group remains committed to divesting mature assets to streamline operations while pursuing new management contracts. Digital transformation initiatives are also underway to improve operational efficiency across the portfolio.

In addition, the completion of the first phase of long-lease development in Baoshan, Shanghai which consists of 1,666 units in March 2026, marks the commencement of leasing operations, which is expected to generate a new stream of recurring cash inflows. The second phase is initiating ground work and is expected to provide approximately 2,700 accommodation units. Completion of second phase is expected in FY2029.

Within the gaming segment, Palasino Group launched a new casino in Mikulov, Czech Republic, in December 2025. The Group's gaming segment expects to benefit from increased visitation and operational scaling.

Regarding the QWB project, the Group remains confident in its long-term growth prospects and value creation, particularly in the light of the 2032 Olympic Games. The Group increased its investment in DBC to a 50% stake on 31 March 2026, a move expected to unlock opportunities for operational improvement.

As part of its prudent financial strategy, the Group has recognised material impairments across several investments, primarily DBC, The Pavilia Forest and certain residential developments and hotel assets, thereby laying a foundation for improved future performance. Reflecting its ongoing commitment to deleveraging and cash preservation, the Group has elected to defer the distribution on its 2019 Perpetual Capital Notes. This aligns with a strong track record of reducing total debt by approximately HK\$8.8 billion since 31 March 2023, which improved the adjusted net gearing ratio⁽ⁱ⁾, a non-GAAP financial measure, from 73.8% to 63.0% over a three-year period. Moving forward, the Group remains dedicated to reducing debt levels and delivering sustainable value to its stakeholders through financial resilience and disciplined execution.

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 announcement. 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) change in fair value of derivative financial instruments; (iii) provisional gain acquisition of the additional equity interest in DBC; (iv) change in fair value of investment properties (after tax); (v) loss on disposal of debt instruments at fair value through other comprehensive income (“FVTOCI”); (vi) share of impairment loss recognised by an associate and a JV; (vii) impairment loss on properties for sale; (viii) impairment loss (including reversals of impairment losses) on financial assets; (ix) impairment loss on deposit for acquisition of property, plant and equipment; (x) deferred tax expense from provisional gain on asset swaps; and (xi) depreciation and impairment of property, plant and equipment; 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) change in fair value of derivative financial instruments; (iii) gain acquisition of the additional equity interest in DBC; (iv) change in fair value of investment properties (after tax); (v) loss on disposal of debt instruments at FVTOCI; (vi) share of impairment loss recognised by an associate and a JV; (vii) impairment loss on properties for sale; (viii) impairment loss (including reversals of impairment losses) on financial assets; (ix) impairment loss on deposit for acquisition of property, plant and equipment; (x) deferred tax expense from gain on asset swaps; and (xi) depreciation and impairment of property, plant and equipment; 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 2026 (except Dorsett Canary Wharf London, the valuation of which was carried out after 31 March 2026) and 31 March 2025, respectively 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 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 2026 (except Dorsett Canary Wharf London, the valuation of which was carried out after 31 March 2026) and was not recognised in the Group's consolidated financial statements divided by the number of shares issued as at 31 March 2026 and 31 March 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 2026 (except Dorsett Canary Wharf London, the valuation of which was carried out after 31 March 2026) and 31 March 2025, respectively 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 2026 (except Dorsett Canary Wharf London, the valuation of which was carried out after 31 March 2026) and 31 March 2025, respectively 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 2026 (except Dorsett Canary Wharf London, the valuation of which was carried out after 31 March 2026) and 31 March 2025, respectively 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 developments, which are 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 developments, which are 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.

The following tables set forth the reconciliations of the Group's non-GAAP financial measures for the years ended 31 March 2026 and comparative figures to the nearest measures prepared in accordance with HKFRS:

	FY2026 HK\$'000	FY2025 <i>HK\$'000</i>
Loss attributable to the shareholders of the Company	(1,210,699)	(1,275,122)
Less: Change in fair value of financial assets at FVTPL	(62,152)	(41,784)
Change in fair value of derivative financial instruments	(4,462)	(1,897)
Provisional gain from acquisition of the additional equity interest in DBC	(725,531)	–
Add: Change in fair value of investment properties (after tax)	72,009	210,368
Loss on disposal of debt instruments at FVTOCI	11,320	14,648
Share of impairment loss recognised by an associate and a JV	849,022	465,875
Impairment loss on properties for sale	193,296	311,065
Impairment loss (including reversals of impairment losses) on financial assets	5,187	95,630
Impairment loss on deposit for acquisition of property, plant and equipment	89,238	–
Deferred tax expense from provisional gain of asset swaps	309,626	–
Depreciation and impairment of property, plant and equipment ⁽ⁱ⁾	582,561	487,224
Adjusted cash profit (Non-GAAP)	109,415	266,007
Adjusted cash profit margin (Non-GAAP)	1.7%	2.8%
	FY2026 HK\$'000	FY2025 <i>HK\$'000</i>
Gross profit	1,762,932	2,360,653
Depreciation ⁽ⁱⁱ⁾	406,096	366,905
Impairment	276,361	317,814
Adjusted gross profit (Non-GAAP)	2,445,389	3,045,372
Adjusted gross profit margin (Non-GAAP)	37.0%	31.8%

	As at 31 March 2026 HK\$'million	As at 31 March 2025 HK\$'million
Equity attributable to shareholders of the Company	9,618	9,824
Hotel revaluation surplus ⁽ⁱⁱⁱ⁾	18,522	18,681
Adjusted net asset value attributable to shareholders (Non-GAAP)	28,140	28,505
Number of shares issued (<i>million</i>)	3,059	3,059
Adjusted net asset value per share (Non-GAAP)	HK\$9.20	HK\$9.32
	As at 31 March 2026 HK\$'million	As at 31 March 2025 HK\$'million
Total assets	42,272	42,543
Hotel revaluation surplus ⁽ⁱⁱⁱ⁾	18,522	18,681
Adjusted total assets (Non-GAAP)	60,794	61,224
	As at 31 March 2026 HK\$'million	As at 31 March 2025 HK\$'million
Total equity	12,895	13,099
Hotel revaluation surplus ⁽ⁱⁱⁱ⁾	18,522	18,681
Adjusted total equity (Non-GAAP)	31,417	31,780
Net debts	19,800	21,493
Adjusted net gearing ratio (net debts to adjusted total equity) (Non-GAAP)	63.0%	67.6%

	FY2026 <i>HK\$'million</i>	FY2025 <i>HK\$'million</i>
Revenue	6,605,713	9,572,234
Attributable sales from JV residential developments	3,403,530	1,132,426
Adjusted revenue (Non-GAAP)	10,009,243	10,704,660
	FY2026 <i>HK\$'million</i>	FY2025 <i>HK\$'million</i>
Revenue from property development	2,947,210	6,179,078
Attributable sales from JV residential developments	3,403,530	1,132,426
Adjusted revenue from property development (Non-GAAP)	6,350,740	7,311,504

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 2026 (except Dorsett Canary Wharf London, the valuation of which was carried out after 31 March 2026) and 31 March 2025, respectively.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2026, 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.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

Throughout FY2026, 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 Rules Governing the Listing of Securities on the Stock Exchange, 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.

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, standard 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 audited consolidated results of the Group for FY2026.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2026 as set out in the preliminary announcement have been agreed by the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on 25 June 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During FY2026, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares).

As at 31 March 2026, there were no treasury shares held by the Company.

PUBLICATION OF THE RESULTS AND ANNUAL REPORT

This results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.fecil.com.hk. The Annual Report of the Company for FY2026 and the notice of 2026 AGM will be despatched to the shareholders of the Company (if necessary) and published on the websites of the Stock Exchange and the Company in due course.

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

Hong Kong, 25 June 2026

As at the date of this announcement, the Board comprises six executive directors, namely Tan Sri Dato' David CHIU, Mr. Cheong Thard HOONG, Mr. Dennis CHIU, Mr. Craig Grenfell WILLIAMS, Ms. Wing Kwan Winnie CHIU and Ms. Jennifer Wendy CHIU; and three independent non-executive directors, namely Mr. Kwong Siu LAM, Mr. Wai Hon Ambrose LAM and Mr. Lai Him Abraham SHEK.