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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 SIX MONTHS ENDED 30 SEPTEMBER 2026

BUSINESS UPDATE

- During the six months ended 30 September 2026 ("1H FY2027"), the Group remained steadfastly focused on its core businesses, demonstrating operational resilience to deliver solid results despite persistent market headwinds across its operating cities. Adjusted cash profit[(i)], a non-GAAP financial measure, rose by 122.9% to HK$453 million and net profit attributable to shareholders during the period was HK$255 million. The turnaround from a net loss in the same period last year was primarily attributable to the aggregate net gain on the disposals of certain non-core assets, the absence of share of impairment losses of a joint venture ("JV") and an associate, the absence of the impairment loss on properties for sale, and a net fair value gain on investment properties.

- Concurrently, the Group demonstrated proven progress in balance sheet deleveraging during the period. As at 30 September 2026, the Group's total bank loans, notes, and bonds decreased by HK$1,654 million to HK$21,823 million, while net debt decreased by HK$1,413 million to HK$18,387 million. Reflecting this improved capital structure and disciplined financial execution, the adjusted net gearing ratio[(i)], a non-GAAP financial measure, reduced to 58.8%, further fortifying the Group's statement of financial position.

* *For identification purposes only*

- In 1H FY2027, revenue decreased by 34.1% to approximately HK$2.3 billion as compared with approximately HK$3.5 billion for the six months ended 30 September 2025 ("1H FY2026"). Adjusted revenue[(i)], a non-GAAP financial measure, reflecting the Group's revenue together with attributable revenue contributions from JV property development projects, decreased by 21.9% to approximately HK$3.7 billion. This variance was primarily attributable to the scheduled phasing of residential project completions and handovers during the period.

- Adjusted revenue from property development[(i)], a non-GAAP financial measure, for the period was approximately HK$2.1 billion. In the United Kingdom ("UK"), Victoria Riverside (Tower A) in Manchester reached completion in July 2026, with handover activities continuing throughout the second half of FY2027. In Australia, the JV development, The Star Residences (Tower 2) – Epsilon, reached completion in July 2026 and commenced the handover process in August 2026.

- Property development revenue for the period was further supported by the steady monetisation of completed inventories, including Mount Arcadia in Hong Kong, Aspen at Consort Place in London, the UK, and West Side Place in Melbourne, Australia. Concurrently, JV developments including The Pavilia Forest in Hong Kong and Dorsett Place Waterfront Subang (Towers A and B) in Malaysia continued to contribute through ongoing unit handovers.

- In Hong Kong, the Group continues to support the Hong Kong Government's Northern Metropolis development blueprint. Through ongoing sales of completed inventory at Manor Parc in Yuen Long and the advancement of the Lam Tei development pipeline in Tuen Mun, the Group is well-positioned to capture structural housing demand and establish visible profit and operating cash flow streams over the near to medium term.

- As at 30 September 2026, the cumulative attributable presales value of properties under development and unbooked contracted sales stood at approximately HK$6.1 billion. Looking ahead, the Group is preparing to launch 181 Clearwater and Sai Ying Pun project in Hong Kong in the second half of FY2027. Both projects are expected to be completed in FY2028.

- Revenue from the Group's hotel operations and management business increased by 4.4% to approximately HK$1,117 million for 1H FY2027 as compared with the same period last year. This operational performance reflected the progressive stabilisation of Dorsett Kai Tak in Hong Kong, alongside higher occupancy rates and revenue per available room strength across Hong Kong and Australia, providing an offset to the reduction in revenue resulting from the successful disposals of Dao by Dorsett North London and the Group's 50% stake in The Ritz-Carlton, Perth. Looking ahead, following the inaugural opening of Andaz hotel in Gold Coast, Australia (in which the Group holds a 33.3% stake) post period end in November 2026, Dorsett Perth in Australia is scheduled to open in 2027, further expanding the Group's operating footprint and cash generation capabilities.

- Revenue from car park operations and facilities management, presented net of owners' share (with comparatives restated on the same basis), amounted to approximately HK$126 million for 1H FY2027, representing a decrease of 3.9% as compared with the same period last year. This decrease was primarily attributable to strategic phase-out underperforming sites. The Group continued to optimise the overall quality of its car park portfolio through the divestment of mature assets, while securing new operating and facilities management contracts across its target markets, driving portfolio expansion and operational efficiency gains.

- The Group's gaming business is operated under Palasino Holdings Limited ("Palasino"; Stock Code: 2536; collectively with its subsidiaries, the "Palasino Group"), in which the Group maintained a controlling stake of 71.62% as at 30 September 2026. Revenue from the gaming business for 1H FY2027 decreased by 6.6% to approximately HK$204 million as compared with the same period last year, primarily driven by softer discretionary consumer demand and lower average spend per visitor amid elevated energy costs that weighed on customer travel to Palasino Group's casinos. The Palasino Group implemented a range of customer incentive programmes designed to attract new patrons and strengthen customer loyalty, which contributed to increased visitation to its slot machine gaming operations.

- The Group continued to execute its non-core assets disposal strategy with strong momentum and decisive execution and advancing systematic liability management. During 1H FY2027, the Group completed several key divestments generating approximately HK$1.6 billion in gross proceeds and entered into a disposal agreement to further accelerate its capital recycling programme.

- On 29 May 2026, the Group completed the disposal of a 50% interest in The Ritz-Carlton, Perth for AUD100 million (equivalent to approximately HK$562 million), recorded a gain on disposal of approximately HK$408 million. For further details, please refer to the Company's announcements dated 8 December 2025, 29 May 2026 and 6 July 2026.

- On 2 June 2026, the Group entered into a deed of variation to adjust the terms of the sales and purchase agreement of an office, a hotel and town hall in London, the UK, resulting in a revised aggregate consideration of approximately GBP59.5 million (equivalent to approximately HK$616 million). The Group expects to record a gain on disposal of approximately GBP25.7 million (equivalent to approximately HK$265 million) from this transaction. The Group completed the disposal of the hotel property and recorded a disposal gain of approximately HK$88 million. The Group expects to complete the remaining targeted assets in the second half of FY2027. For further details, please refer to the Company's announcements dated 25 February 2025, 9 May 2025, 6 March 2026, 2 June 2026 and 3 November 2026.

- On 17 July 2026, the Group completed the disposal of Silka Seaview in Hong Kong for a consideration of approximately HK$750 million. The disposal yielded a gain of approximately HK$391 million for the period, furthering the Group's ongoing strategic objectives of capital recycling, non-core assets monetisation, and deleveraging. For further details, please refer to the Company's announcements dated 3 July 2026 and 17 July 2026.

- In 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). The Group expects to record a gain of approximately AUD18.3 million (equivalent to approximately HK$99 million) upon completion of this transaction. For further details, please refer to the Company's announcements dated 1 April 2026 and 20 July 2026.

FINANCIAL HIGHLIGHTS

- The Group's revenue decreased by 34.1% to approximately HK$2,335 million in 1H FY2027 as compared to 1H FY2026, primarily reflecting a lower volume of scheduled residential project completions during the period. Net profit attributable to shareholders of the Company was approximately HK$255 million. The turnaround from a net loss in the same period last year was primarily attributable to the aggregate net gain on the disposals of certain non-core assets, the absence of share of impairment losses of a JV and an associate, the absence of the impairment loss on properties for sale, and a net fair value gain on investment properties. Adjusted cash profit[(i)], a non-GAAP financial measure, stood at approximately HK$453 million for 1H FY2027. Profit per share recorded at HK8.3 cents. To preserve internal liquidity and reinforce financial resilience, the Board resolved not to declare an interim dividend for 1H FY2027 (1H FY2026: nil).

- As at 30 September 2026, the Group's adjusted total equity[(i)], a non-GAAP financial measure, remained stable at approximately HK$31,297 million, compared to 31 March 2026. Adjusted net asset value per share[(i)], a non-GAAP financial measure, decreased by 1.1% to approximately HK$9.10 as at 30 September 2026 compared to HK$9.20 as at 31 March 2026. The Group did not purchase any listed securities of the Company during 1H FY2027.

- Through targeted non-core assets monetisation and the systematic refinancing of near-term bank debt continued to optimise its balance sheet profile. Total bank loans, notes, and bonds decreased by 7.0% to approximately HK$21,823 million as at 30 September 2026, while net debt declined by 7.1% to approximately HK$18,387 million from HK$19,800 million as at 31 March 2026. Reflecting this execution, the adjusted net gearing ratio[(i)], a non-GAAP financial measure, decreased to 58.8%, while net debt to adjusted total assets[(i)], a non-GAAP financial measure, remained at a healthy level of 31.2% as at 30 September 2026.

- The Group maintained strong access to capital, highlighted by its ability to secure new funding for development and refinance existing debt. Post period end, the Group secured the refinancing of certain hotel loans into longer-term loans totaling HK$3.9 billion, effectively extending its debt maturity profile and enhancing financial flexibility. Furthermore, the Group secured an oversubscribed construction facility of approximately HK$1 billion for the Sai Ying Pun project in Hong Kong, which also attracted new lenders into the syndicate. This strong market reception reflects robust confidence in the Group's credit profile and supports ongoing development and future growth.

- As at 30 September 2026, the Group maintained a comfortable level of cash and marketable investment securities of approximately HK$3.4 billion. This liquidity position was further anchored by approximately HK$631 million in unencumbered hotel assets and HK$6.8 billion in unsold completed residential inventories, providing substantial financial flexibility to navigate ongoing market volatility.

POST PERIOD END EVENT

- On 2 October 2026, the Group issued a notice to the holders of the 2019 Perpetual Capital Notes electing to defer the distribution (including arrears distribution and additional distribution) scheduled for 18 October 2026. This distribution will be deferred to the next payment date in accordance with the terms and conditions of the 2019 Perpetual Capital Notes.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") HIGHLIGHTS

- The Group continues to embed sustainability considerations within its core business operations, recognising their importance to enduring stakeholder value. During the period, the Group maintained a practical approach to ESG management, focusing on routine environmental compliance, energy conservation across property and hotel operations, and continuous risk assessment. The Group will continue to review its sustainability practices periodically to adapt to evolving reporting requirements and market standards.

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.

INTERIM RESULTS

The board of directors (the "Board") of Far East Consortium International Limited (the "Company") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 September 2026. These unaudited condensed consolidated financial statements have been reviewed by the Company's audit committee (the "Audit Committee") prior to recommending them to the Board for approval.

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

INTERIM DIVIDEND

The Board resolved not to declare an interim dividend for the six months ended 30 September 2026 (six months ended 30 September 2025: nil).

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

	NOTES	Six months ended 30.9.2026 HK$'000 (unaudited)	30.9.2025 HK$'000 (unaudited)
Revenue		**2,335,049**	3,543,914
Cost of sales and services		**(1,279,761)**	(2,106,992)
Depreciation and impairment of hotel and car park assets		**(230,436)**	(246,226)
Impairment loss on properties for sale		**–**	(193,296)
Gaming tax		**(74,605)**	(79,702)
Gross profit		**750,247**	917,698
Other income		**159,515**	101,646
Other gains and losses	*5*	**64,723**	112,995
Gain on disposal of subsidiaries	*15*	**888,194**	–
Administrative expenses			
– Hotel operations and management		**(258,052)**	(251,077)
– Others		**(444,508)**	(359,862)
Pre-operating expenses			
– Hotel operations and management		**(443)**	(5,453)
Selling and marketing expenses		**(80,204)**	(187,887)
Share of results of associates		**640**	(217,128)
Share of results of joint ventures		**35,565**	(402,905)
Finance costs	*6*	**(461,860)**	(373,344)
Profit (loss) before tax		**653,817**	(665,317)
Income tax expense	*7*	**(204,262)**	(138,843)
Profit (loss) for the period	*8*	**449,555**	(804,160)
Attributable to:			
Shareholders of the Company		**255,038**	(988,420)
Owners of perpetual capital notes		**191,591**	183,045
Other non-controlling interests		**2,926**	1,215
		194,517	184,260
		449,555	(804,160)
Earnings (loss) per share	*9*		
– Basic *(HK cents)*		**8.3**	(32.3)
– Diluted *(HK cents)*		**8.3**	(32.3)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

	Six months ended	
	30.9.2026	30.9.2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Profit (loss) for the period	**449,555**	(804,160)
Other comprehensive income (expense) for the period		
Items that may be subsequently reclassified to profit or loss:		
Exchange differences arising on translation of foreign operations	**370,985**	684,984
Fair value change on debt instruments at fair value through other comprehensive income ("FVTOCI")	**(3,146)**	6,375
Reclassification adjustment on disposal of debt instruments at FVTOCI	**–**	(318)
Share of other comprehensive expense of an associate	**–**	(20,201)
Deferred taxation on revaluation gain of properties under property, plant and equipment upon transfer to investment properties	**–**	(21,523)
Revaluation gain of properties under property, plant and equipment upon transfer to investment properties	**–**	86,092
Reclassification of cumulative exchange reserve to profit or loss upon disposal	**21,605**	–
Item that will not be reclassified to profit or loss:		
Fair value change on equity instruments at FVTOCI	**4,406**	(8,233)
Other comprehensive income for the period	**393,850**	727,176
Total comprehensive income (expense) for the period	**843,405**	(76,984)
Total comprehensive income (expense) attributable to:		
Shareholders of the Company	**654,395**	(256,710)
Owners of perpetual capital notes	**191,591**	183,045
Other non-controlling interests	**(2,581)**	(3,319)
	189,010	179,726
	843,405	(76,984)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 SEPTEMBER 2026

	NOTES	**30.9.2026** ***HK$'000*** **(unaudited)**	31.3.2026 *HK$'000* (audited)
Non-current Assets			
Investment properties		**6,594,041**	6,080,512
Property, plant and equipment		**10,390,119**	12,004,904
Goodwill		**68,400**	68,400
Finance lease receivables		**89,251**	88,594
Interests in associates		**247,264**	221,756
Interests in joint ventures		**4,332,176**	3,826,111
Investment securities		**363,031**	310,073
Deposits for acquisition of property, plant and equipment		**7,272**	3,952
Amounts due from joint ventures		**2,035,215**	1,991,644
Amounts due from associates		**105,030**	101,890
Amount due from an investee company		**119,995**	119,995
Loan receivables		**599,075**	630,933
Pledged deposits		**4,498**	4,666
Deferred tax assets		**161,071**	145,654
Other assets		**45,220**	69,750
Other receivables	*11*	**67,879**	11,347
Restricted bank deposits		**18,965**	19,492
		25,248,502	25,699,673
Current Assets			
Properties for sale			
Completed properties		**2,857,845**	3,083,114
Properties under development		**6,240,405**	6,205,599
Other inventories		**8,307**	14,056
Finance lease receivables		**7,148**	6,082
Debtors, deposits and prepayments	*11*	**845,102**	655,164
Customers' deposits under escrow		**159,625**	353,343
Contract costs		**210,908**	201,858
Amounts due from joint ventures		**1,152,393**	1,270,240
Amounts due from associates		**3,967**	3,967
Amount due from a shareholder of non-wholly owned subsidiary		**32,029**	23,800
Tax recoverable		**128,314**	120,290
Investment securities		**809,754**	765,670
Loan receivables		**24,198**	24,320
Restricted bank deposits		**55,425**	83,204
Pledged deposits		**54,196**	63,617
Cash and cash equivalents		**2,189,146**	2,497,929
		14,778,762	15,372,253
Assets classified as held for sale	*12*	**1,362,016**	1,199,692
		16,140,778	16,571,945

	NOTES	30.9.2026 *HK$'000* **(unaudited)**	31.3.2026 *HK$'000* (audited)
Current Liabilities			
Creditors and accruals	*13*	**2,152,101**	2,512,142
Contingent consideration payables		**155,103**	155,347
Contract liabilities		**300,661**	610,160
Lease liabilities		**88,495**	45,009
Amount due to a related company		**1,310**	1,266
Amounts due to associates		**29,988**	8,858
Amount due to joint ventures		**117,653**	131,986
Amounts due to shareholders of non-wholly owned subsidiaries		**7,854**	13,842
Derivative financial instruments		**20,712**	–
Notes		**42,305**	42,305
Tax payable		**403,390**	350,757
Bank and other borrowings		**11,735,417**	10,084,541
		15,054,989	13,956,213
Liabilities associated with assets held for sale	*12*	**64,434**	–
		15,119,423	13,956,213
Net Current Assets		**1,021,355**	2,615,732
Total Assets less Current Liabilities		**26,269,857**	28,315,405
Non-current Liabilities			
Lease liabilities		**420,073**	366,497
Notes		**479,086**	477,176
Bank and other borrowings		**9,567,045**	12,873,466
Deferred tax liabilities		**1,250,739**	1,069,489
Amount due to related party		**166,000**	166,000
Amount due to a director		**288,828**	179,882
Contingent consideration payables		**351,448**	285,155
Other liabilities		**6,333**	2,902
		12,529,552	15,420,567
Net Assets		**13,740,305**	12,894,838

	NOTE	**30.9.2026** ***HK$'000*** **(unaudited)**	31.3.2026 *HK$'000* (audited)
Capital and Reserves			
Share capital		**305,904**	305,904
Share premium		**5,106,778**	5,106,778
Reserves		**4,861,366**	4,204,909
Equity attributable to shareholders of the Company		**10,274,048**	9,617,591
Owners of perpetual capital notes	*14*	**3,165,090**	2,973,499
Other non-controlling interests		**301,167**	303,748
		3,466,257	3,277,247
Total Equity		**13,740,305**	12,894,838

1. GENERAL

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

2. BASIS OF PREPARATION

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

3. PRINCIPAL ACCOUNTING POLICIES

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

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 March 2026.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11

4. SEGMENT INFORMATION

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

- Property development (including investment properties developed and managed by the same management team)
- Property investment

4. SEGMENT INFORMATION – CONTINUED

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

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

	Segment revenue		**Segment profit (loss)**	
	Six months ended 30.9.2026	Six months ended 30.9.2025	**Six months ended 30.9.2026**	Six months ended 30.9.2025
	HK$'000 **(unaudited)**	*HK$'000* (unaudited)	***HK$'000*** **(unaudited)**	*HK$'000* (unaudited)
Property development				
– Australia	**139,445**	805,171	**90,474**	290,111
– Hong Kong ("HK") *(note)*	**76,015**	143,362	**(73,591)**	(789,065)
– Malaysia	**–**	–	**5,460**	36,939
– Other regions in the People's Republic of China excluding HK ("PRC")	**21,037**	11,356	**(3,359)**	10,253
– Singapore	**–**	2,955	**(1,403)**	12,190
– United Kingdom ("UK")	**541,215**	1,079,416	**84,458**	183,218
	777,712	2,042,260	**102,039**	(256,354)
Property investment				
– Australia	**18,995**	16,085	**(887)**	14,018
– HK	**21,232**	19,869	**256**	(110,936)
– PRC	**44,078**	19,479	**287,502**	7,846
– UK	**4,642**	2,359	**(70,233)**	178
	88,947	57,792	**216,638**	(88,894)
Hotel operations and management				
– Australia	**265,587**	286,370	**23,913**	7,501
– HK	**396,109**	369,599	**7,810**	(21,701)
– Malaysia	**100,659**	91,276	**18,526**	14,875
– PRC	**96,322**	90,537	**11,851**	(59,935)
– Singapore	**66,330**	57,955	**22,873**	13,728
– UK	**102,539**	87,596	**(25,158)**	8,096
– Europe (other than UK)	**89,375**	86,772	**2,612**	(4,390)
	1,116,921	1,070,105	**62,427**	(41,826)
Car park operations and facilities management				
– Australia and New Zealand	**97,524**	97,642	**417**	29,995
– UK	**13,656**	15,902	**(674)**	1,338
– Europe (other than UK)	**2,050**	2,188	**(2,526)**	244
– Malaysia	**13,111**	15,716	**(3,765)**	2,985
	126,341	131,448	**(6,548)**	34,562

4. SEGMENT INFORMATION – CONTINUED

	Segment revenue		Segment profit (loss)	
	Six months ended 30.9.2026	Six months ended 30.9.2025	**Six months ended 30.9.2026**	Six months ended 30.9.2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Gaming operations				
– Australia	**–**	–	**(160,934)**	(211,555)
– Czech Republic	**204,076**	218,447	**25,520**	42,051
	204,076	218,447	**(135,414)**	(169,504)
Securities and financial product investments in HK	**16,987**	19,055	**97,157**	84,335
Provision of mortgage services				
– Australia	**24**	1,789	**20,593**	262,356
– HK	**4,041**	3,018	**3,551**	1,617
	4,065	4,807	**24,144**	263,973
Segment revenue/segment profit (loss)	**2,335,049**	3,543,914	**360,443**	(173,708)
Unallocated corporate income and expenses and other gains and losses			**(82,065)**	(61,408)
Gain on disposal of subsidiaries			**888,194**	–
Net foreign exchange loss			**(50,895)**	(56,857)
Finance costs			**(461,860)**	(373,344)
Profit (loss) before tax			**653,817**	(665,317)

Note: Included in the segment loss of HK is a write-down of inventories of approximately HK$nil (2025: HK$530,000,000) recorded by a joint venture, which is engaged in property development in HK, and shared by the Group.

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

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

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

4. SEGMENT INFORMATION – CONTINUED

Segment assets

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

	As at 30.9.2026 ***HK$'000*** **(unaudited)**	As at 31.3.2026 *HK$'000* (audited)
Property development		
– Australia	**3,880,180**	3,261,386
– HK	**4,184,056**	4,606,436
– Malaysia	**340,321**	337,928
– PRC	**1,126,083**	2,830,106
– Singapore	**42,296**	104,660
– UK	**4,960,622**	5,318,276
	14,533,558	16,458,792
Property investment		
– Australia	**469,791**	474,493
– HK	**2,616,289**	2,628,216
– PRC	**2,097,788**	7,263
– UK	**144,271**	34,214
	5,328,139	3,144,186
Hotel operations and management		
– Australia	**3,235,170**	3,587,517
– HK	**4,466,081**	4,773,740
– Malaysia	**736,801**	749,975
– PRC	**1,968,034**	1,931,811
– Singapore	**600,491**	593,094
– UK	**1,554,905**	1,885,773
– Europe (other than UK)	**249,137**	269,615
	12,810,619	13,791,525
Car park operations and facilities management		
– Australia and New Zealand	**910,446**	901,232
– Europe	**100,843**	75,311
– Malaysia	**109,500**	113,457
	1,120,789	1,090,000
Gaming operations		
– Australia	**3,287,627**	3,231,513
– Czech Republic	**191,744**	201,075
	3,479,371	3,432,588
Securities and financial product investments in HK	**1,020,823**	958,218
Provision of mortgage services		
– Australia	**572**	559
– HK	**632,264**	661,539
	632,836	662,098
Segment assets	**38,926,135**	39,537,407
Unallocated corporate assets	**2,463,145**	2,734,211
Total assets	**41,389,280**	42,271,618

4. SEGMENT INFORMATION – CONTINUED

Segment assets – continued

During the current period, certain properties in the PRC commenced earning rental income, and accordingly, the Group reclassified the relevant properties from the property development segment to the property investment segment.

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

5. OTHER GAINS AND LOSSES

	Six months ended	
	30.9.2026	30.9.2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Change in fair value of investment properties	**224,454**	(76,591)
Gain on disposal of debt instruments at FVTOCI	**–**	318
Gain on disposal of interests in joint venture *(Note i)*	**–**	270,555
Change in fair value of financial assets at FVTPL	**71,079**	58,780
Change in fair value of derivative financial instruments	**2,242**	4,462
Gain (loss) on disposal of property, plant and equipment	**31**	(1,769)
Net foreign exchange loss	**(50,895)**	(56,857)
Change in fair value of contingent consideration payables *(Note ii)*	**(64,245)**	–
Reversal of (impairment loss) under ECL model on trade debtors	**6,059**	(7,523)
Impairment loss on property, plant and equipment	**(44,914)**	–
Impairment loss recognised on deposits for acquisition of property, plant and equipment	**–**	(88,427)
(Impairment loss) reversal under ECL model on amount due from a joint venture	**(79,088)**	10,047
	64,723	112,995

Notes:

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

On 26 August 2026, the Per Share Earn-Out Payment was agreed at A$0.304394, with in aggregate of A$3,698,341 in respect of 12,149,864 shares disposed of and the entire amount of A$3,698,314 (equivalent to approximately HK$20,300,000) has been received during the current interim period and included in "other income".

(ii) During the six months ended 30 September 2026, the Group remeasured the contingent consideration payable in connection with its acquisition of an additional 25% equity interest in Destination Brisbane Consortium ("DBC"), which increased the Group's interest in DBC to 50% on 31 March 2026. The fair value of the contingent consideration payable increased from A$66.30 million at 31 March 2026 to A$79.75 million at 30 September 2026. The resulting fair value loss of HK$64,245,000 was recognised in profit or loss for the current period. This loss represents subsequent remeasurement of the contingent consideration payable and is distinct from the provisional gain recognised on acquisition of the additional interest in DBC in the year ended 31 March 2026.

6. FINANCE COSTS

	Six months ended	
	30.9.2026	30.9.2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Interest on:		
Bank borrowings	**499,576**	592,927
Other loans	**6,983**	2,352
Interest on notes	**14,577**	14,581
Interest on lease liabilities	**7,120**	6,352
Amortisation of front-end fee of bank loans	**13,644**	14,557
Others	**29,124**	16,921
Total interest costs	**571,024**	647,690
Less: amounts capitalised to:		
– properties for sale (properties under development)	**(93,712)**	(221,845)
– properties, plant and equipment (owned properties)	**(15,452)**	(52,501)
	461,860	373,344

7. INCOME TAX EXPENSE

	Six months ended	
	30.9.2026	30.9.2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
The income tax expense (credit) comprises:		
Current tax:		
Hong Kong Profits Tax	**9,533**	28,028
PRC Enterprise Income Tax ("PRC EIT")	**793**	3,938
PRC Land Appreciation Tax ("PRC LAT")	**1,259**	3,761
Australia Income Tax	**3,784**	12,869
Malaysia Income Tax	**2,521**	3,491
UK income tax	**428**	33,375
Czech Republic Income Tax	**1,671**	5,268
	19,989	90,730
Dividend withholding tax and interest withholding tax	**40,714**	53,882
Under (over) provision in prior years:		
Hong Kong Profits Tax	**1,399**	(3,333)
PRC EIT	**(587)**	–
PRC LAT	**(1,702)**	(31)
UK Income Tax	**6,419**	–
	5,529	(3,364)
Deferred taxation	**138,030**	(2,405)
	204,262	138,843

7. INCOME TAX EXPENSE – CONTINUED

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

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

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

The domestic statutory tax rate of Australia, Malaysia, Singapore, UK and Czech Republic is 30%, 24%, 17%, 25% and 21% (31.3.2026: 30%, 24%, 17%, 25% and 21%) of the estimated assessable profits, respectively.

8. PROFIT (LOSS) FOR THE PERIOD

	Six months ended	
	30.9.2026	30.9.2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Profit (loss) for the period has been arrived at after charging:		
Depreciation of property, plant and equipment (including depreciation of leased properties of HK$31,165,000 (six months ended 30.9.2025: HK$21,023,000))	**223,622**	241,098
Impairment loss on		
– property, plant and equipment included in "depreciation and impairment of hotel and car park assets"	**15,821**	15,912
– properties for sale	**–**	193,296
and after crediting (included in other income):		
Bank interest income	**8,749**	13,075
Government grants	**113**	10,812

9. EARNINGS (LOSS) PER SHARE

The calculation of basic and diluted earnings (loss) per share attributable to shareholders is based on consolidated profit attributable to shareholders of HK$255,038,000 (six months ended 30.9.2025: loss of HK$988,420,000) and the weighted-average number of shares below.

	Six months ended	
	30.9.2026	30.9.2025
	'000	*'000*
	(unaudited)	(unaudited)
Weighted average number of ordinary shares for the purpose of basic and diluted earnings (loss) per share	**3,059,040**	3,059,040

At 30 September 2026 and 30 September 2025, 20,000,000 granted shares options underlying scheme were excluded from the diluted weighted-average number of ordinary shares calculation because their effect would have been anti-dilutive.

10. DIVIDENDS

The directors did not recommend payment of final dividend for the year ended 31 March 2026.

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

11. DEBTORS, DEPOSITS AND PREPAYMENTS

	30.9.2026	31.3.2026
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Trade debtors		
– Contracts with customers	**326,697**	355,723
– Lease receivables	**69,687**	79,693
Less: allowance for expected credit loss	**(83,621)**	(89,680)
	312,763	345,736
Utility and other deposits	**27,336**	27,311
Prepayment and other receivables	**276,949**	284,965
Consideration receivables	**290,763**	–
Other tax recoverable	**5,170**	8,499
	912,981	666,511
Analysed for reporting purpose as:		
Non-current assets	**67,879**	11,347
Current assets	**845,102**	655,164
	912,981	666,511

Note: As at 30 September 2026, the Group had consideration receivables of HK$290,763,000 arising from the disposals of subsidiaries during the period, as set out in note 15. The consideration receivables represent outstanding disposal consideration receivable of HK$231,329,000 from the respective purchasers in accordance with the terms of the relevant sale and purchase agreements and AMTD Digital shares valued at HK$59,434,000, which was measured using quoted market prices and classified as Level 1 of the fair value hierarchy.

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

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

11. DEBTORS, DEPOSITS AND PREPAYMENTS – CONTINUED

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

	30.9.2026	31.3.2026
	HK$'000	*HK$'000*
	(unaudited)	(audited)
0–60 days	**283,893**	321,774
61–90 days	**1,757**	3,201
Over 90 days	**27,113**	20,761
	312,763	345,736

12. ASSETS AND RELATED LIABILITIES CLASSIFIED AS HELD FOR SALE

On 25 February 2025, Quality Drive Limited ("Hotel Seller"), an indirect wholly-owned subsidiary of the Group and AMTD IDEA Group ("Purchaser A"), an independent third party to the Group, among others, entered into a sale and purchase agreement ("SPA"), pursuant to which the Hotel Seller has agreed to sell, and the Purchaser A has agreed to purchase , the equity interest in Quality Hornsey Propco Limited ("Hotel PropCo") with consideration being Great British Pound ("GBP") 22,656,000 (equivalent to approximately HK$234,490,000), subject to certain adjustments on completion date. Further, on 25 February 2025, the Hornsey TH Holdco Limited ("Town Hall Seller"), an indirect wholly-owned subsidiary of the Group and the Purchaser A, among others, entered into another SPA, whereby the Town Hall Seller has agreed to sell, and the Purchaser A has agreed to purchase, the equity interest in Hornsey TH PropCo Limited ("Town Hall PropCo") with consideration being GBP24,544,000 (equivalent to approximately HK$254,030,000), subject to certain adjustments on completion date. During the year ended 31 March 2026, Purchaser A exercised its right to extend the completion date under each original SPA. The current contractual completion date under each original SPA will be 25 August 2026. The transfer of the shares of Hotel PropCo and Town Hall PropCo were completed on 2 June 2026.

On 6 March 2026, the Group entered into a legally binding term sheet ("Term Sheet") with Purchaser A. Pursuant to the Term Sheet, the Purchaser A agrees to acquire from FEC Property Holdings (UK) Limited ("Office Seller"), a wholly-owned subsidiary of the Group, an office building located at 40, Furnival Street, London, EC4A 1JQ ("UK Office") for a consideration of GBP18 million (equivalent to approximately HK$186 million). Up to the date of approval for issuance of the consolidated financial statements, the disposals have yet been completed.

On 2 June 2026, the Group entered into a deed of variation to the sales and purchase agreements ("SPAs") to vary the terms of the SPAs for the disposal of the office, hotel and town hall in the United Kingdom, resulting in a revised aggregate consideration of GBP59.5 million (equivalent to approximately HK$615.8 million) due to the change of the consideration for the disposal of UK Office from GBP18 million (equivalent to approximately HK$186.3 million) to approximately GBP12.3 million (equivalent to approximately HK$127.3 million) resulting from a change in structure from a direct sale of the UK Office to the equity interest in FEC Property Holdings (UK) Limited ("Office PropCo"), with settlement of the consideration revised from a combination of cash and loan as contemplated under the Term Sheet to a combination of cash and issuance of the Purchaser A's shares under the deed of variation. Further, Crouch End (FEC) Limited, a wholly-owned subsidiary of the Group has agreed to provide a profit guarantee of 5% to 6% in respect of the hotel business under Hotel PropCo operated by Green Boutique Hotel Limited ("Hotel OpCo") to the Purchaser A for a period of 2 years from the date of deed of variation. The transfer of the shares of Hotel PropCo and Town Hall PropCo were completed on 2 June 2026 and the completion of the Office PropCo Share is scheduled to take place on the 45th day from the date of the deed of variation.

12. ASSETS AND RELATED LIABILITIES CLASSIFIED AS HELD FOR SALE – CONTINUED

On 3 November 2026, the Group made a supplemental announcement providing further information in relation to the above transactions. In particular, a make-whole arrangement provides the Group with downside protection whereby additional Purchaser A's shares may be issued to compensate for any shortfall in the proceeds from their disposal, subject to a maximum of two exercises within two years. Further, if the Group continues to hold such shares and the quoted share price remains below US$1 per American Depository Scheme ("ADS") for at least 180 consecutive days, the Group may require the Purchaser A to procure the transfer or issuance of shares in the relevant property holding companies to the Group, based on an independent valuation at that time. Up to the date of approval for issuance of the condensed consolidated financial statements, the disposal had not yet been completed. Further details of the disposals are set out in the Company's announcement dated 25 February 2025, 6 March 2026, 2 June 2026 and 3 November 2026.

On 1 April 2026, FEC Hotel Operations Holdings (Australia) Pty Ltd. ("FEC Hotel", a wholly-owned subsidiary of the Company) and FEC DCG Pte. Ltd. ("FEC DCG", a wholly-owned subsidiary of the Company, together with FEC Hotel, as vendors) and Ace Goal Investments Pte. Ltd. ("Ace Goal", indirectly owned as to 55% by Ms. Jennifer Wendy CHIU and as to 45% by Tan Sri Dato' David CHIU, as purchaser) entered into a sale and purchase agreement, whereby FEC Hotel and FEC DCG have conditionally agreed to sell, and Ace Goal has conditionally agreed to purchase the 49.9% of the issued shares of FEC Hotel Operations Melbourne WSP Pty Ltd. ("Op Co", a wholly-owned subsidiary of the Company) and 49.9% of the issued shares of RC Melbourne Hotel Holdings Pty Ltd. ("Property Holdco", a wholly-owned subsidiary of the Company) as at the completion date, and take assignment of 49.9% of the outstanding shareholder's loan as at completion date, extended by FEC Hotel to the Op Co (if any) and by FEC DCG to the Property Holdco (if any), at an aggregate consideration of A$58,183,400 (equivalent to approximately HK$318,263,000) subject to the terms and conditions of the sale and purchase agreement.

Pursuant to the sale and purchase agreement, the Group will undergo an internal restructuring such that immediately prior to completion, the legal and beneficial ownership of the Ritz-Carlton Melbourne hotel will be held by the RC Melbourne Hotel Pty Ltd. ("Property Co", a direct wholly-owned subsidiary of the Property Holdco).

On 20 July 2026, the Group made a supplemental announcement providing further information in relation to the transaction. The Group clarified that the consideration of A$58,183,400 (equivalent to approximately HK$318,263,000) is subject to adjustment based on the net asset value of the Op Co, the Property Holdco and the Property Co (collectively, the "Target Group") as at completion, taking into account, among other things, the shareholder loan adjustments. The final adjusted consideration will be determined based on the completion accounts to be prepared within three months after the completion date. Up to the date of approval for issuance of the condensed consolidated financial statements, the disposal has yet to be completed. Further details of the transaction are set out in the Company's announcements dated 1 April 2026 and 20 July 2026.

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

13. CREDITORS AND ACCRUALS

	30.9.2026	31.3.2026
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Trade creditors		
– Construction cost and retention payable	**253,637**	295,671
– Others	**100,557**	91,886
	354,194	387,557
Construction cost and retention payable for capital assets	**605,872**	609,993
Deposit received for assets held for sale	**243,670**	498,108
Rental deposits and rental receipts in advance	**210,699**	116,628
Other tax payables	**189,944**	137,183
Other payables and accrued charges	**547,722**	762,673
	2,152,101	2,512,142

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

	30.9.2026	31.3.2026
	HK$'000	*HK$'000*
	(unaudited)	(audited)
0–60 days	**334,964**	350,445
61–90 days	**2,741**	20,476
Over 90 days	**16,489**	16,636
	354,194	387,557

14. PERPETUAL CAPITAL NOTES

On 12 September 2019, 16 September 2019 and 24 February 2020, FEC Finance Limited ("FEC Finance"), an indirect wholly owned subsidiary of the Group, issued US$250,000,000, US$50,000,000 and US$60,000,000 7.375% guaranteed perpetual capital notes ("2019 Perpetual Capital Notes") at an issue price of 100 per cent of the aggregate nominal amount of the 2019 Perpetual Capital Notes. Any amount payable arising from distribution or redemption were unconditionally and irrevocably guaranteed by the Company under the US$1,000,000,000 guaranteed medium term note programme. Distribution on 2019 Perpetual Capital Notes are payable semi-annually in arrears on April and October each year ("Distributions Payment Date") and can be deferred at the discretion of FEC Finance and is not subject to any limit as to the number of times distributions. The 2019 Perpetual Capital Notes have no fixed maturity and are redeemable at FEC Finance's option on 18 October 2024 or any Distributions Payment Date at their principal amounts. While any distributions are unpaid or deferred, the Company cannot declare or, pay dividends or make distributions or similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank, which includes the ordinary shares of the Company.

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

14. PERPETUAL CAPITAL NOTES – CONTINUED

The perpetual capital notes holders endorsed modifications to the provisions of the 2019 Perpetual Capital Notes in 2024. These changes allow FEC Finance to opt for redemption of a minimum cumulative principal of US$20,000,000 of the 2019 Perpetual Capital Notes. The redemption can be executed by providing the holders with an advance notification that is both non-revocable and falls within a timeframe of no fewer than 15 days and no more than 30 days prior to the redemption date, which is set on a specific date of each month at the discretion of FEC Finance. There is no redemption of 2019 Perpetual Capital Notes during the current interim period.

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

On 1 April 2026 and 2 October 2026, FEC Finance announced it will defer the distribution scheduled for 18 April 2026 and 18 October 2026 to the next Distributions Payment Date in accordance with the terms and conditions of the 2019 Perpetual Capital Notes.

15. GAIN ON DISPOSAL OF SUBSIDIARIES

	Six months ended	
	30.9.2026	30.9.2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Disposal of Quality Hornsey Propco Limited ("Hotel PropCo") and Green Boutique Hotel Limited ("Hotel OpCo") *(Note i)*	**88,072**	–
Disposal of Charter Joy Limited ("Charter Joy") *(Note ii)*	**390,738**	–
Disposal of Perth FEC Pty Ltd and RC Perth Operations Pty Ltd (collectively, the "RC Perth Group") *(Note iii)*	**407,718**	–
Disposal of Palasino Malta Ltd. *(Note iv)*	**1,666**	–
	888,194	–

Notes:

(i) On 25 February 2025, the Group entered into a sale and purchase agreement with AMTD Idea Group ("AMTD"), an independent third party to the Group, whereby the Group has agreed to sell, and AMTD has agreed to purchase, the entire issued share capital of Hotel PropCo and Hotel OpCo, an indirect wholly-owned subsidiary of the Company for a cash consideration of GBP19,596,000 (equivalent to approximately HK$202,819,000) and 4,229,694 ordinary shares in AMTD Digital Inc., ("AMTD Digital") a company with its ADS listed on the New York Stock Exchange. Such disposal was completed on 2 June 2026 and resulted in a gain on disposal of approximately HK$88,072,000. Following the completion, Hotel PropCo and Hotel OpCo ceased to be indirect subsidiaries of the Company.

As part of the disposal, the Group agreed to provide a profit guarantee whereby the Group will compensate AMTD the shortfall between the annual guaranteed return in respect of the hotel business to AMTD for a period of two years from the completion date of disposal.

As at 30 September 2026, AMTD Digital ADS shares of approximately HK$59,434,000 remained receivable and is included in consideration receivable in Note 11.

15. GAIN ON DISPOSAL OF SUBSIDIARIES – CONTINUED

(ii) On 3 July 2026, the Group entered into a sale and purchase agreement with JD Fabulous Development XI Limited ("JD Fabulous"), an independent third party to the Group, whereby the Group has agreed to sell, and JD Fabulous has agreed to purchase, the entire issued share capital of Charter Joy, a wholly-owned subsidiary of the Company for a consideration of HK$750,000,000. Charter Joy was the operator and owner of Silka Seaview Hotel. Such disposal was completed on 17 July 2026 and resulted in a gain on disposal of approximately HK$390,738,000. Following the completion, Charter Joy ceased to be a subsidiary of the Company.

As part of the disposal, the Group entered into a management agreement with JD Fabulous to continue managing and operating Silka Seaview Hotel for a period of three years from the completion date of the disposal. Under the agreement, the Group is required to pay JD Fabulous a fixed monthly amount of HK$3,750,000, in aggregate HK$135,000,000 throughout the three-year term ("Guaranteed Income"). Subject to this payment obligation, the Group is entitled to all revenue generated from the operation of Silka Seaview Hotel and is responsible for all related operating expenses and taxation during that period. Accordingly, the Group derecognised the net assets of Charter Joy Limited (including the Hotel) and recognised a right-of-use asset of approximately HK$44,194,000 and a corresponding lease liability for the three-year leaseback term of approximately HK$126,143,000.

As at 30 September 2026, retention consideration of approximately HK$5,000,000 remained receivable and is included in consideration receivable in Note 11.

(iii) On 8 December 2025, the Group entered into a sale and purchase agreement with The Generation Essentials Group (the "Purchaser"), an independent third party to the Group, pursuant to which the Group agreed to sell, and the Purchaser agreed to purchase, 50% of the issued share capital of RC Perth Group, together with the assignment of 50% of the related shareholder loans, for an aggregate consideration of A$100,000,000 (equivalent to approximately HK$562,000,000). Such disposal was completed on 29 May 2026 and resulted in a gain on disposal of approximately HK$407,718,000.

As part of the disposal, the consideration was satisfied by A$60,000,000 (equivalent to approximately HK$337,200,000) received on or before completion and the remaining balance of the consideration, being A$40,000,000 (equivalent to approximately HK$224,800,000) (the "Deferred Consideration"), payable in four equal instalments of A$10,000,000 (equivalent to approximately HK$56,200,000) on 30 June 2026, 31 December 2026, 30 June 2027 and 31 December 2027, respectively. The consideration is subject to net asset value adjustment in accordance with the sale and purchase agreement.

As at 30 September 2026, deferred consideration of approximately HK$218,800,000 and consideration for net asset value adjustment of approximately HK$6,689,000 remained receivable and are included in consideration receivable in Note 11.

(iv) The Group also disposed of its entire interest in Palasino Malta Ltd. to an independent third party during the six months ended 30 September 2026 for a cash consideration of EUR190,000 (equivalent to approximately HK$1,680,000). The disposal was completed on 15 July 2026 and resulted in a gain on disposal of approximately HK$1,666,000. As at 30 September 2026, consideration of approximately HK$840,000 remained receivable.

16. COMPARATIVE FIGURES

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

FINANCIAL REVIEW

1. Profit and loss analysis

The Group's revenue for 1H FY2027 was approximately HK$2.3 billion, a decrease of 34.1% as compared with 1H FY2026, with less property development revenue recognition during the period. Adjusted gross profit[(i)], a non-GAAP financial measure, came in at approximately HK$933 million, a decrease of 28.6% as compared with approximately HK$1,306 million for 1H FY2026. A breakdown of the Group's revenue and gross profit is set out below:

	Property development *HK$'000*	**Hotel operations and management** *HK$'000*	**Car park operations and facilities management** *HK$'000*	**Gaming operations** *HK$'000*	**Others** *HK$'000*	**Total** *HK$'000*
1H FY2027						
Revenue	**777,712**	**1,116,921**	**126,341**	**204,076**	**109,999**	**2,335,049**
Gross profit	**201,150**	**348,008**	**46,011**	**68,828**	**86,250**	**750,247**
Depreciation	**–**	**153,796[(ii)]**	**7,140[(ii)]**	**7,382**	**–**	**168,318**
Impairment	**–**	**3,450**	**11,024**	**–**	**–**	**14,474**
Adjusted gross profit[(i)]	**201,150**	**505,254**	**64,175**	**76,210**	**86,250**	**933,039**
Adjusted gross profit margin[(i)]	**25.9%**	**45.2%**	**50.8%**	**37.3%**	**78.4%**	**40.0%**
1H FY2026						
Revenue	2,042,260	1,070,105	131,448	218,447	81,654	3,543,914
Gross profit	446,692	268,997	59,761	85,668	56,580	917,698
Depreciation	–	163,848[(ii)]	8,323[(ii)]	6,910	–	179,081
Impairment	193,296	15,912	–	–	–	209,208
Adjusted gross profit[(i)]	639,988	448,757	68,084	92,578	56,580	1,305,987
Adjusted gross profit margin[(i)]	31.3%	41.9%	51.8%	42.4%	69.3%	36.9%

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.

Property development revenue amounted to approximately HK$778 million in 1H FY2027, representing a decrease of 61.9% as compared with the same period last year. Accounting for attributable revenue contributions from JV residential projects, adjusted revenue from property development[(i)], a non-GAAP financial measure, stood at approximately HK$2.1 billion, representing a decrease of 33.8% compared to 1H FY2026. Key project revenue drivers included Victoria Riverside (Tower A) in Manchester, Aspen at Consort Place in London, West Side Place in Melbourne, and Mount Arcadia in Hong Kong. Contributions were further supported by ongoing handovers across JV projects, including The Pavilia Forest in Hong Kong, Dorsett Place Waterfront Subang in Malaysia, and The Star Residences (Tower 2) – Epsilon in Gold Coast, Australia. Gross profit for the property development business was recorded at approximately HK$201 million, reflecting a gross profit margin of 25.9%. This represents a decrease as compared with 1H FY2026, which was primarily attributable to lower gross profit margins recorded from property sales in the UK.

Revenue from hotel operations and management continued its positive momentum, increased by 4.4% year-on-year to approximately HK$1,117 million in 1H FY2027. The adjusted gross profit margin[(i)], a non-GAAP financial measure, for hotel operations and management increased to 45.2% in 1H FY2027 from 41.9% in the same period last year. This operational performance reflected the progressive stabilisation of Dorsett Kai Tak in Hong Kong, alongside higher occupancy rates and revenue per available room strength across Hong Kong and Australia, providing an offset to the reduction in revenue resulting from the successful disposals of Dao by Dorsett North London and the Group's 50% stake in The Ritz-Carlton, Perth.

Revenue from car park operations and facilities management, presented net of owners' share (with comparatives restated on the same basis), approximately HK$126 million in 1H FY2027, representing a decrease of 3.9% as compared with the same period last year. The decrease was primarily attributable to the strategic phase-out underperforming site. Adjusted gross profit margin[(i)], a non-GAAP financial measure, stood at 50.8%.

Revenue from the gaming business decreased by 6.6% to approximately HK$204 million in 1H FY2027 as compared with the same period last year. Adjusted gross profit[(i)], a non-GAAP financial measure, stood at approximately HK$76 million, with the adjusted gross profit margin[(i)], a non-GAAP financial measure, decreased to 37.3% in 1H FY2027 from 42.4% in 1H FY2026. This margin compression was primarily attributable to initial operational costs associated with the soft launch and ongoing ramp-up phase of the new casino, Palasino Mikulov.

In 1H FY2027, net profit attributable to shareholders of the Company stood at approximately HK$255 million (1H FY2026: net loss of HK$988 million). The turnaround from a net loss in the same period last year was primarily attributable to the aggregate net gain on the disposals of certain non-core assets, the absence of share of impairment losses of a JV and an associate, the absence of the impairment loss on properties for sale, and a net fair value gain on investment properties. As a result, adjusted cash profit[(i)], a non-GAAP financial measure, stood at approximately HK$453 million for 1H FY2027.

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 regarded as cash equivalent items given their readily monetisable nature), bank loans and borrowings and obligations under finance leases and equities as at 30 September 2026.

Consolidated statement of financial position	**As at 30 September 2026** ***HK$'million***	As at 31 March 2026 *HK$'million*
Bank loans, notes and bonds		
Due within 1 year[(i)]	**11,778**	10,127
Due 1–2 years	**3,499**	8,545
Due 2–5 years	**5,458**	3,757
Due more than 5 years	**1,088**	1,048
Total bank loans, notes and bonds	**21,823**	23,477
Investment securities	**1,173**	1,076
Bank and cash balances[(ii)]	**2,263**	2,601
Liquidity position	**3,436**	3,677
Net debts[(iii)]	**18,387**	19,800
Carrying amount of the total equity[(iv)]	**13,740**	12,895
Add: hotel revaluation surplus[(v)]	**17,557**	18,522
Adjusted total equity[(vi)]	**31,297**	31,417
Adjusted net gearing ratio[(vi)] (net debts to adjusted total equity[(vi)])	**58.8%**	63.0%
Net debt to adjusted total assets[(vi)]	**31.2%**	32.6%

Notes:

(i) Includes an amount of approximately HK$658 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 assessed as at 31 March 2026, which was adjusted to exclude Silka Seaview, Dao by Dorsett North London and The Ritz-Carlton, Perth, all of which were disposed of during 1H FY2027.

(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 overall liquidity position, a portion of its cash resources is allocated to a portfolio of marketable and liquid investment securities. Investment securities presented on the consolidated statement of financial position primarily represent fixed-income securities and investments in fixed-income funds, alongside investments in the listed shares and investments in notes.

As at 30 September 2026, the Group maintained a comfortable liquidity position of approximately HK$3,436 million. The Group's adjusted total equity[(i)], a non-GAAP financial measure, stood at approximately HK$31,297 million as at 30 September 2026. This measure incorporates the 2019 Perpetual Capital Notes and an unrecognised hotel revaluation surplus of approximately HK$17,557 million based on independent valuations assessed as at 31 March 2026, which was adjusted to exclude Silka Seaview, Dao by Dorsett North London, and The Ritz-Carlton, Perth, all of which were disposed of during 1H FY2027.

The Group demonstrated tangible, proven progress in balance sheet deleveraging during 1H FY2027. The Group's adjusted net gearing ratio[(i)], a non-GAAP financial measure, decreased to 58.8% as at 30 September 2026 as compared with 63.0% as at 31 March 2026. Coupled with active debt repayment, total interest costs decreased by 11.8% to approximately HK$571 million in 1H FY2027, as compared with approximately HK$648 million in 1H FY2026. This positive trajectory was primarily driven by the repayment of unsecured bank borrowings and the settlement of Victoria Riverside (Tower A) in Manchester, the UK, which generated substantial net cash inflows.

Over a three-and-a-half-year period, the Group's disciplined capital recycling and debt reduction efforts yielded tangible results. Total bank loans, notes, and bonds decreased by approximately HK$10.5 billion to HK$21.8 billion as at 30 September 2026 from HK$32.3 billion as at 31 March 2023. Concurrently, the adjusted net gearing ratio[(i)], a non-GAAP financial measure, was reduced by 15.0 percentage points to 58.8% from 73.8% over the same period, demonstrating sustained balance sheet deleveraging and financial resilience.

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

	As at 30 September 2026	As at 31 March 2026	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
	HK$ million	*HK$ million*	*HK$ million*	*HK$ million*	*HK$ million*
Total bank loans, notes and bonds	**21,823**	23,477	25,371	27,762	32,274
Net debts[(iii)]	**18,387**	19,800	21,493	22,842	25,729
Adjusted net gearing ratio[(vi)] (net debts to adjusted total equity[(vi)])	**58.8%**	63.0%	67.6%	68.1%	73.8%

To further reinforce its financial position, the Group executed a series of targeted debt reduction initiatives designed to lower finance costs and enhance liquidity:

- **Actively monetising property inventory.** The Group continued to drive cash inflows by pursuing sales across existing residential inventories, including Mount Arcadia in Hong Kong, Aspen at Consort Place in London, and West Side Place in Melbourne, the latter of which was fully sold post period end. Construction of Victoria Riverside (Tower A) in Manchester was completed, with handovers under way. JV developments also reached key operational milestones, including The Star Residences (Tower 2) – Epsilon on the Gold Coast, which reached completion in July 2026. As at 30 September 2026, the Group's existing residential inventory was valued at approximately HK$6.8 billion, supported by targeted sales initiatives across Hong Kong, Australia, and the UK.

- **Divesting non-core assets.** The Group maintained strong momentum and decisive execution in its non-core assets monetisation programme. During 1H FY2027, the Group completed three major asset divestments, comprising a 50% interest in The Ritz-Carlton, Perth in Australia, a hotel property in London, the UK and Silka Seaview in Hong Kong. In addition, the Group executed definitive agreements for the disposal of office and town hall assets in London, as well as a 49.9% interest in The Ritz-Carlton, Melbourne. Collectively, these completed and contracted transactions generated total gross proceeds of approximately HK$1.6 billion during 1H FY2027, with net proceeds applied toward working capital and debt reduction.

- **Optimising hospitality portfolio for sustainable cash flow.** The Group continued to align hotel openings with market recovery cycles to ensure efficient operational ramp-ups. Dorsett Canary Wharf London in London soft-opened in September 2025, benefitting from its strategic location within a principal commercial hub. In addition, HubX Shanghai, the Group's inaugural hostel property in Shanghai, soft-opened on 29 September 2025; situated adjacent to Shanghai University, it is well-positioned to capture diverse market demand. Furthermore, the scheduled opening of Dorsett Perth in 2027 is expected to bolster recurring revenue streams, drive operational cash flows, and support the Group's broader revenue diversification strategy.

	As at 30 September 2026	As at 31 March 2026
	HK$ million	*HK$ million*
The Company's notes	**521**	519
Unsecured bank loans	**2,435**	3,258
Secured bank loans		
– Property development and investment	**6,244**	5,908
– Hotel operations and management	**12,241**	13,415
– Car park operations and facilities management	**297**	293
– Gaming operations	**45**	44
– Others	**40**	40
Total bank loans, notes and bonds	**21,823**	23,477

As at 30 September 2026, total bank loans, notes, and bonds amounted to approximately HK$21,823 million, representing a decrease of approximately HK$1,654 million or 7.0% as compared with 31 March 2026. This reduction was primarily driven by a net decrease of approximately HK$823 million in unsecured bank loans, alongside the disposals of The Ritz-Carlton, Perth in Australia and Silka Seaview in Hong Kong, resulting a net decrease in secured bank loans of hotel operations and management of approximately HK$1,174 million.

Amid prudent appetite in the financial markets and heightened focus on high-quality assets, the Group maintained strong access to capital and enjoyed the enduring support of its financiers during 1H FY2027. Post period end, the Group successfully secured the refinancing of certain hotel loans into longer-term loans totaling HK$3.9 billion. This underscores lenders' confidence in the Group's asset quality, while extending its debt maturity profile and reinforcing liquidity headroom. Additionally, the Group also secured a syndicated construction facility of approximately HK$1 billion for the Sai Ying Pun project in Hong Kong. Driven by an overwhelming market response, the syndication achieved oversubscription and attracted new lenders to the syndicate, supporting the Group's ongoing development and future growth.

As at 30 September 2026, the Group's bank loans, notes, and bonds maturing within one year stood at approximately HK$11,778 million. This balance comprised:

(i) Approximately HK$6,985 million in secured corporate, hospitality, and car park facilities, expected to be rolled over or refinanced into longer maturities;

(ii) Approximately HK$1,326 million in secured development facilities, intended to be settled through project sales proceeds;

(iii) Approximately HK$2,435 million in unsecured corporate facilities;

(iv) Approximately HK$374 million scheduled for repayment in accordance with existing repayment schedules; and

(v) Approximately HK$658 million relating to facilities containing a repayable-on-demand clause, classified under current liabilities in compliance with applicable accounting standards.

As at 30 September 2026, the primary currency of indebtedness for the Group's bank loans, notes, and bonds was the Hong Kong dollar, representing approximately 73.5% of total borrowings. Other currency exposures included the Australian dollar, Singapore dollar, British pound sterling, and Renminbi, which accounted for approximately 14.1%, 3.0%, 3.0%, and 5.3% of total borrowings, respectively.

Bank loans, notes and bonds, denominated in:

Bank loans, notes and bonds, denominated in:	**As at 30 September 2026**	As at 31 March 2026
HKD	**73.5%**	69.9%
AUD	**14.1%**	14.3%
SGD	**3.0%**	3.0%
GBP	**3.0%**	2.8%
RMB	**5.3%**	8.9%
Others	**1.1%**	1.1%
	100%	100%

As at 30 September 2026, approximately 99.9% of the Group's bank loans, notes, and bonds were maintained at floating interest rates, as compared with 99.9% as at 31 March 2026, with the balance held at fixed rates. During 1H FY2027, the average interest rate for bank loans stood at 4.74%, compared to 4.87% in FY2026, reflecting broader monetary conditions and management's ongoing efforts to optimise interest expense.

As at 30 September 2026, the Group held undrawn banking facilities of approximately HK$905 million, excluding facilities assigned to treasury functions. Of this total, approximately HK$726 million was designated for development and construction projects, while the remaining HK$179 million was allocated for general corporate purposes. Coupled with revenue visibility from contracted property presales, these unutilised facilities provide sufficient financial resources to support ongoing operations and financial commitments.

In addition to available banking facilities, the Group holds unencumbered operational hotel properties and completed unsold residential inventory, with an aggregate estimated value of approximately HK$7.5 billion. These assets provide a valuable source of potential collateral to secure additional borrowing facilities and enhance liquidity, should market conditions warrant.

3. Foreign exchange management

In 1H FY2027, the contribution from the Group's non-Hong Kong operations was affected by the movement of foreign currencies against the Hong Kong dollar. The table below denotes the exchange rates of the Hong Kong dollar against the local currencies of countries in which the Group has significant operations.

Rate	**As at 30 September 2026**	**As at 31 March 2026**	**Change**
HK$/AUD	**5.47**	5.35	**2.2%**
HK$/RMB	**1.17**	1.13	**3.5%**
HK$/MYR	**1.92**	1.94	**(1.0%)**
HK$/GBP	**10.35**	10.29	**0.6%**
HK$/CZK	**0.36**	0.37	**(2.7%)**
HK$/SGD	**6.14**	6.06	**1.3%**
Average rate for	**1H FY2027**	**1H FY2026**	**Change**
HK$/AUD	**5.41**	**4.99**	**8.4%**
HK$/RMB	**1.15**	**1.08**	**6.5%**
HK$/MYR	**1.93**	**1.80**	**7.2%**
HK$/GBP	**10.32**	**10.24**	**0.8%**
HK$/CZK	**0.37**	**0.36**	**2.8%**
HK$/SGD	**6.10**	**5.91**	**3.2%**

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 profit attributable to shareholders for 1H FY2027 is analysed below:

	HK$ million
AUD	(14.2)
RMB	(10.3)
MYR	(1.3)
GBP	(0.2)
CZK	(0.1)
SGD	(0.4)
Total impact	**(26.5)**

The movement in foreign currencies also had an impact on the consolidated statement of financial position of the Group. As net assets of the Group's non-Hong Kong operations are translated into Hong Kong dollars for consolidation purposes, the movements in foreign currencies have affected the value in Hong Kong dollar-equivalent of such net assets and therefore the Group's net asset position. The Group's net asset value would have been approximately HK$252 million lower as at 30 September 2026 assuming exchange rates remained constant during 1H FY2027.

4. Net asset value per share

	As at 30 September 2026 ***HK$ million***	As at 31 March 2026 *HK$ million*
Equity attributable to shareholders of the Company	**10,274**	9,618
Add: Hotel revaluation surplus	**17,557**	18,522
Adjusted net asset value attributable to shareholders[(i)]	**27,831**	28,140
Number of shares issued *(million)*	**3,059**	3,059
Adjusted net asset value per share[(i)]	**HK$9.10**	HK$9.20

As at 30 September 2026, the adjusted net asset value attributable to shareholders[(i)], a non-GAAP financial measure, stood at approximately HK$27,831 million. This measure incorporates an unrecognised hotel revaluation surplus of approximately HK$17,557 million, based on independent valuation assessments conducted as at 31 March 2026 and adjusted for hotel asset divestments completed during the period. Accordingly, the adjusted net asset value per share[(i)], a non-GAAP financial measure, was approximately HK$9.10 as at 30 September 2026.

Note:

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

5. Capital expenditures

The Group's capital expenditure is primarily directed towards asset acquisition, property development, ongoing construction, and targeted refurbishment across its hospitality, plant and equipment, and investment property portfolios.

In 1H FY2027, the Group incurred capital expenditure of approximately HK$120 million. This outflow was primarily attributable to ongoing construction, fit-out, and pre-opening works associated with Dorsett Perth in Australia. These capital investments were funded through a combination of project-backed credit facilities and internal operating cash resources.

6. Capital commitments

The Group maintains a disciplined capital allocation framework, continuously reviewing its commitment pipeline to optimise liquidity, manage funding requirements, and preserve cash reserves. The table below provides a summary breakdown of the Group's capital commitments:

	As at 30 September 2026	As at 31 March 2026
	HK$ million	*HK$ million*
Capital expenditures contracted but not provided in the consolidated financial statements in respect of:		
Acquisition, development and refurbishment of		
– hotel properties	**84**	173
– hotel properties to a JV	**45**	66
– investment properties	**418**	408
Capital injection to a JV	**1,357**	1,328
Capital injection to investment funds	**18**	22
	1,922	1,997

As at 30 September 2026, the Group's capital commitments stood at approximately HK$1,922 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 available bank facilities and internal cash generation.

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 United Kingdom ("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$6.1 billion as at 30 September 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 30 September 2026.

Developments	**Location**	**Attributable presales** *HK$ million*	**Expected financial year of completion**
Projects under presales			
Queen's Wharf Residences (Tower 5)[(i)]	Brisbane	2,637	FY2030
640 Bourke Street	Melbourne	1,643	FY2031
Collyhurst Village	Manchester	171	FY2028
Collyhurst Affordable Housing	Manchester	134	FY2028
Red Bank Riverside – Falcon	Manchester	104	FY2030
Red Bank Riverside – Kingfisher	Manchester	269	FY2031
Sub-total		**4,958**	

Developments	Location	Attributable contracted sales *HK$ million*
Contracted sales of completed projects		
West Side Place	Melbourne	35
The Star Residences – Epsilon (Tower 2)[(ii)]	Gold Coast	55
Aspen at Consort Place	London	37
Victoria Riverside – Crown View (Tower A)	Manchester	645
Victoria Riverside – Park View (Tower C)	Manchester	34
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	52
Mount Arcadia	Hong Kong	48
The Pavilia Forest[(i)]	Hong Kong	156
Sub-total		1,141
Total		6,099

Notes:

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

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

(iii) Excludes contract presales already recognised as revenue up to 30 September 2026.

As at 30 September 2026, the expected attributable gross development value ("GDV") of the Group's active residential property development projects under various stages of development across the regions was approximately HK$57.4 billion.

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

Developments	Attributable saleable floor area[(i)] *Sq. ft.*	Expected attributable GDV[(ii)] *HK$ million*	Launched/ expected launch	Expected financial year of completion
Pipeline developments				
Melbourne				
640 Bourke Street	519,000	4,238	Launched	FY2031
Brisbane				
Queen's Wharf Residences[(iii)]				
– Tower 5	350,000	3,032	Launched	FY2030
– Tower 6	169,000	1,311	Planning	FY2030
Gold Coast				
The Star Residences[(iv)]				
– Towers 3 to 5	374,000	2,016	Planning	Planning
Hong Kong				
Lam Tei, Tuen Mun	383,000	6,320	Planning	Planning
181 Clearwater[(v)]	19,000	485	FY2027	FY2028
Sai Ying Pun[(vi)]	75,000	1,717	FY2027	FY2028
Yau Kom Tau	235,000	3,050	Planning	Planning
London				
Ensign House	296,000	3,519	Planning	Planning
Ensign House – Affordable Housing	108,000	427	Planning	Planning

Developments	Attributable saleable floor area[(i)] *Sq. ft.*	Expected attributable GDV[(ii)] *HK$ million*	Launched/ expected launch	Expected financial year of completion
Manchester				
MeadowSide (Plot 4)	244,000	1,264	Planning	Planning
Victoria North[(vii)]				
– Collyhurst Village	91,000	272	Launched	FY2028
– Collyhurst Village Social/ Affordable Housing	87,000	134	Launched	FY2028
– Red Bank Riverside				
– Falcon	131,000	702	Launched	FY2030
– Kingfisher	230,000	1,261	Launched	FY2031
– NT02 – NT04	721,000	4,023	Planning	Planning
– Network Rail	1,532,000	8,546	Planning	Planning
– Others	967,000	5,396	Planning	Planning
Trafford	421,000	2,018	Planning	Planning
Trafford Affordable Housing	147,000	518	Planning	Planning
Malaysia				
Dorsett Place Waterfront Subang				
– Tower C[(viii)]	167,000	287	Planning	Planning
Total developments pipeline as at 30 September 2026	**7,266,000**	**50,536**		

Developments	Attributable saleable floor area[(i)] *Sq. ft.*	Expected attributable GDV[(ii)] *HK$ million*
Completed developments available for sale		
Melbourne		
West Side Place		
– Towers 1, 2, 3 and 4	4,000	39
Brisbane		
Queen's Wharf Residences		
– Tower 4[(iii)]	1,000	5
Perth		
The Towers at Elizabeth Quay	75,000	570
Gold Coast		
The Star Residences		
– Epsilon (Tower 2)	3,000	69
London		
Aspen at Consort Place	142,000	1,859
Hornsey Town Hall	11,000	96
Manchester		
Victoria North – Victoria Riverside		
– Crown View (Tower A)	143,000	729
– Park View (Tower C)	12,000	56
– Bromley Street	24,000	110
Malaysia		
Dorsett Place Waterfront Subang[(viii)]		
– Tower A	41,000	141
– Tower B	58,000	157
Shanghai		
King's Manor	3,000	19
The Royal Crest II	2,000	15
District 17A	5,000	29
Guangzhou		
Royal Riverside	4,000	13

Developments	Attributable saleable floor area[(i)] *Sq. ft.*	Expected attributable GDV[(ii)] *HK$ million*
Hong Kong		
Marin Point	42,000	432
Manor Parc	17,000	247
Mount Arcadia	5,000	116
Mount Arcadia (4 Houses)	13,000	352
The Pavilia Forest[(ix)]	74,000	1,773
Total completed developments available for sale as at 30 September 2026	**679,000**	**6,827**
Total pipeline and completed developments available for sale as at 30 September 2026	**7,945,000**	**57,363**

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, is a mixed-use development located within the Melbourne CBD. Together with West Side Place and Upper West Side, the development will form a continuous stretch of mixed-use developments across three consecutive city blocks, which will contribute significantly to the revitalisation of the western edge of the CBD. Rising to 68 levels, 640 Bourke Street features high-end one-, two-, and three-bedroom apartments across 629 residential units. The project incorporates a total saleable floor area of approximately 519,000 sq. ft., an expected total GDV of approximately HK$4.2 billion, as well as 430 sq. m. of retail space and 296 car park bays. Supported by positive market reception, the Group adjusted unit prices upward starting in March 2026. As at 30 September 2026, the Group presold approximately HK$1.6 billion worth of units. Completion of the development is expected in FY2031.

West Side Place is a completed mixed-use residential development in Melbourne's CBD comprises four towers with 1,377 apartments, anchored by a 257-room Ritz-Carlton hotel in Tower 1 and a 316-room Dorsett hotel in Tower 3. As at 30 September 2026, the expected GDV of completed inventory available for sale was approximately HK$39 million, of which approximately HK$35 million was recorded as contracted sales.

Perth

Upon selection as the preferred proponent of the Perth City Link projects, the Group secured Lots 4, 9 and 10 of the precinct. These three lots are designated for a wide range of boutique residential apartments alongside an integrated retail, entertainment, commercial and hospitality complex. This project is currently progressing through the planning stage.

The Towers at Elizabeth Quay is a two-tower mixed-use flagship development. The project incorporates approximately 371,000 sq. ft. of total saleable floor area across residential apartments and includes a 205-room luxury Ritz-Carlton hotel. As at 30 September 2026, the expected GDV of the completed inventory available for sale was approximately HK$570 million.

Brisbane

Queen's Wharf Residences is a landmark residential project in which the Group holds a 50% stake. Located adjacent to the Queen's Wharf Brisbane project ("QWB Project"), the project comprises three towers with 1,828 apartments and a total saleable floor area of approximately 1.5 million sq. ft.. The development represents an expected total GDV of approximately HK$11.9 billion (attributable GDV of approximately HK$6.0 billion).

Tower 4 represents the sole residential tower directly connected to the QWB Project main resort complex. It 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). Construction is completed and as at 30 September 2026, only one apartment remained available for sale, with an expected GDV of approximately HK$11 million (attributable GDV of approximately HK$5 million).

Tower 5 comprises 847 residential apartments with a total saleable floor area of approximately 701,000 sq. ft. and an expected total GDV of approximately HK$6.1 billion (attributable GDV of approximately HK$3.0 billion). As at 30 September 2026, the Group presold units with a total value of approximately HK$5.3 billion (attributable GDV of approximately HK$2.6 billion). Completion of Tower 5 is expected in FY2030.

Tower 6 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 remains in the planning stage and is scheduled for joint completion alongside Tower 5 in FY2030.

Gold Coast

The Star Residences – Epsilon (Tower 2), in which the Group holds 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$1.8 billion (attributable GDV of approximately HK$591 million). The tower also houses a 202-room Andaz hotel, which opened post period end in November 2026. As at 30 September 2026, the expected attributable GDV of completed inventories available for sale was approximately HK$69 million, of which approximately HK$55 million has been recorded as contracted sales.

United Kingdom

London

Aspen at Consort Place is a completed mixed-use development located at Marsh Wall, Canary Wharf in London. The project comprises 502 residential units and 139 affordable housing units across a total saleable floor area of approximately 482,000 sq. ft., complemented by a 237-room Dorsett hotel and commercial spaces. As at 30 September 2026, the expected GDV of its completed inventory available for sale was approximately HK$1.9 billion, of which approximately HK$37 million was recorded as contracted sales. Sales and settlements are expected to continue in second half of FY2027.

Hornsey Town Hall, located in North London, is a mixed-use redevelopment project entailing the transformation of an existing town hall into a hotel and serviced apartment building with communal facilities, alongside a residential component. The development comprises 135 residential units and 11 social/affordable units, covering a total saleable floor area of approximately 114,000 sq. ft.. As at 30 September 2026, the expected GDV of its completed inventory available for sale stood at approximately HK$96 million. Marketing and sales for these units will launch following the operational opening of the hotel and supporting community facilities.

Ensign House, situated adjacent to Aspen at Consort Place in Canary Wharf, represents a residential redevelopment site planned to comprise approximately 408 residential units and approximately 124 affordable housing units. The project will feature a total saleable floor area of approximately 404,000 sq. ft. for residential units, with an expected total GDV of approximately HK$3.9 billion. The project remains in the planning stage.

Manchester

Victoria North represents one of the largest urban regeneration initiatives in the UK, spanning over 390 acres (equivalent to 17 million sq. ft.) through a JV between the Group and MCC. The masterplan is designed to deliver approximately 20,000 new homes over the next ten to fifteen years, integrating high-quality residential accommodation and social infrastructure to support city centre expansion. In September 2025, the UK Government recognised Victoria North as one of twelve potential New Towns, acknowledging its national significant.

To support the development of the new Metrolink station at Sandhills, the Ministry of Housing, Communities and Local Government awarded GBP1.5 million to Transport for Greater Manchester to advance the outline business case, with additional capital funding allocated by the Department for Transport for construction. Targeted to be operational by 2030 under an integrated transport settlement, this strategic infrastructure initiative will enhance connectivity for Victoria North residents across Greater Manchester and support local capital and rental growth. Initial development phases remain under way, alongside ongoing planning for future project pipelines across the masterplan.

Victoria Riverside, located in Red Bank within the Victoria North masterplan, comprises three towers encompassing 596 units and 38 townhouses, with a total saleable floor area of approximately 460,000 sq. ft. and 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. Construction was completed and unit handover commenced in August 2026. As at 30 September 2026, the expected GDV of the completed inventory available for sale was approximately HK$729 million, of which approximately HK$645 million was recorded as contracted sales. Sales and settlements will continue in second half of FY2027.

Tower B (City View) consists of 128 affordable housing units and was presold to Trafford Housing Trust, part of L&Q, one of England's largest housing associations, for a consideration of GBP26 million. Construction was completed and fully settled. The property is currently managed by Found, the Group's in-house operating platform.

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$597 million. Construction was completed and unit handover is commenced in July 2025. As at 30 September 2026, the expected GDV of the completed inventory available for sale was approximately HK$56 million, of which approximately HK$34 million has been recorded as contracted sales. Sales and settlements will continue in second half of FY2027.

Bromley Street incorporates 38 townhouses within the Victoria Riverside precint, representing a total saleable floor area of approximately 39,000 sq. ft. and an expected total GDV of approximately HK$177 million. As at 30 September 2026, the expected GDV of the completed inventory available for sale stood at approximately HK$110 million, of which approximately HK$27 million has been recorded as contracted sales.

Collyhurst Village forms part of the initial phases of the Victoria North masterplan and comprises 144 private residential units with a total saleable floor area of approximately 153,000 sq. ft. and an expected total GDV of approximately HK$451 million. The first phases of private residential units completed in July 2025, recording a cumulative presold value of approximately HK$171 million as at 30 September 2026. The precint also includes 130 affordable housing units with a total saleable floor area of approximately 104,000 sq. ft.. The initial phase of affordable housing units completed in September 2025 with a total remaining GDV of approximately HK$134 million. Phased completions for subsequent stages are expected to continue to FY2028.

Red Bank Riverside represents a major future development pipeline adjacent to Victoria Riverside. The development comprises seven buildings ranging from 6 to 34 storeys and is designed to deliver approximately 1,551 residential units across a total saleable floor area of approximately 1,082,000 sq. ft., representing 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, a residential tower within the Red Bank Riverside, launched sales in late March 2024. The tower features 189 residential units with a total saleable floor area of approximately 131,000 sq. ft. and an expected total GDV of approximately HK$702 million. As at 30 September 2026, the Group recorded presold value of approximately HK$104 million.

Kingfisher, another residential tower within Red Bank Riverside, launched sales in August 2024. The tower 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. As at 30 September 2026, the Group recorded presold value of approximately HK$269 million.

At MeadowSide, the Group's initial residential development in Manchester, three of the four plots (Plots 2, 3 and 5) are fully completed and settled. Plot 4 obtained planning permission for a 40-storey residential building. The Group continues to evaluate optimisation options to increase gross floor area and enhance overall GDV, responding to local market conditions.

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, holds a 50% interest, alongside Trafford Metropolitan Borough Council (25%) and Greater Manchester Combined Authority (25%) as public partners. Located near Manchester United Football Club and Old Trafford Cricket Ground, the site represents an estimated total GDV of approximately GBP322 million. The masterplan is designed to deliver approximately 1,200 new homes, including affordable housing, a 250-room hotel, approximately 30,000 sq. ft. of ground-floor commercial space, and public open space.

Chinese Mainland

The Group developed California Garden, a premier township development in Shanghai, across multiple phases. The development comprises a diversified portfolio of residential properties, including low-rise and high-rise apartments alongside townhouses. As at 30 September 2026, the expected GDV of completed inventory available for sale at King's Manor stood at approximately HK$19 million, while the expected GDV of completed inventory available for sale at Royal Crest II was approximately HK$15 million.

Royal Riverside in Guangzhou is a 5-tower residential development. As at 30 September 2026, the expected GDV of completed inventory available for sale was approximately HK$13 million.

Hong Kong

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

Mount Arcadia is a residential development situated on Tai Po Road. The development features 62 apartments and four houses with a total saleable floor area of approximately 84,000 sq. ft. and an expected GDV of approximately HK$1.7 billion. Construction was completed, and as at 30 September 2026, the expected GDV of completed inventory available for sale was approximately HK$116 million, of which approximately HK$48 million was secured as contracted sales. The four houses, which represent an expected total GDV of approximately HK$352 million, are planned for sale launch in the near term.

The Pavilia Forest is a residential development situated in Kai Tak. The project 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). Construction was completed, and as at 30 September 2026, the expected attributable GDV of the completed inventory available for sale was approximately HK$1.8 billion worth of units, of which approximately HK$156 million has been recorded as contracted sales.

Manor Parc is a residential development in Yuen Long that comprises 24 town houses with a total saleable floor area of approximately 50,000 sq. ft.. The development was completed, and as at 30 September 2026, the expected GDV of completed inventory available for sale was approximately HK$247 million.

Marin Point is a residential development at Sha Tau Kok. The development comprises 261 low-rise apartments with a total saleable floor area of approximately 103,000 sq. ft.. Construction was completed, and as at 30 September 2026, the expected GDV of completed inventory available for sale was approximately HK$432 million.

The Group acquired a site in Lam Tei, Tuen Mun in June 2021. The project remains in the 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..

181 Clearwater is a residential development in Ho Chung, Sai Kung. The project 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 commenced and is scheduled for completion in FY2028. The development is expected to launch for sales in the second half of FY2027, subject to market conditions.

In September 2022, the Group acquired the development right through a tender conducted by the URA for a site covering an area of approximately 1,077.3 sq. m. at Sai Ying Pun, Hong Kong. The project is a mixed-use residential and commercial development that features an expected saleable floor area of approximately 75,000 sq. ft. across 210 residential units, representing an expected total GDV of approximately HK$1.7 billion, together with approximately 2,800 sq. ft. of commercial spaces. The development obtained building plan approval, foundation works were completed, and superstructure construction is underway. Completion is expected in FY2028, with the sale launch scheduled for the second half of FY2027, subject to market conditions.

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

Malaysia

Dorsett Place Waterfront Subang, situated adjacent to the esteemed five-star hotel Dorsett Grand Subang, is a development in which the Group holds a 50% interest. The project comprises three blocks and offer 1,989 fully-serviced suites. Construction was completed in September 2025. Revenue from Towers A and B was recognised in accordance with development progress, and the handover process for both towers commenced in September 2025. As at 30 September 2026, the expected attributable GDV of completed inventory available for sale stood at approximately HK$298 million, of which approximately HK$104 million was recorded as contracted sales.

To optimise long-term recurring income, the Group evaluated a change of use for Tower C and soft-launched the property as student accommodation under the brand YOIHO Dorsett Waterfront Subang. The initial operational phase launched with the first student check-in in May 2026, supported by targeted marketing campaigns. A full operational launch and grand opening are scheduled for the second half of FY2027, at which point the tower will reach full operational capacity.

Property investment

The Group's property investments portfolio comprise retail and office buildings primarily situated in Hong Kong, the Chinese Mainland, Singapore, the UK, and Australia. In 1H FY2027, the Group recorded a fair value gain on investment properties of approximately HK$224 million. As at 30 September 2026, the carrying value of investment properties stood at approximately HK$6.6 billion (as at 31 March 2026: approximately HK$6.1 billion).

Previously, the Group acquired two connected sites in Baoshan, Shanghai, designated for the development of residential blocks designated for leasing purposes. The first phase was completed with a lettable floor area of approximately 573,000 sq. ft. and delivered 1,666 units in March 2026, marking the formal commencement of leasing operations. This initiative establishes a steady stream of recurring rental cash inflows, and initial leasing performance demonstrated strong demand with an occupancy rate approximately 96.2%. Groundwork commenced for the second phase, which is expected to deliver approximately 2,627 accommodation units upon its scheduled completion in FY2029, further expanding the Group's long-term recurring income engine in the Chinese Mainland.

2. Hotel operations and management

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

As at 30 September 2026, the Group owned a total of 36 hotels, comprising the wholly-owned Dorsett Group, The Ritz-Carlton, Melbourne, HubX Shanghai, the partially-owned Palasino Group, Dorsett Gold Coast, The Ritz-Carlton, Perth and The Star Grand in Australia, as well as Dorsett Changi City and Dao by Dorsett AMTD in Singapore. The portfolio encompassed approximately 9,500 rooms distributed across Chinese Mainland, Hong Kong, Malaysia, Singapore, Australia, the UK and Continental Europe.

On 15 May 2026, the Group commenced to manage the newly opened Dao by Dorsett Puteri Cove, its inaugural Dao by Dorsett hotel in Malaysia. Guided by the brand's core philosophy, to 'Live Your Way, Anywhere', the hotel introduces a modern approach to upscale stays along the Iskandar Puteri waterfront.

On 29 May 2026, the Group completed the disposal of a 50% interest in The Ritz-Carlton, Perth for an aggregate consideration of AUD100 million (equivalent to approximately HK$562 million). In addition, the Group entered into another sale and purchase agreement in FY2026 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), with completion expected in the second half of FY2027.

On 2 June 2026, in line with its disciplined approach to capital allocation, the Group sold Dao by Dorsett North London in Hornsey to a third party under a strategic disposal agreement. This transaction enabled the Group to realise the value of its investment and to benefit from its ongoing operation fee income through the retention of the hotel management contract.

On 17 July 2026, as part of its ongoing commitment to reduce debt levels and gearing through the divestment of non-core assets, the Group completed the sale of Silka Seaview for a consideration of HK$750 million. The Group will continue to manage and operate the property as student accommodation for a term of three years following completion.

Looking ahead, the Group is set to launch a new hotel in Perth, further expanding its footprint in Australia and strengthening the 'Dorsett' brand across the region.

The operating performance of the Group's owned hotels, summarised by region for 1H FY2027, is set out below. 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**	
	1H FY2027	1H FY2026	**1H FY2027**	1H FY2026	% Change	**1H FY2027**	1H FY2026	% Change	**1H FY2027**	1H FY2026
			(LC)	(LC)		**(LC)**	(LC)		**(LC'million)**	(LC'million)
Hong Kong *(HK$)*	**89.5%**	83.4%	**680**	685	(0.7%)	**609**	571	6.7%	**396**	370
Malaysia *(MYR)*	**62.3%**	63.1%	**239**	234	2.1%	**149**	148	0.7%	**52**	51
Chinese Mainland *(RMB)*	**58.9%**	55.4%	**333**	355	(6.2%)	**196**	197	(0.5%)	**84**	84
Singapore *(SGD)*[(i)]	**84.4%**	83.5%	**184**	195	(5.6%)	**155**	163	(4.9%)	**11**	10
United Kingdom *(GBP)*[(ii)]	**58.8%**	79.4%	**128**	135	(5.2%)	**75**	107	(29.9%)	**10**	9
Australia *(AUD)*[(iii)]	**72.1%**	68.8%	**373**	368	1.4%	**269**	253	6.3%	**49**	57
			(HK$)	*(HK$)*		***(HK$)***	*(HK$)*		***(HK$ million)***	
Dorsett Group Total[(iv)]	**74.8%**	72.9%	**781**	784	(0.4%)	**584**	572	2.1%	**1,028**	983
Palasino Group	**59.9%**	58.8%	**729**	722	1.0%	**436**	428	1.9%	**89**	87

Notes:

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

(ii) Includes Dao by Dorsett North London up to its disposal completion date.

(iii) Excludes Dorsett Gold Coast and The Star Grand which are equity accounted; and included The Ritz-Carlton, Perth up to its disposal completion date.

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

In 1H FY2027, Dorsett Group achieved total revenue of approximately HK$1,028 million, representing an increase from HK$983 million recorded in 1H FY2026. OCC stood at approximately 74.8%, representing a slight increase of approximately 1.9 percentage points as compared with approximately 72.9% in 1H FY2026. ARR decreased slightly by 0.4% to approximately HK$781 from approximately HK$784 as compared with the same period last year, reflecting a solid growth of approximately 2.1% in RevPAR to approximately HK$584 per night in 1H FY2027 from approximately HK$572 per night in 1H FY2026. Looking ahead, Dorsett Group will continue to pursue its strategic growth and geographic resilience by transitioning toward an asset-light operating model.

Hong Kong

The Group's hotel operations in Hong Kong saw a healthy recovery in business volume in 1H FY2027, supported by Government-backed tourism initiatives and an active calendar of mega events. Overall OCC increased by 6.1 percentage points to approximately 89.5% in 1H FY2027, as compared with approximately 83.4% in 1H FY2026. ARR decreased slightly by 0.7% to approximately HK$680, as compared with approximately HK$685 in the same period last year. Supported by higher guest volumes, total revenue for the Group's Hong Kong hotels increased by 7.0% to approximately HK$396 million in 1H FY2027 from approximately HK$370 million in 1H FY2026.

This performance reflected strong institutional support from the Government and the Hong Kong Tourism Board, whose expanded programme of flagship events, festivals, and international MICE (Meetings, Incentives, Conferences, Exhibitions) sustained high baseline occupancies across the mid-scale hotel segment. While market-wide room rates faced modest downward pressure amid shifting visitor spending habits, maintaining high utilisation protected top-line performance and resulted in overall revenue growth as compared with same period last year. Having demonstrated strong volume resilience to capture market share, management will focus in subsequent periods on capitalising on peak demand windows and major events to drive ARR growth and expand ancillary revenue streams.

Malaysia

In 1H FY2027, total revenue from the Group's hotels in Malaysia stood at approximately MYR52 million. OCC stood at approximately 62.3%, reflecting a slight decrease of 0.8 percentage points from approximately 63.1% in 1H FY2026. Despite a marginal decrease in occupancy, disciplined rate management supported an ARR growth of 2.1% to approximately MYR239, as compared with approximately MYR234 in the same period last year. As a result, RevPAR increased by 0.7% to approximately MYR149 in 1H FY2027, as compared with approximately MYR148 in 1H FY2026.

The outlook for Malaysia's tourism and hospitality sectors remains positive, underpinned by continued infrastructure investment, improved regional connectivity, and the promotion of cultural tourism. The Group remains committed to service excellence and operational innovation to capture market growth.

On 15 May 2026, the Group commenced to manage the newly opened Dao by Dorsett Puteri Cove in Iskandar Puteri, introducing the 'Dao by Dorsett' brand to Malaysia. Designed as a mixed-use hospitality offering for both short and extended stays, its strategic location and suite-led format cater to both business and leisure travellers seeking convenience and regional connectivity.

Chinese Mainland

In 1H FY2027, domestic tourism in the Chinese Mainland remained stable, supported by extended holiday periods and Government initiatives promoting cultural and regional travel. However, the hotel sector faced intense competition from ongoing domestic and international brands expansion, resulting in persistent pricing pressure. Consumer spending remained cautious, with travellers favouring short-haul, value-oriented experiences, while outbound travel to destinations such as Korea and Southeast Asia partially offset the benefit from expanded inbound visa-free policies.

In 1H FY2027, OCC increased by 3.5 percentage points to approximately 58.9% as compared with approximately 55.4% in 1H FY2026, primarily driven by occupancy contribution from HubX Shanghai, which opened in September 2025. Construction of HubX Shanghai Phase 2 also reached its final stage and is expected to add 43 rooms upon completion in the second half of FY2027. Under continued market pricing pressure, ARR decreased by 6.2% to approximately RMB333, from approximately RMB355 as compared with same period last year, leaving RevPAR broadly unchanged at approximately RMB196 per night. Total revenue for the Group's hotels in Chinese Mainland was maintained at approximately RMB84 million in 1H FY2027.

Despite broadly flat financial results in 1H FY2027, the Group remains optimistic on medium-term prospects. Expanded visa-free access, 240-hour transit exemptions, major railway infrastructure upgrades, and targeted domestic consumption stimulus are expected to support sustained inbound and domestic travel demand.

Singapore

In 1H FY2027, Singapore's tourism sector remained stable, supported by sustained international visitor arrivals, major sporting and entertainment events, and regional MICE activities. However, the appreciation of the Singapore dollar and increased hotel room supply, particularly in Chinatown, created a more competitive operating environment and moderated growth in room demand and average room rates during the period.

Against this backdrop, Dorsett Singapore recorded an increase in OCC of 0.9 percentage points to approximately 84.4% in 1H FY2027 as compared with 83.5% in 1H FY2026. ARR decreased by 5.6% to approximately SGD184, from approximately SGD195 in the same period last year, resulting in a 4.9% reduction in RevPAR to approximately SGD155 per night. Overall revenue from Dorsett Singapore remained steady at approximately SGD11 million.

Meanwhile, following the completion of renovation works at Dorsett Changi City, the addition of new rooms and upgraded facilities drove an approximately 59% year-on-year revenue growth, demonstrating the Group's ability to unlock incremental returns through targeted capital investment.

Looking ahead, the Group remains optimistic regarding medium-term performance, anchored by Singapore's focus on high-yield tourism and an expanding calendar of international events. Major MICE fixtures, including ITB Asia and Singapore International Cyber Week, together with high-profile sporting and entertainment events such as the Formula 1 Singapore Grand Prix and international concerts at the National Stadium, continue to attract affluent business and leisure travellers. These catalysts, combined with recovering corporate travel, are expected to support occupancy and preserve rate integrity across central districts.

UK

In 1H FY2027, the UK hospitality sector experienced a marked contraction driven by softer domestic and inbound travel demand. Domestically, cost-of-living pressures and persistent inflation curbed discretionary spending, while hotel operators faced margin pressure from higher National Living Wage requirements and elevated business rates. Internationally, high energy costs and the absence of tax-free shopping for overseas visitors placed the UK at a competitive disadvantage against Continental Europe. Amid rising operational costs and regional competition, OCC at the Group's hotels in the UK decreased to approximately 58.8% as compared with approximately 79.4% in 1H FY2026. ARR decreased by 5.2% to approximately GBP128, while RevPAR decreased to approximately GBP75 per night from approximately GBP107 per night as compared with the same period last year. Overall, total revenue generated from the Group's hotels in the UK remained steady at approximately GBP10 million, supported by revenue contribution from Dorsett Canary Wharf London, which soft-opened in September 2025.

Australia

During 1H FY2027, overall OCC of the Group's hotels in Australia increased by 3.3 percentage points to approximately 72.1% from approximately 68.8% in 1H FY2026, while ARR increased by 1.4% to approximately AUD373 from approximately AUD368 in the same period last year. As a result, RevPAR increased by 6.3% to approximately AUD269 per night as compared with 1H FY2026. Broad-based demand recovery drove growth across all major Australian metropolitan markets, with all cities recording occupancy improvements.

Overall, the Group's hotels in Australia generated total revenue of approximately AUD49 million in 1H FY2027, representing a decrease of 14.0% as compared with the same period last year. This was driven by the disposal of the Group's 50% stake in The Ritz-Carlton, Perth in May 2026 as part of the Group's capital recycling strategy.

Across the Group's remaining Australian markets, despite elevated outbound leisure travel by domestic residents, Melbourne's hotel sector demonstrated solid occupancy resilience, anchored by its year-round calendar of tier-one events, including the Australian Open, the Formula 1 Australian Grand Prix, the AFL Grand Final, and major international stadium concerts. State-level tourism initiatives, supportive short-stay accommodation policies, and expanded international flight capacity through major Asian hubs continue to strengthen inbound demand, establishing a favourable backdrop for sustained revenue performance in the second half of FY2027.

Continental Europe – Palasino Group

Total revenue from hotels operated under Palasino Group recorded a slight increase of 2.3% to approximately HK$89 million in 1H FY2027, as compared with approximately HK$87 million in 1H FY2026. Overall OCC was maintained at approximately 59.9%, while ARR increased by 1.0% to approximately HK$729, resulting in a slight RevPAR increase of 1.9% to approximately HK$436 per night in 1H FY2027.

3. Car park operations and facilities management

The Group's car park operations and facilities management business, which operates under the 'Care Park' and 'Australian Property Management' brands, managed or owned a portfolio of approximately 278 car parks comprising approximately 97,546 bays as at 30 September 2026. Of these, 19 car parks with 3,875 bays were self-owned and one car park with 383 bays was owned through a JV, while the remaining bays across Australia, New Zealand, the UK, Hungary, and Malaysia were operated under third-party management contracts.

Revenue from car park operations and facilities management, presented net of owners' share (with comparatives restated on the same basis), decreased by 3.9% to approximately HK$126 million in 1H FY2027, as compared with 1H FY2026. This decrease was primarily attributable to the strategic phase-out of underperforming sites in Australia. Adjusted gross profit margin[(i)], a non-GAAP financial measure, stood at 50.8% for 1H FY2027. The Group continued to optimise the overall quality of its car park portfolio through the divestment of mature assets, while securing new asset-light operating and facilities management contracts across its target markets, driving portfolio expansion and operational efficiency gains.

During the period, 'Care Park' continued to execute its operational transformation agenda. Support and operational functions were centralised within the global operations centre, supported by AI-enabled automation tools to enhance cost efficiency. The business also added new management contracts during the period across Australia and Malaysia. Looking ahead, the division remains focused on disciplined portfolio growth underpinned by a simplified, centralised, and technology-enabled operating structure.

Note:

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

4. Gaming operations and facilities management

Palasino Group

The Group operates its portfolio of one integrated land-based casino and 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 of Hong Kong Limited (the "Stock Exchange") on 26 March 2024, and the Group currently holds a 71.62% equity interest in Palasino Group.

Revenue from the Group's gaming operations decreased by 6.6% to approximately HK$204 million in 1H FY2027, as compared with approximately HK$218 million in 1H FY2026. The decrease was primarily attributable to softer discretionary consumer demand and lower average spend per visitor amid elevated energy costs that weighed on customer travel to the Group's casinos.

In April 2026, Palasino Group entered into a sale and purchase agreement to dispose of its stake in Palasino Malta which holds an online gaming license in Malta for a consideration of EUR190,000 (equivalent to approximately HK$2 million), recording a gain on disposal of approximately HK$2 million.

The following tables set forth certain operating data of Palasino Group's casinos for the period ended 30 September 2026:

	As at 30 September 2026	As at 31 March 2026
Number of slot machines	**738**	738
Number of tables	**67**	67

	1H FY2027	1H FY2026
Slot machines revenue *(HK$ million)*	**161**	171
Table gaming revenue *(HK$ million)*	**43**	47
Average slot win per machine per day *(HK$)*[(i)]	**1,348**	1,510
Table games hold percentage[(ii)]	**27.9%**	26.9%

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 table game gross win divided by the table games drop.

Investments in QWB Project

The Group, together with its JV partner, holds a 50% equity interest in DBC for the QWB Project in Brisbane. This integrated resort development comprises three hotels, a premium 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 facilities.

DBC holds a 99-year casino licence in Brisbane, which includes a 25-year exclusivity period within a 60-kilometre radius of the Brisbane CBD. DBC also received regulatory approval to operate up to 2,500 electronic gaming machines and an unlimited number of gaming tables, including electronic table games.

The casino features a main gaming floor and premium gaming rooms equipped with approximately 1,800 slot machines and 140 gaming tables. The operational phase of the QWB Project also comprises the 340-room The Star Grand hotel, the sky deck offering 360-degree views of the Brisbane CBD, an event centre, a selection of restaurants, bars, and cafes, the leisure deck, car parking facilities, and public realm spaces. The development connects directly to the Neville Bonner pedestrian bridge, and additional food, beverage, and entertainment venues are scheduled to open progressively throughout FY2027.

Following the increase in the Group's equity stake in DBC on 31 March 2026, operations were stabilised and significantly improved within just six months. Working in close partnership with the JV partner, DBC rapidly executed a turnaround plan focused on revenue growth, cost optimisation, and enhanced management capabilities. Through decisive measures, including expanding gaming market share, reducing the monthly operator's management fee, streamlining operating costs, and boost customer traffic, DBC achieved a material improvement in performance within a short timeframe. As a result, EBITDA growth culminated in a record high in October 2026 supported by a 12.1% year-on-year growth in revenue for 1H FY2027. DBC continues to deliver operational improvements, underscoring the immediate value of our strengthened partnership and aligned strategic execution.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Group remains committed to integrating ESG principles into its business strategy and daily operations across all core divisions. The Group continued to advance its sustainability framework in 1H FY2027 to mitigate climate-related risks, enhance operational efficiency, and create long-term value for stakeholders.

On the environmental front, the Group maintained its focus on energy conservation, greenhouse gas emissions management, water efficiency, and waste reduction across its property development, hospitality, and car park operations. The Group continued to implement energy-saving upgrades across its operating properties, including LED lighting retrofits, chiller plant optimisation, and smart building management systems. Within its hotel portfolio under Dorsett, properties continued to reduce single-use plastics through filtered water dispensers and bulk amenities, alongside food waste reduction initiatives and towel and linen reuse programmes. Meanwhile, the Group's car park division further leveraged digital ticketing, automated payment systems, and centralised monitoring to lower paper consumption and improve energy efficiency across managed facilities.

With respect to social responsibility, the Group prioritised workplace health and safety, employee well-being, and community engagement across its global footprint. Strict occupational health and safety protocols, regular risk assessments, and safety training programmes were maintained across all construction sites and operating properties to safeguard employees, contractors, and guests. The Group also continued to invest in employee training, career development, and equal-opportunity workplace practices to support talent retention. In addition, the Group remained actively engaged with local communities through charitable donations, youth and education sponsorships, and employee volunteering initiatives across Hong Kong, Chinese Mainland, Australia, the UK, Malaysia, Singapore, and Continental Europe.

In terms of governance, the Group upheld high standards of business ethics, risk management, and regulatory compliance across all operating jurisdictions. Internal control systems, anti-corruption and whistleblowing policies, data privacy safeguards, and responsible supply chain practices were regularly reviewed to ensure transparency, accountability, and sustainable business conduct.

OUTLOOK

Looking ahead, the Group will remain focused on execution, balance sheet strength, and disciplined capital allocation against an evolving macroeconomic backdrop. Overarching strategic priorities remain centered on accelerated balance sheet deleveraging, operational efficiency, and the steady expansion of high-quality recurring cash flows across core business segments.

Significant effort has been directed towards debt reduction and balance sheet optimisation, yielding tangible results in overall financial metrics. The Group has achieved a notable decrease in net debt alongside a meaningful reduction in the adjusted net gearing ratio[(i)], a non-GAAP financial measure, reflecting the successful execution of capital recycling initiatives, non-core assets disposals, and disciplined capital expenditure management.

Building on this momentum, the Group resolute in its debt reduction strategy as a core corporate objective. Beyond ongoing non-core assets disposals, the Group is actively exploring strategic opportunities to unlock the underlying value of its mature, long-term profit-generating assets to accelerate deleveraging. The Group remains committed to driving further improvements in liquidity, with a view toward lowering overall leverage and further improving the net gearing ratio in the near future.

In the property development segment, the Group is prioritising the monetisation of completed residential inventory and the timely construction and handover of presold projects. As at 30 September 2026, the Group held approximately HK$6.1 billion in cumulative attributable presales value and unbooked contracted sales. This substantial backlog provides strong, high-quality revenue visibility for the Group as these projects progress toward completion and revenue recognition over upcoming financial periods.

Furthermore, as at 30 September 2026, the expected attributable GDV of active residential projects stood at approximately HK$57.4 billion. This extensive development pipeline provides robust multi-year revenue visibility, which is considered sufficient to support realisations and cash generation over the next six to eight years. Accordingly, the Group does not anticipate an immediate necessity to replenish its land bank in the near term, maintaining a selective and highly disciplined stance toward future land acquisitions to preserve capital.

In Hong Kong, the Group is preparing to launch two key residential projects during the second half of FY2027, subject to prevailing market conditions. These developments comprise 181 Clearwater in Ho Chung, Sai Kung, and a re-development project in Sai Ying Pun.

In parallel, the Group continues to support the Northern Metropolis development blueprint, through ongoing sales of completed inventory at Manor Parc development in Yuen Long and the advancement of the Lam Tei development pipeline in Tuen Mun.

In addition, the completion of the first phase of the long-lease development in Baoshan, Shanghai, comprising 1,666 units in March 2026, marked the formal commencement of leasing operations. This initiative is expected to establish a steady stream of recurring rental cash inflows, with initial leasing performance demonstrating strong demand at an occupancy rate exceeding 96%. Groundwork has commenced for the second phase, which is expected to deliver approximately 2,627 accommodation units upon its scheduled completion in FY2029, expanding the Group's long-term recurring income engine in Chinese Mainland.

The strategic transition towards an asset-light operating model across hospitality and car park management divisions will underpin the growth and resilience of the Group's recurring income base. By leveraging third-party management contracts and asset-light capital structures, the Group aims to enhance operational returns while mitigating capital-intensive development commitments.

In the car park operations segment, the Group remains committed to divesting mature assets to recycle capital and streamline operations, while actively pursuing new asset-light management contracts to expand its portfolio. Concurrently, comprehensive digital transformation initiatives are under way across the car park network to automate operations, optimize yields, and drive enhanced margin efficiency.

Following the inaugural opening of Andaz hotel in Gold Coast, Australia, the Group currently has three hotel properties within its active development pipeline, which will drive progressive operational contributions upon completion. Among these, Dorsett Perth in Australia is scheduled to open in 2027, serving as a key operational milestone that will further enrich the international hospitality portfolio and generate steady cash flows upon operational ramp-up.

The Group's gaming segment also continues to broaden its footprint and operational scale. In support of the Group's long-term growth strategy on gaming segment, management will continue to evaluate the expansion of second phase of Palasino Mikulov, with the aim of delivering a more comprehensive casino and entertainment experience for patrons across Europe.

Furthermore, following the increment of the Group's investment in DBC to a 50% stake on 31 March 2026, active efforts are under way alongside JV partners to unlock opportunities for operational improvement and drive business recovery. The Group remains confident in DBC's long-term growth prospects, operational resilience, and value creation. In particular, the upcoming 2032 Olympic Games in Brisbane present a significant long-term catalyst for tourism, infrastructure, and leisure demand across Queensland, positioning flagship assets on the Gold Coast and in Brisbane to capture long-term capital appreciation and operational cash flow growth.

Looking forward, the Group will maintain an unyielding focus on debt reduction, capital recycling, and active liability management. By harnessing stable cash inflows generated from expanding recurring income streams, spanning long-lease residential assets, gaming operations, car park operations and facilities management, and asset-light hospitality management, alongside steady realisations from its substantial property development backlog, the Group will systematically direct operational liquidity toward debt reduction. This disciplined strategy will ensure a progressively strengthened balance sheet, lower finance costs, and enhanced financial resilience to deliver sustainable, long-term shareholder value.

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

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

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

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

Adjusted net asset value attributable to shareholders represents the equity attributable to shareholders of the Company after accounting the hotel revaluation surplus which was based on independent valuation assessed as at 31 March 2026, which was adjusted to exclude Silka Seaview, Dao by Dorsett North London and The Ritz-Carlton, Perth, all of which were disposed of during 1H FY2027, 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 assessed as at 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, which was adjusted to exclude Silka Seaview, Dao by Dorsett North London and The Ritz-Carlton, Perth, all of which were disposed of during 1H FY2027, 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 assessed as at 31 March 2026, which was adjusted to exclude Silka Seaview, Dao by Dorsett North London and The Ritz-Carlton, Perth, all of which were disposed of during 1H FY2027, 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 assessed as at 31 March 2026, which was adjusted to exclude Silka Seaview, Dao by Dorsett North London and The Ritz-Carlton, Perth, all of which were disposed of during 1H FY2027, 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 assessed as at 31 March 2026, which was adjusted to exclude Silka Seaview, Dao by Dorsett North London and The Ritz-Carlton, Perth, all of which were disposed of during 1H FY2027, 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 presented.

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 30 September 2026 and comparative figures to the nearest measures prepared in accordance with HKFRS:

		1H FY2027	1H FY2026
		HK$'000	*HK$'000*
Profit (loss) attributable to the shareholders of the Company		**255,038**	(988,420)
Less:	Gain on disposal of debt instruments at FVTOCI	**–**	(318)
	Change in fair value of investment properties (after tax)	**(91,164)**	85,412
	Change in fair value of financial assets at FVTPL	**(71,079)**	(58,780)
	Change in fair value of derivative financial instruments	**(2,242)**	(4,462)
	(Reversal of) impairment loss under ECL model on trade debtors	**(6,059)**	7,523
	Deferred tax credit from gain on asset swap	**(6,031)**	–
Add:	Change in fair value of contingent consideration payables	**64,245**	–
	Impairment loss (reversal) under ECL model on amount due from a JV	**79,088**	(10,047)
	Impairment loss recognised on deposits for acquisition of property, plant and equipment	**–**	88,427
	Impairment loss on properties for sale	**–**	193,296
	Share of impairment loss recognised by a JV	**–**	530,000
	Share of impairment loss recognised by an associate	**–**	110,368
	Depreciation and impairment of property, plant and equipment[(i)]	**231,487**	250,325
Adjusted cash profit (Non-GAAP)		**453,283**	203,324
Adjusted cash profit margin (Non-GAAP)		**19.4%**	5.7%

	1H FY2027	1H FY2026
	HK$'000	*HK$'000*
Gross profit	**750,247**	917,698
Depreciation[ii]	**168,318**	179,081
Impairment	**14,474**	209,208
Adjusted gross profit (Non-GAAP)	**933,039**	1,305,987
Adjusted gross profit margin (Non-GAAP)	**40.0%**	36.9%

	As at 30 September 2026	As at 31 March 2026
	HK$'million	*HK$'million*
Equity attributable to shareholders of the Company	**10,274**	9,618
Hotel revaluation surplus[iii]	**17,557**	18,522
Adjusted net asset value attributable to shareholders (Non-GAAP)	**27,831**	28,140
Number of shares issued *(million)*	**3,059**	3,059
Adjusted net asset value per share (Non-GAAP)	**HK$9.10**	HK$9.20

	As at 30 September 2026	As at 31 March 2026
	HK$'million	*HK$'million*
Total assets	**41,389**	42,272
Hotel revaluation surplus[iii]	**17,557**	18,522
Adjusted total assets (Non-GAAP)	**58,946**	60,794

	As at 30 September 2026 *HK$'million*	As at 31 March 2026 *HK$'million*
Total equity	**13,740**	12,895
Hotel revaluation surplus[iii]	**17,557**	18,522
Adjusted total equity (Non-GAAP)	**31,297**	31,417
Net debts	**18,387**	19,800
Adjusted net gearing ratio (net debts to adjusted total equity) (Non-GAAP)	**58.8%**	63.0%

	1H FY2027 *HK$'000*	1H FY2026 *HK$'000*
Revenue	**2,335,049**	3,543,914
Attributable sales from JV residential projects	**1,358,830**	1,184,264
Adjusted revenue (Non-GAAP)	**3,693,879**	4,728,178

	1H FY2027 *HK$'000*	1H FY2026 *HK$'000*
Revenue from property development	**777,712**	2,042,260
Attributable sales from JV residential projects	**1,358,830**	1,184,264
Adjusted revenue from property development (Non-GAAP)	**2,136,542**	3,226,524

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 assess as at 31 March 2026, which was adjusted to exclude Silka Seaview, Dao by Dorsett North London and The Ritz-Carlton, Perth, all of which were disposed of during 1H FY2027.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2026, the Group had approximately 4,100 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 the six months ended 30 September 2026, 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 Provisions C.2.1 and B.3.5 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.

Pursuant to Code Provision B.3.5 of the CG Code, the Company should appoint at least one director of a different gender to the nomination committee. Currently the nomination committee of the Company (the "Nomination Committee") comprises four members, namely one executive director and all of the Company's three independent non-executive directors, with a single gender. The Board is currently satisfied with the existing Board composition and considers that the current composition of the Nomination Committee maintains a high level of independence, and remains appropriate and effective having regard to the experience, skills and expertise of its members. The Board will continue to review the composition of the Board and the Nomination Committee and will consider appropriate appointments with a view to achieving compliance with Code Provision B.3.5 of the CG Code as and when appropriate.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended 30 September 2026, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including treasury shares).

As at 30 September 2026, there were no treasury shares held by the Company.

AUDIT COMMITTEE

The Audit Committee, comprising all of the Company's three independent non-executive directors, namely Mr. Wai Hon Ambrose LAM, Mr. Kwong Siu LAM and Mr. Lai Him Abraham SHEK, has reviewed the accounting principles, standards and practices adopted by the Company, and discussed matters relating to auditing, risk management and internal control and financial reporting, including the review of the unaudited consolidated interim results of the Group for the six months ended 30 September 2026.

PUBLICATION OF THE INTERIM RESULTS AND INTERIM 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 Interim Report of the Company for the six months ended 30 September 2026 will be despatched to the Shareholders (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, 26 November 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.