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嘉里建設有限公司*

KERRY PROPERTIES LIMITED

(Incorporated in Bermuda with limited liability)

website: www.kerryprops.com

(Stock Code: 683)

FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

The Board is pleased to announce the consolidated final results of the Group for the year ended 31 December 2025. The Audit and Corporate Governance Committee of the Company has met to review the audited consolidated results and the consolidated financial statements of the Group for the year ended 31 December 2025 prior to recommending them to the Board for approval.

	2025	2024	% Change
	HK\$ Million	HK\$ Million	
Combined revenue ⁽¹⁾	25,015	21,361	17%
Property sales	17,674	13,830	28%
Property rental and others	5,193	5,355	-3%
Hotel operations	2,148	2,176	-1%
Revenue ⁽²⁾	19,568	19,499	0.4%
Underlying profit ⁽³⁾	2,008	2,576	-22%
Profit attributable to shareholders	938	808	16%
Financial information	2025	2024	% Change
	HK\$	HK\$	
EPS	0.65	0.56	16%
Adjusted EPS	1.39	1.77	-22%
Dividend per share	1.35	1.35	Maintain
Interim	0.40	0.40	Maintain
Final	0.95	0.95	Maintain

Notes:

- (1) Combined revenue includes revenue from the Company, its subsidiaries and share of associates and joint ventures in the Chinese Mainland and Hong Kong.
- (2) Revenue includes revenue from the Company and its subsidiaries only.
- (3) Underlying profit represents profit attributable to shareholders excluding the non-cash change in fair value of investment properties.

* For identification purpose only

CHAIRMAN'S STATEMENT

On behalf of Kerry Properties Limited I am pleased to present our annual results of 2025.

Financial Results and Dividend

For the year, the Group recorded profit attributable to shareholders of HK\$938 million (2024: HK\$808 million), representing a year over year increase of 16%. Excluding non-cash changes in the fair value of investment properties, underlying profit declined by 22% year over year to HK\$2,008 million (2024: HK\$2,576 million). The decrease in underlying profit was attributable to the softer rental performance of our office segment as well as a higher tax charge in 2025, following a one-off reversal of tax provisions in the prior year. We also incurred pre-operating expenses for new investment property projects and capitalised a lower level of finance costs during the year, while lower development property impairment provisions, as compared with 2024, mitigated the decrease somewhat. EPS for 2025 was HK\$0.65 per share (2024: HK\$0.56 per share), while Adjusted EPS based on underlying profit was HK\$1.39 per share (2024: HK\$1.77 per share).

The Board has recommended the payment of a final dividend of HK\$0.95 per share for the year. Together with the interim dividend of HK\$0.40 per share, the total dividend for the year amounts to HK\$1.35 per share (2024: HK\$1.35 per share).

The Group's contracted sales for the year reached HK\$34,684 million (2024: HK\$12,605 million) contributed mainly by the strong performance from the presales of our Jinling Residences in Shanghai. Combined revenue increased by 17% year over year to HK\$25,015 million (2024: HK\$21,361 million) contributed by 28% more sales being recognised from development properties mainly in Hong Kong, including Mont Verra, La Montagne and HAVA in 2025. This growth was partially offset by a 3% decline in combined rental revenue from investment properties and hotels, reflecting continued headwinds in the commercial properties space.

Hong Kong Business Performance

The Hong Kong residential market showed gradual improvement during the year, with moderate price appreciation and a rebound in transaction volumes. Developers became more active in land tenders, signalling a much improved sentiment in the residential sector. Nevertheless, buyers remained highly selective given the sizable inventory of completed units in the market - location, quality and differentiation continued to drive buyer demand.

In 2025, we lightened our foot on the sales gas pedal for certain development property projects to seek better margins. This is based on improving supply and demand dynamics for a few of our higher-end developments, supported by the Group's improved cashflow and gearing position.

Performance across our Hong Kong investment property portfolio was mixed. Our apartment segment performed well with firm rental levels and occupancies, benefiting from rising demand for premium rental properties. On the other hand, our office and retail segments continued to soften, more or less in line with the wider market.

Chinese Mainland Business Performance

The residential market on the Chinese Mainland remained weak in 2025. The improvement in primary transaction volumes in tier-1 cities in the first half reversed sharply in the second half to close the year down about 15% from the previous year, while property prices edged lower over the full year. Overall economic sentiment remained sluggish as evidenced by the continued accumulation of household savings. RMB deposits expanded to RMB329 trillion by December 2025, up 9% from a year ago and 45% from June 2021 ⁽¹⁾, when economic sentiment peaked.

We were greatly encouraged by the market reception of our Jinling Residences in Shanghai. This demonstrated the enduring attractiveness and resilience of ultra high-quality residential projects in core locations of the few top cities. However our sales in other cities were slower than expected.

In investment properties, our office segment continued to perform well relative to the market, however, persistent headwinds of rising city-wide vacancies and decreasing rents resulted in a decrease in rental income year over year. On the retail front, we continued to improve our positioning and operations and were generally pleased with sustained growth in tenant sales and higher occupancies.

Sustainable Development

In 2025, we continued to advance along our journey towards a lower-carbon future through tangible and measurable initiatives. We were pleased to have our science-based emissions reduction targets validated, giving us a clear roadmap for decarbonisation. In addition, we were encouraged to have the opportunity to obtain renewable energy supplies for several of our major mixed-use developments in the Chinese Mainland which, together with our broader sustainability efforts, contributed to a reduction in operational carbon emissions of over 20% year over year.

Outlook

Over the long run, we remain confident and optimistic on the prospects of the Chinese Mainland and Hong Kong. The Chinese Mainland continues to strengthen its economic foundation and resilience while placing great focus on the wellbeing of its citizens. Importantly, the recently announced 15th Five-Year Plan emphasises structural reforms to further open up its market and industries to the private sectors, enabling the market and the state to jointly play complementary and significant roles in resource allocation. The plan also prioritises the expansion of domestic demand.

What is less widely talked about is the incredible dismantling of the Chinese Mainland's real estate "time-bomb" since 2021 that put an end to the rapid expansion of low-quality, and ultimately unwanted, housing supply and the accompanied speculative bubble that had been steadily forming over many years. The real estate sector's contribution to GDP is estimated to have fallen from over 20% in 2020 to below 10% in the first half of 2025 ⁽²⁾ - without causing a systemic financial crisis. With national development now focused squarely on new innovative industries, the Chinese Mainland economy is on a much better footing to embark on the next phase of growth—one that prioritises quality over quantity, and sustainability.

Notes:

(1) Source: The People's Bank of China

(2) Source: DBS Bank

Having said that, the "poverty effect" of the bursting of the real estate bubble continues to drag on overall economic sentiment, hampering investment and consumption. Given the significant oversupply in the overall real estate market it remains to be seen when the property market will truly stabilise and with it the gradual improvement in domestic investment and consumption.

In Hong Kong we have observed sentiment improving markedly brought about by lower interest rates, a buoyant stock market, and a positive residential property outlook. We remain optimistic on Hong Kong's prospects, given its unique role as the super-connector between the Chinese Mainland and global markets. Mainland investors and homebuyers, driven by comparatively lower interest rates on the Chinese Mainland, have increasingly turned to Hong Kong for wealth management, investment products, and real estate. Going forward we would also expect foreign capital inflows into Hong Kong to increase as global investors seek exposure to China. This inflow of liquidity alongside improving demand-supply dynamics for residential properties, is fostering a positive outlook for the Hong Kong economy and property sector.

Despite our overall constructive outlook, we remain cautious given the challenges still posed by the real estate sector to the overall economy on the Chinese Mainland. While Hong Kong's prospects are looking up, sentiment is still fragile and the impact of the recent extreme geopolitical events in the Middle East are already being felt in the stock and property markets. As we have done so over the past few years, we will continue to adopt a prudent approach prioritising the financial resiliency of the Group, while selectively pursuing high-quality investment opportunities to feed our growth.

Last but not least, I would like to express my appreciation to my colleagues for their continued dedication, discipline and professionalism, and to my fellow directors for their continued guidance and support as we navigate through these choppy waters.

Kuok Khoon Hua

Chairman

Hong Kong, 23 March 2026

MANAGEMENT DISCUSSION & ANALYSIS

BUSINESS REVIEW

PRESENCE ON THE CHINESE MAINLAND AND IN HONG KONG

Landbanking Strategy

The Group maintains a diversified landbank of development properties and investment properties in Hong Kong, as well as in key cities on the Chinese Mainland, including Beijing, Hangzhou, Shanghai, Shenyang and Shenzhen.

The Group's landbanking strategy focuses on building a portfolio of premium mixed-use projects, comprising office, retail, hotel and apartments-for-lease in the Chinese Mainland, while also operating a balanced pipeline of development properties in both the Chinese Mainland and Hong Kong. The Group presides over a landbank capable of sustaining growth for years to come and will be pursuing a prudent and selective landbanking strategy to support long-term sustainable growth.

Property Portfolio Composition

The Group's property portfolio comprised 47.2 million sq ft of attributable GFA as of 31 December 2025 (31 December 2024: 50.1 million sq ft) across the Chinese Mainland, Hong Kong and other overseas locations.

Of the 13.4 million sq ft of attributable GFA of properties under development in the Chinese Mainland, approximately 5.0 million sq ft was allocated for a mixed-use project in Shanghai's Huangpu district comprising residential and commercial components. This strategic project is expected to deliver healthy sales revenue from development properties in the near to medium term, while enhancing the Group's investment property portfolio in downtown Shanghai with progressively increasing recurrent rental revenue in the longer-term.

In 2025, the land exchange procedures for the redevelopment of the Group's 50%-owned joint venture project, Kerry Hung Kai Warehouse in Cheung Sha Wan, Hong Kong, were successfully completed. The project will be transformed into a residential-cum-commercial development with an attributable GFA of approximately 230,000 sq ft.

A summary of the Group's property portfolio in attributable GFA follows:

The Group's property portfolio in attributable GFA					
('000 sq ft)	As of 31 December 2025				As of 31 December 2024
	Chinese Mainland	Hong Kong	Overseas	Total	Total
Properties under development	13,435	1,375	3,912	18,722	24,106
Investment properties	13,332	2,804	1,990	18,126	15,899
Hotel properties	4,881	38	504	5,423	5,176
Properties held for sale	4,521	389	61	4,971	4,926
Total GFA	36,169	4,606	6,467*	47,242	50,107

Note: * Includes 6,351,000 sq ft of attributable GFA held through Shang Properties, Inc., a listed company in the Philippines.

Development Property Pipeline

Based on its existing portfolio of properties under development, the Group maintains a healthy sales pipeline sufficient for the next six years and beyond. As of 31 December 2025, the total attributable GFA of for-sale development properties in the Chinese Mainland and Hong Kong was 7.2 million sq ft.

Looking into the Chinese Mainland, the Group's pipeline will yield 5.9 million sq ft of attributable GFA. All of the Chinese Mainland development properties are integral to master-planned mixed-use developments in key city areas, offering convenient access to transport networks. They will feature high-quality homes with the added benefit of amenities from their commercial components, such as shopping malls and well-designed public spaces.

In Hong Kong, the Group oversees a pipeline of high-quality projects totalling approximately 1.3 million sq ft of attributable GFA. This allows the Group to sustain a balanced pipeline comprising a diverse mix of premium and middle-market developments.

The Group's attributable development property completion pipeline				
Target completion	Location	Region	Equity stake	Attributable GFA <i>('000 sq ft)</i>
2026 onwards	Shenyang	Chinese Mainland	60%	890
2026 onwards	Wuhan	Chinese Mainland	100%	2,307
2027	Tseung Kwan O	Hong Kong	25%	387
2027 onwards	Qinhuangdao	Chinese Mainland	60%	1,341
2027 onwards	Shanghai Huangpu	Chinese Mainland	100%	1,332
2028	To Kwa Wan	Hong Kong	100%	370
2029	Tsuen Wan	Hong Kong	100%	314
2031	Cheung Sha Wan	Hong Kong	50%	230
				7,171
Chinese Mainland Total				5,870
Hong Kong Total				1,301
Group Total				7,171

Subsequent to the financial year end, the Group won the government tender for a site in Shau Kei Wan, Hong Kong in February 2026, expected to yield over 130,000 sq ft of residential GFA.

Investment Property and Hotel Pipeline

As of 31 December 2025, the Group held 21.1 million sq ft of attributable GFA within its major investment property and hotel portfolio. This includes office, retail, apartment and hotel assets across both Hong Kong and the Chinese Mainland. The Chinese Mainland accounted for 87% or 18.2 million sq ft, while Hong Kong accounted for 13% or 2.8 million sq ft of the major investment property and hotel portfolio. The portfolio's composition follows:

The Group's major investment property and hotel portfolio in Hong Kong and the Chinese Mainland (attributable GFA)*									
As of 31 December 2025									As of 31 December 2024
<i>('000 sq ft)</i>	Hong Kong	Beijing	Shanghai	Shenzhen	Hangzhou	Shenyang	Others	Total	Total
Office	778	711	1,519	3,485	337	354	639	7,823	6,662
Retail	1,197	98	959	437	1,807	486	1,252	6,236	5,098
Hotel	38	500	759	121	621	395	2,485	4,919	4,672
Apartment	829	277	774	-	197	-	-	2,077	1,850
Warehouse	-	-	-	-	-	-	-	-	299
Total	2,842	1,586	4,011	4,043	2,962	1,235	4,376	21,055	18,581

Note: * Excludes 2,494,000 sq ft of attributable GFA from investment properties and hotels overseas.

Over the next six years and beyond, the Group anticipates adding approximately 7.6 million sq ft of attributable GFA to its investment property and hotel portfolio from major mixed-use projects in the Chinese Mainland. This encompasses approximately 4.4 million sq ft for office properties, 2.9 million sq ft for retail and 0.3 million sq ft for hotels and others. Key cities driving this expansion are Shanghai (Pudong and Huangpu districts), Wuhan and Shenyang.

The Group's major mixed-use projects under development in the Chinese Mainland (attributable GFA)					
Target completion	City	Office	Retail	Hotel	Total
		<i>('000 sq ft)</i>			
2026	Shanghai Pudong	110	981	-	1,091
From 2026	Shenyang	447	594	-	1,041
From 2027	Zhengzhou	349	-	226	575
From 2029	Shanghai Huangpu	2,359	1,336	-	3,695
From 2031	Wuhan	1,163	-	-	1,163
	Total	4,428	2,911	226	7,565

The Group has established a solid pipeline of mixed-use projects in major cities, attributable to its strategic vision and disciplined landbanking. The upcoming launches of premium offices, malls and hotels are anticipated to serve as growth catalysts for the long term, delivering steadily increasing recurrent revenue. Furthermore, the Group will concentrate on asset enhancement to maintain the competitiveness of its properties. Efficient management of current assets and high-quality service for tenants will also underpin the Group's rental levels, occupancies and tenant loyalty.

Group Financial Highlights

HK\$ Million	2025	2024	Change, favourable / (unfavourable)
Combined revenue	25,015	21,361	17%
Combined results	6,779	6,850	-1%
<i>Gross margin (%)</i>	<i>27%</i>	<i>32%</i>	<i>-5% pts</i>
Underlying profit excluding provision on development properties	2,455	3,973	-38%
Provision on development properties	(447)	(1,397)	68%
Underlying profit	2,008	2,576	-22%
Fair value changes of investment properties	(1,070)	(1,768)	39%
Profit attributable to shareholders	938	808	16%

Further details regarding underlying profit are provided below:

Net finance costs	(714)	(378)	-89%
Taxation	(1,624)	(1,070)	-52%

Contracted sales	34,684	12,605	175%
	As of 31 December 2025	As of 31 December 2024	Change
Gearing ratio (%)	33.3%	41.5%	-8.2% pts

Combined revenue

Combined revenue rose by 17% to HK\$25,015 million (2024: HK\$21,361 million). Combined revenue for development properties increased by 28% year-on-year to HK\$17,674 million (2024: HK\$13,830 million) primarily driven by higher revenue recognition from Hong Kong projects, namely Mont Verra, La Montagne, HAVA and FLORA. Conversely, combined revenue from investment properties and hotels declined by 3% year-on-year, amounting to HK\$7,341 million (2024: HK\$7,531 million).

Combined revenue in the Chinese Mainland and Hong Kong				
HK\$ Million	2025	2024	% Change Reporting currency basis	% Change Constant exchange rate basis
Development properties				
Chinese Mainland	5,897	7,457	-21%	-25%
Hong Kong	11,777	6,373	85%	85%
Sub-total	17,674	13,830	28%	25%
Investment properties and hotels				
Chinese Mainland rental properties	4,043	4,069	-1%	-1%
Hong Kong rental properties	1,150	1,286	-11%	-11%
Hotel operations	2,148	2,176	-1%	-2%
Sub-total	7,341	7,531	-3%	-4%
Group total	25,015	21,361	17%	15%

Combined results

The Group's combined results amounted to HK\$6,779 million (2024: HK\$6,850 million), with a corresponding gross margin of 27% (2024: 32%). The decline in gross margin was primarily due to reduced rental revenue from investment properties while fixed costs were maintained to uphold high property standards, alongside increased marketing and pre-opening expenses.

Provision on development properties

As a result of the weak market conditions in the residential sector, an impairment provision of HK\$447 million on development properties in the Chinese Mainland was recorded in 2025 (2024: HK\$986 million). Meanwhile, a one-off non-cash provision of HK\$411 million for certain land sites held by the Group in the Kwu Tung North New Development Area was made in 2024, stemming from the resumption of these sites by the Hong Kong government.

Investment property revaluation

The Group's investment property portfolio was valued at HK\$87,199 million as of 31 December 2025 (2024: HK\$84,273 million). This includes the Chinese Mainland portfolio valued at HK\$58,192 million (2024: HK\$55,839 million), and the Hong Kong portfolio valued at HK\$29,007 million (2024: HK\$28,434 million).

Due to the persistent downturn in the office and retail sectors, an attributable share of non-cash fair value loss of investment properties (net of deferred tax) of HK\$1,070 million was recognised in 2025 (2024: HK\$1,768 million). Capitalisation rates remained steady.

Finance costs

Gross finance costs decreased by 17% to HK\$2,220 million (2024: HK\$2,660 million) primarily due to lower gross debt following the receipt of sales proceeds from various development property projects, as well as lower interest rates. However, net finance costs charged to the consolidated income statement rose to HK\$714 million (2024: HK\$378 million) as the proportion of capitalised finance costs decreased upon the completion and presale of various projects. Hence, capitalised finance costs declined to HK\$1,506 million (2024: HK\$2,282 million).

Through active management of treasury activities, the effective interest rate declined to 3.8% (2024: 4.6%). The average debt maturity as of 31 December 2025 was 2.5 years (31 December 2024: 2.6 years). Further details regarding the Group's treasury policies and activities can be found in the "Capital Resources and Liquidity" section.

Taxation

Taxation increased to HK\$1,624 million (2024: HK\$1,070 million) primarily due to a substantially reduced write-back of tax provision of HK\$1 million (2024: HK\$318 million), higher profits tax in Hong Kong and higher land appreciation tax in the Chinese Mainland.

Contracted sales

The Group recorded contracted sales of HK\$34,684 million (2024: HK\$12,605 million), marking an increase of 175% year-on-year, primarily attributable to higher contracted sales in the Chinese Mainland.

Contracted sales in the Chinese Mainland and Hong Kong					
HK\$ Million	2025	2024	% Change	2025 % of total	2024 % of total
Development properties					
Chinese Mainland	25,277	2,477	920%	73%	20%
Hong Kong	9,407	10,128	-7%	27%	80%
Total	34,684	12,605	175%	100%	100%

As of 31 December 2025, contracted sales yet to be recognised amounted to approximately HK\$25,400 million, of which 88% was generated from the Chinese Mainland and 12% from Hong Kong projects. Revenue recognition is expected from 2026 to 2028 upon handover of the completed units to buyers.

Gearing ratio

The Group's gearing ratio as of 31 December 2025 decreased to 33.3% (31 December 2024: 41.5%) as sales proceeds from various development property projects were received. The Group remains on track with executing its deleveraging plan and will uphold disciplined financial management to maintain gearing at a reasonable level.

CHINESE MAINLAND PROPERTY DIVISION

Overview

The Chinese Mainland Property Division recorded combined revenue of HK\$12,057 million (2024: HK\$13,665 million) and combined results of HK\$4,968 million (2024: HK\$4,446 million) for 2025. The decline in combined revenue was primarily driven by lower recognised sales from development properties.

(i) Development Property Portfolio Performance

Combined revenue from development properties in the Chinese Mainland Property Division amounted to HK\$5,897 million (2024: HK\$7,457 million). This reduction was due to decreased sales revenue recognition on completion of relevant projects and handover of completed units to buyers. Majority of the combined revenue in 2025 was recognised during the second half of the year and contributed by Wuhan River Mansion, Shanghai Park Towers and Shenyang The Arcadia. Combined results amounted to HK\$1,653 million (2024: HK\$817 million), with a corresponding gross margin of 28% (2024: 11%) mainly due to a different product mix.

The Chinese Mainland Property Division delivered attributable contracted sales of HK\$25,277 million (2024: HK\$2,477 million), mainly contributed by the Shanghai Jinling Residences presales. Sales momentum for other projects in the second and third-tier cities remained slow. A summary of major attributable contracted sales in the Chinese Mainland for 2025 follows:

Project name	Group's attributable interest	Location	Approximate total saleable area (sq ft)	Total contracted sales in 2025 (HK\$ Million)
Jinling Residences	100%	Shanghai	1,331,000	23,612
The Arcadia	60%	Shenyang	3,283,000	610
The Bayside	100%	Shenzhen Qianhai	459,000	334
River Mansion	100%	Wuhan	1,560,000	306
Habitat Phase II	60%	Qinhuangdao	1,954,000	256
Arcadia Terrace	49%	Tianjin	299,000	90*
Others	-	-	-	69
Total				25,277

Note: Others include sales from projects in Kunming, Fuzhou, Qinhuangdao and other cities.

** Group's attributable share in associates and joint ventures.*

(ii) Investment Property and Hotel Portfolio Performance

In the Chinese Mainland, the Group's investment property and hotel portfolio primarily comprises office, retail, apartments-for-lease and hotel properties in key cities. In 2025, combined revenue from the Chinese Mainland investment property and hotel portfolio amounted to HK\$6,160 million (2024: HK\$6,208 million).

Excluding hotels, Chinese Mainland investment properties contributed combined rental revenue of HK\$4,043 million (2024: HK\$4,069 million) and combined results of HK\$2,613 million (2024: HK\$2,910 million). The corresponding gross margin was 65% (2024: 72%), with the decrease largely attributable to reduced rental revenue while fixed costs were maintained to uphold high property standards, alongside increased marketing and pre-opening expenses. A summary of Chinese Mainland combined rental revenue follows:

Combined rental revenue of the Chinese Mainland Property Division (excluding hotel revenue)				
	2025	2024	% Change	% Change
	HK\$ Million	HK\$ Million	Reporting	Constant
			currency	exchange
			basis	rate basis
Office	2,192	2,239	-2%	-3%
Retail	1,355	1,324	2%	2%
Apartment	351	359	-2%	-3%
Carpark and others	145	147	-1%	-2%
Total	<u>4,043</u>	<u>4,069</u>	-1%	-1%

Note: During 2025, certain property management fees were classified to rental revenue. For comparability purposes, excluding the impact of this classification, Chinese Mainland total combined rental revenue decreased by 4% year-on-year on a constant exchange rate basis. On the same adjusted basis, combined rental revenue in the office, retail and apartment segments declined by 5%, 1% and 12% year-on-year respectively.

The office segment, the Group's major revenue driver in its investment property portfolio, remained under pressure amid continued economic uncertainties and oversupply of office buildings. Corporate tenants have prioritised cost cutting and space optimisation, leading to instances of lease restructuring, downsizing or relocation. To secure recurring revenue in this challenging market, the Group concentrated on lease renewals, aiming for favourable leasing terms based on current market prices while adapting flexibly to address tenants' needs to maintain stable occupancy levels.

Performance of the retail segment was largely stable, characterised by higher occupancy levels, improved tenant sales and steady foot traffic, despite soft consumer sentiment. This was partly attributable to the premium locations and quality of our assets, alongside property enhancements, an effective tenant mix optimisation strategy and successful placemaking marketing events.

Meanwhile, two apartment-for-lease projects commenced renovations during 2025, leading to some loss in rental income. Excluding the impact of these renovations and property management fee classification, the apartment leasing portfolio delivered stable performance, with combined revenue in line with the previous year and a stable occupancy level on a like-for-like basis.

The Group will continue to prioritise revenue management by optimising its retail brand mix, executing effective marketing strategies and focusing on renewals within its established blue-chip and red-chip tenant base.

The Chinese Mainland investment property portfolio GFA increased during 2025 mainly due to the completion of new mixed-use developments in Hangzhou, Tianjin and Shenzhen Qianhai. A breakdown of attributable GFA by asset type and respective occupancy rates follows:

	As of 31 December 2025		As of 31 December 2024	
	Group's attributable GFA ('000 sq ft)	Occupancy rate	Group's attributable GFA ('000 sq ft)	Occupancy rate
Office	7,045	90%	5,884	90%
Retail	5,039	92%	3,901	89%
Apartment	1,248	92%	1,051	91%
	<u>13,332</u>		<u>10,836</u>	

Note: As of 31 December 2025, occupancy rates excluded the area under renovation at Shanghai Central Residences Phase II and the service apartments of Shanghai Pudong Kerry Parkside, as well as newly completed projects in Hangzhou, Tianjin and Shenzhen Qianhai, which were not yet fully operational.

A summary of overall occupancy rates for the Group's major mixed-use developments in key Chinese Mainland cities is as follows:

Property name	Occupancy rate as of 31 December 2025	Occupancy rate as of 31 December 2024
Shanghai Jing An Kerry Centre *	95%	94%
Shanghai Pudong Kerry Parkside *	96%	97%
Beijing Kerry Centre *	87%	87%
Hangzhou Kerry Centre *	92%	90%
Shenzhen Kerry Plaza	92%	92%
Shenzhen Qianhai Kerry Centre Phases I and II *	89%	87%

Note: * Excludes the hotel portion.

The Group's hotel business in the Chinese Mainland recorded combined revenue of HK\$2,117 million (2024: HK\$2,139 million). On a constant exchange rate basis, combined revenue dropped mildly by 2%, mainly due to lower food and beverage contributions.

HONG KONG PROPERTY DIVISION

Overview

The Hong Kong Property Division reported combined revenue of HK\$12,958 million (2024: HK\$7,696 million) and combined results of HK\$1,811 million (2024: HK\$2,404 million), with the increase in combined revenue mainly due to higher sales recognition from development properties.

(i) Development Property Portfolio Performance

The Group recorded development property combined revenue of HK\$11,777 million (2024: HK\$6,373 million), with majority of the sales bookings contributed by Mont Verra, the Yuen Long projects (HAVA and FLORA) as well as La Montagne. Combined results amounted to HK\$963 million (2024: HK\$1,423 million), with a gross margin of 8% (2024: 22%). The changes in combined revenue and gross margin were mainly attributed to a different product mix.

The Hong Kong Property Division achieved total attributable contracted sales of HK\$9,407 million (2024: HK\$10,128 million). This was contributed by various projects: Ongoing sales at the Mont Verra high-end project amounted to HK\$4,078 million, although the sales pace was slower compared to the prior year when pent-up demand was unleashed following the removal of property cooling measures. HAVA and FLORA in Yuen Long, launched during the year, together delivered HK\$2,811 million of contracted sales. The Group's Wong Chuk Hang MTR station projects, namely La Montagne and La Marina, together recorded HK\$2,291 million in attributable contracted sales. Lastly, the remaining units at The Aster in Happy Valley have been sold out during the year, contributing HK\$144 million in contracted sales.

A summary of Hong Kong's contracted sales achieved for 2025 follows:

Project name	Group's attributable interest	Location	Approximate total saleable area (sq ft)	Total contracted sales in 2025 (HK\$ Million)
Mont Verra	100%	Beacon Hill	325,000	4,078
HAVA	100%	Yuen Long	215,000	2,472
La Montagne	50%	Wong Chuk Hang	559,000	2,082*
FLORA	100%	Yuen Long	30,000	339
La Marina	50%	Wong Chuk Hang	426,000	209*
The Aster	100%	Happy Valley	71,000	144
Others	-	-	-	83
Total				9,407

* Group's attributable share in associates and joint ventures.

(ii) Investment Property Portfolio Performance

In Hong Kong, the Group maintains an investment property portfolio of office and retail assets primarily from the MegaBox/Enterprise Square Five mixed-use development and Kerry Centre, along with apartments-for-lease mainly from the Mid-Levels apartment portfolio.

For 2025, the Hong Kong investment property portfolio achieved combined rental revenue of HK\$1,150 million (2024: HK\$1,286 million) and combined results of HK\$842 million (2024: HK\$972 million), resulting in a gross margin of 73% (2024: 76%). The lower revenue reflected the persistent weak market conditions for office and retail properties in the non-core districts. Additionally, the portfolio was impacted by reduced rental revenue from certain development property units that transitioned to sales during the year, as well as the loss of rental revenue from the conversion of The Aster. Excluding these exceptional factors, Hong Kong combined rental revenue decreased by 8% year-on-year on a like-for-like basis. Although rental revenue declined, fixed costs were maintained to uphold high property standards, leading to a reduction in gross margin.

A summary of the Hong Kong Property Division's combined rental revenue follows:

Combined rental revenue of the Hong Kong Property Division			
	2025	2024	% Change
	HK\$ Million	HK\$ Million	
Apartment	474	513	-8%
Retail	305	366	-17%
Office	233	246	-5%
Carpark, warehouse and others	138	161	-14%
Total	<u>1,150</u>	<u>1,286</u>	-11%

The apartment portfolio performed decently, primarily driven by sustained demand fuelled by the Hong Kong government's talent admission schemes and a resurgence in expatriate relocations, which supported improved occupancy and rent levels. However, the portfolio's revenue was impacted by the exceptional factors stated above. Excluding these factors, Hong Kong combined rental revenue for the apartment segment delivered a 4% year-on-year growth on a like-for-like basis.

MegaBox was affected by increased competition from new shopping malls in nearby districts and ongoing partial refurbishment, resulting in lower revenue. However, supported by its positioning as a family-oriented mall, it maintained a high occupancy level if excluding the area under refurbishment. The refurbishment works have progressively completed since late 2025, introducing new outlet and food and beverage operators to the mall.

Significant challenges persisted in the office segment throughout the year amid an oversupply of office space and the still subdued demand for office properties in the non-core districts. Office rents were adjusted downward in order to support occupancy level.

The Hong Kong investment property portfolio GFA decreased during 2025 primarily due to the conversion of a warehouse to development property for sale. This reduction was partially offset by the addition of a new apartment building for lease following its completion. A breakdown of attributable GFA by asset type and respective occupancy rates follows:

	As of 31 December 2025		As of 31 December 2024	
	Group's attributable GFA (^{'000} sq ft)	Occupancy rate	Group's attributable GFA (^{'000} sq ft)	Occupancy rate
Retail ⁽¹⁾	1,197	97%	1,197	100%
Apartment ^{(2) (3)}	829	99%	799	95%
Office	778	81%	778	78%
Warehouse	-	N/A	299	24%
	2,804		3,073	

A summary of the occupancy rates for the Group's major investment properties in Hong Kong is as follows:

Property name	Occupancy rate as of 31 December 2025	Occupancy rate as of 31 December 2024
MegaBox ⁽¹⁾ / Enterprise Square Five	97%	100%
Kerry Centre	82%	77%
Mid-Levels Portfolio ⁽²⁾	77%	82%
	100%	95%

Notes:

- (1) As of 31 December 2025 and 31 December 2024, occupancy rate excluded area undergoing refurbishment at MegaBox.
(2) As of 31 December 2025 and 31 December 2024, occupancy rate excluded Branksome Crest due to major refurbishments.
(3) As of 31 December 2025, occupancy rate excluded a newly completed apartment-for-lease project, THE HILLTOP, which was not yet fully operational.

CAPITAL RESOURCES AND LIQUIDITY

Treasury Policies

The Group adopts prudent policies for liquidity and financial risk management. These policies, approved by the Finance Committee of the Company and regularly reviewed by the Group's internal audit function, are designed to mitigate liquidity, foreign exchange, interest rate and credit risks as part of normal operations. Liquidity management and financing activities are centrally coordinated at the corporate level, providing oversight and reducing funding costs. It is the Group's policy to avoid entering derivatives transactions for speculative purposes.

Foreign Exchange Management

The Group primarily operates in Hong Kong and the Chinese Mainland, with cash flows, assets and liabilities largely denominated in HK\$ and RMB. Foreign exchange exposure arises mainly from RMB-denominated property developments and investments in the Chinese Mainland, as well as bank loans denominated in RMB, AUD and JPY.

As at 31 December 2025, the Group's foreign currency borrowings amounted to HK\$29,024 million, comprising RMB24,783 million (equivalent to HK\$27,653 million), AUD187 million (equivalent to HK\$973 million) and JPY8,000 million (equivalent to HK\$398 million). Non-RMB foreign currency borrowings and RMB bank loans represented approximately 2% and 50% respectively of the Group's total borrowings of HK\$55,770 million.

To mitigate exchange rate risks, the Group entered into cross currency swap contracts totalling AUD187 million and JPY8,000 million for bank borrowings drawn in Hong Kong. RMB bank borrowings also serve as a natural hedge against net investment in the Chinese Mainland, where a significant portion of assets and revenues are denominated in RMB. The Group maintains RMB-denominated resources to meet funding requirements in the Chinese Mainland, sourced from local operations and RMB borrowings. Funding needs are reviewed regularly, taking into account regulatory developments, project timelines, and broader macroeconomic conditions.

Interest Rate Management

In 2025, global financial markets experienced significant volatility, influenced by macroeconomic developments, monetary policy shifts, and geopolitical factors. HIBOR for the interest period of 1 month for HK\$ fluctuated sharply, falling from above 4.1 % in January to near zero in May before rising again to above 3.5% in September. These movements affected the Group's capital management strategies and funding costs.

The Group oversaw subsidiaries' cash flow projections and reallocated surplus funds to the corporate level to reduce gross debt. Intra-group loans were arranged from cash-rich entities to meet funding requirements, supporting efficient cash utilisation and lowering overall interest expenses. These arrangements were reviewed and adjusted regularly to reflect changes in foreign exchange and interest rates.

Interest rate risk was managed through fixed-rate funding and floating-to-fixed interest rate swap contracts, with hedge accounting applied. As at 31 December 2025, outstanding interest rate swap contracts amounted to HK\$13,220 million (2024: HK\$18,410 million). The Group's fixed rate debt ratio, incorporating both swap contracts and fixed rate loans, stood at 53% (2024: 46%) on a gross debt basis and 74% (2024: 56%) on a net debt basis. All interest rate swaps qualified for hedge accounting.

For the year ended 31 December 2025, the Group's average all-in borrowing cost improved to 3.8%, down from 4.6% in the prior year. This reduction reflected the combined effect of financing strategies, interest rate management and the lower interest rate environment.

Liquidity and Financing Management

As at 31 December 2025, total borrowings amounted to HK\$55,770 million (2024: HK\$59,581 million) comprising HK\$26,746 million in HK\$ borrowings, HK\$27,653 million in RMB borrowings, HK\$973 million in AUD borrowings and HK\$398 million in JPY borrowings.

Total cash and bank deposit balances reached HK\$16,099 million (2024: HK\$11,207 million), resulting in a net debt balance of HK\$39,671 million (2024: HK\$48,374 million). The reduction in net debt balance was primarily attributable to proceeds from the presale of residential units of Shanghai Jinling Residences.

The Group continues to adopt a disciplined liquidity management strategy, ensuring sufficient capital resources to meet financing needs, pursue investment opportunities and maintain resilience against external challenges. In January 2025, the Group secured a RMB7.5 billion 10-year onshore project loan with three leading domestic banks in the Chinese Mainland. This was followed in June 2025 by a HK\$8 billion 5-year sustainability-linked club loan arranged with seven major banks. These transactions extended the debt maturity profile and strengthened the funding platform for future expansion.

As at 31 December 2025, all borrowings remained unsecured, with no asset pledged as collateral. The Group will continue to prioritise unsecured financing, supplemented by secured project financing where appropriate. Available financial resources amounted to HK\$47,160 million (2024: HK\$38,136 million), comprising undrawn bank loan facilities of HK\$31,061 million and cash and bank deposits of HK\$16,099 million, increasing by 15% and 44% respectively compared to 2024. These financial resources covered approximately 85% of total borrowings as at 31 December 2025.

Sustainable Finance Initiatives

The Group recognises sustainable finance as an important enabler for long-term investments in sustainable economic activities and projects. In 2022, a sustainable finance framework was established to align financing instruments with the Group's sustainability strategy.

During 2025, the Group secured approximately HK\$17,993 million in sustainability-linked loans and HK\$1,116 million in project-specific green loans. As at 31 December 2025, total sustainable financing reached HK\$60,229 million (2024: HK\$50,277 million), representing 69% (2024: 58%) of the Group's total loan facilities. These facilities are tied to sustainability performance targets, with proceeds allocated to long-term initiatives, climate resilience measures, and general corporate financing needs. The Group benefits from discounted interest rates upon achieving pre-determined sustainability milestones and aims to expand the proportion of sustainable finance within the debt portfolio.

Debt Maturity Profile, Gearing and Deleveraging

As at 31 December 2025, the Group's total borrowings amounted to HK\$55,770 million (2024: HK\$59,581 million) with an average tenor of 2.5 years (2024: 2.6 years). The debt maturity profile, with around 62% of the borrowings repayable after two years, is set out below:

Repayable:	2025		2024	
	HK\$ million		HK\$ million	
Within 1 year	6,429	11%	9,700	16%
In the second year	14,858	27%	11,869	20%
In the third to fifth year	34,399	62%	38,012	64%
Over 5 years	84	-	-	-
Total	55,770	100%	59,581	100%

The Group's gearing ratio, calculated as net debt to total equity, improved to 33.3% (2024: 41.5%), based on net debt of HK\$39,671 million and total equity of HK\$119,191 million. This improvement was supported by stable operating cash flows, active debt management, and proceeds from property presales.

The Group has provided guarantees in respect of (i) banking facilities granted to certain associates and joint ventures; and (ii) mortgage facilities extended by banks to first-hand buyers of certain properties developed by the Group in the Chinese Mainland.

Deleveraging remains a key financial priority. By reducing overall debt levels, extending maturities, and diversifying funding sources, the Group has strengthened its capital structure and lowered refinancing risk. These measures enhance financial resilience, support shareholder value, and provide a foundation for sustainable long-term growth.

Details of contingent liabilities are set out in note 10 to the financial information of the Group included in this announcement.

CONSOLIDATED INCOME STATEMENT

	Note	Year ended 31 December	
		2025 HK\$ million	2024 HK\$ million
Revenue	2	19,568	19,499
Cost of sales and direct expenses		<u>(13,910)</u>	<u>(13,113)</u>
Gross profit	2	5,658	6,386
Other net gains/(losses)	3	725	(114)
Selling, administrative and other operating expenses		(1,947)	(1,971)
Decrease in fair value of investment properties		<u>(1,518)</u>	<u>(2,257)</u>
Operating profit before finance costs		2,918	2,044
Finance costs	3	<u>(714)</u>	<u>(378)</u>
Operating profit	3	2,204	1,666
Share of results of associates and joint ventures		726	916
Profit before taxation		2,930	2,582
Taxation	4	<u>(1,624)</u>	<u>(1,070)</u>
Profit for the year		<u><u>1,306</u></u>	<u><u>1,512</u></u>
Profit attributable to:			
Company's shareholders		938	808
Non-controlling interests		368	704
		<u><u>1,306</u></u>	<u><u>1,512</u></u>
Earnings per share	5		
- Basic		<u><u>HK\$0.65</u></u>	<u><u>HK\$0.56</u></u>
- Diluted		<u><u>HK\$0.65</u></u>	<u><u>HK\$0.56</u></u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December	
	2025	2024
	HK\$ million	HK\$ million
Profit for the year	1,306	1,512
Other comprehensive income		
Items that may be reclassified to profit or loss		
Cash flow hedges	(383)	(58)
Share of other comprehensive income of associates and joint ventures	156	(107)
Net translation differences on foreign operations	4,147	(2,915)
Items that will not be reclassified to profit or loss		
Fair value losses on financial assets at fair value through other comprehensive income	(90)	(118)
Share of other comprehensive income of associates and joint ventures	14	3
Release of exchange fluctuation reserve upon disposal of subsidiaries	-	10
Other comprehensive income for the year, net of tax	3,844	(3,185)
Total comprehensive income for the year	<u>5,150</u>	<u>(1,673)</u>
Total comprehensive income attributable to:		
Company's shareholders	3,997	(1,913)
Non-controlling interests	1,153	240
	<u>5,150</u>	<u>(1,673)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at 31 December	
		2025	2024
		HK\$ million	HK\$ million
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		5,239	4,540
Investment properties		87,199	84,273
Right-of-use assets		2,152	1,633
Properties under development and land deposits		28,839	25,113
Associates and joint ventures		26,740	25,450
Derivative financial instruments		104	487
Financial assets at fair value through other comprehensive income		687	845
Financial assets at fair value through profit or loss		587	620
Mortgage loans receivable		840	897
Intangible assets		123	123
		152,510	143,981
Current assets			
Properties under development		22,574	25,239
Completed properties held for sale		14,766	18,241
Accounts receivable, prepayments and deposits	6	2,518	2,214
Current portion of mortgage loans receivable		390	134
Tax recoverable		437	326
Derivative financial instruments		17	6
Restricted bank deposits		3,767	228
Cash and bank balances		12,332	10,979
		56,801	57,367
Current liabilities			
Accounts payable, deposits received and accrued charges	7	7,588	7,499
Contract liabilities		11,414	3,466
Current portion of lease liabilities		26	40
Taxation		1,716	1,601
Short-term bank loans and current portion of long-term bank loans	8	6,429	9,700
Derivative financial instruments		39	129
		27,212	22,435
Net current assets		29,589	34,932
Total assets less current liabilities		182,099	178,913
Non-current liabilities			
Long-term bank loans	8	49,341	49,881
Amounts due to non-controlling interests		2,310	1,838
Lease liabilities		25	1
Derivative financial instruments		199	293
Deferred taxation		11,033	10,253
		62,908	62,266
ASSETS LESS LIABILITIES		119,191	116,647
EQUITY			
Capital and reserves attributable to the Company's shareholders			
Share capital		1,451	1,451
Shares held for share award scheme		(73)	(50)
Share premium		13,133	13,133
Other reserves		4,182	957
Retained profits		86,579	87,820
		105,272	103,311
Non-controlling interests		13,919	13,336
TOTAL EQUITY		119,191	116,647

NOTES

1. Basis of preparation and accounting policies

This financial information is extracted from the consolidated financial statements which have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants. The consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The accounting policies are consistent with those as described in the Group's consolidated financial statements for the year ended 31 December 2024.

The following amendments to existing standards have been published that are effective for the accounting period of the Group beginning on 1 January 2025:

Amendments to HKAS 21 and HKFRS 1, 'Lack of exchangeability'

The adoption of the above amendments to existing standards had no material impact on the consolidated financial statements of the Group.

The following new standards, amendments to existing standards and interpretation have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2026, but the Group has not early adopted them:

	Applicable for accounting periods beginning on/after
Amendments to HKFRS 9 and HKFRS 7, 'Classification and measurement of financial instruments'	1 January 2026
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7, 'Annual improvements to HKFRS Accounting Standards – Volume 11'	1 January 2026
Amendments to HKFRS 9 and HKFRS 7, 'Contracts referencing nature-dependent electricity'	1 January 2026
HKFRS 18, 'Presentation and disclosure in financial statements'	1 January 2027
HKFRS 19, 'Subsidiaries without public accountability: disclosures'	1 January 2027
Amendments to HKFRS 19, "Subsidiaries without public accountability: disclosures"	1 January 2027
Amendments to Hong Kong Interpretation 5, 'Presentation of financial statements – classification by the borrower of a term loan that contains a repayment on demand clause'	1 January 2027
Amendments to HKFRS 10 and HKAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined

The Group will adopt the above new standards, amendments to existing standards and interpretation as and when they become effective. The Group has already commenced the assessment of the impact to the Group and is not yet in a position to state whether these would have a significant impact on its results of operations and financial position.

2. Principal activities and segmental analysis of operations (continued)

An analysis of the Group's financial results by operating segment is as follows:

	Year ended 31 December 2025				
	Chinese		Total		
	Mainland	Hong Kong	Operating	Others	Total
	Property	Property	Segments		
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Revenue	9,221	10,347	19,568	-	19,568
Results					
Segment results - gross profit	3,692	1,966	5,658	-	5,658
Other net gains					725
Selling, administrative and other operating expenses					(1,947)
Decrease in fair value of investment properties					(1,518)
Operating profit before finance costs					2,918
Finance costs					(714)
Operating profit					2,204
Share of results of associates and joint ventures					726
Profit before taxation					2,930
Taxation					(1,624)
Profit for the year					1,306
Profit attributable to:					
Company's shareholders					938
Non-controlling interests					368
					1,306
Depreciation	387	58	445	7	452

2. Principal activities and segmental analysis of operations (continued)

	Year ended 31 December 2024				
	Chinese		Total		Total
	Mainland	Hong Kong	Operating	Others	
	Property	Property	Segments		
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Revenue	12,845	6,654	19,499	-	19,499
Results					
Segment results - gross profit	4,059	2,327	6,386	-	6,386
Other net losses					(114)
Selling, administrative and other operating expenses					(1,971)
Decrease in fair value of investment properties					(2,257)
Operating profit before finance costs					2,044
Finance costs					(378)
Operating profit					1,666
Share of results of associates and joint ventures					916
Profit before taxation					2,582
Taxation					(1,070)
Profit for the year					1,512
Profit attributable to:					
Company's shareholders					808
Non-controlling interests					704
					1,512
Depreciation	372	60	432	5	437

3. Operating profit

	Year ended 31 December	
	2025	2024
	HK\$ million	HK\$ million
Operating profit is stated after crediting/charging the following:		
<i>Crediting</i>		
Dividend income	71	72
Interest income	497	578
<i>Charging</i>		
Depreciation of property, plant and equipment and right-of-use assets	452	437
Loss on disposal of subsidiaries	-	52
Provision for properties under development and completed properties held for sale	447	1,426
Total finance costs incurred	2,220	2,660
Less: amount capitalised in properties under development and investment properties under development	(1,506)	(2,282)
Total finance costs expensed during the year	714	378

4. Taxation

	Year ended 31 December	
	2025	2024
	HK\$ million	HK\$ million
The taxation (charge)/credit comprises:		
Chinese Mainland taxation		
Current	(1,122)	(892)
Under provision in prior years	(7)	(35)
Deferred	(262)	(289)
	(1,391)	(1,216)
Hong Kong profits tax		
Current	(180)	(133)
Write-back provision in prior years	1	318
Deferred	(20)	(6)
	(199)	179
Overseas taxation		
Current	(11)	(12)
Deferred	(23)	(21)
	(34)	(33)
	<u>(1,624)</u>	<u>(1,070)</u>

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profit for the year. Income tax on the Chinese Mainland and overseas profits has been calculated on the estimated assessable profit for the year at the respective rates of taxation prevailing in the Chinese Mainland and the overseas countries in which the Group operates.

Land appreciation tax in the Chinese Mainland is levied on properties developed and sold by the Group, at progressive rates ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds of sales of properties less deductible expenditures including land costs, borrowing costs and all property development expenditures.

The Group recorded land appreciation tax of HK\$494 million (2024: HK\$249 million) for the year ended 31 December 2025 on sale of properties in the Chinese Mainland.

The Group's share of taxation of associates and joint ventures for the year of HK\$748 million (2024: HK\$391 million) is included in the share of results of associates and joint ventures in the consolidated income statement.

5. Earnings per share

Basic

Basic earnings per share is calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the year after adjustment of those issued ordinary shares of the Company held for the share award scheme.

	Year ended 31 December	
	2025	2024
Weighted average number of ordinary shares outstanding	<u>1,446,627,173</u>	<u>1,448,137,228</u>
	HK\$ million	HK\$ million
Profit attributable to shareholders	<u>938</u>	<u>808</u>
Basic earnings per share	<u>HK\$0.65</u>	<u>HK\$0.56</u>

Diluted

Diluted earnings per share is calculated by adjusting the profit attributable to shareholders of the Company and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

	Year ended 31 December	
	2025	2024
Weighted average number of ordinary shares outstanding	1,446,627,173	1,448,137,228
Adjustment for share award scheme	<u>576,249</u>	<u>40,807</u>
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	<u>1,447,203,422</u>	<u>1,448,178,035</u>
	HK\$ million	HK\$ million
Profit attributable to shareholders	<u>938</u>	<u>808</u>
Diluted earnings per share	<u>HK\$0.65</u>	<u>HK\$0.56</u>

6. Accounts receivable, prepayments and deposits

Included in accounts receivable, prepayments and deposits are trade receivables. The Group maintains defined credit policies and applies those appropriate to the particular business circumstances of the Group. The ageing analysis of trade receivables as at 31 December 2025 based on date of the invoice or the terms of the related sales and purchase agreements and net of impairment losses is as follows:

	As at 31 December 2025 HK\$ million	As at 31 December 2024 HK\$ million
Below 1 month	199	80
Between 1 month and 3 months	16	22
Over 3 months	30	16
	<u>245</u>	<u>118</u>

7. Accounts payable, deposits received and accrued charges

Included in accounts payable, deposits received and accrued charges are trade payables. The ageing analysis of trade payables as at 31 December 2025 based on invoice date is as follows:

	As at 31 December 2025 HK\$ million	As at 31 December 2024 HK\$ million
Below 1 month	190	568
Between 1 month and 3 months	28	13
Over 3 months	24	20
	<u>242</u>	<u>601</u>

8. Bank loans

	As at 31 December 2025 HK\$ million	As at 31 December 2024 HK\$ million
Bank loans - unsecured		
Non-current	49,341	49,881
Current	6,429	9,700
Total bank loans	<u>55,770</u>	<u>59,581</u>

8. Bank loans (continued)

As at 31 December 2025, the Group's bank loans were repayable as follows:

	As at 31 December 2025 HK\$ million	As at 31 December 2024 HK\$ million
Within one year	6,429	9,700
In the second to fifth year		
- In the second year	14,858	11,869
- In the third year	15,764	15,486
- In the fourth year	11,047	11,138
- In the fifth year	7,588	11,388
	<u>49,257</u>	<u>49,881</u>
Repayable within five years	55,686	59,581
Over five years	84	-
	<u>55,770</u>	<u>59,581</u>

9. Commitments

At 31 December 2025, the Group had capital and other commitments in respect of property, plant and equipment, investment properties, land costs and properties under development contracted for at the end of the year but not provided for in these financial statements as follows:

	As at 31 December 2025 HK\$ million	As at 31 December 2024 HK\$ million
Property, plant and equipment	105	14
Investment properties	398	2,034
Land costs	-	1,215
Properties under development	8,043	7,490
	<u>8,546</u>	<u>10,753</u>

10. Contingent liabilities

Guarantees for banking facilities

	As at 31 December 2025 HK\$ million	As at 31 December 2024 HK\$ million
- Guarantees for banking facilities of certain associates and joint ventures (note (i))	3,025	4,321
- Guarantees to certain banks for mortgage facilities granted to first-hand buyers of certain properties in the Chinese Mainland (note (ii))	<u>615</u>	<u>1,106</u>
	<u><u>3,640</u></u>	<u><u>5,427</u></u>

- (i) The Group has executed guarantees for banking facilities granted to certain associates and joint ventures. The utilised amount of such facilities covered by the Group's guarantees which also represented the financial exposure of the Group as at 31 December 2025 amounted to approximately HK\$3,025 million (2024: HK\$4,321 million). The total amount of such facilities covered by the Group's guarantees as at 31 December 2025 amounted to approximately HK\$3,469 million (2024: HK\$5,430 million).
- (ii) The Group has executed guarantees to certain banks for mortgage facilities granted to first-hand buyers of certain properties developed by the Group in the Chinese Mainland. The utilised amount of such facilities covered by the Group's guarantees which also represented the financial exposure of the Group as at 31 December 2025 amounted to approximately HK\$615 million (2024: HK\$1,106 million).

Apart from the above, there are no material changes in contingent liabilities of the Group since 31 December 2024.

REVIEW OF FINAL RESULTS

The financial information and the related notes in respect of this announcement of the Group's results for the year ended 31 December 2025 have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by the 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 auditor on this announcement.

CORPORATE STRATEGY

Our strategic focus is to develop and sell premium and luxury properties in prime locations in Hong Kong and major Chinese Mainland cities, while operating investment properties predominately on the Chinese Mainland with top-notch services to generate a stable recurring income stream. We deliver exceptional value to our customers by offering premium, quality homes in sought-after locations. Our investment properties are managed with a customer-centric approach to ensure an unparalleled working and shopping environment for our tenants and customers. In addition, we exercise financial prudence by regularly scrutinising capital resources and liquidity. On the sustainability front, we aim to achieve best-in-class sustainability standards for our assets and throughout our communities. We ensure our projects in the pipeline are designed to achieve sustainable building certifications. At the same time, we strive to create a positive social impact, and value the relationships with our staff, customers, suppliers, partners, government agencies and other key stakeholders.

PAST PERFORMANCE & FORWARD-LOOKING STATEMENTS

The performance and results of the operations of the Group within this announcement are historical in nature, and past performance is no guarantee for the future results of the Group. This announcement may contain forward-looking statements and opinions, and all forward-looking statements, although based on reasonable estimates, assumptions and projections, involve risks and uncertainties. Actual results may differ materially from expectations discussed in such forward-looking statements and opinions. The Group, the Directors, and the employees and agents of the Group assume (a) no obligation to correct or update the forward-looking statements or opinions contained in this announcement; and (b) no liability arising from any forward-looking statements or opinions that do not materialise or prove to be incorrect.

EMPLOYEES

As at 31 December 2025, the Group had approximately 7,490 employees. Salaries of employees are maintained at competitive levels while bonuses are granted on a discretionary basis. The Group's emolument policy is formulated based on the performance, contribution and responsibilities of individual employees together with reference to the profitability of the Group, remuneration benchmarks in the industry, and prevailing market conditions within the general framework of the Group's salary and bonus system. Other employee benefits include provident fund, insurance, medical cover, subsidised educational and training programmes as well as the share award scheme. Further information regarding the share award scheme of the Company will be set out in the section headed "Share Award Scheme" of the Report of Directors in the Annual Report 2025.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended 31 December 2025, save for the purchase of shares in the Company by the trustee for the purpose of the Company's share award scheme, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including treasury shares).

A total of 1,720,000 shares of the Company were acquired and settled through on-market transactions and 209,050 shares of the Company were transferred to the awardees upon vesting of the awarded shares during the year ended 31 December 2025. The remaining 4,679,450 shares of the Company were held in trust under the share award scheme of the Company as at 31 December 2025.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The CG Code sets out (a) the mandatory requirements for disclosure in the Corporate Governance Report; and (b) the principles of good corporate governance, the code provisions on a "comply or explain" basis and certain recommended best practices.

The Company complied with all the code provisions set out in the CG Code throughout 2025, except for C.2.1 of the code provisions as Mr. Kuok Khoon Hua ("**Mr. Kuok**") has served as both the Chairman and the CEO.

As Mr. Kuok has extensive experience in the business of the Group, the Company is of the view that it is in the best interest of the Company and is more efficient for Mr. Kuok to perform the role of Chairman as well as CEO. It is also more favourable to the development and management of the business of the Group. Moreover, the powers and authorities have not been concentrated as all major decisions are made in consultation with the Board as well as the appropriate Board Committees and the senior management team, who possess the relevant knowledge and expertise. The Board believes that the balance of powers and authorities is adequately ensured by the operations and governance of the Board which comprises experienced and high calibre individuals, with more than half of them being Independent Non-executive Directors.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as the code for securities transactions by the Directors. A copy of the Model Code has been sent to all Directors by the Company. In addition, regular reminders are sent to the Directors regarding restrictions on dealings in the securities and derivatives of the Company during the black-out period before the interim and final results of the Company are published.

Under the Model Code, the Directors are required to notify the Chairman and receive a dated written acknowledgement before dealing in the securities and derivatives of the Company and, in case of the Chairman himself, he must notify a Director designated by the Board and receive a dated written acknowledgement before any dealing.

The Company made specific enquiries with all Directors and they have confirmed compliance with the required standards set out in the Model Code throughout 2025. The Company's employees who are likely to be in possession of unpublished and price-sensitive inside information have been requested to comply with provisions similar to those terms in the Model Code.

The Company is not aware of any non-compliance with the Model Code throughout 2025.

FINAL DIVIDEND AND CLOSURE OF REGISTERS OF MEMBERS

The Board has recommended the payment of a final dividend of HK\$0.95 per share for the year ended 31 December 2025, amounting to approximately HK\$1,379 million in aggregate based on 1,451,305,728 ordinary shares in issue as at 31 December 2025 and payable on Wednesday, 10 June 2026 to the Shareholders (except for the holders of treasury shares, if any) whose names appear on the Registers of Members on Friday, 29 May 2026. Currently, there are no treasury shares held by the Company (whether held or deposited in the Central Clearing and Settlement System, or otherwise). The Registers of Members will be closed on Friday, 29 May 2026, on which date no transfer of shares will be registered. The ex-dividend date will be Wednesday, 27 May 2026. The actual amount of the final dividend payable will be subject to the actual number of ordinary shares in issue on Friday, 29 May 2026. All dividend decisions made by the Board were made in accordance with the dividend policy of the Company.

For the purpose of determining the eligible Shareholders' entitlement to the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged for registration with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Thursday, 28 May 2026. The record date for determining Shareholders' entitlement to the proposed final dividend will be Friday, 29 May 2026.

Together with the interim dividend of HK\$0.40 per share, the total cash dividend for the year ended 31 December 2025 will be HK\$1.35 per share (2024: HK\$1.35 per share).

The final dividend warrants will be despatched to the eligible Shareholders on or about Wednesday, 10 June 2026.

2026 ANNUAL GENERAL MEETING AND CLOSURE OF REGISTERS OF MEMBERS

The annual general meeting of the Company for the year ended 31 December 2025 will be held on Friday, 22 May 2026 at 2:30 p.m.. A notice convening the annual general meeting will be issued and despatched to the Shareholders in due course.

The Registers of Members will be closed from Tuesday, 19 May 2026 to Friday, 22 May 2026, both days inclusive, on which period no transfer of shares will be registered. For the purpose of determining the eligible Shareholders' entitlement to attend and vote at the forthcoming annual general meeting to be held on Friday, 22 May 2026, all transfers accompanied by the relevant share certificates must be lodged for registration with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 18 May 2026. The record date for determining Shareholders' entitlement to attend and vote at the annual general meeting of the Company will be Friday, 22 May 2026.

PUBLICATION OF 2025 FINAL RESULTS AND ANNUAL REPORT

This announcement is published on the HKEXnews website at www.hkexnews.hk and the Company's website at www.kerryprops.com/en/news/announcements/2026. The Annual Report 2025 will be available on the websites of HKEXnews and the Company and despatched to the Shareholders on or about Tuesday, 28 April 2026.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the following meanings:

“Adjusted EPS”	earnings per share calculated based on underlying profit;
“AUD”	Australian dollar, the lawful currency of Australia;
“Board”	the board of Directors;
“CEO”	the Chief Executive Officer of the Company;
“CG Code”	the Corporate Governance Code contained in Appendix C1 to the Listing Rules;
“Chairman”	the chairman of the Board;
“Combined revenue/rental revenue/results”	revenue/rental revenue/results from the Company, its subsidiaries and share of associates and joint ventures in the Chinese Mainland and Hong Kong;
“Company”	Kerry Properties Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“Directors”	the director(s) of the Company;
“EPS”	earnings per share;
“GDP”	Gross domestic product;
“GFA”	gross floor area;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“HKAS”	Hong Kong Accounting Standard;
“HKFRS”	Hong Kong Financial Reporting Standard;
“JPY”	Japanese yen, the lawful currency of Japan;

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules;
“Registers of Members”	the registers of members of the Company;
“RMB”	Renminbi, the lawful currency of The People’s Republic of China;
“Shareholders”	the shareholders of the Company;
“sq ft”	square feet;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“%”	per cent; and
“% pts”	percentage points.

By Order of the Board
Kerry Properties Limited
Cheng Wai Sin
Company Secretary

Hong Kong, 23 March 2026

As at the date of this announcement, the Directors of the Company are:

Executive Director: *Mr. Kuok Khoon Hua*

Independent Non-executive Directors: *Mr. Hui Chun Yue, David, Mr. Chum Kwan Lock, Grant and Dr. Li Rui*

Non-executive Director: *Ms. Tong Shao Ming*