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WHARF

Established 1886

THE WHARF (HOLDINGS) LIMITED

(Incorporated in Hong Kong with limited liability)

Stock Code: 4

Interim Results Announcement for the half-year period ended 30 June 2026

Operating & Underlying Profits Increased by 6%, Excluding Investments

HIGHLIGHTS

- Investment income decreased following portfolio reduction
- Excluding Investments, revenue increased by 2%, operating profit and underlying net profit by 6%
- Mainland Investment Properties stable with prudent revaluation deficit
- Mainland Development Properties (“DP”) decline covered by Hong Kong DP growth
- Logistics relatively resilient in seriously disrupted global markets

GROUP RESULTS

Group Underlying Net Profit (“UNP”) decreased by 17% to HK\$1,697 million (2025: HK\$2,035 million) mainly due to decrease in dividend income, partly mitigated by increase in interest income.

After the inclusion of Investment Properties (“IP”) revaluation deficit and other unrealised accounting gains/losses, Group profit attributable to shareholders amounted to HK\$48 million (2025: HK\$535 million).

INTERIM AND SPECIAL DIVIDENDS

The Board has resolved to declare a first interim dividend of HK\$0.20 per share, and a special interim dividend of HK\$0.20 per share to celebrate the 140th anniversary of the Company. Total dividend distributions for the half-year period ended 30 June 2026 amounting to HK\$0.40 per share (2025: HK\$0.20 per share), will be paid on 15 September 2026 to Shareholders on record as at 6:00 p.m. on 31 August 2026. The first and special interim dividends will absorb a total amount of HK\$1,222 million (2025: HK\$611 million).

- 1 -

BUSINESS REVIEW

The first half of 2026 remained challenging and was further complicated by the conflict in the Middle East. In times of global disruptions, Hong Kong's buoyant equity trading and robust IPO pipeline reinforced the city's position as a credible safe haven for investors' capital. The residential property market also showed encouraging signs, with meaningful gains in both price and transaction volume, supported by improving buyer sentiment. The Group is well-placed to capture this momentum with a pipeline of residential projects for sale. In the port business, despite sustained competitive pressure in the region, the Group proactively secured new business scheduled to commence in the second half of the year.

In Chinese Mainland, sentiment remained subdued amid a weak property sector, although early signs of stabilisation emerged in tier-one cities. Shifting consumption patterns and intensified competition continued to weigh on the Group's business segments. Translation from a stronger Renminbi provided some relief for reporting in Hong Kong dollars.

Against this backdrop of external factors, the Group maintained prudent financial discipline, preserving a net cash position and healthy capital structure.

HONG KONG PROPERTIES

From its scarce ultra-luxury residential portfolio on the Peak, the Group recognised sales from the first house at 1 Plantation Road during the period for HK\$558 million, equivalent to HK\$91,000 per square foot.

Benefitting from the pickup in market activity, the 30%-owned Victoria Voyage in Kai Tak sold 198 units during the period, generating total sales proceeds of HK\$3,534 million.

The Monet, the Peak project in Kowloon, is a new luxury residential property located in the Lion Rock Mid-Levels. The project is expected to be launched as planned, with an initial series of private VIP events. Situated at the highest elevation among leading developments in Kowloon Tong, it comprises four residential towers totalling 133 units, together with a private clubhouse and extensive landscaped gardens.

On an attributable basis, development properties ("DP") revenue recognised during the period increased to HK\$1,345 million (2025: HK\$475 million) and operating profit increased to HK\$166 million (2025: HK\$31 million). Net order book at period-end amounted to HK\$774 million (31 December 2025: HK\$1,035 million).

MAINLAND DEVELOPMENT PROPERTIES

The Group has progressively reduced exposure to this segment since 2019 and the remaining inventory is concentrated in slow-moving offices in a prolonged supply-demand imbalance.

During the first half of 2026, attributable contracted sales were RMB345 million (2025: RMB859 million), mainly from projects in Chengdu and Suzhou. Net order book at period-end was RMB428 million (31 December 2025: RMB312 million).

On an attributable basis, revenue declined by 54% to HK\$238 million, with an operating loss of HK\$3 million (2025: profit of HK\$40 million). An attributable impairment provision of HK\$547 million (2025: HK\$522 million) was made.

MAINLAND INVESTMENT PROPERTIES

Economic conditions in Chinese Mainland remained mixed due to prolonged property downturn, despite renewed strength in the stock market. A stronger rebound in retail sales was constrained by overcapacity, the rising penetration of e-commerce, and subdued consumer sentiment. Consumers remained value-driven, with spending closely tied to promotions and government subsidies. To support sales growth, the Group continued to refine tenant mix and roll out targeted marketing campaigns.

At Chengdu International Finance Square (“IFS”) mall, the conversion of an arcade area previously occupied by an anchor tenant is underway, with completion expected in late 2026. A carefully curated mix of new tenants will be introduced to enhance the overall shopping experience. The apartment units that have been held for rental income since completion are being progressively released for sale as lease commitments expire and upon completion of refurbishment.

At Changsha IFS mall, luxury brands continued to expand, underscoring their confidence in the city’s leading retail destination. *HERMÈS* expanded its footprint into a duplex flagship store, while *BRUNELLO CUCINELLI* upgraded its store to the largest two-storey flagship in China. *LOUIS VUITTON* is embarking on another phase of boutique expansion in July 2026. *POP MART* is also set to unveil its regional flagship store later this year.

In the office sector, vacancy across the markets remained elevated amid severe oversupply and weak demand. Downsizing activities continued and corporates remained cost-conscious, suppressing occupancy and rental of the Group's office portfolio.

Overall segment revenue increased by 1% to HK\$2,269 million and operating profit by 1% to HK\$1,490 million, after taking into account Renminbi appreciation.

HOTELS

Hong Kong hotels continued to recover, supported by sustained visitor growth, a strong pipeline of mega events, and Renminbi appreciation. In Chinese Mainland, occupancy and room rates remained under pressure due to macro conditions, softer corporate demand, and intense competition. To drive performance amid these challenges, the Group implemented targeted promotions, strengthened performance management, and maintained disciplined cost controls.

Segment revenue from ownership and management increased by 4% to HK\$323 million, with an operating loss of HK\$4 million (2025: HK\$11 million).

LOGISTICS INFRASTRUCTURE

Cargo flows were disrupted by persistent geopolitical tensions and the Middle East conflict, which drove a spike in fuel prices and reshaped global trade. In Hong Kong, shipping volumes came under further pressure amid intensifying regional competition and overcapacity in South China. Modern Terminals' throughput in Hong Kong declined by 6% to 1.6 million TEUs. In Shenzhen, DaChan Bay Terminals' throughput increased by 16% to 1.4 million TEUs, while throughput at associated company Shekou Container Terminals increased by 5% to 3.6 million TEUs.

Cargo volume handled by the 21%-owned Hong Kong Air Cargo Terminals decreased by 2% to 0.9 million tonnes.

Overall segment revenue was stable at HK\$1,073 million and operating profit decreased by 19% to HK\$111 million.

OUTLOOK

Looking ahead, the global outlook remains uncertain, clouded by geopolitical tensions, volatile energy prices, cost inflation, tariff policies and renewed concerns over U.S. interest rate. In Hong Kong, the Central Government's tighter outbound direct investment regulations have added uncertainty to the broad residential market, and the implications will need to be monitored. In Chinese Mainland, rapid technological and AI advancements contrast with ongoing challenges in the property sector, sustained improvement in the latter remains important to restore broader market confidence. To navigate volatilities, the Group will continue to maintain strong financial position and remain agile in adapting to evolving consumer trends.

FINANCIAL REVIEW

(I) Review of 2026 Interim Results

Group UNP decreased by 17% to HK\$1,697 million (2025: HK\$2,035 million), mainly reflecting lower dividend income after unwinding part of the investment portfolio since the last quarter of 2025, partly mitigated by higher interest income and sales recognition from Hong Kong DP.

Group profit attributable to equity shareholders amounted to HK\$48 million (2025: HK\$535 million) after an attributable net IP revaluation deficits of HK\$2,049 million (2025: HK\$1,180 million).

Revenue and Operating Profit (“OP”)

Group revenue decreased by 6% to HK\$5,344 million (2025: HK\$5,669 million) and OP by 11% to HK\$2,354 million (2025: HK\$2,657 million).

IP revenue stayed flat at HK\$2,311 million (2025: HK\$2,281 million) and OP at HK\$1,510 million (2025: HK\$1,484 million) on translation of RMB to HKD. In RMB terms, both revenue and OP decreased by 3% as retail and office rentals remained soft in Chinese Mainland.

DP revenue decreased by 8% to HK\$679 million (2025: HK\$739 million) and OP by 83% to HK\$12 million (2025: HK\$71 million) due to lower sales recognition in Chinese Mainland, partly compensated by recognition in Hong Kong.

Hotels revenue increased by 4% to HK\$323 million (2025: HK\$312 million) and operating loss narrowed to HK\$4 million (2025: HK\$11 million).

Logistics revenue was unchanged at HK\$1,073 million (2025: HK\$1,076 million) and OP decreased by 19% to HK\$111 million (2025: HK\$137 million) mainly caused by business mix with margin differences.

Investments OP decreased by 41% to HK\$593 million (2025: HK\$1,000 million) due to decrease in dividend income after partial disposal of the investment portfolio.

Others increased by 80% to HK\$261 million (2025: HK\$145 million) in OP mainly due to increase in interest income.

IP Revaluation Deficits

Including IP held by joint ventures, independent valuation as at 30 June 2026 gave rise to an attributable but unrealised net revaluation deficit (after related deferred tax and non-controlling interests) of HK\$2,049 million (2025: HK\$1,180 million), which was charged to the consolidated income statement.

Other Net Income

Other net income of HK\$102 million (2025: charges of HK\$32 million) mainly represented fair value gain of long term fund investments of HK\$503 million (2025: HK\$220 million), partly offset by net exchange loss of HK\$219 million (2025: gain of HK\$62 million) and impairment provision of HK\$182 million (2025: HK\$396 million) for Chinese Mainland DP.

Finance Costs

Excluding the mark-to-market gains/losses, finance costs before capitalisation of HK\$115 million (2025: HK\$178 million) increased by 13% to HK\$255 million (2025: HK\$225 million). Effective borrowing rate increased to 3.1% (2025: 2.4%).

Finance costs decreased to HK\$15 million (2025: HK\$659 million) after unrealised mark-to-market gain of HK\$125 million (2025: loss of HK\$612 million) on cross currency and interest rate swaps.

Share of Results (after taxes) of Joint Ventures and Associates

Attributable profit of associates increased by 47% to HK\$190 million (2025: HK\$129 million) while joint ventures' attributable loss increased by HK\$479 million to HK\$655 million (2025: HK\$176 million), mainly attributable to net DP impairment provisions of HK\$343 million (2025: HK\$126 million).

Taxation

The Group recorded a net tax credit of HK\$2,582 million (2025: charge of HK\$163 million) mainly on writing back deferred tax provisions of HK\$2,818 million (2025: HK\$60 million) on partial reversal of the Chinese Mainland IP revaluation surpluses recorded in past years.

Profit/(Loss) to Shareholders

Group UNP (a performance indicator of the Group's major business segments) decreased by 17% to HK\$1,697 million (2025: HK\$2,035 million). By segment, IP profit increased by 4% to HK\$1,142 million (2025: HK\$1,103 million); DP loss slightly narrowed by 2% to HK\$393 million (2025: HK\$403 million); while Investments profit decreased by 41% to HK\$593 million (2025: HK\$997 million), and Logistics profit decreased by 5% to HK\$191 million (2025: HK\$200 million).

Including an attributable IP revaluation deficit of HK\$2,049 million (2025: HK\$1,180 million), mark-to-market and exchange loss on certain financial instruments of HK\$103 million (2025: HK\$519 million) and fair value gain on fund investments of HK\$503 million (2025: HK\$220 million), Group profit attributable to equity shareholders amounted to HK\$48 million (2025: HK\$535 million).

Basic earnings per share were HK\$0.02 (2025: HK\$0.18) based on weighted average of 3,056 million shares.

(II) DP Sales and Net Order Book (Inclusive of Joint Venture Projects on an Attributable Basis)

Total contracted sales increased by 19% to HK\$1,481 million (2025: HK\$1,247 million).

Hong Kong sales increased to HK\$1,084 million (2025: HK\$305 million). Net order book decreased by 25% to HK\$774 million (December 2025: HK\$1,035 million).

Chinese Mainland sales contracted by 60% to RMB345 million (2025: RMB859 million). Net order book increased by 37% to RMB428 million (December 2025: RMB312 million).

(III) Liquidity, Financial Resources and Capital Commitments

Shareholders' and Total Equity

As at 30 June 2026, shareholders' equity stood at HK\$146.7 billion (December 2025: HK\$146.7 billion), equivalent to HK\$47.99 (December 2025: HK\$48.01) per share.

Total equity including non-controlling interests reported at HK\$152.5 billion (December 2025: HK\$152.4 billion).

Assets

Total business assets, excluding bank deposits and cash, certain financial and deferred tax assets, decreased by 4% to HK\$170.8 billion (December 2025: HK\$178.3 billion). Properties, Logistics and Investments assets accounted for 68%, 8%, 24% (December 2025: 68%, 8%, 24%) of the Group total, respectively.

Geographically, Hong Kong business assets decreased by 5% to HK\$96.3 billion (December 2025: HK\$101.1 billion), Chinese Mainland decreased by 5% to HK\$63.8 billion (December 2025: HK\$67.4 billion); and Overseas (mainly Investments) increased by 9% to HK\$10.7 billion (December 2025: HK\$9.8 billion), representing 56%, 38% and 6% (December 2025: 57%, 38% and 5%) of the Group total, respectively.

Investment Properties

IP portfolio was valued at HK\$54.4 billion (December 2025: HK\$57.5 billion), representing 32% (December 2025: 32%) of total business assets. This portfolio comprised Hong Kong IP of HK\$18.8 billion (December 2025: HK\$18.7 billion) and Mainland IP of HK\$35.6 billion (December 2025: HK\$38.8 billion).

Net of deferred taxes and non-controlling interests, IP value (including IPs held by joint ventures) attributable to the Group was HK\$49.6 billion (December 2025: HK\$50.3 billion), comprising Hong Kong IP of HK\$17.1 billion (December 2025: HK\$16.9 billion) and Mainland IP of HK\$32.5 billion (December 2025: HK\$33.4 billion).

Properties for Sale

DP assets amounted to HK\$36.7 billion (December 2025: HK\$36.5 billion), comprising Hong Kong DP of HK\$33.3 billion (December 2025: HK\$33.0 billion) and Mainland DP of HK\$3.4 billion (December 2025: HK\$3.5 billion).

Interests in associates and joint ventures

Interests in associates and joint ventures decreased by 7% to HK\$25.9 billion (December 2025: HK\$27.8 million) after impairment provision.

Long Term Investments

Long term investments were marked to market at HK\$40.1 billion (December 2025: HK\$43.2 billion), among which HK\$30.2 billion (December 2025: HK\$34.1 billion) were listed equity shares, primarily blue chips held for long term capital growth and/or reasonable dividend yield. None of the investments is individually material to the Group's total assets.

During the period, fair value changes on listed investments incurred a deficit of HK\$0.8 billion (2025: surplus of HK\$6.0 billion) as reflected in the consolidated statement of comprehensive income within which a total of HK\$0.4 billion surplus was recycled to revenue reserves upon de-recognition of HK\$3.2 billion listed equity shares for capital reallocation.

The Group's investment portfolio, analysed by industry sectors and by geographical locations, is as below:

	30 June 2026	31 December 2025
	HK\$ Billion	HK\$ Billion
<u>Analysed by industry sectors</u>		
Properties	17.5	18.3
New Economy	10.7	13.0
Finance and Others	11.9	11.9
Group Total	40.1	43.2
<u>Analysed by geographical locations</u>		
Hong Kong	29.4	33.3
Overseas	10.7	9.9
Group Total	40.1	43.2

Net Cash/(Debt) and Gearing

By period end, the Group reported an increase in net cash to HK\$6.2 billion (December 2025: HK\$2.0 billion), following realisation on part of its long term investment portfolio for HK\$3.2 billion and distribution from joint ventures of Hong Kong DP. That included Modern Terminals' net debt of HK\$2.4 billion (December 2025: HK\$2.5 billion), which is non-recourse to the Company and its other subsidiaries.

Net cash comprised of HK\$23.4 billion in bank deposits and cash and HK\$17.2 billion in debts. The Group will continue to maintain a reasonable level of surplus cash to facilitate business and investment activities.

Finance and Availability of Facilities

Total available loan facilities and issued debt securities as at 30 June 2026 amounted to HK\$35.2 billion, of which HK\$17.2 billion utilised, are analysed as below:

	Available Facilities HK\$ Billion	Utilised Facilities HK\$ Billion	Un-utilised Facilities HK\$ Billion
<u>Company/ wholly-owned subsidiaries</u>			
Committed and uncommitted facilities	27.7	12.8	14.9
Debt securities	1.2	1.2	-
	<u>28.9</u>	<u>14.0</u>	<u>14.9</u>
<u>Non-wholly-owned subsidiaries</u>			
Committed and uncommitted facilities			
- Modern Terminals	6.3	3.2	3.1
Group total	<u>35.2</u>	<u>17.2</u>	<u>18.0</u>

Of the above debts, HK\$12.4 billion (December 2025: HK\$12.2 billion) was secured by mortgages over certain IP, DP and other property, plant and equipment together with carrying value of HK\$22.6 billion (December 2025: HK\$27.4 billion).

The Group's debt portfolio comprised primarily United States dollar, HKD and RMB. Funds sourced from such debt portfolio were mainly used to finance IP, DP and port investments.

The use of derivative financial instruments is strictly monitored and controlled. Most of the derivative financial instruments entered are primarily used for management of interest rate and currency exposures.

The Group continued to maintain a strong financial position with ample surplus cash and undrawn committed facilities to facilitate business and investment activities. In addition, the Group also maintained a portfolio of liquid listed investments with an aggregate market value of HK\$30.2 billion (December 2025: HK\$34.1 billion).

Cash Flows for the Group's Operating and Investing Activities

For the period under review, the Group recorded net operating cash inflow of HK\$1.9

billion (2025: HK\$1.9 billion) before changes in working capital. Dividend received from associates and joint ventures of HK\$1.0 billion (2025: HK\$0.1 billion) was offset by increase in working capital of HK\$1.2 billion (2025: HK\$0.5 billion) mainly from increase in property under development for sale of HK\$0.8 billion (2025: HK\$1.3 billion), hence generating a net cash inflow from operating activities of HK\$2.0 billion (2025: HK\$2.0 billion).

For investing activities, the Group recorded a net inflow of HK\$2.4 billion (2025: HK\$0.2 billion), mainly resulting from disposal of long term investments.

Major Capital and Development Expenditures

Major expenditures incurred in 2026 are analysed as follows:

	Hong Kong HK\$ Million	Chinese Mainland HK\$ Million	Total HK\$ Million
Properties			
IP	7	13	20
DP	840	83	923
	847	96	943
Others	20	6	26
Group total	867	102	969

- i. DP and IP expenditures included HK\$0.1 billion for property projects undertaken by associates and joint ventures.
- ii. Other expenditure was mainly for Modern Terminals' terminal equipment.

Commitment

As at 30 June 2026, major expenditures to be incurred in the coming years was estimated at HK\$15.2 billion, of which HK\$4.2 billion was committed, analysed by segments as below:

	Committed HK\$ Million	Uncommitted HK\$ Million	Total HK\$ Million
IP			
Hong Kong	27	6,330	6,357
Chinese Mainland	2	119	121
	29	6,449	6,478
DP			
Hong Kong	2,790	4,412	7,202
Chinese Mainland	697	85	782
	3,487	4,497	7,984
Others	668	30	698
Group total	4,184	10,976	15,160

Properties commitments are mainly for construction costs, inclusive of attributable commitments to associates and joint ventures, to be incurred by stages. These expenditures will be funded by internal financial resources including surplus cash, property sales and other operations, as well as available banking facilities. Other available resources include listed equity investments available for sale.

(IV) Human Resources

The Group had approximately 5,700 employees (full-time and part-time staff) as at 30 June 2026, including about 1,000 employed by managed operations. Employees are remunerated according to their job responsibilities and the market pay trend with a discretionary annual performance bonus as variable pay for rewarding individual performance and contributions to the respective group's achievement and results.

CONSOLIDATED INCOME STATEMENT
For The Six Months Ended 30 June 2026 – Unaudited

		Six months ended 30 June	
		2026	2025
	Note	HK\$ Million	HK\$ Million
Revenue	2	5,344	5,669
Direct costs and operating expenses		(1,983)	(1,939)
Selling and marketing expenses		(169)	(194)
Administrative and corporate expenses		(474)	(529)
Operating profit before depreciation, amortisation, interest and tax		2,718	3,007
Depreciation and amortisation		(364)	(350)
Operating profit	2 & 3	2,354	2,657
Decrease in fair value of investment properties		(4,515)	(1,164)
Other net income/(charges)	4	102	(32)
		(2,059)	1,461
Finance costs	5	(15)	(659)
Share of results after taxes of:			
Associates		190	129
Joint ventures		(655)	(176)
(Loss)/profit before taxation		(2,539)	755
Income tax	6	2,582	(163)
Profit for the period		43	592
Profit/ (loss) attributable to:			
Equity shareholders		48	535
Non-controlling interests		(5)	57
		43	592
Earnings per share	7		
Basic and diluted		HK\$0.02	HK\$0.18

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For The Six Months Ended 30 June 2026 - Unaudited

	Six months ended 30 June	
	2026	2025
	HK\$ Million	HK\$ Million
Profit for the period	43	592
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Fair value changes on equity investments	(792)	5,966
Items that may be reclassified subsequently to profit or loss:		
Exchange difference on translation of Mainland operations	1,204	496
Share of other comprehensive income of associates/joint ventures	201	128
Other comprehensive income for the period	613	6,590
Total comprehensive income for the period	656	7,182
Total comprehensive income attributable to:		
Equity shareholders	554	7,083
Non-controlling interests	102	99
	656	7,182

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As At 30 June 2026 – Unaudited

		30 June 2026	31 December 2025
	Note	HK\$ Million	HK\$ Million
Non-current assets			
Investment properties		54,448	57,515
Property, plant and equipment		11,922	11,898
Interests in associates		12,455	12,316
Interests in joint ventures		13,461	15,434
Other long term investments		40,147	43,158
Goodwill and other intangible assets		298	298
Deferred tax assets		3	20
Derivative financial assets		8	18
Other non-current assets		27	27
		132,769	140,684
Current assets			
Properties for sale		36,739	36,491
Trade and other receivables	9	1,504	1,463
Derivative financial assets		149	3
Bank deposits and cash		23,400	19,868
		61,792	57,825
Total assets		194,561	198,509
Non-current liabilities			
Derivative financial liabilities		(27)	-
Deferred tax liabilities		(7,159)	(9,729)
Other non-current liabilities		(20)	(20)
Bank loans and other borrowings		(14,759)	(15,482)
		(21,965)	(25,231)
Current liabilities			
Trade and other payables	10	(16,502)	(17,029)
Deposits from sale of properties		(42)	(43)
Derivative financial liabilities		(842)	(975)
Taxation payable		(352)	(389)
Bank loans and other borrowings		(2,395)	(2,424)
		(20,133)	(20,860)
Total liabilities		(42,098)	(46,091)
NET ASSETS		152,463	152,418
Capital and reserves			
Share capital		30,381	30,381
Reserves		116,269	116,326
Shareholders' equity		146,650	146,707
Non-controlling interests		5,813	5,711
TOTAL EQUITY		152,463	152,418

NOTES TO THE FINANCIAL INFORMATION

1. PRINCIPAL ACCOUNTING POLICIES AND BASIS OF PREPARATION

The financial information included in this interim announcement is extracted from the unaudited interim financial information which has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The preparation of the unaudited interim financial information in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The unaudited interim financial information contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the annual financial statements for the year ended 31 December 2025. The unaudited interim financial information and notes thereon do not include all the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The accounting policies and methods of computation used in the preparation of the unaudited interim financial information are consistent with those used in the 2025 annual financial statements except for the changes mentioned below.

The Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA to this unaudited interim financial information for the current accounting period:

- Amendment to HKFRS 9 and HKFRS 7, Financial instruments and Financial instruments: disclosures — Contracts referencing nature-dependent electricity.
- Amendment to HKFRS 9 and HKFRS 7, Financial instruments and Financial instruments: disclosures — Amendments to the classification and measurement of financial instruments.
- Annual improvements to HKFRS Accounting Standards — Volume 11

The Group has assessed the impact of the adoption of the above amendments and considered that there was no significant impact on the Group’s results and financial position or any substantial changes in the Group’s accounting policies.

The Group has not applied any new standards or interpretation that is not yet effective for the current accounting period.

The financial information relating to the financial year ended 31 December 2025 that is included in this unaudited interim financial information as comparative information does not constitute the Company’s statutory annual financial statements for that financial year but is derived from those financial statements. Further information relating to these

statutory financial statements disclosed in accordance with section 436 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (“Companies Ordinance”) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2025 to the Registrar of Companies in accordance with section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance. The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or (3) of the Companies Ordinance.

2. SEGMENT INFORMATION

The Group manages its diversified businesses according to the nature of services and products provided. Management has determined five reportable operating segments for measuring performance and allocating resources. The segments are investment properties, development properties, hotels, logistics and investments. No operating segments have been aggregated to form the reportable segments.

Investment properties segment primarily includes property leasing and management operations. The Group’s properties portfolio, which mainly consists of retail, office and serviced apartments, is primarily located in Chinese Mainland.

Development properties segment encompasses activities relating to the acquisition, development, sales and marketing of the Group’s trading properties primarily in Hong Kong and Chinese Mainland.

Hotels segment includes hotel management in Asia. The Group current operates 16 hotels in Asia under Wharf Hotels. Including Park Hyatt Changsha with outsourced management, six hotels are wholly or partly owned by the Group.

Logistics segment mainly includes the container terminal operations in Hong Kong and Chinese Mainland undertaken by Modern Terminals Limited, and Hong Kong Air Cargo Terminals Limited.

Investments segment includes a diversified portfolio of listed equity investments in Hong Kong and overseas and unlisted investments, mainly property, new economy and finance and other companies. The performance of the portfolio is assessed and monitored by top management regularly.

Management evaluates performance primarily based on operating profit as well as the equity share of results of associates and joint ventures of each segment. Inter-segment pricing is generally determined on an arm’s length basis.

Segment business assets principally comprise all tangible assets, intangible assets and current assets directly attributable to each segment with the exception of bank deposits and cash, deferred tax assets and derivative financial assets.

Revenue and expenses are allocated with reference to revenue generated by those segments and expenses incurred by those segments or which arise from the depreciation and amortisation of assets attributable to those segments.

2. SEGMENT INFORMATION

a. Analysis of segment revenue and results

		Operating	(Decrease)/ increase in	Other net	Finance	Share of	Share of	(Loss)/
	Revenue	profit/ (loss)	fair value of	income/ (charges)	costs	results	results	profit
	HK\$	HK\$	properties	HK\$	HK\$	after tax	after tax	before
For the six months ended	Million	Million	HK\$ Million	HK\$ Million	HK\$ Million	of associates HK\$ Million	of joint ventures HK\$ Million	taxation HK\$ Million
30 June 2026								
Investment properties	2,311	1,510	(4,515)	(1)	(132)	-	(374)	(3,512)
Hong Kong	42	20	138	-	(16)	-	-	142
Chinese Mainland	2,269	1,490	(4,653)	(1)	(116)	-	(374)	(3,654)
Development properties	679	12	-	(86)	(14)	4	(284)	(368)
Hong Kong	530	22	-	-	-	(1)	145	166
Chinese Mainland	149	(10)	-	(86)	(14)	5	(429)	(534)
Hotels	323	(4)	-	-	-	-	(1)	(5)
Logistics	1,073	111	-	(19)	(66)	186	4	216
Terminals	1,066	104	-	2	(66)	137	4	181
Others	7	7	-	(21)	-	49	-	35
Investments	593	593	-	503	-	-	-	1,096
Segment total	4,979	2,222	(4,515)	397	(212)	190	(655)	(2,573)
Others	365	261	-	(295)	197	-	-	163
Corporate expenses	-	(129)	-	-	-	-	-	(129)
Group total	5,344	2,354	(4,515)	102	(15)	190	(655)	(2,539)
30 June 2025								
Investment properties	2,281	1,484	(1,164)	-	(125)	-	(33)	162
Hong Kong	37	14	(130)	-	(11)	-	-	(127)
Chinese Mainland	2,244	1,470	(1,034)	-	(114)	-	(33)	289
Development properties	739	71	-	(273)	(12)	(43)	(149)	(406)
Hong Kong	462	40	-	-	(1)	-	(38)	1
Chinese Mainland	277	31	-	(273)	(11)	(43)	(111)	(407)
Hotels	312	(11)	-	-	-	-	2	(9)
Logistics	1,076	137	-	(6)	(83)	172	4	224
Terminals	1,066	127	-	15	(83)	127	4	190
Others	10	10	-	(21)	-	45	-	34
Investments	1,000	1,000	-	220	(2)	-	-	1,218
Segment total	5,408	2,681	(1,164)	(59)	(222)	129	(176)	1,189
Others	261	145	-	27	(437)	-	-	(265)
Corporate expenses	-	(169)	-	-	-	-	-	(169)
Group total	5,669	2,657	(1,164)	(32)	(659)	129	(176)	755

SEGMENT INFORMATION

b. Disaggregation of revenue

	Six months ended 30 June	
	2026	2025
	HK\$ Million	HK\$ Million
Revenue recognised under HKFRS 15		
Sale of development properties	679	739
Management and services income	264	278
Hotels	323	312
Logistics	1,073	1,076
	<u>2,339</u>	<u>2,405</u>
Revenue recognised under other accounting standards		
Rental income under investment properties segment		
- Fixed	1,616	1,506
- Variable	431	497
Investments	593	1,000
Others	365	261
	<u>3,005</u>	<u>3,264</u>
Group total	<u>5,344</u>	<u>5,669</u>

The Group has applied the practical expedient in paragraph 121 of Hong Kong Financial Reporting Standards (“HKFRS”) 15, Revenue from Contracts with Customers, to exempt the disclosure of revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date, i.e. revenue from hotels, logistics and management and services income under investment properties segment, as the Group recognises revenue at the amount to which it has a right to invoice, which corresponds directly with the value to the customer of the Group’s performance completed to date.

c. Geographical information

	Six months ended 30 June			
	Revenue		Operating profit	
	2026	2025	2026	2025
	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million
Hong Kong	2,071	2,316	834	1,147
Chinese Mainland	3,166	3,219	1,414	1,379
Others	107	134	106	131
Group total	<u>5,344</u>	<u>5,669</u>	<u>2,354</u>	<u>2,657</u>

3. OPERATING PROFIT

Operating profit is arrived at:

	Six months ended 30 June	
	2026	2025
	HK\$ Million	HK\$ Million
After charging:		
Depreciation and amortisation on		
– hotel and other property, plant and equipment	302	290
– leasehold land	42	39
– right-of-use assets	20	21
Total depreciation and amortisation	364	350
Staff cost (Note)	823	861
Cost of trading properties for recognised sales	565	540
Direct operating expenses of investment properties	801	797
After crediting:		
Gross revenue from investment properties	2,311	2,281
Interest income	251	143
Dividend income from other long term investments	593	1,000

Note:

Staff costs included contributions to defined contribution pension schemes of HK\$105 million (2025: HK\$99 million), which included MPF schemes after a forfeiture of HK\$2 million (2025: HK\$1 million).

4. OTHER NET INCOME/(CHARGES)

Other net income amounted to HK\$102 million (2025: charges of HK\$32 million) for the period mainly comprises of:

- a. Impairment provision of HK\$182 million (2025: HK\$396 million) for certain development properties in Chinese Mainland.
- b. Net exchange loss of HK\$219 million (2025: gain of HK\$62 million), including impacts of foreign exchange contracts.
- c. Net fair value gain of HK\$503 million (2025: HK\$220 million) on other long term investments which were classified as financial assets at fair value through profit or loss.

5. FINANCE COSTS

	Six months ended 30 June	
	2026	2025
	HK\$ Million	HK\$ Million
Interest charged on:		
Bank loans and overdrafts	183	99
Other borrowings	38	101
Total interest charge	221	200
Other finance costs	34	25
Less: Amount capitalised	(115)	(178)
	140	47
Fair value (gain)/loss:		
Cross currency interest rate swaps	(119)	625
Interest rate swaps	(6)	(13)
	(125)	612
Group total	15	659

Note: The Group's average effective borrowing rate for the period was 3.1% p.a. (2025: 2.4% p.a.).

6. INCOME TAX

Taxation (credited)/charged to the consolidated income statement represents:

	Six months ended 30 June	
	2026	2025
	HK\$ Million	HK\$ Million
Current tax		
Hong Kong		
- provision for Profits tax for the period	31	48
- over-provision in respect of prior years	(2)	(4)
Outside Hong Kong		
- provision for the period	258	219
- over-provision in respect of prior years	(6)	(6)
	281	257
Current tax		
Chinese Mainland		
- Land appreciation tax ("LAT") (note c)	(29)	(27)
Deferred tax		
Change in fair value of investment properties	(1,162)	(201)
Origination and reversal of temporary differences	(1,672)	134
	(2,834)	(67)
Group total	(2,582)	163

- a. The provision for Hong Kong Profits tax is based on the profit for the period as adjusted for tax purposes at the rate of 16.5% (2025: 16.5%).
- b. Income tax on profits assessable outside Hong Kong is mainly corporate income tax and withholding tax in Chinese Mainland, calculated at a rate of 25% (2025: 25%) and up to 10%, respectively.
- c. Under the Provisional Regulations on LAT, all gains arising from transfer of real estate property in Chinese Mainland are subject to LAT at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including cost of land use rights, borrowings costs and all property development expenditures.
- d. Tax attributable to associates and joint ventures for the six months ended 30 June 2026 of HK\$93 million (2025: HK\$45 million) is included in the share of results of associates and joint ventures.

7. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the profit attributable to equity shareholders for the period of HK\$48 million (2025: HK\$535 million) and the weighted average of 3,056 million shares (2025: 3,056 million shares) in issue during the period. There were no diluted potential shares for the periods presented.

8. DIVIDENDS ATTRIBUTABLE TO EQUITY SHAREHOLDERS

	Six months ended 30 June			
	2026	2026	2025	2025
	HK\$ per share	HK\$ Million	HK\$ per share	HK\$ Million
First interim dividend declared after the end of the reporting period	0.20	611	0.20	611
Special interim dividend declared after the end of the reporting period	0.20	611	-	-
	0.40	1,222	0.20	611

- a. The first interim dividend and the special interim dividend based on 3,056 million issued shares (2025: 3,056 million shares) declared after the end of the reporting period has not been recognised as a liability at the end of the reporting period.
- b. The second interim dividend of HK\$611 million for 2025 was approved and paid in 2026.

9. TRADE AND OTHER RECEIVABLES

Included in this item are trade receivables (net of allowance for bad and doubtful debts) with an ageing analysis based on the invoice date as at 30 June 2026 as follows:

	30 June 2026 HK\$ Million	31 December 2025 HK\$ Million
Trade receivables		
0 - 30 days	130	88
31 – 60 days	28	19
61 – 90 days	18	8
Over 90 days	51	76
	227	191
Other receivables and prepayments	1,277	1,272
Group total	1,504	1,463

The Group has established credit policies for each of its core businesses. The general credit terms allowed range from 0 to 60 days, except for sale of properties the proceeds from which are receivable pursuant to the terms of the agreements. All the receivables and prepayments are expected to be virtually recoverable or recognised as expenses within one year.

10. TRADE AND OTHER PAYABLES

Included in this item are trade payables with an ageing analysis based on the invoice date as at 30 June 2026 as follows:

	30 June 2026 HK\$ Million	31 December 2025 HK\$ Million
Trade payables		
0 - 30 days	377	386
31 - 60 days	260	296
61 - 90 days	57	33
Over 90 days	231	148
	925	863
Rental and customer deposits	1,355	1,341
Construction costs payable	2,843	3,094
Amounts due to associates	7,128	7,205
Amounts due to joint ventures	1,902	2,024
Other payables	2,349	2,502
Group total	16,502	17,029

11. REVIEW OF UNAUDITED INTERIM FINANCIAL INFORMATION

The unaudited interim financial information for the six months ended 30 June 2026 has been reviewed with no disagreement by the Audit Committee of the Company.

CORPORATE GOVERNANCE CODE

During the financial period under review, the Company applied the principles and complied with all applicable code provisions of the Corporate Governance Code contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, with one exception as regards Code Provision C.2.1 providing for the roles of the chairman and chief executive to be performed by different individuals.

Such deviation is deemed appropriate as it is considered to be more efficient to have one single person to be Chairman of the Company as well as to discharge the executive functions of a chief executive under the Group's corporate structure thereby enabling more effective planning and better execution of long-term strategies. The Board of Directors of the Company (the "Board") believes that the balance of power and authority 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 ("INEDs").

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the financial period under review, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities (including sale of treasury shares) of the Company. As at 30 June 2026 and up to the date hereof, the Company does not hold any treasury shares (whether in the Central Clearing and Settlement System, or otherwise). All treasury shares, if any, held by the Company are not entitled to receive the first interim dividend and the special interim dividend as abovementioned.

RELEVANT DATES FOR INTERIM AND SPECIAL DIVIDENDS

Ex-entitlement date	28 August 2026 (Fri)
Latest time to lodge share transfer	4:30 p.m., 31 August 2026 (Mon)
Record date and time	6:00 p.m., 31 August 2026 (Mon)
Payment date	15 September 2026 (Tue)

In order to qualify for the above-mentioned first interim dividend and special interim dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrar, 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, 31 August 2026.

By Order of the Board
The Wharf (Holdings) Limited
Kevin C. Y. Hui
Director and Company Secretary

Hong Kong, 11 August 2026

As at the date of this announcement, the Board comprises Mr. Stephen T. H. Ng, Mr. Paul Y. C. Tsui, Ms. Y. T. Leng, Mr. Kevin K. P. Chan and Mr. Kevin C. Y. Hui, together with six INEDs, namely, Professor Edward K. Y. Chen, Mr. Vincent K. Fang, Mr. Hans Michael Jebsen, Ms. Elizabeth Law, Ms. Nancy S. L. Tse and Mr. David Muir Turnbull.