LAI SUN GARMENT

Lai Sun Garment (International) Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 191)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 JULY 2025

Results Highlights:

- Net loss attributable to owners of the Company was HK$1,675.6 million, decreased from loss of HK$2,167.8 million in the last financial year, mainly attributed to (i) reduction in impairment of property, plant and equipment and right-of-use assets; (ii) decrease in depreciation of property, plant and equipment and right-of-use assets as a result of the impairment losses provided for these assets in previous financial year; (iii) decrease in fair value losses on the investment properties; and (iv) reduction in finance costs of the Group. Such decreased loss was partially offset by the reduction in property sales in Lai Fung Group and contribution from film and TV program segment, as well as the increase in share of losses of joint ventures.

- Investment properties portfolio remained resilient and generated rental income of HK$1,300.6 million with high occupancy rate in Hong Kong and Chinese Mainland against extremely challenging operating environment, down by 4.6% compared to last financial year.

- Recognised sales of properties amounted to HK$885.0 million, down by 42.1% compared to last financial year. The reduction in property sales was due to Lai Fung Group's reduction in property sales since those projects have been completely sold almost, partially offset by the increase in property sales in Hong Kong property, namely The Parkland in Yuen Long.

- Hotel operation generated income of HK$1,243.8 million, up by 4.4% compared to last financial year, underpinned by Caravelle Hotel primarily.

- Segment losses in non-property businesses narrowed materially primarily due to (i) closures and consolidation of non-performing outlets, and (ii) renegotiated leases with landlords.

- Effective cost control measures resulted in administrative expenses decreased by 5.1% compared to last financial year. Other operating expenses also decreased by 39.8% compared to last financial year.

- Finance costs amounted to HK$1,164.8 million, down by 17.0% compared to last financial year, mainly due to the decrease in HIBOR and average borrowings balances, as well as Lai Fung Group's successful refinancing of certain borrowings at lower interest rates. Finance costs before capitalisation amounted to HK$1,488.7 million, down by 20.5%.

- The Group's total capital resources amounted to approximately HK$8,641.2 million, comprising cash and bank balances of approximately HK$4,424.8 million and undrawn bank facilities of approximately HK$4,216.4 million as at 31 July 2025, versus the Group's bank borrowings due within one year of approximately HK$10,886.0 million as at 31 July 2025. Out of the HK$10,886.0 million, HK$10,383.7 million was from LSD Group. Out of this HK$10,383.7 million, LSD Group has successfully refinanced HK$3,060.0 million as part of the HK$3,457.0 million Cheung Sha Wan Plaza syndicated loan completed on 30 September 2025 for 5 years. The Group is in close dialogue with its lending banks on the refinancing of the near-term obligations.

- The Group's total borrowings remained stable at HK$26,359.3 million as at 31 July 2025, compared to HK$26,277.6 million as at 31 July 2024.

- The Group announced its intention to achieve a disposal of HK$8,000 million (including HK$6,000 million at LSD Group (excluding Lai Fung Group) and HK$2,000 million at Lai Fung Group) over the next two years in its interim report for the six months ended 31 January 2025. Apart from projects for sale in the ordinary course of business of approximately HK$2,200 million achieved since the last interim results up to 14 October 2025, the Group has been in advanced negotiations with potential buyers for asset disposals to improve the Group's liquidity. If all these transactions are successfully closed, the Group expects to receive gross proceeds of around HK$4,500 million.

RESULTS

The board of directors (the "**Board**") of Lai Sun Garment (International) Limited (the "**Company**") announces the consolidated results of the Company and its subsidiaries (the "**Group**") for the year ended 31 July 2025 together with the comparative figures of the last year as follows:

Consolidated Income Statement
For the year ended 31 July 2025

	Notes	**2025** **HK$'000**	2024 HK$'000
TURNOVER	*4*	**4,995,768**	6,096,141
Cost of sales		**(3,929,910)**	(4,492,125)
Gross profit		**1,065,858**	1,604,016
Other revenue and gains		**562,160**	480,983
Selling and marketing expenses		**(191,447)**	(279,931)
Administrative expenses		**(797,203)**	(839,684)
Other operating expenses		**(1,026,959)**	(1,706,040)
Fair value losses on investment properties, net		**(508,569)**	(927,888)
LOSS FROM OPERATING ACTIVITIES	*5*	**(896,160)**	(1,668,544)
Finance costs	*6*	**(1,164,778)**	(1,403,086)
Share of profits and losses of associates		**4,991**	11,671
Share of profits and losses of joint ventures		**(1,130,120)**	(796,305)
LOSS BEFORE TAX		**(3,186,067)**	(3,856,264)
Tax	*7*	**(51,790)**	(399,715)
LOSS FOR THE YEAR		**(3,237,857)**	(4,255,979)
Attributable to:			
Owners of the Company		**(1,675,589)**	(2,167,836)
Non-controlling interests		**(1,562,268)**	(2,088,143)
		(3,237,857)	(4,255,979)
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	*9*		
Basic and diluted		**(HK$1.897)**	(HK$2.454)

Consolidated Statement of Comprehensive Income
For the year ended 31 July 2025

	2025	2024
	HK$'000	HK$'000
LOSS FOR THE YEAR	**(3,237,857)**	(4,255,979)
OTHER COMPREHENSIVE INCOME/(EXPENSE)		
Other comprehensive income/(expense) that may be reclassified to profit or loss in subsequent periods:		
Exchange realignments	**243,212**	(229,062)
Share of other comprehensive income/(expense) of associates	**6,215**	(1,459)
Share of other comprehensive income of joint ventures	**1,630**	83
Release of exchange reserve upon disposal of interest in an associate	**–**	535
Release of exchange reserve upon deregistration of subsidiaries	**2,719**	(5,090)
	253,776	(234,993)
Other comprehensive income/(expense) that will not be reclassified to profit or loss in subsequent periods:		
Changes in fair values of financial assets at fair value through other comprehensive income	**(2,203)**	(158,886)
Surplus on revaluation of properties upon reclassification to investment properties	**16,491**	7,218
	14,288	(151,668)
OTHER COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR	**268,064**	(386,661)
TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR	**(2,969,793)**	(4,642,640)
Attributable to:		
Owners of the Company	**(1,562,216)**	(2,329,469)
Non-controlling interests	**(1,407,577)**	(2,313,171)
	(2,969,793)	(4,642,640)

Consolidated Statement of Financial Position

As at 31 July 2025

	Notes	2025 HK$'000	2024 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**5,370,925**	5,636,816
Right-of-use assets		**3,577,655**	3,804,930
Investment properties		**36,683,012**	37,095,818
Film rights		**19,144**	22,092
Film and TV program products		**60,784**	61,431
Music catalogs		**–**	–
Goodwill		**232,961**	219,792
Other intangible assets		**114,340**	108,146
Investments in associates		**466,712**	438,865
Investments in joint ventures		**4,804,796**	6,131,952
Financial assets at fair value through other comprehensive income		**128,412**	119,364
Financial assets at fair value through profit or loss		**788,507**	941,274
Derivative financial instruments		**–**	6,537
Debtors	*10*	**507,744**	489,237
Deposits, prepayments, other receivables and other assets		**160,713**	217,399
Deferred tax assets		**241**	1,945
Pledged and restricted bank balances and time deposits		**119,115**	104,468
Total non-current assets		**53,035,061**	55,400,066
CURRENT ASSETS			
Properties under development		**4,539,771**	4,794,588
Completed properties for sale		**3,396,565**	3,728,569
Films and TV programs under production and film investments		**344,024**	277,468
Inventories		**40,904**	47,131
Financial assets at fair value through profit or loss		**174,822**	70,948
Debtors	*10*	**371,948**	416,567
Deposits, prepayments, other receivables and other assets		**749,922**	1,295,922
Prepaid tax		**67,972**	66,726
Pledged and restricted bank balances and time deposits		**1,279,086**	1,302,755
Cash and cash equivalents		**3,026,571**	2,827,083
		13,991,585	14,827,757
Assets classified as held for sale		**–**	113,744
Total current assets		**13,991,585**	14,941,501
CURRENT LIABILITIES			
Creditors, other payables and accruals	*11*	**2,367,430**	2,484,740
Deposits received, deferred income and contract liabilities	*12*	**545,162**	565,484
Lease liabilities		**214,475**	263,543
Tax payable		**737,641**	706,014
Bank borrowings		**10,886,034**	2,523,016
Other borrowings		**775,973**	34,485
Guaranteed notes		**3,877,188**	–
Derivative financial instruments		**7,707**	–
		19,411,610	6,577,282
Liabilities directly associated with the assets classified as held for sale		**–**	11,499
Total current liabilities		**19,411,610**	6,588,781
NET CURRENT (LIABILITIES)/ASSETS		**(5,420,025)**	8,352,720
TOTAL ASSETS LESS CURRENT LIABILITIES		**47,615,036**	63,752,786

Consolidated Statement of Financial Position (continued)
As at 31 July 2025

	Notes	**2025 HK$'000**	2024 HK$'000
NON-CURRENT LIABILITIES			
Lease liabilities		**524,258**	642,414
Bank borrowings		**10,437,690**	18,730,871
Other borrowings		**–**	757,105
Guaranteed notes		**382,438**	4,232,145
Derivative financial instruments		**17,802**	–
Deferred tax liabilities		**4,010,836**	4,112,822
Other payables and accruals	*11*	**907,350**	899,114
Long-term deposits received	*12*	**229,815**	239,534
Total non-current liabilities		**16,510,189**	29,614,005
		31,104,847	34,138,781
EQUITY			
Equity attributable to owners of the Company			
Share capital		**2,178,944**	2,178,944
Reserves		**12,207,475**	13,782,603
		14,386,419	15,961,547
Non-controlling interests		**16,718,428**	18,177,234
		31,104,847	34,138,781

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The financial information has been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards ("**HKFRSs**"), Hong Kong Accounting Standards ("**HKASs**") and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants and the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) ("**Companies Ordinance**"). It has been prepared under the historical cost convention, except for investment properties, financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss, derivative financial instruments and certain financial assets, which have been measured at fair value. Non-current assets classified as held for sale are stated at the lower of their carrying amounts and fair values less costs to sell. The financial information is presented in Hong Kong dollars ("**HK$**") and all values are rounded to the nearest thousand except when otherwise indicated.

The financial information relating to the years ended 31 July 2025 and 31 July 2024 included in this preliminary announcement of annual results for the year ended 31 July 2025 does not constitute the Company's statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 July 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance and will deliver the financial statements for the year ended 31 July 2025 in due course.

Auditor's reports have been prepared on these financial statements of the Group for both years. The auditor's report for the year ended 31 July 2025 was unqualified; included a reference to a material uncertainty related to going concern to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under section 406(2), 407(2) or (3) of the Companies Ordinance. The auditor's report for the year ended 31 July 2024 was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.

Going Concern Basis

As at 31 July 2025, the Group's current liabilities exceeded its current assets by HK$5,420 million, and the Group had cash and bank balances (including pledged and restricted bank balances and time deposits) of HK$4,306 million under current assets, while total bank and other borrowings and guaranteed notes amounted to HK$26,359 million, of which HK$15,539 million was classified as current liabilities. In addition, the Group incurred a net loss of HK$3,238 million during the year ended 31 July 2025.

In view of the abovementioned circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing resources to continue as a going concern for at least twelve months from 31 July 2025, taking into account the following plans and measures to mitigate the liquidity pressure and to improve its cash flows:

(i) The Group will continue to actively negotiate with its existing lending banks and potential new lending banks on the refinancing of existing bank borrowings at costs acceptable to the Group and in a timely manner such that the banking facilities and bank borrowings will continue to be made available to the Group. In view of the Group's established banking relationships, its history of compliance with financial covenants, and past renewals of banking facilities, the directors of the Company are of the view that the Group should be able to refinance its bank borrowings as and when they fall due. Subsequent to the end of the reporting period, in September 2025, the Group successfully refinanced one of its banking facilities originally maturing in October 2025. The refinanced facilities amounted to HK$3,457 million, with a new repayment schedule extending from 2025 to 2030. Of this amount, only HK$45 million is due within the financial year ending 31 July 2026. The refinanced banking facilities cover approximately HK$3,060 million of the Group's existing secured bank borrowings under current liabilities as at 31 July 2025. The Group has also extended a GBP57 million (equivalent to HK$591 million) bank loan for a term of 6 months to 31 March 2026.

(ii) The Group will continue to closely monitor its compliance with financial covenants associated with its banking facilities and bank borrowings with a view to ensuring ongoing compliance and the continued availability of these facilities.

(iii) As at 31 July 2025, the Group has unutilised banking facilities of HK$3,338 million for the payment of construction costs of its properties development projects. The directors of the Company believe that the Group will be able to fulfill all its payment obligations to the Group's contractors/vendors and meet all of the necessary conditions to launch the pre-sale and complete the remaining construction work for property delivery of the relevant projects.

(iv) The Group has been in active discussions with potential buyers for the realisation of certain assets to enhance liquidity. The Group is currently in advanced discussions with potential buyers regarding the disposals of certain assets. In addition, the Group remains committed to executing its asset disposal plan including identifying potential buyers or seeking other opportunities for the realisation of its property projects with the objective of reducing its debt and lowering finance costs.

(v) The Group will continue to seek for other alternative financing and borrowings at costs acceptance to the Group to finance the settlement of its existing financial obligations and future operating and capital expenditures.

(vi) The Group will accelerate the pre-sales and sales of its properties under development and completed properties.

(vii) The Group will, despite the challenging economic environment, continue to effectively manage its rental and hotel portfolios which could generate a steady and reliable income stream to the Group.

(viii) The Group will continue to implement/contemplate various cost control strategies and resources improvement plans and measures to reduce operating costs and administrative costs and maintain containment of capital expenditure.

In addition, regarding the Group's outstanding other borrowings (principal amounts of HK$391 million and all accrued interests due or to be due) as of 31 July 2025, the Group has obtained legal opinion from an external solicitor that there is unlikely any demand for repayment of other borrowings for the period up to 31 October 2026.

The directors of the Company have reviewed the Group's cash flow projections which cover a period of not less than twelve months from 31 July 2025 and are of the opinion that, in the absence of unforeseeable circumstances, taking into account the successful implementation of the abovementioned plans and measures, the Group will have sufficient working capital to finance its operation and to meet its financial obligations as and when they fall due within the next twelve months from 31 July 2025. Accordingly, the directors of the Company are satisfied that it is appropriate to prepare the consolidated financial statements for the year ended 31 July 2025 on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the following: (a) whether it is able to successfully implement its various plans and measures as described above; and (b) timely availability of funds from the bank borrowings and assets disposal as described above.

Should the Group be unable to achieve the abovementioned plans and measures, adjustments may have to be made to reduce the carrying values of the Group's assets to their recoverable amounts, to provide for further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRS Accounting Standards for the first time for the current year's financial statements.

Amendments to HKFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to HKAS 7 and HKFRS 7	*Supplier Finance Arrangements*

The adoption of the above revised standards has had no significant financial effect on the financial statements.

3. SEGMENT INFORMATION

Segment revenue and results

The following table presents revenue and results for the Group's reportable segments:

	Property development and sales		Property investment		Hotel operation		Restaurant and F&B product sales operations		Media and entertainment		Film and TV program		Cinema operation		Theme park operation		Others		Consolidated	
	2025 HK$'000	2024 HK$'000	2025 HK$'000	2024 HK$'000	2025 HK$'000	2024 HK$'000	2025 HK$'000	2024 HK$'000	2025 HK$'000	2024 HK$'000	2025 HK$'000	2024 HK$'000	2025 HK$'000	2024 HK$'000	2025 HK$'000	2024 HK$'000	2025 HK$'000	2024 HK$'000	2025 HK$'000	2024 HK$'000
Segment revenue:																				
Sales to external customers	885,015	1,529,479	1,300,571	1,363,522	1,243,773	1,191,418	479,146	544,564	287,897	387,082	46,566	340,950	445,145	439,506	7,422	15,065	300,233	284,555	4,995,768	6,096,141
Intersegment sales	–	–	47,513	44,956	809	1,157	3,895	2,850	–	–	21,241	14,697	5,135	4,209	–	–	26,162	28,054	104,755	95,923
Other revenue and gains	73,246	30,098	29,826	28,360	1,049	62	6,861	6,414	14,018	10,841	4,311	1,476	141,603	46,877	408	2,053	89,194	118,912	360,516	245,093
Total	958,261	1,559,577	1,377,910	1,436,838	1,245,631	1,192,637	489,902	553,828	301,915	397,923	72,118	357,123	591,883	490,592	7,830	17,118	415,589	431,521	5,461,039	6,437,157
Elimination of intersegment sales																			(104,755)	(95,923)
Total																			5,356,284	6,341,234
Segment results	(812,408)	(490,759)	751,231	753,765	(124,661)	(117,386)	(90,987)	(238,502)	42,532	35,873	(51,998)	(21,918)	116,362	(356,069)	(58,950)	(126,165)	73,371	111,975	(155,508)	(449,186)
Unallocated other revenue and gains																			201,644	235,890
Fair value losses on investment properties, net	–	–	(508,569)	(927,888)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	(508,569)	(927,888)
Unallocated expenses																			(433,727)	(527,360)
Loss from operating activities																			(896,160)	(1,668,544)
Finance costs																			(1,164,778)	(1,403,086)
Share of profits and losses of associates	256	76	(2,974)	(353)	(812)	(647)	5,562	10,304	–	–	–	–	–	–	–	–	4,366	3,452	6,398	12,832
Share of profits and losses of associates – unallocated																			(1,407)	(1,161)
Share of profits and losses of joint ventures	(398,145)	(469,036)	(700,229)	(267,538)	(12,721)	(16,678)	(8,113)	–	1,854	229	–	(69)	(8,262)	(44,686)	–	–	(4,504)	1,473	(1,130,120)	(796,305)
Loss before tax																			(3,186,067)	(3,856,264)
Tax																			(51,790)	(399,715)
Loss for the year																			(3,237,857)	(4,255,979)

3. SEGMENT INFORMATION (continued)

Segment assets and liabilities

The following table presents the total assets and liabilities for the Group's reportable segments:

	Property development and sales		Property investment		Hotel operation		Restaurant and F&B product sales operations		Media and entertainment		Film and TV program		Cinema operation		Theme park operation		Others		Consolidated	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Segment assets	**8,631,057**	9,614,538	**37,185,197**	37,730,362	**7,796,037**	8,093,670	**405,959**	523,999	**190,465**	213,613	**708,360**	755,494	**389,067**	606,155	**726,258**	739,312	**1,044,142**	990,089	**57,076,542**	59,267,232
Investments in associates	**1,597**	2,534	**70,077**	73,483	**181,236**	162,617	**16,116**	14,012	**–**	–	**–**	–	**–**	–	**–**	–	**13,227**	8,791	**282,253**	261,437
Investments in associates – unallocated																			**184,459**	177,428
Investments in joint ventures	**901,337**	1,523,511	**3,544,121**	4,276,672	**53,544**	56,910	**19,289**	16,652	**37,094**	22,458	**–**	37	**22,060**	26,862	**–**	–	**227,351**	208,850	**4,804,796**	6,131,952
Unallocated assets																			**4,678,596**	4,389,774
Assets classified as held for sale																			**–**	113,744
Total assets																			**67,026,646**	70,341,567
Segment liabilities	**489,324**	462,168	**622,953**	785,929	**274,471**	298,160	**242,983**	204,619	**111,342**	117,555	**438,034**	442,975	**652,325**	886,195	**19,940**	32,049	**528,614**	474,542	**3,379,986**	3,704,192
Bank borrowings																			**21,323,724**	21,253,887
Guaranteed notes																			**4,259,626**	4,232,145
Other borrowings																			**775,973**	791,590
Unallocated liabilities																			**6,182,490**	6,209,473
Liabilities directly associated with the assets classified as held for sale																			**–**	11,499
Total liabilities																			**35,921,799**	36,202,786

3. SEGMENT INFORMATION (continued)

Other segment information

The following table presents the other segment information for the Group's reportable segments:

	Property development and sales		Property investment		Hotel operation		Restaurant and F&B product sales operations		Media and entertainment		Film and TV program		Cinema operation		Theme park operation		Others		Consolidated	
	2025 HK$'000	2024 HK$'000	2025 HK$'000	2024 HK$'000	2025 HK$'000	2024 HK$'000	2025 HK$'000	2024 HK$'000	2025 HK$'000	2024 HK$'000	2025 HK$'000	2024 HK$'000	2025 HK$'000	2024 HK$'000	2025 HK$'000	2024 HK$'000	2025 HK$'000	2024 HK$'000	2025 HK$'000	2024 HK$'000
Depreciation of property, plant and equipment	472	548	4,579	13,853	223,944	228,122	14,433	31,357	194	323	3	6	17,272	45,752	16,896	23,961	9,375	5,751	287,168	349,673
Depreciation of property, plant and equipment — unallocated																			19,288	15,295
																			306,456	364,968
Depreciation of right-of-use assets	–	–	1,352	1,454	150,562	150,514	33,768	58,525	406	128	873	978	54,596	112,749	1,859	5,149	13,056	13,023	256,472	342,520
Depreciation of right-of-use assets — unallocated																			24,489	28,347
																			280,961	370,867
Impairment of property, plant and equipment	–	–	–	–	–	–	14,462	62,146	1,031	318	12	48	–	87,179	–	76,180	4,375	386	19,880	226,257
Reversal of impairment of property, plant and equipment	–	–	–	–	–	–	–	–	–	–	–	–	(19,155)	–	–	–	–	–	(19,155)	–
Impairment of right-of-use assets	–	–	–	–	–	–	28,142	44,102	1,260	–	2,199	2,700	–	190,551	–	–	519	1,355	32,120	238,708
Reversal of impairment of right-of-use assets	–	–	–	–	–	–	–	–	–	–	–	–	(25,364)	–	–	–	–	–	(25,364)	–
Amortisation of film rights	–	–	–	–	–	–	–	–	–	–	2,948	2,274	–	–	–	–	–	–	2,948	2,274
Amortisation of film and TV program products	–	–	–	–	–	–	–	–	–	–	5,553	68,522	–	–	–	–	–	–	5,553	68,522
Impairment of films and TV programs under production	–	–	–	–	–	–	–	–	–	–	27,785	9,956	–	–	–	–	–	–	27,785	9,956
Write-down of properties under development to net realisable value	528,000	430,600	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	528,000	430,600
Write-down of completed properties for sale to net realisable value	226,205	182,137	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	226,205	182,137
Impairment of debtors, net	–	–	(281)	161	–	–	3,142	1,032	234	(163)	(220)	142	–	–	–	–	–	–	2,875	1,172
Impairment of advances and other receivables	–	–	–	–	–	–	–	1,841	4,896	10,284	1,980	5,621	4,379	–	–	–	–	–	11,255	17,746
Impairment of advances and other receivables — unallocated																			1,549	–
																			12,804	17,746
Derecognition loss on rental receivables	–	–	148	828	–	–	–	–	–	–	–	–	–	–	–	–	–	–	148	828
Capital expenditure, net	634	168	48,539	(85,972)	15,373	18,020	100,544	106,871	3,303	449	1,716	58	237	74,840	5,185	2,540	40,212	7,510	215,743	124,484
Capital expenditure — unallocated																			41,449	4,623
																			257,192	129,107

3. SEGMENT INFORMATION (continued)

Geographical information

The following table presents revenue and assets by geographical location of the assets:

	Hong Kong		Chinese Mainland and Macau		United Kingdom		Vietnam		Others		Consolidated	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Segment revenue												
Sales to external customers	**2,609,259**	2,649,547	**1,498,086**	2,589,497	**39,218**	78,655	**551,232**	484,189	**297,973**	294,253	**4,995,768**	6,096,141
Other revenue	**267,597**	200,223	**89,137**	41,487	**1,112**	1,163	**12**	12	**2,658**	2,208	**360,516**	245,093
Total	**2,876,856**	2,849,770	**1,587,223**	2,630,984	**40,330**	79,818	**551,244**	484,201	**300,631**	296,461	**5,356,284**	6,341,234
Segment assets												
Non-current assets	**19,206,921**	19,936,950	**23,920,947**	24,238,252	**2,508,695**	2,672,705	**399,962**	425,450	**389,801**	353,337	**46,426,326**	47,626,694
Current assets	**5,213,193**	6,276,701	**4,638,788**	4,626,382	**58,619**	48,562	**221,342**	205,190	**518,274**	483,703	**10,650,216**	11,640,538
Total	**24,420,114**	26,213,651	**28,559,735**	28,864,634	**2,567,314**	2,721,267	**621,304**	630,640	**908,075**	837,040	**57,076,542**	59,267,232

Information about major customers

For both the years ended 31 July 2025 and 31 July 2024, there was no revenue derived from a single customer which contributed more than 10% of the Group's revenue for the respective years.

4. TURNOVER

An analysis of turnover is as follows:

	2025 **HK$'000**	2024 HK$'000
Turnover from contracts with customers:		
Sale of properties	**885,015**	1,529,479
Building management fee income	**264,148**	251,079
Income from hotel operation	**1,243,773**	1,191,418
Income from restaurant and F&B product sales operations	**479,146**	544,564
Distribution commission income, licence income from and sale of film and TV program products and film rights	**41,411**	334,023
Box-office takings, concessionary income and related income from cinemas	**445,145**	439,506
Entertainment event income	**182,259**	255,119
Sale of game products	**36,273**	55,593
Album sales, licence income and distribution commission income from music publishing and licensing	**60,355**	59,346
Artiste management fee income	**9,010**	17,024
Advertising income	**5,155**	6,927
Income from theme park operation	**7,422**	15,065
Others	**300,233**	284,555
	3,959,345	4,983,698
Turnover from other source:		
Rental income	**1,036,423**	1,112,443
Total turnover	**4,995,768**	6,096,141
Timing of recognition of turnover from contracts with customers:		
At a point in time	**3,102,863**	4,115,611
Over time	**856,482**	868,087
	3,959,345	4,983,698

5. LOSS FROM OPERATING ACTIVITIES

The Group's loss from operating activities is arrived at after charging/(crediting):

	2025 HK$'000	2024 HK$'000
Depreciation of property, plant and equipment^	**306,456**	364,968
Depreciation of right-of-use assets^	**280,961**	370,867
Impairment of property, plant and equipment*	**19,880**	226,257
Reversal of impairment of property, plant and equipment@	**(19,155)**	–
Impairment of right-of-use assets*	**32,120**	238,708
Reversal of impairment of right-of-use assets@	**(25,364)**	–
Amortisation of film rights#	**2,948**	2,274
Amortisation of film and TV program products#	**5,553**	68,522
Impairment of films and TV programs under production#	**27,785**	9,956
Fair value change from film investments*	**1,258**	2,568
Write-down of properties under development to net realisable value#	**528,000**	430,600
Write down of completed properties for sale to net realisable value#	**226,205**	182,137
Impairment of debtors, net*	**2,875**	1,172
Impairment of advances and other receivables*	**12,804**	17,746
Fair value losses/(gains) on cross currency swaps	**14,244***	(6,537)@
Fair value losses on interest rate swaps*	**17,802**	–
Fair value losses on financial assets at fair value through profit or loss, net*	**470**	75,752
Foreign exchange differences, net*	**27,034**	47,202
Gain on disposal of a subsidiary@	**(111,063)**	–

These items are included in "cost of sales" on the face of the consolidated income statement.

@ These items are included in "other revenue and gains" on the face of the consolidated income statement.

* These items are included in "other operating expenses" on the face of the consolidated income statement.

^ Depreciation charges of approximately HK$529,841,000 (2024: HK$665,553,000) are included in "other operating expenses" on the face of the consolidated income statement.

6. FINANCE COSTS

	2025 **HK$'000**	2024 HK$'000
Interest on bank borrowings	**1,113,860**	1,461,999
Interest on guaranteed notes	**201,551**	221,188
Interest on other borrowings	**26,425**	19,979
Interest on lease liabilities	**40,170**	42,200
Bank financing charges	**102,184**	121,782
Interest on put option liabilities	**4,466**	4,474
	1,488,656	1,871,622
Less: Amount capitalised in construction in progress	**(4,209)**	(6,915)
Amount capitalised in properties under development	**(293,097)**	(434,273)
Amount capitalised in investment properties under construction	**(26,572)**	(27,348)
	1,164,778	1,403,086

7. TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 (2024: HK$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%).

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the places in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	2025 **HK$'000**	2024 HK$'000
Current tax		
— Hong Kong		
Charge for the year	**24,360**	24,611
Overprovision in prior years	**(87)**	(4,527)
	24,273	20,084
— Chinese Mainland		
Corporate income tax	**38,230**	153,029
Land appreciation tax	**80,715**	225,244
	118,945	378,273
— Elsewhere		
Charge for the year	**31,302**	29,081
Underprovision/(overprovision) in prior years	**395**	(3,597)
	31,697	25,484
	174,915	423,841
Deferred tax	**(123,125)**	(24,126)
Tax charge for the year	**51,790**	399,715

8. DIVIDEND

No final dividend was declared for the years ended 31 July 2025 and 2024.

9. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic loss per share amount was based on the loss for the year attributable to owners of the Company of HK$1,675,589,000 (2024: HK$2,167,836,000), and the weighted average number of ordinary shares of 883,374,000 (2024: 883,374,000) outstanding during the year.

No adjustment has been made to the basic loss per share amounts presented for the years ended 31 July 2025 and 2024 in respect of a dilution relating to share options as the impact of the share options of the Company, Lai Sun Development Company Limited, eSun Holdings Limited ("**eSun**") and Lai Fung Holdings Limited had an anti-dilutive effect on the basic loss per share amounts presented.

10. DEBTORS

The Group (other than eSun and its subsidiaries (the "**eSun Group**")) maintains various credit policies for different business operations in accordance with business practices and market conditions in which the respective subsidiaries operate. Sales proceeds receivable from the sale of properties are settled in accordance with the terms of the respective contracts. Rent and related charges in respect of the leasing of properties are receivable from tenants, and are normally payable in advance with rental deposits received in accordance with the terms of the tenancy agreements. Hotel and restaurant charges are mainly settled by customers on a cash basis except for those corporate clients who maintain credit accounts with the respective subsidiaries, the settlement of which is in accordance with the respective agreements. The Group's trade receivables related to a large number of diversified customers and there is no significant concentration of credit risk. Trade receivables of the Group are non-interest-bearing. The Group's finance lease receivables related to a creditworthy third party.

The trading terms of the eSun Group with its customers are mainly on credit. Invoices are normally payable within 30 to 90 days of issuance, except for certain well-established customers, where the terms are extended to 120 days. Each customer has a maximum credit limit. The eSun Group seeks to maintain strict control over its outstanding receivables and has a credit control policy to minimise its credit risk. Overdue balances are regularly reviewed by senior management. Since the eSun Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed by customer/counterparty, by geographical region and by industry sector. There are no significant concentrations of credit risk within the eSun Group as the customer bases of the eSun Group's trade receivables are widely dispersed in different sectors and industries. The eSun Group's trade receivables are non-interest-bearing.

Other than rental deposits received, the Group did not hold any collateral or other credit enhancements over these balances.

An ageing analysis of the debtors, net of loss allowance, based on the payment due date, as at the end of the reporting period, is as follows:

	2025 **HK$'000**	2024 HK$'000
Trade receivables:		
Not yet due or less than 30 days past due	**269,526**	321,468
31 — 60 days past due	**15,707**	20,756
61 — 90 days past due	**22,956**	8,545
Over 90 days past due	**57,863**	62,283
	366,052	413,052
Finance lease receivables, not yet due	**513,640**	492,752
	879,692	905,804
Less: Portion classified as current	**(371,948)**	(416,567)
Non-current portion	**507,744**	489,237

11. CREDITORS, OTHER PAYABLES AND ACCRUALS

An ageing analysis of the creditors, based on the date of receipt of the goods and services purchased/ payment due date, as at the end of the reporting period, is as follows:

	2025	2024
	HK$'000	HK$'000
Creditors:		
Not yet due or less than 30 days past due	**243,925**	217,298
31 — 60 days past due	**34,577**	21,825
61 — 90 days past due	**7,823**	9,629
Over 90 days past due	**59,736**	37,525
	346,061	286,277
Other payables and accruals	**2,029,660**	1,993,534
Put option liabilities	**899,059**	1,104,043
	3,274,780	3,383,854
Less: Portion classified as current	**(2,367,430)**	(2,484,740)
Non-current portion	**907,350**	899,114

12. DEPOSITS RECEIVED, DEFERRED INCOME AND CONTRACT LIABILITIES

An analysis of the deposits received, deferred income and contract liabilities is as follows:

	2025	2024
	HK$'000	HK$'000
Deposits received and deferred income	**552,193**	567,126
Contract liabilities	**222,784**	237,892
	774,977	805,018
Less: Portion classified as current	**(545,162)**	(565,484)
Non-current portion	**229,815**	239,534

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 July 2025 (2024: Nil).

No interim dividend was declared during the year (2024: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

The global economic outlook remains volatile, challenged by trade policy uncertainties, ongoing geopolitical tensions, and persistent inflationary pressures. The International Monetary Fund projects global growth at 3.0% for 2025, noting a "tenuous resilience" amid these persistent downside risks. These factors contribute to market instability and dampen business and consumer sentiment. In September 2025, the U.S. Federal Reserve implemented its first interest rate cut of the year, reducing the federal funds rate to a target range of 4.0% to 4.25%. This action aims to support economic growth amid a softening labour market, despite inflation remaining above target. This shift aligns with the anticipated interest rate reduction cycle and supports a more attractive mortgage lending environment, as reflected in the lower Hong Kong Interbank Offered Rate ("**HIBOR**"), encouraging both homebuyers and investors to re-enter the market. Although global GDP growth showed modest resilience in the first half of 2025, a slowdown is anticipated in the second half due to elevated trade barriers and persistent uncertainty, which continue to weigh on economic prospects.

In the face of this complexity and constant change, resilience has become the Group's solid foundation and tenacity as the fuel to sail through turbulent times ahead.

Hong Kong Property Market

During the year under review, the business landscape in Hong Kong continued to face significant headwinds. The retail sector encountered continuous challenges precipitated by a marked shift in consumer behaviours. These include a growing preference for northbound shopping and constrained domestic consumption. Although tourist arrivals increased in the first half of 2025 compared to the same period in 2024, both residents and visitors restrained from high-value expenditures. A notable preference has emerged for the Greater Bay Area ("**GBA**") in the Chinese Mainland over Hong Kong for leisure and shopping, driven by its more affordable options.

In response to these challenges, the Hong Kong Government has introduced various initiatives, including the successful hosting of multiple large-scale mega events in the first half of 2025, aimed at attracting tourists and boosting local consumption to increase market confidence. Additionally, recent concerts at the newly opened Kai Tak Sports Park are anticipated to draw hundreds of thousands of visitors, resulting in substantial spending and economic value added to the city.

The residential property market in Hong Kong has yet to witness a robust recovery throughout the financial year, despite signs of stabilisation and a resurgence in new residential unit sales. Challenges such as an oversupply of private housing, evident from a notable surplus of unsold units, along with persistently high interest rates and global economic uncertainties have dampened investor confidence. Despite the government's proactive measures, such as the early 2024 removal of property cooling measures and the October 2024 relaxation of the mortgage loan-to-value ratio, the recovery has remained fragile, reflected in improved sales volumes alongside persistent pressure on pricing levels in both the residential and commercial sectors.

Nonetheless, the introduction of various talent admission programs, notably the Top Talent Pass Scheme and the Quality Migrant Admission Scheme, has attracted a significant influx of skilled professionals and their families to Hong Kong. These newcomers have injected essential demand into the housing market, supporting both the home purchase sector, where high-caliber talents seek quality residences, and the residential rental market, where many newcomers opt for leasing initially. Initiatives such as the New Capital Investment Entrant Scheme and expanded university quotas for non-local students are anticipated to further boost housing demand. These measures, coupled with a gradual decline in the HIBOR, which reduces borrowing costs, and an improving stock market, are fostering positive momentum and are expected to underpin a sustained recovery in the property market in the second half of 2025.

The office and retail leasing sector in Hong Kong continues to grapple with challenges arising from a persistent slowdown in demand and an oversupply of office spaces. The citywide office vacancy rate stood at 17.4% in the second quarter of 2025, illustrating the competitive and oversupplied market conditions. Ongoing economic uncertainty, coupled with the hybrid work model, has considerably dampened the demand for office rentals. Consequently, businesses are exhibiting heightened caution and are hesitant to expand their business operations and investments. This cautious approach has led to downward pressure on rents and property values across all real estate segments. Although the office and retail leasing markets are expected to remain competitive in the near term, particularly concerning rental prices, the medium to longer term outlook looks stabilising. The Group has been securing renewals from existing tenants proactively while diversifying the tenants mix to maintain high occupancy rates of the properties. Consequently, the Group has successfully maintained occupancy levels averaging 90% or above in both its office and retail leasing businesses in Hong Kong against an overcast backdrop.

Notably, despite the challenges in the residential property market mentioned above, and the buyers remaining cautious and price sensitive, Lai Sun Development Company Limited ("**LSD**") and its subsidiaries (together, "**LSD Group**") has managed to capture sales opportunities and achieved some good results for our Bal Residence project and The Parkland project. Moreover, presales of LSD Group's joint venture project, namely "Deep Water Pavilia" (formerly named as Wong Chuk Hang Station Package Five Property Development) in The Southside, commenced in June 2025 have garnered strong market interest. Over 650 units out of total 825 units have been presold as of the latest update. This robust performance reflects the improving market confidence and reaffirms the continuing demand for well-positioned, high-quality residential developments, amidst a challenging operating landscape. LSD Group will continue to monitor the market closely and assess the optimal time and pricing for launches of future projects.

Bal Residence has a total saleable area of approximately 62,148 square feet, including 7,506 square feet of commercial facilities and 54,642 square feet of residential spaces, offering 156 residential units. Up to 14 October 2025, LSD Group has sold 154 residential units in Bal Residence with saleable area of approximately 53,056 square feet at an average selling price of approximately HK$15,149 per square foot. Total proceeds for this sold residential units are estimated to be HK$803.8 million. During the year under review, 65 residential units were sold, amounting to HK$333.9 million, with 53 units totaling HK$270.5 million recognised in revenue during this financial year. Since 1 August 2025 to 14 October 2025, a further 28 units have been sold.

The Parkland has a total saleable area of approximately 36,720 square feet, offering 112 residential units. All residential units have been completely sold and substantially recognised in revenue during the year under review. Total proceeds are estimated to be HK$346.8 million, of which HK$322.7 million is recognised in revenue during this financial year.

Construction works of the residential project at Deep Water Pavilia is in progress and is expected to be completed in the first quarter of 2026. It has a total gross floor area ("**GFA**") of approximately 636,200 square feet and is expected to deliver two residential towers, offering 825 residential units. Superstructure works of the 79 Broadcast Drive project in Kowloon Tong is in progress and the construction is expected to be completed in the first half of 2026. It will be developed into a high-quality luxury residential property with the maximum permissible GFA of approximately 71,600 square feet, offering around 46 medium-large sized units, including 2 houses. LSD Group also acquired the 1 Kotewall Road project in Mid-Levels, Hong Kong Island and the transaction was completed with vacant possession in March 2022. LSD Group plans to redevelop the site into a luxury residential project with a total GFA of approximately 55,200 square feet, offering around 27 medium-large sized residential units. Excavation, lateral support and foundation works are in progress and the construction is expected to be completed in the first quarter of 2028. The project design work of the residential project, namely 116 Waterloo Road project, is in progress and is expected to be completed in the third quarter of 2028. LSD Group intends to redevelop the 116 Waterloo Road project, which was acquired in September 2021 with vacant possession in March 2022, into a residential project offering around 85 residential units with total GFA of approximately 46,600 square feet.

Chinese Mainland Property Market

The Chinese Mainland's economy demonstrated steady growth in the first half of 2025, with GDP expanding by 5.3% year-on-year, surpassing official targets. This performance underscores the economy's recovery momentum within a challenging global environment.

Supportive policy measures rolled out since late 2024 - including reduced mortgage rates, lower down payment ratios, and eased purchasing restrictions - have stimulated the residential market. These measures had led to further signs of stabilisation. The decline in home prices continued to narrow, with the trend particularly evident in first-tier cities. While new home prices in Beijing, Guangzhou, and Shenzhen were still down year-on-year, the pace of decline had slowed significantly. Notably, Shanghai's new home prices recorded a year-on-year increase, indicating a positive market trend. It is anticipated that the Central Government will maintain its commitment to stabilising the property sector and fostering sustainable long-term economic growth.

While Lai Fung Holdings Limited ("**Lai Fung**") and its subsidiaries (together, "**Lai Fung Group**") remains cautious about the long-term business outlook in Chinese Mainland, Lai Fung Group hold confidence in the future prospects of the cities where we operate, especially within the dynamic GBA.

Lai Fung Group has adopted a regional focus and rental-led strategy. The rental portfolio, comprising approximately 5.9 million square feet in Shanghai, Guangzhou, Zhongshan, and Hengqin, remained broadly stable in terms of rental income amid a challenging environment. The Chinese Mainland's prime office rental market faces headwinds, with first-tier cities experiencing sluggish demand due to widespread corporate cost-cutting and a scaling back of multinational company operations. Consequently, vacancy rates have risen across the board.

In response, landlords increasingly rely on tenant incentives and flexible lease structures to maintain occupancy. Lai Fung Group has proactively secured renewals from existing tenants early while developing a new lead to retain high occupancy rates. Furthermore, the two more recently completed Grade A office towers - Shanghai Skyline Tower and Guangzhou Lai Fung International Center - have been ramping up steadily and delivered additional income compared to the last financial year. The existing rental portfolio has been managed effectively despite the challenging economic conditions.

Lai Fung Group's Hengqin Novotown project has successfully established as a dual-core development focusing on "Cross-border E-commerce Industry and Ecosystem" and "Cultural Tourism, Exhibition, and Commerce Trade Industry". These include industries such as cross-border e-commerce, new technology, wellness and health, theme parks, Harrow LiDe School Hengqin, Hyatt Regency Hengqin, shopping mall, multi-functional venues and have been operating seamlessly with cross-border transportation and other facilities.

Phase I of the Novotown project ("**Novotown Phase I**") in Hengqin, the "Hengqin-Macao Cross-border E-Commerce Industrial Park (Novotown)", is enjoying the critical mass afforded by over 420 enterprises working and living there. Our tenants are operating in some of the most exciting and fastest growing segments:

- "Cross-border E-commerce and Internet" represented by entities such as YTO Express GBA Headquarters, inkeverse, TOPTOY, MINISO, TYMO, Baidu Netdisk, 360, Be Friends Holdings, Find Macau, KEIZER and Anjun Logistics;

- "High-End Technology Production" represented by Lingyange, Bambu Lab, Amicro, Li Auto, Xwan Test, and several renowned chip design and development companies;

- "Wellness and Health" represented by UNITED LIFE SCIENCE; and

- "Cross-border Financial Services and Innovation" represented by Industrial and Commercial Bank of China Limited ("**ICBC**"), Juzishuke and QFIN.

Hengqin's "Four New Industries" (Technology research and development and High-End Manufacturing, Traditional Chinese Medicine and other Macao-branded Industries, Cultural Tourism, Exhibition, and Commerce Trade, and Modern Finance) converge and collide here, establishing Novotown as a new economic growth engine driving the high-quality, integrated development of Hengqin and Macao.

Notably, one of the key tenants being a leading domestic enterprise which has leased six floors of office space in Novotown Phase I to establish its global cross-border e-commerce headquarters. The enterprise currently employs 1,500 staff. It is expected to expand to over 3,000 employees when fully occupied, thereby creating a nucleus for its ecosystem to locate in Novotown. As at the date of this results announcement, approximately 96% of the office units have been leased with approximately 2,800 people working there. Lai Fung Group also leased the remaining unsold cultural studio units in Novotown Phase I for employees of the office tenants. This innovative operational model not only effectively boosts foot traffic in the commercial area, but also optimises and upgrades the business structure through attracting targeted enterprises.

As at the date of this results announcement, leasing of the commercial area of Novotown Phase I is underway with approximately 85% being leased and key tenants include "National Geographic Ultimate Explorer Hengqin", Heytea, Luckin Coffee, McDonald's, Pokiddo Trampoline Park, Kun Peng Go-Kart Sports Centre, Kun Peng Digital Sports Hall, Snow Alarm, Oyster King, Vanguard Life Superstore and UNITED LIFE SCIENCE. ICBC demonstrated its confidence in the project by purchasing of two retail units in Novotown Phase I from Lai Fung Group in August 2024. Furthermore, four additional retail units in Novotown Phase I were sold to independent third parties in December 2024, February 2025, July 2025 and September 2025.

Phase II of the Novotown project ("**Novotown Phase II**") in Hengqin is making major progress, particularly on its rental accommodation towers. Lai Fung Group received approval from the local government to develop towers four to eleven in Novotown Phase II as accommodation for rental purpose, becoming the first project certified as rental accommodation towers in Hengqin. This initiative is designed to meet the growing rental accommodation demand from the commercial ecosystem of Hengqin, and provide supporting facilities for them. Tower two, designated for office use, is expected to accommodate more cross-border e-commerce tenants. Construction work for tower one, designated for serviced apartment use, was completed in late July 2025.

Lai Fung Group stated its intention to dispose assets amounting to approximately HK$2,000 million over the next two years in the last interim results. The sale of remaining residential units, retail shops and car parking spaces of Zhongshan Palm Spring, as well as the cultural studios and cultural workshop units of Hengqin Novotown Phase I are progressing. Apart from projects for sale in the ordinary course of business of approximately HK$200 million achieved since the last interim results up to 14 October 2025, Lai Fung Group is in advanced discussion with a potential buyer for certain accommodation towers of Novotown Phase II. These will contribute towards the stated disposal targets and Lai Fung Group will continue to seek out appropriate assets for disposal to improve its financial position.

Cinema Operation/Media and Entertainment/Film Production and Distribution

The Hong Kong box office is navigating a complex landscape. The challenges encompass a significant shift in consumer habits, driven by the rise of streaming platforms and other digital entertainment, which has led to declining cinema attendance affecting theatre revenues. Moreover, the industry still contends with high rental and operational costs, and a lack of local and foreign blockbusters titles affects the theatre attendance. Although the record-breaking success of two local productions in 2024, "*The Last Dance*" and "*Twilight of the Warriors: Walled In*" - the highest-grossing domestic films ever - provided a much-needed stimulus, these challenging conditions persist and continue to impact the performance of cinema operations in Hong Kong.

Amidst the prevailing market conditions and economic uncertainties, a notable number of cinemas ceased operations in Hong Kong during the financial year, including eSun Holdings Limited ("**eSun**") and its subsidiaries (together, "**eSun Group**")'s MCL Cinemas Plus+ Plaza Hollywood and Grand Kornhill Cinema. In response, the Hong Kong government has introduced supportive initiatives such as "Cinema Day" and the "1st October Movie Fiesta" to boost box-office receipts, alongside the Film Development Fund, which aims to enhance the quality and quantity of local productions. eSun Group has consolidated its resources and leverage its brand to strengthen its competencies for cinema operation. Despite the challenging environment, eSun Group managed to achieve a slight revenue increase in its cinema operation with relatively good attendance, and remains committed to closely monitoring market conditions and improving overall operating efficiency. eSun Group will actively engage in cost optimisation measures and adopt a prudent approach in evaluating future opportunities for cinema operation.

Media Asia Group Holdings Limited (an indirect wholly-owned subsidiary of eSun), being the media and entertainment arm of eSun Group, will continue to produce high-quality and commercially viable products. Our recent releases, the crime thriller "*Octopus with Broken Arms*" and the mystery-comedy "*Detective Chinatown 1900*", both produced by Chen Sicheng, one of the Chinese Mainland's most consistently successful writers-directors-producers, have achieved commendable box office performance and critical acclaim. eSun Group will continue to be prudent in investing in original productions of quality films.

eSun Group continues to produce quality TV drama series in response to the ongoing strong demand for quality programs from TV stations and online video platforms in the Chinese Mainland. eSun Group is in discussion with various Chinese partners for new project development in TV drama production. It is expected that a new TV drama to be released around early 2026.

The distribution licence for music products with Tencent Music Entertainment (Shenzhen) Co., Ltd. and Warner Music continues to provide stable income to eSun Group. Recent concerts, including "*You & Mi Sammi Cheng Live in Macau 2025*", "*STEP by STEPHY Live in Hong Kong 2025*", and "*the SOUNDTRACK of my LIFE Jay Fung Concert 2024*", earned good reputation and public praises. eSun Group will continue to work with prominent local and Asian artistes for concert promotion, with upcoming events including concerts of Grasshopper, Ekin Cheng, and Big Four.

Looking ahead, we believe that eSun Group's integrated media platform, comprising movies, TV programs, music, artiste management, and live entertainment, puts it in a strong position to capture opportunities in the entertainment market through a balanced and synergetic approach. eSun Group will continue to explore cooperation and investment opportunities to enrich its portfolio, broaden its income stream, and maximise value for its shareholders.

Other Business Updates

The Group announced its intention to achieve a disposal of HK$8,000 million (including HK$6,000 million at LSD Group (excluding Lai Fung Group) and HK$2,000 million at Lai Fung Group) over the next two years in its interim report for the six months ended 31 January 2025. Apart from projects for sale in the ordinary course of business of approximately HK$2,200 million achieved since the last interim results up to 14 October 2025, the Group has been in advanced negotiations with potential buyers for asset disposals to improve the Group's liquidity. If all these transactions are successfully closed, the Group expects to receive gross proceeds of around HK$4,500 million.

The Group monitors the performance of the non-property related business portfolio closely and has taken actions to improve their operating results proactively. In light of the changing operating environment, the Group has closed or consolidated certain non-performing outlets in the restaurant and cinema businesses, as well as renegotiated leases with landlords. The effort is bearing fruit as demonstrated by the cinema operation, where net gains were recorded as a result of rent reduction and reversal of impairment during the year under review. The Group will continue to monitor the performance of its portfolio of businesses and consider appropriate options for them in the interest of all stakeholders as a whole. The Group will continue its prudent and flexible approach, together with stringent cost controls, in managing its operations and financial position.

As at 31 July 2025, the Group's consolidated cash and bank deposits amounted to HK$4,424.8 million (HK$86.4 million excluding LSD Group) with undrawn facilities of HK$4,216.4 million (HK$425.0 million excluding LSD Group). The net debt to equity ratio as at 31 July 2025 was approximately 152% (31 July 2024: 138%). The Group's gearing excluding the net debt of LSD Group was approximately 6%.

The Group's total capital resources amounted to approximately HK$8,641.2 million, comprising cash and bank balances of approximately HK$4,424.8 million and undrawn bank facilities of approximately HK$4,216.4 million as at 31 July 2025, versus the Group's bank borrowings due within one year of approximately HK$10,886.0 million as at 31 July 2025. Out of the HK$10,886.0 million, HK$10,383.7 million was from LSD Group. Out of this HK$10,383.7 million, LSD Group has successfully refinanced HK$3,060.0 million as part of the HK$3,457.0 million Cheung Sha Wan Plaza syndicated loan completed on 30 September 2025 for 5 years. The Group is in close dialogue with its lending banks on the refinancing of the near-term obligations.

The outstanding guaranteed note of US$493 million will be due in July 2026. The Group is actively reviewing its financial positions and will consider all options available in the market to resolve the outstanding obligations.

OVERVIEW OF FINAL RESULTS

For the year ended 31 July 2025, the Group recorded turnover of HK4,995.8 million (2024: HK$6,096.1 million) and a gross profit of HK$1,065.9 million (2024: HK$1,604.0 million). The decrease was primarily due to (i) Lai Fung Group's reduction in property sales since those projects have been completely sold almost, partially offset by the increase in property sales in Hong Kong property, namely The Parkland in Yuen Long; and (ii) a decrease in contribution from film and TV program segment due to lack of new TV program releases during the year under review, as compared to last financial year.

Set out below is the turnover by segment:

	Year ended 31 July			
	2025 (HK$ million)	2024 (HK$ million)	Difference (HK$ million)	% change
Property investment	**1,300.6**	1,363.5	-62.9	-4.6
Property development and sales	**885.0**	1,529.5	-644.5	-42.1
Hotel operation	**1,243.8**	1,191.4	+52.4	+4.4
Restaurant and F&B product sales operations	**479.1**	544.6	-65.5	-12.0
Cinema operation	**445.1**	439.5	+5.6	+1.3
Media and entertainment	**287.9**	387.1	-99.2	-25.6
Film and TV program	**46.6**	341.0	-294.4	-86.3
Theme park operation	**7.4**	15.1	-7.7	-51.0
Others	**300.3**	284.4	+15.9	+5.6
Total	**4,995.8**	6,096.1	-1,100.3	-18.0

For the year ended 31 July 2025, net loss attributable to owners of the Company was approximately HK$1,675.6 million (2024: HK$2,167.8 million). The decreased loss was primarily due to (i) reduction in impairment of property, plant and equipment and right-of-use assets; (ii) decrease in depreciation of property, plant and equipment and right-of-use assets as a result of the impairment losses provided for these assets in previous financial year; (iii) decrease in fair value losses on the investment properties; and (iv) reduction in finance costs of the Group, during the year under review as compared to last financial year. Such decreased loss was partially offset by the reduction in property sales in Lai Fung Group and contribution from film and TV program segment, as well as the increase in share of losses of joint ventures.

Net loss per share was HK$1.897 (2024: HK$2.454).

Non-HKFRS Financial Measures

To supplement the Group's consolidated financial statements which are presented under HKFRS, the Group also uses (i) adjusted earnings before interests, taxes, depreciation and amortisation ("**adjusted EBITDA**") of the Group and (ii) adjusted net loss attributable to owners of the Company (non-HKFRS measures) as the additional financial measures, which are not required by, or presented in accordance with, HKFRS. The Group believes that these non-HKFRS measures facilitate comparisons of operating performance from year to year and company to company by excluding certain non-cash, one-off and volatile items which are often a function of exogenous factors such as the movement of the property market. The Group believes that these measures provide useful information to investors and others in understanding and evaluating the consolidated results of operations in the same manner as it helps the Group's management.

(i) Reconciliation of adjusted EBITDA of the Group (non-HKFRS measure):

	For the year ended 31 July	
(HK$ million)	**2025**	2024
Loss from operating activities of the Group (HKFRS measure)	**(896.2)**	(1,668.5)
Adjustments for:		
Share of losses of joint ventures	**(1,130.1)**	(796.3)
Share of profits of associates	**5.0**	11.7
Fair value losses on investment properties held by the Group *(Note 1)*	**508.6**	927.9
Fair value losses on investment properties held by the associates and the joint ventures *(Note 1)*	**753.4**	599.0
Depreciation of property, plant and equipment *(Note 2)*	**306.5**	365.0
Depreciation of right-of-use assets *(Note 2)*	**281.0**	370.9
Amortisation of film rights, film and TV program products *(Note 3)*	**8.5**	70.8
Impairment of properties held by the Group *(Note 4)*	**754.2**	688.9
Impairment of properties held by the joint ventures *(Note 4)*	**410.0**	223.6
Impairment of restaurant and F&B product sales, cinema and film & TV program operations *(Note 4)*	**35.2**	398.6
Gain on disposal of a subsidiary *(Note 5)*	**(111.1)**	–
Adjusted EBITDA of the Group (non-HKFRS measure)	**925.0**	1,191.6

Notes:
1. *Given the sizeable investment properties portfolio held by the Group, the associates and the joint ventures, the adjustments relate to fair value changes on investment properties, which are non-cash in nature.*
2. *The adjustments arise from depreciation of the Group's property, plant and equipment and right-of-use assets, which are non-cash in nature.*
3. *The adjustment arises from amortisation of film rights, film and TV program products, which is non-cash in nature.*
4. *The adjustments arise from impairment of the Group's and the joint ventures' properties, and the restaurant and F&B product sales, cinema and film & TV program operations, which are non-recurring in nature.*
5. *The adjustment arises from the gain on disposal of a subsidiary, which is non-recurring in nature.*

Excluding the net effect of property revaluations, other non-cash and non-recurring items, adjusted EBITDA of the Group was approximately HK$925.0 million for the year under review (2024: HK$1,191.6 million).

(ii) Reconciliation of adjusted net loss attributable to owners of the Company (non-HKFRS measure):

(HK$ million)	For the year ended 31 July **2025**	2024
Net loss attributable to owners of the Company (HKFRS measure)	**(1,675.6)**	(2,167.8)
Adjustments for:		
Fair value losses on investment properties held by the Group *(Note 1)*	**508.6**	927.9
Fair value losses on investment properties held by the associates and the joint ventures *(Note 1)*	**753.4**	599.0
Deferred tax on fair value changes on investment properties held by the Group *(Note 1)*	**(9.5)**	111.6
Non-controlling interest's share of fair value losses on investment properties held by the Group less deferred tax *(Note 1)*	**(539.4)**	(598.9)
Impairment of properties held by the Group *(Note 2)*	**754.2**	688.9
Impairment of properties held by the joint ventures *(Note 2)*	**410.0**	223.6
Impairment of restaurant and F&B product sales, cinema and film & TV program operations *(Note 2)*	**35.2**	398.6
Deferred tax on impairment *(Note 2)*	**(106.7)**	(126.0)
Deferred tax assets written off *(Note 2)*	**10.4**	181.1
Gain on disposal of a subsidiary *(Note 2)*	**(111.1)**	—
Non-controlling interest's share of the above non-recurring adjustments *(Note 2)*	**(478.0)**	(759.6)
Adjusted net loss attributable to owners of the Company excluding fair value changes on investment properties and other non-cash and non-recurring items (non-HKFRS measure)	**(448.5)**	(521.6)

Notes:

1. *Given the sizeable investment properties portfolio held by the Group, the associates and the joint ventures, the adjustments relate to fair value changes on investment properties and related deferred tax and impact on non-controlling interest's share, which are non-cash in nature.*
2. *The adjustments arise from impairment of the Group's and the joint ventures' properties, and the restaurant and F&B product sales, cinema and film & TV program operations and related deferred tax, deferred tax assets written off, the gain on disposal of a subsidiary, and impact on non-controlling interest's share, which are non-recurring in nature.*

Excluding the net effect of property revaluations and other non-cash and non-recurring items, adjusted net loss attributable to owners of the Company was approximately HK$448.5 million for the year under review (2024: HK$521.6 million). Net loss per share excluding the effect of property revaluations and other non-cash and non-recurring items was approximately HK$0.508 (2024: HK$0.590).

Equity attributable to owners of the Company as at 31 July 2025 amounted to HK$14,386.4 million, as compared to HK$15,961.5 million as at 31 July 2024. Net asset value per share attributable to owners of the Company dropped to HK$16.286 per share as at 31 July 2025 from HK$18.069 per share as at 31 July 2024.

PROPERTY PORTFOLIO COMPOSITION

The Group maintained a property portfolio with attributable GFA of approximately 4.7 million square feet as at 31 July 2025. All major properties of the Group in Chinese Mainland are held through Lai Fung Group, except Novotown Phase I which is 80% owned by Lai Fung Group and 20% owned by LSD Group, and all major properties in Hong Kong and overseas are held by the Group excluding eSun Group and Lai Fung Group.

Approximate attributable GFA (in '000 square feet) of the Group's major properties and number of car parking spaces as at 31 July 2025 are set out as follows:

	Commercial/ Retail	Office	Hotel/ Serviced Apartment	Residential	Industrial	Total (excluding car parking spaces & ancillary facilities)	No. of car parking spaces
GFA of major properties and number of car parking spaces of Lai Fung Group (on attributable basis[1])							
Completed Properties Held for Rental[2]	816	676	–	–	–	1,492	915
Completed Hotel Properties and Serviced Apartments[2]	–	–	303	–	–	303	–
Properties under Development[3]	176	84	484	–	–	744	327
Completed Properties Held for Sale	50	129	119	13	–	311	1,081
Subtotal	**1,042**	**889**	**906**	**13**	**–**	**2,850**	**2,323**
GFA of major properties and number of car parking spaces of LSD Group (excluding Lai Fung Group) (on attributable basis[1])							
Completed Properties Held for Rental[2]	384	549	–	–	8	941	754
Completed Hotel Properties and Serviced Apartments[2]	–	–	403	–	–	403	51
Properties under Development[3]	–	–	–	149	–	149	76
Completed Properties Held for Sale	17	58	19	16	–	110	26
Subtotal	**401**	**607**	**422**	**165**	**8**	**1,603**	**907**
GFA of major properties and number of car parking spaces of the Group (excluding LSD Group) (on attributable basis)							
Completed Properties Held for Rental[2]	91	–	–	–	160	251	37
Subtotal	**91**	**–**	**–**	**–**	**160**	**251**	**37**
Total GFA attributable to the Group	**1,534**	**1,496**	**1,328**	**178**	**168**	**4,704**	**3,267**

Notes:
1. *As at 31 July 2025, Lai Fung is a 55.08%-owned subsidiary of LSD and LSD is a 55.60%-owned subsidiary of the Company.*
2. *Completed and rental generating properties.*
3. *All properties under construction.*

PROPERTY INVESTMENT

Rental Income

During the year under review, the Group's rental operations recorded a turnover of HK$1,300.6 million (2024: HK$1,363.5 million) comprising turnover of HK$540.5 million, HK$39.2 million and HK$720.9 million from rental properties in Hong Kong, London and Chinese Mainland, respectively.

Breakdown of rental turnover by major investment properties of the Group is as follows:

	Year ended 31 July			**Year end occupancy**	
	2025 HK$ million	2024 HK$ million	% Change	**2025 %**	2024 %
Hong Kong					
Cheung Sha Wan Plaza	**259.6**	284.6	-8.8	**90.3**	96.9
Causeway Bay Plaza 2	**125.2**	130.7	-4.2	**89.5**	89.7
Lai Sun Commercial Centre	**48.6**	50.8	-4.3	**93.0**	98.9
Crocodile Center (commercial podium)*	**80.1**	79.7	+0.5	**100.0**	100.0
Por Yen Building*	**14.6**	15.1	-3.3	**88.5**	96.6
Others	**12.4**	10.8	+14.8		
Subtotal:	**540.5**	571.7	-5.5		
London, United Kingdom					
107 Leadenhall Street	**12.3**	12.1	+1.7	**54.7**	47.8
100 Leadenhall Street	**26.9**	64.7	-58.4	**0.0**	100.0
106 Leadenhall Street	**–**	0.9	-100.0	**0.0**	0.0
Subtotal:	**39.2**	77.7	-49.5		
Chinese Mainland					
Shanghai					
Shanghai Hong Kong Plaza	**250.6**	271.3	-7.6	**Retail: 94.8 Office: 85.1**	Retail: 92.7 Office: 90.3
Shanghai May Flower Plaza	**38.1**	41.0	-7.1	**Retail: 98.2**	Retail: 99.6
Shanghai Regents Park	**11.1**	17.4	-36.2	**100.0**	100.0
Shanghai Skyline Tower	**59.9**	49.2	+21.7	**Retail: 94.3 Office: 61.8**	Retail: 83.9 Office: 45.6
Guangzhou					
Guangzhou May Flower Plaza	**92.7**	93.1	-0.4	**Retail: 98.7 Office: 100.0**	Retail: 94.1 Office: 100.0
Guangzhou West Point	**21.4**	22.2	-3.6	**99.0**	95.0
Guangzhou Lai Fung Tower	**118.5**	122.5	-3.3	**Retail: 100.0 Office: 88.0**[1]	Retail: 100.0 Office: 90.6[1]
Guangzhou Lai Fung International Center	**65.7**	43.0	+52.8	**Retail: 99.0 Office: 66.0**	Retail: 99.0 Office: 52.9
Zhongshan					
Zhongshan Palm Spring Rainbow Mall	**4.5**	5.0	-10.0	**Retail: 82.3**[1]	Retail: 83.5[1]
Hengqin					
Hengqin Novotown Phase I	**19.8**	13.7	+44.5	**Retail: 85.1**[2]	Retail: 81.3[2]
Others	**38.6**	35.7	+8.1		
Subtotal:	**720.9**	714.1	+1.0		
Total:	**1,300.6**	1,363.5	-4.6		
Rental income from joint venture projects					
Hong Kong					
CCB Tower[3] (50% basis)	**114.5**	114.4	+0.1	**97.7**	95.9
Alto Residences[4] (50% basis)	**3.0**	21.6	-86.1	**N/A**	82.0
Total:	**117.5**	136.0	-13.6		

Notes:

* *The property is held by the Group (excluding LSD Group).*

1. *Excluding self-use area.*
2. *Including the cultural attraction spaces.*
3. *CCB Tower is a joint venture project with China Construction Bank Corporation ("**CCB**") in which each of LSD Group and CCB has an effective 50% interest. For the year ended 31 July 2025, the joint venture recorded rental income of approximately HK$229.0 million (2024: HK$228.9 million).*
4. *Alto Residences is a joint venture project with Empire Group Holdings Limited ("**Empire Group**") in which each of LSD Group and Empire Group has an effective 50% interest. The Alto Disposal was completed on 5 August 2024. Only share of recurring income from a small number of residential units, car parking spaces and property management remain. For the year ended 31 July 2025, the joint venture recorded rental income of approximately HK$5.9 million (2024: HK$43.1 million).*

Breakdown of turnover by usage of major rental properties of the Group is as follows:

	Year ended 31 July 2025			Year ended 31 July 2024		
	Attributable interest to the Group	**Turnover (HK$ million)**	**Total GFA (square feet)**	Attributable interest to the Group	Turnover (HK$ million)	Total GFA (square feet)
Hong Kong						
Cheung Sha Wan Plaza	**55.60%**			55.60%		
Commercial		**119.0**	**233,807**		131.8	233,807
Office		**122.0**	**409,896**		133.4	409,896
Car Parking Spaces		**18.6**	**N/A**		19.4	N/A
Subtotal:		**259.6**	**643,703**		284.6	643,703
Causeway Bay Plaza 2	**55.60%**			55.60%		
Commercial		**81.2**	**109,770**		82.5	109,770
Office		**38.3**	**96,268**		42.8	96,268
Car Parking Spaces		**5.7**	**N/A**		5.4	N/A
Subtotal:		**125.2**	**206,038**		130.7	206,038
Lai Sun Commercial Centre	**55.60%**			55.60%		
Commercial		**23.6**	**95,063**		23.7	95,063
Office		**4.6**	**74,181**		5.3	74,181
Car Parking Spaces		**20.4**	**N/A**		21.8	N/A
Subtotal:		**48.6**	**169,244**		50.8	169,244
Crocodile Center*	**100%**			100%		
Commercial		**80.1**	**91,201**		79.7	91,201
Por Yen Building*	**100%**			100%		
Industrial		**14.3**	**109,010**		14.8	109,010
Car Parking Spaces		**0.3**	**N/A**		0.3	N/A
Subtotal:		**14.6**	**109,010**		15.1	109,010
Others		**12.4**	**61,169**		10.8	61,169
Subtotal:		**540.5**	**1,280,365**		571.7	1,280,365
London, United Kingdom						
107 Leadenhall Street	**55.60%**			55.60%		
Commercial		**3.8**	**48,182**		3.1	48,182
Office		**8.5**	**98,424**		9.0	98,424
Subtotal:		**12.3**	**146,606**		12.1	146,606
100 Leadenhall Street	**55.60%**			55.60%		
Office		**26.9**	**177,700**		64.7	177,700
106 Leadenhall Street	**55.60%**			55.60%		
Commercial		**–**	**3,540**		0.1	3,540
Office		**–**	**16,384**		0.8	16,384
Subtotal:		**–**	**19,924**		0.9	19,924
Subtotal:		**39.2**	**344,230**		77.7	344,230

	Year ended 31 July 2025			Year ended 31 July 2024		
	Attributable interest to the Group	**Turnover (HK$ million)**	**Total GFA (square feet)**	Attributable interest to the Group	Turnover (HK$ million)	Total GFA (square feet)
Chinese Mainland						
Shanghai						
Shanghai Hong Kong Plaza	**30.62%**			30.62%		
Retail		**156.3**	**468,434**		168.5	468,434
Office		**88.4**	**362,096**		97.3	362,096
Car Parking Spaces		**5.9**	**N/A**		5.5	N/A
Subtotal:		**250.6**	**830,530**		271.3	830,530
Shanghai May Flower Plaza	**30.62%**			30.62%		
Retail		**33.7**	**320,314**		36.4	320,314
Car Parking Spaces		**4.4**	**N/A**		4.6	N/A
Subtotal:		**38.1**	**320,314**		41.0	320,314
Shanghai Regents Park	**29.10%**			29.10%		
Retail		**9.5**	**82,062**		16.2	82,062
Car Parking Spaces		**1.6**	**N/A**		1.2	N/A
Subtotal:		**11.1**	**82,062**		17.4	82,062
Shanghai Skyline Tower	**30.62%**			30.62%		
Retail		**8.1**	**92,226**		6.4	92,226
Office		**49.4**	**634,839**		41.2	634,839
Car Parking Spaces		**2.4**	**N/A**		1.6	N/A
Subtotal:		**59.9**	**727,065**		49.2	727,065
Guangzhou						
Guangzhou May Flower Plaza	**30.62%**			30.62%		
Retail		**79.0**	**357,424**		81.3	357,424
Office		**10.5**	**79,431**		8.5	79,431
Car Parking Spaces		**3.2**	**N/A**		3.3	N/A
Subtotal:		**92.7**	**436,855**		93.1	436,855
Guangzhou West Point	**30.62%**			30.62%		
Retail		**21.4**	**182,344**		22.2	182,344
Guangzhou Lai Fung Tower	**30.62%**			30.62%		
Retail		**17.3**	**112,292**		16.8	112,292
Office		**95.1**	**625,821**		99.2	625,821
Car Parking Spaces		**6.1**	**N/A**		6.5	N/A
Subtotal:		**118.5**	**738,113**		122.5	738,113
Guangzhou Lai Fung International Center	**30.62%**			30.62%		
Retail		**16.2**	**109,320**		9.6	109,320
Office		**45.2**	**505,301**		30.6	505,301
Car Parking Spaces		**4.3**	**N/A**		2.8	N/A
Subtotal:		**65.7**	**614,621**		43.0	614,621
Zhongshan						
Zhongshan Palm Spring Rainbow Mall	**30.62%**			30.62%		
Retail[1]		**4.5**	**148,106**		5.0	148,106
Hengqin						
Novotown Phase I[#]	**35.62%**			35.62%		
Commercial[2]		**19.8**	**997,085**[2]		13.7	1,006,091[2]
Others		**38.6**	**N/A**		35.7	N/A
Subtotal:		**720.9**	**5,077,095**		714.1	5,086,101
Total:		**1,300.6**	**6,701,690**		1,363.5	6,710,696

	Year ended 31 July 2025			Year ended 31 July 2024		
	Attributable interest to the Group	**Turnover (HK$ million)**	**Total GFA (square feet)**	Attributable interest to the Group	Turnover (HK$ million)	Total GFA (square feet)
Rental income from joint venture projects						
Hong Kong						
CCB Tower[3] (50% basis)	**27.80%**			27.80%		
Office		**113.9**	**114,603[4]**		113.9	114,603[4]
Car Parking Spaces		**0.6**	**N/A**		0.5	N/A
Subtotal:		**114.5**	**114,603**		114.4	114,603
Alto Residences[5] (50% basis)	**27.80%**			27.80%		
Commercial		**0.2**	**–**		14.1	47,067[6]
Residential units[7]		**1.9**	**2,052[8]**		3.9	11,447[8]
Car Parking Spaces		**0.9**	**N/A**		3.6	N/A
Subtotal:		**3.0**	**2,052**		21.6	58,514
Total:		**117.5**	**116,655**		136.0	173,117

Notes:

* *The property is held by the Group (excluding LSD Group).*

\# *Excluding office units and cultural workshop units. Office units with total GFA of 525,881 square feet and cultural workshop units with total GFA of 173,274 square feet of Hengqin Novotown Phase I under "Completed properties for sale" have been leased substantially during the year ended 31 July 2025, with occupancy rate of approximately 90% and 92%, respectively, achieving a total of approximately HK$11.4 million and HK$4.5 million to "Other revenue and gains", respectively.*

1. *Excluding self-use area.*
2. *Including the cultural attraction spaces (self-use area), the total GFA of which was approximately 384,759 square feet as at 31 July 2025. Revenue from the cultural attraction spaces is recognised under turnover from theme park operation of LSD Group.*
3. *CCB Tower is a joint venture project with CCB in which each of LSD Group and CCB has an effective 50% interest. For the year ended 31 July 2025, the joint venture recorded rental income of approximately HK$229.0 million (2024: HK$228.9 million).*
4. *GFA attributable to LSD Group. The total GFA is 229,206 square feet.*
5. *Alto Residences is a joint venture project with Empire Group in which each of LSD Group and Empire Group has an effective 50% interest. The Alto Disposal was completed on 5 August 2024. Only share of recurring income from a small number of residential units, car parking spaces and property management remain. For the year ended 31 July 2025, the joint venture recorded rental income of approximately HK$5.9 million (2024: HK$43.1 million).*
6. *GFA attributable to LSD Group. The total GFA is 94,133 square feet.*
7. *Referring to those sold residential units offering early occupation benefit which allows the purchasers to move in earlier before completion of the sale.*
8. *Saleable area attributable to LSD Group. The total saleable area is 4,104 (2024: 22,893) square feet.*

The average Sterling exchange rate for the year under review appreciated by approximately 3.3% compared with last financial year. Excluding the effect of currency translation, the Sterling denominated turnover from London properties decreased by approximately 51.2% during the year under review. Breakdown of rental turnover of London portfolio for the year ended 31 July 2025 is as follows:

	2025 HK$'000	2024 HK$'000	% Change	**2025 GBP'000**	2024 GBP'000	% Change
107 Leadenhall Street	**12,256**	12,086	+1.4	**1,198**	1,221	-1.9
100 Leadenhall Street	**26,944**	64,704	-58.4	**2,634**	6,536	-59.7
106 Leadenhall Street	**–**	869	-100.0	**–**	88	-100.0
Total:	**39,200**	77,659	-49.5	**3,832**	7,845	-51.2

Review of major investment properties

Hong Kong Properties (100% owned unless specified otherwise)

Crocodile Center
Crocodile Center is a 25-storey commercial/office building which was completed in 2009 and located near the Kwun Tong MTR station. The Group owns the commercial podium which has a total GFA of 91,201 square feet (excluding car parking spaces). Tenants dominated by local restaurant groups.

Por Yen Building
Por Yen Building, being a 14-storey industrial building with a total GFA of 109,010 square feet (excluding car parking spaces), is located at the hub of Cheung Sha Wan Business Area and is near to the Lai Chi Kok MTR station.

Cheung Sha Wan Plaza
The asset comprises an 8-storey and a 7-storey office towers erected on top of a retail podium which was completed in 1989. It is located on top of the Lai Chi Kok MTR station with a total GFA of 643,703 square feet (excluding car parking spaces). The arcade is positioned to serve the local communities nearby with major banks and recognised restaurants chains as the key tenants.

Causeway Bay Plaza 2
The asset comprises a 28-storey commercial/office building with car parking facilities at basement levels which was completed in 1992. It is located at the heart of Causeway Bay with a total GFA of 206,038 square feet (excluding car parking spaces). Key tenants include a HSBC branch and commercial offices and major restaurants.

Lai Sun Commercial Centre
The asset comprises a 13-storey commercial/carpark complex completed in 1987. It is located near the Lai Chi Kok MTR station with a total GFA of 169,244 square feet (excluding car parking spaces).

CCB Tower
This is a 50:50 joint venture between LSD Group and CCB involving the redevelopment of the former Ritz-Carlton Hotel in Central. This 27-storey office tower is a landmark property in Central featuring underground access to the Central MTR station. The property has a total GFA of 229,206 square feet (excluding car parking spaces). 18 floors of the office floors and 1 banking hall floor of CCB Tower are leased to CCB for its Hong Kong operations.

Overseas Properties (100% owned unless specified otherwise)

107 Leadenhall Street, London EC3, United Kingdom
In April 2014, LSD Group acquired a property located at the core of the insurance district in the City of London, surrounded by 30 St Mary Axe (commonly known as the Gherkin), Lloyd's of London and the Willis Building at 51 Lime Street. It is a freehold commercial property housing commercial, offices and retail space. The building comprises 146,606 square feet gross internal area of office accommodation extending over basement, ground, mezzanine and seven upper floors. The occupancy rate at the end of July 2025 was approximately 54.7%.

100 Leadenhall Street, London EC3, United Kingdom
Following the acquisition of 107 Leadenhall Street in April 2014, LSD Group completed the acquisition of 100 Leadenhall Street in January 2015. This property comprises a basement, a lower ground floor, ground floor and nine upper floors and provides 177,700 square feet gross internal area of offices and ancillary accommodation. The property is currently vacant.

106 Leadenhall Street, London EC3, United Kingdom
In December 2015, LSD Group acquired the property located adjacent to 100 and 107 Leadenhall Street, namely 106 Leadenhall Street, which is a multi-tenanted asset with approximately 19,924 square feet gross internal area of commercial and offices including ancillary space. The property is currently vacant.

LSD Group is currently assessing options for Leadenhall Street properties to optimise value for LSD Group.

Chinese Mainland Properties (100% owned by Lai Fung Group unless specified otherwise)

Except for LSD Group's 20% interest in Novotown Phase I in Hengqin, all major rental properties of the Group in Chinese Mainland are held through Lai Fung Group.

Shanghai Hong Kong Plaza
Being Lai Fung Group's wholly-owned flagship investment property project in Shanghai, Shanghai Hong Kong Plaza is strategically located in the prime district of the city, directly above the Huangpi South Road Metro Station at Huaihaizhong Road in Huangpu District, which is highly accessible by car and well connected to public transportation networks, as well as walking distance from Shanghai Xintiandi.

Connected by an indoor footbridge, the property comprises a 32-storey office building, a 32-storey serviced apartment (managed by the Ascott Group), a shopping mall and a carpark. The property's total GFA is approximately 1,188,500 square feet excluding 350 car parking spaces, comprising approximately 362,100 square feet for office, approximately 358,000 square feet for serviced apartment, and approximately 468,400 square feet for shopping mall. Anchor tenants, as of the date of this results announcement, include The Apple Store, Tiffany, Genesis Motor, Tasaki, Swarovski etc.

Shanghai May Flower Plaza
Shanghai May Flower Plaza is a mixed-use project located at the junction of Da Tong Road and Zhi Jiang Xi Road in Sujiaxiang in the Jing'an District in Shanghai. This project is situated near the Zhongshan Road North Metro Station.

Lai Fung Group owns 100% in the retail podium which has a total GFA of approximately 320,300 square feet including the basement commercial area. The asset is positioned as a community retail facility.

Shanghai Regents Park
Shanghai Regents Park is a large-scale residential/commercial composite development located in the Zhongshan Park Commercial Area at the Changning District, Shanghai. It is situated within walking distance of the Zhongshan Park Metro Station.

Lai Fung Group retains a 95% interest in the commercial portion which has a total GFA of approximately 82,100 square feet (GFA attributable to Lai Fung Group is approximately 78,000 square feet).

Shanghai Skyline Tower
Shanghai Skyline Tower is a mixed-use redevelopment project of Shanghai Northgate Plaza I, Northgate Plaza II and the Hui Gong Building, located at Tian Mu Road West in the Jing'an District of Shanghai near the Shanghai Railway Terminal. This 30-storey office tower, erected upon a 3-level shopping mall and car-parking basement, has a total GFA of approximately 727,100 square feet excluding 443 car parking spaces. The construction was completed in September 2022. This property has been awarded the Leadership in Energy and Environmental Design ("**LEED**") v4 Gold Certification in October 2023. As at the date of this results announcement, approximately 94% of commercial and 62% of office areas have been secured, respectively.

Guangzhou May Flower Plaza
Guangzhou May Flower Plaza is a prime property situated at Zhongshanwu Road, Yuexiu District directly above the Gongyuanqian Metro Station in Guangzhou, the interchange station of Guangzhou Subway Lines 1 and 2. This 13-storey complex has a total GFA of approximately 436,900 square feet excluding 136 car parking spaces.

The building comprises retail spaces, restaurants, office units and car parking spaces. The property is almost fully leased to tenants comprising well-known corporations, consumer brands and restaurants.

Guangzhou West Point
Guangzhou West Point is located on Zhongshan Qi Road and is within walking distance from the Ximenkou Subway Station. This is a mixed-use property where Lai Fung Group has sold all the residential and office units.

Lai Fung Group owns 100% in the commercial podium with GFA of approximately 182,300 square feet. Tenants of the retail podium include renowned restaurants and local retail brands.

Guangzhou Lai Fung Tower
Guangzhou Lai Fung Tower is the 38-storey office block of Phase V of Guangzhou Eastern Place, which is a multi-phase project located on Dongfeng East Road, Yuexiu District, Guangzhou. This office building was completed in June 2016. This property with LEED 2009 Gold Certification has a total GFA of approximately 738,100 square feet excluding car parking spaces.

Guangzhou Lai Fung International Center
Guangzhou Lai Fung International Center, formerly known as Guangzhou Haizhu Plaza, is located at 33 Jiefang South Road in Yuexiu District, Guangzhou along the Pearl River. Guangzhou Lai Fung International Center, comprising an 18-storey office tower, erected upon a 4-level commercial facility, has a total GFA of approximately 614,600 square feet excluding 267 car parking spaces. The construction was completed in November 2022. This property has been awarded the LEED v4 Gold Certification in February 2023. As at the date of this results announcement, approximately 100% of commercial and 70% of office areas have been secured, respectively.

Zhongshan Palm Spring Rainbow Mall
Zhongshan Palm Spring Rainbow Mall is the commercial portion of Zhongshan Palm Spring, a multi-phase project located in Caihong Planning Area, Western District of Zhongshan. It is positioned as a community retail facility with a total GFA of approximately 181,100 square feet.

Hengqin Novotown
Novotown is an integrated cultural, entertainment, tourism and hospitality project located in the heart of Hengqin, officially recognised as the Guangdong-Macao In-Depth Cooperation Zone ("**Cooperation Zone**") and strategically located within the GBA, directly opposite to Macao and 75 minutes by car from Hong Kong via the Hong Kong-Zhuhai-Macao Bridge. The "Master Plan of the Development of the Guangdong-Macao In-Depth Cooperation Zone in Hengqin" promulgated on 5 September 2021 marks the significant deployment of the Central Government in supporting the moderate economic diversification of Macao and enriching the practices of the "One Country, Two Systems" policy, which is to inject new impetus into the long-term development of Macao.

Lai Fung Group's Hengqin Novotown project has successfully established as a dual-core development focusing on "Cross-border E-commerce Industry and Ecosystem" and "Cultural Tourism, Exhibition, and Commerce Trade Industry". These include industries such as cross-border e-commerce, new technology, wellness and health, theme parks, Harrow LiDe School Hengqin, Hyatt Regency Hengqin, shopping mall, multi-functional venues and have been operating seamlessly with cross-border transportation and other facilities.

Phase I
Novotown Phase I, the "Hengqin-Macao Cross-border E-Commerce Industrial Park (Novotown)", is enjoying the critical mass afforded by over 420 enterprises working and living there. Our tenants are operating in some of the most exciting and fastest growing segments:

- "Cross-border E-commerce and Internet" represented by entities such as YTO Express GBA Headquarters, inkeverse, TOPTOY, MINISO, TYMO, Baidu Netdisk, 360, Be Friends Holdings, Find Macau, KEIZER and Anjun Logistics;

- "High-End Technology Production" represented by Lingyange, Bambu Lab, Amicro, Li Auto, Xwan Test, and several renowned chip design and development companies;

- "Wellness and Health" represented by UNITED LIFE SCIENCE; and

- "Cross-border Financial Services and Innovation" represented by ICBC, Juzishuke and QFIN.

Hengqin's "Four New Industries" (Technology research and development and High-End Manufacturing, Traditional Chinese Medicine and other Macao-branded Industries, Cultural Tourism, Exhibition, and Commerce Trade, and Modern Finance) converge and collide here, establishing Novotown as a new economic growth engine driving the high-quality, integrated development of Hengqin and Macao.

Notably, one of the key tenants being a leading domestic enterprise which has leased six floors of office space in Novotown Phase I to establish its global cross-border e-commerce headquarters. The enterprise currently employs 1,500 staff. It is expected to expand to over 3,000 employees when fully occupied, thereby creating a nucleus for its ecosystem to locate in Novotown. As at the date of this results announcement, approximately 96% of the office units have been leased with approximately 2,800 people working there. Lai Fung Group also leased the remaining unsold cultural studio units in Novotown Phase I for employees of the office tenants. This innovative operational model not only effectively boosts foot traffic in the commercial area, but also optimises and upgrades the business structure through attracting targeted enterprises.

As at the date of this results announcement, leasing of the commercial area of Novotown Phase I is underway with approximately 85% being leased and key tenants include “National Geographic Ultimate Explorer Hengqin”, Heytea, Luckin Coffee, McDonald’s, Pokiddo Trampoline Park, Kun Peng Go-Kart Sports Centre, Kun Peng Digital Sports Hall, Snow Alarm, Oyster King, Vanguard Life Superstore and UNITED LIFE SCIENCE. ICBC demonstrated its confidence in the project by purchasing of two retail units in Novotown Phase I from Lai Fung Group in August 2024. Furthermore, four additional retail units in Novotown Phase I were sold to independent third parties in December 2024, February 2025, July 2025 and September 2025.

Lai Fung Group owns 80% of Novotown Phase I. The remaining 20% is owned by LSD Group.

PROPERTY DEVELOPMENT

Recognised Sales

For the year ended 31 July 2025, recognised turnover from sales of properties was HK$885.0 million (2024: HK$1,529.5 million). Breakdown of turnover for the year ended 31 July 2025 from sales of properties is as follows:

Hong Kong				
Recognised basis	**No. of Units**	**Approximate Saleable Area** (Square feet)	**Average Selling Price**[1] (HK$/square foot)	**Turnover** (HK$ million)
The Parkland Residential Units	107	34,313	9,405	322.7
Bal Residence Residential Units	53	18,203	14,861	270.5
Monti Car Parking Spaces	2			1.9
Others				0.8
Subtotal				**595.9**
Chinese Mainland				
Recognised basis	**No. of Units**	**Approximate GFA** (Square feet)	**Average Selling Price**[2] (HK$/square foot)	**Turnover**[3] (HK$ million)
Hengqin Novotown Phase I Cultural Studios Cultural Workshop Units	 4 49	 10,076 65,869	 2,996 1,467	 27.3 88.6
Zhongshan Palm Spring Residential High-rise Units Residential House Units	 73 3	 94,313 6,319	 1,564 2,393	 135.5 14.4
Shanghai Regents Park Car Parking Spaces	4			2.5
Guangzhou Eastern Place Car Parking Spaces	5			2.7
Guangzhou King’s Park Car Parking Space	1			0.4
Zhongshan Palm Spring Car Parking Spaces	146			17.7
Subtotal				**289.1**
Total				**885.0**
Recognised sales from joint venture project				
Hong Kong				
Recognised basis	**No. of Units**	**Approximate Saleable Area** (Square feet)	**Average Selling Price**[1] (HK$/square foot)	**Turnover** (HK$ million)
Alto Residences (50% basis) House[4] Residential Unit[6] Car Parking Space[8]	 1 1 1	 3,492 1,185 	 19,588 23,723 	 68.4[5] 28.1[7] 1.0
Total				**97.5**

Notes:

1. *Excluding the financing component for sale of completed properties in accordance with Hong Kong Financial Reporting Standard 15 "Revenue from Contracts with Customers".*
2. *Value-added tax inclusive.*
3. *Value-added tax exclusive.*
4. *No. of house(s) and saleable area attributable to LSD Group. The total no. of house(s) recognised and total saleable area are 2 and 6,984 square feet, respectively.*
5. *Representing property sales proceeds of HK$128.7 million and rental income of HK$8.1 million in relation to certain houses offering early occupation benefit which allows the purchasers to move in earlier before completion of the sale.*
6. *No. of residential unit(s) and saleable area attributable to LSD Group. The total no. of residential unit(s) recognised and total saleable area are 2 and 2,369 square feet, respectively.*
7. *Representing property sales proceeds of HK$54.5 million and rental income of HK$1.7 million in relation to certain residential unit offering early occupation benefit which allows the purchasers to move in earlier before completion of the sale.*
8. *No. of car parking space(s) attributable to LSD Group. The total no. of car parking space(s) recognised is 1.*

Contracted Sales

As at 31 July 2025, the Group's property development operation has contracted but not yet recognised sales of HK$256.9 million. Including the joint venture project of the Group, the total contracted but not yet recognised sales of the Group as at 31 July 2025 amounted to HK$274.4 million. Breakdown of contracted but not yet recognised sales as at 31 July 2025 is as follows:

Hong Kong				
Contracted basis	**No. of Units**	**Approximate Saleable Area** (Square feet)	**Average Selling Price** (HK$/square foot)	**Turnover** (HK$ million)
Bal Residence Residential Units	12	4,204	15,092	63.4
The Parkland Residential Units	5	2,407	10,019	24.1
Subtotal				**87.5**
Chinese Mainland				
Contracted basis	**No. of Units**	**Approximate GFA** (Square feet)	**Average Selling Price** [1] (HK$/square foot)	**Turnover** [1] (HK$ million)
Zhongshan Palm Spring Residential High-rise Units Residential House Unit	 2 1	 2,759 2,113	 1,559 2,272	 4.3 4.8
Hengqin Novotown Phase II Harrow LiDe School Hengqin Buildings[2]	N/A	149,078	1,074	160.2[3]
Zhongshan Palm Spring Car Parking Space	1			0.1
Subtotal				**169.4**
Total				**256.9**
Contracted sales from joint venture project				
Hong Kong				
Contracted basis	**No. of Units**	**Approximate Saleable Area** (Square feet)	**Average Selling Price** (HK$/square foot)	**Turnover** (HK$ million)
Alto Residences (50% basis) Residential Unit[4]	1	713	24,511	17.5[5]
Total				**17.5**

Notes:

1. *Value-added tax inclusive.*
2. *Will be recognised as income from finance lease under turnover.*
3. *Estimated amount based on contract with Harrow LiDe School Hengqin in relation to the subsequent portions of the Harrow campus. No material construction has taken place and the exact timing and amount to be agreed with Harrow LiDe School Hengqin mutually.*
4. *No. of residential unit(s) and saleable area attributable to LSD Group. The total no. of residential units contracted and total saleable area are 1 and 1,425 square feet, respectively.*
5. *Representing property sales proceeds of HK$29.7 million and rental income of HK$5.2 million in relation to certain residential units offering early occupation benefit which allows the purchasers to move in earlier before completion of the sale.*

Review of major projects for sale and under development

Hong Kong Properties (100% owned unless specified otherwise)

Bal Residence
In April 2019, LSD Group successfully secured the Urban Renewal Authority project at No. 18 Hang On Street, Kwun Tong, Hong Kong. Construction work was completed in October 2023, while fitting-out work was completed in late March 2024.

Bal Residence has a total saleable area of approximately 62,148 square feet, including 7,506 square feet of commercial facilities and 54,642 square feet of residential spaces, offering 156 residential units. Up to 14 October 2025, LSD Group has sold 154 residential units in Bal Residence with saleable area of approximately 53,056 square feet at an average selling price of approximately HK$15,149 per square foot. Total proceeds for this sold residential units are estimated to be HK$803.8 million. During the year under review, 65 residential units were sold, amounting to HK$333.9 million, with 53 units totaling HK$270.5 million recognised in revenue during this financial year. Since 1 August 2025 to 14 October 2025, a further 28 units have been sold.

The Parkland
In March 2019, LSD Group successfully tendered for and secured a site located at No. 266 Tai Kei Leng, Lot No. 5382 in Demarcation District No. 116, Tai Kei Leng, Yuen Long, Hong Kong. This site is designated for private residential purposes. Construction work was completed in late March 2024, while fitting-out work was completed in late December 2024.

The Parkland has a total saleable area of approximately 36,720 square feet, offering 112 residential units. All residential units have been completely sold and substantially recognised in revenue during the year under review. Total proceeds are estimated to be HK$346.8 million, of which HK$322.7 million is recognised in revenue during this financial year.

Deep Water Pavilia (formerly named as Wong Chuk Hang Station Package Five Property Development)
In January 2021, the consortium formed by LSD Group together with New World Development Company Limited, Empire Development Hong Kong (BVI) Limited and CSI Properties Limited successfully won the tender for the Wong Chuk Hang Station Package Five Property Development. This luxury residential development project sitting on top of the Wong Chuk Hang MTR station and "THE SOUTHSIDE", the largest shopping mall in the prominent Southern district of Hong Kong, covers a site area of approximately 95,600 square feet, with a total GFA of approximately 636,200 square feet and is expected to deliver two residential towers, offering around 825 residential units, with a total investment of approximately HK$18.0 billion. Construction work is in progress and is expected to be completed in the first quarter of 2026.

LSD Group owns 15% interest in this project.

79 Broadcast Drive project
In October 2021, LSD Group successfully tendered for and secured a site at No. 79 Broadcast Drive, Kowloon Tong, Hong Kong. The site with a site area of approximately 23,900 square feet used to be the Educational Television Centre of Radio Television Hong Kong and maximum permissible GFA is around 71,600 square feet. LSD Group plans to develop a high-quality luxury residential project offering around 46 medium-large sized units including 2 houses, with a total investment of approximately HK$2.3 billion. Superstructure work is in progress and the construction is expected to be completed in the first half of 2026.

1 Kotewall Road project
In January 2022, LSD Group acquired two adjacent buildings at No. 1 Kotewall Road in Mid-Levels, Hong Kong Island for redevelopment purpose and the transaction was completed with vacant possession in March 2022. LSD Group intends to redevelop the site into a luxury residential project with a total GFA of approximately 55,200 square feet, offering around 27 medium-large sized residential units upon completion. The total investment of the project will be approximately HK$1.9 billion. Excavation, lateral support and foundation works are in progress and the construction is expected to be completed in the first quarter of 2028.

116 Waterloo Road project
In September 2021, LSD Group acquired the 3-storey building at No. 116 Waterloo Road in Ho Man Tin, Kowloon, Hong Kong for redevelopment purpose and the transaction was completed with vacant possession in March 2022. LSD Group intends to redevelop the site into residential units with a total GFA of approximately 46,600 square feet, offering around 85 residential units, with a total investment of approximately HK$1.1 billion. Project design work is in progress and the construction is expected to be completed in the third quarter of 2028.

Chinese Mainland Properties

All major properties for sale and under development in Chinese Mainland of the Group are held through Lai Fung Group except Hengqin Novotown Phase I which is 80% owned by Lai Fung Group and 20% owned by LSD Group.

Shanghai Wuli Bridge Project
Shanghai Wuli Bridge Project is a high-end luxury residential project located by Huangpu River in Huangpu District in Shanghai. This project providing 28 residential units with an attributable GFA of approximately 77,900 square feet and 43 car parking spaces was launched for sale in September 2020 and has received an enthusiastic response from the market. As at 31 July 2025, all residential units and 30 car parking spaces have been sold. As at 31 July 2025, 13 car parking spaces of this development remained unsold.

Lai Fung Group owns 100% interest in the unsold car parking spaces of this project.

Shanghai May Flower Plaza
Shanghai May Flower Plaza is a completed mixed-use project located at the junction of Da Tong Road and Zhi Jiang Xi Road in Sujiaxiang in the Jing'an District in Shanghai and situated near the Zhongshan Road North Metro Station. As at 31 July 2025, 458 car parking spaces of this development remained unsold.

Lai Fung Group owns 100% interest in the unsold car parking spaces of this project.

Shanghai Regents Park
Shanghai Regents Park is a large-scale residential/commercial composite development located in the Zhongshan Park Commercial Area at the Changning District, Shanghai. It is situated within walking distance of the Zhongshan Park Metro Station. During the year under review, the sales of four car parking spaces contributed HK$2.5 million to Lai Fung Group's turnover. As at 31 July 2025, 183 car parking spaces of this development remained unsold.

Lai Fung Group owns 95% interest in the unsold car parking spaces of this project.

Guangzhou King's Park
This is a high-end residential development located on Donghua Dong Road in Yuexiu District. The attributable GFA is approximately 98,300 square feet excluding 57 car parking spaces and ancillary facilities. During the year under review, the sales of one car parking space contributed HK$0.4 million to Lai Fung Group's turnover. As at 31 July 2025, one car parking space of this development remained unsold.

Lai Fung Group owns 100% interest in the unsold car parking spaces of this project.

Guangzhou West Point
Guangzhou West Point is located on Zhongshan Qi Road and is within walking distance from the Ximenkou Subway Station. This is a mixed-use property where Lai Fung Group has sold all the residential and office units. As at 31 July 2025, 80 car parking spaces of this development remained unsold.

Lai Fung Group owns 100% interest in the unsold car parking spaces of this project.

Zhongshan Palm Spring
Zhongshan Palm Spring is located in Caihong Planning Area, Western District of Zhongshan. The overall development has a total planned GFA of approximately 6.1 million square feet. The project comprises high-rise residential towers, townhouses and commercial blocks totalling 4.5 million square feet. All construction of this project has been completed and the sale of remaining phases is in progress with satisfactory result.

During the year under review, 94,313 square feet of residential high-rise units and 6,319 square feet of residential house units were recognised at an average selling price of HK$1,564 per square foot and HK$2,393 per square foot, respectively, which contributed a total of approximately HK$149.9 million to Lai Fung Group's turnover. Also, the sales of 146 car parking spaces contributed approximately HK$17.7 million to Lai Fung Group's turnover. As at 31 July 2025, contracted but not yet recognised sales for residential high-rise units and residential house unit amounted to approximately HK$4.3 million and HK$4.8 million, respectively, at an average selling price of HK$1,559 per square foot and HK$2,272 per square foot, respectively.

As at 31 July 2025, completed units held for sale in this development, including residential units and commercial units, amounted to approximately 160,100 square feet and 2,517 car parking spaces.

Lai Fung Group owns 100% interest in this project.

Hengqin Novotown

Phase I
Sales of the cultural studios and cultural workshop units of Hengqin Novotown Phase I are in progress. During the year under review, sales of 10,076 square feet of cultural studios and 65,869 square feet of cultural workshop units were recognised at an average selling price of HK$2,996 per square foot and HK$1,467 per square foot, respectively, which contributed a total of HK$115.9 million to Lai Fung Group's turnover.

As at 31 July 2025, completed properties held for sale in Novotown Phase I, including cultural studios, cultural workshop units and office units, amounted to approximately 718,000 square feet.

In light of the recent sale of certain retail units which was originally classified as properties held for rental, Lai Fung Group is considering other elements of Hengqin Novotown Phase I which may be available for sale should the opportunities arise.

Lai Fung Group owns 80% of Novotown Phase I. The remaining 20% is owned by LSD Group.

Phase II
Novotown Phase II is situated adjacent to Novotown Phase I with a total site area of approximately 143,800 square meters and a maximum plot ratio of two times. Lai Fung Group succeeded in bidding for the land use rights of the land offered for sale by The Land and Resources Bureau of Zhuhai through the listing-for-sale process in December 2018.

Novotown Phase II is making major progress, particularly on its rental accommodation towers. Lai Fung Group received approval from the local government to develop towers four to eleven in Novotown Phase II as accommodation for rental purpose, becoming the first project certified as rental accommodation towers in Hengqin. This initiative is designed to meet the growing rental accommodation demand from the commercial ecosystem of Hengqin, and provide supporting facilities for them. Tower two, designated for office use, is expected to accommodate more cross-border e-commerce tenants. Construction work for tower one, designated for serviced apartment use, was completed in late July 2025.

As at 31 July 2025, completed units held for sale in tower one of Novotown Phase II amounted to approximately 249,300 square feet. As at 31 July 2025, 285 car parking spaces of this development remained unsold.

Novotown Phase II also included Harrow LiDe School Hengqin, managed and operated by Asia International School Limited ("**AISL**"). Harrow LiDe School Hengqin began operation in February 2021. In accordance with the agreement with AISL, the school has been sold, in turn, this will enable Lai Fung Group to crystalise the value of its investment in Novotown Phase II and gradually recoup funding to improve the project's working capital position.

Lai Fung Group owns 100% of Novotown Phase II, except for the properties occupied by Harrow LiDe School Hengqin which have been sold to the school operator.

HOTEL AND SERVICED APARTMENT OPERATIONS

The hotel and serviced apartment operation segment of the Group includes LSD Group's operation of the Ocean Park Marriott Hotel in Hong Kong and the Caravelle Hotel in Ho Chi Minh City, Vietnam, as well as Lai Fung Group's hotel and serviced apartment operation in Shanghai and Hengqin, Chinese Mainland. Since December 2019, LSD Group further expanded its hotel portfolio with the acquisition of a 50% interest in Fairmont St. Andrews resort in Fife, Scotland, United Kingdom. Performance of the 50:50 joint venture of Fairmont St. Andrews resort is recognised as "Share of profits and losses of joint ventures" in the consolidated income statement of the Group. The hotel project in Phuket, Thailand that LSD Group invested in June 2017 is still at the planning stage. LSD Group is closely monitoring the tourism market in Thailand and will provide updates on this project as and when there is material progress.

For the year ended 31 July 2025, the hotel and serviced apartment operations contributed HK$1,243.8 million to the Group's turnover (2024: HK$1,191.4 million), representing an increase of approximately 4.4%. The increase in revenue was mainly driven by the growth at Caravelle Hotel in Ho Chi Minh City, attributed to relatively high occupancy recorded in the fourth quarter of 2024 and a high average daily rate recorded in the first quarter of 2025 during the year under review, as compared to last financial year.

Breakdown of turnover from hotel and serviced apartment operations for the year ended 31 July 2025 is as follows:

	Location	**Attributable interest to LSD Group**	**No. of Rooms**[1]	**Total GFA** (square feet)	**Turnover** (HK$ million)	**Year end occupancy rate** (%)
Hotel and serviced apartment						
Ocean Park Marriott Hotel	Hong Kong	100%	471	365,974	419.8	76.4
Ascott Huaihai Road Shanghai	Shanghai	55.08%	307	356,260	99.0	87.1
STARR Hotel Shanghai	Shanghai	55.08%	239	143,846	25.5	79.2
Hyatt Regency Hengqin	Hengqin	64.06%	493	610,540	148.5	81.8
Caravelle Hotel	Ho Chi Minh City	26.01%	335	378,225	550.5	62.6
Subtotal:			**1,845**	**1,854,845**	**1,243.3**	
Hotel management fee					0.5	
Total:					**1,243.8**	
Joint Venture Project						
Fairmont St. Andrews resort (50% basis)	Scotland	50%	106[2]	138,241[2]	106.6	78.6

Notes:

1. *On 100% basis.*
2. *No. of rooms and GFA attributable to LSD Group. The total number of rooms and total GFA are 211 and 276,482 square feet, respectively.*

Ocean Park Marriott Hotel officially commenced its operations on 19 February 2019, adding a total of 471 rooms and approximately 365,974 square feet of attributable rental space to the rental portfolio of LSD Group. Ocean Park Marriott Hotel has achieved "Gold" rating in BEAM Plus Final Assessment. LSD Group remains optimistic about the prospects of the Ocean Park Marriott Hotel given the popularity of Ocean Park, as well as Asia's first all-season water park, Water World, grand opened in September 2021. LSD Group owns 100% interest in Ocean Park Marriott Hotel.

Caravelle Hotel is a leading international 5-star hotel in the centre of the business, shopping and entertainment district in Ho Chi Minh City, Vietnam. It is an elegant 24-storey tower with a mixture of French colonial and traditional Vietnamese style and has 335 superbly appointed rooms, suites, exclusive Signature Floors, Signature Lounge and a specially equipped room for the disabled. Total GFA of Caravelle Hotel is approximately 378,225 square feet. LSD Group owns a 26.01% interest in Caravelle Hotel.

The hotel operation team of LSD Group has extensive experience in providing consultancy and management services to hotels in Chinese Mainland, Hong Kong and other Asian countries. The division's key strategy going forward will continue to focus on providing management services, particularly to capture opportunities arising from the developments of Lai Fung Group in Shanghai, Guangzhou, Zhongshan and Hengqin. The hotel division of LSD Group manages Lai Fung's serviced apartments in Shanghai under the "STARR" brand.

Ascott Huaihai Road Shanghai in Shanghai Hong Kong Plaza is managed by the Ascott Group and it is one of a premier collection of the Ascott Limited's serviced residences in over 70 cities in Asia Pacific, Europe and the Gulf region. The residence has a total GFA of approximately 356,260 square feet. It has 307 contemporary apartments of various sizes: studios (640-750 square feet), one-bedroom apartments (915-1,180 square feet), two-bedroom apartments (1,720 square feet), three-bedroom apartments (2,370 square feet) and two luxurious penthouses on the highest two floors (4,520 square feet).

STARR Hotel Shanghai is a 17-storey hotel located in the Mayflower Lifestyle complex in Jing'an District, within walking distance to Lines 1, 3 and 4 of the Shanghai Metro Station with easy access to major motorways. There are 239 fully furnished and equipped hotel units with stylish separate living room, bedroom, fully-equipped kitchenette and luxurious bathroom amenities for short or extended stays to meet the needs of the business travellers from around the world and the total GFA is approximately 143,800 square feet attributable to Lai Fung Group.

Hyatt Regency Hengqin is located in Novotown Phase I in Hengqin, Zhuhai, the heart of the GBA and is within easy reach of the Hong Kong-Zhuhai-Macao Bridge. Hyatt Regency Hengqin has a total GFA of approximately 610,500 square feet and approximately 488,400 square feet attributable to Lai Fung Group. It has 493 guest rooms including 55 suites ranging in size from 430 square feet to 2,580 square feet, a wide range of dining options, as well as banqueting and conference facilities of over 40,000 square feet. Lai Fung Group owns 80% interest in Hyatt Regency Hengqin and the remaining 20% is owned by LSD Group.

RESTAURANT AND F&B PRODUCT SALES OPERATIONS

For the year ended 31 July 2025, restaurant and F&B product sales operations contributed HK$479.1 million to the Group's turnover, representing a significant decrease of approximately 12.0% from that of HK$544.6 million in last financial year. The decrease was mainly attributed to the weak local consumption trend and the changing habits of local residents towards outbound travel spending. Nevertheless, LSD Group has closed or consolidated certain non-performing restaurants and renegotiated leases with certain landlords, the segment losses reduced during the year under review. LSD Group has 4 new restaurants in operation under the year under review, namely Chiu Bistro, OH! MY BREAD (includes OH! MY NOODLE), China Tang Dubai and Akatsuki.

Up to the date of this results announcement, restaurant operations include LSD Group's interests in 23 restaurants in Hong Kong and Chinese Mainland, 1 restaurant in Dubai and 1 restaurant in Macau under management. Details of each existing restaurant of LSD Group are as follows:

Cuisine	Restaurant	Location	Attributable interest to LSD Group	Award
Owned restaurants				
Western/ International Cuisine	8½ Otto e Mezzo BOMBANA Hong Kong	Hong Kong	38%	Three Michelin stars (2012-2025)
	8½ Otto e Mezzo BOMBANA Shanghai	Shanghai	13%	Two Michelin stars (2017-2025)
	Beefbar	Hong Kong	63%	One Michelin star (2017-2025)
	Prohibition *(Note)*	Hong Kong	100%	
	Cipriani	Hong Kong	44%	
	Plaisance by Mauro Colagreco	Hong Kong	48%	One Michelin star (2025)
Asian Cuisine	China Tang Landmark	Hong Kong	51%	The Plate Michelin (2019-2021)
	Howard's Gourmet	Hong Kong	51%	
	Chiu Tang Central	Hong Kong	68%	
	Chiu Bistro	Hong Kong	68%	
	Canton Bistro *(Note)*	Hong Kong	100%	
	KiKi Noodle Bar IFC	Hong Kong	83%	
	KiKi Noodle Bar K11 MUSEA	Hong Kong	83%	
	KiKi Noodle Bar Hysan Place	Hong Kong	83%	
	Academia	Hong Kong	83%	
	OH! MY BREAD (includes OH! MY NOODLE)	Hong Kong	83%	
	MOSU Hong Kong	Hong Kong	68%	
	SẾP	Hong Kong	68%	
	bibigo bapsang	Hong Kong	68%	
	China Club	Hong Kong	17%	
	China Tang Dubai	Dubai	34%	
Japanese Cuisine	Kanesaka Hong Kong	Hong Kong	68%	
	Yamato	Hong Kong	60%	
	Akatsuki	Hong Kong	48%	
Managed restaurant				
Western Cuisine	8½ Otto e Mezzo BOMBANA, Macau	Macau	N/A	One Michelin star (2016-2025)

Note: Performance of these two restaurants in Ocean Park Marriott Hotel has been included in the hotel operation segment for segment reporting purposes.

CINEMA OPERATION

The cinema operation is managed by eSun Group. For the year ended 31 July 2025, this segment recorded a turnover of HK$445.1 million (2024: HK$439.5 million) and segment results of a profit of HK$116.4 million (2024: a loss of HK$356.1 million). The eSun Group has closed certain non-performing cinemas and renegotiated the leases with the respective landlords during the year under review, together with (i) reversal of impairment of right-of-use assets and property, plant and equipment; (ii) decrease in depreciation of right-of-use assets and property, plant and equipment as a result of the impairment losses provided for these assets in previous financial year; and (iii) increase in gain on modification of leases upon successful negotiation with landlords for rent concessions and rent restructuring, segment profits was recorded during the year under review. As at the date of this results announcement, eSun Group operates fourteen cinemas in Hong Kong and one cinema in Chinese Mainland. Details on the number of screens and seats of each existing cinema are disclosed in below table. Besides, eSun Group has extended its cinema network through two 50% joint ventures with Emperor Cinemas Group, namely Emperor Cinemas Plus+ (The Wai) (opened in July 2023) and Emperor Cinemas Plus+ (The Southside) (opened in June 2024), which are managed by Emperor Cinemas Group.

Cinema (managed by eSun Group)	**No. of screens**	**No. of Seats**
Chinese Mainland		
Suzhou Grand Cinema City	10	1,440
Subtotal	**10**	**1,440**
Hong Kong		
K11 Art House	12	1,708
Movie Town (including MX4D theatre)	7	1,702
Festival Grand Cinema	8	1,196
MCL AIRSIDE Cinema	7	944
MCL The ONE Cinema	6	831
MCL Cyberport Cinema	4	818
MCL Telford Cinema (including MX4D theatre)	6	789
MCL Metro City Cinema	6	690
MCL Citygate Cinema	4	673
STAR Cinema	6	622
MCL Amoy Cinema	3	603
MCL Cheung Sha Wan Cinema	4	418
MCL Green Code Cinema	3	285
Grand Windsor Cinema	3	246
Subtotal	**79**	**11,525**
Total	**89**	**12,965**

MEDIA AND ENTERTAINMENT

The media and entertainment businesses are operated by eSun Group. For the year ended 31 July 2025, this segment recorded a turnover of HK$287.9 million (2024: HK$387.1 million) and segment results of an increased profit to HK$42.5 million from that of HK$35.9 million in last financial year.

Events Management

During the year under review, eSun Group organised and invested in 45 (2024: 77) shows by popular local and Asian renowned artistes, including Sammi Cheng, Raymond Lam, Grasshopper, Ekin Cheng, Jay Fung, Mayday, Stephy Tang, Cloud Wan, Jace Chan, Dear Jane, Tsai Chin, ILUB, YEAHS and Zhao Chuan.

Music Production, Distribution and Publishing

During the year under review, eSun Group released 19 (2024: 14) albums, including titles by Anita Mui, Leslie Cheung, Eason Chan, Ekin Cheng, Sammi Cheng, Miriam Yeung, Jay Fung, On Chan, Stephy Tang, Cloud Wan, Ansonbean and YEAHS. eSun Group expects to continue to increase its music licensing revenue from the exploitation of the music library through new media distribution.

Artiste Management

eSun Group has a strong artiste management team and a sizeable number of talents and will continue to expand its profile and in tandem with our growing TV drama production and film production businesses. eSun Group currently has 13 artistes under its management.

FILM AND TV PROGRAM PRODUCTION AND DISTRIBUTION

The film and TV program production and distribution businesses are operated by eSun Group. For the year ended 31 July 2025, this segment recorded a turnover of HK$46.6 million (2024: HK$341.0 million) and segment results of an increased loss to HK$52.0 million (2024: loss of HK$21.9 million).

During the year under review, a total of 7 (2024: 3) films and nil (2024: 3) TV program(s) produced/invested by eSun Group were theatrically released, namely "*Octopus with Broken Arms*", "*Detective Chinatown 1900*", "*An Abandoned Team*", "*The Grey Men 2*", "*Decoded*", "*The Volunteers: The Battle of Life and Death*" and "*The Way Out*". eSun Group also distributed 46 (2024: 42) films with high profile titles including "*The Last Dance*", "*Gladiator II*", "*Transformers One*" and "*Ne Zha 2*".

INTERESTS IN JOINT VENTURES

For the year ended 31 July 2025, share of losses from joint ventures of the Group amounted to HK$1,130.1 million, as compared to HK$796.3 million in last financial year. The increase in losses was primarily due to the fair value losses and impairment losses on properties recorded during the year under review.

	Year ended 31 July	
	2025 (HK$ million)	2024 (HK$ million)
Revaluation losses	**(750.0)**	(598.2)
Operating losses	**(380.1)**	(198.1)
Losses from joint ventures	**(1,130.1)**	(796.3)

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 July 2025, cash and bank balances and undrawn facilities held by the Group amounted to approximately HK$4,424.8 million and approximately HK$4,216.4 million, respectively. Cash and bank balances held by the Group of which about 51% was denominated in Hong Kong dollars and United States dollars, and about 33% was denominated in Renminbi. Excluding LSD Group, cash and bank balances and undrawn facilities held by the Group as at 31 July 2025 were approximately HK$86.4 million and approximately HK$425.0 million, respectively.

The Group's sources of funding comprise mainly internal funds generated from the Group's business operations, loan facilities provided by banks, guaranteed notes issued to investors.

As at 31 July 2025, the Group had bank borrowings of approximately HK$21,323.7 million, guaranteed notes of approximately HK$4,259.6 million and other borrowings of approximately HK$776.0 million. As at 31 July 2025, the maturity profile of the bank borrowings of HK$21,323.7 million is spread with HK$10,886.0 million repayable within one year, HK$2,759.4 million repayable in the second year, HK$4,760.7 million repayable in the third to fifth years, and HK$2,917.6 million repayable beyond the fifth year. Subsequent to the reporting period, LSD Group successfully refinanced one of its banking facilities originally maturing in October 2025 and obtained a syndicated bank loan facility of HK$3,457 million from the 20 existing lenders for 5 years maturing on 30 September 2030. Such refinancing covered HK$3,060 million of the Group's bank borrowings under current liabilities as at 31 July 2025. LSD Group has also extended a GBP57 million (equivalent to HK$591 million) bilateral bank loan for a term of 6 months to 31 March 2026. The management of the Company believes that the Group will be able to refinance its bank borrowings when they become due and obtain new bank facilities as needed based on the Group's relationship with the banks and its historical record of successfully refinancing loans.

LSD Group issued guaranteed notes in an aggregate principal amount of US$493 million and HK$385 million. The guaranteed notes have terms ranging from five years to seven years and three months, and bear fixed interest rates ranging from 4.9% to 5.25% per annum. Certain guaranteed notes are listed on The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") and were issued for refinancing the previous notes and for general corporate purposes. LSD Group entered into cross currency swap agreements with financial institutions for hedging the foreign currency risk of certain guaranteed notes. LSD Group has also entered into interest rate swap agreements with financial institutions for hedging the interest rate risk of certain bank borrowings.

Approximately 82% and 16% of the Group's total borrowings carried interest on a floating rate basis and fixed rate basis, respectively, and the remaining 2% of the Group's borrowings were interest-free.

The gearing ratio, expressed as a percentage of the total outstanding net debt (being the total borrowings less cash and bank balances) to consolidated net assets attributable to owners of the Company, was approximately 152%. Excluding the net debt of LSD Group, the Group's gearing ratio was approximately 6%.

As at 31 July 2025, certain investment properties with carrying amounts of approximately HK$34,840.1 million, certain property, plant and equipment and the related right-of-use assets with carrying amounts of approximately HK$7,589.8 million, certain completed properties for sale with carrying amounts of approximately HK$1,478.6 million, certain properties under development with carrying amounts of approximately HK$4,224.8 million, and certain bank balances and time deposits with banks of approximately HK$913.1 million were pledged to banks to secure banking facilities granted to the Group. In addition, shares in certain subsidiaries were pledged to banks to secure banking facilities granted to the Group. Shares in certain joint ventures were pledged to banks to secure banking facilities granted to the respective joint ventures of the Group. The Group's secured bank borrowings were also secured by floating charges over certain assets held by the Group.

The Group's major assets and liabilities and transactions were denominated in Hong Kong dollars, United States dollars, Pound Sterling and Renminbi. Considering that Hong Kong dollars are pegged against United States dollars, the Group believes that the corresponding exposure to exchange rate risk arising from United States dollars is not material. LSD Group has investments in United Kingdom with the assets and liabilities denominated in Pound Sterling. These investments were primarily financed by bank borrowings denominated in Pound Sterling in order to minimise the net foreign exchange exposure. Lai Fung Group has a net exchange exposure to Renminbi as their assets are principally located in Chinese Mainland and the revenues are predominantly in Renminbi. Other than the abovementioned, the remaining monetary assets and liabilities of the Group were denominated in Euro and Vietnamese Dong which were insignificant as compared with the Group's total assets and liabilities. The Group manages its foreign currency risk by closely reviewing the movement of the foreign currency rate and considers hedging significant foreign currency exposure should the additional need arise.

Proceeds achieved from any disposals of assets will improve the Group's financial position and liquidity further.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 July 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares, if any).

CORPORATE GOVERNANCE

The Company is committed to achieving and maintaining high standards of corporate governance and has established policies and procedures for compliance with the principles and code provisions set out in the Corporate Governance Code ("**CG Code**") contained in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange from time to time.

The Company has complied with all the code provisions set out in the CG Code for the year ended 31 July 2025 save for the deviation from code provision F.1.3.

Under code provision F.1.3, the chairman of the board should attend the annual general meeting.

Due to other pre-arranged business commitments which must be attended to by Dr. Lam Kin Ngok, Peter, the Chairman, he was not present at the annual general meeting of the Company ("**AGM**") held on 13 December 2024. Mr. Cheung Sum, Sam, an executive director of the Company ("**Executive Director**") and the Group Chief Financial Officer, who was present at that AGM, was elected chairman of that AGM pursuant to Article 71 of the articles of association of the Company to ensure effective communication with the shareholders of the Company ("**Shareholders**") thereat.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 July 2025, the Group employed a total of approximately 3,600 employees. The Group recognises the importance of maintaining a stable staff force in its continued success. Under the Group's existing policies, employee pay rates are maintained at competitive levels whilst promotion and salary increments are assessed on a performance-related basis. Discretionary bonuses are granted to employees based on their merit and in accordance with industry practice. Other benefits including share option scheme, mandatory provident fund scheme, free hospitalisation insurance plan, subsidised medical care and sponsorship for external education and training programmes are offered to eligible employees.

INVESTOR RELATIONS

To ensure our investors have a better understanding of the Company, our management engages in a proactive investor relations programme. Our Executive Directors and Investor Relations Department communicate with research analysts and institutional investors regularly.

The Group maintains proactive interactions with the investment community and provides them with updates on the Group's operations, financial performance and outlook. During the year under review, the Company has been communicating with a range of stakeholders via physical/ online meetings and conference calls.

The Company is keen on promoting investor relations and enhancing communication with its Shareholders and potential investors. It welcomes suggestions from investors, stakeholders and the public who may contact the Investor Relations Department by phone on (852) 2853 6106, by fax at (852) 2853 6651 or by e-mail at ir@laisun.com.

REVIEW OF FINAL RESULTS

The audit committee of the Company ("**Audit Committee**") currently comprises three independent non-executive directors, namely Messrs. Leung Shu Yin, William (Chairman of the Audit Committee), Lam Bing Kwan and Chow Bing Chiu. The Audit Committee has reviewed the consolidated results (including the consolidated financial statements) of the Company for the year ended 31 July 2025.

REVIEW OF THE PRELIMINARY ANNOUNCEMENT OF RESULTS BY INDEPENDENT AUDITOR

The figures in respect of the Group's consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 July 2025 as set out in the preliminary announcement have been agreed by the Company's auditor, Ernst & Young, Certified Public Accountants to the amounts set out in the Group's consolidated financial statements for the year. The work performed by the Company's auditor in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the Company's auditor on the preliminary announcement.

EXTRACT OF THE INDEPENDENT AUDITOR'S REPORT

The following is the extract of the independent auditor's report on the Company's consolidated financial statements for the year ended 31 July 2025:

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 July 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Material uncertainty related to going concern

We draw attention to note 2.1 to the consolidated financial statements, which indicates that as at 31 July 2025, the Group's current liabilities exceeded its current assets by HK$5,420 million, and the Group had cash and bank balances (including pledged and restricted bank balances and time deposits) of HK$4,306 million under current assets, while total bank and other borrowings and guaranteed notes amounted to HK$26,359 million, of which HK$15,539 million was classified as current liabilities. In addition, the Group incurred a net loss of HK$3,238 million during the year ended 31 July 2025. These conditions, along with other matters as set forth in note 2.1 to the consolidated financial statements, indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

ANNUAL GENERAL MEETING

The forthcoming AGM of the Company ("**2025 AGM**") will be held on Friday, 19 December 2025. Notice of the 2025 AGM together with the proxy form and the Company's Annual Report for the year ended 31 July 2025 will be published on the respective websites of Hong Kong Exchanges and Clearing Limited and the Company and despatched to the Shareholders in mid-November 2025.

RECORD DATE FOR ATTENDING AND VOTING AT THE 2025 AGM

To ascertain the entitlements to attend, speak and vote at the 2025 AGM, all relevant transfer document(s) and share certificate(s) must be lodged with the office of the Company's share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Monday, 15 December 2025 for registration. The record date for attending, speaking and voting at the 2025 AGM is Monday, 15 December 2025.

By Order of the Board
Lam Kin Ngok, Peter
Chairman

Hong Kong, 24 October 2025

As at the date of this announcement, the Board comprises six Executive Directors, namely Dr. Lam Kin Ngok, Peter (Chairman), Mr. Yang Yiu Chong, Ronald Jeffrey, Mr. Cheung Sum, Sam, Madam U Po Chu, Mr. Lam Kin Hong, Matthew and Mr. Lam Hau Yin, Lester (also alternate to Madam U Po Chu); and four Independent Non-executive Directors, namely Messrs. Leung Shu Yin, William, Lam Bing Kwan, Chow Bing Chiu and Ng Chi Ho, Dennis.