



Hongkong Land

25

Annual Report  
2025

Experience is central™



## **Hongkong Land**

Hongkong Land is a major listed property development, investment and management group. It focuses on developing, owning and managing premium and ultra-premium mixed-use real estate in Asian gateway cities, featuring Grade A office, luxury retail, residential and hospitality products. With over US\$47 billion\* in assets under management, Hongkong Land's ultra-premium mixed-use real estate footprint spans over 1.86 million sq. m.\* lettable area in operation and 1.43 million sq. m.\* lettable area under development, with flagship mixed-use projects in Hong Kong, Singapore and Shanghai. Its properties hold industry leading green building certifications and attract the world's foremost companies and luxury brands. Established in 1889, Hongkong Land takes a long-term view, investing significantly alongside its capital partners and concentrating its portfolio where it can create the most value for tenants, customers and investors. Hongkong Land Holdings Limited has a primary listing on the London Stock Exchange, with secondary listings in Singapore and Bermuda. Hongkong Land is a member of the Jardine Matheson Group.

\* As at 31 December 2025



**A member of the Jardine Matheson Group**

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# Corporate Information

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## Directors

**John Witt** Chairman  
**Michael T. Smith** Chief Executive  
**Craig Beattie** Chief Financial Officer  
**Lincoln Pan**  
*(joined the Board on 1 November 2025)*  
**Lily Jencks**  
**Adam Keswick**  
**Lincoln K.K. Leong**  
**Ming Mei**  
**Alan Miyasaki**  
*(joined the Board on 1 November 2025)*  
**Stuart Grant**  
*(stepped down on 2 May 2025)*

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## Company Secretary

**Jonathan Lloyd**  
*(stepped down on 5 March 2026)*  
**Emma Sze**  
*(joined on 5 March 2026)*

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## Registered Office

Jardine House, 33-35 Reid Street, Hamilton, Bermuda

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## Executive Management

**Michael T. Smith** Group Chief Executive  
**Craig Beattie** Chief Financial Officer  
**Kenneth Foo** Chief Property Management Officer  
*(stepped down on 28 February 2026)*  
**Pei Teng Foo** Chief Executive, Singapore Central Private Real Estate Fund  
*(joined on 1 March 2026)*  
**Stuart Grant** Chief Executive, Westbund Central  
*(joined on 30 June 2025)*  
**Kong Kei Yeuk** Chief Executive, China Integrated Properties  
**Michelle Ling** Chief Investment Officer  
*(joined on 6 January 2025)*  
**John Simpkins** General Counsel  
**Jacqueline Tan** Chief Corporate Officer  
*(stepped down on 28 February 2026)*  
**Graeme Torre** Chief Executive, Hong Kong Central  
*(joined on 1 March 2026)*  
**Raymond Wong** Chief Development Officer  
*(stepped down on 28 February 2026)*  
**Yolice Wu** Chief People & Culture Officer

# Highlights

- Strong momentum on Strategic Vision 2035 transformation
- Cumulative capital recycled reached US\$3.6 billion, 90% of 2027 target
- Net debt significantly reduced, primed to capture growth opportunities
- Total Prime Properties portfolio valuation up 3% net of disposals
- Adjusted free cash flow remained strong despite lower contributions from Hong Kong
- Full-year dividend at US¢25.0 per share, up 9%

## Results

	Year ended 31 December		
	2025 US\$m	2024 US\$m	Change %
Underlying profit attributable to shareholders* † ‡	458	499	(8)
Adjusted free cash flow <sup>^</sup>	810	808	–
Profit/(loss) attributable to shareholders	1,263	(1,385)	N/A
Shareholders' funds	30,798	29,940	3
Net debt	3,577	5,088	(30)
	US¢	US¢	%
Underlying earnings per share* † ‡	20.98	22.60	(7)
Adjusted free cash flow per share <sup>^</sup>	37.08	36.62	1
Profit /(loss) per share	57.85	(62.76)	N/A
Dividends per share	25.00	23.00	9
	US\$	US\$	%
Net asset value per share	14.30	13.57	5

\* The Group uses 'underlying profit attributable to shareholders' in its internal financial reporting to distinguish between ongoing business performance and non-trading items, as more fully described in Note 30 to the financial statements.

† In light of the Group's announced strategic pivot to exit the build-to-sell business, contributions from this segment has been reclassified as non-trading. Underlying profit represents results from prime properties investment. Refer to Note 1 of the financial statements for further details on the impact of this reclassification for FY 2024 and FY 2025.

‡ FY 2025 earnings contributions from prime properties investment and build-to-sell segments, excluding Chinese mainland inventory provisions, amounted to US\$585 million or US¢26.78 per share.

<sup>^</sup> Cash flows from operating activities adjusted to include maintenance capital expenditure and net cash flows from build-to-sell segment associates and joint ventures. The metric excludes net proceeds from capital recycling via disposals.

The final dividend of US¢19 per share will be payable on 13 May 2026, subject to approval at the Annual General Meeting to be held on 7 May 2026, to shareholders on the registers of members at the close of business on 20 March.

# Experience is central™

Hongkong Land develops, manages and invests in real estate that defines the core of Asia's cities.

Our mission is to create experience-led city centres that unlock value for generations, because we view city centres as the ultimate sources of connection, inspiration and innovation.

## Our Ambition

Our strategic direction is focused on becoming the leader in Asia's gateway cities specialising in ultra-premium integrated commercial properties. Achieving this ambition means focusing on four long-standing strengths within our business and matching this to the potential which exists within key Asian markets.

### Innovation –

We were the first to champion the reclamation of new land and bold thinking remains at the forefront as we grow our ambition in line with our new strategy.

### Hospitality –

We are deepening strong relationships and partnerships, with attention to detail on the needs of today and tomorrow's customer.

### Defining City-centres –

From Singapore to Shanghai, we invest in central locations and with our new strategy will expand our horizons in the future.

### Excellence –

Since 1889, we have been known for our visionary leadership. We invest in places to ensure they remain magnets for people and business.

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Our Portfolio in 2025

# US\$1.3 billion+

Attributable Annual Gross Rental Income

# US\$47 billion

Asset Under Management\*

# 1.86m+ sq. m.

In Operation\*

# 1.43m+ sq. m.

Under Development\*

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Years of Excellence

\* Reflects the Group's leasing assets (on a 100% basis) under the Prime Properties Investment segment in which the Group acts as asset manager and retains an equity stake as of 31 December 2025.

Hong Kong



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## The Anchors to Our Portfolio

Our flagship properties in Hong Kong, Singapore and Shanghai are the base from which we grow across the region.

### Hong Kong

The Central Portfolio consists of 12 interconnected prime commercial buildings, providing over 4 million sq. ft of Grade A office and luxury retail space. 'Tomorrow's CENTRAL', a more than US\$1 billion retail transformation in partnership with our luxury tenants, reinforces Central as a world-class destination.

### Singapore

Our portfolio includes Marina Bay Financial Centre, one of Asia's most ambitious mixed-use developments, pivotal in creating an expansive financial district for the Lion City.

### Shanghai

At over 1.1 million sq. m., Westbund Central is the largest commercial project underway in Asia. Its high-quality retail and office offering is gaining strong momentum, with global and leading local companies and brands moving to secure space in the development ahead of its completion.

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## Our Values

How we operate is fundamental to how we build better places, deliver on our strategy, and achieve long-term success.

### Always Forward

We innovate to maintain our competitive edge and earn the confidence of our investors and customers, who trust us to keep them ahead of the curve.

### Think in Generations

Dedication to quality is the cornerstone of our success. We act as stewards of craftsmanship with a vision for the long-term.

### Be a Bridge

Lasting relationships create lasting business. We are trusted partners fostering meaningful connections between colleagues and customers.



# Chairman's Statement



## Overview

After the Group's announcement in 2024 of a new strategic direction setting out clear and ambitious 10-year growth objectives and targets to deliver enhanced shareholder value, 2025 was a year of transformation and building execution momentum focused on evolving Hongkong Land's business model.

Given the size and diversity of the Group's portfolio, execution of the new strategy is expected to involve several implementation phases. The initial phase of execution focuses on the recycling of capital and establishment of deal sourcing and fundraising capabilities, with further phases involving the securing of third-party capital and deployment of capital into prime properties investment opportunities.

We are encouraged by the strong endorsement from shareholders on our strategic execution to date – total shareholder return based on 2025 volume-weighted average price compared to the prior year was over 60%.

I am pleased with the progress we have made, although there remains more to do to position the Group to deliver on our long-term growth ambitions.

## Excellent Progress in 2025

In October 2024, the Board endorsed a new strategic direction for Hongkong Land. Since then, the Group has delivered a number of significant milestones:

- US\$3.6 billion in capital recycling initiatives announced or completed
- Wind down of nearly 40% of the build-to-sell business including the divestment of the Group's business in Singapore and Malaysia
- Creation of an investment management team
- Establishment of the Group's inaugural private real estate fund – the Singapore Central Private Real Estate Fund (SCPREF)

In line with the Group's refreshed capital allocation framework, at least 80% of net proceeds from its US\$10 billion capital recycling programme are to be reinvested in new growth opportunities and subject to market conditions, up to 20% in the buy-back and cancellation of its own shares, improving long-term shareholder returns. Since April 2025, the Group has invested over US\$330 million in share buybacks and reduced shares in issuance by 2.4%. The Group also continues to increase dividends per share from US¢22.0 in 2023 to US¢25.0 in 2025, with an aim of reaching its long-term goal of US¢44.0 by 2035.

## Board and Governance

The Board and its Committees, and senior management, together play a key role in delivering against our priorities. The effective delivery of our strategy depends on high quality debate around the boardroom table. As management continues to focus on growing shareholder value and returns, the Board aims to provide both challenge and support, with effective discussion and decision-making.

We especially value the opportunity to leverage the industry expertise and experience of the Company's Non-Executive Directors.

In November, we were delighted to welcome Alan Miyasaki as an Independent Non-Executive Director and as a member of the Investment and Audit Committees. Alan is a Senior Managing Director and Head of Real Estate Asia Acquisitions at Blackstone, and has helped drive the establishment and growth of Blackstone's Real Estate business in Asia since 2007.

We were also delighted to welcome Lincoln Pan, Chief Executive Officer of Jardine Matheson Holdings Limited, the Company's parent, to the Board as a Non-Executive Director. Lincoln was previously at PAG, the largest fully diversified alternative investment business in the Asia Pacific region, where he was a Partner and co-head of Private Equity and a member of the Group Executive Committee.

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These appointments reflect our ongoing focus on enhancing governance, as we continue to strengthen the composition of our Board and Committees, improving decision-making and bringing in relevant expertise to support management as they execute the Group's strategy and build long-term shareholder value.

Stuart Grant stepped down from the Board and Audit Committee in May to join Hongkong Land in an executive capacity as Chief Executive, Westbund Central based in Shanghai. Stuart is well placed to provide dedicated leadership on the execution of this iconic development, having spent 18 years at Blackstone as Senior Managing Director of their Asian real estate business.

## Sustainability

The Group advanced its sustainability leadership, translating this into tangible business outcomes including responsible investment, enhanced asset resilience and strategic partnerships with our tenants and supply chain.

We were recognised again by the Global Real Estate Sustainability Benchmark (GRESB) as Global Sector Leader (Diversified) for Development Benchmark and Global Listed Sector Leader (Diversified – Office/Retail) for Standing Investments Benchmark. These independent benchmarks reinforce our competitive positioning in core Asian gateway markets and support investor demand across private capital and public markets with positive implications for long-term shareholder value.

The Group demonstrated its responsible investment commitment by becoming a signatory to the United Nations Principles for Responsible Investment – an international organisation that works to promote ESG factors within investment decision-making. We launched our first private real estate fund – SCPREF which focuses on ultra-premium, green-certified assets in Singapore—aligning capital allocation with decarbonisation pathways and long-duration cash flows.

Execution against our 2030 science-based targets remained on track in 2025. Absolute Scope 1 and 2 emissions were reduced by 37% against a 2019 baseline. Our integrated decarbonisation programme—renewable energy procurement, targeted efficiency projects, and an AI-powered Integrated Facility Management Control Tower—continues to lower operating costs, reduce volatility, and extend the economic life of our assets.

We also piloted Hong Kong's first tempered and laminated glass recycling solution at Tomorrow's CENTRAL, supporting a 75% waste diversion target and reducing embodied-carbon intensity in future fit-outs. These initiatives differentiate our developments for occupiers seeking credible sustainability solutions.

Tenant engagement deepened through the enhanced Sustainability Partnership Programme at our Central Portfolio. By driving deeper collaboration and measurable sustainability outcomes with tenants, we are improving retention and protecting rental reversion potential across the portfolio.

To embed long-term, measurable community partnerships into our strategy, we launched the Hongkong Land Foundation. In 2025, we contributed over 9,800 volunteer hours, benefiting more than 70,000 people. We are deeply saddened by the tragic fire in Tai Po and extend our heartfelt sympathies to the victims, their families, and all those affected. Through the Hongkong Land Foundation, we have donated HK\$10 million to the Government announced fund for emergency relief and HK\$800,000 to The Hong Kong Federation of Youth Groups for assisting affected students with essential supplies to help them resume their education.

Looking ahead, we will continue to integrate sustainability into investment decision making, development design, supply chain, and building operations. This approach supports growth of a high performing, sustainable and resilient portfolio mix aligned with our 2035 strategy.

## Outlook

The successful execution of multiple initiatives over the past year represents meaningful steps forward in delivering the early phases of our strategy, as we continue transforming Hongkong Land into a more disciplined, capital efficient and growth-oriented company. While there remains much to do, I am confident we will maintain our strong execution momentum and renewed focus on creating shareholder value into 2026 and beyond.

Despite uncertain macro conditions in a number of the Group's key markets, I am confident that our strategic focus on ultra-premium integrated commercial assets in Asia gateway cities will continue to benefit from global flight to quality trends, and deliver sustainable growth over the long-term.

On behalf of the Board, I would like to express my appreciation to our shareholders for their continued support and endorsement of the Group's new strategic direction and execution to date. I would also like to thank our valued partners and the wider community for your continued trust and support. Finally, I would like to thank our people for their ongoing dedication and professionalism in providing high quality services and offerings to our tenants and customers, as well as for their commitment in driving the Group's success.

**John Witt**  
Chairman

# Chief Executive's Review



## Overview

2025 was a landmark year for Hongkong Land, as we took significant steps to reshape our business and build investment capacity to advance our ambition to become the leader in Asia's ultra-premium integrated commercial property sector. While operating conditions remained challenging in some market segments, we delivered on several significant capital recycling initiatives, established our inaugural private real estate fund, continued to drive operational excellence across our core portfolios, and proactively managed costs to further strengthen our financial position.

Building on the strategic clarity outlined in our Strategic Vision 2035, we focused our efforts on simplifying the Group's portfolio, improving capital efficiency, and strengthening the foundations for long-term growth. Our disciplined execution—ranging from asset divestments to working with third-party capital partners and re-investing in our portfolio anchors—demonstrated both the scarcity and resilience of our portfolios and our commitment to positioning the business for the future.

## Delivering on Our Strategic Priorities

### Capital Recycling

We made substantial progress on capital recycling in 2025. Completed or announced net proceeds recycled as at the end of February 2026 totalled US\$3.6 billion, including the disposal of certain floors of One Exchange Square to the Hong Kong Stock Exchange (US\$0.8 billion), the recycling from the build-to-sell segment and other assets (MCL Land: US\$0.7 billion; Chinese mainland & others: US\$0.8 billion), as well as the formation of the Singapore Central Private Real Estate Fund (SCPREF) and resulting disposal of our 33⅓% interest in Marina Bay Financial Centre Tower 3 (MBFC Tower 3) in Singapore (US\$1.3 billion). This represents 90% of our target to recycle at least US\$4 billion by the end of 2027.

## Wind Down of Build-to-Sell Business

In line with its announced strategic pivot, the Group no longer pursues investments in its build-to-sell segment, and is focused on accelerating the return of capital via divestments and inventory sales. To date, the Group made considerable progress in recycling capital from its build-to-sell portfolio, realising some US\$800 million from inventory sales primarily from the Chinese mainland.

In October, the Group also completed its exit from the Singapore and Malaysia build-to-sell business via the divestment of MCL Land to Sunway Group. The transaction was undertaken at net asset value, with net proceeds recycled amounting to over US\$650 million.

On the Chinese mainland, the Group took proactive steps to accelerate the return of capital from its build-to-sell portfolio, despite market conditions remaining difficult during the year. An organisational restructuring was initiated to optimise resourcing to retain expertise and ensure committed projects are completed to the Group's usual high standards. The restructuring has resulted in around US\$15 million in cost savings for 2025, and is expected to result in annual savings of approximately US\$50 million by 2028.

As a result of deteriorating market conditions on the Chinese mainland, the Group undertook a thorough review of the carrying value of its build-to-sell inventory at year-end. In order to drive sales velocity and align pricing to accelerate the return of capital, the Group recognised non-cash provisions of US\$372 million (post tax) on selected projects where realisable selling prices have fallen below development cost.

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## Shareholder Returns

Net proceeds from capital recycling transactions have improved shareholder returns and strengthened our balance sheet, building significant capacity for new potential investment opportunities and investment in share buybacks.

We continued to enhance shareholder value through an active share buyback programme financed by the proceeds from our capital recycling initiatives. Total share buyback invested up to the end of February 2026 amounted to over US\$330 million, reducing our issued share capital by 2.4% and delivered accretive returns to shareholders.

The buybacks together with an increase in dividends per share, from US¢23.0 in 2024 to US¢25.0 in 2025, reflect our confidence in the Group's strategic direction and long-term prospects, and we expect to continue deploying recycled capital into buybacks where valuations are attractive.

## Third Party Capital

In February 2026, the Group announced the establishment of its first private real estate fund – SCPREF with US\$6.4 billion of assets under management (AUM) with Qatar Investment Authority and APG Asset Management as founding investors. SCPREF was seeded with some of Singapore's highest-quality commercial real estate assets, including equity interests in One Raffles Quay, Marina Bay Financial Centre Towers 1 and 2, One Raffles Link and Asia Square Tower 1, representing 2.6 million sq. ft of effective net lettable area.

The fund represents a significant milestone in the execution of the Group's strategy to build a scalable third-party capital platform, broadening our investor base, and diversifying income through fee-based revenues. As the manager of SCPREF, the Group intends to pursue growth opportunities of prime commercial properties focusing on the Marina Bay and Orchard Road districts.

## An Overview of Our Results

Underlying profits were lower than the prior year, primarily due to lower contributions from the Hong Kong Central Portfolio. Rental reversions for Hong Kong office were negative during the year, although leasing sentiment saw steady improvement on the back of a recovery in capital market activity. The Hong Kong retail portfolio saw temporary impact to rental income from the ongoing Tomorrow's CENTRAL transformation. This was partially offset by a strong performance from Singapore office, driven by effectively full occupancy and positive reversions.

## Hong Kong

The Group's Central office portfolio remains firmly positioned amongst some of the most sought-after prime office space in the market, having continuing to benefit from the global flight to quality trend despite subdued market sentiment in recent years. Leasing momentum improved steadily throughout the year, with significant increase in enquiry levels driven by the recovering capital market sentiment and a robust IPO pipeline. Vacancy on a committed basis declined to 6.0% by year-end, compared to 7.1% at the end of 2024. Average rents during the year declined by 7% to HK\$94 per sq. ft. The weighted average lease expiry of the office portfolio at the end of 2025 remained healthy at 3.6 years.

The LANDMARK retail portfolio demonstrated strong resilience, with contributions declining by only 8% compared to the prior year despite over one-third of lettable space under renovation during the year. Overall customer spending in 2025 declined marginally compared to the prior year but remained the fourth highest over the past decade. The ultra-high-net-worth segment also remained strong, with top-tier customer spending increasing 8% compared to prior year, reflecting the continued appeal of LANDMARK as Hong Kong's premier luxury destination. Average rents increased by 12% in 2025 to HK\$236 per sq. ft, due to positive rental reversions and a number of new long-term leases becoming effective during the year. Excluding the impact of ongoing renovations, LANDMARK remained effectively fully occupied.

## Singapore

The Group's Singapore office portfolio delivered a solid performance during the year, supported by tight supply dynamics and sustained flight-to-quality demand in the central business district. Vacancy on a committed basis at the Group's office portfolio was 2.7% at the end of 2025. Average rents in 2025 increased to S\$11.5 per sq. ft from S\$11.1 per sq. ft in 2024 due to the positive rental reversions.

The Group's economic interest in its Singapore portfolio changed in February 2026 with the establishment of SCPREF. MBFC Tower 3 was sold at above its fair market value with net proceeds of US\$0.7 billion received on 31 December 2025. The Group now has a circa 50% interest in SCPREF and will earn management fees in its capacity as the fund manager.

## Chinese Mainland and Macau

Contributions were lower this year mainly due to pre-opening costs incurred for a number of pipeline projects on the Chinese mainland expected to launch from 2027 onwards, and lower rents in Macau due to ongoing renovation works and planned tenant movements.

## Build-to-Sell

As the Group had moderated its pace of land banking since 2022 and no longer deploys capital into new projects, earnings from the build-to-sell segment is expected to continue declining as capital is recycled from the portfolio. Excluding non-cash provisions recognised at year-end, contributions declined by 44% to US\$127 million in 2025.

To improve transparency of the Group's earnings, the build-to-sell segment has been reclassified as a non-trading item, as the portfolio is no longer an area of strategic focus for the Group.

## Portfolio Valuations

As at 31 December 2025, the total valuation of the Group's portfolio of Prime Properties Investment increased by 3% from the end of 2024. In Hong Kong, the Central portfolio valuation increased for the first time since market rents began to decline in 2019, primarily due to higher market rents for the LANDMARK, as well as stable cap rates and market rents for office. Valuations of the Singapore and Westbund Central portfolios also increased in the year, reflecting

improved rental outlooks. Valuations for the Group's investment properties portfolio across other regions remained broadly unchanged.

In line with its new strategic focus on developing and managing prime commercial assets, the Group has reclassified its portfolio of assets previously held for medium-term lease from the build-to-sell segment to investment properties. This portfolio comprises, both existing and under development, lifestyle retail, office, and residential assets on the Chinese mainland. The Group's attributable interest in this portfolio amounted to US\$3.8 billion as at year-end. As these assets now form part of investment properties, they will be fair market valued every six months.

The Group's AUM reflects gross asset values (on a 100% basis) of leasing assets under the Prime Properties Investment segment in which the Group acts as asset manager and retains an equity stake. At the end of February 2026, the Group's AUM reached US\$50 billion, benefiting from the establishment of SCPREF and higher investment properties valuation.

## Progress on Major Portfolio Initiatives

The Group's development pipeline reflects our strategic pivot toward ultra-premium commercial properties in Asia gateway cities and positions us for significant future rental growth as assets reach completion and stabilisation.

In Hong Kong, substantial progress was made on the Tomorrow's CENTRAL transformation of LANDMARK. In addition to the opening of Sotheby's flagship retail space in 2024, another two of the ten flagship Maisons were opened in late 2025. The new Prada flagship is the brand's largest Asia Pacific boutique, spanning three floors and approximately 14,000 sq. ft of retail space. Saint Laurent has its stunning duplex flagship store prominently located on Queen's Road Central. These openings provide a glimpse of the future of luxury retail in LANDMARK. Upon completion, LANDMARK will house 10 world-class multi-storey Maison destinations, over 200 luxury retail stores and around 100 F&B concepts, meeting luxury tenants' demand for expanded experiential retail space to serve our deep pool of loyal and discerning customers. Tomorrow's CENTRAL is just one example of how we work with our partners – our willingness to invest in our own properties to unlock greater value for our tenants to ensure we both achieve sustainable growth over the long-term.

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Our flagship Westbund Central development in Shanghai reached several key milestones in 2025. Phase 2 of the project has a total GFA of 168,000 sq. m. comprising four Grade-A office towers, rental apartments, and retail space. The office component with a total GFA of 78,000 sq. m. has been fully committed, with anchor tenants progressively taking possession – including adidas and lululemon. Over 170 units of rental apartments were launched in October 2025 and were over 50% occupied by year-end. Finally, the lifestyle-focused retail component of Phase 2 is on track to open in mid-2026 having already achieved a pre-leasing rate of over 75%.

Other retail-led mixed-use projects in Suzhou and Chongqing also made steady progress, with openings currently scheduled in 2027. These developments will introduce new CENTRAL series destinations with integrated luxury retail offerings, enhancing the Group's long-term presence in key Chinese mainland markets.

## 2026 Outlook

While the positive market momentum in Hong Kong and Singapore are likely to continue into 2026, trading conditions on the Chinese mainland is expected to remain challenging.

For 2026, the rental reversions for the Hong Kong office portfolio will remain negative, although the magnitude of decline is expected to narrow as market rents return to mild growth. While rents for best-in-class buildings in Central have already stabilised with vacancies on a declining trend, the positive impact on rental income will unfold steadily as leases expire and rents revert to market levels. Operations at LANDMARK will continue to be affected by Tomorrow's CENTRAL transformation, but positive rental reversions are expected from the phased opening of new Maisons and other new concepts. The Group also intends to pursue growth opportunities in Singapore via SCPREF, as well as to manage costs and improve operating efficiency of existing portfolios. Overall, we expect 2026 underlying profits to remain largely unchanged compared to the prior year.

## Looking Forward

Looking ahead, the Group remains relentlessly focused on executing its strategy and progressing towards its long-term objectives. Having established deal sourcing and fundraising capabilities, as well as its inaugural private real estate fund, the Group is actively assessing both new integrated commercial property projects, as well as acquisition opportunities to grow SCPREF. Efforts to recycle capital from selective parts of the Group's balance sheet and generate cash from the sale of build-to-sell inventory will continue, further increasing new investment capacity. As we enter the next phase of our multi-year journey, we will continue to ensure the Group continues to maintain a strong financial position, as well as a disciplined and consistent approach to capital allocation.

2026 will also be an important year to maintain the strong momentum built on initiatives to grow our portfolio anchors, including Tomorrow's CENTRAL in Hong Kong, and progressively launching the Group's pipeline of ultra-premium properties currently under development – such as Westbund Central in Shanghai.

We take pride in delivering outstanding services and products to our tenants and customers by upholding the highest quality standards in the design, operation, and sustainability performance of our properties. These core values have served as the foundation of Hongkong Land's long-term success. With a clear strategy, a high-quality portfolio, and a robust financial position, our focus continues to be fixed on delivering value and growth.

## Michael T. Smith

Chief Executive

# How We will Create Long-Term Value

Our strategy, which began in 2024 and will be executed over the next few years, will see us simplify our business to focus on Investment Properties in Asia's gateway cities.

The strategy sets us up for another century of success, delivering enhanced shareholder value in the years ahead. It creates lasting value for our cities' communities, through our place innovation and enduring commitment to exceptional experiences. Its core tenets:

## New Strategic Investment

We continue to invest in ultra-premium integrated investment properties to create enduring leading destinations

## A Simplified Portfolio

With a focus on our core capabilities, there is no longer any new investments in build-to-sell assets

## Growing from Our Portfolio Anchors

Central, Hong Kong, Marina Bay, Singapore and West Bund, Shanghai are the flagships which fuel our future growth



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## Our 2035 Targets

### Double Underlying Profit before Interest and Tax

in a geographically diversified manner, with no single city accounting for more than 40%

### Double Dividends per Share

from US¢22 per share to US¢44 per share

### Grow Assets under Management to US\$100 billion

with meaningful participation from third-party capital

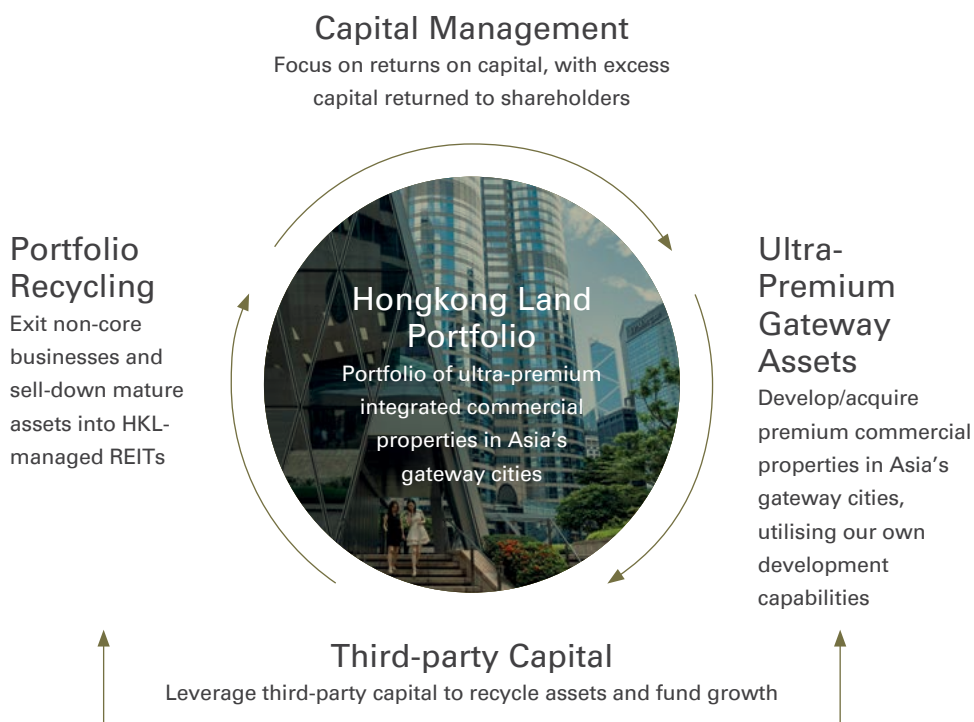
### Actively Recycle Capital

of up to US\$10 billion

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## Evolving Our Business Model

Implementing our strategy revolves around four areas of focus



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## The Role of Our People

Our strategy is enabled by a high performance, values driven organisation with the leadership capability, culture and incentives required to deliver long-term value. As we execute our refreshed strategy, we are reshaping the way we work. We are embedding our values more deeply into how performance is defined, measured and rewarded, reinforcing a culture where results and behaviours go hand in hand. Leadership capability is being strengthened through a clear competency framework, while performance and reward structures, including a new Long-Term Incentive Plan, align our senior leaders with sustainable value creation and shareholder outcomes.

# Operational Review

	2025 US\$m	2024 US\$m
<b>Gross rental income*</b>		
Hong Kong office	625	674
Hong Kong retail	176	192
Singapore office	178	170
China retail	178	140
Hospitality & others	192	196
<b>Total gross rental income</b>	<b>1,349</b>	<b>1,372</b>

\* Includes gross rental income and property management fees; includes share from the Group's joint ventures and associates.

The Group's operating results for 2025 was resilient despite challenging trading conditions across key markets outside Singapore. Gross rental income from our Prime Properties Investment portfolio decreased to US\$1,349 million, down by 2% compared with 2024 mainly due to lower rents from the Hong Kong Central office and retail portfolio, partially offset by higher effective rents for Singapore office and new mall openings for China retail.

## Portfolio Overview – Prime Properties Investment

The Group's Prime Properties Investment portfolio are predominantly commercial assets located in core business districts of key Asian gateway cities, with a concentration in Hong Kong, the Chinese mainland and Singapore. The total net leasable area attributable to the Group at 31 December 2025 was approximately 20.7 million sq. ft, comprising completed Prime Properties Investment of 13.3 million sq. ft and 7.4 million sq. ft of Prime Properties Investment under development.

## Completed Prime Properties Investment

(NLA attributable to the Group in '000 sq. ft)

	Office	Retail	Hotel & others	Total
Hong Kong <sup>1</sup>	4,032	457	134	4,623
Singapore <sup>2</sup>	1,217	108	–	1,325
Chinese mainland	1,251	3,301	834	5,386
Macau	–	79	151	230
Jakarta	1,028	90	–	1,118
Phnom Penh	195	141	–	336
Others	42	–	255	297
<b>Total</b>	<b>7,765</b>	<b>4,176</b>	<b>1,374</b>	<b>13,315</b>

1 Includes certain floors of One Exchange Square sold to HKEx but have not yet handed over as of 31 December 2025.

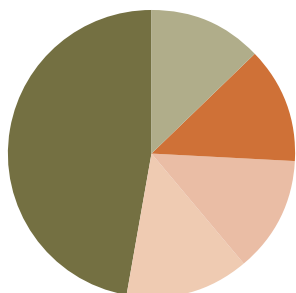
2 Includes attributable NLA for 100% interest in One Raffles Link, 33⅓% interest in Marina Bay Financial Centre Tower 1 & 2, and 33⅓% interest in One Raffles Quay prior to the formation of SCPREF in February 2026.

## Under Development Prime Properties Investment

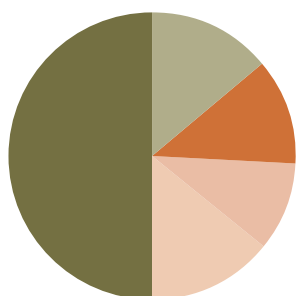
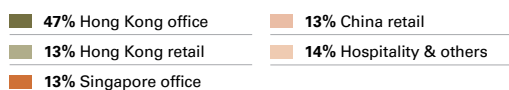
(Expected NLA attributable to the Group in '000 sq. ft)

	Office	Retail	Hotel & others	Total
Chinese mainland	3,259	1,952	1,201	6,412
Thailand	296	514	213	1,023
<b>Total</b>	<b>3,555</b>	<b>2,466</b>	<b>1,414</b>	<b>7,435</b>

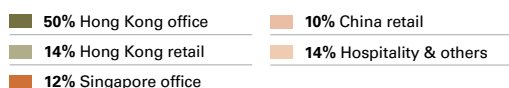
The charts below show the analysis of the Group's gross rental income by segment on an attributable basis.



## 2025



## 2024



## Attributable Gross Rental Income

## Prime Properties Investment – Hong Kong

In Hong Kong, the Group's Central Portfolio consists of 12 interconnected prime commercial buildings forming the heart of the financial district in Central, providing 4.5 million sq. ft of Grade-A office and luxury retail space. The investment properties and hotel portfolio also includes the Landmark Mandarin Oriental hotel as well as a small number of luxury residential units held for lease.

### Office

The completed office portfolio in Hong Kong comprises a total of 4.0 million sq. ft NLA on a 100% basis. At 31 December 2025, the office portfolio in Hong Kong was valued at US\$18,437 million, of which the Group's attributable interest was US\$17,960 million (excluding certain area of One Exchange Square sold to HKEx but have not yet handed over at the end of 2025).

As at 31 December 2025	HKL's share NLA ('000 sq. ft)	Committed occupancy	Average net rent
Hong Kong office portfolio	4,032	94.0%	HK\$94 psf/month

Total attributable gross rental income from our Hong Kong office was US\$625 million in 2025, 7% lower than 2024 primarily due to negative rental reversions. Despite subdued market sentiment in recent years, the Group's Central Portfolio has continued to benefit from the global flight to quality trend, with vacancies on a committed basis at 6% at 31 December 2025, well below the market vacancy of 11% for Hong Kong Central Grade A office.

Leasing momentum improved steadily throughout the year, with enquiry levels increasing driven by the recovering capital market sentiment and a robust Initial Public Offering pipeline.

At 31 December 2025, the top ten office tenants (based on area) occupied approximately 28% of the Group’s total attributable office space in Hong Kong.

**Top Ten Office Tenants**

(in alphabetical order)

- China Merchants Bank

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- Clifford Chance

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- J.P. Morgan

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- Jane Street

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- Johnson Stokes & Master

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- KPMG

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- LGT Bank AG

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- PricewaterhouseCoopers

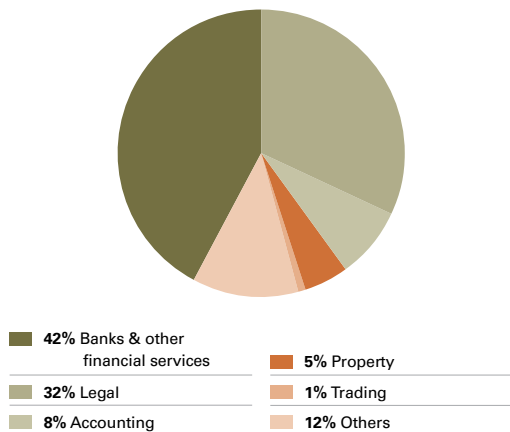
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- Richemont Asia Pacific

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- Stock Exchange of Hong Kong

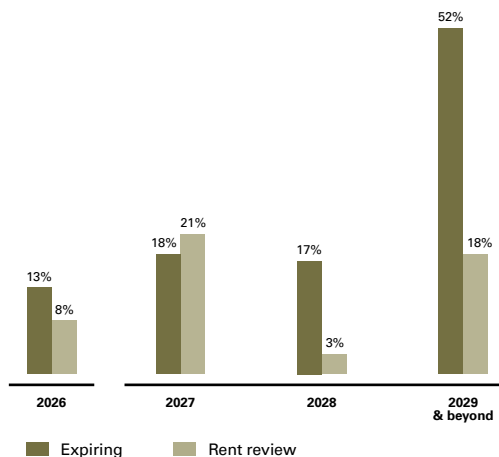
The chart below shows the tenant mix of Hong Kong office at 31 December 2025.



**Tenant Mix by Lettable Area - HK Office**

(at 31 December 2025)

The following chart shows the percentage of office area subject to expiration or rent renewal as at 31 December 2025.



**Lease Expiries and Rent Reviews by Lettable Area - HK Office**

(at 31 December 2025)

**Retail**

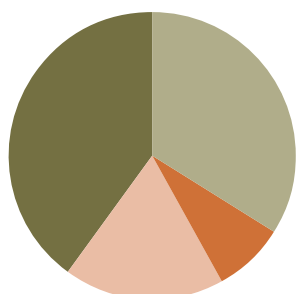
The completed retail portfolio in Hong Kong comprises a total of 457,000 sq. ft of NLA on a 100% basis. At 31 December 2025, the retail portfolio in Hong Kong was valued at US\$4,695 million.

As at 31 December 2025	HKL's share NLA ('000 sq. ft)	Committed occupancy	Average net rent
Hong Kong retail portfolio	457	99.4%	HK\$236 psf/month

Total attributable gross rental income from our retail properties in Hong Kong was US\$176 million in 2025, down 8% from 2024. This was a terrific performance, considering over one-third of lettable space in LANDMARK was under renovation during the year. The strength and attractiveness of LANDMARK was further evidenced by continued growth in average retail rents, increasing 12% compared to 2024, on the back of positive base rent reversions from the new Maisons under the Tomorrow’s CENTRAL transformation and a number of new brand openings.

The ultra-high net worth segment, a core part of the customer base of LANDMARK, demonstrated incredible strength and resilience, with top-tier customer spending increasing 8% compared to 2024. This further solidifies LANDMARK’s appeal as Hong Kong’s premier luxury destination.

The chart below shows the tenant mix of Hong Kong retail at 31 December 2025.

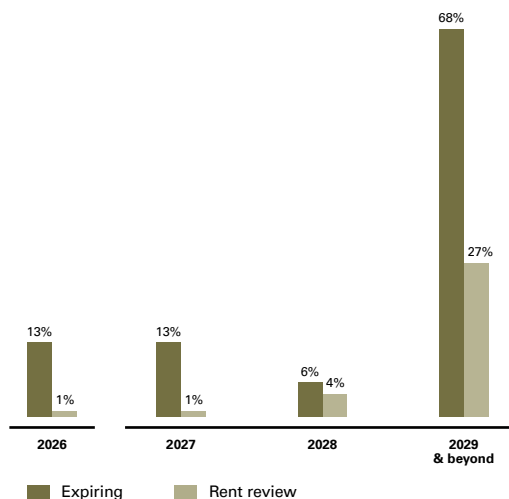


40% Fashion & accessories    8% Jewellery & watches  
34% Food & beverage    18% Others

### Tenant Mix by Lettable Area - HK Retail

(at 31 December 2025)

The following chart shows the percentage of retail area subject to leases expiry or rent renewal as at 31 December 2025.



### Lease Expiries and Rent Reviews by Lettable Area - HK Retail

(at 31 December 2025)

## Prime Properties Investment – Singapore

In Singapore, the Group’s attributable interests at the end of 2025 totalled 1.3 million sq. ft NLA of prime office and retail space principally concentrated in the Marina Bay Area. As part of the establishment of the Group’s inaugural private fund – Singapore Central Private Real Estate Fund (SCPREF), the Group has seeded all of its existing premium commercial portfolio in Singapore into SCPREF in February 2026.

### Office

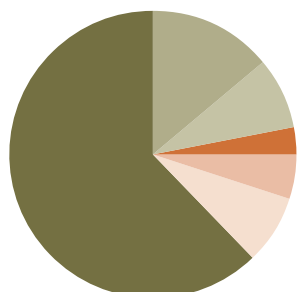
The completed property portfolio in Singapore comprises an aggregate of 3.4 million sq. ft NLA, of which 1.3 million sq. ft is attributable to the Group. At 31 December 2025, the office portfolio in Singapore was valued at US\$7,975 million, of which the Group’s attributable interest was US\$3,007 million.

As at 31 December 2025	HKL’s share NLA ('000 sq. ft)	Committed occupancy	Average gross rent
Singapore office portfolio*	1,217	97.3%	S\$11.5 psf/month

\* Includes attributable NLA for 100% interest in One Raffles Link, 33⅓% interest in Marina Bay Financial Centre Tower 1 & 2, and 33⅓% interest in One Raffles Quay post disposal of 33⅓% interest in Marina Bay Financial Centre Tower 3 and prior to the formation of SCPREF in February 2026.

Total attributable gross rental income from our Singapore office portfolio was US\$178 million in 2025, a 5% increase from 2024. This was primarily driven by positive rent reversions in the office portfolio, supported by low vacancies and a tight supply in the CBD area.

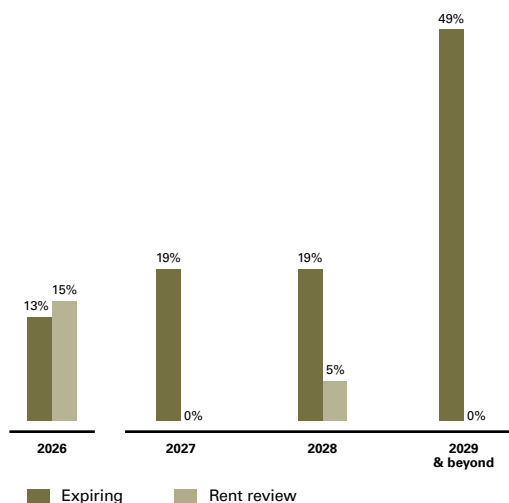
The chart below shows the tenant mix of Singapore office at 31 December 2025.



62%	Banking & other financial services
14%	Technology, media & telecommunication
8%	Legal, accounting & consulting services
3%	Energy & natural resources
5%	Real estate and property services
8%	Others

### Tenant Mix by Lettable Area - SG Office (at 31 December 2025)

The following chart shows the percentage of office area subject to expiration or rent renewal as at 31 December 2025.



### Lease Expiries and Rent Reviews by Lettable Area - SG Office (at 31 December 2025)

## Prime Properties Investment – Chinese Mainland

On the Chinese mainland, the Group has commercial developments in seven key markets: Beijing, Chengdu, Chongqing, Hangzhou, Nanjing, Shanghai and Suzhou. These developments are expected to comprise a total attributable NLA of 11.8 million sq. ft, of which 5.4 million was completed as at year-end. The completed portfolio in the Chinese mainland consists of both luxury retail and lifestyle retail malls, Grade-A offices as well as hotels and service apartments.

### Completed Prime Properties Investment

As at 31 December 2025	HKL's share NLA ('000 sq. ft)			Total
	Office	Retail	Hotel & others	
Beijing	–	346	139	485
Chengdu	175	537	379	1,091
Chongqing	–	1,710	–	1,710
Nanjing	456	239	–	695
Shanghai	620	469	316	1,405
<b>Total</b>	<b>1,251</b>	<b>3,301</b>	<b>834</b>	<b>5,386</b>

### Under Development Prime Properties Investment

As at 31 December 2025	Expected HKL's share NLA ('000 sq. ft)			Total
	Office	Retail	Hotel & others	
Beijing	378	28	–	406
Chongqing	–	518	–	518
Hangzhou	–	179	124	303
Nanjing	–	230	112	342
Shanghai	2,881	609	823	4,313
Suzhou	–	388	142	530
<b>Total</b>	<b>3,259</b>	<b>1,952</b>	<b>1,201</b>	<b>6,412</b>

Total attributable gross rental income from the prime properties investment in the Chinese mainland was US\$246 million in 2025. At 31 December 2025, the attributable valuation of completed investment properties in the Chinese mainland was at US\$3,396 million.

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## Retail

The completed retail portfolio on the Chinese mainland comprises a total of 3.3 million sq. ft of NLA on an attributable basis. Gross rental income from the retail portfolio was US\$178 million in 2025, an increase of 27% compared to 2024 driven by a combination of new mall openings in Nanjing and Chongqing as well as higher rental income from existing malls in Beijing, Chengdu and Chongqing. At 31 December 2025, the attributable valuation of our completed retail properties in the Chinese mainland were US\$2,460 million.

## Office

The completed office portfolio on the Chinese mainland comprises a total of 1.3 million sq. ft of NLA on an attributable basis. Gross rental income from the office portfolio increased 41% compared to 2024 driven primarily by new office openings in Westbund Central in Shanghai and JLC in Nanjing. At 31 December 2025, the attributable valuation of our completed office properties in the Chinese mainland were US\$674 million.

## Hotel & Others

There are two hotels in operation in the Chinese mainland – Mandarin Oriental in WF Central in Beijing and a Hyatt Centric adjacent to The Ring, Chengdu that recently opened. In Shanghai, there are currently 359 rental apartments at Westbund Central. Gross rental income from this segment has shown moderate growth.

## Prime Properties Investment – Macau

In Macau, the Group has a 49% interest in a waterfront mixed-use complex – One Central Macau, consisting of a luxury retail mall and a Mandarin Oriental hotel. Total attributable gross rental income from the prime properties investment in Macau was US\$32 million in 2025, down 18% primarily due to the planned renovation of the mall.

## Prime Properties Investment – Southeast Asia

The Group holds a 50% interest in the World Trade Centre complex, a premium hub in the CBD of Jakarta consisting of five buildings with Grade A offices and retail. At 31 December 2025, the investment properties in Jakarta were valued at US\$307 million on an attributable basis.

In Phnom Penh the Group has a 100% interest in EXCHANGE SQUARE, a Grade-A office tower with a luxury retail podium, as well as another retail mall located in the Riverside district.

Total attributable gross rental income from the prime properties investment in Southeast Asia was US\$38 million in 2025, a 12% decline from 2024, primarily due to lower contribution from the asset disposed in Bangkok. Excluding the impact of the disposal, gross rental income was stable in the region.

## Development Highlights – Prime Properties Investment Tomorrow's CENTRAL

In June 2024, the Group announced Tomorrow's CENTRAL, a plan to invest US\$400 million to expand and upgrade the LANDMARK retail portfolio over a three-year period. Additional capital investments of an estimated US\$600 million will be made by the Group's luxury retail tenants in the design and fit out of new flagship Maison stores which will include a range of new customer offerings. As part of the transformation, 10 world-class, multi-storey Maison destinations will be created. Phase one of the transformation commenced in the third quarter of 2024, with three of the new Maisons opened by the end of 2025. The remaining new Maisons will progressively open during 2026-2028.

## Westbund Central

In February 2020, the Group secured a prime 23.1 hectare mixed-use site located on the prestigious riverfront location of Shanghai's Xuhui District. The project will be developed over multiple phases, with a total developable GFA of over 1.1 million sq. m.. Upon completion, the project will comprise Grade-A offices, luxury retail maisons and a mall, high end residences for sale and lease, two luxury hotels, a convention centre as well as cultural, sports and other facilities. Phase 1 of the development was completed in 2024, consisting of residential units that were sold out on launch, the debut of West Bund Central Residences for lease (183 units) as well as some complementary retail. Phase 2 of the project consists of four office towers with a total GFA of 78,000 sq. m. that are fully committed; launch of the second phase of the successful West Bund Central Residences for lease (176 units), as well as a retail component comprising 27,000 sq. m. of retail space positioned for contemporary fashion and lifestyle. Phase 2 will open in phases from late 2025 through to end 2026.

## Suzhou CENTRAL

In August 2022, the Group acquired a prime commercial site by the waterfront on the east side of Jinji Lake in Suzhou. With a total planned GFA of approximately 168,000 sq. m., the development will comprise an ultra premium CENTRAL series mall, as well as a Mandarin Oriental, the hotel chain's first foray into Suzhou. The mall is scheduled to open in 2027.

## Chongqing MixC CENTRAL

Jointly developed by Hongkong Land and China Resources Land, Chongqing MIXC CENTRAL is set to anchor the future world-class Guanyinqiao Business District in Southwest China's key economic and transportation hub. The mall, which is positioned to have a luxury retail component, is scheduled to open in 2027.

## Bangkok

The former British Embassy site was secured in January 2018 and is a Joint Venture between Hongkong Land and Central Group. The freehold site is located on the prestigious Wireless Road in the Ploenchit District. The mixed-use development will comprise Grade-A offices, luxury retail and premium residences and will connect to the existing Central Embassy building and Park Hyatt Bangkok.

## Portfolio Overview – Build-to-sell

In October 2024, as part of a new corporate strategy, the Group announced its decision to no longer invest in the build-to-sell segment, and to actively recycle capital out from this segment into new integrated commercial property opportunities. The Group is committed to completing all existing build-to-sell projects to the highest standards.

In September 2025, the Group announced the disposal of MCL Land, which marked the end of the Group's presence in the build-to-sell markets in Singapore and Malaysia. The remaining build-to-sell projects under development are located across the Chinese mainland, Indonesia, the Philippines, and Thailand, with total attributable GFA under construction or to be developed of 2.3 million sq. m. as of 31 December 2025.

As at 31 December 2025	HKL's share GFA ('m sq. m.)		Total
	Under construction	To be developed	
Chinese mainland	0.52	0.34	0.86
Indonesia	0.10	0.64	0.74
The Philippines	0.19	0.36	0.55
Thailand	0.04	0.11	0.15
Others	–	0.02	0.02
<b>Total</b>	<b>0.85</b>	<b>1.47</b>	<b>2.32</b>

## Valuation

The table below shows the attributable valuation and capitalisation rates of investment properties including the Group's share of joint ventures and associates and investment properties under assets classified as held for sale.

	Valuation (US\$m)		Capitalisation Rates <sup>4</sup>	
	As at 31 December 2025	As at 31 December 2024	As at 31 December 2025	As at 31 December 2024
<b>Hong Kong</b>				
– Office <sup>1</sup>	18,437	18,714	2.90 – 3.50	2.90 – 3.50
– Retail	4,695	4,110	4.25 – 5.00	4.25 – 5.00
	23,132	22,824		
<b>Singapore<sup>2</sup></b>				
– Office	3,007	3,682	3.00 – 3.35	3.00 – 3.35
– Retail	176	227	3.15 – 4.83	3.00 – 4.80
	3,183	3,909		
<b>Chinese mainland and Macau<sup>3</sup></b>	3,898	1,361	3.50 – 6.00	3.50 – 4.75
<b>Properties under development<sup>3</sup></b>	3,898	1,970		
<b>Others</b>	544	568		
<b>Total</b>	<b>34,655</b>	<b>30,632</b>		

1 Includes the Group's interest in certain floors of One Exchange Square sold to HKEx but have not yet handed over as of 31 December 2025.

2 Includes the Group's 100% interest in One Raffles Link, 33⅓% interest in Marina Bay Financial Centre Tower 1 & 2, and 33⅓% interest in One Raffles Quay as at 31 December 2025; prior to the formation of SCPREF in February 2026.

3 Comparative valuation and capitalisation rate were not available for certain properties in the Chinese mainland as they were recognised at cost as at 31 December 2024. These assets were reclassified to investment properties as at 31 December 2025.

4 Represents range of inputs used under the capitalisation approach presented for reference; investment properties valuations undertaken by independent valuers may take into consideration results from two or more valuation approaches.

The Group's portfolio of investment properties including the portion under assets classified as held for sale was valued at US\$34.7 billion, compared to US\$30.6 billion at 31 December 2024. The increase in valuation primarily reflected a reclassification of a portfolio of assets held for medium-term lease from the build-to-sell segment to prime properties investment segment. These assets were historically recorded on the Group's balance sheet at capitalised costs. As these assets now form part of investment properties, they were recognised at fair value as at 31 December 2025.

The 2025 net revaluation gain is principally attributable to the Hong Kong retail portfolio driven by an increase in market rents and improved rental outlook in Singapore and Shanghai. Valuation of the Central Portfolio increased by 1% in 2025 to US\$23.1 billion, as the fair value gain from the retail portfolio was offset by the disposal of certain floors of One Exchange Square to the Hong Kong Stock Exchange during the year.

# Financial Review



## Results

### Underlying Business Performance

	2025 US\$m	2024 US\$m
Prime Properties Investment	859	940
Corporate costs	(76)	(77)
Underlying operating profit	783	863
Net financing charges	(220)	(253)
Tax	(102)	(108)
Non-controlling interests	(3)	(3)
Underlying profit attributable to shareholders	458	499
Non-trading items:		
Build-to-sell	(245)	(89)
Other non-trading items	1,050	(1,795)
Profit/(loss) attributable to shareholders	1,263	(1,385)
	US¢	US¢
Underlying earnings per share	20.98	22.60
Results per share including build-to-sell*	26.78	32.81
Adjusted free cash flow per share	37.08	36.62

\* Represents earnings contributions from prime properties investment and build-to-sell segments, excluding Chinese mainland inventory provisions.

Underlying business performance summarised in the table includes the Group's operating profit from its associates and joint ventures. Given the significance of the contribution from the Group's joint ventures, this provides a clearer summary of the Group's performance during the year.

## Accounting Policies

The Directors continue to review the appropriateness of accounting policies adopted by the Group, including the latest developments in IFRS Accounting Standards. In 2025, following the strategic shift in the business direction to wind down the build-to-sell segment, certain operations and assets within this segment have been identified as non-strategic, while others have been reallocated to the Prime Properties Investment segment. The profit and loss from these non-strategic businesses are thereby separated from the principal business performance and presented within non-trading items. The distinction aims to provide a clearer understanding of the Group's underlying performance of its principal operations. This change has been accounted for retrospectively with comparative information re-presented.

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The Group's operating profit from the Prime Properties Investment segment was US\$859 million, 9% lower than the previous year, primarily due to lower contributions from the Hong Kong Central office and retail portfolio (down 10% to US\$632 million), partially offset by higher contributions from the office portfolio in Singapore (up 6%). Overall contributions from the portfolio on the Chinese mainland were slightly lower mainly due to the pre-opening costs of the pipeline projects and contributions from One Central Macau also declined due to the ongoing renovation works and planned tenant movements. The two largest operating profit contributors within Prime Properties Investment are the Hong Kong Central portfolio (74%) and Singapore (17%).

Net financing charges decreased to US\$220 million due to the significant decline in consolidated net debt to US\$3.6 billion as at 31 December 2025, compared with US\$5.1 billion last year. The weighted average borrowing rates also declined to 3.3% from 3.6% for the previous year.

The Group's tax charge was US\$102 million. The effective tax rate was 18%, which was slightly higher than the prior year due to a larger share of profits derived from Singapore relative to Hong Kong.

## Non-Trading Items

Results from the build-to-sell portfolio have been reclassified to non-trading items, aligned with our strategic pivot to no longer invest in this segment.

Losses from the build-to-sell business were US\$245 million including a post-tax non-cash provision of US\$372 million recognised on certain assets on the Chinese mainland. Excluding provisions, contributions from the build-to-sell segment were 44% lower compared to 2024, primarily due to less completions and fewer new project launches on the Chinese mainland. Net assets invested in this segment is expected to continue to decline as capital is recycled. As at 31 December 2025, the Group's net investment in the segment amounted to US\$2.7 billion, 70% of which relates to assets on the Chinese mainland.

Other non-trading items for 2025 included US\$247 million of revaluation gain from the reclassification of commercial property assets from the build-to-sell segment to prime properties investment segment (previously categorised as medium-term lease assets). These assets were historically recorded on the Group's balance sheet at their capitalised cost. As these assets now form part of investment properties, they were recognised at fair value as at 31 December 2025. The remaining US\$803 million in gains, compared to US\$1,795 million losses in 2024 principally arose on revaluation of the Group's other investment properties by independent valuers (including its share of joint ventures).

More information on the operating performance of the Group's asset portfolio and its valuation movements are included in the Operational Review Section on pages 14 to 21.

## Cash Flows

The Group's consolidated cash flows are summarised as follows:

	2025 US\$m	2024 US\$m
<b>Operating activities</b>		
Operating profit, excluding non-trading items	621	694
Net interest	(177)	(181)
Tax paid	(118)	(147)
Expenditure on Build-to-sell projects	(153)	(297)
Sales proceeds from Build-to-sell	323	509
Dividends received from joint ventures	144	97
Others	(56)	(4)
	584	671
<b>Investing activities</b>		
Major renovations capex	(164)	(78)
Repayments from associates and joint ventures	273	259
Investments in associates and joint ventures	(28)	(17)
Advances to associates and joint ventures	(22)	(112)
Disposal of subsidiaries and joint ventures	1,241	14
Disposal of investment properties	368	15
	1,668	81
<b>Financing activities</b>		
Dividends paid by the Company	(503)	(478)
Net repayment of borrowings	(124)	(366)
Shares repurchase	(279)	–
Purchase of shares for share-based incentives	(22)	–
Repayments to associates and joint ventures	(16)	(27)
Advances from associates and joint ventures	121	96
Others	42	(3)
	(781)	(778)
Net increase/(decrease) in cash and cash equivalents	1,471	(26)
Cash and cash equivalents at 1 January	1,067	1,112
Effect of exchange rate changes	26	(19)
Cash and cash equivalents at 31 December	2,564	1,067

Results from the Prime Properties Investment portfolio are included in operating activities. The Group's build-to-sell business comprises a mixture of subsidiary projects (recorded within operating activities) and joint-venture projects (recorded within investing and financing activities).

Net cash inflows from operating activities were US\$584 million, compared with net cash inflows of US\$671 million in the prior year. Operating profits were US\$73 million lower in 2025 principally due to lower profits from the Hong Kong Central Portfolio. Tax paid during the year reduced compared to the prior year, due to fewer build-to-sell completions on the Chinese mainland. Sales proceeds from build-to-sell projects, net of expenditure, reduced by US\$42 million year on year due to a lower sales volume in China. Dividends received from joint ventures increased by US\$47 million due to distributions from build-to-sell projects on the Chinese mainland and higher dividends from the Singapore Prime Properties Investment portfolio. Net outflows in others relates primarily to net working capital changes.

Net cash inflows from investing activities were US\$1,668 million in 2025, compared to net cash inflows of US\$81 million in the prior year. Capital expenditure increased to US\$164 million principally due to the Tomorrow's CENTRAL renovations in Hong Kong. Net cash inflows from associates and joint ventures during the year were US\$223 million compared with US\$130 million last year mainly due to the steady monetisation of the Group's build-to-sell portfolio. Significant increase in cash inflows from disposal of subsidiaries and joint ventures amounted to US\$1,241 million, primarily representing the disposals of MCL Land and the Group's equity stake in Marina Bay Financial Centre Tower 3. Disposal of investment properties of US\$368 million relate to proceeds received to date from the disposal of certain floors of One Exchange Square in Hong Kong during the year.

Under financing activities, the Company paid dividends of US\$503 million, being the 2024 final dividend of US¢17.00 per share, as well as the 2025 interim dividend of US¢6.00 per share. The Group also had a net repayment of borrowings of US\$124 million during the year. In line with the capital allocation principles outlined in Strategic Vision 2035, share repurchases of US\$279 million were invested during the year.

Total cash and cash equivalents were US\$1,497 million higher at the end of 2025. Taken together with a decrease in borrowings, the Group's net debt at 31 December 2025 decreased to US\$3,577 million, from US\$5,088 million at the beginning of the year.

### Reconciliation of adjusted free cash flow

	2025 US\$m	2024 US\$m
<b>Cash flows from operating activities</b>	<b>584</b>	671
Maintenance capital expenditure	(63)	(53)
Net cash flows from build-to-sell segment associates and joint ventures	291	193
Others	(2)	(3)
<b>Adjusted free cash flow</b>	<b>810</b>	808

In line with the Group's Strategic Vision 2035, the return of capital from the build-to-sell segment continues to be prioritised. While profit contributions from the portfolio is expected to continue to decline over the next several years, the active recycling of capital continues to benefit the Group's free cash flow.

The Group's adjusted free cash flow, which includes maintenance capital expenditure and net cash flows from the build-to-sell segment, amounted to US\$810 million or US¢37.08 per share in 2025. This metric reflects strong cashflows from the Group's Prime Properties Investments business and the continued unwinding of the build-to-sell portfolios, but excludes net proceeds from capital recycling via significant disposals (One Exchange Square, MCL Land and Marina Bay Financial Centre Tower 3).

### Year-end debt summary\*

	2025 US\$m	2024 US\$m
US\$ notes*	1,492	2,092
HK\$ notes	1,379	1,419
HK\$ bank loans	1,239	612
S\$ notes	231	218
CNY notes#	190	182
CNY bank loans#	315	301
RMB bank loans	894	987
THB bank loans	402	354
Gross debt	6,142	6,165
Cash	2,565	1,077
Net debt	3,577	5,088

\* Before currency swaps of US\$ debt to HK\$

# Chinese Yuan (Offshore)

## Capital Management

The Group actively reviews and manages its capital structure to ensure optimal shareholder returns through a combination of profitability, cash flows, investing activities, dividends and balance sheet strength. In 2024, the Group announced a new strategy with a refreshed capital allocation framework. Up to US\$10 billion of existing capital is to be recycled over the next 10-years, with up to 20% of these proceeds to be reinvested in the buy-back and cancellation of its own shares. The Group also aims to double dividends per share by 2035 and invest in new ultra-premium integrated mixed-use properties in key Asian gateway cities. The Group's capital management policies are set out on page 116. The Group has announced a share buyback programme totalling US\$650 million and deployed over US\$330 million up to the end of February 2026. Full year dividend per share has also increased from US¢22.00 in 2023 to US¢25.00 in 2025.

## Capital Commitments

Outstanding capital commitments as of 31 December 2025 were US\$1,129 million (2024: US\$1,156 million), including the Group's contributions to associates and joint venture companies of US\$776 million (2024: US\$716 million). The largest commitments relate to the Group's 49% share of a joint-venture mixed-use project in Bangkok and renovations relating to the Group's Tomorrow's CENTRAL project in Hong Kong.

## Share Buy-back

The total amount invested in the Group's share buyback programme since it was first announced in April 2025 was US\$282 million as at 31 December 2025, reducing the number of total shares outstanding by 2%.

## Dividends

The Board is recommending a final dividend of US¢19.00 per share for 2025, providing a total annual dividend of US¢25.00 per share, up 9% from the prior year. The final dividend will be payable on 13 May 2026, subject to approval at the Annual General Meeting to be held on 7 May 2026, to shareholders on the register of members at the close of business on 20 March 2026. No scrip alternative is being offered in respect of the dividend. The dividend payout ratio as a percentage of adjusted free cash flow was 67%.

## Treasury Policy

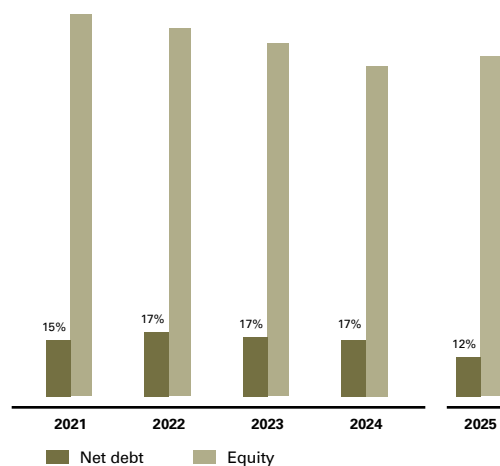
The Group manages its treasury activities within established risk management objectives and policies using a variety of techniques and instruments. The main objectives are to manage foreign exchange, interest rate and liquidity risks and to provide a degree of certainty in respect of costs. The investment of the Group's cash balances is managed so as to minimise risk while seeking to enhance yield. Appropriate credit guidelines are in place to manage counterparty credit risk.

When economically sensible to do so, borrowings are taken in local currencies to hedge foreign currency exposures on investments. A portion of borrowings is denominated in fixed rates. Adequate committed facilities headroom is maintained to facilitate the Group's capacity to pursue new investment opportunities and to provide some protection against market uncertainties. Overall, the Group's funding arrangements are designed to strike an appropriate balance between equity and debt from banks and capital markets, both short and long term, to give flexibility to develop the business.

The Group's Treasury operations are managed as cost centres and are not permitted to undertake speculative transactions unrelated to underlying financial exposures.

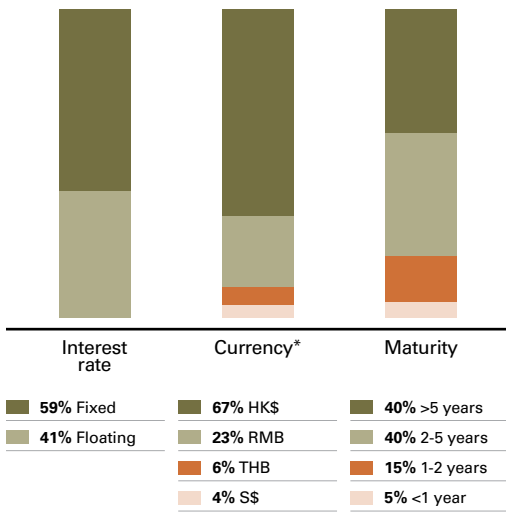
## Funding

The Group is well financed with strong liquidity. Net debt at the end of the year decreased significantly to US\$3.6 billion from US\$5.1 billion in 2024. Net gearing also dropped to 12%, compared with 17% at the end of 2024. Weighted average borrowing costs were 3.3%, compared to 3.6% in the prior year. Interest cover, calculated as the underlying plus build-to-sell operating profits, including the Group's share of associates and joint ventures' operating profits, divided by net financing charges including the Group's share of associates and joint ventures' net financing charges, was 4.6 times, compared to 3.6 times in 2024.



### Net Debt as a Percentage of Equity

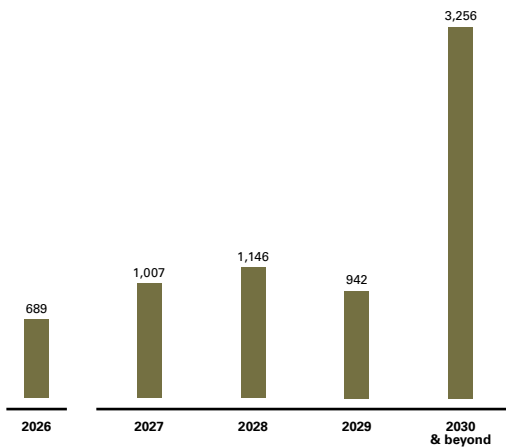
At 31 December 2025, the average tenor of the Group's debt was 5.8 years, compared with 6.3 years from the end of 2024. On average, approximately 59% of the Group's borrowings were either fixed rate borrowings or covered by interest rate hedges with major credit worthy financial institutions and the remaining 41% were at floating rates. The majority of the Group's debt is denominated in Hong Kong dollars, of which 70% was at fixed rate.



### Debt Profile at 31 December 2025

\* After currency swaps from US\$ debt to HK\$ debt

At 31 December 2025, the Group had total committed lines of approximately US\$7.0 billion with a diversified range of maturity dates. Of these lines, 53% were sourced from banks with the remaining 47% from the capital markets. At the end of 2025, the Group had drawn US\$6.1 billion of these lines leaving US\$0.9 billion of committed, but unused, facilities. Adding the Group's year end cash balances, the Group had overall liquidity at 31 December 2025 of US\$3.5 billion, up from US\$3.0 billion at the end of 2024. This liquidity provides significant headroom to the Group.



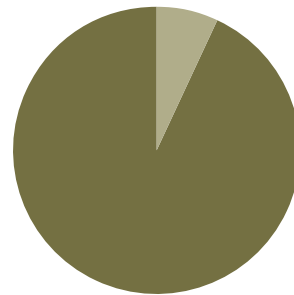
### Committed Facility Maturity at 31 December 2025 (US\$m)

## Credit Ratings

Both Moody's and Standard & Poor's have maintained their credit ratings of Hongkong Land Holdings Limited at A3 and A respectively.

## Gross Assets

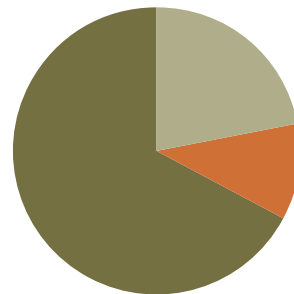
The Group's gross assets, including its share of joint ventures, (excluding cash balances) is analysed below, by activity and by location.



93% Prime Properties Investment

7% Build-to-sell

### Gross Assets by Activity



67% Hong Kong

22% Chinese mainland and Macau

11% Southeast Asia

### Gross Assets by Location

## Principal Risks and Uncertainties

A review of the principal risks and uncertainties facing the Group is set out on pages 60 to 65. These have been refreshed taking into account the Group's Strategic Vision 2035.

### Craig Beattie

Chief Financial Officer

5 March 2026

# Sustainability

## Overview

Sustainability is a core driver of Hongkong Land's long-term business performance and supports the delivery of the HKL 2035 growth strategy. The Sustainability Framework 2030 provides clear, measurable priorities that strengthen asset resilience, enhance income quality and guide value creation for stakeholders. Ongoing implementation across the region ensures that sustainability principles are embedded into investment decisions, operations and stakeholder partnerships. More information on the framework is available at [www.hkland.com/en/sustainability](http://www.hkland.com/en/sustainability).

## Climate-related Financial Disclosures

The Group's climate-related financial disclosure is consistent with the requirements of the London Stock Exchange Listing Rules and all 11 recommendations of Task Force on Climate-related Financial Disclosures (TCFD). The disclosures in its Sustainability Report – Framework 2030 & Climate Action are published on the same date as the Annual Report 2025. The Group's environmental and social performance data for the financial year ended 31 December 2025 are disclosed in the Sustainability Performance Report 2025. The reports are available at [www.hkland.com/en/sustainability/sustainability-reports](http://www.hkland.com/en/sustainability/sustainability-reports).

To support a comprehensive evaluation of its climate-related activities, the Group publishes its TCFD disclosures separately from the Annual Report, alongside related information covering sustainability governance, strategy, decarbonisation targets and pathway, and the outcomes of climate risk assessments and mitigation measures.

## 2025 Achievements

### Responsible Investment Leadership

The Group demonstrated its responsible investment leadership by becoming a signatory to the United Nations Principles for Responsible Investment – an international organisation that works to promote ESG factors within investment decision-making. We launched our first private real estate fund – the Singapore Central Private Real Estate Fund (SCPREF), which comprises a portfolio of ultra-premium, high-performance assets in Singapore and has achieved green building certifications, including BCA Green Mark Platinum standards. The establishment of SCPREF demonstrates our responsible investment leadership and execution of our 2035 business strategy. We will continue to strengthen our performance, credibility and recognition as a responsible investment leader.

### ESG Ratings

The Group continued to receive strong recognition from leading ESG rating organisations. This year, we maintained:

Global Real Estate Sustainability Benchmark (GRESB) – Global Sector Leader (Diversified Sector) for the Development Benchmark. We are the Global Listed Sector Leader (Diversified – Office/Retail) for the Standing Investment Benchmark.

Dow Jones Best-in-Class Indices – the Group is a constituent of the Dow Jones Best-in-Class World Index for the first time, ranking among the top 6% of global performers in the sector. We are also a constituent of the Dow Jones Best-in-Class Asia Pacific Index for the third consecutive year.



## Decarbonisation

A core sustainability commitment of the Group is to reduce carbon emissions through science-based targets aligned with the 1.5°C pathway, which were validated by the Science Based Targets initiative in June 2022. These commitments include a 46.2% reduction of Scope 1 and 2 greenhouse gas (GHG) emissions by 2030 from 2019 levels and a 22% reduction in carbon intensity for Scope 3 emissions over the same period.

To reduce Scope 1 and 2 GHG emissions, the Group launched Hong Kong's first AI-powered Integrated Facility Management Control Tower. It unifies over 20 building systems such as building management systems, heating, ventilation, and air conditioning (HVAC) systems, thermal comfort control and energy optimisation into a single platform. The transition from reactive to proactive maintenance, powered by AI health analytics, has automated 66% of work orders, boosting operational efficiency and reducing servicing frequency.

The Group pioneered Hong Kong's first tempered and laminated glass recycling solution at Tomorrow's CENTRAL, as a large-scale transformation project of LANDMARK, by partnering with The Hong Kong Polytechnic University and Gammon Construction. This initiative supports a closed-loop circular economy for the project by transforming 50 tonnes of demolished tempered and laminated glass into partition blocks and low-carbon cement alternatives. This innovation is a critical enabler of Tomorrow's CENTRAL's 75% waste diversion target and sets a new benchmark for sustainable construction practices in Hong Kong.

## Tenant Partnerships

To accelerate our shared sustainability goals with those of our tenants, the Group continues to evolve its partnership programme at its Central Portfolio. The Sustainability Partnership Programme, relaunched in November is an ambitious business-driven initiative designed to foster closer collaboration between Hongkong Land and our valued tenants to deliver shared value. Shaped by tenant feedback, the programme offers more structured engagement, simplified processes and broader range of services and incentives for our tenants to join. The programme also includes regular knowledge-sharing events and was extended beyond office and retail to F&B tenants. As of the end of 2025, 25% of Central's lettable area — representing more than 900,000 sq. ft were participated in the programme.

## Hongkong Land Foundation

As part of the integration of the Group's business strategy, the Group launched the Hongkong Land Foundation to reflect its focus on long-term partnerships and measurable impact. The Foundation's contributions will be built on three pillars: People, Place and Culture. These elements will guide our efforts to empower communities, revitalise environments and celebrate the rich cultural heritage of the areas in which we operate. Key milestone achieved in 2025 include the volunteering team contributed over 9,800 hours to serve more than 70,000 people.



# Our People

## Developing Leadership Capability and Embedding a High-Performance Culture

At Hongkong Land, our people are central to delivering the Group's long-term strategy. As we continue to strengthen our business for the future, we are building a high-performance, values-driven culture that empowers colleagues to excel, lead and innovate.

In 2025, we accelerated our organisational transformation by embedding our refreshed company values, strengthening leadership capability, redesigning incentive structures and deepening employee engagement across the Group. These collective efforts ensure our workforce is motivated, empowered and moving in the same direction to deliver sustainable value for our shareholders and stakeholders.

## Embedding Our Values Across the Organisation

Following the launch of the Group's refreshed Strategy and Values in late 2024, our efforts in 2025 focused on helping colleagues understand and consistently integrate these principles into their daily work.

Our values, **'Always Forward'**, **'Think in Generations'**, and **'Be a Bridge'**, form the foundation of how we make decisions, collaborate and deliver values to our stakeholders.

Led by senior management, the Values in Action campaign was launched with a series of initiatives designed to raise awareness, deepen understanding and support the practical application of our three values into real business situations.

## Strengthening a High-Performance Organisation

In 2025, we completed a comprehensive redesign of our performance management system to create a clearer and stronger connection between individual contribution and Group's strategic direction, focusing on aligning company goals among all staff members, enhancing transparency on recognising outstanding staff by systematic calibration, and embedding our values more deeply into day-to-day performance expectations.

This modernised approach has strengthened accountability, sharpened execution focus and reinforced a culture where sustained high performance and continuous improvement are integral to how we work.

## Enhancing Leadership Capability

To power our strategy and cultivate our desired culture, we introduced a new Leadership Competency Framework. Rooted in our values, it provides a clear blueprint for the mindsets and capabilities we expect from our leaders. We will integrate this framework across the entire employee lifecycle — guiding how we hire, evaluate, develop, and promote. This ensures that leadership at every level is aligned and empowered to steer our ongoing transformation.



## Performance and Reward Aligned with Long-Term Strategy

The Group continued to refine its performance and reward structures to reinforce accountability and align the workforce with long-term value creation.

The **revised Short-Term Incentive Plan (STIP)** incorporates a transparent and balanced formula measuring business financial performance, individual performance and Health and Safety adjustments. This ensures employees are rewarded fairly for both results and behaviours aligned with our values.

2025 marked the commencement of the **first share-based performance driven Long-Term Incentive Plan (LTIP)**. The plan is designed to drive executive alignment with shareholder outcomes and support leadership retention. The LTIP measures 85% financial KPIs in Absolute Total Shareholders' Return and Relative Total Shareholders' Return and 15% non-financial KPI on Sustainability.

## Developing Talent for the Future

Through a comprehensive, career-long development strategy, we offer a blend of assessment, training courses, collaborative sharing sessions, industry conferences, and mentorship. Development is then tailored to individual potential and business needs, where leaders engage in targeted competency programmes, while high-potential talent is accelerated through strategic rotations and expanded roles. This integrated approach ensures we build essential capabilities across our workforce, empowering every employee to contribute to and grow with our future.

## Employee Engagement and Organisational Cohesion

Staff engagement remains a key priority of the Company, underpinned by regular communications and structured feedback mechanisms. A wide range of initiatives helped strengthen connections among staff, from the Leadership Offsite Meetings and the all-staff Townhall, to culture-building activities that brought colleagues together across departments.

In 2025, there was also an expansion of the Employee Recognition Awards and Staff Appreciation Week activities that provided a chance for the Company to recognise the hard work and commitment of staff and encouraged peer appreciation to reinforce a culture of gratitude. Complemented by staff-centric events such as the Annual Party, themed bazaars, volunteering activities and wellness activities, these initiatives collectively fostered a strong sense of staff belonging, pride and shared purpose across the Group.

## Summary

In 2025, Hongkong Land made notable progress in developing a values-led, high-performance organisation. Through strengthened leadership expectations, disciplined performance and reward structures, and targeted talent development, the Group is building a capable, aligned and future-ready workforce positioned to support long-term sustainable value creation.



# Directors' Profiles

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## John Witt Chairman

John Witt has served as Chairman since October 2024, having rejoined the Board in June 2020. He was previously the Company's Chief Financial Officer between 2010 and 2016. He chairs the Company's Investment Committee. He was the Group Managing Director of Jardine Matheson until December 2025, having joined the Jardine Matheson group in 1993. He served as Chairman of DFI Retail Group, Chairman of Jardine Cycle & Carriage, and Managing Director of Mandarin Oriental International. He was a Commissioner of PT Astra International and served as the Chairman of Astra's Executive Committee. From 2016 to 2020, he was Group Finance Director of Jardine Matheson and previously held a number of senior positions throughout Jardine Matheson's portfolio of companies.

In addition to his corporate responsibilities, he is a Board Member at M+ Museum in Hong Kong and a Trustee of the Asian Cultural Council, serving also as a Director of Asian Cultural Council's Hong Kong Foundation.

John has an MBA, with distinction, from INSEAD and is a Canadian Chartered Professional Accountant with an undergraduate degree from the University of Toronto (Trinity College).



## Michael T. Smith\* Chief Executive

Michael T. Smith joined Hongkong Land as Chief Executive in April 2024. Michael has extensive experience in international real estate and finance with a proven track record in investment and capital allocation. Prior to joining Hongkong Land, Michael served as Regional CEO of Europe and USA for Mapletree Investments. Under Michael's leadership, the Europe and USA business grew to over a third of the group's US\$55 billion of assets under management. Michael's 30-year career includes senior positions in the investment banking sector where he was a partner at Goldman Sachs, leading the bank's Southeast Asia investment banking, as well as Asia Pacific (ex-Japan) real estate business. As one of the pioneers of Asia's REIT industry, Michael played an instrumental role in numerous REIT listings including the Link REIT in Hong Kong, all four Mapletree REITs in Singapore and advised numerous other REITs and real estate companies across Asia Pacific.

Michael holds a Bachelor of Business in Property (Real Estate) from University of South Australia.



## Craig Beattie\* Chief Financial Officer

Craig Beattie joined Hongkong Land as Chief Financial Officer in September 2021. He brings a broad range of financial and strategic experience to the Group gained across a number of organisations in different industries.

Prior to joining Hongkong Land, Craig was the Chief Financial Officer of Mandarin Oriental Hotel Group. He first joined the Jardine Matheson group from EY in 2006 and has held a number of senior finance roles across the Jardine Matheson group including Finance Director for South Asia of Hongkong Land based in Singapore, Group Finance Director of Jardine Motors Group in the UK and Group Treasurer of Jardine Matheson.

Craig is a qualified Chartered Accountant through the Institute of Chartered Accountants of Scotland and has a Bachelor of Arts degree from Robert Gordon University in Scotland, graduating with distinction.



## Lincoln Pan

Lincoln Pan joined the Board in November 2025. He is the Chair of the Remuneration and Nominations Committees. Lincoln joined from PAG, where he was a partner and co-head of Private Equity and a member of the Group Executive Committee. He previously held the role of chief executive officer, Greater China at WTW (previously known as Willis Towers Watson), and served in executive roles at Advantage Partners and GE Capital.

Lincoln is the Chief Executive Officer of Jardine Matheson, Chairman of DFI Retail Group and a Commissioner for PT Astra International.

Lincoln has a Bachelor of Arts degree in History and English from Williams College and subsequently earned a Juris Doctor (J.D.) from Harvard Law School.

\* Executive Director



## Lily Jencks

Lily Jencks joined the Board in July 2022. She is an architectural and landscape designer. She ran the design company JencksSquared and architectural and landscape practice Lily Jencks Studio. She is currently founder and executive chairman of the Jencks Foundation.

Lily holds a Bachelor of Arts in Art History from Columbia University and a Master of Architecture in Landscape Architecture from University of Pennsylvania.



## Adam Keswick

Adam Keswick joined the Board in 2012. Having joined Jardine Matheson in 2001, he was appointed to the Jardine Matheson board in 2007 and was deputy managing director from 2012 to 2016, and became chairman of Matheson & Co. in 2016. He is also a director of Ferrari NV and Yabuli China Entrepreneurs Forum.

Adam received his Master of Arts degree from Edinburgh University.



## Lincoln K.K. Leong

Lincoln K.K. Leong joined the Board in March 2022. He is the Chair of the Audit Committee of the Company. Lincoln is an independent non-executive director of Standard Chartered PLC, Standard Chartered Bank (Hong Kong) Limited and China Resources Land Limited. He was previously the chief executive officer of MTR Corporation Limited, a non-executive director of Jardine Strategic Holdings Limited and Mandarin Oriental International Limited, and an independent non-executive director of Link Asset Management Limited (as manager of Link Real Estate Investment Trust) and SUNeVision Holdings Ltd. Lincoln is a Chartered Accountant and has extensive experience in the accountancy and investment banking industries.

Lincoln holds a Bachelor of Arts in Law and a Master of Arts from University of Cambridge.



## Ming Mei

Ming Mei joined the Board in October 2024. He is the co-founder and CEO of GLP, a leading global business builder, owner, developer and operator of logistics real estate, data centres, renewable energy and related technologies. Under his leadership and vision, GLP revolutionised the modern logistics industry by taking an innovative and entrepreneurial approach to growth and value creation and has since expanded into adjacent sectors and new markets. Ming also co-founded Eastern Bell Venture Capital and is an investor and board member of Value Retail China, a company specialising in the development and operation of luxury outlet shopping villages.

Ming graduated from the Kellogg School of Management at Northwestern University and the School of Business and Management at the Hong Kong University of Science and Technology with a Master of Business Administration. He holds a Bachelor of Science in Finance from Indiana University School of Business.



## Alan Miyasaki

Alan Miyasaki joined the Board in November 2025. Alan is a Senior Managing Director and Head of Real Estate Asia Acquisitions at Blackstone. He is responsible for the day-to-day management of the Real Estate group's investment activities in Asia.

Since joining Blackstone in 2001, Alan has been involved in a variety of real estate transactions in both the United States and Asia. Since 2007, he has helped drive the establishment and growth of Blackstone's Real Estate business in Asia.

Before joining Blackstone, Alan worked in acquisitions at Starwood Capital Group. Alan received a BS in Economics from The Wharton School of the University of Pennsylvania, where he graduated cum laude. He currently serves on the boards of Crown Resorts Ltd, Room to Read and the Wharton Alumni Executive Board.

# Corporate Governance

## Overview of the Group's Governance Approach

Hongkong Land Holdings Limited (the Company or Hongkong Land, together with its subsidiaries, the Group) understands the value of good corporate governance in driving the long-term sustainable success of its business. It attaches importance to the corporate stability that strong governance brings, and the opportunities that result from it being part of the Jardine Matheson Holdings Limited (Jardine Matheson) group. The corporate governance statement for the Company is presented below.

The Group is committed to high standards of governance. The system of governance it has adopted has been developed, over many years,

by the members of the Jardine Matheson group, and both the Group and its stakeholders regard it as appropriate to the nature of its business and the long-term strategy it pursues in its markets in Asia gateway cities. The Group's governance framework is tailored to its size, ownership structure, the complexity and breadth of its business. It enables the Group to benefit from Jardine Matheson's professional expertise while at the same time ensuring that the independence of the Board is respected and clear operational accountability rests with the Company's executive management.

The Company also ensures that the Group continues to demonstrate the characteristics and values that have enabled the Group to prosper over the long-term:

### A Long-term Perspective

The Group takes a long-term view in its decision-making and investments, drawing on the expertise and experience of our directors, and does not focus on short-term profits. This leads to long-term, sustainable growth for our shareholders and benefits the communities where we operate.

### Credibility, Stability and Trust

The credibility, stability and trust built up by the Group over many generations, are highly valued by our partners and other stakeholders.

### Deep Knowledge of Our Markets

The extensive experience and long track record of the Group have led to a deep understanding of how to drive successful growth across our markets, giving the Group a competitive advantage.

The Group believes that its stakeholders gain significant value from the long-term approach it takes. It is also important, however, to adapt to changing circumstances in our markets and, where appropriate, to the developing expectations of stakeholders and changes in best practice. In this context, over the past year, the Group has strengthened the Company's Board and leadership teams, bringing in expertise to support our businesses in highly dynamic and competitive markets. In parallel, we have continued to enhance our approach to governance, to be more focused and to drive better decision-making and results.

In order to ensure clear allocation of accountability, the strengthened leadership team is responsible for developing and executing the Group's business strategies and delivering on performance. The leadership team is directly accountable to the Board, which provides robust challenge, support and guidance, bolstered by extensive industry-specific expertise and experience from independent non-executive directors (the INEDs).

INEDs with a broad and diverse range of backgrounds are a valuable source of external perspectives and are a key element of good

governance and decision-making. The Company has taken further steps over the past year to increase the independence and diversity of its Board.

During the year and subsequent to the end of the year under review, the Company underwent several changes in its governance. On 2 May 2025, Stuart Grant stepped down from the Board to take up a full time executive role with the Company. On 1 November 2025, the Company appointed Lincoln Pan as a Non-Executive Director, and Alan Miyasaki as an additional INED. As a result of these changes, as at 5 March 2026, the Board comprises nine Directors, of whom 33% are considered INEDs, taking into account the independence considerations under the UK Corporate Governance Code (the Code), and 11% are female.

Having an effective corporate governance framework supports the Board in delivering the Group's strategy and fosters long-term sustainable growth, and ensures it operates transparently and in accordance with the best practice.

## Group Structure

Jardine Matheson is the ultimate holding company of the Group. The structural relationship between the Jardine Matheson group and the Group is considered a key element of the Group's success. By establishing common values and standards, and sharing experience, contacts and business relationships, the Jardine Matheson group companies, including the Group, aim to optimise their opportunities across the Asian countries in which they operate.

## Governance and Legal Framework

The Company is incorporated in Bermuda with most of its property interests held entirely in Asia. The primary listing of the Company's equity shares is in the Equity Shares (Transition) Category (the Transition Category) of the Main Market of the London Stock Exchange (LSE).

The Company also has secondary listings in Singapore and Bermuda. As the Company has only secondary listings on these exchanges, many of the listing rules of such exchanges are not applicable. Instead, the Company must release the same information in Singapore and Bermuda as it is required to release under the rules which apply to it as a result of being listed in the Transition Category on the LSE.

As a company incorporated in Bermuda, the Company is governed by:

- The Bermuda Companies Act 1981 (the Bermuda Companies Act);
- The Bermuda Hongkong Land Holdings Limited Consolidation and Amendment Act 1988 (as amended), pursuant to which the Company was incorporated, and the Bermuda Hongkong Land Holdings Limited Regulations 1993 (as amended, the Regulations) were implemented; and
- The Company's Memorandum of Association and Bye-Laws.

The Bermuda Takeover Code for the Company is set out in the Regulations and is based on the UK City Code on Takeovers and Mergers. It provides an orderly framework within which takeover offers can be conducted and the interests of shareholders protected.

Other acquisition mechanisms available under the Bermuda Companies Act include schemes of arrangement and amalgamation and mergers. The Bermuda Companies Act provides a framework within which such procedures can be conducted and the interests of shareholders protected.

The shareholders can amend the Company's Bye-Laws by way of a special resolution at a general meeting of the Company. The Company's shareholders approved the adoption of the new Bye-Laws at the 2025 Annual General Meeting (AGM) on 2 May 2025.

The Company's listing in the Transition Category of the LSE means that it is bound by many, but not all, of the same rules as companies which fall within the Equity Shares (Commercial Companies) Category (the Commercial Companies Category) of the LSE, under the UK Listing Rules, the Disclosure Guidance and Transparency Rules (the DTRs) issued by the Financial Conduct Authority in the United Kingdom (the FCA), the UK Market Abuse Regulation (the MAR) and the Prospectus Regulation Rules. This includes rules relating to continuous disclosure, periodic financial reporting, disclosure of interests in shares, market abuse and the publication and content of prospectuses in connection with admission to trading or the offering of securities to the public. In addition, the Company is subject to regulatory oversight from the FCA, as the Company's principal securities regulator, and is required to comply with the Admission and Disclosure Standards of the Main Market of the LSE.

The Company and its Directors are also subject to legislation and regulations in Singapore relating, among other things, to insider dealing.

When the shareholders approved the Company's move to a standard listing from a premium listing in 2014, the Company stated that it intended to maintain certain governance principles, which were applicable to it at that time by virtue of its UK premium listing. As a result, the Company adopted a number of governance principles (the Governance Principles) based on the applicable requirements for a UK premium listing in 2014, which went further than the standard listing requirements at the time.

Following the FCA's reform of the UK listing regime in 2024, including the introduction of new UK Listing Rules (the UK Listing Rules), the replacement of the previous UK premium and standard segments of the Official List of the FCA with the Commercial Companies Category and the transfer of the listing of the Company's equity shares to the new Transition Category, the Company undertook a review of the Governance Principles in 2024 to ensure they remain appropriate and take into account market practice.

Following the 2024 review, the Board considered that certain amendments to the Governance Principles were appropriate to align more closely with, and have regard to, the UK Listing Rules that other UK listed companies are subject to and to reflect the modernisation of the governance of the Company. The Company intends to have regard to the UK Listing Rules applicable to the Commercial Companies Category, when applying the Governance Principles in relation to significant transactions and related party transactions.

### Governance and Legal Framework continued

The key elements of the Governance Principles are as follows:

- If the Company carries out a related party transaction which, if its shares were listed on the Commercial Companies Category would require a sponsor to provide a fair and reasonable opinion under the provisions of the UK Listing Rules, it will engage an independent financial adviser to confirm that the terms of the transaction are fair and reasonable as far as the shareholders of the Company are concerned.
- If the Company carries out such a related party transaction or a significant transaction (one that would be classified as a significant transaction under the provisions of the UK Listing Rules), as soon as reasonably practical after the terms are agreed, the Company will issue an announcement, providing such details of the transaction as are necessary for investors to evaluate the effect of the transaction on the Company.
- At each AGM, the Company will seek shareholders' approval to issue new shares on a non-pre-emptive basis for up to 33% of the Company's issued share capital, of which new shares representing up to 5% of the Company's issued share capital can be issued for cash consideration.
- The Company adheres to a set of Securities Dealing Rules which follow the provisions of MAR with respect to market abuse and disclosure of interests in shares.

The Company is not required to comply with the Code, which applies to all Commercial Companies Category issuers and sets out the governance principles and provisions expected to be followed by companies subject to the Code. However, the Company does have regard to the UK Corporate Governance Code 2024 (published by the Financial Reporting Council at [www.frc.org.uk](http://www.frc.org.uk)) in developing and implementing its approach to corporate governance and disclosure.

### The Management of the Group

#### The Board

The Board is responsible for ensuring that the Group is appropriately managed and achieves its strategic objectives in a way that is supported by the right culture, values and behaviours. The Group's culture provides the foundation for the delivery of our strategy and our long-term, sustainable success. Our workforce policies and practices are consistent with and support our culture. Periodic colleague surveys are conducted to assess the culture and enable management to identify actions that could be taken to further improve our culture.

The Board is also responsible for ensuring that appropriate systems and controls are in place to enable efficient management and well-informed decision-making. Our business processes incorporate efficient internal reporting, robust internal controls, and supervision of current and emerging risk themes, all of which form a vital part of our governance framework. As a key part of this, the Company Secretary has set up processes and systems to ensure that all Directors receive information in a timely, accurate and clear manner. We use a board paper distribution portal to disseminate board and committee papers securely to Directors.

The Chairman facilitates discussions at Board meetings, by ensuring all Directors have an opportunity to make comments and ask questions. In addition, the Chairman discusses matters with Directors individually and collectively outside of Board meetings. The Chairman also uses other gatherings of the Directors, such as Board dinners, to facilitate discussions in a less formal environment.

The Board has full power to manage the Company's business affairs, other than matters reserved to be exercised by the Company in the general meeting under Bermuda legislation or the Company's Bye-Laws. Key matters for which the Board is responsible include:

#### Key Responsibilities of the Board

- The overall strategic aims and objectives of the Group;
- Establishing the Company's purpose and values;
- Approval of the Group's strategy and risk appetite to align with the Group's purpose and values;
- Approval and oversight of the Group policy framework and approval of appropriate Group policies;
- Approval of the Annual Budget and monitoring of performance against it;
- Oversight of the Group's activities;
- Approval of major changes to the Group's corporate or capital structure;
- Approval of major capital expenditure and significant transactions in terms of size or reputational impact;
- Approval of interim and final financial statements, Annual Report and Accounts and interim management statements, upon recommendation from the Audit Committee;
- Approval of dividend policy and the amount and form of interim and final dividend payments, for approval by shareholders as required;
- Ensuring relevant sustainability and environmental, social, and governance (ESG) matters are incorporated into purpose, governance, strategy, decision-making and risk management, and approving the annual Sustainability Report issued by the Group;
- Overseeing the management of risk within the Group;
- Any significant changes to the Company's accounting policies or practices, upon recommendation from the Audit Committee;
- Appointment, re-appointment or removal of the external auditor, subject to shareholders' approval, upon recommendation from the Audit Committee;
- Approval of matters relating to the AGM resolutions and shareholder documentation;
- Approval of all shareholder circulars, prospectuses and listing particulars issued by the Company; and
- Approval of material public announcements concerning matters decided by the Board.

## The Board continued

Responsibility for certain matters, including the approval of borrowing facilities and capital expenditure (other than major capital expenditure required to be approved by the Board), has been delegated by the Board to the Investment Committee and the Group Finance Director

of the Jardine Matheson group with specific written terms of reference outlining his role and authorities.

The Company sees the value of regularly reviewing the effectiveness of its processes and making improvements where appropriate.

## Board Activities

### Strategy

To facilitate oversight and provide opportunities for the Board.

### Operational Performance

The Group operates in highly dynamic markets and constantly needs to innovate and adapt to remain relevant and achieve long-term, sustainable success.

### Supporting Leadership Teams and Colleagues

The Group attaches great importance to attracting, developing and retaining leadership talent. We strive to develop leaders who are entrepreneurial in how they develop their businesses.

### Financial Performance and Risk

The Board oversees the actions the Company takes to deliver superior, long-term returns for our shareholders from our market-leading businesses. We aim for decisive management built on a disciplined, long-term approach to capital allocation and investment expertise, to maximise financial performance, maintain our financial strength and manage risks. Over time, and in addition to being part of the Jardine Matheson group of businesses, we have developed deep relationships with a wide range of well-capitalised, leading banks and corporate partners, which support the Group's financial strength.

### Governance and Stakeholder Engagement

A range of governance matters are discussed at Board meetings, including Directors' and officers' insurance, litigation, regulatory changes, review and approval of statutory reporting and shareholder documentation and governance-related matters. The Committee Chairs provide updates on the activities of the Committees at the Board meeting following each Committee meeting.



### The Board continued

Set out below is a summary of the key areas of activity of the Board:

#### 1. Strategy

To facilitate oversight and provide opportunities for the Board to challenge and measure progress against the Group's strategic priorities, at each Board meeting, the Chief Executive and Chief Financial Officer provide updates on the operational and financial performance of the Group.

#### 2. Operational Performance

The Group operates in highly dynamic markets and constantly needs to innovate and adapt to remain relevant and achieve long-term, sustainable success. In the past years, Asia has seen a large influx of new capital, the rapid rise of new economy companies and changes in customer and tenant expectations. In response, we have put innovation, operational excellence and an entrepreneurial spirit at the heart of everything we do.

At each Board meeting, an update is provided on the operational performance of each business segment, which offers important insights into the opportunities and challenges faced. In addition, Directors are provided with a deeper understanding of how our varied markets function and the implications for stakeholder-related issues in order to equip the Board with the necessary perspective to enhance strategic decision-making.

#### 3. Supporting Leadership Teams and Colleagues

The Group attaches great importance to attracting, developing and retaining leadership talent. We strive to develop leaders who are entrepreneurial in how they develop their businesses.

The Group is focused on enhancing performance management structures to recognise, reward and retain talent, with incentives aligned to drive shareholder value by building better, stronger businesses.

The Company is also committed to creating an inclusive workplace which reflects the diversity of the communities we serve.

The Board is provided with regular people updates to enable it to support talent attraction, development and retention, and the progress of Inclusion, Equity and Diversity (IE&D) and colleague engagement initiatives.

#### 4. Financial Performance and Risk

The Board oversees the actions the Company takes to deliver superior, long-term returns for our shareholders from our market-leading businesses. We aim for decisive management built on a disciplined, long-term approach to capital allocation and investment expertise, to maximise financial performance, maintain our financial strength and manage risks. Over time, and in addition to being part of the Jardine Matheson group of businesses, we have developed deep relationships with a wide range of well-capitalised, leading banks and corporate partners, which support the Group's financial strength.

Our approach is underpinned by the Company always seeking to maintain a strong balance sheet and liquidity position. This has enabled the Group to move with confidence in making some of our most substantial acquisitions at times of market dislocation.

The Chief Financial Officer presents a detailed overview of the financial performance of the Group at each Board meeting, to ensure that Directors are provided with sufficient information to enable them to provide the appropriate financial oversight, and have the opportunity to challenge management as appropriate. The information provided includes details of the financial performance of each business unit.

The Board also reviews the Group's capital allocation approach, dividend policy and shareholder returns, as well as the management of Group debt levels, interest cover and capital markets activities.

The Board has overall responsibility for risk management and is actively engaged in regular discussions about the principal risks faced by the Group. The Audit Committee, on behalf of the Board, undertakes an annual assessment of the effectiveness of the management of the principal risks facing the Group and actions taken to mitigate them, validating the key risks and approving any necessary actions arising from the risk assessments. This process takes into account the key risks faced, and the risk management approach taken, by the Group.

Maintaining and enhancing the risk and internal control environment is fundamental to the Group's governance framework and the Board's stewardship of the Company.

#### 5. Governance and Stakeholder Engagement

A range of governance matters are discussed at Board meetings, including Directors' and officers' insurance, litigation, regulatory changes, review and approval of statutory reporting and shareholder documentation and governance-related matters.

The Chief Financial Officer provides Directors with regular updates on stakeholder engagements, including engagement with shareholders, governments and other relevant third-parties, and relevant regulatory developments. Increasing the Directors' understanding of stakeholder views and priorities, and the actions being taken by the Group to address them, supports the Board's decision-making.

Updates from the Chief Financial Officer provide the Board with feedback on investor views and expectations, visibility of market conditions, share price performance, shareholder returns and the future outlook.

The Chief Financial Officer provides the Board with Sustainability updates twice a year, which include the progress being made by the Group in progressing sustainability priorities including achieving climate action objectives, particularly in relation to decarbonisation, as well as updates on responsible consumption and social inclusion initiatives.

The Committee Chairs provide updates on the activities of the Committees at the Board meeting following each Committee meeting.

## Board Composition and Operational Management

The Board's composition and the way it operates provide stability, allowing the Company to take a long-term view as it seeks to grow its business and pursue investment opportunities.

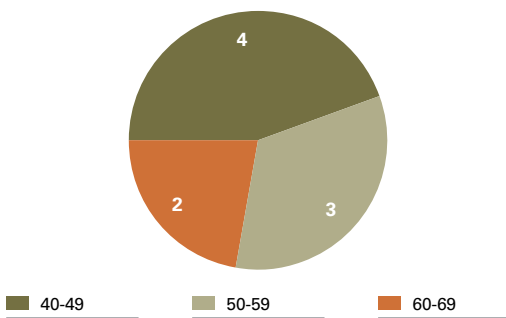
The Chairman has been appointed in accordance with the provisions of the Bye-Laws of the Company, which provide that the chairman of Jardine Matheson, or any Director nominated by them, shall be the Chairman of the Company.

The presence of Jardine Matheson representatives on the Company's Board and its Committees of the Company, provides an added

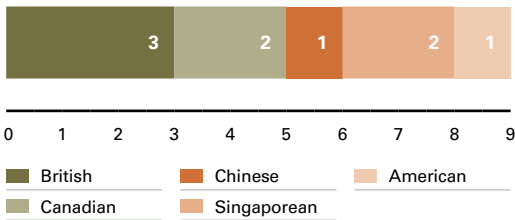
element of stability to the Company's financial planning and supervision, enhancing its ability to raise finance and take a long-term view of business development. It also strengthens the ability of management to work effectively together in exploiting the full range of the Jardine Matheson group's commercial strengths.

The Board has considered that there is a clear division of responsibilities among the Chairman and the Chief Executive to ensure an appropriate balance of power and authority is maintained at all times.

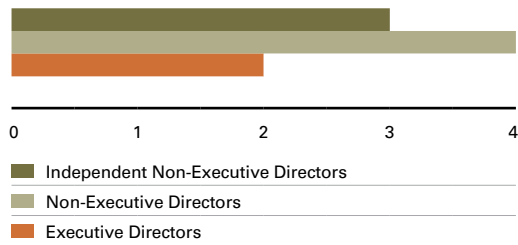
Board composition as at 5 March 2026:



### Age of Directors



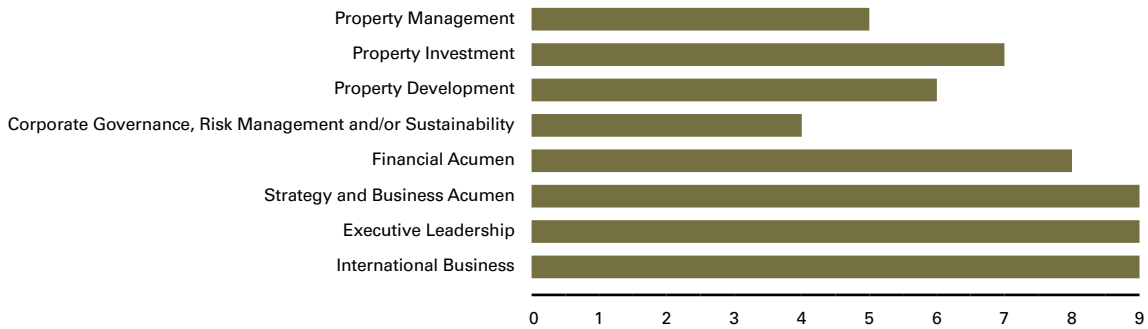
### Nationality of Directors



### Capacity of Directors



### Tenure of Directors



### Directors' Experience

## Board Composition and Operational Management continued

The Board has considered the diversity of the Company's Board and executive management in the context of the requirements under the UK Listing Rules that UK listed companies should publish information on the gender and ethnic representation of their Board and executive management. As at 31 December 2025, being the reference date for the purposes of 22.2.30R(1)(a) of the UK Listing Rules which require the disclosure of certain diversity statistics, and as shown below:

- The Board met its target of having one Director from a minority ethnic background;
- The Company did not meet the target of the Board comprising at least 40% female directors; and
- The Board did not meet the target to have a female director occupying one of the senior Board positions (Chairman, Chief Executive or Chief Financial Officer). The Directors who hold these roles were appointed following formal, rigorous and transparent nomination procedures and are the most suitable and experienced individuals for their roles and the Group's needs.

The Company did not meet the targets under the UK Listing Rules of the Board comprising at least 40% female directors, and having one of the senior Board positions occupied by a female director, due to the significant change to the composition of the Board and executive management which would be required to meet these requirements.

The Company will continue to take IE&D considerations into account with respect to future appointments of Directors and executive management positions.

The table below, which follows the format and categories prescribed by the UK Listing Rules, illustrates the ethnic background and gender diversity of the Board and executive management – which includes the Company Secretary, but excludes administrative or support staff – pursuant to 22.2.30R(2) of the UK Listing Rules, as at 31 December 2025, which is our chosen reference date in accordance with the UK Listing Rules.<sup>1</sup>

As at 31 December 2025	Number of Board members	Percentage of the Board	Number of senior positions on the Board (Chairman, Chief Executive and Chief Financial Officer)	Number in executive management (including Company Secretary)	Percentage of executive management (including Company Secretary)
<b>Gender diversity</b>					
Men	8	89%	3	8	73%
Women	1	11%	–	3	27%
Not specified/prefer not to say	–	–	–	–	–
<b>Ethnic diversity</b>					
White British or other White (including minority-white groups)	5	56%	2	4	36%
Mixed/multiple Ethnic Groups	–	–	–	–	–
Asian/Asian British	4	44%	1	7	64%
Black/African/Caribbean/Black British	–	–	–	–	–
Other ethnic group	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

The Company has a Board Diversity Policy that guides appointments to the Board and its Committees. There is no separate Diversity Policy for the Committees. IE&D considerations are, and will be, taken into account for these appointments where relevant.

<sup>1</sup> Data relating to the gender and ethnic diversity of the Board and executive management was gathered by the Company Secretary via the collection of each individual's identification documents, which are held within the Company's secure filing system.

## Chairman

The Chairman's role is to lead the Board, ensuring its effectiveness while taking account of the interests of the Company's various stakeholders and promoting high standards of corporate governance.

The Chairman's principal responsibilities are in the areas of strategy, external relationships, governance and people. The Chairman leads the Board in overseeing the long-term strategic direction of the Group and approving its key business priorities. His key responsibilities also include:

### Key Responsibilities of the Chairman

- Leading, with the Chief Executive, the development of the culture and values of the Group;
- Supporting the development and maintenance of relationships with existing and new key business partners, governments and shareholders;
- Ensuring, together with the Chief Executive, an appropriate focus on attracting and retaining the right people and carrying out succession planning for executive management positions;
- Creating a culture of openness and transparency at Board meetings;
- Building an effective Board supported by a strong governance framework;
- Leading the succession planning for the Chief Executive;
- Ensuring all Directors effectively contribute to discussions and feel comfortable in engaging in healthy debate and constructive challenge;
- Ensuring all Directors receive accurate, timely and clear information; and
- Promoting effective communication between Executive Directors and Non-Executive Directors, including INEDs.

## Chief Executive

The responsibility for running the Group's business and all the executive matters affecting the Group rests with the Chief Executive. The implementation of the Group's strategy is delegated to the Company's executive management, with decision-making authority within designated financial parameters delegated to the Investment Committee. In addition, the Chief Executive has day-to-day operational responsibility for:

### Key Responsibilities of the Chief Executive

- Effective management of the Company and its business;
- Leading the development of the Company's strategic direction and implementing the strategy approved by the Board;
- Identifying and executing new business opportunities;
- Managing the Group's risk profile and implementing and maintaining an effective framework of internal controls;
- Developing targets and goals for his executive team;
- Ensuring effective communication with shareholders and key stakeholders and regularly updating institutional investors on the business strategy and performance;
- Providing regular operational updates to the Board on all matters of significance relating to the Group's business or reputation;
- Overseeing the Group's approach to capital allocation, business planning and performance;
- Overseeing sustainability strategy and execution;
- Ensuring, together with the Chairman, an appropriate focus on attracting and retaining the right people and carrying out succession planning for executive management positions; and
- Fostering innovation and entrepreneurialism to support the growth of the Group's business.

## Non-Executive Directors

The Non-Executive Directors bring insight and relevant experience to the Board. They have responsibility for constructively challenging the strategies proposed by the Executive Directors and scrutinising the performance of management in achieving agreed goals and objectives. In addition, Non-Executive Directors work on individual initiatives as appropriate.

## Board Meetings

The Board usually holds four scheduled meetings each year, and ad hoc meetings when appropriate to deal with urgent matters that arise between scheduled meetings. Board meetings are usually held in different locations around the Group's markets.

The Board receives high-quality, up-to-date information in advance of each meeting, which is provided to Directors via a secure online board information portal. The Company reviews the information provided to the Board regularly to ensure that it remains relevant to the needs of the Board in carrying out its duties.

The Directors of the Company, who are based outside Asia, visit the region regularly to review and discuss the Group's business and inspect the Group's investment and development assets. The knowledge these Directors have of the Group's affairs, as well as their experience of the wider Group, provides significant value to the ongoing review by the Company of the Group's performance and reinforces the Board oversight process.

## Board Attendance

Directors are expected to attend all Board meetings. The table below shows the attendance at the scheduled 2025 Board meetings:

	Meetings eligible to attend	% Attended
<b>Current Directors</b>		
<b>Non-Executive Directors</b>		
John Witt	4/4	100%
Lily Jencks	4/4	100%
Adam Keswick	4/4	100%
Lincoln K.K. Leong	4/4	100%
Ming Mei	4/4	100%
Lincoln Pan <sup>1</sup>	1/1	100%
Alan Miyasaki <sup>2</sup>	1/1	100%
<b>Executive Directors</b>		
Michael T. Smith	4/4	100%
Craig Beattie	4/4	100%
<b>Former Director</b>		
Stuart Grant <sup>3</sup>	2/2	100%

1 Lincoln Pan joined the Board on 1 November 2025. In 2025, one Board meeting was held after 1 November 2025.

2 Alan Miyasaki joined the Board on 1 November 2025. In 2025, one Board meeting was held after 1 November 2025.

3 Stuart Grant stepped down from the Board on 2 May 2025. In 2025, two Board meetings were held on or before 2 May 2025.

## Appointment and Retirement of Directors

There are detailed plans in place to ensure orderly succession for the Board. The Board is focused on development and succession plans at both Board and executive level, to strengthen the management pipeline. The Chairman, in conjunction with other Directors, reviews the size, composition, tenure and skills of the Board. The Chairman leads the process for new appointments, monitors Board succession planning, and considers independence, diversity, inclusion and Group governance matters, as well as relevant expertise and experience, when recommending appointments to the Board. Non-Executive Directors are appointed on merit, against objective criteria and are initially appointed for a three-year term.

Prior to appointment, the Chairman assesses the commitments of a proposed candidate, including other directorships, to ensure they have sufficient time to devote to the role. The Chairman also regularly assesses the time commitments of Directors, to ensure that they each continue to have sufficient time for their role. He also considers the potential additional time required in the event of urgent corporate events. Any Director's external appointments, which may affect existing time commitments relevant to the Board, must be agreed with the Chairman in advance.

Upon appointment, all new Directors receive a comprehensive induction programme over several months. This is designed to facilitate their understanding of the business and is tailored to their individual needs. The Chief Financial Officer and the Company Secretary are responsible for providing a briefing covering the Company's core purpose and values, strategy, key areas of the business and corporate governance.

The Board appoints each new Director, and the Nominations Committee has been established to assist the Board in such matters. In accordance with the Company's Bye-Laws, each new Director is subject to retirement and re-election at the first AGM after their appointment. Directors are then subject to retirement by rotation requirements under the Bye-Laws, whereby one-third of the Directors retire at the AGM each year.

In accordance with Bye-Law 85, John Witt and Lily Jencks will retire by rotation at this year's AGM and, being eligible, offer themselves for re-election. In accordance with Bye-Law 92, Lincoln Pan and Alan Miyasaki will also retire and, being eligible, offer themselves for re-election. None of the Directors proposed for re-election have a service contract with the Company or its subsidiaries.

## Company Secretary

All Directors have access to advice and support from the Company Secretary, who is responsible for advising the Board on all governance matters.

## Insurance and Indemnification

The Company purchases insurance to cover its Directors against their costs in defending themselves in civil proceedings taken against them in that capacity, as well as in respect of damages resulting from the unsuccessful defence of any proceedings. To the extent permitted by applicable law, every Director shall be indemnified and secured harmless out of the assets of the Company against all liability and loss suffered and expenses reasonably incurred. However, neither insurance nor indemnity arrangements provide cover where the Director has acted fraudulently or dishonestly.

## Delegations of Authority

The Group has in place an organisational structure with defined lines of responsibility and appropriate delegations of authority in place. The Group's delegation of authority framework establishes a clear pathway for decision-making. This ensures that judgements are made at the correct business level by those team members most equipped to do so. Every decision made aligns with the Group's culture and values, taking into account the advantages, risks, financial consequences, and effects on all stakeholders. The Board, supported by the Audit Committee, places significant emphasis on maintaining high governance standards throughout the Group. This focus assists the Board in accomplishing its strategic goals and fulfilling key performance objectives.

## Directors' Responsibilities in respect of the Financial Statements

Under the Bermuda Companies Act, the Directors are required to prepare financial statements for each financial year and present them annually to the Company's shareholders at the AGM. The financial statements are required to present fairly, in accordance with International Financial Reporting Standards (IFRS), the financial position of the Group at the end of the year, and the results of its operations and its cash flows for the year then ended. The Directors consider that applicable accounting policies under IFRS, applied on a consistent basis and supported by prudent and reasonable judgements and estimates, have been followed in preparing the financial statements. The financial statements have been prepared on a going concern basis.

## Substantial Shareholders

As a non-UK issuer, the Company is subject to the provisions of the DTRs, which require that a person must, in certain circumstances, notify the Company of the percentage of voting rights attaching to the share capital of the Company that person holds. The obligation to notify arises if that person acquires or disposes of shares in the Company and that results in the percentage of voting rights which the person holds reaching, exceeding, or falling below, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75%.

The Company has been informed of the holding of voting rights of 5% or more attaching to the Company's issued ordinary share capital by Jardine Strategic Limited (Jardine Strategic), which is directly interested in 1,176,616,646 ordinary shares carrying 54.69% of the voting rights. By virtue of its interest in Jardine Strategic, Jardine Matheson is also interested in the same ordinary shares. Apart from this shareholding, the Company is not aware of any holders of voting rights of 5% or more attaching to the Company's issued ordinary share capital as of 5 March 2026.

There were no contracts of significance with substantial corporate shareholders during the year under review.

## Related Party Transactions

Details of transactions with related parties entered into by the Company during the course of the year are included in Note 27 to the financial statements on pages 102 and 103.

## Engagement with Shareholders, Other Stakeholders and Colleagues

We engage regularly with our stakeholders, including our employees, investors, creditors, partners and government and this enables the Company to understand their perspectives and ensure we address their expectations and shape our actions accordingly.

## Shareholders and Investors

The Board and executive management team recognise communications with shareholders and investors to be an important component of the Group's commitment to strong corporate governance. The Group proactively engages with the investment community through a number of channels to articulate its business and sustainability strategies, to provide updates on its progress towards key objectives, and to collect the community's views and feedback, as follows:

- The Chief Executive and Chief Financial Officer are made available to address queries at the Group's interim and annual results presentations, followed by interactions during roadshows or post results discussions with major shareholders and investors;
- The Chief Financial Officer provides business updates to the analyst community prior to the start of black-out periods ahead of interim and annual results announcements;
- The Chief Executive, Chief Financial Officer, and/or the Investor Relations team regularly meet with major shareholders, bondholders and potential investors – there were 500 interactions during the year;
- The publication of annual reports, results announcements and presentations, interim management statements and press releases;
- The publication of the Group's Sustainability Framework 2030 & Climate Action report, as well as its annual Sustainability Performance report;
- The publication of business, sustainability and other general updates via social media platforms; and
- The Company's AGMs.

### Engagement with Shareholders, Other Stakeholders and Colleagues continued

#### Other Stakeholders

The Group frequently engages with stakeholder groups outside of the investment community, focusing primarily collaborations on sustainability-related issues and initiatives. The Group's engagement with stakeholders is guided by its Sustainability Framework 2030 ([https://webfile.hkland.com/assets/sustainability-report/2024/en/Sustainabilityframework\\_2030.pdf](https://webfile.hkland.com/assets/sustainability-report/2024/en/Sustainabilityframework_2030.pdf)), which was developed via consultations with stakeholders to help the Group prioritise material topics.

These engagements, which are attended or sponsored by executive management, primarily include:

- Ongoing dialogue with environmental Non-Governmental Organisations (the NGOs), financial institutions, other landlords, and government agencies on risks from rising sea levels;
- Engaging and collaborating with tenants via the Group's Tenant Sustainability Partnership Programme which was rebranded to share best practices on green tenant fit-outs and operations, as well as corporate social responsibility initiatives;
- Regular communications with contractors and other developers to learn and share best practices on refining building designs and optimising the use of carbon intensive building materials;
- Engaging with tenants to raise awareness and best practices on IE&D initiatives;
- Collaborating with NGOs to deliver charitable initiatives via economic contributions, community investments, and volunteering;
- Attending real estate sector and sustainability conferences, seminars, workshops, and events, including contributing to discussions on emerging sustainability issues; and
- Engaging our colleagues via employee engagement surveys and sustainability materiality assessments.

Shareholders and other stakeholders may send their enquiries and concerns by e-mail at [gpobox@hkland.com](mailto:gpobox@hkland.com).

#### Securities Purchase Arrangements

The Directors have the power, under the Bermuda Companies Act and the Company's Memorandum of Association, to purchase the Company's shares. Any shares so purchased are required to be treated as cancelled and, therefore, reduce the Company's issued share capital. The Board regularly considers the possibility of share repurchases. When doing so, it considers the potential for enhancing earnings or asset values per share. When purchasing such shares, the Company is subject to the provisions of MAR.

During the year ended 31 December 2025, the Company repurchased and cancelled a total of 47,752,700 of its ordinary shares for an aggregate cost of US\$282,223,954. The ordinary shares, which were repurchased in the market, represented approximately 2.16% of the Company's issued ordinary share capital before repurchase.

#### Workforce Engagement

The Group has a performance management mechanism designed to foster a more objective and focused approach that rewards high performers, boosts personal development, and creates a culture of performance across the organisation. This mechanism embeds our core values and cascades objectives from the Group's strategy down to individual goals. Appraisal reviews are conducted annually, with added flexibility through check-in sessions and 'agile dialogue' to ensure continuous conversations take place throughout the year.

To complement this, the Group is committed to supporting the growth of the next generation of leaders within our businesses, ensuring colleagues can develop the skills they need to thrive. A thorough talent review process identifies high-potential employees for our talent pool, who are primed to ascend the leadership ladder and step into senior roles in the future. Through meaningful conversations, we discuss their ambitions and draft custom development plans to align their personal growth with the Company's objectives.

We also aim to cultivate an owner mindset among our employees, supported by enhanced incentive structures that focus less on short-term profits and more on long-term value creation. This approach encourages experimentation, innovation, and sustainable growth.

By embedding these practices, we aim to create a more inclusive, transparent, and performance-driven culture that empowers employees to achieve their full potential while contributing to the Group's long-term success.

#### Annual General Meeting

The Company's 2026 AGM will be held on 7 May 2026. The full text of the resolutions and explanatory notes in respect of the meeting are contained in the Notice of AGM that is published at the same time as this Annual Report and can be found at [www.hkland.com/en/investors/announcements](http://www.hkland.com/en/investors/announcements).

#### Corporate Website

A corporate website is maintained containing a wide range of additional information of interest to investors at [www.hkland.com](http://www.hkland.com).

## Group Policies

### Code of Conduct

The Group conducts business in a professional, ethical and even-handed manner. Its ethical standards are clearly set out in its Code of Conduct, a set of guidelines to which every employee must adhere and which is reinforced and monitored by a regular training and compliance certification process. It is also modelled on the Jardine Matheson group's code of conduct. The Code of Conduct requires that all Group companies and employees comply with all laws of general application, all rules and regulations that are industry-specific and proper standards of business conduct. In addition, the Code of Conduct prohibits the giving or receiving of illicit payments. It requires that all Directors and employees must be fully aware of their obligations under the Code of Conduct and establishes procedures to ensure compliance at all levels within their businesses. The Group requires each employee to declare any potential conflicts of interest, whether personal or related to their families and friends to ensure employees always act in the best interests of the Group while performing their duties.

### Data Privacy

The Group is committed to being a responsible custodian of the data entrusted to it by customers, employees, business partners and other stakeholders keeping the data secure and processing it in accordance with legal requirements and stakeholder expectations as they continue to evolve. Appropriate protections are in place to prevent misuse and unauthorised disclosure of personal data. In addition, the Group's Code of Conduct and Data Breach Notification Policy underlines the Group's commitment to being a responsible data custodian.

### Whistleblowing Policy

The Group has a whistleblowing policy covering how employees can report matters of serious concern. The Audit Committee is responsible for overseeing the effectiveness of the formal procedures for colleagues to raise such matters and is required to review any reports made under those procedures referred to it by the internal audit function.

In addition, the Group has a whistleblowing service managed by an independent third-party service provider, which supplements existing whistleblowing channels to assist employees and third-parties in raising matters of concern and report cases of suspected illegal or unethical behaviour. This service, which aims to help foster an inclusive, safe and respectful workplace, is available 24 hours a day in multiple local languages and is accessible through several channels. Colleagues may make anonymous submissions in situations where it is inappropriate or not possible to report a matter of concern to a manager supervisor, People & Culture, executive management, Group Counsel or the Chief Financial Officer.

Reports may be lodged by one of three channels: email, website or telephone hotline. Each report is allocated a unique case number which enables follow-up with the reporter, if applicable. Once a report is lodged, it is sent to certain authorised persons at the Group level. These include senior representatives from legal, compliance and finance teams who have experience in dealing with such matters. The authorised persons will follow up on the report and investigate where necessary. The reporter, if they choose to, will be notified of the outcome.

All reports are treated confidentially and any retaliation against a person reporting a potential breach of the Code of Conduct in good faith will not be tolerated.

### Inclusion, Equity and Diversity

We understand that our greatest asset is our people. Their diverse talent, experiences, and backgrounds drive our growth. We are committed to fostering an environment that values every individual, ensuring every voice contributes to our collective success.

The Group applies the principle that colleagues should always treat others in a way they would expect others to treat them. Bullying, intimidation, discrimination, and harassment of others have no place in the Group and will not be tolerated.

As a multinational Group with a broad range of businesses operating across Asia, the Group believes in promoting equal opportunities in recruiting and developing all employees, regardless of ethnicity, gender, age, sexual orientation, disability, background or religion, should be treated fairly and with dignity, and be valued for the contributions they make in their role. The scale and breadth of the Group's business necessitate that they seek the best people from the communities in which they operate most suited to their needs.

All staff are encouraged and supported to develop their full potential and contribute to the sustainable growth of the Group. Employees views and ideas are essential, and they are encouraged to express them respectfully with colleagues at all levels within the organisation.

To build an inclusive workplace which helps progress our ambitions across the Group, we incorporate IE&D principles across our businesses and People and Culture practices. This includes:

- Ongoing collaboration to ensure a set of inclusive working arrangements and policies to support IE&D;
- Keeping our recruitment, promotion, and retention systems fair and based on aptitude, merit and ability, including ongoing reviews of remuneration to ensure appropriateness of pay levels;
- Active talent management and career support for our talent pools to provide equitable opportunities that will enable a diverse future pipeline of leaders; and
- Cultivating the right set of leadership behaviours through learning campaigns to ensure our people behave in a way consistent with the principles we have put in place.

The Company keeps the composition of its Board and executive management positions under review to ensure that it remains appropriate to face the challenges of the changing business landscape. The Company is actively focused on increasing gender diversity at all levels of the organisation.

The Group has a Diversity and Equal Opportunity Policy.

## Committees

The Board is supported by the activities of its Committees (the Nominations, Remuneration, Investment and Audit Committees),

which ensure the right level of attention and consideration are given to specific matters. Matters considered by each of the Committees are set out in their respective terms of reference.

### Nominations Committee

#### Key Responsibilities:

- Review the structure, size and composition of the Board and its Committees and make recommendations to the Chairman of the Board on any appointments to maintain a right balance of skills, knowledge and experience and independence, as well as a diversity of perspectives;
- Support the Chairman of the Board to lead the process for Board appointments and nominate suitable candidates to the Board;
- Assess suitable candidates based on merit and objective criteria (giving consideration to the promotion of the diversity of social and ethnic backgrounds, knowledge, experience and skills), taking into account their ability to meet the required time commitments;
- Oversee the development of succession pipelines for both the Board and executive management positions to ensure talent is identified and nurtured to meet the challenges and opportunities facing the Group; and
- Satisfy itself that any skill gaps are addressed in the reviews of Board composition and that appropriate development opportunities are in place for Directors to keep abreast of market knowledge and industry trends to perform their role effectively.

The current members of the Nominations Committee are:

- Lincoln Pan (Chairman)
- Ming Mei
- Raymond Co

### Investment Committee

#### Key Responsibilities:

- Review and approve transactions or arrangements proposed to be entered into or undertaken by members of the Group (or funds under the Group's management) in accordance with the limits of authority, including investments and disposals, capital expenditure, lease commitments, material changes to associate and joint venture relationships; and
- Evaluate and recommend to the Board protocols for new markets and funding models that the Group is seeking to establish, including the decision to enter into a new gateway city or any third-party capital such as new REITs or private fund vehicles.

The current members of the Investment Committee are:

- John Witt (Chairman)
- Lincoln Pan
- Ming Mei
- Alan Miyasaki

### Remuneration Committee

#### Key Responsibilities:

- Oversee the formulation of a Group-wide reward strategy and ensure the business implements the reward strategy in alignment with its industry-specific needs;
- Review and approve the Company's overall rewards strategy and remuneration framework;
- Review the terms of and design of performance-related incentives (both short- and long-term), including the review and approval of any changes to plan design, targets and metrics;
- Review and approve the overall compensation costs, including salary and bonus budgets, of the business; and
- Remain abreast of trends and developments in executive management's compensation and corporate governance as they relate to the Group's industry and countries of operation.

The current members of the Remuneration Committee are:

- Lincoln Pan (Chairman)
- Ming Mei
- Raymond Co

### Audit Committee

#### Key Responsibilities:

- Independent oversight and assessment of financial reporting processes, including related internal controls;
- Independent oversight of risk management and compliance;
- Independent oversight and responsibility for cybersecurity;
- Monitoring and reviewing the effectiveness of the internal audit function and the Group's external auditor;
- Considering the independence and objectivity of the external auditor; and
- Reviewing and approving the level and nature of non-audit work performed by the external auditor.

The current members of the Audit Committee are:

- Lincoln K.K. Leong (Chairman)
- Graham Baker
- Alan Miyasaki

## Nominations Committee Report

### Chair's Introduction

I am pleased to introduce the Nominations Committee's Report for the year ended 31 December 2025. This Report outlines the Committee's activities during the year, focusing on Board composition, leadership succession planning, and organisational structure.

The Committee's primary responsibility is to ensure that the Board and the leadership team have the appropriate balance of skills, experience, and diversity to effectively lead the Group and deliver its strategy.

A key focus in 2025 has been overseeing the significant organisational redesign to establish a more effective functional reporting structure. This included aligning the top leadership team with our new business strategy, which involved expanding the team from seven to nine members and creating two new senior roles. I am pleased to welcome our new leaders: Michelle Ling as Chief Investment Officer, and Stuart Grant as Chief Executive, Westbund Central. We also welcomed Lincoln Pan and Alan Miyasaki to the Board in November.

A significant portion of the Committee's work this year has been dedicated to robust and detailed succession planning for our key leadership roles. We have identified a strong pipeline of 22 internal successors for our senior leadership positions. We are actively managing succession pathways for the Chief Executive and other key executives, including extending the tenure of certain leaders to ensure stability through critical project phases, while also recruiting and developing both internal and external talent for the future.



The Committee continues to review the composition and effectiveness of the Board to ensure it remains aligned with the Group's evolving needs. Following a successful Board development session in May, we have agreed to hold these annually to support continuous improvement. This work is supported by our focus on embedding the Group's new values and fostering a collaborative, high-performing culture across the organisation.

Details of the Nominations Committee's key responsibilities are set out in the sections above. The full terms of reference are available on the Company's website at [www.hkland.com](http://www.hkland.com).

#### **John Witt**

Chair of the Nominations Committee  
(until 5 March 2026)

### Nominations Committee

The Board established the Nominations Committee in March 2021.

The Nominations Committee consists of a minimum of three members, selected by the Chairman of the Board. The Chairman of the Board may appoint another member of the Committee as the Chair of the Nominations Committee. The current members of the Nominations Committee are Lincoln Pan, Ming Mei and Raymond Co (the chief people & culture officer of the Jardine Matheson group). The Nominations Committee meets at least annually, or by the circulation of Committee circulars and recommendations to the Board for approval as it deems appropriate. It plays a key role in the process

of recruiting Board members and executive management. Candidates for appointment as Executive Directors of the Company or other executive management positions may be sourced internally or externally, including by using the services of specialist executive search or recruitment firms. The aim is to appoint individuals who combine international business knowledge and experience, industry knowledge and experience, if possible, and familiarity with, or adaptability to, Asian markets. When appointing Non-Executive Directors, the Nominations Committee pays particular attention to the Asian business experience and relationships that they can bring.

## Remuneration Committee Report

### Chair's Introduction

I am pleased to introduce the Remuneration Committee's Report for the year ended 31 December 2025. This Report sets out how our new remuneration framework operated in 2025, our plans for remuneration in 2026, and the Group's overall approach to incentives.

The primary objective of the Group's remuneration approach is to align remuneration with performance and to create a high-performance culture for the Group.

During 2025, the Remuneration Committee's focus has been on the successful implementation and embedding of the Group's new remuneration framework, which was comprehensively redesigned in the prior year.

To reinforce a performance-driven culture, we have embedded our reshaped performance management system, which utilises a forced curve distribution to better differentiate performance and to reward our top performers. The Group's salary management continues to be informed by market remuneration data, and the 2025 salary increases were based on merit, performance and benchmarking, moving away from automatic inflation-based adjustments.

We recognise the importance of incentives and rewards in aligning employees with the creation of value for the Group and the delivery of strong total shareholder returns. Our redesigned short-term and long-term rewards framework was launched this year to align with the Group's compensation philosophy and its revised strategy.

Our new short-term incentive plan (STIP) was implemented in 2025 to drive day-to-day strategy execution. Bonus payouts are now based on a target-based plan, with a clear formula

combining Group-level financial performance and individual performance against a balanced scorecard of objectives, each with a 50% weighting. Overall performance against the 2025 scorecard was strong, projected to be at the stretch level, reflecting excellent progress against our key strategic and financial objectives.

For long-term reward, 2025 saw the launch of our new Value Creation Plan (the VCP) to incentivise a focus on long-term value creation and returns for the business. The first grant under the VCP was made in 2025, with a five-year performance period. Payouts are subject to the satisfaction of challenging performance measures, comprising Absolute Total Shareholder Return (42.5%), Relative Total Shareholder Return (42.5%) and a sustainability target linked to GHG emissions reduction (15%). Vesting will occur in three tranches from 2028. We also continue to have an Executive Management's Shareholding Policy, requiring the Executive Management to accumulate and hold shares in the Company to align their interests with those of shareholders.

Details of the Remuneration Committee's key responsibilities and the Group's remuneration approach are set out in the above sections. The full terms of reference are available on the Company's website at [www.hkland.com](http://www.hkland.com).

#### **John Witt**

Chair of the Remuneration Committee  
(until 5 March 2026)

## Remuneration Committee Report continued

### Remuneration Committee

The Board has overall responsibility for setting remuneration across the Group, ensuring it is appropriate and supports the Group's strategy, creating value for stakeholders. The Remuneration Committee has been established to assist the Board in these remuneration matters.

The Board established the Remuneration Committee in March 2022. The role of the Remuneration Committee is governed by its terms of reference.

The Remuneration Committee consists of a minimum of three members, selected by the Chairman of the Board. The Chairman of the Board may appoint another member of the Committee as the Chair of the Remuneration Committee. The current members of the Remuneration Committee are Lincoln Pan, Ming Mei and Raymond Co (the chief people & culture officer of the Jardine Matheson group). The Chief Executive and the Chief People & Culture Officer will generally attend meetings of the Remuneration Committee. The Remuneration Committee shall meet at least twice a year and as required, or by circulation of Committee circulars which make recommendations to the Board for approval as it deems appropriate.

### Remuneration Philosophy & Framework

At Hongkong Land, our people strategy and remuneration approach are designed to create long-term value for shareholders by attracting, motivating, and retaining the talent needed to deliver our business objectives across Asian markets.

Our remuneration principles are:

**Market-competitive:** Total Cash Compensation is benchmarked against relevant property industry peers.

**Performance-driven:** Rewards reflect contribution, accountability, and achievement through an appropriate balance of fixed, variable, and long-term incentives.

**Fair and equitable:** Pay decisions are free from gender, race, ethnicity, and other non-performance-related factors, consistent with the Company's commitment to pay equity.

**Aligned with shareholder value:** Outcomes are tied to business performance, including financial results, operational execution, and strategic priorities.

This philosophy supports the Company's operational and financial goals while reinforcing a culture of excellence, prudent risk management, and long-term value creation. Our remuneration system is structured to be sustainable, competitive, and closely aligned with both our values and pay-for-performance culture.



#### Market Competitiveness

Competitive positioning based on relevant market benchmarks roles.



#### Simplicity

Key Performance Indicators (KPIs) are cascaded from senior executives supported with clear payout mechanism, easy to understand and communicate.



#### Pay for Performance

Variable pay outcomes reflect business financial and individual non-financial results delivered.



#### Shareholder Alignment

Incentive for senior executives linked to long-term value creation.



#### Operational Excellence

Recognition for consistent execution across the portfolio.

Remuneration Committee Report continued

**Remuneration Framework for Senior Management**

In 2025, the Remuneration Committee approved the revision of both Short-Term Incentives (STI) and Long-Term Incentives (LTI) in risk remuneration to support Hongkong Land’s new strategy, keep market competitiveness, and strengthen alignment with shareholder interests. Enhancements to the design of the executive remuneration plan are effective from 2025. This review was supported by the Remuneration Committee’s independent external advisor, Willis Towers Watson.

The table below sets out the remuneration framework for 2025:

	Fixed Remuneration	At Risk Remuneration	
	Base Pay, Allowance and Other Benefits	STI	LTI Performance Stock Units (PSU)
Objectives	To attract and retain highly capable executive talents	To reward high-performing executives for achievement of business financial KPIs and individual non-financial KPIs	To focus the top executive team on execution of strategy and delivering Total Shareholder Return (TSR) and Sustainability Target
Eligibility	All employees	All employees	Company Directors and selected Senior executives
Delivery Method	Cash and non-monetary benefits	Cash	Stock Units
Approaches	Fixed remuneration is benchmarked against relevant comparator companies to assess market competitiveness	STI is linked to a balanced scorecard of financial and non-financial objectives for the delivery of the Company’s strategy	Grant of equity in 2025 to reward for delivering on the Company’s strategy, aligned with long-term shareholders returns
Link to Performance	Reward for day-to-day job duties and scope of responsibility	<p>A mix of financial (50% weight) and non-financial (50% weight) KPIs for the relevant year</p> <ul style="list-style-type: none"> <li>Financial KPIs are 25% Underlying Profits/Profit before Interest and Taxes (PBIT) and 25% Capital Recycling</li> <li>Non-financial KPIs in the areas of Strategic, Brand Reputation, Operational Improvement, etc.</li> </ul> <p>Performance rating on non-financial KPIs result considered the Value calibrated across the organisation for proper differentiation.</p>	<p>A mix of financial (85% weight) and non-financial (15% weight) KPIs for the first five years of Strategy execution</p> <ul style="list-style-type: none"> <li>Financial KPIs are 42.5% Absolute TSR against Cost of Equity (COE) and 42.5% Relative TSR compared to 20 peer companies across Asia markets</li> <li>Non-financial KPI (15%) is the Scope 1 &amp; 2 Green House Gas emissions reduction from 2019</li> </ul> <p>Performance will be evaluated from 0% (below Threshold), 50% (Threshold), 100% (Target) up to 200% (Maximum).</p>
Performance Period	N/A	1 year	5 years
Vesting	N/A	<p>Annual STI is paid after the end of the performance period</p> <p>For Executive Management covered under Executive Management’s Shareholding Policy and not fulfilled the minimum shareholding, proportion of the STI will be used to purchase stock units which required to hold for three years as Restricted Stock Units (RSU).</p>	Graded vesting (1/3 each year) after three years

## Remuneration Committee Report continued

### Share Schemes

The Company operates long-term share-based incentive programmes designed to align senior leadership with the interests of shareholders and to support the delivery of sustainable value creation.

The previous notional share option plan has been closed to new grants in 2024, with outstanding awards continuing under their original terms.

In 2025, the Company introduced a new Long-Term Incentive Plan (LTIP). Under this plan, selected senior executives receive performance-based share awards that vest over multiple years. The LTIP links a meaningful portion of executive reward to the Company's long-term performance, using measures such as TSR and progress on key sustainability objectives. Performance may lead to vesting outcomes ranging from 0% to a maximum of 200% depending on results achieved. This ensures leaders are incentivised to drive the Group's strategic priorities and create enduring value for shareholders.

The LTIP supports the Group's aim of cultivating an ownership mindset and incentivising executives to deliver long-term operational excellence, capital discipline, and shareholder value. The Remuneration Committee oversees all aspects of the scheme, including eligibility, grant sizing, performance assessment, and the overall framework design. Awards are subject to the rules of the plan, including dividend treatment and clawback provisions where appropriate.

### Executive Management's Shareholding Policy

The Company believes that it is essential to align the interests of shareholders and Executive Management. This means creating an environment where the Executive Management are incentivised to create long-term shareholder value. The Company has sought to do this in part by requiring all Executive Management to accumulate and hold shares in the Company for the long-term.

In this regard, the Company has adopted an Executive Management's Shareholding Policy (the Shareholding Policy). The Shareholding Policy requires that each of the Executive Management to build a meaningful and increasing shareholding in the Company over time by setting a minimum shareholding requirement. The required shareholding amount will vary by role impact on the Company's profit and loss, ranging from one to four times of annual base salary. Executive Management members are permitted five years from the commencement of the Shareholding Policy to accumulate the required level of shareholding.

### Remuneration Outcomes in 2025

For the year ended 31 December 2025, the Directors received from the Group US\$9.0 million (2024: US\$7.8 million) in Directors' fees and employee benefits, being:

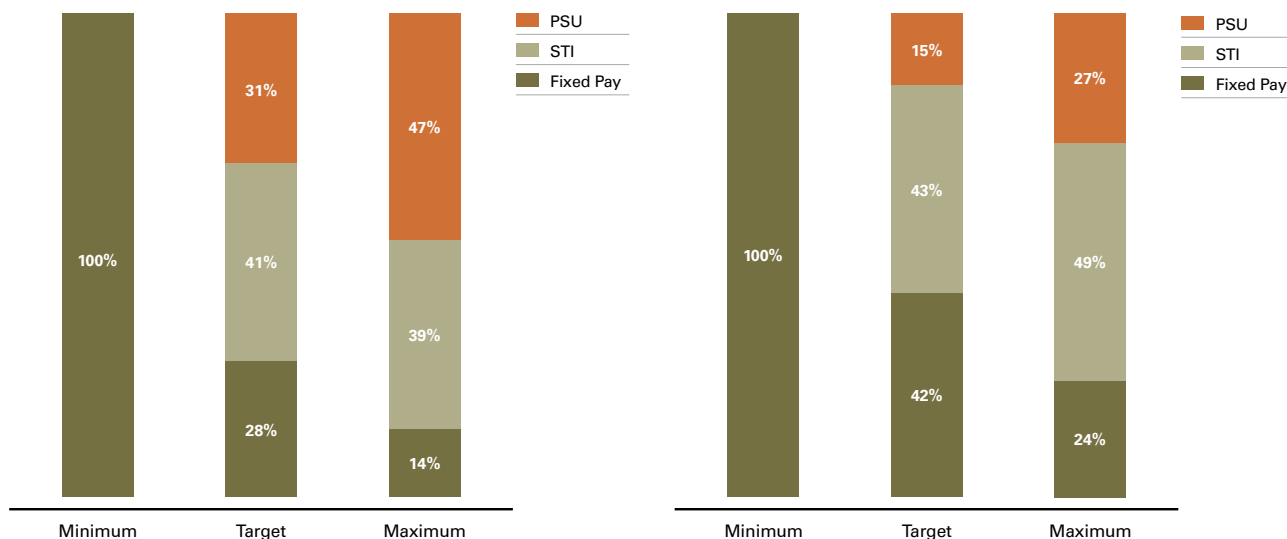
	2025 US\$m	2024 US\$m
Directors' fees	0.8	0.9
Short-term employee benefits including salary, bonuses, accommodation, deemed benefits in kind and shares-based incentives	8.1	6.7
Post-employment benefits	0.1	0.2

The information set out in the section above headed 'Remuneration Outcomes in 2025' forms part of the audited financial statements.

Remuneration Committee Report continued

**The structure of remuneration for Senior Management is illustrated below:**

Significant Portion of Total Target Compensation linked to at risk remuneration – STI and PSU and driving high pay-for-performance



As % of Base Salary	Minimum	Target	Maximum
STI	0%	200%	400%
PSU	0%	154%	478%

**CE Payout Opportunity**

As % of Base Salary	Minimum	Target	Maximum
STI	0%	150%	300%
PSU	0%	52%	162%

**CFO Payout Opportunity**

\* The PSU maximum value was simulated using Hongkong Land's weighted average share price for 2025.

**Directors' Share Interests**

The Directors of the Company in office on 5 March 2026 had interests\* as set out below in the ordinary share capital of the Company. These interests include those notified to the Company regarding the Directors' closely associated persons\*.

Michael T. Smith	446,900
Craig Beattie	187,300
Lily Jencks	79,300
Lincoln K.K. Leong	456,818
Ming Mei	5,800,000

\* Within the meaning of MAR

Michael T. Smith received a conditional award of 1,784,500 ordinary shares in the Company during 2024, as an incentive to join the Group. These shares will vest in equal installments over five years between 2025 and 2029, subject to continued employment on the date each vesting period ends. As at 5 March 2026, Michael T. Smith had 1,427,600 ordinary shares in the Company to be vested through 2026 to 2029 under the conditional award. Craig Beattie received a conditional award of 117,700 ordinary shares in the Company during 2025, subject to continued employment and will be vested in 2027.

## Remuneration Committee Report continued

### Directors' Share Interests continued

In addition, Michael T. Smith received a conditional award of 1,080,000 ordinary shares and Craig Beattie received a conditional award of 240,000 ordinary shares in the Company during 2025 under the Company's LTIP. These shares will be vested in equal installments in three tranches between 2028 and 2030 subject to performance conditions on the date each vesting period ends.

The Non-Executive Directors are reimbursed for expenses properly incurred in performing their duties as a Director of the Company. The schedule of fees paid to Directors in respect of the financial year 2025 is set out in the table below. Fees are annual fees, unless otherwise stated:

#### US\$ (per annum)

Chairman fee:	110,000
Base Director fee:	100,000
Audit Committee fee (Chair):	45,000
Audit Committee fee (member):	35,000
Remuneration Committee fee (Chair):	25,000
Remuneration Committee fee (member):	20,000
Nominations Committee fee:	15,000
Investment Committee fee (Chair):	45,000
Investment Committee fee (member):	35,000

Director	Director Fee US\$	Audit Committee Fee US\$	Nominations Committee Fee US\$	Remuneration Committee Fee US\$	Investment Committee Fee US\$	Total Fees US\$
<b>Current Directors</b>						
1 John Witt (Chairman)	110,000	–	15,000	25,000	45,000	195,000*
2 Michael T. Smith	–	–	–	–	–	–
3 Craig Beattie	–	–	–	–	–	–
4 Lincoln Pan <sup>1</sup>	16,712	–	–	–	5,849	22,561*
5 Lily Jencks	100,000	–	–	–	–	100,000
6 Adam Keswick	100,000	–	–	–	–	100,000*
7 Lincoln K.K. Leong	100,000	45,000	–	–	–	145,000
8 Ming Mei	100,000	–	15,000	20,000	35,000	170,000
9 Alan Miyasaki <sup>2</sup>	16,712	5,849	–	–	5,849	28,410
<b>Former Directors</b>						
10 Stuart Grant <sup>3</sup>	33,425	11,699	–	–	11,699	56,823
<b>Total</b>	<b>576,849</b>	<b>62,548</b>	<b>30,000</b>	<b>45,000</b>	<b>103,397</b>	<b>817,794</b>

\* Fees surrendered to Jardine Matheson

1 Lincoln Pan was appointed to the Board of the Company and as a member of the Investment Committee with effect from 1 November 2025.

2 Alan Miyasaki was appointed to the Board of the Company and a member of the Audit and Investment Committees with effect from 1 November 2025.

3 Stuart Grant stepped down from the Board of the Company and the Audit and Investment Committees with effect from 2 May 2025.

## Investment Committee Report

### Chair's Introduction

I am pleased to present the Investment Committee's report for the year ended 31 December 2025.

Throughout the year, the Committee met monthly to oversee the Group's investment activities, capital recycling initiatives and potential transaction pipeline. These regular meetings are an integral part of Hongkong Land's governance framework, enabling the Committee to monitor capital deployment, review capital recycling initiatives, and assess the viability and timing of opportunities within the Group's potential transaction pipeline. This cadence ensures that investment decisions are considered in a timely, consistent and well-informed manner.

During the year, the Committee reviewed a broad range of investment proposals and strategic initiatives, including the completion of the disposal of part of One Exchange Square and MCL Land, both of which contributed meaningfully to the Hongkong Land's capital recycling objectives and strengthened the Group's financial flexibility. The Committee also monitored the execution and extension of the Group's share buyback programme.

In its deliberations, the Committee ensured that investment proposals were supported by robust financial analysis, rigorous risk assessment and appropriate due diligence. The Committee is satisfied with the progress achieved over the year and with the manner in which management advanced initiatives in accordance with Hongkong Land's governance expectations.

Looking ahead, the Committee will continue to provide active oversight and guidance to support the delivery of Hongkong Land's long-term strategic and financial objectives, ensuring that investment decisions remain responsible, value-accretive and aligned with the Hongkong Land's commitment to strong governance.

Details of the Investment Committee's key responsibilities are set out in the sections above.

#### **John Witt**

Chair of the Investment Committee

### Investment Committee

The Board established the Investment Committee in October 2024.

The Investment Committee consists of four members, selected by the Chairman of the Board. The Chairman of the Board is the chair of the Investment Committee. The current members of the Investment

Committee are John Witt, Lincoln Pan, Ming Mei and Alan Miyasaki. The Investment Committee meets monthly, or by the circulation of Committee circulars, and makes recommendations to the Board for approval for matters outside of its delegated authority.

## Audit Committee Report

### Chair's Introduction

I am pleased to present the Audit Committee's report for the year ended 31 December 2025. As part of Hongkong Land's evolving governance framework, the Audit Committee convened three times in 2025, with an additional meeting held in November. This extra session was dedicated to providing early insights into potential issues that could affect the full-year results.

This year, the Audit Committee has focused heavily on the challenging property market conditions on the Chinese mainland. We have closely monitored valuations for various property categories, including investment, own-use, and build-to-sell properties. In light of these conditions, the Committee reviewed total pre-tax provisions recognised in 2024 financial statements, with the most significant challenges identified in projects in Wuhan and Nanjing.

We have examined key accounting issues and management judgements to ensure the continued accuracy and integrity of the Company's financial reporting. A notable example includes the reclassification of certain owner-occupied properties in Hong Kong to fixed assets. More details are included in Note 33 to the financial statements on pages 118 to 119.

The Audit Committee has also overseen the Company's non-financial reporting framework, ensuring it evolves in line with environmental, social, and governance responsibilities. We noted the significant progress made towards the 2030 carbon reduction targets and the need to accelerate renewable energy procurement. We receive regular updates from management on the broader control environment, and we review the progress of addressing any identified deficiencies with insights from the Jardine Matheson's audit and risk management function (the ARM) and our external auditor, PwC. ARM's 2024 audit plan, which was reported to the Committee in 2025, concluded that the Group's overall control environment remained 'Effective', and we reviewed the findings from their work, including outcomes from whistleblowing cases.



The Audit Committee reviewed and monitored the Company's principal risks through a combination of business reviews, focused engagements, and regular updates from management, ARM, and PwC. As the Group announced a new business strategy in October 2024, which focuses on ultra-premium integrated commercial properties in Asia gateway cities as well as managing capital for third parties, the Group's Enterprise Risk Management framework is being updated. To support this, the Company has engaged Deloitte to assist in updating its risk register and improving the framework to align with its new strategic goals. Key risks that could impact the Group's achievement of its goals have been identified, together with the associated risk response. Read more on pages 60 to 65.

The Audit Committee's role is to oversee the effectiveness of the Company's financial reporting, including ESG and climate-related financial disclosures, internal control systems, and risk management processes. We also ensure the integrity of the Company's external and internal audit procedures.

Details of the Audit Committee's key responsibilities are set out in the sections above. The full terms of reference are available on the Company's website at [www.hkland.com](http://www.hkland.com).

#### **Lincoln K.K. Leong**

Chair of the Audit Committee

## Audit Committee Report continued

### Audit Committee

The Board established the Audit Committee in March 2022. The Audit Committee consists of a minimum of three members and its current members are Lincoln K.K. Leong (chair of the Audit Committee and INED), Graham Baker (Financial Expert) and Alan Miyasaki (INED). None of the members is directly involved in operational management of the Company as at 5 March 2026. All members of the Audit Committee are independent members with recent financial experience and expertise. All Audit Committee members have a deep understanding of risk management.

The Chief Executive and Chief Financial Officer, together with representatives of the internal and external auditors, also attend the Audit Committee meetings by invitation. Other individuals may attend part of a meeting for specific agenda items as appropriate. The Committee meets on a scheduled basis three times a year and reports to the Board after each meeting.

The role of the Audit Committee is governed by its terms of reference.

Before completion and announcement of the Company's half-year and full-year results, a review is undertaken by the Committee, with the executive management, of the Company's financial information and any issues raised in connection with the preparation of the results, including the adoption of new accounting policies. A report is also received by the Committee from the external auditor. The external auditor also has access, when necessary, to the full Board and other executive managements. The Committee confirms, to the best of its knowledge, the consolidated financial statements prepared in accordance with IFRS, including International Accounting Standards and Interpretations as issued by the International Accounting Standards Board, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group.

The matters considered by the Audit Committee during 2025 included:

- Reviewing the 2024 annual financial statements, 2025 half-year financial statements and interim management statements, with particular focus on the assets impairment assessments, net realisable assessments for properties for sale, assumptions that underpinned key valuation models and effectiveness of financial controls;
- Reviewing the significant actions and judgements of management in relation to changes in accounting policies and practices to ensure clarity and accuracy of disclosures and compliance with new accounting standards;

- Receiving reports from internal audit function on the status of the control and compliance environment of the Group, with particular focus on the mechanisms supporting financial reporting, and its business divisions, and progress made in resolving matters identified in the reports;
- Reviewing the principal risks, evolving trends and emerging risks that affect the Group, and monitoring changes to the risk profile, as well as the effectiveness of risk management measures and crisis management arrangements;
- Receiving updates on the cybersecurity threat landscape and the Group's cybersecurity environment, risk management approach, training, priorities and control effectiveness;
- Receiving reports from risk management and legal functions on key legal matters and compliance and code of conduct issues, and the actions taken in addressing those issues and strengthening controls;
- Reviewing the annual internal audit plan and status updates;
- Reviewing the Group's governance approach to cybersecurity management, data security and privacy management across its businesses;
- Reviewing the independence, audit scope and fees of PwC, and recommending their re-appointment as the external auditor at AGM;
- Reviewing the Non-Assurance Services Concurrence Policy and recommending amendments; and
- Conducting a review of the terms of reference of the Audit Committee.

### Audit Committees Attendance

The table below shows the attendance at the scheduled 2025 Audit Committee meetings:

Members of the Audit Committee	Meeting eligible to attend	% Attendance
<b>Current members</b>		
Lincoln K.K. Leong (Chair)	3/3	100%
Alan Miyasaki <sup>1</sup>	0/1	0%
Graham Baker	3/3	100%
<b>Former member</b>		
Stuart Grant <sup>2</sup>	1/1	100%

1 Alan Miyasaki joined the Audit Committee on 1 November 2025. In 2025, one Audit Committee was held after 1 November 2025.

2 Stuart Grant stepped down as a member on 2 May 2025.

## Audit Committee Report continued

### Auditor Independence and Effectiveness

The independence and objectivity of the Group's external auditor are safeguarded by control measures including:

- Reviewing the nature of non-audit services (including the amendment of the non-audit services policy);
- The external auditor's own internal processes to approve requests for non-audit work to the external audit work;
- Monitoring changes in legislation related to auditor independence and objectivity;
- The rotation of the lead audit partner after seven years;
- Independent reporting lines from the external auditor to the Audit Committee and providing an opportunity for the external auditor to have in-camera sessions with the Audit Committee;
- Restrictions on the employment by the group of certain employees of the external auditor;
- Providing a confidential helpline that employees can use to report any concerns; and
- An annual review by the Audit Committee of the policy to ensure the objectivity and independence of the external auditor.

The Board's annual review in 2025 of the external auditor's independence and effectiveness found that they performed their duties effectively. The Board found the level of professional scepticism, the number and regularity of meetings with the Audit Committee, feedback from the Audit Committee members and internal stakeholders and the levels of technical skills and experience to be effective.

At each AGM of the Company, the Company is required to appoint an external auditor to hold office until the conclusion of the next AGM. The Company's shareholders approved the appointment of PwC Hong Kong as the Company's external auditor at the 2025 AGM on 2 May 2025.

### Risk Management and Internal Control

The Board has overall responsibility for the Group's systems of risk management and internal control. It is supported by the Audit Committee which is responsible for providing oversight of the Group's risk management activities.

The Audit Committee considers the Group's principal risks and uncertainties, as well as emerging risks that it may face. It also ensures that executive management maintains robust risk management systems to safeguard the interests of the Group and its stakeholders. In addition, it reviews the effectiveness of the design and operation of the Group's systems of internal control (financial, operational and compliance) and the practices that it adopts to mitigate the Group's risks. The Audit Committee reports to the Board three times a year.

ARM assists the Audit Committee with fulfilling its assurance and reporting roles. ARM adheres to international professional practice standards for internal auditing. To safeguard its independence of Management and objectivity, ARM reports functionally to the Audit Committee and has full and unrestricted access to all Group business functions, records, locations and personnel. It also monitors the approach taken by management to risk and reports its findings and recommendations for any corrective action required to the Audit Committee.

The Group's internal control systems are designed to manage, rather than eliminate, business risks, to help safeguard its assets against fraud and other irregularities and to give reasonable, but not absolute, assurance regarding material financial misstatement or loss.

Executive management is responsible for implementing the systems of internal control throughout the Group.

The Group has an established risk management process that covers all business units within the Group. This process includes the maintenance of risk registers that detail the Group's existing and emerging risks to the achievement of their strategies as well as relevant key controls and mitigating actions to address them. The Group's risk management process and risk registers are reviewed regularly by executive management.

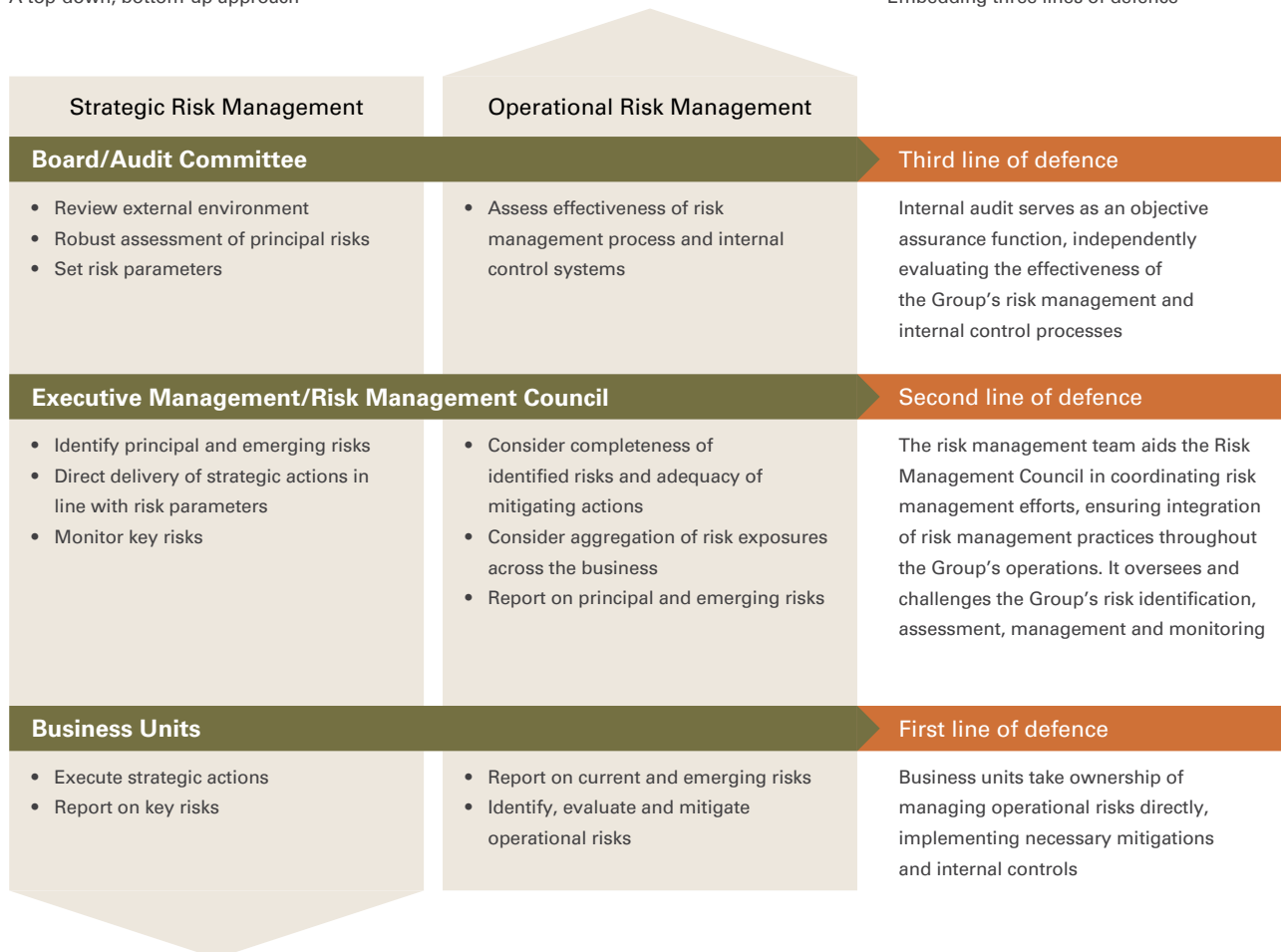
The Group operates a 'three lines of defence' risk governance framework which defines clear responsibilities and the structure for ensuring accountability for and transparency regarding its risk management practices. This framework combines a top-down strategic view of risk with a bottom-up operational perspective. The Board, through the top-down approach, has oversight of the risk management process and focuses on determining the nature and extent of significant risks that it is willing to take in achieving the strategic objectives of the Group.

Audit Committee Report continued

**Integrated Risk Management Approach**

A top-down, bottom-up approach

Embedding three lines of defence



Executive management and the Risk Management Council (comprising senior executives from all key business functions, chaired by the Chief Executive Officer) are accountable for the effective management and reporting of principal risks across the business. They also ensure the effectiveness of the Group's internal control environment. The risk management team supports the Risk Management Council in coordinating the Group's risk management activities and embedding risk management and monitoring internal controls across the Group's operations. Significant and emerging risks are reported to the Audit Committee at each meeting.

At the operational level, the day-to-day management of risks is embedded within the business units and is integral to the way the Group conducts business. This bottom-up approach ensures that

potential risks are identified at an early stage and escalated appropriately. Ownership of operational risks resides within each business unit, with risks being managed at source and appropriate mitigations (including internal controls) being put in place. The business units report on risks, which are maintained in a detailed risk register, to the Risk Management Council.

Through this approach, the Group's 'three lines of defence' model for risk management comprises operational management forming the first line, the Risk Management Council and the risk management team forming the second line and internal audit forming the third line.

The Company's principal risks and uncertainties are set out on pages 60 to 65.

## Audit Committee Report continued

### Risk Management Framework

Risk management is integrated into the Group's and each business unit's strategic planning, budgeting, decision-making and operations. Central to this is the continuous and systematic application of a risk management process, as shown below:



A Risk Management Framework, based on ISO 31000 and COSO Enterprise Risk Management Framework, has been established and embedded into the Group's business activities to enable it to identify and assess key risks and define the strategies to be adopted

in treating, monitoring and reporting on such risks. The risk register summarises the principal risks and uncertainties facing the Group as a whole.

The key elements of the Risk Management framework are as follows:

<b>Risk Identification</b>	<ul style="list-style-type: none"> <li>Identifying and documenting the Group's exposure to risks relating to the achievement of its strategic objectives, categorised with reference to a risk taxonomy</li> <li>Adopting structured and methodical techniques for identifying critical risks</li> </ul>
<b>Risk Assessment</b>	<ul style="list-style-type: none"> <li>Evaluating risks by estimating the likelihood of their arising, their potential financial and reputational impact, and the speed at which they may materialise, at both the inherent and residual levels</li> <li>Determining the relative significance of each risk using a risk heatmap, with five levels of risk</li> </ul>
<b>Risk Treatment</b>	<ul style="list-style-type: none"> <li>Tolerate – accepting the risk if it is within the Group's risk appetite</li> <li>Terminate – disposing of or avoiding the risk if there is no appetite to accept it</li> <li>Risks may be accepted if mitigated to an appropriate level via:                             <ul style="list-style-type: none"> <li>Transfer – insuring against the risk or sharing it through contractual arrangements with business partners</li> <li>Treat – redesigning controls or establishing new controls to address the risk, and monitoring the performance of these controls</li> </ul> </li> </ul>
<b>Risk Reporting and Monitoring</b>	<ul style="list-style-type: none"> <li>Periodically reviewing principal risks and uncertainties</li> <li>Monitoring the adequacy and effectiveness of risk management activity and internal controls through regular review</li> <li>Regular reporting of principal risks and uncertainties by the business units to the Board via the Audit Committee and ARM</li> </ul>

## Audit Committee Report continued

### Principal Risks and Uncertainties

The following are the principal risks and uncertainties facing the Company as required to be disclosed pursuant to the DTRs issued by the FCA and are in addition to the matters referred to in the Chairman's Statement, Chief Executive's Review and other parts of this Annual Report.

The principal risks and uncertainties that the Company faces together with their mitigation measures are set out below. They have taken into account the Company's revised strategy and operating model which was announced in October 2024.

### Risk Relating to Execution of Strategy

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The Group's new strategy is to focus on ultra-premium integrated investment properties in Asia gateway cities. The implementation of this strategy involves exiting from its build-to-sell businesses, leveraging third-party capital and recycling capital from selected assets to finance growth and improve return on equity. The successful execution of this strategy relies on business transformation. This transition will involve changes to the experience and skills that the Group requires for its management which may result in temporary disruption to operating standards if the transition is not well handled.

To support its strategy of recycling capital from existing assets to new investments in ultra-premium projects, the Group also needs to modify its investment management lifecycle. This revised approach includes identifying the optimal timing for asset disposals and acquisitions, which will be influenced by assumptions on asset performance and wider market conditions. This will include assumptions on future rents, occupancy and valuation metrics which may turn out to be too optimistic or pessimistic. To accelerate divestment from selective existing investments to finance growth the Group may need to reduce its price expectations below the asset's carrying value resulting in an accounting loss upon sale. The Group may face challenges sourcing attractive new investment opportunities at or above its equity return expectations, resulting in a delay in business expansion and reduce return on equity performance.

The Group's new strategy also seeks to bring in third-party capital to support growth. The pace of developing effective relationships with providers of third-party capital will influence the Group's access to such capital and ultimately the pace of its business expansion. The terms on which third-party capital is drawn under this strategy could also create financial strain at the asset or fund level if an excessive amount of leverage is used and market conditions deteriorate. Poor investment performance may impact the Group's ability to attract new third-party capital providers. Large redemption requests from third-party capital providers may result in assets being sold on the open market if alternative third-party capital providers cannot be found.

The Group's strategy involves ambitious 10-year targets, including an increase in its AUM from US\$40 billion to US\$100 billion and recycling of capital of up to US\$10 billion by 2035. Pursuit of these growth ambitions may affect the Group's investment decision making process. Any difference in judging the market, responding to competitive trends and demonstrating agility in certain conditions as well as inappropriate capital structure and poor financial planning could also lead to the Group not being able to execute the new strategy effectively.

### Risk Relating to Execution of Strategy continued

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#### Mitigation Measures

- Align transformation initiatives, capital recycling strategies and capital structure decisions with long-term business objectives.
- Implement structured change management programmes with clear communication and stakeholder engagement across the organisation.
- Hold regular investment committee meetings to review capital recycling progress and assess new investment opportunities.
- Apply active asset management strategies across the entire portfolio in line with prevailing market standards.
- Develop and execute exit strategies for assets designated for disposal, in collaboration with internal teams and external advisors.
- Maintain ongoing engagement with potential buyers and investors to ensure awareness of market conditions and capital availability.
- Uphold robust investment appraisal processes, supported by rigorous financial modelling and scenario analysis.
- Strengthen organisational capabilities through targeted training and upskilling to support new business models.
- Conduct comprehensive market research and detailed cash flow forecasting to evaluate potential investment opportunities.
- Perform regular strategic reviews of market conditions and monitor exposure to liquidity risks.
- Work closely with the Chief Financial Officer to maintain a strong balance sheet, including adequate liquidity buffers, to support growth while preserving the Group's investment credit rating.
- Continuously review processes and systems to ensure an institutional and disciplined approach to operations.
- Carry out regular internal audits to ensure compliance with financial policies and the effectiveness of internal controls over financial reporting.

## Audit Committee Report continued

### Principal Risks and Uncertainties continued

#### Economic Risk

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Uncertainties in global and regional economies and financial markets, involving volatility in interest and exchange rates, excessive inflation, deflation or recession, can adversely affect the pricing and demand for the Group's properties. Such developments might increase the Group's operating and financing costs or reduce its occupancy rates and revenues, as well as its access to credit. This would affect the valuations for the Group's investment properties and profitability. At the same time, these developments could also impact on the performance of the Group's joint venture partners, associates, bankers, suppliers and other third parties to support it.

In addition, geopolitical instability in jurisdictions in which the Group's properties are located could lead to unfavourable market sentiment, posing a threat to its business activity and affecting strategic aspirations for growth and returns on investment. For instance, political tensions, which could result in greater protectionism, sanctions, nationalisation or expropriation, and violence may bring impact to the global geopolitical situation outside its own markets and affect worldwide sentiment.

#### Mitigation Measures

- Monitor the volatile macroeconomic environment and consider economic factors in strategic and financial planning.
- Make agile adjustments to existing business plans, where appropriate, and explore new business streams and markets.
- Review pricing and leasing strategies on a regular basis.
- Conduct stress testing in relation to various economic scenarios, such as inflation or interest rate changes, to understand their potential impacts and to prepare measures to address them.
- Perform strategic reviews of the market situation and monitor exposure to changes in liquidity.
- Manage the Group's exposure to fluctuations in foreign exchange, interest rates and counterparty risk.
- Explore alternative financing options (e.g., green bonds, private placements, etc.) to reduce dependency on institutional investors.
- Maintain a Terrorism and Political Violence policy with adequate coverage to mitigate the potential financial impact on the Group of political violence events.

#### Risks from Changing Market Trends, Demands and Competition

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Customer preferences can shift due to evolving lifestyle trends, technological advancement and economic developments, necessitating continuous adaptation by the Group in order to maintain and enhance its business performance. For instance, Hong Kong's position as a leading financial centre and luxury shopping destination may be eroded over time, leading to reduced demand for premium integrated properties, whilst over supply and changes in consumption pattern on the Chinese mainland could affect demand for high-end property. Other trends that could impact demand include preferences for decentralised office space, co-working environments, remote working and digital retailing.

If competitors are able to anticipate, understand and respond to these developments more effectively than the Group, particularly in new gateway markets, it may experience difficulty in gaining market share or lose current market share. This would result in the Group suffering a decline in financial performance and not achieving its strategic objectives for rapid growth.

#### Mitigation Measures

- Undertake continual upgrades and improvements to maintain the competitiveness of the Group's portfolio.
- Maintain ongoing engagement with government authorities.
- Regular market visits to key cities to understand latest trends and identify gaps with our existing portfolio.
- Monitor sales of retail tenants to identify shifts in business trends early. Conduct regular tenant satisfaction surveys, dialogues with core tenants and opinion leaders to identify existing gaps and anticipate evolving needs.
- Maintain a strong customer relationship management system.
- Adopt best practices with respect to sustainability and transition to net zero, including executing on green building initiatives and collaborating with our tenants to achieve sustainability goals.

## Audit Committee Report continued

### Principal Risks and Uncertainties continued

#### People and Culture Risk

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Ensuring that the Group has the right management talent, equipped with leadership skills and specialist expertise, is critical in enabling it to execute its new strategy effectively and to implement the required changes to its organisational model. Therefore, any significant failure to attract, retain and develop such talent could undermine this strategy as well as the Group's operational and financial performance. The transition required under the new strategy involves a potential reallocation and reskilling of resources to new roles, with these processes involving additional time and costs.

The Group also faces talent shortages in certain areas, including retail management and sustainability, for which there is high market demand. If the Group is not able to hire key talent or carry out reskilling of existing personnel in these specialisms, it may not be able to execute related initiatives successfully, undermining its operational performance and growth.

#### Mitigation Measures

- Active communication with employees to develop their understanding of the Group's new strategic direction.
- Enhance the Group's performance management system to reinforce its high-performance culture, as well as maintain appropriate compensation and benefits.
- Conduct proactive manpower and succession planning.
- Enhance the Group's modern employer branding by implementing a talent development plan that includes training to up-skill staff to prepare them for emerging business needs.
- Implement a strategy to promote Inclusion, Equity & Diversity across the Group.
- Develop an employee retention programme.

#### Health and Safety Risk

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The Group faces health and safety risk in terms of the possible impact of such issues as accidents, security incidents or hygiene-related matters on its tenants. In addition, the Group's business activities include construction and renovation, hence it faces the risk of fatalities or serious injuries taking place if working conditions are unsafe or workers do not adhere to its safety procedures. If the Group fails to prevent, avoid and detect safety-related issues, even where its relevant operations are managed by third party service providers, its brand could be damaged and the trust that its tenants have in the Group eroded, especially given its focus on the luxury sector. These issues would ultimately undermine the Group's financial performance and shareholder value.

#### Mitigation Measures

- Ensure that all structural elements, mechanical and electrical systems and plumbing in the Group's buildings are regularly inspected and maintained.
- Provide tenants with clear instructions and guidelines on emergency procedures and safety protocols.
- Establish a safety leadership culture and framework in all markets.
- Conduct regular safety training for all employees and contractors.
- Conduct proper contractor selection and evaluation, and incorporate site safety requirements in tenders and contracts.
- Conduct regular safety audits of operating buildings and construction sites to ensure the Group's guidelines, requirements and local regulations for safety are adhered to by both employees, vendors and contractors.
- Conduct periodic drills and tests of emergency response, business continuity and crisis response procedures established for health and safety incident scenarios.
- Ensure insurance coverage, including employee compensation, public liability and construction all risks, is adequate and effective.

## Audit Committee Report continued

### Principal Risks and Uncertainties continued

#### Environmental and Climate Risk

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Environmental and climate-related risks are growing in significance, as shown by the increasing frequency and intensity of potentially damaging natural events and disasters, such as flooding, increased extreme heat days and tropical cyclones. These pose growing physical threats to the Group's properties and other assets, which could lead to safety-related issues and disruption to operations and supply chains in the future. In addition, sea level rises could adversely impact asset values and business continuity. As a result, the Group may face higher costs for implementing measures to reduce the impact of climate-related events, including physical defences and insurance. Failure on the part of the Group to manage environmental and climate risks could lead to it incurring even greater costs of recovery from climate-related events, negatively affecting its financial performance, reputation and hence ability to achieve its long-term strategic objectives.

Market pressure, from shareholders, customers, lenders, rating agencies, etc., for improving sustainability performance is also increasing. In addition, the Group has committed to certain officially published targets, including those in relation to decarbonisation. It therefore faces a growing challenge in driving sustainability initiatives and delivering on sustainability performance, increasing the risk of negative media exposure or reputational damage arising if it does not meet compliance standards or other expectations. Any failure on the part of the Group to improve the quality of its reporting on climate and other sustainability-related performance, to meet these requirements, could also lead to reputational issues for the Group.

#### Environmental and Climate Risk continued

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#### Mitigation Measures

- Implement measures to achieve the Group's targets and commitments to decarbonisation under the Science-Based Targets initiative.
- Update climate risk assessments and action plans for climate adaptation based on the recommendations of the Task Force on Climate-related Financial Disclosures/IFRS S2 Climate-related Disclosures, including implementing measures to address physical risks posed by climate change and identifying opportunities in the global transition to a low-carbon economy.
- Perform ongoing retrofitting of existing assets and deploy emerging PropTech solutions to drive energy efficiency.
- Increase the procurement of renewable energy, including expanding capacity for onsite renewable energy generation, to reduce carbon emissions.
- Continue implementing the Group's robust and long-standing green building certification programme to minimise the environmental impact of existing assets.
- Assess emerging sustainability reporting standards and requirements, and align the Group's disclosures with market best practice.
- Engage and collaborate with industry peers and government authorities on climate-related issues and share best practices.
- Enhance operations and emergency preparedness to mitigate and minimise the impact of climate-related risks.
- Maintain a Property Damage and Business Interruption insurance policy with adequate coverage, to mitigate the potential financial impact on the Group of catastrophic events.
- Enhance existing Hongkong Land systems and procedures for the identification, monitoring and tracking of climate risks across the portfolio to inform management decision-making.
- Conduct external and internal assurance reviews of the Group's sustainability reporting and governance.

## Audit Committee Report continued

### Principal Risks and Uncertainties continued

#### Technology and Cybersecurity Risk

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The Group is increasingly reliant on technology, exposing it to greater cybersecurity and privacy-related risk. Cyberattacks are becoming more frequent and sophisticated globally, posing significant threats to the Group's digital infrastructure and information technology systems. The use of digital platforms also heightens the Group's vulnerability to cyber threats. Further, disruptive technologies, such as Generative AI, introduce another type of cyberattacks, such as advanced phishing and deepfake attacks. The new technologies may also influence customer expectations from the Group's portfolios. Failure to meet these expectations may result in loss of market share and competitive edge for the Group.

Cyber risk is further accentuated by the Group's exposure to breaches in cybersecurity taking place at its business partners, third parties and customers, through any Group systems that are connected with those of such counterparties.

Cyberattacks may also stem from a lack of cybersecurity awareness on the part of employees, resulting in human error that cybercriminals can exploit, disrupting critical equipment and facilities used by the Group in daily operations.

If a cyberattack takes place at the Group or at its partners, third parties or customers, it may face the costs of having to recover systems, lost revenue, brand damage or regulatory action and penalties.

#### Mitigation Measures

- Define a cybersecurity programme and establish a centralised function to provide oversight and management of cybersecurity matters and to strengthen cyber defences and security measures.
- Engage external consultants to perform cyber assessments of the Group's business functions against industry benchmarks.
- Perform regular vulnerability assessments, penetration testing and internal audits to identify weaknesses.
- Maintain and regularly test disaster recovery plans and backup for data restoration.
- Arrange regular security awareness training for all employees and phishing testing to raise their cybersecurity awareness.
- Maintain sufficient cyber-related insurance to protect the Group's financial position from the impacts of cyberattacks.
- Establish a technology strategy & roadmap and regularly review emerging technologies which align with business objectives to reduce the risk of operational obsolescence.
- Provide training and upskilling programmes for employees on new tools and platforms to maintain competitiveness.
- Engage with major technology vendors such as Microsoft to proactively understand emerging technologies (including AI, Cloud, Big Data, and Security) reducing the risk of operational obsolescence and ensuring secure, compliant integration into business processes.

#### Legal, Regulatory, Compliance and Financial Reporting Risk

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The Group is continuously subject to new or changing regulations in the jurisdictions in which it operates, as well as to those with cross-jurisdictional impact, covering such matters as tax (e.g., stamp duty), employment, cybersecurity, data privacy, home ownership, capital remittances, sustainability (e.g., carbon pricing, building standards, safety, etc.) and reporting requirements. The complexity created by this regulatory environment leads to a risk that the Group inadvertently breaches its compliance obligations. As the Group embarks on its shift towards new gateway cities in Asia, this risk is increased as it may not initially have sufficient internal understanding of regulations in each target jurisdiction.

If a robust approach to compliance is not maintained, the Group may face claims, lawsuits, investigations, fines and sanctions being imposed by regulatory authorities or negative media exposure, adversely affecting its operations, reputation and profitability.

The Group also faces the risk that its external financial reporting does not meet relevant regulatory requirements, possibly leading to fines or penalties as well as reputational damage or loss of investor confidence. This risk could increase as these requirements evolve and become more stringent over time, making it more challenging for the Group to ensure the integrity and timeliness of its financial reporting.

#### Mitigation Measures

- Stay up to date on new and draft regulations in all jurisdictions in which the Group operates and ensure that employees are informed of regulatory changes.
- Engage external consultants and legal experts to assess the implications of prospective or new regulations, where necessary.
- Implement a mandatory and robust code of conduct and zero-tolerance policy for unethical behaviour that applies to all business functions and employees across the Group.
- Maintain a robust Corporate Governance Framework which includes a secured and accessible whistleblowing channel for reporting misconduct.
- Provide regular legal updates to employees to ensure that they are informed of regulatory changes.
- Maintain an independent internal audit function that reports directly to the Group's Audit Committee on risk management, control environment and significant non-compliance matters.
- Make ongoing developments to financial systems and controls, to ensure the integrity of financial information.
- Conduct regular internal audits of compliance with financial policies and internal controls over financial reporting.

## Audit Committee Report continued

### Principal Risks and Uncertainties continued

#### Risks from Partnerships and Other Third-Party Relationships

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The effectiveness of the Group's relationships with joint venture partners and in strategic alliances with other companies, government authorities, etc., will affect its performance. These relationships create opportunities for growth, improving operational efficiency and promoting innovation. However, they also introduce risks that could lead to vicarious responsibility for the actions of these parties, causing reputational damage and undermining shareholder value. These risks could stem from these parties' operations or their non-compliance with regulatory requirements that they face. Also, disputes with such parties may arise, as a result of differences in corporate culture, priorities, management approaches and risk appetite between the Group and such parties. Furthermore, any over-reliance on certain third-parties may expose the Group to poor performance outcomes, such as delays in delivery, low service quality or data security issues.

These reputational and operational challenges could hinder the Group in achieving its strategic objectives for growth in profitability and scale.

#### Mitigation Measures

- Conduct thorough research, due diligence and evaluation of investment opportunities and potential business partners.
- Develop a clear framework and levels of authority for investment and partnership decisions.
- Conduct regular multi-layer communication with partners and establish clear communication channels.
- Build up networks beyond local partners, such as with government authorities and the media.
- Monitor financial strength/downgrades, litigations and credit rating of business partners.
- Prepare fallback strategies for joint venture exits or partner defaults, to minimise financial and reputational damage.
- Develop a clear dispute resolution mechanism with partners.



# Consolidated Statement of Comprehensive Income

for the year ended 31 December 2025

	Note	2025 US\$m	2024 US\$m
Profit/(loss) for the year		<b>1,265.8</b>	(1,375.8)
Other comprehensive income/(expense)			
Items that will not be reclassified to profit or loss:			
Remeasurements of defined benefit plans		0.4	0.3
Tax on items that will not be reclassified	7	(0.1)	–
		<b>0.3</b>	0.3
Items that may be reclassified subsequently to profit or loss:			
Net exchange translation differences			
– net gain arising during the year		64.4	75.2
– transfer to profit and loss		(10.4)	3.2
		<b>54.0</b>	78.4
Cash flow hedges			
– net (loss)/gain arising during the year		(7.9)	12.2
– transfer to profit and loss		6.4	(3.2)
		<b>(1.5)</b>	9.0
Tax relating to items that may be reclassified	7	1.7	(1.5)
Share of other comprehensive income/(expense) of associates and joint ventures	12	302.7	(246.3)
		<b>356.9</b>	(160.4)
Other comprehensive income/(expense) for the year, net of tax		<b>357.2</b>	(160.1)
Total comprehensive income/(expense) for the year		<b>1,623.0</b>	(1,535.9)
Attributable to:			
Shareholders of the Company		<b>1,616.6</b>	(1,542.4)
Non-controlling interests		<b>6.4</b>	6.5
		<b>1,623.0</b>	(1,535.9)

# Consolidated Balance Sheet

at 31 December 2025

	Note	2025 US\$m	2024 US\$m
<b>Net operating assets</b>			
Fixed assets	10	255.8	203.2
Right-of-use assets	10	113.4	104.4
Investment properties	11	24,874.2	24,759.9
Associates and joint ventures	12	7,954.3	10,046.2
Non-current debtors	13	11.8	11.5
Deferred tax assets	14	51.2	53.5
Pension assets		1.0	0.9
Non-current assets		33,261.7	35,179.6
Properties for sale	15	1,014.5	2,359.7
Current debtors	13	354.0	349.0
Current tax assets		38.6	36.4
Bank balances	16	2,552.0	1,073.4
Assets classified as held for sale	17	2,836.6	54.3
Current assets		6,795.7	3,872.8
Current creditors	18	(1,420.1)	(1,642.4)
Current borrowings	19	(305.6)	(823.7)
Current tax liabilities		(91.2)	(110.4)
Liabilities classified as held for sale	17	(17.9)	–
Current liabilities		(1,834.8)	(2,576.5)
Net current assets		4,960.9	1,296.3
Long-term borrowings	19	(5,836.1)	(5,341.6)
Deferred tax liabilities	14	(312.3)	(249.9)
Non-current creditors	18	(1,241.0)	(915.9)
		30,833.2	29,968.5
<b>Total equity</b>			
Share capital	20	215.9	220.7
Revenue and other reserves		30,582.5	29,719.4
Shareholders' funds		30,798.4	29,940.1
Non-controlling interests		34.8	28.4
		30,833.2	29,968.5

Approved by the Board of Directors

**Michael T. Smith**  
**Craig Beattie**

Directors

5 March 2026

# Consolidated Statement of Changes in Equity

for the year ended 31 December 2025

	Note	Share capital US\$m	Capital reserves US\$m	Revenue reserves US\$m	Hedging reserves US\$m	Exchange reserves US\$m	Attributable to shareholders of the Company US\$m	Attributable to non-controlling interests US\$m	Total equity US\$m
<b>2025</b>									
At 1 January		220.7	1.4	30,430.6	(57.8)	(654.8)	29,940.1	28.4	29,968.5
Total comprehensive income		–	–	1,263.7	(14.2)	367.1	1,616.6	6.4	1,623.0
Dividends paid by the Company	22	–	–	(505.5)	–	–	(505.5)	–	(505.5)
Share-based incentives	21	–	7.3	–	–	–	7.3	–	7.3
Shares purchased for share-based incentives		–	–	(22.1)	–	–	(22.1)	–	(22.1)
Repurchase of shares		(4.8)	–	(277.4)	–	–	(282.2)	–	(282.2)
Sales of untraceable shares		–	–	44.2	–	–	44.2	–	44.2
At 31 December		215.9	8.7	30,933.5	(72.0)	(287.7)	30,798.4	34.8	30,833.2
<b>2024</b>									
At 1 January		220.7	–	32,299.5	(57.7)	(497.1)	31,965.4	21.9	31,987.3
Total comprehensive expense		–	–	(1,384.6)	(0.1)	(157.7)	(1,542.4)	6.5	(1,535.9)
Dividends paid by the Company	22	–	–	(485.5)	–	–	(485.5)	–	(485.5)
Share-based incentives	21	–	1.4	–	–	–	1.4	–	1.4
Unclaimed dividends forfeited		–	–	1.2	–	–	1.2	–	1.2
At 31 December		220.7	1.4	30,430.6	(57.8)	(654.8)	29,940.1	28.4	29,968.5

# Consolidated Cash Flow Statement

for the year ended 31 December 2025

	Note	2025 US\$m	2024 US\$m
<b>Operating activities</b>			
Operating profit/(loss)		892.7	(1,311.7)
Change in fair value of investment properties	11	(514.2)	1,887.6
Depreciation	4	14.1	12.7
Change in fair value of derivatives	4	65.8	–
Exchange reserve loss realised on distribution	4	9.0	7.6
Loss on disposal of investment properties	4	5.1	10.3
Loss on measurement of the disposal group	4	–	13.5
Net gain on disposal of subsidiaries and joint ventures	4	(0.1)	(9.6)
Net gain on reclassification from properties for sale to investment properties	4	(147.9)	–
Decrease in properties for sale		618.7	752.1
(Increase)/decrease in debtors		(16.4)	86.7
Decrease in creditors		(190.9)	(547.9)
Interest received		39.9	65.3
Interest and other financing charges paid		(217.2)	(245.8)
Tax paid		(117.9)	(147.3)
Dividends from associates and joint ventures		143.7	97.1
Cash flows from operating activities		584.4	670.6
<b>Investing activities</b>			
Major renovations expenditure		(164.2)	(78.5)
Repayments from associates and joint ventures	23 (a)	272.8	259.2
Investments in associates and joint ventures	23 (a)	(28.5)	(16.9)
Advances to associates and joint ventures	23 (a)	(21.6)	(111.5)
Disposal of subsidiaries	23 (c)	539.7	–
Disposal of joint ventures	23 (d)	701.1	–
Acquisition of a subsidiary		–	13.8
Proceeds and deposits of disposal of investment properties		368.2	15.5
Cash flows from investing activities		1,667.5	81.6
<b>Financing activities</b>			
Drawdown of borrowings	19	1,615.7	2,371.0
Repayment of borrowings	19	(1,739.9)	(2,737.3)
Repayments to associates and joint ventures	23 (a)	(16.2)	(26.6)
Advances from associates and joint ventures	23 (a)	121.9	95.5
Principal elements of lease payments		(2.6)	(2.7)
Dividends paid by the Company		(502.6)	(478.2)
Purchase of shares of share-based incentives		(22.1)	–
Repurchase of shares		(279.3)	–
Sale of untraceable shares		44.2	–
Cash flows from financing activities		(780.9)	(778.3)
Net cash inflow/(outflow)		1,471.0	(26.1)
Cash and cash equivalents at 1 January		1,067.2	1,112.2
Effect of exchange rate changes		25.9	(18.9)
Cash and cash equivalents at 31 December	23 (b)	2,564.1	1,067.2

# Notes to the Financial Statements

## General Information

Hongkong Land Holdings Limited (the Company) is incorporated in Bermuda and has a primary listing in the equity share (transition) category of the London Stock Exchange, with secondary listings in Bermuda and Singapore. The address of the registered office is given on page 129. The principal activities of the Company and its subsidiaries, and the nature of the Group's operation are set out on pages 104 to 105 and Note 29 of the financial statements.

## 1 Basis of Preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards), including International Accounting Standards (IAS) and Interpretations as issued by the International Accounting Standards Board (IASB). The financial statements have been prepared on a going concern basis and under the historical cost convention except as disclosed in the accounting policies.

Details of the Group's material accounting policies are included in Note 30.

There are no amendments which are effective in 2025 and relevant to the Group's operations that have a significant impact on the Group's results, financial position and accounting policies.

The Group has not early adopted any standard, interpretation or amendment that has been issued but not yet effective (refer Note 31).

The principal operating subsidiaries, associates and joint ventures have different functional currencies in line with the economic environments of the locations in which they operate. The functional currency of the Company is United States dollars. The consolidated financial statements are presented in United States dollars.

The Group's reportable segments are set out in Note 2 and are described on pages 73 to 75.

## 1 Basis of Preparation continued

### Change in accounting policy

Following the strategic shift in the business direction to wind down the build-to-sell segment, certain operations and assets within this segment have been identified as non-strategic, while others have been reallocated to the Prime Properties Investment segment. The profit and loss from these non-strategic businesses are thereby separated from the principal business performance and presented within non-trading items (revised basis). This distinction aims at providing a clearer understanding of the group's underlying performance related to its principal operations. This change has been accounted for retrospectively with comparative information re-presented. The effects on the underlying profit attributable to shareholders for the year ended 31 December 2025 and 2024 are as follows:

	2025 US\$m	2024 US\$m
Attributable to shareholders		
Underlying profit (revised basis)	458.2	498.6
Non-strategic business (Build-to-sell) business performance	126.7	225.3
Underlying profit (revised basis) including Build-to-sell business performance	584.9	723.9
Provisions for properties for sale	(371.3)	(314.3)
Net gain on reclassification from properties for sale to investment properties and fixed assets	246.9	–
Underlying profit (previous basis)	460.5	409.6

The effects on the presentation of consolidated profit and loss account for the year ended 31 December 2024 are as follows:

	Impact	Underlying business performance US\$m	Non-trading items US\$m	Total US\$m
Revenue	Increase/(decrease)	(914.9)	914.9	–
Operating profit	Increase/(decrease)	109.7	(109.7)	–
Net financing charges	(Increase)/decrease	(27.4)	27.4	–
Share of results of associates and joint ventures	Increase/(decrease)	(24.6)	24.6	–
Profit before tax	Increase/(decrease)	57.7	(57.7)	–
Tax	(Increase)/decrease	31.3	(31.3)	–
Profit attributable to shareholders of the Company	Increase/(decrease)	89.0	(89.0)	–

## 2 Segmental Information

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the executive directors of the Company for the purpose of resource allocation and performance assessment. The Group has two operating segments, namely 'Prime Properties Investment' and 'Build-to-sell' (which Build-to-sell identified as non-strategic business and its results are presented under non-trading items). No operating segments have been aggregated to form the reportable segments. Set out below is an analysis of the Group's results and total equity by reportable segment.

Analysis of results by segments	Prime Properties Investment US\$m	Corporate US\$m	Underlying business performance US\$m	Non-trading items – Build-to-sell US\$m	Non-trading items – Others US\$m	Total US\$m
<b>2025</b>						
Revenue	1,048.3	–	1,048.3	400.0	–	1,448.3
Net operating costs	(351.0)	(76.0)	(427.0)	(704.2)	61.4	(1,069.8)
Share of operating profit of associates and joint ventures	161.5	–	161.5	189.0	790.9	1,141.4
Change in fair value of investment properties	–	–	–	–	514.2	514.2
Operating profit	858.8	(76.0)	782.8	(115.2)	1,366.5	2,034.1
Net financing charges						
– subsidiaries			(171.2)	8.2	–	(163.0)
– share of associates and joint ventures			(49.2)	(22.5)	–	(71.7)
			(220.4)	(14.3)	–	(234.7)
Tax						
– subsidiaries			(80.8)	(29.6)	(62.7)	(173.1)
– share of associates and joint ventures			(20.7)	(85.7)	(254.3)	(360.7)
			(101.5)	(115.3)	(317.0)	(533.8)
Non-controlling interests						
– subsidiaries			(2.7)	–	0.3	(2.4)
– share of associates and joint ventures			–	0.2	–	0.2
			(2.7)	0.2	0.3	(2.2)
Profit attributable to shareholders			458.2	(244.6)	1,049.8	1,263.4

## 2 Segmental Information continued

Analysis of results by segments	Prime Properties Investment US\$m	Corporate US\$m	Underlying business performance US\$m	Non-trading items – Build-to-sell US\$m	Non-trading items – Others US\$m	Total US\$m
2024						
Revenue	1,087.2	–	1,087.2	914.9	–	2,002.1
Net operating costs	(315.9)	(77.4)	(393.3)	(1,024.6)	(8.3)	(1,426.2)
Share of operating profit of associates and joint ventures	168.2	–	168.2	212.3	146.1	526.6
Change in fair value of investment properties	–	–	–	–	(1,887.6)	(1,887.6)
Operating loss	939.5	(77.4)	862.1	102.6	(1,749.8)	(785.1)
Net financing charges						
– subsidiaries			(193.6)	27.4	–	(166.2)
– share of associates and joint ventures			(59.3)	(44.8)	–	(104.1)
			(252.9)	(17.4)	–	(270.3)
Tax						
– subsidiaries			(89.4)	(31.3)	(31.4)	(152.1)
– share of associates and joint ventures			(18.5)	(143.0)	(6.9)	(168.4)
			(107.9)	(174.3)	(38.3)	(320.5)
Non-controlling interests						
– subsidiaries			(2.7)	–	(6.4)	(9.1)
– share of associates and joint ventures			–	0.1	–	0.1
			(2.7)	0.1	(6.4)	(9.0)
Loss attributable to shareholders			498.6	(89.0)	(1,794.5)	(1,384.9)

Analysis of results by geographical location	Revenue		Underlying operating profit		Underlying profit attributable to shareholders	
	2025	2024	2025	2024	2025	2024
	US\$m	US\$m	US\$m	US\$m	US\$m	US\$m
Hong Kong and Macau	823.3	898.3	645.1	724.5	645.1	724.5
Chinese mainland	183.9	147.6	62.7	63.6	56.8	57.6
Southeast Asia and others	41.1	41.3	151.0	151.4	151.0	151.4
Corporate, net financing charges and tax	–	–	(76.0)	(77.4)	(394.7)	(434.9)
	1,048.3	1,087.2	782.8	862.1	458.2	498.6

## 2 Segmental Information continued

	Segment assets			Segment liabilities US\$m	Unallocated assets and liabilities US\$m	Total assets and liabilities US\$m
	Investment Properties US\$m	Properties for sale US\$m	Others US\$m			
<b>Analysis of total equity by business</b>						
<b>2025</b>						
Prime Properties Investment	34,821.9	–	764.1	(925.1)	–	34,660.9
Non-strategic business (Build-to-sell)	–	3,250.1	521.5	(1,413.7)	–	2,357.9
Unallocated assets and liabilities	–	–	–	–	(6,185.6)	(6,185.6)
	34,821.9	3,250.1	1,285.6	(2,338.8)	(6,185.6)	30,833.2
<b>2024</b>						
Prime Properties Investment	30,779.3	3,204.8	584.8	(770.2)	–	33,798.7
Non-strategic business (Build-to-sell)	–	5,570.2	645.6	(1,958.2)	–	4,257.6
Unallocated assets and liabilities	–	–	–	–	(8,087.8)	(8,087.8)
	30,779.3	8,775.0	1,230.4	(2,728.4)	(8,087.8)	29,968.5
<b>Analysis of total equity by geographical location</b>						
<b>2025</b>						
Hong Kong and Macau	23,877.2	222.2	310.4	(534.7)	–	23,875.1
Chinese mainland	7,003.6	2,360.5	685.7	(1,518.5)	–	8,531.3
Southeast Asia and others	3,941.1	667.4	289.5	(285.6)	–	4,612.4
Unallocated assets and liabilities	–	–	–	–	(6,185.6)	(6,185.6)
	34,821.9	3,250.1	1,285.6	(2,338.8)	(6,185.6)	30,833.2
<b>2024</b>						
Hong Kong and Macau	23,591.5	221.9	280.5	(436.9)	–	23,657.0
Chinese mainland	2,536.7	6,630.7	513.9	(1,887.4)	–	7,793.9
Southeast Asia and others	4,651.1	1,922.4	436.0	(404.1)	–	6,605.4
Unallocated assets and liabilities	–	–	–	–	(8,087.8)	(8,087.8)
	30,779.3	8,775.0	1,230.4	(2,728.4)	(8,087.8)	29,968.5

Properties for sale include contract assets and cost to fulfil contracts. Unallocated assets and liabilities include tax assets and liabilities, bank balances and borrowings.

### 3 Revenue

	2025 US\$m	2024 US\$m
Rental income	844.2	887.6
Service income and others		
– recognised at a point in time	27.1	35.3
– recognised over time	187.7	177.4
	214.8	212.7
Sales of properties		
– recognised at a point in time	370.0	881.0
– recognised over time	19.3	20.8
	389.3	901.8
	<b>1,448.3</b>	<b>2,002.1</b>

Total variable rents included in rental income amounted to US\$42.6 million (2024: US\$36.2 million).

The maturity analysis of lease payments, showing the undiscounted lease payments to be received over the remainder of the contractual lease term after the balance sheet date including the estimated impact on lease payments from contractual rent reviews are as follows:

	2025 US\$m	2024 US\$m
Within one year	713.4	715.2
Between one and two years	596.2	569.8
Between two and three years	449.5	429.8
Between three and four years	341.0	259.7
Between four and five years	246.7	186.4
Beyond five years	531.3	308.3
	<b>2,878.1</b>	<b>2,469.2</b>

Generally the Group's operating leases are for terms of three years or more.

### 3 Revenue continued

#### Contract balances

Contract assets primarily relate to the Group's rights to consideration for work completed but not billed, and are transferred to receivables when the rights become unconditional which usually occurs when the customers are billed.

Costs to fulfil contracts includes costs recognised to fulfil future performance obligations on existing contracts that have not yet been satisfied. Costs to obtain contracts include sale commissions and stamp duty paid. The Group has capitalised these costs which are recognised in the profit and loss when the related revenue is recognised.

Contract liabilities primarily relate to the advance consideration received from customers relating to properties for sale.

Contract assets and contract liabilities relating to properties for sale are further analysed as follows:

	2025 US\$m	2024 US\$m
Contract assets (see Note 13)	–	10.7
Contract liabilities (see Note 18)	(32.7)	(126.1)

At 31 December 2025, costs to fulfil and obtain contracts recorded on the balance sheet amounted to nil (2024: US\$4.7 million) and US\$5.9 million (2024: US\$1.9 million) respectively. US\$13.3 million (2024: US\$16.4 million) and US\$0.8 million (2024: US\$13.1 million) of costs to fulfil and obtain contracts have been recognised in profit and loss during the year respectively.

#### Revenue recognised in relation to contract liabilities

Revenue recognised in the current year relating to carried forward contract liabilities:

	2025 US\$m	2024 US\$m
Properties for sale	114.5	540.0

#### Revenue expected to be recognised on unsatisfied contracts with customers

The timing of revenue to be recognised on unsatisfied performance obligations relating to properties for sale at 31 December 2025:

	2025 US\$m	2024 US\$m
Within one year	101.1	218.7
Between one and two years	–	5.2
	101.1	223.9

## 4 Net Operating Costs

	2025 US\$m	2024 US\$m
Cost of sales	(953.5)	(1,265.4)
Other income	38.8	70.0
Administrative expenses	(223.2)	(209.0)
Change in fair value of derivatives	(65.8)	–
Exchange reserve loss realised on distribution	(9.0)	(7.6)
Loss on disposal of investment properties	(5.1)	(10.3)
Loss on measurement of the disposal group	–	(13.5)
Net gain on disposal of subsidiaries and joint ventures	0.1	9.6
Net gain on reclassification from properties for sale to investment properties (see Note 9)	147.9	–
	<b>(1,069.8)</b>	<b>(1,426.2)</b>
The following charges are included in net operating costs:		
Cost of properties for sale recognised as expense	(669.2)	(991.4)
Operating expenses arising from investment properties	(179.8)	(213.3)
Depreciation of fixed assets	(11.8)	(10.1)
Depreciation of right-of-use assets	(2.3)	(2.6)
Employee benefit expense		
– salaries and benefits in kind	(231.4)	(216.9)
– defined contribution pension plans	(4.3)	(4.4)
– defined benefit pension plans	(0.9)	(1.3)
	<b>(236.6)</b>	<b>(222.6)</b>
Auditors' remuneration		
– audit	(2.6)	(2.9)
– non-audit services	(0.3)	(0.4)
	<b>(2.9)</b>	<b>(3.3)</b>

The number of employees at 31 December 2025 was 2,552 (2024: 3,063).

Cost of sales included a US\$313.6 million provision for Chinese mainland properties for sale (2024: US\$146.9 million) arising from the deterioration in market conditions that resulted in projected sales prices being lower than development costs. A corresponding deferred tax credit of US\$2.3 million (2024: US\$10.8 million) was recognised.

## 5 Net Financing Charges

	2025 US\$m	2024 US\$m
Interest expense		
– bank loans and overdrafts	(71.0)	(93.6)
– other borrowings	(133.3)	(139.1)
Total interest expense	(204.3)	(232.7)
Interest capitalised	0.8	6.7
	(203.5)	(226.0)
Commitment and other fees and exchange differences	(14.1)	(19.0)
Financing charges	(217.6)	(245.0)
Financing income	54.6	78.8
	(163.0)	(166.2)

Financing charges and financing income are stated after taking into account hedging gains or losses.

## 6 Share of Results of Associates and Joint Ventures

	2025 US\$m	2024 US\$m re-presented
<b>Underlying business performance</b>		
Prime Properties Investment	91.6	90.4
<b>Non-trading items</b>		
Non-strategic business (Build-to-sell)	81.0	24.6
Change in fair value of investment properties	386.6	139.2
Net gain on reclassification from properties for sale to investment properties and fixed assets (see Note 9)	150.0	–
	617.6	163.8
	709.2	254.2

Results are shown after tax and non-controlling interests in the associates and joint ventures.

The Group's share of revenue of associates and joint ventures was US\$1,957.3 million (2024: US\$1,952.7 million). The build-to-sell business included a US\$60.0 million net provision after including a deferred tax credit (2024: US\$178.2 million). This arose due to the deterioration in Chinese mainland market conditions that resulted in projected sales prices being lower than development costs.

## 7 Tax

Tax charged to profit and loss is analysed as follows:

	2025 US\$m	2024 US\$m
Current tax	(98.9)	(93.4)
Deferred tax		
– changes in fair value of investment properties	(59.7)	(25.8)
– other temporary differences	(14.5)	(32.9)
	(74.2)	(58.7)
	(173.1)	(152.1)
Reconciliation between tax expense and tax at applicable tax rate:		
Tax at applicable tax rate	(124.8)	220.9
Change in fair value of investment properties not taxable/ (deductible) in determining taxable profit	73.3	(317.2)
Income not subject to tax	31.2	18.6
Expenses not deductible in determining taxable profit	(26.4)	(22.4)
Withholding tax	1.9	(9.2)
Land appreciation tax in Chinese mainland	(23.6)	(5.7)
Tax losses arising in the year not recognised	(9.6)	(11.7)
Over provision in prior years	0.7	10.1
Temporary differences not recognised	(90.1)	(19.6)
Deferred tax assets written off	(9.5)	(17.0)
Others	3.8	1.1
	(173.1)	(152.1)
Tax relating to components of other comprehensive income is analysed as follows:		
Remeasurements of defined benefit plans	(0.1)	–
Cash flow hedges	1.7	(1.5)
	1.6	(1.5)

The applicable tax rate for the year of 17.1% (2024: 14.9%) represents the weighted average of the rates of taxation prevailing in the territories in which the Group operates.

Share of tax charge of associates and joint ventures of US\$360.7 million (2024: US\$168.4 million) is included in share of results of associates and joint ventures.

The Group is within the scope of the OECD Pillar Two model rules, and has applied the exception to recognising and disclosing information about deferred tax assets and liabilities relating to Pillar Two income taxes.

Pillar Two legislation has been enacted in most jurisdictions in which the Group operates. The Group is in scope of the enacted legislation and has performed an assessment of the Group's potential exposure to Pillar Two income taxes.

The assessment of the potential exposure to Pillar Two income taxes is based on the latest financial information for the year ended 31 December 2025 of the constituent entities in the Group. Based on the assessment, the effective tax rates in most of the jurisdictions in which the Group operates are above 15%. However, there are a limited number of jurisdictions where the effective tax rate is slightly below or close to 15%. The income tax expense related to Pillar Two income taxes in the relevant jurisdiction is assessed to be immaterial.

## 8 Earnings per Share

Basic earnings per share are calculated on profit attributable to shareholders of US\$1,263.4 million (2024: loss of US\$1,384.9 million) and on the weighted average number of 2,183.9 million (2024: 2,206.6 million) shares in issue and outstanding during the year.

For the year ended 31 December 2025, dilutive earnings per share are calculated on profit attributable to shareholders of US\$1,263.4 million and on the weighted average number of 2,190.0 million shares in issue and outstanding during the year.

For the year ended 31 December 2024, the dilutive potential ordinary shares were not included in the calculation of diluted earnings per share as their inclusion would be antidilutive. Accordingly, diluted earnings per share were the same as basic earnings per share.

Additional basic and diluted earnings per share are calculated based on underlying profit attributable to shareholders. A reconciliation of earnings is set out below:

	2025			2024		
	US\$m	Basic earnings per share US¢	Diluted earnings per share US¢	US\$m	Basic earnings per share US¢	Diluted earnings per share US¢
Underlying profit attributable to shareholders	458.2	20.98	20.92	498.6*	22.60*	22.58*
Non-trading items (see Note 9)	805.2			(1,883.5)*		
Profit/(loss) attributable to shareholders	1,263.4	57.85	57.69	(1,384.9)	(62.76)	(62.76)

\* Re-presented

## 9 Non-trading Items

An analysis of non-trading items after interest, tax and non-controlling interests is set out below:

	2025 US\$m	2024 US\$m re-presented
Change in fair value of investment properties, net	889.7	(1,786.2)
Change in fair value of derivatives	(65.8)	–
Exchange reserve loss realised on distribution	(9.0)	(7.6)
Gain on disposal of joint ventures	24.1	9.6
Loss on disposal of investment properties	(5.1)	(10.3)
Loss on disposal of subsidiaries	(24.3)	–
Net gain on reclassification from properties for sale to investment properties and fixed assets*	246.9	–
Non-strategic business (Build-to-sell)		
– business performance	126.7	225.3
– provisions for properties for sale	(371.3)	(314.3)
Non-strategic business (Build-to-sell) total	(244.6)	(89.0)
Others	(6.7)	–
	805.2	(1,883.5)

\* In view of the change of intention and to be in line with Group's strategy, the Group reclassified certain properties for sale on the Chinese mainland to investment properties and fixed assets as at 31 December 2025. Accordingly, a net gain on reclassification of US\$246.9 million was recorded during the year with reference to valuations performed by an independent valuer

## 10 Fixed Assets and Right-of-use Assets

	Fixed Assets			Right-of-use Assets		
	Leasehold properties US\$m	Furniture, equipment and others US\$m	Total US\$m	Leasehold properties US\$m	Furniture, equipment and others US\$m	Total US\$m
<b>2025</b>						
Cost	361.7	73.1	434.8	108.7	12.9	121.6
Depreciation	(176.1)	(55.5)	(231.6)	(9.1)	(8.1)	(17.2)
Net book value at 1 January	185.6	17.6	203.2	99.6	4.8	104.4
Exchange differences	2.9	0.2	3.1	0.2	(0.3)	(0.1)
Additions	2.2	3.9	6.1	–	0.3	0.3
Transfer from properties for sales	49.5	6.7	56.2	11.2	–	11.2
Disposals	–	(0.4)	(0.4)	–	(0.1)	(0.1)
Disposal of subsidiaries	(0.4)	(0.2)	(0.6)	–	–	–
Depreciation	(5.6)	(6.2)	(11.8)	(0.3)	(2.0)	(2.3)
Net book value at 31 December	234.2	21.6	255.8	110.7	2.7	113.4
Cost	416.7	81.3	498.0	120.3	12.7	133.0
Depreciation	(182.5)	(59.7)	(242.2)	(9.6)	(10.0)	(19.6)
Net book value at 31 December	234.2	21.6	255.8	110.7	2.7	113.4
<b>2024</b>						
Cost	95.0	69.7	164.7	6.5	12.6	19.1
Depreciation	(16.3)	(48.7)	(65.0)	(1.0)	(6.0)	(7.0)
Net book value at 1 January	78.7	21.0	99.7	5.5	6.6	12.1
Exchange differences	(1.8)	(0.3)	(2.1)	(0.2)	(0.3)	(0.5)
Additions	–	4.4	4.4	–	1.4	1.4
Disposals	–	(0.1)	(0.1)	–	(0.5)	(0.5)
Transfer from fixed assets to right-of-use assets	(0.3)	–	(0.3)	0.3	–	0.3
Transfer from investment properties (see Note 11)	111.7	–	111.7	94.2	–	94.2
Depreciation	(2.7)	(7.4)	(10.1)	(0.2)	(2.4)	(2.6)
Net book value at 31 December	185.6	17.6	203.2	99.6	4.8	104.4
Cost	361.7	73.1	434.8	108.7	12.9	121.6
Depreciation	(176.1)	(55.5)	(231.6)	(9.1)	(8.1)	(17.2)
Net book value at 31 December	185.6	17.6	203.2	99.6	4.8	104.4

At 31 December 2025, leasehold properties of US\$134.8 million (2024: US\$73.5 million) were pledged as security for borrowings (see Note 19).

## 11 Investment Properties

	Completed commercial properties (Note a) US\$m	Under development commercial properties (Note a) US\$m	Completed residential properties (Note b) US\$m	Total US\$m
<b>2025</b>				
At 1 January	24,467.3	48.4	244.2	24,759.9
Exchange differences	18.3	–	(2.0)	16.3
Additions	150.6	–	–	150.6
Disposal	(229.5)	–	–	(229.5)
Transfer from properties for sale	815.8	–	–	815.8
Increase/(decrease) in fair value	513.6	(0.8)	1.4	514.2
Classified as held for sale (see Note 17)	(1,153.1)	–	–	(1,153.1)
At 31 December	24,583.0	47.6	243.6	24,874.2
Freehold properties				110.2
Leasehold properties				24,764.0
				24,874.2
<b>2024</b>				
At 1 January	26,388.1	44.4	254.7	26,687.2
Exchange differences	110.9	–	2.3	113.2
Additions	76.9	–	0.2	77.1
Disposal	–	–	(12.7)	(12.7)
Transfer to fixed assets (see Note 10)	(111.7)	–	–	(111.7)
Transfer to right-of-use assets (see Note 10)	(94.2)	–	–	(94.2)
(Decrease)/increase in fair value	(1,891.3)	4.0	(0.3)	(1,887.6)
Classified as held for sale (see Note 17)	(11.4)	–	–	(11.4)
At 31 December	24,467.3	48.4	244.2	24,759.9
Freehold properties				114.8
Leasehold properties				24,645.1
				24,759.9

The Group measures its investment properties at fair value. The fair values of the Group's investment properties at 31 December 2025 and 2024 have been determined on the basis of valuations carried out by independent valuers who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. The Group engaged Jones Lang LaSalle to value majority of the investment properties in Hong Kong, Chinese mainland, Singapore and Cambodia which are either freehold or held under leases with unexpired lease terms of more than 25 years. The valuations, which conform to the International Valuation Standards issued by the International Valuation Standards Council and the HKIS Valuation Standards issued by the Hong Kong Institute of Surveyors, were arrived at by reference to the net income, allowing for reversionary potential, of each property. The Report of the Valuers is set out on page 130. The valuations are comprehensively reviewed by the Group.

At 31 December 2025, investment properties of US\$1,865.1 million (2024: US\$996.0 million) were pledged as security for borrowings (see Note 19).

## 11 Investment Properties continued

### a) Fair value measurements of commercial properties using significant unobservable inputs (level 3)

Fair values of completed commercial properties in Hong Kong, Chinese mainland and Singapore are generally derived using the income capitalisation method. This valuation method is based on the capitalisation of the net income and reversionary income potential by adopting appropriate capitalisation rates, which are derived from analysis of sale transactions and valuers' interpretation of prevailing investor requirements or expectations. The prevailing market rents adopted in the valuation have reference to valuers' views of recent lettings, within the subject properties and other comparable properties.

Fair values of completed commercial properties in Cambodia are generally derived using the discounted cash flow method. The net present value of the income stream is estimated by applying an appropriate discount rate which reflects the risk profile.

Fair values of under development commercial properties are generally derived using the residual method. This valuation method is essentially a means of valuing the land by reference to its development potential by deducting development costs together with developer's profit and risk from the estimated capital value of the proposed development assuming completion as at the date of valuation.

The Group's policy is to recognise transfers between fair value measurements as of the date of the event or change in circumstances that caused the transfer. There were no transfer between level 1, 2 and 3 for recurring fair value measurements during the year.

Information about fair value measurements using significant unobservable inputs at 31 December:

Location of properties	Fair value US\$m	Valuation method	Range of significant unobservable inputs	
			Prevailing market rent per month US\$	Capitalisation/ discount rate %
<b>2025</b>				
Hong Kong				
– office	17,960.1	Income capitalisation	12.7 per square foot	2.90 to 3.50
– retail	4,695.2	Income capitalisation	30.0 per square foot	4.25 to 5.00
Total	22,655.3			
Chinese mainland				
– office	30.7	Income capitalisation	12.3 per square metre	6.00
– retail	1,834.4	Income capitalisation	21.5 to 124.9 per square metre	3.50 to 5.00
Total	1,865.1			
Cambodia	62.6	Discounted cash flow	20.8 to 29.0 per square metre	12.50 to 13.50
Total	24,583.0			
<b>2024</b>				
Hong Kong				
– office	18,714.0	Income capitalisation	12.8 per square foot	2.90 to 3.50
– retail	4,109.5	Income capitalisation	28.8 per square foot	4.25 to 5.00
Total	22,823.5			
Chinese mainland	996.0	Income capitalisation	105.1 per square metre	3.50
Singapore	581.4	Income capitalisation	7.5 per square foot	3.35 to 4.80
Cambodia	66.4	Discounted cash flow	21.0 to 30.0 per square metre	12.50 to 13.50
Total	24,467.3			

Prevailing market rents are estimated based on independent valuers' view of recent lettings, within the subject properties and other comparable properties. The higher the rents, the higher the fair value.

Capitalisation and discount rates are estimated by independent valuers based on the risk profile of the properties being valued. The lower the rates, the higher the fair value.

## 11 Investment Properties continued

### a) Fair value measurements of commercial properties using significant unobservable inputs (level 3) continued

An increase/decrease to prevailing market rent will increase/decrease valuations, while an increase/decrease to capitalisation/discount rate will decrease/increase valuations. Sensitivity analyses have been performed to assess the impact on the valuations of changes in the two significant unobservable inputs for prevailing market rents and capitalisation rates on the completed commercial properties in Hong Kong, which contributed 91% (2024: 92%) of the above investment properties balance at 31 December 2025. The impact of any reasonably possible change in the assumptions for other investment properties would not be material. The Group believes this captures the range of variations in these key valuation assumptions. The results are shown in the table below:

	Change in assumption %	Increase/(decrease) in valuation	
		Increase in assumption US\$m	Decrease in assumption US\$m
<b>2025</b>			
Prevailing market rent per month	5.0	1,053.2	(1,021.9)
Capitalisation rate	0.1	(640.5)	706.6
<b>2024</b>			
Prevailing market rent per month	5.0	1,034.7	(1,061.9)
Capitalisation rate	0.1	(661.2)	703.4

### b) Fair value measurement of residential properties using no significant unobservable input (level 2)

Fair values of completed residential properties are generally derived using the direct comparison method. This valuation method is based on comparing the property to be valued directly with other comparable properties, which have recently transacted. However, given the heterogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative differences that may affect the price likely to be achieved by the property under consideration.

## 12 Associates and Joint Ventures

	2025 US\$m	2024 US\$m
Unlisted associates		
– share of attributable net assets	496.6	455.7
– amounts due from associates	398.7	398.3
	895.3	854.0
Unlisted joint ventures		
– share of attributable net assets	6,027.1	7,675.2
– amounts due from joint ventures	1,031.9	1,517.0
	7,059.0	9,192.2
	7,954.3	10,046.2
<b>By business</b>		
Prime Properties Investment	5,366.9	6,950.9*
Non-strategic business (Build-to-sell)	2,587.4	3,095.3*
	7,954.3	10,046.2

\* Re-presented

Amounts due from associates are interest free, unsecured and have no fixed terms of repayment.

Amounts due from joint ventures bear interests at rates up to 8% per annum and are repayable within one to four years.

## 12 Associates and Joint Ventures continued

Movements of associates and joint ventures during the year:

	Associates		Joint ventures	
	2025 US\$m	2024 US\$m	2025 US\$m	2024 US\$m
At 1 January	854.0	861.2	9,192.2	9,724.0
Exchange differences	0.4	(0.2)	73.8	(32.1)
Share of results after tax and non-controlling interests	14.2	11.4	695.0	242.8
Share of other comprehensive expense after tax and non-controlling interests	10.1	(31.3)	292.6	(215.0)
Dividends received and receivable	(0.9)	(1.0)	(142.1)	(99.6)
Investments in and advances to/(repayments from) associates and joint ventures	17.5	13.9	(239.6)	(93.3)
Reclassified as held for sale (see Note 17)	–	–	(1,670.7)	(39.6)
Disposal	–	–	(1,142.2)	(9.1)
Transfer to subsidiaries	–	–	–	(285.9)
At 31 December	895.3	854.0	7,059.0	9,192.2

The material joint ventures of the Group are listed below. These joint ventures have share capital consisting solely of ordinary shares, which are held directly by the Group. The Group has no material associates.

Nature of investments in material joint ventures in 2025 and 2024:

Name of entity	Nature of business	Country of incorporation/ principal place of business	% of ownership interest	
			2025	2024
Shanghai Yibin Property Co. Ltd.	Property investment	Shanghai	43	43
Properties Sub F, Ltd	Property investment	Macau	49	49
BFC Development LLP*	Property investment	Singapore	33	33
Central Boulevard Development Pte Ltd#	Property investment	Singapore	–	33
One Raffles Quay Pte Ltd*	Property investment	Singapore	33	33

\* Reclassified as assets held for sale in December 2025

# Disposed in December 2025

## 12 Associates and Joint Ventures continued

### Summarised financial information for material joint ventures

Summarised balance sheet at 31 December:

	Shanghai Yibin Property Co. Ltd. US\$m	Properties Sub F, Ltd US\$m	BFC Development LLP# US\$m	Central Boulevard Development Pte Ltd <sup>^</sup> US\$m	One Raffles Quay Pte Ltd# US\$m
<b>2025</b>					
Non-current assets*	6,504.7	1,086.6	N/A	–	N/A
Current assets					
Cash and cash equivalents	92.4	139.1	N/A	–	N/A
Other current assets	34.9	40.8	N/A	–	N/A
Total current assets	127.3	179.9	N/A	–	N/A
Non-current liabilities					
Financial liabilities (excluding trade payables)	(834.5)	–	N/A	–	N/A
Other non-current liabilities (including trade payables)	(406.0)	(117.6)	N/A	–	N/A
Total non-current liabilities	(1,240.5)	(117.6)	N/A	–	N/A
Current liabilities					
Financial liabilities (excluding trade payables)	(48.6)	–	N/A	–	N/A
Other current liabilities (including trade payables)	(234.4)	(37.4)	N/A	–	N/A
Total current liabilities	(283.0)	(37.4)	N/A	–	N/A
Net assets	5,108.5	1,111.5	N/A	–	N/A
<b>2024</b>					
Non-current assets*	3,606.5	1,133.7	3,977.0	3,098.9	2,910.4
Current assets					
Cash and cash equivalents	80.5	133.8	28.2	24.7	16.7
Other current assets	1,370.1	44.2	3.2	3.1	0.2
Total current assets	1,450.6	178.0	31.4	27.8	16.9
Non-current liabilities					
Financial liabilities (excluding trade payables)	(614.1)	–	(1,263.0)	(1,189.6)	(783.8)
Other non-current liabilities (including trade payables)	(43.2)	(124.4)	–	(21.6)	(211.8)
Total non-current liabilities	(657.3)	(124.4)	(1,263.0)	(1,211.2)	(995.6)
Current liabilities					
Financial liabilities (excluding trade payables)	–	–	(0.6)	(8.9)	(2.1)
Other current liabilities (including trade payables)	(206.7)	(43.3)	(79.5)	(46.3)	(50.3)
Total current liabilities	(206.7)	(43.3)	(80.1)	(55.2)	(52.4)
Net assets	4,193.1	1,144.0	2,665.3	1,860.3	1,879.3

\* Predominantly consist of Investment Properties

# Reclassified as assets held for sale in December 2025

<sup>^</sup> Disposed in December 2025

12 Associates and Joint Ventures continued**Summarised financial information for material joint ventures continued**

Summarised statement of comprehensive income for the year ended 31 December:

	Shanghai Yibin Property Co. Ltd. US\$m	Properties Sub F, Ltd US\$m	BFC Development LLP* US\$m	Central Boulevard Development Pte Ltd# US\$m	One Raffles Quay Pte Ltd* US\$m
<b>2025</b>					
Revenue	6.7	68.0	188.3	149.4	140.5
Depreciation and amortisation	(0.1)	(3.5)	–	–	–
Interest income	0.7	2.6	–	–	–
Interest expense	(2.1)	(0.2)	(43.1)	(39.9)	(22.4)
Profit/(loss) from underlying business performance	(8.5)	29.7	99.1	76.2	84.1
Tax	0.4	(3.5)	(16.6)	(13.0)	(14.3)
Profit/(loss) after tax from underlying business performance	(8.1)	26.2	82.5	63.2	69.8
Profit/(loss) after tax from non-trading items	738.1	(55.6)	199.6	114.8	149.3
Profit after tax	730.0	(29.4)	282.1	178.0	219.1
Other comprehensive income/(expense)	185.4	(3.2)	140.5	88.7	98.7
Total comprehensive income/(expense)	915.4	(32.6)	422.6	266.7	317.8
Group's share of dividends received and receivable from joint ventures	–	–	28.3	21.2	23.4
<b>2024</b>					
Revenue	0.1	82.7	182.6	134.5	134.1
Depreciation and amortisation	–	(3.2)	–	–	–
Interest income	0.7	3.0	–	–	–
Interest expense	–	(0.2)	(52.5)	(45.7)	(28.4)
Profit/(loss) from underlying business performance	(2.6)	44.2	87.1	55.4	73.2
Tax	0.6	(5.2)	(14.4)	(9.5)	(12.5)
Profit/(loss) after tax from underlying business performance	(2.0)	39.0	72.7	45.9	60.7
Profit/(loss) after tax from non-trading items	38.3	(13.9)	205.4	203.8	13.2
Profit after tax	36.3	25.1	278.1	249.7	73.9
Other comprehensive income/(expense)	(120.0)	7.3	(73.6)	(67.8)	(64.5)
Total comprehensive income/(expense)	(83.7)	32.4	204.5	181.9	9.4
Group's share of dividends received and receivable from joint ventures	–	–	25.1	15.2	20.1

The information contained in the summarised balance sheets and statements of comprehensive income reflect the amounts presented in the financial statements of the joint ventures adjusted for differences in accounting policies between the Group and the joint ventures, and fair value of the joint ventures at the time of acquisition.

\* Reclassified as assets held for sale in December 2025

# Disposed in December 2025

## 12 Associates and Joint Ventures continued

### Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interest in the material joint ventures for the year ended 31 December:

	Shanghai Yibin Property Co. Ltd. US\$m	Properties Sub F, Ltd US\$m	BFC Development LLP* US\$m	Central Boulevard Development Pte Ltd# US\$m	One Raffles Quay Pte Ltd* US\$m
<b>2025</b>					
Net assets	5,108.5	1,111.5	N/A	–	N/A
Interest in joint ventures (%)	43	49	N/A	–	N/A
Group's share of net assets in joint ventures	2,196.6	544.6	N/A	–	N/A
Amounts due from joint ventures	–	–	N/A	–	N/A
Carrying value	2,196.6	544.6	N/A	–	N/A
<b>2024</b>					
Net assets	4,193.1	1,144.0	2,665.3	1,860.3	1,879.3
Interest in joint ventures (%)	43	49	33	33	33
Group's share of net assets in joint ventures	1,803.0	560.5	888.4	620.1	626.5
Amounts due from joint ventures	–	–	–	–	40.5
Carrying value	1,803.0	560.5	888.4	620.1	667.0

The Group has interests in a number of individually immaterial joint ventures. The following table analyses, in aggregate, the share of profit and other comprehensive income and carrying amount of these joint ventures.

	2025 US\$m	2024 US\$m
Share of profit	168.9	14.5
Share of other comprehensive income	105.2	(98.5)
Share of total comprehensive income/(expense)	274.1	(84.0)
Carrying amount of interests in these joint ventures	4,317.8	4,653.2

At 31 December 2025, the Group's commitments to provide funding to its joint ventures, if called, amounted to US\$776.3 million (2024: US\$715.6 million).

There were no contingent liabilities relating to the Group's interests in the joint ventures at 31 December 2025 and 2024.

\* Reclassified as assets held for sale in December 2025

# Disposed in December 2025

## 13 Debtors

	2025 US\$m	2024 US\$m
Trade debtors	21.7	28.3
Contract assets (see Note 3)	–	10.7
Other debtors		
– third parties	300.7	258.7
– associates and joint ventures	43.4	62.8
	<b>365.8</b>	360.5
Non-current		
– other debtors	11.8	11.5
Current		
– trade debtors	21.7	28.3
– contract assets	–	10.7
– other debtors	332.3	310.0
	<b>354.0</b>	349.0
	<b>365.8</b>	360.5
<b>By geographical area of operation</b>		
Hong Kong and Macau	150.7	117.6
Chinese mainland	181.0	165.6
Southeast Asia and others	34.1	77.3
	<b>365.8</b>	360.5

The fair value of trade debtors, contract assets and other debtors approximates to their carrying amounts, as the impact of discounting is not significant. Derivative financial instruments are stated at fair value. The higher the discount rates, the lower the fair value.

Significant financial difficulties of a debtor, probability that a debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payment are considered indicators that the debt is impaired and an allowance for impairment is made based on the estimated irrecoverable amount determined by reference to past default experience.

The Group applied the simplified approach to measure expected credit loss, that is a lifetime expected loss allowance for trade debtors and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. Changes in certain macroeconomic information, such as GDP and inflation rate, are relevant for determining expected credit loss rates. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade debtors for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade debtors are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the historical payment profiles of sales and the corresponding historical credit losses. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors and industry trends affecting the ability of the customers to settle the receivables.

## 13 Debtors continued

The loss allowance as at 31 December:

	Below 30 days US\$m	Between 31 and 60 days US\$m	Between 61 and 120 days US\$m	More than 120 days US\$m	Total US\$m
<b>2025</b>					
Expected loss rate (%)	2	–	13	8	5
Gross carrying amount – trade debtors	10.9	1.6	1.5	8.8	22.8
Loss allowance	(0.2)	–	(0.2)	(0.7)	(1.1)
<b>2024</b>					
Expected loss rate (%)	–	–	4	3	1
Gross carrying amount – trade debtors	18.6	3.2	2.9	3.9	28.6
Gross carrying amount – contract assets	10.7	–	–	–	10.7
Loss allowance	(0.1)	–	(0.1)	(0.1)	(0.3)

Trade debtors, contract assets and other debtors are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

Other debtors are further analysed as follows:

	2025 US\$m	2024 US\$m
Costs to fulfil contracts (see Note 3)	–	4.7
Costs to obtain contracts (see Note 3)	5.9	1.9
Prepayments	140.9	107.1
Derivative financial instruments	–	0.2
Amounts due from associates and joint ventures	43.4	62.8
Others	153.9	144.8
	<b>344.1</b>	<b>321.5</b>

## 14 Deferred Tax Assets and Liabilities

	Tax losses US\$m	Accelerated capital allowances US\$m	Revaluation surpluses of investment properties US\$m	Other temporary differences US\$m	Total US\$m
<b>2025</b>					
At 1 January	68.9	(161.6)	(69.9)	(33.8)	(196.4)
Exchange differences	2.6	(2.7)	(2.1)	(1.5)	(3.7)
(Charged)/credited to profit and loss	(3.7)	(12.1)	(59.7)	1.3	(74.2)
Credited to other comprehensive income	–	–	–	1.7	1.7
Disposal of subsidiaries	–	–	–	10.1	10.1
Classified as held for sale	–	–	–	1.4	1.4
At 31 December	67.8	(176.4)	(131.7)	(20.8)	(261.1)
Deferred tax assets					51.2
Deferred tax liabilities					(312.3)
					(261.1)
<b>2024</b>					
At 1 January	54.6	(135.5)	(44.9)	(10.0)	(135.8)
Exchange differences	(1.4)	0.7	0.8	(0.5)	(0.4)
Credited/(charged) to profit and loss	15.7	(26.8)	(25.8)	(21.8)	(58.7)
Charged to other comprehensive income	–	–	–	(1.5)	(1.5)
At 31 December	68.9	(161.6)	(69.9)	(33.8)	(196.4)
Deferred tax assets					53.5
Deferred tax liabilities					(249.9)
					(196.4)

Deferred tax balances predominantly comprise non-current items. Deferred tax assets and liabilities are netted when the taxes relate to the same taxation authority and where offsetting is allowed.

Deferred tax assets of US\$28.8 million (2024: US\$24.8 million) arising from unused tax losses of US\$134.8 million (2024: US\$112.4 million) have not been recognised in the financial statements. Included in the unused tax losses, US\$23.7 million (2024: US\$23.2 million) have no expiry date and the balance will expire at various dates up to and including 2030.

## 15 Properties for Sale

	2025 US\$m	2024 US\$m
Properties under development	412.0	649.6
Completed properties	602.5	1,710.1
	<b>1,014.5</b>	<b>2,359.7</b>

At 31 December 2025, properties under development which were not scheduled for completion within the next 12 months amounted to US\$371.7 million (2024: US\$513.5 million). Properties for sale of US\$162.3 million (2024: US\$871.6 million) were pledged as security for borrowings (see Note 19).

## 16 Bank Balances

	2025 US\$m	2024 US\$m
Deposits with banks and financial institutions	1,786.0	1,014.6
Restricted cash	1.0	9.5
Bank balances	765.0	49.3
	<b>2,552.0</b>	<b>1,073.4</b>
<b>By currency</b>		
Chinese renminbi	489.9	454.6
Hong Kong dollar	46.1	58.0
Malaysian ringgit	–	22.8
Singapore dollar	742.5	69.7
United States dollar	1,271.4	463.7
Others	2.1	4.6
	<b>2,552.0</b>	<b>1,073.4</b>

The weighted average interest rate on deposits with banks and financial institutions is 3.5% (2024: 4.0%) per annum.

Restricted cash represents property sale proceeds placed with banks in accordance with the requirements of property development on the Chinese mainland and are restricted for use until certain conditions are fulfilled.

## 17 Assets and Liabilities Classified as Held for Sale

The major classes of assets and liabilities classified as held for sale are set out below:

	2025 US\$m	2024 US\$m
Investment properties	1,107.4	11.4
Joint ventures	1,710.1	26.1
Current assets*	19.1	16.8
<b>Total assets</b>	<b>2,836.6</b>	<b>54.3</b>
Current liabilities	(16.5)	–
Non-current liabilities	(1.4)	–
<b>Total liabilities</b>	<b>(17.9)</b>	<b>–</b>

\* Current assets included bank balances of US\$13.1 million (2024: US\$3.5 million) (see Note 23(b))

In April 2025, the Group entered into sale and purchase agreements with Hong Kong Exchanges and Clearing Limited for the sale of its interest in certain floors of One Exchange Square for a total cash consideration of approximately US\$810 million. The transaction will conclude in stages as individual floors are handed over, with the remaining floors to be sold at US\$476.7 million classified as held for sale at 31 December 2025.

In December 2025, the Group entered into a limited partnership agreement with independent third parties for the launch of its first private real estate fund – the Singapore Central Private Real Estate Fund (SCPREF). The Group also entered into sale and purchase agreements with SCPREF for the sale of the Group's interests in its Singapore commercial portfolio. Accordingly, the interests in its Singapore commercial portfolio were classified as held for sale at 31 December 2025. The transaction was completed in February 2026.

At 31 December 2024, assets classified as held for sale principally related to certain interests in Cambodia and Thailand with net assets of US\$14.9 million and US\$39.4 million respectively.

## 18 Creditors

	2025 US\$m	2024 US\$m
Trade creditors	520.9	566.3
Other creditors	212.0	183.8
Tenants' deposits	239.5	257.5
Derivative financial instruments	139.0	65.8
Rent received in advance	20.2	19.3
Contract liabilities – properties for sale (see Note 3)	32.7	126.1
Lease liabilities	2.9	5.0
Amounts due to associates and joint ventures	1,493.9	1,334.5
	<b>2,661.1</b>	<b>2,558.3</b>
Non-current	1,241.0	915.9
Current	1,420.1	1,642.4
	<b>2,661.1</b>	<b>2,558.3</b>
<b>By geographical area of operation</b>		
Hong Kong and Macau	701.7	583.2
Chinese mainland	1,867.9	1,930.7
Southeast Asia and others	91.5	44.4
	<b>2,661.1</b>	<b>2,558.3</b>

Derivative financial instruments are stated at fair value. Other creditors are stated at amortised cost. The fair value of these creditors approximates their carrying amounts. Amounts due to associates and joint ventures represent distributions of surplus cash in the form of advances which are interest free, unsecured and repayable based on contractual terms.

## 19 Borrowings

	2025		2024	
	Carrying amount US\$m	Fair value US\$m	Carrying amount US\$m	Fair value US\$m
Current				
Bank overdrafts	–	–	0.2	0.2
Bank loans	–	–	6.4	6.4
Current portion of long-term borrowings				
– bank loans	76.8	76.8	177.2	177.2
– notes	228.8	231.7	639.9	636.0
	<b>305.6</b>	<b>308.5</b>	823.7	819.8
Long-term				
Bank loans	2,773.0	2,773.0	2,069.7	2,069.7
Notes	3,063.1	2,992.9	3,271.9	3,046.1
	<b>5,836.1</b>	<b>5,765.9</b>	5,341.6	5,115.8
	<b>6,141.7</b>	<b>6,074.4</b>	6,165.3	5,935.6
Secured	878.4		921.0	
Unsecured	5,263.3		5,244.3	
	<b>6,141.7</b>		6,165.3	

## 19 Borrowings continued

The fair values are based on market prices or are estimated using the expected future payments discounted at market interest rates ranging from 1.9% to 3.7% (2024: 2.6% to 5.2%) per annum. This is in line with the definition of 'observable current market transactions' under the fair value measurement hierarchy. The fair value of current borrowings approximates their carrying amounts, as the impact of discounting is not significant.

Secured borrowings at 31 December 2025 and 2024 were certain subsidiaries' bank borrowings which were secured against their fixed assets, right-of-use assets, investment properties and properties for sale.

The movements in borrowings are as follow:

	Bank overdrafts US\$m	Long-term borrowings US\$m	Short-term borrowings US\$m	Total US\$m
<b>2025</b>				
At 1 January	0.2	5,341.6	823.5	6,165.3
Exchange differences	–	87.0	12.4	99.4
Transfer	–	(291.3)	291.3	–
Change in fair value	–	2.6	(1.2)	1.4
Change in bank overdrafts	(0.2)	–	–	(0.2)
Drawdown of borrowings	–	1,503.9	111.8	1,615.7
Repayment of borrowings	–	(807.7)	(932.2)	(1,739.9)
At 31 December	–	5,836.1	305.6	6,141.7
<b>2024</b>				
At 1 January	1.2	5,785.3	780.4	6,566.9
Exchange differences	–	(21.5)	(14.1)	(35.6)
Transfer	–	(974.4)	974.4	–
Change in fair value	–	1.1	0.2	1.3
Change in bank overdrafts	(1.0)	–	–	(1.0)
Drawdown of borrowings	–	2,355.8	15.2	2,371.0
Repayment of borrowings	–	(1,804.7)	(932.6)	(2,737.3)
At 31 December	0.2	5,341.6	823.5	6,165.3

## 19 Borrowings continued

The borrowings after currency swaps at 31 December are further summarised as follows:

	Weighted average interest rates %	Fixed rate borrowings		Floating rate borrowings US\$m	Total US\$m
		Weighted average period outstanding Years	US\$m		
<b>By currency</b>					
<b>2025</b>					
Hong Kong dollar	3.5	5.6	2,870.9	1,239.1	4,110.0
Singapore dollar	3.8	13.4	231.0	–	231.0
Chinese renminbi	2.9	1.1	504.7	894.1	1,398.8
Thai baht	2.5	–	–	401.9	401.9
			3,606.6	2,535.1	6,141.7
<b>2024</b>					
Hong Kong dollar	3.8	5.6	3,511.9	612.0	4,123.9
Singapore dollar	3.8	14.4	218.2	–	218.2
Chinese renminbi	3.1	2.1	483.2	986.5	1,469.7
Thai baht	3.3	–	–	353.5	353.5
			4,213.3	1,952.0	6,165.3

The weighted average interest rates and period of fixed rate borrowings are stated after taking into account hedging transactions.

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates at 31 December after taking into account hedging transactions are as follows:

	2025 US\$m	2024 US\$m
Floating rate borrowings	2,535.1	1,952.0
Fixed rate borrowings		
– within one year	228.7	639.9
– between one and two years	501.8	220.6
– between two and three years	183.4	488.8
– between three and four years	121.8	183.7
– between four and five years	700.1	122.0
– beyond five years	1,870.8	2,558.3
	3,606.6	4,213.3
	6,141.7	6,165.3

## 19 Borrowings continued

Details of notes outstanding at 31 December are as follows:

	Maturity	2025		2024	
		Current US\$m	Non-current US\$m	Current US\$m	Non-current US\$m
Medium term notes					
HK\$300m 15-year notes at 4.10%	2025	–	–	38.6	–
US\$600m 15-year notes at 4.50%*	2025	–	–	601.3	–
HK\$302m 15-year notes at 3.75%	2026	38.8	–	–	38.8
CNY330m 3-year notes at 3.50%#	2026	47.2	–	–	45.1
CNY1,000m 3-year notes at 3.50%#	2026	142.8	–	–	136.6
HK\$785m 15-year notes at 4.00%	2027	–	100.7	–	100.7
HK\$473m 15-year notes at 4.04%	2027	–	60.7	–	60.9
HK\$200m 15-year notes at 3.95%	2027	–	25.7	–	25.7
HK\$300m 15-year notes at 3.15%	2028	–	38.4	–	38.5
HK\$325m 15-year notes at 4.22%	2028	–	41.7	–	41.7
HK\$450m 10-year notes at 3.83%	2028	–	57.8	–	57.9
HK\$355m 10-year notes at 3.75%	2028	–	45.5	–	45.6
HK\$400m 15-year notes at 4.40%	2029	–	51.2	–	51.2
HK\$550m 10-year notes at 2.93%	2029	–	70.6	–	70.8
US\$600m 10-year notes at 2.875%*	2030	–	597.3	–	596.8
HK\$800m 20-year notes at 4.11%	2030	–	102.8	–	103.0
US\$500m 10-year notes at 2.25%*	2031	–	497.2	–	496.7
HK\$375m 10-year notes at 1.957%	2031	–	48.1	–	48.2
HK\$200m 20-year notes at 4.125%	2031	–	25.5	–	25.6
HK\$240m 20-year notes at 4.00%	2032	–	30.5	–	30.6
HK\$863m 12-year notes at 2.83%	2032	–	110.3	–	110.4
US\$400m 10-year notes at 5.25%*	2033	–	397.9	–	397.7
HK\$700m 15-year notes at 4.12%	2033	–	89.5	–	89.6
HK\$300m 10-year notes at 4.85%	2033	–	38.4	–	38.5
HK\$604m 15-year notes at 3.67%	2034	–	77.3	–	77.5
HK\$300m 10-year notes at 4.68%	2034	–	38.2	–	38.3
HK\$400m 15-year notes at 2.72%	2035	–	51.1	–	51.1
HK\$400m 15-year notes at 2.90%	2035	–	50.9	–	51.0
HK\$400m 15-year notes at 2.90%	2035	–	50.9	–	51.0
HK\$800m 15-year notes at 2.65%	2035	–	101.9	–	102.1
S\$150m 20-year notes at 3.95%	2038	–	115.1	–	108.7
S\$150m 20-year notes at 3.45%	2039	–	115.9	–	109.5
HK\$250m 30-year notes at 5.25%	2040	–	32.0	–	32.1
		228.8	3,063.1	639.9	3,271.9

\* Listed on the Singapore Exchange

# Chinese yuan (offshore)

## 20 Share Capital

	Ordinary shares in millions		2025 US\$m	2024 US\$m
	2025	2024		
<b>Authorised</b>				
Shares of US\$0.10 each	4,000.0	4,000.0	400.0	400.0
<b>Issued and fully paid</b>				
At 1 January	2,206.6	2,206.6	220.7	220.7
Repurchased and cancelled	(47.7)	–	(4.8)	–
At 31 December	2,158.9	2,206.6	215.9	220.7

During the year ended 31 December 2025, the Company repurchased 47.7 million ordinary shares from the stock market at a cost of US\$282.2 million, which resulted in a charge of US\$4.8 million to share capital and US\$277.4 million to revenue reserve.

## 21 Share-based Incentives

Share-based long-term incentive plans (LTIP) have been put in place to provide incentives for selected executives. These share awards typically vest free of payment in installments over three to five years and maybe subject to the achievement of performance conditions. Also, share-based compensation is sometimes awarded to new senior executives as an incentive to join the Group. These share awards typically vest free of payment in equal installments over five years, subject to continued employment on the date each vesting period ends.

The fair value of the 5,602,100 shares awarded in 2025 (2024: 1,784,500) was US\$25.3 million (2024: US\$5.8 million) based on the closing share price on the grant date. Share awards of US\$7.3 million (2024: US\$1.4 million) were charged to the profit and loss during the year.

Movements of the outstanding conditional awards during the year:

	Conditional awards in millions		Conditional awards in dollars	
	2025	2024	2025 US\$m	2024 US\$m
At 1 January	1.8	–	5.8	–
Granted	5.6	1.8	25.3	5.8
At 31 December	7.4	1.8	31.1	5.8
Outstanding conditional awards at 31 December:				
<b>Awards vesting date</b>				
2026	0.4	0.4	1.4	1.2
2027	0.8	0.4	3.0	1.2
2028	2.1	0.4	9.0	1.2
2029	2.1	0.3	8.9	1.1
2030	2.0	0.3	8.8	1.1
Total outstanding	7.4	1.8	31.1	5.8

## 22 Dividends

	2025 US\$m	2024 US\$m
Final dividend in respect of 2024 of US¢17.00 (2023: US¢16.00) per share	375.0	353.1
Interim dividend in respect of 2025 of US¢6.00 (2024: US¢6.00) per share	130.5	132.4
	<b>505.5</b>	485.5

A final dividend in respect of 2025 of US¢19.00 (2024: US¢17.00) per share amounting to a total of US\$408.9 million (2024: US\$375.1 million) is proposed by the Board. The dividend proposed will not be accounted for until it has been approved at the 2026 Annual General Meeting. The amount will be accounted for as an appropriation of revenue reserves in the year ending 31 December 2026.

## 23 Notes to Consolidated Cash Flow Statement

- a) Repayments from/to, investments in and advances from/to associates and joint ventures

Set out below is an analysis by reportable segment on a net basis:

	2025 US\$m	2024 US\$m
<b>By business</b>		
Prime Properties Investment	37.1	6.5
Non-strategic business (Build-to-sell)	291.3	193.2
	<b>328.4</b>	199.7
<b>By geographical location</b>		
Chinese mainland	181.0	222.2
Southeast Asia and others	147.4	(22.5)
	<b>328.4</b>	199.7

- b) Cash and cash equivalents

	2025 US\$m	2024 US\$m
Bank balances excluding restricted cash (see Note 16)	2,551.0	1,063.9
Bank overdrafts (see Note 19)	–	(0.2)
Bank balances classified as held for sale (see Note 17)	13.1	3.5
	<b>2,564.1</b>	1,067.2

## 23 Notes to Consolidated Cash Flow Statement continued

### c) Disposal of subsidiaries

	2025 US\$m
Non-current assets	466.3
Current assets	156.6
Non-current liabilities	(21.6)
Current liabilities	(10.1)
Net assets	591.2
Cumulative exchange translation losses	9.1
Loss on disposal	(24.3)
Deferred consideration	(13.9)
Transaction costs	4.6
Sales proceeds	566.7
Cash and cash equivalents of subsidiaries disposed of	(25.7)
Deposits received	(1.3)
Net cash inflow	539.7

Net cash inflow for disposal of subsidiaries in 2025 comprised US\$529.0 million inflow from the Group's divestment of Singapore and Malaysia residential development business under MCL Group (inclusive of its joint venture interests) completed in October 2025, and US\$10.7 million inflow from the sale of a property interest in Cambodia.

### d) Disposal of joint ventures

The disposal of joint ventures represented Group's divestment of one of the Singapore Commercial portfolio completed in December 2025.

## 24 Derivative Financial Instruments

The fair values of derivative financial instruments at 31 December are as follows:

	2025		2024	
	Positive fair value US\$m	Negative fair value US\$m	Positive fair value US\$m	Negative fair value US\$m
Designated as cash flow hedges				
– cross currency swaps	–	73.2	0.2	65.8
Not qualified for hedges				
– forward contract	–	65.8	–	–
	–	139.0	0.2	65.8

#### Cross currency swaps

The contract amounts of the outstanding cross currency swap contracts at 31 December 2025 were US\$1,500.0 million (2024: US\$2,100.0 million).

#### Forward contract

The contract amount of the outstanding forward contract at 31 December 2025 was US\$229.3 million (2024: nil).

## 25 Capital Commitments

	2025 US\$m	2024 US\$m
Authorised not contracted	149.9	214.9
Contracted not provided		
– contributions to joint ventures	776.3	715.6
– others	202.3	225.4
	978.6	941.0
	1,128.5	1,155.9

## 26 Contingent Liabilities

Various Group companies are involved in litigation arising in the ordinary course of their respective businesses. Having reviewed the outstanding claims and taking into account the legal advice received, the Directors are of the opinion that adequate provisions have been made in the financial statements.

## 27 Related Party Transactions

The parent company of the Group is Jardine Strategic Limited (JSL) and the ultimate parent company of the Group is Jardine Matheson Holdings Limited (JMH). Both JMH and JSL are incorporated in Bermuda.

In the normal course of business, the Group has entered into a variety of transactions with the subsidiaries, associates and joint ventures of JMH (Jardine Matheson group members). The more significant of these transactions are described below:

### Management fee

The management fee payable by the Group, under an agreement entered into in 1995, to Jardine Matheson Limited (JML) in 2025 was US\$2.3 million (2024: US\$2.1 million), being 0.5% per annum of the Group's underlying profit in consideration for management consultancy services provided by JML, a wholly-owned subsidiary of JMH.

### Property and other services

The Group rented properties to Jardine Matheson group members. Gross rentals on such properties in 2025 amounted to US\$17.3 million (2024: US\$19.0 million).

The Group provided project management services and property management services to Jardine Matheson group members in 2025 amounting to US\$8.9 million (2024: US\$3.8 million).

Jardine Matheson group members provided property maintenance and other services to the Group in 2025 in aggregate amounting to US\$59.4 million (2024: US\$59.0 million). In respect of capital expenditure works, Jardine Matheson group members complete value of works of US\$79.3 million (2024: nil) and commitments related to the works amounted to US\$144.1 million (2024: US\$223.4 million).

## 27 Related Party Transactions continued

### Hotel management services

Jardine Matheson group members provided hotel management services to the Group in 2025 amounting to US\$3.7 million (2024: US\$3.1 million).

### Outstanding balances with Jardine Matheson group members

Amounts of outstanding balances with associates and joint ventures are included in associates and joint ventures, debtors and creditors as appropriate (see Notes 12, 13 and 18). Balances with group companies of JMH are immaterial, unsecured and have no fixed terms of repayment.

### Directors' emoluments

Details of Directors' emoluments (being the key management personnel compensation) are shown on page 51 under the heading of 'Remuneration Outcomes in 2025'.

## 28 Summarised Balance Sheet of the Company

Included below is certain summarised balance sheet information of the Company disclosed in accordance with Bermuda law.

	2025 US\$m	2024 US\$m
<b>Net operating assets</b>		
Investments at cost		
Unlisted shares in subsidiaries	4,506.7	4,481.7
Amounts due from subsidiaries	2,399.3	2,626.6
	<b>6,906.0</b>	7,108.3
Creditors and other accruals	(37.8)	(34.5)
	<b>6,868.2</b>	7,073.8
<b>Total equity</b>		
Share capital (see Note 20)	215.9	220.7
Revenue and other reserves		
Contributed surplus	1,614.7	1,892.1
Capital reserves	8.7	1.4
Revenue reserves	5,028.9	4,959.6
	<b>6,652.3</b>	6,853.1
Shareholders' funds	<b>6,868.2</b>	7,073.8

Subsidiaries are shown at cost less amounts provided.

The contributed surplus was set up on the formation of the Company in 1989 and, under the Bye-laws of the Company, is distributable.

## 29 Principal Subsidiaries, Associates and Joint Ventures

The principal subsidiaries, associates and joint ventures of the Group at 31 December 2025 are set out below.

	Attributable interest		Issued share capital	Main activities	Place of incorporation
	2025 %	2024 %			
<b>Subsidiaries</b>					
Hongkong Land China Holdings Limited*	100	100	USD	200,000,000	Investment holding Bermuda
Hongkong Land International Holdings Ltd*	100	100	USD	200,000,000	Investment holding Bermuda
Hongkong Land Limited*	100	100	USD	12,000	Group management Bermuda
Blossom Noble (HK) Limited	100	100	HKD	156,000,001	Property investment Hong Kong
Grateful Point (HK) Limited	100	100	HKD	171,000,001	Property investment Hong Kong
The Hongkong Land Company, Limited	100	100	HKD	2,147,317,117	Investment holding Hong Kong
The Hongkong Land Property Company, Limited	100	100	HKD	200	Property investment Hong Kong
HKL (Alexandra House) Limited	100	100	HKD	12,348,000,001	Property investment Hong Kong
HKL (Chater House) Limited	100	100	HKD	2,648,500,000	Property investment Hong Kong
HKL (Jardine House) Limited	100	100	HKD	17,362,000,001	Property investment Hong Kong
HKL (Landmark Hotel) Limited	100	100	HKD	2	Hotel investment Hong Kong
HKL (One EXSQ) Limited	100	100	HKD	17,120,000,001	Property investment Hong Kong
HKL (Podium) Limited	100	100	HKD	489,000,001	Property investment Hong Kong
HKL (Prince's Building) Limited	100	100	HKD	2,227,266,988	Property investment Hong Kong
HKL (The Forum) Limited	100	100	HKD	1,876,592,818	Property investment Hong Kong
HKL (Three EXSQ) Limited	100	100	HKD	12,641,250,316	Property investment Hong Kong
HKL (Two EXSQ) Limited	100	100	HKD	16,639,000,001	Property investment Hong Kong
Hongkong Land (HK) Investments Limited	100	100	HKD	4,033,804,249	Investment holding Hong Kong
Hongkong Land (West Bund) Development Limited	100	100	HKD	11,224,299,020	Investment holding Hong Kong
Violet Castle (HK) Limited	100	100	HKD	55,200,001	Property investment Hong Kong
Chengdu Premium Property Development Company Limited	100	100	USD	699,980,000	Property investment Chinese mainland
Hongkong Land (Chongqing) Investment and Holding Co Ltd	100	100	USD	2,200,000,000	Investment holding Chinese mainland
Hongkong Land (Chongqing North) Development Co Ltd	100	100	HKD	3,240,000,000	Property investment Chinese mainland
Hongkong Land (Chongqing) Xingmao Development Co. Ltd.	100	100	RMB	1,610,000,000	Property investment Chinese mainland
Hongkong Land (Shanghai) Asset Management Co. Ltd.	100	100	RMB	50,000,000	Investment holding Chinese mainland
Wangfu Central Real Estate Development Company Limited	84	84	RMB	3,500,000,000	Property investment Chinese mainland
HKL (Esplanade) Pte Limited	100	100	SGD	150,000,000	Property investment Singapore
HKL Treasury (Singapore) Pte. Ltd.	100	100	SGD	2 66,555,263#	Finance Singapore
Hongkong Land (Singapore) Pte. Ltd.	100	100	SGD	100,000 498,146,411#	Project management Singapore
The Hongkong Land Treasury Services (Singapore) Pte. Ltd.	100	100	SGD	2	Finance Singapore

\* Owned directly

# Preference shares

## 29 Principal Subsidiaries, Associates and Joint Ventures continued

	Attributable interest		Issued share capital	Main activities	Place of incorporation
	2025 %	2024 %			
<b>Subsidiaries continued</b>					
Hongkong Land (Premium Developments) Limited	100	100	Riels	61,400,000,000	Property investment Cambodia
HKL (Thai Developments) Limited	100	100	Baht	2,592,000,000	Investment holding Thailand
HKL (Treasury Services) Limited	100	100	USD	1	Finance British Virgin Islands
The Hongkong Land Notes Company Limited	100	100	USD	2	Intra-group financing British Virgin Islands
The Hongkong Land Finance (Cayman Islands) Company Limited	100	100	USD	2	Intra-group financing Cayman Islands
<b>Associates and joint ventures</b>					
Normelle Estates Limited	50	50	HKD	10,000	Property investment Hong Kong
Properties Sub F, Limited	49	49	MOP	1,000,000	Property investment Macau
Beijing Landmark Trinity Real Estate Development Co Ltd	30	30	RMB	2,800,000,000	Property investment Chinese mainland
Chongqing Central Park Co Ltd	50	50	HKD	4,640,000,000	Property investment Chinese mainland
Chongqing Runyi Fenghe Property Development Co. Ltd.	40	40	RMB	2,120,000,000	Property investment Chinese mainland
Chongqing Yirun Huacheng Development Co. Ltd.	50	50	RMB	1,070,000,000	Property investment Chinese mainland
China West Premier Housing Development Co Ltd	50	50	USD	569,960,000	Property investment Chinese mainland
Hangzhou Kesheng Property Development Co Ltd	30	30	RMB	100,000,000	Property investment Chinese mainland
Hangzhou Keyi Property Development Co Ltd	30	30	RMB	150,000,000	Property investment Chinese mainland
Nanjing Shengxiangyuan Property Development Co Ltd	48	48	RMB	4,227,500,000	Property investment Chinese mainland
Nanjing Xinyeezhi Property Development Co Ltd	50	50	USD	750,000,000	Property investment Chinese mainland
Shanghai Puchen Property Co. Ltd.	43	43	RMB	850,000,000	Property investment Chinese mainland
Shanghai Xinqiaogao Development Co. Ltd.	27	27	RMB	4,000,000,000	Property investment Chinese mainland
Shanghai Xujing Property Co., Ltd.	50	50	RMB	4,200,000,000	Property investment Chinese mainland
Shanghai Yibin Property Co. Ltd.	43	43	RMB	30,200,000,000	Property investment Chinese mainland
Shanghai Yihui Development Co. Ltd.	50	50	RMB	305,000,000	Property investment Chinese mainland
Suzhou Rongzhi Property Development Co. Ltd.	40	40	RMB	400,000,000	Property investment Chinese mainland
Suzhou Yuanzhi Property Development Co. Ltd.	53	53	RMB	1,200,000,000	Property investment Chinese mainland
BFC Development LLP	33	33	SGD	N/A	Property investment Singapore
One Raffles Quay Pte Ltd	33	33	SGD	6	Property investment Singapore
PT Jakarta Land	50	50	IDR	998,883,319,544	Property investment Indonesia
Central and Hongkong Land Company Limited	49	49	THB	5,014,480,000	Property investment Thailand
Jardine Gibbons Properties Limited	40	40	BD BD	600,000 'A' 400,000 'B'	Property investment Bermuda

## 30 Material Accounting Policies

### Basis of consolidation

- i) The consolidated financial statements include the financial statements of the Company, its subsidiaries, and the Group's interests in associates and joint ventures.
- ii) A subsidiary is an entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition includes the fair value at the acquisition date of any contingent consideration. The Group recognises the non-controlling interest's proportionate share of the recognised identifiable net assets of the acquired subsidiary. In a business combination achieved in stages, the Group remeasures its previously held interest in the acquiree at its acquisition-date fair value and recognises the resulting gain or loss in profit and loss. Changes in a parent's ownership interest in a subsidiary that do not result in the loss of control are accounted for as equity transactions. When control over a previous subsidiary is lost, any remaining interest in the entity is remeasured at fair value and the resulting gain or loss is recognised in profit and loss.

All material intercompany transactions, balances and unrealised surpluses and deficits on transactions between Group companies have been eliminated.

- iii) An associate is an entity, not being a subsidiary or joint venture, over which the Group exercises significant influence. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Associates and joint ventures are included on the equity basis of accounting.

Profits and losses resulting from upstream and downstream transactions between the Group and its associates and joint ventures are recognised in the consolidated financial statements only to the extent of unrelated investor's interests in the associates and joint ventures.

- iv) Non-controlling interests represent the proportion of the results and net assets of subsidiaries and their associates and joint ventures not attributable to the Group.
- v) The results of subsidiaries, associates and joint ventures are included or excluded from their effective dates of acquisition or disposal, respectively. The results of entities other than subsidiaries, associates and joint ventures are included to the extent of dividends received when the right to receive such dividend is established.

### Foreign currencies

Transactions in foreign currencies are accounted for at the exchange rates ruling at the transaction dates.

Assets and liabilities of subsidiaries, associates and joint ventures, together with all other monetary assets and liabilities expressed in foreign currencies, are translated into United States dollars at the rates of exchange ruling at the year end. Results expressed in foreign currencies are translated into United States dollars at the average rates of exchange ruling during the year, which approximate the exchange rates at the dates of the transactions.

Exchange differences arising from the retranslation of the net investment in foreign subsidiaries, associates and joint ventures, and of financial instruments which are designated as hedges of such investments, are recognised in other comprehensive income and accumulated in equity under exchange reserves. On the disposal of these investments, such exchange differences are recognised in profit and loss. All other exchange differences are recognised in profit and loss.

Goodwill and fair value adjustments arising on acquisition of a foreign entity after 1 January 2004 are treated as assets and liabilities of the foreign entity and translated into United States dollars at the rate of exchange ruling at the year end.

## 30 Material Accounting Policies continued

### Impairment of non-financial assets

Assets that have indefinite useful lives are not subject to amortisation and are tested for impairment annually and whenever there is an indication that the assets may be impaired. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purpose of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows. Cash-generating units or groups of cash-generating units to which goodwill has been allocated are tested for impairment annually and whenever there is an indication that the units may be impaired. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's fair value less costs to sell and value in use. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment annually.

### Fixed assets and depreciation

The building component of owner-occupied leasehold properties are stated at cost less accumulated depreciation and impairment. Other fixed assets are stated at cost less amounts provided for depreciation.

Depreciation of fixed assets is calculated on the straight line basis to allocate the cost or valuation of each asset to its residual value over its estimated useful life. The residual values and useful lives are reviewed at each balance sheet date. The estimated useful lives are as follows:

Buildings (remaining useful lives)	48 – 60 years
Hotel property	20 – 30 years
Furniture, equipment and motor vehicles	3 – 10 years

Where the carrying amount of a fixed asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

The profit or loss on disposal of fixed assets is recognised by reference to their carrying amount.

### Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### i) As a lessee

The Group enters into property leases for use as offices, as well as leases for motor vehicles for use in its operations.

The Group recognises right-of-use assets and lease liabilities at the lease commencement dates, that is the dates the underlying assets are available for use. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment, and adjusted for any remeasurement of lease liabilities. The cost of the right-of-use assets includes amounts of the initial measurement of lease liabilities recognised, lease payments made at or before the commencement dates less any lease incentives received, initial direct costs incurred and restoration costs. Right-of-use assets are depreciated using the straight-line method over the shorter of their estimated useful lives and the lease terms.

When right-of-use assets meet the definition of investment properties, they are presented in investment properties, and are initially measured at cost and subsequently measured at fair value, in accordance with the Group's accounting policy.

The Group also has interests in leasehold land for use in its operations. Lump sum payments were made upfront to acquire these land interests from their previous registered owners or governments in the jurisdictions where the land is located. There are no ongoing payments to be made under the term of the land leases, other than insignificant lease renewal costs or payments based on rateable value set by the relevant government authorities. These payments are stated at cost and are amortised over the term of the lease which includes the renewal period if the lease can be renewed by the Group without significant cost.

Lease liabilities are measured at the present value of lease payments to be made over the lease terms. Lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised and payments of penalties for terminating a lease, if the lease term reflects the Group exercising that option. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. Lease liabilities are measured at amortised cost using the effective interest method. After the commencement date, the amount of lease liabilities is increased by the interest costs on the lease liabilities and decreased by lease payments made.

## 30 Material Accounting Policies continued

### Leases continued

#### i) **As a lessee** continued

The carrying amount of lease liabilities is remeasured when there is a change in the lease term, or there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise an extension or a termination option. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low value assets and short-term leases. Low value assets comprised IT equipment and small items of office furniture. Short-term leases are leases with a lease term of 12 months or less. Lease payments associated with these leases are recognised on a straight-line basis as an expense in profit and loss over the lease term.

Lease liabilities are classified as non-current liabilities unless payments are within 12 months from the balance sheet date.

#### ii) **As a lessor**

The Group enters into contracts with lease components as a lessor on its investment properties. These leases are operating leases as they do not transfer the risk and rewards incidental to the underlying investment properties. The Group recognises the lease payments received under these operating leases on a straight line basis over the lease term as part of revenue in the profit and loss.

### Investment properties

Properties including those under operating leases which are held for long-term rental yields or capital gains are classified and accounted for as investment properties, but the business model does not necessarily envisage that the properties will be held for their entire useful life. Investment properties are carried at fair value, representing estimated open market value determined annually by independent qualified valuers who have recent experience in the location and category of the investment property being valued. The market value of commercial properties are calculated on the discounted net rental income allowing for reversionary potential. The market value of residential properties are arrived at by reference to market evidence of transaction prices for similar properties. Changes in fair value are recognised in profit and loss.

Owner-occupied portions of multi-purpose properties are accounted for as fixed assets unless the portion is considered insignificant, in which case this portion is treated as part of investment properties.

### Properties for sale

Properties for sale, which comprise land and buildings held for resale, are stated at the lower of cost and net realisable value. The cost of properties for sale comprises land cost, construction and other development costs, and borrowing costs. A portion of the properties for sale is leased out prior to sales to enhance shareholder profitability. These leased properties are classified and accounted for as properties held for sale.

### Debtors

Trade debtors are recognised initially at the amount of consideration that is unconditional and measured subsequently at amortised cost using the effective interest method. A contract asset arises if the Group has a right to consideration in exchange for goods or services the Group has transferred to a customer, that is conditional on something other than the passage of time. All other debtors, excluding derivative financial instruments, are measured at amortised cost except where the effect of discounting would be immaterial. For trade debtors and contract assets, the Group applied the simplified approach as permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the debtors. Provision for impairment is established by considering potential financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in arriving at operating profit. When a debtor is uncollectible, it is written off against the allowance account. Subsequent recoveries of amount previously written off are credited to profit and loss.

Debtors with maturities greater than 12 months after the balance sheet date are classified under non-current assets.

## 30 Material Accounting Policies continued

### Cash and bank balances

Cash and deposits with banks, which are restricted in use (Restricted cash and bank balance'), are classified as cash and bank balances. If such balances are restricted in use for a period exceeding one year, they are classified as part of other debtors.

For the purposes of the cash flow statement, cash and cash equivalents comprise deposits at call with banks and financial institutions, bank and cash balances, and other liquid investments, with original maturities of three months or less, net of bank overdrafts. In the balance sheet, bank overdrafts are included in current borrowings. Restricted cash and bank balances that are not available for use within three months from the balance sheet date are excluded from cash and cash equivalents.

### Provisions

Provisions are recognised when the Group has present legal or constructive obligations as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations, and a reliable estimate of the amount of the obligations can be made.

### Borrowings and borrowing costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. In subsequent periods, borrowings are stated at amortised cost using the effective interest method.

Borrowing costs relating to major development projects are capitalised until the asset is substantially completed. Capitalised borrowing costs are included as part of the cost of the asset. All other borrowing costs are expensed as incurred.

Borrowings are classified as current liabilities unless, at the end of the reporting period, the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

### Current and deferred tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or direct in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values. Deferred tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Provision for deferred tax is made on the revaluation of certain non-current assets and, in relation to acquisitions, on the difference between the fair value of the net assets acquired and their tax base. Deferred tax is provided on temporary differences associated with investments in subsidiaries, associates and joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

### Pension obligations

The Group operates a number of defined benefit and defined contribution plans, the assets of which are held in trustee administered funds.

Pension accounting costs for defined benefit plans are assessed using the projected unit credit method. Under this method, the costs of providing pensions are charged to profit and loss spreading the regular cost over the service lives of employees in accordance with the advice of qualified actuaries, who carry out a full valuation of major plans every year. Plan assets are measured at fair value.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income in the year in which they occur. Past service costs are recognised immediately in profit and loss.

The Group's total contributions relating to the defined contribution plans are charged to profit and loss in the year to which they relate.

## 30 Material Accounting Policies continued

### Share-based compensation

The Company operates a number of equity-settled employee share award schemes. The fair value of the employee services received in exchange for the grant of the share awards is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the share awards granted as determined on the grant date. At each balance sheet date, the Company revised its estimates of the number of share awards which will be vested free of payment. The impact of the revision of original estimates, if any, is recognised in profit and loss.

### Assets held for sale

Assets are classified as held for sale and stated at the lower of carrying amount and fair value less costs to sell if their carrying amounts are expected to be recovered principally through a sale transaction rather than through continuing use. Once classified as held for sale, assets are no longer amortised or depreciated.

### Derivative financial instruments

The Group only enters into derivative financial instruments in order to hedge underlying exposures and not as speculative investments. Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss is dependent on the nature of the item being hedged. The Group designates certain derivatives as a hedge of the fair value of a recognised asset or liability (fair value hedge), or a hedge of a forecast transaction or of the foreign currency risk on a firm commitment (cash flow hedge), or a hedge of a net investment in a foreign entity.

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges and that are highly effective, are recognised in profit and loss, along with any changes in the fair value of the hedged asset or liability that is attributable to the hedged risk. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognised in profit and loss within finance costs, together with changes in the fair value of the hedged fixed rate borrowings attributable to interest rate risk. The gain or loss relating to the ineffective portion is recognised in profit and loss. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, the cumulative adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to profit and loss over the residual period to maturity.

Changes in the fair value of derivatives that are designated and qualify as cash flow hedges and that are highly effective, are recognised in other comprehensive income and accumulated in equity under hedging reserves. Changes in the fair value relating to the ineffective portion is recognised immediately in profit and loss. Where the hedged item results in the recognition of a non-financial asset or of a non-financial liability, the deferred gains and losses are included in the initial measurement of the cost of the asset or liability. The deferred amounts are ultimately recognised in profit and loss as the hedged item affects profit and loss. Otherwise, amounts deferred in hedging reserves are transferred to profit and loss in the same periods during which the hedged firm commitment or forecast transaction affects profit and loss. The gain or loss relating to the effective portion of the interest rate swaps hedging variable rate borrowings is recognised in profit and loss within finance cost at the same time as the interest expense on the hedged borrowings. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in hedging reserves at that time remains in the hedging reserves and is recognised when the committed or forecast transaction ultimately is recognised in profit and loss. When a committed or forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in hedging reserves is immediately transferred to profit and loss.

Certain derivative transactions, while providing effective economic hedges under the Group's risk management policies, do not qualify for hedge accounting under the specific rules in IFRS 9. Changes in the fair value of any derivative instruments that do not qualify for hedge accounting under IFRS 9 are recognised immediately in profit and loss.

Hedges of net investments in foreign entities are accounted for on a similar basis to that used for cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated in exchange reserves; the gain or loss relating to the ineffective portion is recognised immediately in profit and loss.

The fair value of derivatives which are designated and qualify as effective hedges are classified as non-current assets or liabilities if the remaining maturities of the hedged assets or liabilities are greater than 12 months after the balance sheet date.

## 30 Material Accounting Policies continued

### Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

### Non-trading items

Non-trading items are separately identified to provide greater understanding of underlying performance from continuing businesses. The Group presents the profit and loss account in columnar format with analysis of underlying business performance and items outside of the underlying business performance (non-trading items). The Group considers the following as non-trading items:

- i) Items that are unrealised valuation changes, infrequent or one-off in nature. Such items include fair value gains or losses on revaluation of investment properties, and equity and debt investments which are measured at fair value through profit and loss; gains and losses arising from the sale of businesses, investments and properties; impairment of non-depreciable intangible assets, associates and joint ventures and other investments; provisions for the restructuring or closure of businesses; acquisition-related costs in business combinations; and other credits and charges of a non-recurring nature that require inclusion in order to provide additional insight into underlying business performance.
- ii) Result of non-strategic business. This relates to the profit or loss of business not aligned with the Group's strategy and where there is an explicit and announced intention to exit or wind-down the business.

### Earnings per share

Basic earnings per share are calculated on profit attributable to shareholders and on the weighted average number of shares in issue and outstanding during the year. The weighted average number excludes the shares held by the subsidiaries. For the purpose of calculating diluted earnings per share, profit attributable to shareholders is adjusted for the effects of the conversion of dilutive potential ordinary shares, and the weighted average number of shares is adjusted for the number of shares which are deemed to be issued for no consideration under the share-based long-term incentive plans based on the average share price during the year.

### Dividends

Dividends proposed or declared after the balance sheet date are not recognised as a liability at the balance sheet date.

### Revenue recognition

#### i) Properties for sale

Revenue from properties for sale is recognised when or as the control of the property is transferred to the customer. Revenue consists of the fair value of the consideration received and receivable, net of value added tax, rebates and discounts. Proceeds received in advance for pre-sale are recorded as contract liabilities. Depending on the terms of the contract and the laws that apply to the contract, control of the property may transfer over time or at a point in time.

If control of the property transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the property.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the contract costs incurred up to the end of reporting period as a percentage of total estimated costs for each contract.

For properties for sale under development and sales contract for which the control of the property is transferred at a point in time, revenue is recognised when the customer obtains the physical possession or the legal title of the completed property and the Group has present right to payment and the collection of the consideration is probable.

#### ii) Investment properties

Rental income from investment properties are accounted for on an accruals basis over the lease term.

#### iii) Service income and others

Revenue from property management service and hospitality service are recognised when services are performed provided that the amount can be measured reliably.

## 31 Standards and Amendments Issued But Not Yet Effective

A number of new standard and amendments effective for accounting periods beginning after 2025 have been published and will be adopted by the Group from their effective dates. The Group is currently assessing the potential impact of these standard and amendments but expects their adoption will not have a significant impact on the Group's consolidated financial statements. The more important standard and amendments that are relevant to the Group are set out below.

*Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective from 1 January 2026)*

These amendments clarify i) the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; ii) further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion; iii) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and iv) update the disclosures for equity instruments designated at fair value through other comprehensive income. The Group is assessing the impact on the Group's consolidated financial statements.

*IFRS 18 'Presentation and Disclosure in Financial Statements' (effective from 1 January 2027)*

The standard requires new presentation and disclosure in financial statements, which replaces IAS 1, with a focus on updates to the statement of profit and loss. The key new concepts introduced in IFRS 18 relate to i) the structure of the statement of profit and loss with defined subtotals; ii) requirement to determine the most useful structure summary for presenting expenses in the statement of profit and loss; iii) required disclosures in a single note within the financial statements for certain profit and loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and iv) enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. The Group is assessing the changes on presentation and disclosure required in the Group's consolidated financial statements.

## 32 Financial Risk Management

### Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

The Group's treasury function co-ordinates financial risk management policies and their implementation on a group-wide basis. The Group's treasury policies are designed to manage the financial impact of fluctuations in interest rates and foreign exchange rates and to minimise the Group's financial risks. The Group uses derivative financial instruments, principally interest rate swaps, cross-currency swaps and forward foreign exchange contracts as appropriate for hedging transactions and managing the Group's assets and liabilities in accordance with the Group's financial risk management policies. Financial derivative contracts are executed between third party banks and the Group entity that is directly exposed to the risk being hedged. Hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. The effective portion of the change in the fair value of the hedging instrument is deferred into the cash flow hedge reserve through other comprehensive income and will be recognised in profit and loss when the hedged item affects profit and loss. The ineffective portion will be recognised in the profit and loss immediately. In general, the volatility in profit or loss can be reduced by applying hedge accounting.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

For hedges of foreign currency purchases, the Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. The Group assesses whether the derivative designated in each hedging relationship has been and expected to be effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method.

Ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated for hedges of foreign currency purchases, or if there are changes in the credit risk of the Group or the derivative counterparty.

## 32 Financial Risk Management continued

### Financial risk factors continued

#### i) Market risk

##### Foreign exchange risk

Entities within the Group are exposed to foreign exchange risk from future commercial transactions, net investments in foreign operations and net monetary assets and liabilities that are denominated in a currency that is not the entity's functional currency.

Entities in the Group use cross-currency swaps and forward foreign exchange contracts in a consistent manner to hedge firm and anticipated foreign exchange commitments and manage their foreign exchange risk arising from future commercial transactions. The Group does not usually hedge its net investments in foreign operations except in circumstances where there is a material exposure arising from a currency that is anticipated to be volatile and the hedging is cost effective. Group entities are required to manage their foreign exchange risk against their functional currency. Foreign currency borrowings are swapped into the entity's functional currency using cross-currency swaps except where the foreign currency borrowings are repaid with cash flows generated in the same foreign currency. The purpose of these hedges is to mitigate the impact of movements in foreign exchange rates on assets and liabilities and the profit and loss account of the Group.

Currency risks as defined by IFRS 7 arise on account of monetary assets and liabilities being denominated in a currency that is not the functional currency. At 31 December 2025, there are no significant monetary balances held by group companies that are denominated in a non-functional currency other than the cross-currency swap contracts with contract amounts of US\$1,500 million (2024: US\$2,100.0 million). Differences resulting from the translation of financial statements into the Group's presentation currency are not taken into consideration.

Since the Group manages the interdependencies between foreign exchange risk and interest rate risk of foreign currency borrowings using cross-currency swaps, the sensitivity analysis on financial impacts arising from cross-currency swaps is included in the sensitivity assessment on interest rates under the interest rate risk section.

##### Interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing liabilities and assets. These exposures are managed partly by using natural hedges that arise from offsetting interest rate sensitive assets and liabilities, and partly through fixed rate borrowings and the use of derivative financial instruments such as interest rate swaps. The Group monitors interest rate exposure on a monthly basis by currency and business unit, taking into consideration proposed financing and hedging arrangements. The Group's guideline is to maintain 40% to 60% of its gross borrowings in fixed rate instruments. At 31 December 2025, the Group's interest rate hedge was 59% (2024: 68%) with an average tenor of six years (2024: six years). The interest rate profile of the Group's borrowings after taking into account hedging transactions are set out in Note 19.

Cash flow interest rate risk is the risk that changes in market interest rates will impact cash flows arising from variable rate financial instruments. Borrowings at floating rates therefore expose the Group to cash flow interest rate risk. The Group manages this risk by using forward rate agreements to a maturity of one year, and by entering into interest rate swaps for a maturity of up to five years. Forward rate agreements and interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates. Details of derivative financial statements are set out in Note 24.

Fair value interest rate risk is the risk that the value of a financial asset or liability and derivative financial instrument will fluctuate because of changes in market interest rates. The Group manages its fair value interest rate risk by entering into interest rate swaps which have the economic effect of converting borrowings from fixed rates to floating rates, to maintain the Group's fixed rate instruments within the Group's guideline.

## 32 Financial Risk Management continued

### Financial risk factors continued

#### i) **Market risk** continued

##### Interest rate risk continued

At 31 December 2025, if interest rates had been 100 basis points higher/lower with all other variables held constant, the Group's profit after tax would have been US\$6.0 million higher/lower (2024: US\$2.4 million higher/lower), and hedging reserve would have been US\$69.6 million higher/lower (2024: US\$80.6 million), as a result of fair value changes to cash flow hedges. The sensitivity analysis has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the exposure to interest rate risk for both derivative and non-derivative financial instruments in existence at that date. The 100 basis point increase or decrease represents management's assessment of a reasonably possible change in those interest rates which have the most impact on the Group, specifically the United States, Hong Kong, Chinese mainland and Singapore rates, over the period until the next annual balance sheet date. In the case of effective fair value hedges, changes in fair value of the hedged item caused by interest rate movements balance out in profit and loss account against changes in the fair value of the hedging instruments. Changes in market interest rates affect the interest income or expense of non-derivative variable-interest financial instruments, the interest payments of which are not designated as hedged items of cash flow hedges against interest rate risks. As a consequence, they are included in the calculation of profit after tax sensitivities. Changes in the market interest rate of financial instruments that were designated as hedging instruments in a cash flow hedge to hedge payment fluctuations resulting from interest rate movements affect the hedging reserves and are therefore taken into consideration in the equity-related sensitivity calculations.

#### ii) **Credit risk**

The Group's credit risk is primarily attributable to deposits with banks, credit exposures to customers and derivative financial instruments with a positive fair value. The Group has credit policies in place and the exposures to these credit risks are monitored on an ongoing basis.

The Group manages its deposits with banks and financial institutions and transactions involving derivative financial instruments by monitoring credit ratings and capital adequacy ratios of counterparties, and limiting the aggregate risk to any individual counterparty. The utilisation of credit limits is regularly monitored. Similarly transactions involving derivative financial instruments are with banks with sound credit ratings and capital adequacy ratios. In developing countries it may be necessary to deposit money with banks that have a lower credit rating, however the Group only enters into derivative transactions with counterparties which have credit ratings of at least investment grade. Management does not expect any counterparty to fail to meet its obligations.

In respect of credit exposures to customers, the Group has policies in place to ensure that investment properties are leased principally to corporate companies with appropriate credit history, and rental deposits in the form of cash or bank guarantee are usually received from tenants. The Group receives progress payments from sales of residential properties to individual customers prior to the completion of transactions. In the event of default by customers, the Group undertakes legal proceedings to recover the property. Amounts due from associates and joint ventures are generally supported by the underlying assets.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet after deducting any impairment allowance.

## 32 Financial Risk Management continued

### Financial risk factors continued

#### iii) Liquidity risk

Prudent liquidity risk management includes managing the profile of debt maturities and funding sources, maintaining sufficient cash, and ensuring the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. The Group's ability to fund its existing and prospective debt requirements is managed by maintaining diversified funding sources with adequate committed funding lines from high quality lenders, and by monitoring rolling short-term forecasts of the Group's cash and gross debt on the basis of expected cash flows. In addition long-term cash flows are projected to assist with the Group's long-term debt financing plans.

At 31 December 2025, total committed and uncommitted borrowing facilities amounted to US\$7,102.8 million (2024: US\$8,340.6 million) of which US\$6,141.7 million (2024: US\$6,165.3 million) was drawn down. Undrawn committed facilities, in the form of revolving credit and term loan facilities, totalled US\$898.5 million (2024: US\$1,970.9 million). Undrawn uncommitted facilities in the form of revolving credit loan facilities, amounted to US\$62.6 million (2024: US\$204.4 million).

The following table analyses the Group's non-derivative financial liabilities, including borrowings, trade and other creditors, tenants' deposits, lease liabilities and gross-settled financial instruments into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Within one year US\$m	Between one and two years US\$m	Between two and three years US\$m	Between three and four years US\$m	Between four and five years US\$m	Beyond five years US\$m	Total undiscounted cash flows US\$m
<b>2025</b>							
Borrowings	505.7	1,086.6	1,298.8	640.6	907.7	2,744.7	7,184.1
Creditors	1,147.5	1,132.9	35.8	14.1	29.1	109.8	2,469.2
Gross settled derivative financial instruments							
– inflow	213.0	49.5	49.5	49.5	639.3	959.4	1,960.2
– outflow	(279.4)	(50.1)	(50.1)	(50.1)	(636.6)	(958.6)	(2,024.9)
<b>2024</b>							
Borrowings	1,033.9	629.1	951.4	734.1	443.8	3,548.8	7,341.1
Creditors	1,343.6	891.1	38.0	20.4	9.5	44.5	2,347.1
Gross settled derivative financial instruments							
– inflow	670.4	49.5	49.5	49.5	49.5	1,598.5	2,466.9
– outflow	(669.4)	(50.2)	(50.2)	(50.2)	(50.2)	(1,598.9)	(2,469.1)

## 32 Financial Risk Management continued

### Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern whilst seeking to maximise benefits to shareholders and other stakeholders. Capital is equity as shown in the consolidated balance sheet plus net debt.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, purchase Group shares, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the Group's consolidated gearing ratio and consolidated interest cover. The gearing ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings less bank balances (including balances classified as asset held for sale). Interest cover is calculated as underlying plus build-to-sell operating profit and the Group's share of underlying plus build-to-sell operating profit of associates and joint ventures divided by net financing charges including the Group's share of net financing charges within associates and joint ventures. The Group does not have a defined gearing or interest cover benchmark or range.

The ratios at 31 December 2025 and 2024 are as follows:

	2025	2024
Gearing ratio (%)	12	17
Interest cover (times)	4.6	3.6

### Fair value estimation

#### i) Financial instruments that are measured at fair value in the balance sheet based on inputs other than quoted prices in active markets that are observable for the asset or liability, either directly or indirectly (observable current market transactions)

The fair values of derivative financial instruments are determined using rates quoted by the Group's bankers at the balance sheet date. The rates for interest rate swaps are calculated by reference to market interest rates.

	Observable current market transactions	
	2025 US\$m	2024 US\$m
Assets		
Derivative designated at fair value		
– through other comprehensive income	–	0.2
Liabilities		
Derivative designated at fair value		
– through other comprehensive income	(73.2)	(65.8)
– through profit and loss	(65.8)	–
	(139.0)	(65.8)

There were no changes in valuation techniques during the year.

## 32 Financial Risk Management continued

### Fair value estimation continued

#### ii) Financial instruments that are not measured at fair value

The fair values of current debtors, bank balances, current creditors, current borrowings and current lease liabilities are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities.

The fair values of long-term borrowings are based on market prices or are estimated using the expected future payments discounted at market interest rates. The fair values of non-current lease liabilities are estimated using the expected future payments discounted at market interest rates.

### Financial instruments by category

The fair values of financial assets and financial liabilities, together with carrying amounts at 31 December 2025 and 2024 are as follows:

	Fair value of derivatives US\$m	Financial assets at amortised costs US\$m	Other financial liabilities US\$m	Total carrying amount US\$m	Fair value US\$m
<b>2025</b>					
Financial assets not measured at fair value					
Amounts due from associates and joint ventures	–	1,430.6	–	1,430.6	1,430.6
Debtors	–	219.0	–	219.0	219.0
Bank balances	–	2,552.0	–	2,552.0	2,552.0
	–	4,201.6	–	4,201.6	4,201.6
Financial liabilities measured at fair value					
Derivative financial instruments	(139.0)	–	–	(139.0)	(139.0)
Financial liabilities not measured at fair value					
Borrowings	–	–	(6,141.7)	(6,141.7)	(6,074.4)
Creditors	–	–	(2,469.2)	(2,469.2)	(2,469.2)
	–	–	(8,610.9)	(8,610.9)	(8,543.6)
<b>2024</b>					
Financial assets measured at fair value					
Derivative financial instruments	0.2	–	–	0.2	0.2
Financial assets not measured at fair value					
Amounts due from associates and joint ventures	–	1,915.3	–	1,915.3	1,915.3
Debtors	–	235.9	–	235.9	235.9
Bank balances	–	1,073.4	–	1,073.4	1,073.4
	–	3,224.6	–	3,224.6	3,224.6
Financial liabilities measured at fair value					
Derivative financial instruments	(65.8)	–	–	(65.8)	(65.8)
Financial liabilities not measured at fair value					
Borrowings	–	–	(6,165.3)	(6,165.3)	(5,935.6)
Creditors	–	–	(2,347.1)	(2,347.1)	(2,347.1)
	–	–	(8,512.4)	(8,512.4)	(8,282.7)

### 33 Critical Accounting Estimates and Judgements

Estimates and judgements used in preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable according to circumstances and conditions available. The existing and potential impacts arising from climate change have been considered when applying estimates and assumptions in the preparation of the financial statements, including the Group's assessment of impairment of assets and the independent valuers' valuation of the Group's investment properties.

The estimates and assumptions that have a significant effect on the reported amounts of assets and liabilities, and income and expenses are discussed below.

#### Significant areas of estimation uncertainty

##### **Acquisition of subsidiaries, associates and joint ventures**

The initial accounting on the acquisition of subsidiaries, associates and joint ventures involves identifying and determining the fair values to be assigned to the identifiable assets, liabilities and contingent liabilities of the acquired entities. The fair values of tangible assets, right-of-use assets and investment properties are determined by independent valuers by reference to market prices or present value of expected net cash flows from the assets. Any changes in the assumptions used and estimates made in determining the fair values, and management's ability to measure reliably the contingent liabilities of the acquired entity will impact the carrying amount of these assets and liabilities.

On initial acquisition or acquisition of further interests in an entity, an assessment of the level of control or influence exercised by the Group is required. For entities where the Group has a shareholding of less than 50%, an assessment of the Group's level of voting rights, board representation and other indicators of influence is performed to consider whether the Group has de facto control, requiring consolidation of that entity, or significant influence, requiring classification as an associate, or joint control, requiring classification as a joint venture.

##### **Investment properties**

The fair values of investment properties are determined by independent valuers on an open market for existing use basis calculated on the discounted net income allowing for reversionary potential. For investment properties in Hong Kong, Chinese mainland and Singapore, capitalisation rates in the range of 2.90% to 6.00% for office (2024: 2.90% to 3.50%) and 3.50% to 5.00% for retail (2024: 3.50% to 5.00%) are used in the fair value determination.

Consideration has been given to assumptions that are mainly based on market conditions existing at the balance sheet date and appropriate capitalisation rates. These estimates are regularly compared to actual market data and actual transactions entered into by the Group.

The independent valuers have considered climate change, sustainability, resilience and environmental, social and governance (ESG) within their valuations. Properties held by the Group are considered to currently display ESG characteristics that would be expected in the market, and therefore there were no direct and tangible pricing adjustments required to the valuation of investment properties. The Group will monitor these considerations for each reporting period.

##### **Properties for sale**

The Group assesses the carrying amounts of properties for sale held by both subsidiaries and joint ventures according to their estimated net realisable value, taking into account construction costs to complete based on the existing development plans, and an estimation of future selling prices based on properties of comparable locations and conditions. Write-downs are made when events or changes in circumstances indicate that the carrying amounts may not be realised.

Given the significant market volatility in the Chinese mainland property market, the Group considers that selling price is a significant estimate in determining the net realisable value of certain properties for sale.

## 33 Critical Accounting Estimates and Judgements continued

### Significant areas of estimation uncertainty continued

#### **Impairment of assets**

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset or a cash generating unit is determined based on the higher of its fair value less costs to sell and its value-in-use, calculated on the basis of management's assumptions and estimates. Changing the key assumptions, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the value-in-use calculations.

### Significant areas of judgement

#### **Impairment of financial assets**

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the balance sheet date (see Note 13).

#### **Income taxes**

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Provision of deferred tax follows the way management expects to recover or settle the carrying amount of the related assets or liabilities, which the management may expect to recover through use, sale or combination of both. Accordingly, deferred tax will be calculated at income tax rate, capital gains tax rate or combination of both. There is a rebuttable presumption in International Financial Reporting Standards that investment properties measured at fair value are recovered through sale. Thus deferred tax on revaluation of investment properties held by the Group are calculated at the capital gain tax rate.

Recognition of deferred tax assets, which principally relate to tax losses, depends on the management's expectation of future taxable profit that will be available against which the tax losses can be utilised. The outcome of their actual utilisation may be different.

#### **Revenue recognition**

The Group uses the percentage of completion method to account for its contract revenue of certain properties sales. The stage of completion is measured by reference to the contract costs incurred to date compared to the estimated total costs for the contract. Significant assumptions are required to estimate the total contract costs and the recoverable variation works that affect the stage of completion and the contract revenue respectively. In making these estimates, management has relied on past experience and the work of specialists.

#### **Non-trading items**

The Group uses underlying business performance in its internal financial reporting to distinguish between the underlying profits and non-trading items. The identification of non-trading items requires judgement by management, but follows the consistent methodology as set out in the Group's accounting policies.

# Independent Auditor's Report

## To the Members of Hongkong Land Holdings Limited

(incorporated in Bermuda with limited liability)

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

##### What we have audited

The consolidated financial statements of Hongkong Land Holdings Limited (the 'Company') and its subsidiaries (the 'Group'), included within the Annual Report, which comprise:

- the Consolidated Balance Sheet at 31 December 2025;
- the Consolidated Profit and Loss Account for the year then ended;
- the Consolidated Statement of Comprehensive Income for the year then ended;
- the Consolidated Statement of Changes in Equity for the year then ended;
- the Consolidated Cash Flow Statement for the year then ended; and
- the Notes to the Financial Statements, comprising material accounting policy information and other explanatory information.

Certain required disclosures have been presented elsewhere in the Annual Report, rather than in the notes to the consolidated financial statements. These disclosures are cross-referenced from the consolidated financial statements and are identified as audited.

#### Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ('IASB').

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ('ISAs'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ('IESBA Code') as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

#### Our Audit Approach

##### Overview

###### Materiality

- Overall Group materiality: US\$308 million (2024: US\$299 million), based on 1% (2024: 1%) of the net assets.
- Specific Group materiality, applied to balances and transactions not related to investment properties: US\$31 million (2024: US\$26 million), based on 5% adjusted consolidated profit before tax of the Group (2024: 5% of consolidated underlying profit before tax of the Group).

###### Audit scope

- Full scope audits of the complete financial information were performed on 22 entities, including 11 subsidiaries and 11 joint ventures.
- Audits of specific balances and transactions and specified procedures were performed on other subsidiaries, joint ventures and associates.
- These entities, together with procedures performed on centralised functions and at the Group level (on the consolidation and other areas of significant judgement), accounted for 85% of the Group's revenue, 96% of the Group's profit before tax, 97% of the Group's underlying profit before tax and 99% of the Group's net assets.

## Our Audit Approach continued

Key audit matters identified in our audit are summarised as follows:

- Valuation of investment properties held by the Group and its joint ventures; and
- Recoverability of properties for sale held by the Group and its joint ventures.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

## Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the consolidated financial statements as a whole.

Overall group materiality	US\$308 million (2024: US\$299 million).
How we determined it	1% of net assets of the Group (2024: 1% of net assets of the Group)
Rationale for the materiality benchmark applied	A key determinant of the Group's value is investment property. As net assets is the primary measure used by the shareholders in assessing the performance of the Group, we set an overall Group materiality level based on net assets.

We set a specific materiality level of US\$31 million (2024: US\$26 million), which was applied to balances and transactions not related to investment properties. This was based upon 5% of the Group's consolidated profit before tax for the year ended 31 December 2025 and adjusted by certain non-trading items (2024: 5% of the Group's consolidated underlying profit before tax for the year ended 31 December 2024). In arriving at this judgement, we had regard to the fact that adjusted profit before tax is one of the primary financial indicators of the Group.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit in respect of the investment property related items above US\$10 million (2024: US\$10 million) as well as misstatements below this amount that in our view, warranted reporting for qualitative reasons. For all other account balances and transaction, we agreed with the Audit Committee that we would report to them misstatements identified during our audit above US\$1.5 million (2024: US\$1.3 million) as well as misstatements below this amount that in our view, warranted reporting for qualitative reasons.

## Key Audit Matters

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

## Key Audit Matters continued

### Key Audit Matter

### How our audit addressed the Key Audit Matter

#### Valuation of investment properties held by the Group and its joint ventures

Refer to Note 33 (Critical Accounting Estimates and Judgements), Note 11 (Investment Properties) and Note 12 (Associates and joint ventures) to the consolidated financial statements.

The fair value of the Group's investment properties amounted to US\$24,874.2 million at 31 December 2025, with a revaluation gain of US\$514.2 million recognised as a non-trading item in the Consolidated Profit and Loss Account for the year. The Group's property portfolio principally consists of commercial properties. The Group also has significant interest in investment properties held by its joint ventures.

The valuation of the Group's investment property portfolio is inherently subjective due to, among other factors, the individual nature of each property, its location, prevailing market rents and the expected future rentals for that particular property.

The valuations were carried out by third party valuers (the 'valuers'). The valuers were engaged by the management, and performed their work in accordance with the International Valuation Standards. Valuations of the commercial properties were principally derived using the income capitalisation method. There is an inherent estimation uncertainty and judgement involved in determining a property's fair value as the valuers and management make assumptions, in particular in respect of capitalisation rates and prevailing market rents.

The valuation of the under development commercial properties is derived using the residual method. There is an inherent estimation uncertainty and judgement is involved in determining the gross development value, estimated costs to complete and expected developer's profit margin.

We focused on the valuation of investment properties due to the significant judgements and estimates involved in determining the valuations.

We understood management's controls and processes for determining the valuation of investment properties and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and the judgement involved in determining assumptions to be applied.

We assessed the valuers' qualifications and their expertise and read the terms of engagement with the Group to determine whether there were any matters that might have affected their objectivity or may have imposed scope limitations upon their work. We found no evidence to suggest that the objectivity of the valuers in their performance of the valuations was compromised or that their scope was limited in any way.

Our work focused on the highest value properties in the portfolio, in particular the commercial properties located in Hong Kong.

We read a sample of the valuation reports covering the majority of the Group's investment property portfolio to consider whether the valuation methodology used was appropriate in determining the fair value. We performed testing, on a sample basis, of the input data used in the valuations to assess the accuracy of the property information supplied to the valuers by management, which included comparing lease data to tenancy agreements and other supporting documents.

We evaluated certain controls over the valuation process of the Group's investment property portfolio, including the data used in the valuations.

With the support of our valuation experts, we attended meetings with the valuers at which the valuations, methodology, key assumptions used, and climate change risk considerations were discussed. We compared the capitalisation rates used by the valuers with an estimated range of expected rates, determined via reference to published benchmarks and market information. We assessed the year-on-year movements in fair value with reference to publicly available information and rentals with reference to prevailing market conditions. We assessed the capitalisation rates and prevailing market rents used were appropriate against relevant recent transactions.

With the support of our valuation experts, we challenged the external valuers regarding the recent market transactions and expected rental values used in their valuations and the extent to which they took into account the impact of climate change and related risk considerations.

In respect of the valuation of the under development commercial properties, we assessed the appropriateness of certain assumptions adopted in the assessment of the gross development value by comparing them with available market data on capitalisation rates and unit rentals. We compared the developer's profit to the market norm and evaluated the estimated construction costs to complete against approved budgets.

Based on the procedures performed, we found the key assumptions used in the valuations were supportable.

We also assessed the adequacy of the disclosures related to investment properties and related fair value measurements in the context of IFRS Accounting Standards. We are satisfied that appropriate disclosure has been made.

## Key Audit Matters continued

### Key Audit Matter

### How our audit addressed the Key Audit Matter

#### Recoverability of properties for sale held by the Group and its joint ventures

Refer to Note 33 (Critical Accounting Estimates and Judgements), Note 15 (Properties for sale) and Note 12 (Associates and joint ventures) to the consolidated financial statements.

The carrying amount of the Group's properties for sale amounted to US\$1,014.5 million at 31 December 2025. The Group also has significant interest in properties for sale held by its joint ventures.

Management assessed the recoverability of the properties for sale held by the Group and its joint ventures based on estimates of the net realisable values of the underlying properties. The determination of these net realisable values involved making estimates in respect of: the expected selling prices of the properties based on prevailing market conditions, such as current market prices for properties of comparable location and condition; estimated costs necessary to make the sales; and the estimated construction costs required to complete the properties based on existing development plans, where applicable.

Where the estimated net realisable value of the underlying properties were determined to be below the carrying value due to changes in market conditions and/or significant variations in the development plans, write-down provisions were recorded during the year totalling US\$313.6 million attributable to subsidiaries and US\$60.0 million attributable to joint ventures.

We focused on the recoverability of properties for sale due to the significant judgements and estimates involved in determining the estimated net realisable values for certain properties as a result of changes in market conditions.

We understood management's controls and processes for determining the net realisable value of properties for sale and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and the judgement involved in determining assumptions to be applied.

We understood the controls over cost budgeting and monitoring of estimated costs to complete.

We assessed management's consideration of the recoverability of properties for sale, which included assessing the reasonableness of certain assumptions and estimates used.

We compared, on a sample basis, estimated selling prices to the contracted selling prices of the underlying properties, management-approved price lists and/or latest market prices of properties in comparable locations and condition.

We assessed the assumptions made on the estimated costs necessary to make the sales by referencing historical benchmarks and market information.

We assessed the estimated costs to complete the properties by comparing the total costs to the latest approved budget and tested, on a sample basis, the estimated construction costs to committed contracts and other supporting information.

Based on the procedures performed and available evidence, we found the key assumptions applied in determining the net realisable values of the underlying properties to be supportable.

We also assessed the disclosures in Note 1 'Basis of preparation', which relate to properties for sale.

#### How We Tailored Our Group Audit Scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industries in which the Group operates.

The Group's accounting processes are structured around finance functions which are responsible for their own accounting records and controls, which in turn report financial information to the Group's finance function to enable it to prepare consolidated financial statements.

In establishing the overall approach to the Group audit, we determined the type of work that needed to be performed by members of the Group engagement team or by component auditors from member firms within the PwC Network and other auditors operating under our instruction. Where the work was performed by component auditors, we determined the level of involvement necessary for us to have in the audit work at those components to be able to conclude whether sufficient, appropriate audit evidence had been obtained as a basis for our opinion on the financial statements as a whole. The Group engagement team was involved in the significant reporting entities in scope for Group reporting during the audit cycle through a combination of meetings, visits and conference calls. The engagement partner and other senior team members undertook a number of visits to Shanghai and Chengdu during the year to direct and oversee the audit, along with regular communication through conference calls and on site review of the work of component teams in those locations.

Full scope audits of the complete financial information were performed on 22 entities, including 11 subsidiaries and 11 joint ventures. Additionally, audits of specific balances and transactions and specified procedures were performed on other subsidiaries, joint ventures and associates. These entities, together with procedures performed on centralised functions and at the Group level (on the consolidation and other areas of significant judgement), accounted for 85% of the Group's revenue, 96% of the Group's profit before tax, 97% of the Group's underlying profit before tax and 99% of the Group's net assets.

This gave us the evidence we needed for our opinion on the consolidated financial statements as a whole.

## Independent Auditor's Report

### Other Information

The Directors of the Company are responsible for the other information. The other information comprises all of the information included in the Annual Report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Directors and the Audit Committee for the Consolidated Financial Statements

As explained more fully in the Responsibility Statements and the Corporate Governance section in the Annual Report, the Directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee assists the Directors in discharging their responsibilities for overseeing the Group's financial reporting process.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it's not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements** continued

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Use of this Report**

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 90 of the Companies Act 1981 (Bermuda) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, including without limitation under any contractual obligations of the Company, save where expressly agreed by our prior consent in writing.

The engagement partner on the audit resulting in this independent auditor's report is Ng Ka Ho.

## **Other Matter**

The Company is required by the United Kingdom Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these consolidated financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R – 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditor's report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

## **PricewaterhouseCoopers**

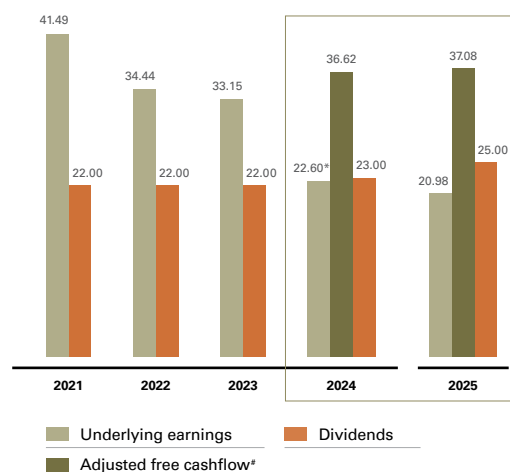
Certified Public Accountants

Hong Kong

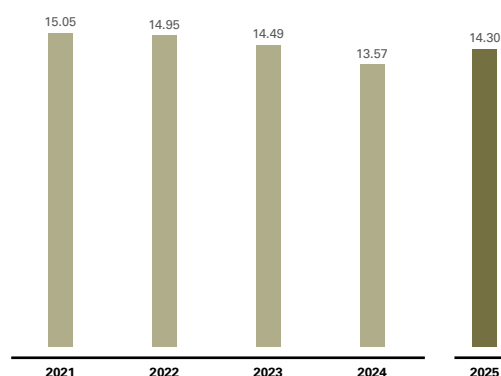
5 March 2026

# Five Year Summary

	2021 US\$m	2022 US\$m	2023 US\$m	2024 US\$m	2025 US\$m
Profit/(loss) attributable to shareholders	(349)	203	(582)	(1,385)	1,263
Underlying profit attributable to shareholders*	966	776	734	499	458
Investment properties	28,600	28,054	26,687	24,760	24,874
Net debt	5,104	5,817	5,371	5,088	3,577
Shareholders' funds	34,584	33,303	31,965	29,940	30,798
	US\$	US\$	US\$	US\$	US\$
Net asset value per share	15.05	14.95	14.49	13.57	14.30



**Underlying Earnings/Adjusted Free Cashflow/Dividends per Share (US¢)**



**Net Asset Value per Share (US\$)**

\* Following the strategic shift in the business direction to wind down the build-to-sell segment, certain operations and assets within this segment have been identified as non-strategic, while others have been reallocated to the Prime Properties Investment segment. Accordingly, the profit and loss of the build-to-sell segment are presented within non-trading items for 2024 and 2025. Underlying profit attributable to shareholders for 2021 to 2023 continued to include the profit and loss from the build-to-sell segment.

# Cash flows from operating activities adjusted to include maintenance capital expenditure and net cash flows from build-to-sell segment associates and joint ventures. The metric excludes net proceeds from capital recycling via disposals.

# Responsibility Statements

The Directors of the Company, whose names and functions are listed in the Directors' Profiles section of the Company's 2025 Annual Report, confirm that, to the best of their knowledge:

- a. the consolidated financial statements prepared in accordance with International Financial Reporting Standards, including International Accounting Standards and Interpretations as issued by the International Accounting Standards Board, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group; and
- b. the Chairman's Statement, Chief Executive's Review, Financial Review and the description of Principal Risks and Uncertainties facing the Group as set out in the Company's 2025 Annual Report, which constitute the management report required by the Disclosure Guidance and Transparency Rule 4.1.8, include a fair review of all information required to be disclosed under Rules 4.1.8 to 4.1.11 of the Disclosure Guidance and Transparency Rules issued by the Financial Conduct Authority in the United Kingdom.

For and on behalf of the Board

**Michael T. Smith**  
**Craig Beattie**

Directors

5 March 2026

# Shareholder Information

## Financial Calendar

2025 full-year results announced	5 March 2026
Shares quoted ex-dividend	19 March 2026
Share registers closed	23 to 27 March 2026
Annual General Meeting to be held	7 May 2026
2025 final dividend payable	13 May 2026
2026 half-year results to be announced	28 July 2026*
Shares quoted ex-dividend	20 August 2026*
Share registers to be closed	24 to 28 August 2026*
2026 interim dividend payable	14 October 2026*

\* Subject to change

## Dividends

Shareholders will receive cash dividends in United States Dollars, except when elections are made for alternate currencies in the following circumstances.

### Shareholders on the Jersey Branch Register

Shareholders registered on the Jersey branch register can elect for their dividends to be paid in Pounds Sterling. These shareholders may make new currency elections for the 2025 final dividend by notifying the United Kingdom transfer agent in writing by 24 April 2026. The Pounds Sterling equivalent of dividends declared in United States Dollars will be calculated based on the exchange rate prevailing on 29 April 2026.

Shareholders holding their shares through CREST in the United Kingdom will receive cash dividends in Pounds Sterling only, as calculated above.

### Shareholders on the Singapore Branch Register who hold their shares through The Central Depository (Pte) Limited (CDP)

#### Shareholders enrolled in CDP's Direct Crediting Service (DCS)

Those shareholders enrolled in CDP's DCS will receive their cash dividends in Singapore Dollars unless they opt out of CDP Currency Conversion Service, through CDP, to receive United States Dollars.

#### Shareholders not enrolled in CDP's DCS

Those shareholders not enrolled in CDP's DCS will receive their cash dividends in United States Dollars unless they elect, through CDP, to receive Singapore Dollars.

## Registrars and Transfer Agent

Shareholders should address all correspondence with regard to their shareholdings or dividends to the appropriate registrar or transfer agent.

### Principal Registrar

Jardine Matheson International Services Limited, P.O. Box HM 1068, Hamilton HM EX, Bermuda

### Jersey Branch Registrar

MUFG Corporate Markets (Jersey) Limited, IFC 5, St Helier, Jersey JE1 1ST, Channel Islands

### Singapore Branch Registrar

Boardroom Corporate & Advisory Services Pte. Ltd., 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632

### United Kingdom Transfer Agent

MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds LS1 4DL, United Kingdom

Press releases and other financial information can be accessed through the internet at [www.hkland.com](http://www.hkland.com).

# Principal Registered Offices

## Hongkong Land Holdings Limited

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Philip A. Barnes

## Hongkong Land Limited

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Tel +852 2842 8428  
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Michael T. Smith

## Hongkong Land (Shanghai) Management Company Limited

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China  
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Eric Chen

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Michelle Ling

# Report of the Valuers

## To Hongkong Land Holdings Limited

Dear Sirs

Revaluation of Investment Properties Held under Freehold and Leasehold

Further to your instructions, we have valued in our capacity as external valuers the investment properties held under freehold and leasehold as described in the consolidated financial statements of Hongkong Land Holdings Limited. We are of the opinion that the market value of the investment properties held under freehold in Cambodia and leasehold in China, Hong Kong and Singapore as at 31 December 2025, totalled US\$24,058,500,000 (United States Dollars Twenty Four Billion Fifty Eight Million Five Hundred Thousand).

Our valuations were prepared in accordance with the International Valuation Standards by the International Valuation Standards Council and The HKIS Valuation Standards by The Hong Kong Institute of Surveyors.

We have inspected the properties without either making structural surveys or testing the services. We have been supplied with details of tenure, tenancies and other relevant information.

In arriving at our opinion, each property was valued individually, on market value basis, calculated on the net income allowing for reversionary potential, however no allowance has been made for expenses of realisation or for taxation which might arise in the event of disposal.

Yours faithfully

**Jones Lang LaSalle Limited**

Hong Kong, 30 January 2026

# Major Property Portfolio

at 31 December 2025

	Attributable interest %	Location	Status	Lettable area of the property (100% basis)			
				Total	Office	Retail	Lodging* and others
				(in thousands of square metres)			
Alexandra House	100	Hong Kong	Completed	34	30	4	–
Chater House	100	Hong Kong	Completed	43	39	4	–
Exchange Square	100			134			
One Exchange Square		Hong Kong	Completed		49	–	–
Two Exchange Square		Hong Kong	Completed		47	–	–
Three Exchange Square		Hong Kong	Completed		30	–	–
Podium		Hong Kong	Completed		–	4	–
The Forum		Hong Kong	Completed		4	–	–
Jardine House	100	Hong Kong	Completed	63	59	4	–
Gloucester Tower	100	Hong Kong	Completed	41	40	1	–
Landmark Atrium	100	Hong Kong	Completed	16	–	16	–
Edinburgh Tower	100	Hong Kong	Completed	44	32	–	12
York House	100	Hong Kong	Completed	10	10	–	–
Prince's Building	100	Hong Kong	Completed	44	35	9	–
ONE CENTRAL MACAU	49	Macau	Completed	44	–	15	29
WF CENTRAL	84	Beijing	Completed	53	–	38	15
CBD Z3 Site	30	Beijing	Under development	126	117	9	–
Chengdu The Ring	100	Chengdu	Completed	101	16	50	35
Chongqing MIXC CENTRAL	50/40	Chongqing	Under development	98	–	98	–
Chongqing The Ring	100	Chongqing	Completed	77	–	77	–
Chongqing The Ring Garden City	50	Chongqing	Completed	78	–	78	–
Chongqing O'Lane	100	Chongqing	Completed	17	–	17	–
Chongqing Landmark Riverside Park	50	Chongqing	Completed	51	–	51	–
Hangzhou The Ring	30	Hangzhou	Under development	94	–	55	39
JLC	50	Nanjing	Completed	129	85	44	–
Nanjing The Ring Garden City	48	Nanjing	Under development	67	–	45	22
Shanghai The Ring Live Galaxy Midtown	27			172			
		Shanghai	Completed		25	31	31
		Shanghai	Under development		83	2	–
Shanghai LCM	50	Shanghai	Completed	96	34	62	–
Westbund CENTRAL	43			1,006			
		Shanghai	Completed		79	10	38
		Shanghai	Under development		571	131	177
Irvine Bay	50	Shanghai	Completed	10	–	–	10
SZ CENTRAL	53/40	Suzhou	Under development	101	–	68	33
One Raffles Link	100	Singapore	Completed	29	22	7	–
One Raffles Quay	33	Singapore	Completed	123	122	1	–
Marina Bay Financial Centre	33			159			
Tower 1		Singapore	Completed		56	3	–
Tower 2		Singapore	Completed		94	6	–
World Trade Centre	50	Jakarta	Completed	208	191	17	–
EXCHANGE SQUARE	100	Phnom Penh	Completed	26	17	9	–
British Embassy Site	49	Bangkok	Under development	194	56	98	40

\* Lodging includes serviced apartment and hotel

Hongkong Land Holdings Limited

Jardine House Hamilton Bermuda

[hkland.com](http://hkland.com)