周大福創建有限公司
CTF Services Limited

(incorporated in Bermuda with limited liability)
(stock code: 00659)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 30 JUNE 2026

HIGHLIGHTS

- **Profit attributable to shareholders of the Company increased 11% year-on-year to HK$2,392.6 million.**
- **The Group's diversified businesses delivered steady overall AOP growth of 3% year-on-year to HK$4,590.6 million, demonstrating the resilience of its business portfolio amid a challenging operating environment.**
- **The Financial Services segment recorded strong earnings growth and became the Group's largest AOP contributor for the first time.**
- **The Group's financial position remained solid. Total available liquidity stood at approximately HK$31.3 billion as at 30 June 2026, comprising cash and bank balances of approximately HK$20.8 billion and unutilized committed banking facilities of approximately HK$10.5 billion.**
- **Prudent and proactive balance sheet management. As at 30 June 2026, Net Debt decreased by 20% year-on-year to HK$11.7 billion, and Net Gearing Ratio reduced to 28% from 37% as at 30 June 2025.**
- **Proposed final ordinary dividend for FY2026 is HK$0.33 per share (representing an approximate 4% year-on-year increase on a comparable basis after adjusting the FY2025 final ordinary dividend per share to reflect the enlarged share capital base following the 1-for-10 bonus issue in December 2025). Together with the interim ordinary dividend of HK$0.28 per share, the total ordinary dividends for FY2026 will amount to HK$0.61 per share. The total ordinary dividends amount will be increased by approximately 6% year-on-year to HK$2.8 billion, reflecting the Group's commitment to a sustainable and progressive policy, supported by the strong cash flow generation of its strengthened business portfolio.**
- **Proposed 1-for-10 bonus issue to recognize Shareholders' long-standing support and enhance share liquidity.**

The board of directors (the "Board") of CTF Services Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the financial year ended 30 June 2026 ("FY2026") together with comparative figures for the financial year ended 30 June 2025 ("FY2025").

BUSINESS REVIEW

Group overview

Against a backdrop of persistent macroeconomic uncertainty and subdued market conditions, the Group delivered a resilient performance in FY2026. Attributable Operating Profit (“AOP”, a non-HKFRS measure) registered a 3% year-on-year increase to HK$4,590.6 million. The net non-operating loss in FY2026 mainly included fair value losses on investment properties, impairment/remeasurement losses associated with the Roads segment and losses relating to a disposal of an investment under the Strategic Investments segment. Profit attributable to shareholders of the Company rose 11% year-on-year to HK$2,392.6 million. Overall, the result demonstrates the quality of the Group’s diversified business portfolio, the effective execution of its continuous portfolio optimization strategy, and disciplined financial management.

The Group’s earnings profile continued to evolve during FY2026. The Financial Services segment became the largest AOP contributor for the first time, underpinned by solid growth in the insurance business. This was partly offset by a weaker contribution from the Logistics segment due to the impact of deferred tax provision as well as reflecting challenging market conditions despite signs of stabilization. The Group’s earnings remained geographically diversified with dual core regions, Hong Kong contributing 63% of AOP (FY2025: 58%) and the Chinese Mainland contributing 33% of AOP in FY2026 (FY2025: 40%). Adjusted earnings before interest, taxes, depreciation and amortization (“Adjusted EBITDA”, a non-HKFRS measure of the Group’s operating profitability) increased by 1% year-on-year to HK$7,394.5 million, while basic earnings per share rose to HK$0.53, representing year-on-year growth of 8%[1].

The Group advanced with its portfolio optimization strategy in FY2026, recycling capital from mature, traditional infrastructure assets into businesses with better long-term growth prospects, higher scalability and greater recurring income potential. In line with this strategy, the Group broadened its logistics platform through the acquisition of four logistics properties in the Greater Bay Area and the Yangtze River Delta, further deepening its presence in key economic regions of the Chinese Mainland. In September 2026, the Group completed its acquisition of another logistics property in Jiaxing City, Zhejiang Province, creating a larger asset cluster in the Yangtze River Delta and providing further operating efficiencies, portfolio synergies and tenant servicing capabilities. As part of its efforts to build scalable businesses with attractive recurring income characteristics, the Group has, up to the date of this announcement, also expanded its exposure to artificial intelligence (“AI”)-related infrastructure by entering into agreements to acquire a 70% equity interest in an artificial intelligence data centre (“AIDC”) project in Hebei Province and a 40% equity interest in an AIDC project in Malaysia. Together, these investments strengthen the Group’s presence in logistics and digital infrastructure, positioning it to benefit from growing demand for high-standard warehouses and AI-related infrastructure.

In parallel with the expansion of the logistics platform, the Group enhanced its Financial Services segment by broadening the wealth management capabilities. During FY2026, the Group acquired a 13.05% stake in uSmart Inlet Group Ltd. (“uSMART”), a technology-driven financial services provider. In July 2026, the Group completed the acquisition of a 65% equity interest in Blackhorn Group Limited (“Blackhorn”), an external asset manager. Collectively, these investments significantly broaden the Group’s wealth management platform by extending its product offerings, widening customer reach and adding advisory and asset management capabilities to better capture and serve the growing number of high-net-worth customers.

[1] Compared to basic earnings per share for FY2025 as adjusted to HK$0.49 per share for the bonus shares allotted and issued in December 2025.

Beyond Logistics and Financial Services segments, the Group selectively invested in next-generation infrastructure aligned with long-term structural growth trends. During FY2026, the Group partnered with Unisun Energy Services GmbH ("Unisun") to develop Battery Energy Storage System projects in Finland to address intermittency arising from the large-scale transition towards green energy. The investment reflects the Group's disciplined approach to identifying opportunities with sustainable long-term demand drivers and expansion potential.

Alongside new investments, the Group continued its capital recycling initiatives to enhance portfolio quality and improve capital efficiency. During FY2026, the Group aimed to monetize its investment in Shoucheng Holdings Limited ("Shoucheng") within the Strategic Investments segment through the issuance of HK$2,218 million 0.75% exchangeable bonds due 2028 ("0.75% Exchangeable Bonds"), thereby unlocking value and strengthening its financial flexibility to support future growth initiatives. The Group also announced the disposal of its entire interests in Hunan Changliu Expressway in May 2026, enabling capital to be deployed from a mature infrastructure asset into businesses with greater strategic relevance and growth prospects. As at 30 June 2026, the assets of Hunan Changliu Expressway, together with its associated liabilities, were classified as held-for-sale and the transaction was subsequently completed in July 2026.

These strategic initiatives were underpinned by balance sheet resilience and disciplined financial management. During FY2026, the Group maintained stable borrowing costs at approximately 4.1% per annum (FY2025: approximately 4.1%) despite a dynamic interest rate environment, while optimizing its debt mix and risk profile. Favourable movements in the Secured Overnight Financing Rate ("SOFR") contributed to an 11% reduction in profit attributable to holders of perpetual capital securities. During the year, in view of the expected appreciation of Renminbi ("RMB") against the Hong Kong dollar, the Group proactively reduced its RMB borrowings used as a natural hedge against RMB-denominated assets. As a result, RMB debt decreased to approximately 46% of total debt as at 30 June 2026, down from approximately 62% a year earlier. The ratio of RMB liabilities to RMB assets also moderated to approximately 62% as at 30 June 2026 from approximately 80% as at 30 June 2025, allowing the Group to benefit from greater net exposure to RMB assets while maintaining prudent balance sheet management.

The Group continued to maintain diversified funding sources and strong access to capital markets. Consistent with its strategy of reducing exposure to RMB borrowings, the Company fully redeemed the first tranche of RMB1.5 billion Panda Bonds using internal resources upon maturity in May 2026. The Company secured approval for up to RMB5.0 billion of debt financing instruments under the 2026 Panda Bond Programme, providing additional flexibility to access the onshore debt market in the future. In addition, following the issuance and subsequent conversion of HK$850 million 2.8% convertible bonds due 2027 (the "2.8% Convertible Bonds"), the public float of shares of the Company increased to approximately 26.63% as at 30 June 2026, which was above the minimum percentage prescribed under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("the Listing Rules"). This helped to further enhance share liquidity and support the Company's ability to attract a broader base of quality investors.

The Group's disciplined financial management was further reflected in its robust credit profile. China Lianhe Credit Rating Co., Ltd. reaffirmed the Company's "AAA" rating with a stable outlook. Japan Credit Rating Agency, Ltd. also affirmed the Company's "A+" Foreign Currency and Local Currency Long-term Issuer Ratings for the third consecutive year and raised the rating outlook to "Positive" from "Stable". These ratings reflect external recognition of the Group's financial resilience, improving business profile and continued access to diversified funding channels.

Reflecting its commitment to Environmental, Social and Governance ("ESG") principles, the Group expanded its sustainable financing platform. The Group has made solid progress in sustainable financing and remains fully on track to meet its target under "Breakthrough 2050". As at 30 June 2026, sustainability-linked and green facilities totalled approximately HK$20.2 billion (30 June 2025: approximately HK$18.6 billion), representing approximately 45% (30 June 2025: approximately 39%) of total bond and loan facilities.

With ongoing portfolio optimization initiatives, disciplined capital allocation and prudent leverage management, the Group's financial position strengthened further during FY2026. Debt maturing within one year decreased by 16% year-on-year, from approximately HK$9.4 billion as at 30 June 2025 to approximately HK$7.9 billion as at 30 June 2026. Total available liquidity stood at approximately HK$31.3 billion, comprising cash and bank balances of approximately HK$20.8 billion and unutilized committed banking facilities of approximately HK$10.5 billion. The net debt, being the aggregate of borrowings and other interest-bearing liabilities less cash and bank balances (the "Net Debt"), decreased by 20% year-on-year to approximately HK$11.7 billion, while the net gearing ratio, calculated as Net Debt over total equity (the "Net Gearing Ratio"), decreased to 28%[2] from 37% as at 30 June 2025, reinforcing the Group's capacity to pursue future growth opportunities while maintaining financial resilience.

Supported by robust recurring cash flow from its diversified earnings base, strong balance sheet and ample liquidity, the Group remains committed to delivering a sustainable and progressive dividend policy. The aim of its dividend policy is to steadily increase or at least maintain the Hong Kong dollar value of total ordinary dividend annually. The prospective total dividend growth, however, remains dependent upon the financial performance and future funding needs of the Group.

For FY2026, the Board of the Company has resolved to recommend a final ordinary dividend of HK$0.33 per share[3], representing approximately 4% year-on-year increase on a comparable basis, after adjusting the FY2025 final ordinary dividend per share to reflect the enlarged share capital base following the 1-for-10 bonus issue in December 2025. Together with the interim ordinary dividend of HK$0.28 per share distributed earlier in the year, the total ordinary dividends for FY2026 will amount to HK$0.61 per share[3]. This marks the Group's 23rd consecutive year of ordinary dividend distribution, reflecting its commitment to sustainable and progressive shareholder returns. The total ordinary dividends amount for FY2026 will be increased by approximately 6% year-on-year to HK$2.8 billion, underscoring the Group's commitment to progressive shareholder returns supported by the strong cash flow generation of its diversified business portfolio.

In addition, the Board has proposed a bonus issue of shares on the basis of one bonus share for every ten existing shares held by the shareholders of the Company (the "Shareholders") whose names appear on the register of members of the Company on 23 November 2026 (the "Bonus Issue"). The Bonus Issue is intended to allow Shareholders to receive a pro-rata increase in their shares in the Company at no additional cost. The Board believes that the Bonus Issue will help enhance the liquidity of the Company's shares in the market and represents an appropriate and balanced way to recognize the long-standing support of Shareholders.

[2] The 0.75% Exchangeable Bonds, which are accounted for as financial liabilities at fair value through profit or loss, are excluded from both the Net Debt and Net Gearing Ratio calculations. If the 0.75% Exchangeable Bonds were included as debt, the net gearing ratio would be 33% as at 30 June 2026.

[3] The proposed final ordinary dividend of HK$0.33 per share and the total ordinary dividends of HK$0.61 per share for FY2026 are not directly comparable with the final ordinary dividend of HK$0.35 per share and the total ordinary dividends of HK$0.65 per share for FY2025, respectively, due to the effect of the 1-for-10 bonus issue in December 2025.

Profit Contribution
For the year ended 30 June

	2026 **HK$'m**	2025 HK$'m
Attributable Operating Profit[(1)]	**4,590.6**	4,466.2
Non-operating items		
Loss on fair value of investment properties, net of tax	**(268.6)**	(447.9)
Remeasurement, impairments and provisions, net	**(235.8)**	(645.5)
Net loss on disposal of projects	**(116.3)**	(152.8)
Share of non-operating income of an associated company and joint ventures, net	**25.4**	575.7
Gain on fair value of exchangeable bonds	**70.0**	-
Share-based payment	**(77.0)**	(24.3)
Unallocated corporate office items		
Net finance costs	**(1,048.8)**	(1,010.1)
Expenses and others	**(367.7)**	(397.0)
	(2,018.8)	(2,101.9)
Profit for the year after tax and non-controlling interests[(2)]	**2,571.8**	2,364.3
Profit attributable to:		
Shareholders of the Company	**2,392.6**	2,162.0
Holders of perpetual capital securities	**179.2**	202.3
	2,571.8	2,364.3

Notes:

(1) Attributable Operating Profit/(Loss) is a non-HKFRS measure used by the Executive Committee of the Company to assess the performance of the operating segments as detailed in note 2 to the "Results" section of this announcement. The overall AOP of the Group represents the profit available for appropriation before non-operating and unallocated corporate office items. It should not be considered in isolation from, or as a substitute for, the Group's financial information prepared in accordance with HKFRS Accounting Standards. It may not be comparable to similar measures presented by other companies.

(2) Reconciliation from Attributable Operating Profit to profit for the year after tax and non-controlling interests and related details of reconciling to consolidated income statement and notes thereto are set out in note 2 to the "Results" section of this announcement.

Adjusted EBITDA[3]
For the year ended 30 June

	2026	2025
	HK$'m	HK$'m
Operating profit	**3,731.5**	3,232.6
Adjustments		
Depreciation and amortization[4]	**1,919.8**	1,813.7
Other non-operating/non-cash items		
Loss on fair value of investment properties[5]	**115.5**	582.7
Impairment loss on intangible concession rights[5]	**105.0**	311.9
Remeasurement loss on assets classified as held-for-sale[5]	**73.7**	-
Impairment loss related to an associated company[5]	**37.2**	-
Loss on partial disposal of interest in an associated company[5]	**116.3**	-
Profit on disposal of assets held-for-sale[5]	**-**	(42.7)
Fair value change of financial liabilities at fair value through profit or loss ("FVPL")[5]	**(70.0)**	-
Share-based payment[6]	**77.0**	24.3
Dividends received from associated companies and joint ventures	**1,112.0**	1,201.2
Other adjustments[7]	**176.5**	192.1
Adjusted EBITDA[3]	**7,394.5**	7,315.8

Notes:

(3) Adjusted EBITDA is a non-HKFRS measure of the Group's operating profitability and calculated as operating profit excluding depreciation and amortization and other non-operating/non-cash items, plus dividends received from associated companies and joint ventures, and any other relevant adjustments. It should not be considered in isolation from, or as a substitute for, the Group's financial information prepared in accordance with HKFRS Accounting Standards. It may not be comparable to similar measures presented by other companies.

(4) Being the sum of amortization of intangible assets and intangible concession rights as well as depreciation of property, plant and equipment and right-of-use assets as individually disclosed in note 3 to the "Results" section of this announcement.

(5) As disclosed in note 4 to the "Results" section of this announcement.

(6) As disclosed in note 3(a) to the "Results" section of this announcement.

(7) Adjustments are mainly to include dividends from an associated company and a joint venture which were reinvested by the Group.

OPERATIONAL REVIEW

AOP Contribution by Segment

For the year ended 30 June

	2026	2025	Change %
	HK$'m	HK$'m	Fav./(Unfav.)
Financial Services	**1,474.7**	1,242.1	19
Roads	**1,442.8**	1,439.4	-
Logistics	**645.0**	740.4	(13)
Construction	**688.9**	719.3	(4)
Facilities Management	**87.8**	88.5	(1)
Strategic Investments	**251.4**	236.5	6
Total	**4,590.6**	4,466.2	3

Financial Services

The Financial Services segment became the Group's largest AOP contributor in FY2026, reflecting the continued shift of the Group's portfolio towards businesses with higher growth potential and more recurring earnings streams. Segment AOP rose by 19% to HK$1,474.7 million, primarily driven by higher Contractual Service Margin ("CSM") release from Chow Tai Fook Life Insurance Company Limited ("CTF Life"). The result reflects the growing scale and earnings contribution of the insurance business, as well as disciplined execution across the segment. Earnings quality also remained resilient, supported by recurring profit contribution from the insurance business.

The quality of CTF Life's earnings strengthened during the year. CSM release rose 21% year-on-year to HK$1,368 million, while CSM balance, net of reinsurance, grew 22% to HK$11.3 billion as at 30 June 2026, driven by profitable new business growth and favourable investment performance. In addition, Value of New Business[4] ("VONB") increased by 30% year-on-year to HK$1,308 million, while VONB margin, calculated as VONB divided by Annual Premium Equivalent[5] ("APE"), expanded to 37% in FY2026 from 30% in FY2025, reflecting a more favourable product mix and successful product repricing initiatives. Together, these indicators demonstrate CTF Life's growing earnings capacity and provide greater visibility over future earnings.

Business momentum remained broad-based across products, distribution channels and customer segments. APE grew by 7% year-on-year to HK$3,540 million, while new business premium[6] increased by 74% year-on-year to HK$9,333 million. The stronger growth in new business premium primarily reflected a higher contribution from single premium products during the year, alongside continued customer demand across the product portfolio. Growth was further aided by the ongoing enhancement of CTF Life's diversified distribution platform.

[4] Value of new business is the present value of distributable statutory earnings in the future (less the cost of holding solvency capital) from new insurance business sold in a period.

[5] Annual Premium Equivalent is a measure of new insurance business activity that is calculated as the sum of annualized regular premiums from new insurance business plus 10% single premiums on new insurance business written during a period.

[6] New business premium is a measure of new insurance business activity that is calculated as the sum of annualized first year premiums and single premiums from new insurance business that are due, whether or not received during the year, including income which has accrued, where appropriate.

The agency channel delivered strong underlying growth, with APE rising 10% year-on-year to HK$1,106 million and new business premium increasing 85% year-on-year to HK$2,945 million. New business premium growth significantly outpaced the 6% increase in agency headcount to over 2,200 agents as at 30 June 2026, reflecting enhanced productivity, more effective sales execution and a higher-calibre agency force. Agency productivity in terms of new business premium increased by 73% year-on-year. This was further evidenced by a 29% year-on-year increase in Million Dollar Round Table (MDRT) registered members as at 31 December 2025, underscoring the growing professionalism and effectiveness of the agency model.

The partnership channel also gained momentum, with APE rising by 16% year-on-year to HK$2,241 million and new business premium surging by 138% year-on-year to HK$5,135 million. The strong performance was driven by deeper engagement with new brokers, improved sales support capabilities and deeper penetration of key local broker relationships.

Customer demand was diversified across local customers, Chinese Mainland Visitors (“CMV”) and overseas customers during FY2026. APE from local and overseas customers increased by 12% and 40% year-on-year, respectively, while APE from CMV remained steady year-on-year. This was supported by closer broker engagement and the broader Chow Tai Fook Group ecosystem, which enhanced customer acquisition, loyalty and overall customer experience. The contribution from a broad and resilient customer base demonstrates the strength of CTF Life’s customer franchise and the effectiveness of its diversified distribution strategy.

CTF Life’s strong business growth was underpinned by a disciplined and diversified investment approach focused on sustainable long-term returns, prudent asset-liability management and capital strength. As at 30 June 2026, assets under management rose 17% year-on-year to approximately HK$106.4 billion (30 June 2025: approximately HK$90.8 billion), driven by business expansion and favourable investment performance. CTF Life’s investment strategy is designed to generate sustainable risk-adjusted returns over the long term while preserving capital strength and supporting the fulfilment of its obligations to policyholders. The strategy seeks to balance investment return objectives with prudent risk management, aiming to reduce earnings volatility, control and diversify risk exposures, and maintain financial resilience across different market cycles. To this end, CTF Life maintained a disciplined investment approach aligned with the long-term nature of its liabilities, with fixed income investments represented approximately 70% (30 June 2025: approximately 70%) of CTF Life’s investment portfolio (exclude unit-linked investments), of which investment-grade securities accounted for approximately 90% (30 June 2025: approximately 90%) of total bond holdings, and the fixed-income portfolio generated a stable investment yield of 4.6% per annum (FY2025: 4.6% per annum). Asset-liability management remained prudent, with the Hong Kong Risk Based Capital (“HKRBC”) effective duration gap maintained within a conservative range.

CTF Life also maintained a robust financial position. As at 30 June 2026, its solvency ratio under the HKRBC regime further edged up to 285% (30 June 2025: 279%), which is almost three times the minimum regulatory requirement at 100%, delivering one of the highest HKRBC solvency ratios among Hong Kong insurers and a stable ratio post dividend remittance. The sound capital position not only supports dividend distribution but also helps preserve sufficient capital headroom for future growth. Embedded value grew by 12% year-on-year to HK$28.4 billion, driven by expected return on existing business, new business growth and favourable market performance. CTF Life’s robust balance sheet continued to be recognized by rating agencies, with Moody’s maintaining its A3 (stable) financial strength rating and Fitch Ratings affirming its A- (stable) rating.

With its solid capital base and growing franchise, CTF Life invested in product innovation and customer proposition enhancement during FY2026. CTF Life's long-standing commitment to policyholder value was demonstrated by the achievement of a fulfillment ratio at 100% or more for three signature product series over 10 consecutive years and a 4.25% annual interest rate on accumulated dividends for United States dollar participating policies for 14 consecutive years. Building on this solid track record, CTF Life further broadened its product offerings with new savings and indexed universal life insurance products. These products improved CTF Life's ability to address increasingly sophisticated customer needs, particularly in wealth accumulation, legacy planning and high-net-worth solutions.

Beyond product innovation, CTF Life deepened customer engagement and service capabilities through digital and healthcare ecosystem initiatives. During the year, it became the first life insurer in Hong Kong to enable premium payments through AlipayHK, enhancing convenience and accessibility for customers. It also extended its healthcare ecosystem to 23 partner medical institutions across Hong Kong and the Greater Bay Area, providing priority access and direct billing services. These initiatives reinforce CTF Life's customer-centric strategy.

The strength of the Financial Services franchise gained further industry recognition during FY2026. CTF Life received more than 80 corporate and insurance practitioner awards across product innovation, customer service, talent development, digital transformation, marketing and ESG initiatives. These accolades reflect CTF Life's continued commitment to excellence, innovation and creating value beyond insurance.

Beyond organic growth, the Group broadened its wealth management platform strategically. Following completion of the investment in uSMART in November 2025, the Group holds a 13.05% equity interest in uSMART, which is accounted for as an associated company and contributed positively to the Group's AOP in FY2026. Benefiting from higher market turnover driven by robust trading activity, uSMART delivered strong business momentum during the year, with revenue increased to approximately fourfold year-on-year and a significant improvement in earnings. The investment complements the Group's insurance platform by providing exposure to the growing popularity of independent digital securities brokerage globally and enhancing its broader wealth management ecosystem.

Roads

As at 30 June 2026, the Group managed a portfolio of thirteen toll road projects across Guangdong Province, Zhejiang Province, Hubei Province, Hunan Province, Tianjin Municipality and Guangxi Zhuang Autonomous Region, with an aggregate roadway length of approximately 880 kilometres.

In FY2026, the Roads segment reported AOP of HK$1,442.8 million, remaining broadly flat year-on-year. The stable performance was mainly attributable to favourable RMB exchange movements, lower finance costs and a higher contribution from Tangjin Expressway (Tianjin North Section), where traffic flow increased following the completion of a major connecting road expansion in October 2025. These positive factors were partly offset by weaker performance at certain toll road assets amid uneven regional traffic recovery, together with the non-recurrence of contribution from Shanxi Taiyuan-Gujiao Roadway (Gujiao Section), which was disposed of in April 2025.

The operating environment remained challenging during FY2026. On a like-for-like basis, average daily traffic flow and toll revenue declined by approximately 1% year-on-year. The decrease was primarily attributable to temporary traffic disruptions arising from the ongoing expansion works on Beijing-Zhuhai Expressway (Guangzhou-Zhuhai Section) and Guangzhou-Zhaoqing Expressway, which resulted in partial road closures. In addition, traffic flow on Suiyuenan Expressway normalized from the relatively high base recorded in FY2025, when maintenance works on neighbouring road networks led to temporary traffic diversion to the expressway. More broadly, traffic growth across the toll road portfolio remained largely flat, while expansion of surrounding transportation networks continued to influence traffic patterns across individual assets.

As at 30 June 2026, the toll road portfolio had an average remaining concession period of approximately 11 years. The expansion works on Beijing-Zhuhai Expressway (Guangzhou-Zhuhai Section) and Guangzhou-Zhaoqing Expressway remain on schedule and are currently expected to be completed by the financial year ending 30 June 2028. Upon completion, the Group will be eligible to apply for extensions of the respective concession periods. These projects form part of the Group's ongoing efforts to lengthen the revenue-generating life and enhance the competitiveness of its remaining toll road portfolio.

In parallel, the Group continued to advance its portfolio optimization strategy through disciplined capital recycling. In May 2026, the Group announced the disposal of its entire interest in the Hunan Changliu Expressway for approximately RMB1.61 billion, with the equity consideration broadly equivalent to the Group's net cash investment in the project's equity interests. The transaction followed management's thorough evaluation of the Group's capital allocation priorities, taking into account the asset's relatively limited contribution to Roads segment AOP and cash flow generation, subdued growth profile and increasing operational challenges. Completed in July 2026, the transaction strengthened the Group's balance sheet and facilitated the redeployment of capital towards businesses aligned with its strategic priorities, offering more attractive long-term growth potential and risk-adjusted returns. Following completion, the assets and associated liabilities of Hunan Changliu Expressway ceased to be consolidated into the Group's financial statements.

Logistics

The Logistics segment reported AOP of HK$645.0 million for FY2026, representing a decrease of 13% year-on-year. Excluding the impact from deferred tax provisions for the logistics properties in the Chinese Mainland, AOP declined 10% year-on-year. Continued growth in contributions from China United International Rail Containers Co., Limited ("CUIRC") helped mitigate the lower earnings from ATL Logistics Centre Hong Kong Limited ("ATL") in Hong Kong. Excluding the impact from deferred tax, contributions from logistics properties in the Chinese Mainland increased following the acquisition of four new logistics properties. Market conditions in both Hong Kong and the Chinese Mainland have been improving gradually during the financial year, supporting leasing activity and customer demand across parts of the portfolio.

As at 30 June 2026, the Group's Logistics Asset & Management portfolio comprised ATL in Hong Kong and eleven logistics properties in the Chinese Mainland. The portfolio offered a total gross leasable area of approximately 14.5 million sq ft, comprising 5.9 million sq ft in Hong Kong and 8.6 million sq ft in the Chinese Mainland respectively.

Within Hong Kong, ATL operated against a backdrop of market volatility arising from reciprocal tariffs, while the gradual recovery of Hong Kong's economy provided some support to business activities. ATL's occupancy started to recover following more proactive marketing and leasing initiatives, including attracting tenants from more resilient sectors, offering flexible leasing arrangements, enhancing facility specifications and fostering closer collaboration with leasing agencies. As at 30 June 2026, ATL's occupancy rate rebounded sharply to 84.5% (30 June 2025: 80.7%) from 75.2% as at 31 December 2025. Nonetheless, average occupancy for FY2026 was lower than FY2025, reflecting the weaker occupancy level during the earlier part of the financial year before the recovery gained traction in the second half. The improving economic environment in Hong Kong, particularly the strong recovery in tourism and retail-related activities, also drove demand from ATL's core tenant base, including third-party logistics, e-commerce, distribution operators and retailers. Leveraging its strategic location and full-building ramp access, ATL further reinforced its position as a leading logistics and distribution hub in Hong Kong.

Complementing ATL in Hong Kong, the Group's logistics assets in the Chinese Mainland provided additional sources of recurring income and portfolio diversification. The logistics property market in the Chinese Mainland showed signs of recovery during FY2026, although the pace of stabilization remained selective and varied across regions. Excluding the impact from deferred tax, AOP from logistics properties in the Chinese Mainland recorded a 11% growth year-on-year in FY2026, reflecting the immediate AOP contribution from newly acquired logistics assets. As at 30 June 2026, the average occupancy rate across the seven logistics assets in Chengdu, Wuhan and Suzhou was 86.3% (30 June 2025: 87.5%). Through flexible leasing strategies and proactive asset management, the Group maintained a balanced approach between occupancy retention and rental performance amid an evolving operating environment.

During FY2026, the Group further expanded its logistics asset footprint and strengthened portfolio synergies across the Chinese Mainland through the acquisition of four logistics properties in Dongguan, Shanghai, Ningbo and Changzhou. Situated in economically vibrant regions with favourable long-term fundamentals, these assets are underpinned by established tenant bases and contributed recurring cash flows during the financial year. Following the acquisitions, the Group's logistics portfolio in the Chinese Mainland comprised eleven assets, with an overall average occupancy rate of 86.2% as at 30 June 2026.

In addition to its logistics property investments, the Group maintains exposure to the growing rail logistics sector through its 30% stake in CUIRC, which operates a nationwide network of thirteen railway container terminals across key logistics corridors in the Chinese Mainland. During FY2026, AOP increased by 2% year-on-year, while throughput rose by 8% year-on-year to 7,564,000 TEUs, driven by growing demand for rail freight services, ancillary logistics services, and higher terminal handling volumes. The business also benefited from favourable national policies promoting multimodal transportation, reducing logistics costs and improving supply chain efficiency. To improve operational efficiency, CUIRC invested in its terminal infrastructure upgrade, including the completion of automation projects at the Qingdao and Wuhan terminals in June 2026.

Construction

The Construction segment is represented by CTFS Construction Group, which comprises four established operating entities with complementary specialist capabilities: (i) Hip Hing Group, one of Hong Kong's leading building contractors, is frequently selected for technically complex and high-quality projects, supported by its extensive project management capabilities, design expertise and long-standing execution track record; (ii) Vibro Group focuses on foundation and specialist geotechnical works, enabling CTFS Construction Group to participate from the early stages of major development projects; (iii) Quon Hing Group supports the ready-mixed concrete business; and (iv) Hsin Chong Aster provides electrical and mechanical engineering services. Together, these entities enable CTFS Construction Group to serve public-sector, institutional and private-sector clients across key stages of the construction value chain. Their integrated platform enhances tender competitiveness, supports effective project delivery and strengthens the resilience of the Construction segment.

During FY2026, CTFS Construction Group demonstrated resilience and order book momentum amid a challenging market environment, securing new contracts with aggregate value of approximately HK$16.9 billion. As at 30 June 2026, the gross value of contracts on hand increased by 7% year-on-year from approximately HK$58.5 billion to HK$62.7 billion. As existing projects progressed and revenue was recognized during the year, remaining works to be completed stood at a healthy HK$34.9 billion, supported by continued replenishment from new contract wins.

CTFS Construction Group maintained a high-quality order book with strong revenue visibility during the year. As at 30 June 2026, government and institutional-related projects accounted for 66% of remaining works to be completed, compared with 61% a year earlier, while private-sector projects accounted for the remaining 34%. Major contracts awarded during the financial year included the design and build of a joint user complex and public open space at Cheung Sha Wan Road in Sham Shui Po, the construction of a public housing development at Yip On Factory Estate, the management contract for maintenance and completion works for the subsidized sale flats development at Anderson Road Quarry Site R2-2, and the main contract for Pak Shing Kok ventilation building property development at Chiu Shun Road, Tseung Kwan O Town Lot No.132. These contract awards, spanning public-sector, institutional, private-sector and specialist works, demonstrate CTFS Construction Group's continued competitiveness and support revenue visibility over the near-to-medium term.

While CTFS Construction Group strengthened its order book and project mix, profitability was affected by project margin pressure during FY2026, AOP decreased modestly by 4% to HK$688.9 million. Against this backdrop, CTFS Construction Group continued to strengthen project resource deployment, cost discipline and operational efficiency across projects execution and tendering activities, while maintaining stringent accounts receivable management to support cash collection, working capital discipline and overall cash flow resilience. Major projects undertaken during FY2026 included the commercial development at Caroline Hill Road in Causeway Bay, the dedicated rehousing estate at Kwu Tung North Area 24, and the residential development at Ma Wo Road in Tai Po.

CTFS Construction Group's execution capabilities and innovation focus helped differentiate it in a competitive market environment and were reflected in several industry recognitions during FY2026. Hip Hing Group received accolades for two landmark projects: Kai Tak Sports Park ("KTSP"), which won the Quality Excellence Award and the Grand Award in the Hong Kong Non-Residential (New Building – Government, Institution or Community) category at the Quality Building Award - QBAHK, and the expansion of the Legislative Council Complex, which won the Grand Award in the Hong Kong Building (Renovation/ Revitalization) category. Innovation was also recognized at the CIC Construction Innovation Award, where Hip Hing Group's Distant Tower Crane Command System and Vibro Group's multimodal LLM-powered robotic dog were awarded, highlighting continued progress in construction safety, site efficiency and technical innovation. CTFS Construction Group also invested further in strengthening the quality and technical competency of its project management and tendering teams, supporting its ability to secure and deliver increasingly sophisticated projects.

Facilities Management

The Facilities Management segment comprises businesses spanning convention, exhibition and venue management services, healthcare services, and sports, entertainment and retail operations. In FY2026, segment AOP decreased by 1% year-on-year to HK$87.8 million. Solid growth from Gleneagles Hospital Hong Kong ("GHK") helped mitigate the impact of a lower contribution from Hong Kong Convention and Exhibition Centre ("HKCEC"), reflecting higher depreciation and capital expenditure, as well as the Attributable Operating Loss ("AOL") recorded by Kai Tak Sports Park Limited ("KTSPL"), in which the Group holds a 25% interest, during the ramp-up phase of KTSP.

Benefiting from the continued recovery in business travel and MICE (Meetings, Incentives, Conventions and Exhibitions) activities, HKCEC strengthened its marketing and business development initiatives to attract both new and returning large-scale events in FY2026. Excluding the impact of increased depreciation and capital expenditure, AOP increased by 8% year-on-year, supported by improved exhibition and conference rental income and higher food and beverage revenue. HKCEC maintained a diversified event portfolio spanning exhibitions, conferences, corporate meetings, entertainment events, seminars and banquets. During FY2026, total attendance reached approximately 7.7 million across 786 events, broadly in line with prior year.

GHK remained a key growth driver for the Facilities Management segment during FY2026, supported by resilient demand across Hong Kong's healthcare sector and structural growth in private healthcare services. As a leading private multi-specialty hospital in Hong Kong, GHK delivered solid operational and financial performance during the financial year. Revenue maintained its upward trajectory, while EBITDA increased strongly by 15% year-on-year. AOP contribution to the Group surged more than fourfold. Patient volumes continued to grow, with the number of inpatients, outpatients and day cases rising by 3%, 1% and 9%, respectively. To accommodate growing demand and support future capacity, the number of regularly utilized beds rose to 365 as at 30 June 2026 (30 June 2025: 337), with the average occupancy rate maintained at 60% (30 June 2025: 64%).

Beyond its strong operating performance, GHK further strengthened its long-term growth platform through medical innovation and digitalization. Following the introduction of histotripsy treatment for liver cancer in March 2025, the medical team initiated a pancreatic cancer clinical trial and successfully completed Asia's first combined pancreas and liver histotripsy procedure in April 2026. As at 30 June 2026, more than 140 histotripsy procedures had been performed for local and overseas patients, reinforcing GHK's leading position in innovative cancer treatment. In March 2026, GHK also established a strategic collaboration with the Centre for Artificial Intelligence and Robotics, Hong Kong Institute of Science & Innovation, Chinese Academy of Sciences, to promote the clinical adoption of AI and robotic technologies.

GHK also expanded its healthcare ecosystem and outpatient network. The launch of Gleneagles PharmaHome, a digital pharmacy offering online purchasing and home delivery services, improved patient convenience and broadened access to healthcare services. In parallel, Parkway Medical Services (Hong Kong) Limited ("Parkway Medical"), a business venture between IHH Healthcare Berhad and the Group, further expanded GHK's integrated healthcare network. In October 2025, Gleneagles MediCentre in Admiralty commenced operations, offering ambulatory care services across a range of specialties and strengthening patient access and referral pathways. Together with GHK's existing clinic network and healthcare facilities, comprising seven clinics and one laboratory, these platforms contributed approximately 10% of GHK's gross profit through direct and indirect patient referrals and related healthcare services during FY2026. These initiatives broadened patient acquisition, enhanced service capabilities and supported future growth.

Alongside healthcare, the Group built its presence in Hong Kong's sports, entertainment, retail and mega-event economy through KTSP. During its first full year of operation, KTSP established itself as Hong Kong's premier integrated sports, entertainment and lifestyle destination, bringing together world-class event venues, retail offerings and community facilities within a single precinct. Since its official opening in March 2025 and up to 30 June 2026, KTSP had attracted over 20 million visits, hosted nearly 150 major international and local sports and entertainment events and facilitated more than 250 days of sporting activities. Key highlights included the Hong Kong Sevens, international football matches and concerts by globally renowned artists such as Coldplay and BLACKPINK. Utilization rates at Kai Tak Stadium and Kai Tak Arena achieved close to 90%, underscoring strong demand and the growing appeal of the precinct. Kai Tak Mall also delivered encouraging results, benefiting from strong visitor traffic and retail-event synergies, with occupancy reaching approximately 87% as at 30 June 2026 (30 June 2025: approximately 80%). While KTSPL remained in the ramp-up phase and recorded an AOL during FY2026, KTSP's operating metrics demonstrated growing patronage, sustained high venue utilization and increasing market acceptance.

KTSP's rising international profile and strong operational execution were recognized through a number of industry accolades during FY2026. Notable achievements included being named "Venue of the Year" at TheStadiumBusiness Awards 2026 and being included in *TIME's* "World's Greatest Places 2026". According to leading industry publication *Pollstar*, KTSP ranked third globally and first in Asia by ticket sales in 2025, despite commencing operations only in March 2025. These achievements reinforce KTSP's position as a leading sports and entertainment venue in the region.

Strategic Investments

This segment includes investments with strategic relevance and growth potential that enhance shareholder value. The Group consistently employs a disciplined capital allocation approach and the aggregated carrying amount of these investments accounted for approximately 3% of the Group's total assets at 30 June 2026 and 30 June 2025. The diversified portfolio mainly includes (i) various minority stakes across listed equity, private equity, venture capital and pre-IPO opportunities with strategic allocations to capture high-growth potential across emerging and transformative sectors including metals and mining, infrastructure assets services, digital healthcare, advanced information technology and artificial intelligence; and (ii) new investment in Battery Energy Storage System ("BESS"). During FY2026, AOP of the Strategic Investments segment increased by 6% to HK$251.4 million, primarily comprising the share of results, net fair value changes, and interest and dividend income from various investments.

During the year, the Group actively divested a number of investments within the Strategic Investments segment that were considered to have reached their full return potential. These divestments have generated aggregate proceeds of approximately HK$1.3 billion. In addition, the Group aimed to monetize its approximately 10% stake in Shoucheng through the issuance of 0.75% Exchangeable Bonds with an aggregate principal amount of HK$2,218 million. The bonds were issued at 103.0% of the par value, enabling the Group to secure financing on attractive terms while retaining the potential to realize additional value should bondholders exercise their exchange rights. The transaction strengthened the Group's liquidity position, broadened its funding sources and enhanced financial flexibility for future capital deployment.

Alongside capital recycling initiatives, the Group continued to invest selectively in opportunities aligned with long-term structural growth trends. During FY2026, the Group partnered with Unisun, a leading global renewable energy solutions service provider, to develop BESS in Europe. The projects are intended to address the intermittency associated with the large-scale transition towards renewable energy by providing energy storage solutions that support grid stability and reliability. The Group's first BESS project, located in the city of Iisalmi, Finland, has an installed capacity of 30 megawatts ("MW")/65.2 megawatt-hours ("MWh"), in which the Group holds a 75% interest, with Unisun holding the remaining 25% interest and serving as the technical lead. The project is expected to commence operation in the first quarter of 2027 and contribute to AOP from the financial year ending 30 June 2027 ("FY2027") onwards. Building on this collaboration, the Group is anticipated to develop a second BESS project in Petäjävesi, Finland, with a capacity of 125 MW/250 MWh, in which the Group will indirectly hold an 87.5% equity interest. These projects reflect the Group's disciplined approach to identifying opportunities with sustainable long-term demand drivers and further expanding its presence in the European energy storage market.

BUSINESS OUTLOOK

Financial Services

As the Group's core growth engine, the Financial Services segment is well positioned to deliver sustainable long-term growth. Supported by a strong capital position, diversified distribution capabilities and a broadening wealth management platform, CTF Life is expected to remain a key contributor to the Group's earnings. It will uphold disciplined underwriting standards, robust governance and strong compliance while adapting to evolving customer needs and regulatory developments.

Demand for protection, savings, healthcare, wealth preservation and legacy planning solutions remains resilient across local, Chinese Mainland and overseas customer segments. Hong Kong insurance products remain attractive due to their multi-currency features, access to global investment opportunities and attractive wealth planning attributes. Demand from Chinese Mainland customers is expected to remain underpinned by interest rate differentials between Hong Kong and the Chinese Mainland, increasing protection awareness and relatively low insurance penetration, while various talent admission schemes continue to support demand from Hong Kong customers. The gradual reallocation of household wealth from cash and real estate into financial assets is also expected to support long-term demand for insurance and wealth management products.

Following the establishment of its Bermuda operation, CTF Life is scaling its international insurance platform with a focus on serving high-net-worth customers and addressing demand for multi-jurisdictional insurance solutions. By leveraging strategic distribution partnerships, CTF Life Bermuda is well positioned to access internationally mobile customers across key wealth management markets and gradually expand its overseas customer base over the medium to long term.

To capture these opportunities, CTF Life will continue to improve its multi-channel distribution platform, lift agency productivity, deepen broker relationships and broaden its product offerings. CTF Life will also continue to advance the digitalization of agency distribution channel through targeted investments in recruitment and onboarding capabilities. Leveraging data analytics, digital technologies and artificial intelligence, the end-to-end talent acquisition and development journey will be enhanced, enabling a more efficient and data-driven experience for agents to improve recruitment effectiveness, accelerate new advisor productivity and strengthen talent retention. Backed by ongoing product innovation and disciplined execution, CTF Life is well placed to achieve profitable growth while further reinforcing its market position.

Beyond insurance, the Group is broadening its wealth management platform to serve the evolving needs of affluent and high-net-worth customers in Hong Kong and overseas. The completion of the acquisition of a 65% interest in Blackhorn in July 2026 expanded the Group's external asset management capabilities and is expected to contribute earnings immediately. Blackhorn's results will also be consolidated into the Group's financial statements as a subsidiary. Together with CTF Life's insurance platform, uSMART's digital brokerage capabilities and the broader Chow Tai Fook Group ecosystem, Blackhorn strengthens the Group's ability to provide a comprehensive suite of wealth management solutions spanning insurance, investment, securities trading, financial planning and asset management. This integrated platform broadens the Group's customer proposition, supports customer acquisition and cross-selling, and differentiates CTF Life from traditional insurers by connecting insurance with broader wealth management and lifestyle-related services.

The Group will evaluate expansion opportunities prudently, taking into account market potential, execution capabilities and regulatory considerations. Supported by growing demand for wealth management solutions, a diversified distribution platform and an expanding product and service offering, the Financial Services segment remains well positioned to drive the Group's long-term earnings growth.

Roads

The operating environment for the toll road sector remains challenging amid both structural and cyclical headwinds. Toll road assets continue to face uneven traffic recovery across regions, intensifying competition from ongoing expansion of road networks, evolving traffic patterns, and rising operational and regulatory complexities. These factors have contributed to greater earnings volatility and a more uncertain long-term growth outlook across the sector.

Although toll roads still provide stable cash generation, the sector is increasingly characterized by limited growth prospects and finite concession lives. Accordingly, the Group will continue to optimize its portfolio and recycle capital from mature assets into businesses with more attractive long-term growth and return characteristics, selectively divesting assets where risk-adjusted return prospects are less compelling.

Logistics

While macroeconomic uncertainties remain, leasing demand in Hong Kong has shown encouraging signs of recovery. Supported by its strategic location, diversified customer base and distinctive asset characteristics, ATL is well positioned to benefit from improving logistics and distribution activity driven by tourism, retail and consumption-related demand. The Group will focus on maintaining healthy occupancy, extending the weighted average lease expiry and improving lease quality, further strengthening the resilience of its income base.

Alongside its Hong Kong operations, the Group remains constructive on the outlook for modern logistics properties in economically vibrant regions of the Chinese Mainland, particularly the Greater Bay Area, the Yangtze River Delta, and major metropolises in Western China. While market conditions vary across locations, selected markets have begun to stabilize, benefiting from growing city-distribution demand, ongoing e-commerce penetration and resilient manufacturing and export activity. In addition, the future supply of high-quality logistics facilities in key logistics hubs remains relatively limited. The Group will continue to pursue selective investment opportunities in modern, strategically located and income-generating logistics assets that meet its disciplined investment criteria, with emphasis on attractive valuations, established tenant bases and strong cash flow visibility.

In September 2026, the Group completed the acquisition of another logistics property in Jiaxing City, Zhejiang Province. Located near the Group's existing Yangtze River Delta assets, the acquisition further advances the regional cluster strategy by enhancing operating efficiencies, tenant servicing capabilities, and portfolio synergies. Following completion, the logistics portfolio expanded to thirteen properties with a total gross leasable area of approximately 15.05 million sq ft.

CUIRC continues to benefit from the structural growth of rail freight transportation in the Chinese Mainland. Supported by favourable national policies promoting multimodal transportation, logistics efficiency and cross-border trade, rail freight demand is expected to maintain long-term growth. Ongoing development of Belt and Road Initiative transportation corridors and deeper regional trade integration are expected to further support cross-border cargo flows. With thirteen strategically located railway container terminals across the Chinese Mainland, CUIRC remains well positioned to benefit from these long-term trends.

Building on its established logistics facilities and rail freight network, the Group is also expanding into digital infrastructure. Growing demand for AI computing power, together with the resulting surge in data storage requirements, is reinforcing the strategic importance of data centres as critical enablers of the digital economy. Backed by increasing capital expenditure from hyperscale cloud service providers and policies promoting computing power development, demand for data centre capacity is expected to rise further. Recognizing the favourable long-term fundamentals of the sector, the Group intends to pursue a disciplined investment approach in the AIDC sector, focusing on assets with established customer relationships, AI-ready expansion potential, and attractive risk-adjusted returns, with the objective of building a portfolio of high-quality digital infrastructure assets that generates recurring income and supports long-term growth.

In line with this strategy, the Group has committed to invest in Huailai Cloud Exchange Data Services Co., Ltd. ("Huailai AIDC"), acquiring a 70% equity interest. Located in Huailai, Hebei Province, a key hub within China's "East Data, West Computing" initiative, the project has a planned IT capacity of 50MW, of which 30MW has been delivered and secured under long-term lease with leading domestic internet companies. The acquisition provides immediate exposure to the rapidly growing AI computing market while generating stable income supported by contracted occupancy. It marks an important milestone in the Group's expansion into digital infrastructure and the transaction is expected to be completed in the fourth quarter of 2026, with Huailai AIDC's financial results expected to be consolidated into the Group's financial statements from FY2027 onwards. In addition, the Group also has an investment in a fully operational AIDC project in Jiangsu Province, with over 50MW of IT capacity contracted to leading internet companies.

Besides Chinese Mainland, the Group has been exploring opportunities in overseas market in the AIDC sector. In this regard, the Group has entered into an agreement for the acquisition of a 40% equity interest in an AIDC project in Johor, Malaysia ("Johor AIDC"), a leading Southeast Asian data centre hub. Designed to support IT capacity exceeding 70MW, Johor AIDC has secured long-term lease arrangements for the majority of the project's IT capacity and is expected to commence operations in the first quarter of 2027.

Collectively, these investments mark the Group's entry into the data centre sector and position it to benefit from growing demand for AI computing, data storage and digital infrastructure services across Asia, while enhancing its portfolio of recurring-income assets.

Construction

The Construction segment is expected to operate against a gradually improving market backdrop. In the residential sector, improving transaction activity and renewed developer participation in land tenders point to an early recovery in sentiment. At the same time, government and institutional projects are expected to remain a key driver of industry activity. The Hong Kong Government has indicated that capital works expenditure is expected to remain at approximately HK$128 billion per annum through 2030/31 fiscal year, underpinned by major infrastructure, public housing and other public works projects. In addition, the Northern Metropolis is expected to create substantial opportunities across site formation, foundations, infrastructure and building works over the coming decade. These developments provide a supportive demand environment and long-term project visibility for established contractors with proven execution capabilities.

Against this supportive demand backdrop, CTFS Construction Group is well positioned to capture upcoming public-sector, institutional and private-sector opportunities, leveraging its integrated capabilities across building construction, foundations, concrete supply and electrical and mechanical engineering services. Its project management, engineering and design expertise, together with continued investment in innovative construction technologies and data-driven solutions, enhance its ability to deliver technically demanding projects while improving site safety, productivity, execution quality and ESG performance. Importantly, these innovation capabilities provide a clear point of differentiation against peers, strengthening CTFS Construction Group's competitiveness and supporting disciplined project selection. Together with ongoing improvements in operational efficiency, resource allocation and the technical competency of its project and tender teams, as well as a substantial order book and visible project pipeline, CTFS Construction Group is well placed to sustain cash generation and pursue quality growth over the medium to long term.

Facilities Management

Benefiting from the continued recovery of tourism, business travel and healthcare demand, the growing popularity of experience-led consumption and the Hong Kong Government's initiatives to promote the mega-event economy, the Group remains confident in the long-term prospects of its Facilities Management segment. Through HKCEC, GHK and KTSP, the segment benefits from multiple structural growth drivers linked to Hong Kong's position as an international business, healthcare and events hub.

Amid evolving industry dynamics, HKCEC continues to adapt its event portfolio to changing market demand while leveraging the Hong Kong Government's support for the MICE industry. Further reinforcing confidence in Hong Kong as a leading international events destination, the Culture, Sports and Tourism Bureau entered into a five-year collaboration arrangement with Art Basel in March 2026, underscoring the long-term commitment of one of the world's premier art fairs to Hong Kong. Against this backdrop, HKCEC continues to expand beyond its traditional strengths in exhibitions and conferences. In addition to reinforcing its position in traditional exhibition and conferences, HKCEC is actively expanding into high-growth sectors such as cryptocurrency, Web3, fintech and innovation. It also focuses on attracting new international organizers, converting successful one-off events into recurring series, and broadening its geographical reach by attracting organizers from emerging markets, including the Middle East. Reflecting this strategy, LEAP East, a technology and innovation conference connecting the Middle East and Asia, was held in HKCEC for the first time in July 2026, marking the commencement of a three-year agreement that establishes Hong Kong as the exclusive Asian host city for the event. In addition, the Hong Kong International Wine & Spirits Fair, a leading trade event for the wine and spirits industry in Asia, is scheduled to take place in November 2026 and will move from a biennial to an annual format. Together with a growing pipeline of new and recurring events, these initiatives are expected to further diversify HKCEC's event portfolio and reinforce Hong Kong's position as a premier international convention and exhibition destination.

Reflecting a key pillar of the segment's growth strategy, GHK will continue to strengthen its clinical capabilities and broaden its healthcare ecosystem. In addition to introducing advanced therapies such as stem cell therapy and CAR-T cell therapy, GHK will undertake facility enhancement initiatives to improve operational productivity, patient flow and overall patient experience, including the expansion of the Professorial Clinic, enhancement of outpatient facilities and refurbishment of inpatient accommodation. With its core hospital infrastructure now largely established, management's focus is increasingly shifting towards improving utilization, operational efficiency and service intensity across its healthcare platform. Parkway Medical plans to expand specialist services beyond the hospital setting. A new Gastrointestinal, Hepatobiliary and Pancreatic Specialists Clinic in Central is expected to commence operations in FY2027, further broadening its outpatient network. In parallel, strategic partnerships, including the collaboration with The Fullerton Ocean Park Hotel Hong Kong, will enhance GHK's presence in wellness tourism and preventive healthcare. Collectively, these initiatives are expected to support patient acquisition, enhance service capabilities and long-term business growth.

Representing the segment's exposure to sports, entertainment, retail and experience-led consumption, KTSP is expected to benefit from the Hong Kong Government's continued support in promoting mega-event economy. With a robust pipeline of international events in FY2027, including the Hong Kong Football Festival 2026, Audi Football Summit 2026, and the CTF Life Title Sponsor: 2026 TMElive International Music Awards, which were successfully held between July and August 2026, as well as the upcoming BIGBANG 2026-2027 World Tour and BTS World Tour, KTSP is well positioned to strengthen its market leadership and regional profile. As a recently commissioned precinct, KTSP remains in a ramp-up phase, with additional growth expected from increasing venue utilization, event frequency and ancillary commercial activities. Continued efforts to enhance commercial yield across venues and retail offerings, foster synergies between sports, entertainment, retail and dining facilities, and enrich the overall visitor experience are expected to support long-term growth and profitability. Through these initiatives, KTSP is expected to reinforce Hong Kong's position as a premier destination for sports, entertainment and mega-events while generating broader tourism and economic benefits.

LOOKING FORWARD

The Group will leverage its diversified business portfolio, operational expertise and disciplined capital allocation to navigate evolving market conditions and capture opportunities arising from long-term structural growth trends. Building on the progress achieved in FY2026, the Group will further optimize its portfolio by recycling capital from mature businesses into higher-growth and more scalable sectors. In particular, the Group will deepen its presence in Financial Services and Logistics segments, which benefit from favourable long-term demand drivers and are expected to improve the quality, resilience and growth profile of the Group's earnings.

While macroeconomic uncertainty, interest-rate movements and sector-specific challenges are expected to persist, the Group remains well positioned to manage risks and pursue sustainable growth. With a solid balance sheet, ample liquidity, diversified funding channels and prudent financial management, the Group will maintain a disciplined approach to capital deployment and investment selection. Along with its growing portfolio of recurring-income businesses and focus on operational excellence, these strengths provide flexibility to pursue strategic growth opportunities while maintaining financial resilience.

In addition, the Company's re-inclusion in the Hang Seng Composite Index and eligibility for the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect programmes have further enhanced its capital markets profile. The meaningful increase in Southbound holdings since re-inclusion reflects broader access to Chinese Mainland investors and growing market recognition of the Group's evolving business mix and improving earnings quality. Supported by its portfolio optimization strategy, disciplined financial management and expanding growth platforms, the Group remains committed to creating sustainable long-term value for Shareholders.

FINANCIAL RESOURCES

Treasury management and financing structure

The Group's funding and treasury policy is designed to maintain a diversified and balanced debt profile and financing structure. Through a centralized treasury function, the Group actively monitors its cash position, cash flows and debt profile, while optimizing funding efficiency and managing financing costs. To maintain ample financial flexibility with adequate liquidity for the Group's operations, potential investments and growth plans, the Group has established a strong and diversified funding base and will continue to broaden its sources of funding which include perpetual capital securities and debt issuance in capital markets as well as bank borrowings, both offshore and onshore, for which the mix will vary from time to time in response to prevailing financial market conditions. The capital structure of the Group was 44% debt and 56% equity as at 30 June 2026[7], compared with 47% debt and 53% equity as at 30 June 2025.

In July 2025, the Company repurchased the remaining outstanding principal amount of HK$566 million of the HK$780 million 4.0% convertible bonds due 2025 (the "4.0% Convertible Bonds") and issued the 2.8% Convertible Bonds. The 2.8% Convertible Bonds were fully converted into ordinary shares of the Company during the year. This issuance together with the subsequent conversions has successfully restored the Company's public float to over 25%, thereby fulfilling the minimum public float requirement and enhancing the liquidity and trading volume of the shares of the Company.

In October 2025, the Company issued the 0.75% Exchangeable Bonds which aimed to monetize its investment in Shoucheng and to raise financing on attractive terms, capitalizing on the favourable capital market conditions.

In March 2026, the Company received the notice of acceptance of registration of debt financing instruments from the National Association of Financial Market Institutional Investors for the aggregate principal amount of up to RMB5.0 billion under the 2026 Panda Bond Programme. The debt financing instruments are issuable within two years from the receipt of the notice of acceptance of registration and issuance could be made by the Company in multiple tranches as and when appropriate.

[7] The 0.75% Exchangeable Bonds are being accounted for as financial liabilities at FVPL and are excluded from the debt calculation.

The Group closely manages its financial risks including interest rate exposure and foreign exchange risks. Interest rate swap contracts are used to hedge against changes in short-term interest rates, while foreign exchange forward contracts are used to hedge against foreign currency risk of the Group's businesses which involve foreign currencies. Cross currency swap contracts and RMB borrowings are used to hedge the exposure to foreign exchange risk, stemmed mainly from RMB denominated assets. The Group's Financial Services segment also enters into cross currency swaps and bond forward contracts to hedge against its foreign currency risk and interest rate risk for bond investments respectively. The Group operates mainly in Hong Kong and the Chinese Mainland and did not have any material exposure to foreign exchange risk other than RMB and United States dollar during the current year. Through RMB borrowings including offshore and onshore RMB bank loans, Panda Bonds and cross currency swap contracts, about 62% of the Group's RMB denominated assets were naturally hedged as at 30 June 2026 (30 June 2025: about 80%). As at 30 June 2026, Hong Kong dollar borrowings and RMB borrowings accounted for 54% and 46% respectively of the Group's total debt (30 June 2025: 38% and 62%). The reduction in the hedging ratio is a strategic move of the Group in response to prevailing RMB exchange rate trend and market dynamics. The Group adopts a flexible and disciplined approach to foreign exchange risk management, adjusting its hedge positions from time to time in line with market developments while maintaining prudent control over currency exposures.

Liquidity and capital resources

As at 30 June 2026, the Group's total cash and bank balances amounted to HK$20,760.7 million, compared with HK$20,210.7 million as at 30 June 2025. Cash and bank balances as at 30 June 2026 were mainly denominated as to 29% in Hong Kong dollar, 53% in United States dollar and 18% in RMB. The Group's Net Debt as at 30 June 2026 was HK$11,654.5 million, decreased by 20% from HK$14,651.1 million as at 30 June 2025. The decrease in Net Debt was mainly due to proceeds from issuance of the 0.75% Exchangeable Bonds, classification of Net Debt of Hunan Changliu Expressway as assets and liabilities held-for-sale, full conversion of the 2.8% Convertible Bonds, proceeds from disposal of certain non-core investments and net operating cash inflow, partly offset by certain acquisitions and capital expenditures and payment of dividend during the current year. The Group's Net Gearing Ratio decreased from 37% as at 30 June 2025 to 28% as at 30 June 2026[8]. The reduction in Net Gearing Ratio reflects a strengthening of the Group's balance sheet and provides a solid foundation to support the Group's growth initiatives, while maintaining the Group's financial flexibility and resilience against market volatility. The Group's total unutilized committed banking facilities amounted to approximately HK$10.5 billion as at 30 June 2026 (30 June 2025: approximately HK$9.6 billion).

[8] If the 0.75% Exchangeable Bonds were included as debt balance, the net gearing ratio would be 33% as at 30 June 2026.

Debt profile and maturity

The Group continues to maintain a prudent mix of fixed-rate and floating-rate borrowings to optimize funding costs while managing interest rate risk. The proportion of fixed-rate debt to total debt remained at an efficient level of 68% as at 30 June 2026 (30 June 2025: 70%), providing a balanced debt profile and reducing the Group's exposure to interest rate volatility.

As at 30 June 2026, the Group's total debt decreased to HK$32,415.2 million from HK$34,861.8 million as at 30 June 2025. The Group has managed to spread out its debt maturity profile to reduce refinancing risks. Amongst the total debt as at 30 June 2026, 24% will mature in the next 12 months, 25% will mature in the second year, 49% will mature in the third to fifth year and 2% will mature after the fifth year.

As a result of the continued proactive management of our debt mix amid fluctuating market interest rates, the average borrowing cost of the Group's debt portfolio during FY2026 was maintained at approximately 4.1% per annum (FY2025: 4.1%).

As at 30 June 2026, the Group provided pledges over the concession rights of the operation of certain expressways as security for bank loans made to the subsidiary companies which own and operate the expressways. The Group also provided a pledge over a proportion of equity interest in a joint venture as a security for bank loans of that joint venture. Besides, the Group provided pledges over the investment properties which include certain logistics centres in the Chinese Mainland as well as certain office units and carpark spaces in Hong Kong as security for certain bank loans of the Group.

Commitments

The Group's total commitments for capital expenditures were HK$1,646.6 million as at 30 June 2026, compared with HK$3,006.5 million as at 30 June 2025. These mainly comprised commitments for capital contributions to certain associated companies and joint ventures and acquisition of subsidiaries of HK$1,363.5 million as well as additions of property, plant and equipment/intangible assets of HK$160.2 million. Sources of funds for capital expenditures include internal resources of the Group and committed external financing from reputable international banks. Besides, the Group's insurance business had commitments for financial investment of HK$6,072.7 million as at 30 June 2026 (30 June 2025: HK$2,905.5 million) which will be supported by internal resources.

Financial guarantee

Financial guarantee of the Group were HK$4,539.7 million as at 30 June 2026, compared with HK$5,133.3 million as at 30 June 2025. These comprised guarantees for banking facilities of associated companies and joint ventures.

Under the main transaction agreement and the related transaction documents in relation to the disposal of aircraft leasing business by Goshawk Aviation Limited ("Goshawk") to SMBC Aviation Capital Limited ("SMBC"), the Group provides a financial guarantee to support the performance of Goshawk of its payment obligation to satisfy claims that may be brought by SMBC against Goshawk. The Group's potential liability under the financial guarantee is limited to a total amount of US$197.1 million (equivalent to approximately HK$1,537.4 million) as at 30 June 2026 and 30 June 2025.

MAJOR ACQUISITIONS AND DISPOSALS

1. On 3 October 2025, the Company issued 0.75% Exchangeable Bonds at the price of 103.0% of the principal amount. These bonds are unsecured, have maturity of 3 years falling due October 2028 and listed on the Vienna MTF operated by the Vienna Stock Exchange. The bondholders have the rights to require the Company to redeem all or part of the bonds on 3 October 2027 at their principal amount, together with accrued but unpaid interest. The bondholders also have the right ("Exchange Rights") to exchange the bonds into the Group's investment in the shares of Shoucheng which are listed on The Stock Exchange of Hong Kong Limited.

   As of the date of this announcement, the Group holds approximately 10% of the total issued shares in Shoucheng, which is accounted for as an associated company of the Group. Pursuant to the terms and conditions of the bonds, the Group may dispose of substantially all of its entire shareholding in Shoucheng, if the Exchange Rights underlying the entirety of the bonds are fully exercised by the bondholders, with the bonds being exchangeable into the shares of Shoucheng.

   During the year, no exchangeable bond was exchanged into the shares of Shoucheng.

2. On 13 May 2026, an indirect wholly-owned subsidiary of the Company entered into an equity transfer agreement to dispose of its 100% equity interest in Hunan CTFS Expressway Co., Ltd. ("Hunan CTFS"), which is principally engaged in the operation of the Changsha-Liuyang Expressway located in Hunan Province, the People's Republic of China, for a total consideration of approximately RMB1.61 billion, and Hunan CTFS agreed to repay all outstanding amount of the shareholder loan and interest of approximately RMB212 million after the completion date. The disposal of equity interest was completed on 24 July 2026 and Hunan CTFS has ceased to be a subsidiary of the Company since then, and the loan to Hunan CTFS and its accrued interest have been fully repaid as at the date of this announcement.

Save as disclosed above, there was no material acquisition and disposal of subsidiaries, associated companies and joint ventures during FY2026.

RESULTS

The audited consolidated results of the Group for FY2026 together with comparative figures for FY2025 are set out as follows:

Consolidated Income Statement
For the year ended 30 June

	Note	2026 HK$'m	2025 HK$'m
Revenue			
Non-insurance		**22,347.3**	20,204.7
Insurance		**4,752.4**	4,080.6
	2	**27,099.7**	24,285.3
Cost of sales	*3,5*	**(19,844.2)**	(17,568.2)
Insurance service expenses	*3*	**(3,236.3)**	(2,765.6)
Net expenses from reinsurance contracts held		**(41.4)**	(68.2)
Insurance finance expenses		**(6,553.3)**	(5,223.4)
Other income and gains, net	*4*	**7,441.5**	5,587.8
Selling and marketing expenses	*3*	**(102.8)**	(117.2)
General and administrative expenses	*3*	**(1,031.7)**	(897.9)
Operating profit	*3*	**3,731.5**	3,232.6
Finance costs		**(1,494.2)**	(1,470.3)
Share of results of			
Associated companies		**255.8**	210.4
Joint ventures		**780.0**	1,055.8
Profit before income tax		**3,273.1**	3,028.5
Income tax expenses	*6*	**(702.2)**	(666.3)
Profit for the year		**2,570.9**	2,362.2
Profit/(loss) attributable to			
Shareholders of the Company		**2,392.6**	2,162.0
Holders of perpetual capital securities		**179.2**	202.3
Non-controlling interests		**(0.9)**	(2.1)
		2,570.9	2,362.2
Earnings per share attributable to shareholders of the Company	*7*		
Basic		**HK$0.53**	HK$0.49*
Diluted		**HK$0.52**	HK$0.49*

* Adjusted for the bonus shares allotted and issued in December 2025.

Consolidated Statement of Comprehensive Income
For the year ended 30 June

	2026	2025
	HK$'m	HK$'m
Profit for the year	**2,570.9**	2,362.2
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net fair value change on equity instruments as financial assets at fair value through other comprehensive income ("FVOCI")	**384.3**	(74.0)
Remeasurement of post-employment benefit obligation	**10.9**	6.7
Items that have been reclassified/may be subsequently reclassified to profit or loss		
Net fair value change on debt instruments as financial assets at FVOCI and other net movement	**(21.4)**	166.6
Release of reserve upon disposal of debt instruments as financial assets at FVOCI	**361.9**	459.9
Release of reserves upon partial disposal of interest in an associated company	**33.7**	-
Share of other comprehensive income of associated companies and joint ventures	**19.2**	6.9
Share of release of reserve of a joint venture	**-**	241.7
Cash flow hedges	**257.6**	(373.3)
Net insurance finance (expenses)/income	**(147.1)**	106.7
Currency translation differences	**482.6**	111.3
Other comprehensive income for the year, net of tax	**1,381.7**	652.5
Total comprehensive income for the year	**3,952.6**	3,014.7
Total comprehensive income/(loss) attributable to		
Shareholders of the Company	**3,773.5**	2,814.3
Holders of perpetual capital securities	**179.2**	202.3
Non-controlling interests	**(0.1)**	(1.9)
	3,952.6	3,014.7

Consolidated Statement of Financial Position
As at 30 June

	Note	**2026 HK$'m**	2025 HK$'m
ASSETS			
Intangible assets		**6,177.4**	6,186.8
Intangible concession rights	*9*	**6,178.4**	10,961.9
Investment properties		**6,313.5**	4,949.6
Property, plant and equipment		**1,156.7**	1,226.9
Right-of-use assets		**791.4**	949.9
Associated companies		**5,165.6**	4,720.1
Joint ventures		**16,538.1**	16,151.7
Insurance contract assets		**1,341.7**	1,418.6
Reinsurance contract assets		**104.5**	97.4
Debt instruments as financial assets at amortized cost		**1,272.1**	1,419.7
Financial assets at FVOCI		**11,207.5**	13,236.1
Financial assets at FVPL		**89,386.4**	69,888.4
Derivative financial instruments		**319.3**	255.8
Inventories		**28.0**	20.8
Trade and other receivables	*10*	**8,784.8**	11,491.1
Investments related to unit-linked contracts		**11,148.1**	9,710.1
Cash and bank balances		**20,760.7**	20,210.7
Assets held-for-sale	*13*	**4,483.4**	-
Total assets		**191,157.6**	172,895.6
EQUITY			
Share capital		**4,566.3**	4,009.8
Reserves		**35,151.5**	33,507.0
Shareholders' funds		**39,717.8**	37,516.8
Perpetual capital securities		**2,347.1**	2,347.8
Non-controlling interests		**26.5**	17.1
Total equity		**42,091.4**	39,881.7
LIABILITIES			
Deferred tax liabilities		**1,103.4**	1,152.1
Insurance contract liabilities		**93,743.5**	77,481.8
Financial liabilities related to unit-linked contracts		**4,364.5**	4,183.6
Borrowings and other interest-bearing liabilities		**32,415.2**	34,861.8
Financial liabilities at FVPL	*11*	**2,183.5**	-
Derivative financial instruments		**1,224.4**	1,267.2
Trade and other payables	*12*	**10,392.9**	12,907.2
Lease liabilities		**550.1**	716.9
Taxation		**589.2**	443.3
Liabilities directly associated with assets held-for-sale	*13*	**2,499.5**	-
Total liabilities		**149,066.2**	133,013.9
Total equity and liabilities		**191,157.6**	172,895.6

Notes:

1. Basis of preparation and accounting policies

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS"), Hong Kong Accounting Standards ("HKAS") and interpretations (collectively, the "HKFRS Accounting Standards") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, certain financial assets and financial liabilities (including derivative financial instruments) which have been measured at fair value. Additionally, insurance contracts issued and reinsurance contracts held are measured on a current value basis.

(a) Adoption of amendments to standards

During FY2026, the Group has adopted the following amendments to standards which are relevant to the Group's operations and are mandatory for FY2026:

HKAS 21 (Amendments)	Lack of Exchangeability

The adoption of the amendments to standards does not have significant effect on the results and financial position of the Group.

(b) Standards and amendments to standards which are not yet effective

The following new standards and amendments to standards are mandatory for accounting period beginning on or after 1 July 2026 or later periods but which the Group has not early adopted:

HKAS 21 (Amendments)	Translation to a Hyperinflationary Presentation Currency
HKAS 28 (Amendments)	Amendments to the Fair Value Option for Investments in Associates and Joint Ventures
HKFRS 9 and HKFRS 7 (Amendments)	Amendments to the Classification and Measurement of Financial Instruments
HKFRS 9 and HKFRS 7 (Amendments)	Contracts Referencing Nature-dependent Electricity
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
HKFRS 18	Presentation and Disclosure in Financial Statements
HKFRS 19 and HKFRS 19 (Amendments)	Subsidiaries without Public Accountability: Disclosures
HKFRS 20	Regulatory Assets and Regulatory Liabilities
HKFRSs Amendments	Annual Improvements to HKFRS Accounting Standards – Volume 11

1. Basis of preparation and accounting policies (continued)

(b) Standards and amendments to standards which are not yet effective (continued)

HKFRS 18 "Presentation and Disclosure in Financial Statements" ("HKFRS 18")

HKFRS 18 will replace HKAS 1 "Presentation of Financial Statements", introducing new requirements to enhance comparability of the financial performance of similar entities and provide users with more relevant information and greater transparency. The adoption of HKFRS 18 would not have any impact on the recognition or measurement of items in the Group's consolidated financial statements, but its impacts on presentation and disclosure are expected to be pervasive, particularly in relation to the consolidated statement of profit or loss and disclosure of management-defined performance measures within the consolidated financial statements. HKFRS 18 is mandatorily effective for accounting periods beginning on or after 1 January 2027.

The Group has commenced the assessment on the impact of adoption of the new standards and amendments to standards, certain of which may be relevant to the Group's operations and may give rise to changes in accounting policies, changes in disclosures and remeasurement of certain items in the consolidated financial statements.

2. Revenue and segment information

The Group's revenue is analyzed as follows:

2026 **HK$'m**	**Hong Kong**	**The Chinese Mainland**	**Total**
Financial Services	**4,752.4**	**-**	**4,752.4**
Roads	**-**	**2,777.8**	**2,777.8**
Logistics	**-**	**144.2**	**144.2**
Construction	**17,915.8**	**-**	**17,915.8**
Facilities Management	**1,492.6**	**16.9**	**1,509.5**
	24,160.8	**2,938.9**	**27,099.7**

2025 HK$'m	Hong Kong	The Chinese Mainland	Total
Financial Services	4,080.6	-	4,080.6
Roads	-	2,778.7	2,778.7
Logistics	-	142.1	142.1
Construction	15,359.0	-	15,359.0
Facilities Management	1,905.5	19.4	1,924.9
	21,345.1	2,940.2	24,285.3

Management has determined the operating segments based on the reports reviewed by the Executive Committee of the Company that are used to make strategic decisions in accordance with HKFRS 8 "Operating Segments". The Executive Committee reviews the Group's internal reporting in order to assess performance and allocate resources. The Executive Committee considers the businesses of the Group from product and service perspectives, which comprised (i) Financial Services; (ii) Roads; (iii) Logistics; (iv) Construction; (v) Facilities Management; and (vi) Strategic Investments.

The Executive Committee assesses the performance of the operating segments based on a measure of Attributable Operating Profit (including share of results from associated companies and joint ventures). This measurement basis excludes the effects of non-operating and unallocated corporate office items. Corporate interest income, finance costs and expenses are not allocated to segments.

2. Revenue and segment information (continued)

(a) The information of the reportable segments provided to the Executive Committee for FY2026 and related comparative figures is as follows:

HK$'m	Financial Services	Roads	Logistics	Construction	Facilities Management	Strategic Investments	Total	
2026								
Total revenue	**4,754.1**	**2,777.8**	**144.2**	**17,915.8**	**1,514.6**	**-**	**27,106.5**	
Inter-segment	**(1.7)**	**-**	**-**	**-**	**(5.1)**	**-**	**(6.8)**	
Revenue – external	**4,752.4**	**2,777.8**	**144.2**	**17,915.8**	**1,509.5**	**-**	**27,099.7**	
Revenue from contracts with customers								
Recognized at a point in time	**-**	**2,777.8**	**-**	**-**	**192.3**	**-**	**2,970.1**	
Recognized over time	**185.6**	**-**	**-**	**17,915.8**	**1,317.2**	**-**	**19,418.6**	
	185.6	**2,777.8**	**-**	**17,915.8**	**1,509.5**	**-**	**22,388.7**	
Revenue from other sources	**4,566.8**	**-**	**144.2**	**-**	**-**	**-**	**4,711.0**	
	4,752.4	**2,777.8**	**144.2**	**17,915.8**	**1,509.5**	**-**	**27,099.7**	
Attributable Operating Profit/(Loss)								
Company and subsidiaries	**1,438.3**	**827.0**	**72.8**	**627.9**	**171.8**	**204.1**	**3,341.9**	
Associated companies	**36.4**	**161.5**	**8.7**	**61.0**	**(84.0)**	**141.8**	**325.4**	
Joint ventures	**-**	**454.3**	**563.5**	**-**	**-**	**(94.5)**	**923.3**	
	1,474.7	**1,442.8**	**645.0**	**688.9**	**87.8**	**251.4**	**4,590.6**	
Reconciliation								
Non-operating items								
Loss on fair value of investment properties, net of tax							**(268.6)**	**(i)**
Remeasurement and impairments							**(235.8)**	**(ii)**
Loss on disposal of a project							**(116.3)**	**(iii)**
Share of non-operating income of an associated company and joint ventures, net							**25.4**	
Gain on fair value of exchangeable bonds							**70.0**	**(iv)**
Share-based payment (note 3(a))							**(77.0)**	
Unallocated corporate office items								
Net finance costs							**(1,048.8)**	
Expenses and others							**(367.7)**	
Profit for the year after tax and non-controlling interests							**2,571.8**	
Profit attributable to holders of perpetual capital securities							**(179.2)**	
Profit attributable to shareholders of the Company							**2,392.6**	

(i) Loss on fair value of investment properties recognized in the consolidated income statement is HK$115.5 million (note 4), in which losses of HK$49.0 million is recognized as part of Attributable Operating Profit in various reportable segments. The amount also includes loss on fair value of an investment property shared from a joint venture of HK$187.1 million (net of tax) which is included in "share of results of joint ventures" and loss on fair value of an investment property shared from an associated company of HK$15.8 million which is included in "share of results of associated companies".

(ii) The amount mainly represents impairment loss on intangible concession rights of HK$105.0 million (note 9), remeasurement loss on assets classified as held-for-sale of HK$73.7 million (note 4) and impairment loss related to an associated company of HK$37.2 million (note 4) which are included in "other income and gains, net".

(iii) The amount represents loss on partial disposal of interest in an associated company of HK$116.3 million (note 4) which is included in "other income and gains, net".

(iv) The amount is included as fair value change of financial liabilities at FVPL in "other income and gains, net" (note 4).

2. Revenue and segment information (continued)

(a) The information of the reportable segments provided to the Executive Committee for FY2026 and related comparative figures is as follows: (continued)

HK$'m	Financial Services	Roads	Logistics	Construction	Facilities Management	Strategic Investments	Corporate	Total
2026								
Amortization of intangible assets	**100.1**	**-**	**-**	**6.5**	**31.2**	**-**	**-**	**137.8**
Amortization of intangible concession rights	**-**	**1,195.8**	**-**	**-**	**-**	**-**	**-**	**1,195.8**
Depreciation of property, plant and equipment	**23.4**	**99.9**	**0.1**	**55.0**	**144.8**	**0.1**	**14.8**	**338.1**
Depreciation of right-of-use assets	**103.0**	**0.4**	**0.6**	**46.4**	**88.6**	**-**	**9.1**	**248.1**
Insurance finance expenses	**6,553.3**	**-**	**-**	**-**	**-**	**-**	**-**	**6,553.3**
Net (gain)/loss on fair value of financial assets at FVPL	**(2,299.2)**	**-**	**-**	**1.7**	**-**	**(281.8)**	**-**	**(2,579.3)**
Interest income	**(3,164.5)**	**(67.1)**	**(19.4)**	**(20.1)**	**(69.6)**	**(20.4)**	**(291.9)**	**(3,653.0)**
Finance costs	**11.9**	**75.6**	**10.4**	**40.6**	**13.4**	**1.6**	**1,340.7**	**1,494.2**
Income tax expenses	**155.1**	**333.3**	**30.1**	**107.6**	**20.7**	**55.4**	**-**	**702.2**
Additions to assets (remark)	**174.2**	**39.6**	**1,171.4**	**221.3**	**95.7**	**123.5**	**7.2**	**1,832.9**
As at 30 June 2026								
Company and subsidiaries	**125,312.4**	**14,041.7**	**4,687.6**	**9,998.9**	**2,735.4**	**3,116.6**	**9,561.3**	**169,453.9**
Associated companies	**350.7**	**2,672.0**	**245.2**	**188.2**	**145.3**	**1,561.7**	**2.5**	**5,165.6**
Joint ventures	**-**	**5,967.9**	**9,450.7**	**15.0**	**-**	**828.4**	**276.1**	**16,538.1**
Total assets	**125,663.1**	**22,681.6**	**14,383.5**	**10,202.1**	**2,880.7**	**5,506.7**	**9,839.9**	**191,157.6**
Total liabilities	**99,556.4**	**4,652.7**	**696.5**	**8,733.9**	**773.8**	**216.2**	**34,436.7**	**149,066.2**

Remark: Represented assets expected to be recovered more than 12 months after the reporting period other than financial instruments, deferred tax assets, post-employment benefit assets, insurance contract assets and reinsurance contract assets.

2. Revenue and segment information (continued)

(a) The information of the reportable segments provided to the Executive Committee for FY2026 and related comparative figures is as follows: (continued)

HK$'m	Financial Services	Roads	Logistics	Construction	Facilities Management	Strategic Investments	Total	
2025								
Total revenue	4,082.0	2,778.7	142.1	15,359.0	1,931.9	-	24,293.7	
Inter-segment	(1.4)	-	-	-	(7.0)	-	(8.4)	
Revenue – external	4,080.6	2,778.7	142.1	15,359.0	1,924.9	-	24,285.3	
Revenue from contracts with customers								
Recognized at a point in time	-	2,778.7	-	-	705.9	-	3,484.6	
Recognized over time	189.6	-	-	15,359.0	1,219.0	-	16,767.6	
	189.6	2,778.7	-	15,359.0	1,924.9	-	20,252.2	
Revenue from other sources	3,891.0	-	142.1	-	-	-	4,033.1	
	4,080.6	2,778.7	142.1	15,359.0	1,924.9	-	24,285.3	
Attributable Operating Profit/(Loss)								
Company and subsidiaries	1,242.1	829.1	86.1	655.3	200.5	192.2	3,205.3	
Associated companies	-	216.3	(7.5)	64.0	(112.0)	79.4	240.2	
Joint ventures	-	394.0	661.8	-	-	(35.1)	1,020.7	
	1,242.1	1,439.4	740.4	719.3	88.5	236.5	4,466.2	
Reconciliation								
Non-operating items								
Loss on fair value of investment properties							(447.9)	(v)
Impairments and provisions, net							(645.5)	(vi)
Net loss on disposal of projects							(152.8)	(vii)
Share of non-operating income of a joint venture, net							575.7	(viii)
Share-based payment (note 3(a))							(24.3)	
Unallocated corporate office items								
Net finance costs							(1,010.1)	
Expenses and others							(397.0)	
Profit for the year after tax and non-controlling interests							2,364.3	
Profit attributable to holders of perpetual capital securities							(202.3)	
Profit attributable to shareholders of the Company							2,162.0	

(v) Loss on fair value of investment properties recognized in the consolidated income statement was HK$582.7 million (note 4), in which losses of HK$131.2 million was recognized as part of Attributable Operating Profit in various reportable segments.

(vi) The amount mainly represented share of impairment loss of a joint venture of HK$328.1 million which was included in "share of results of joint ventures" and impairment loss on intangible concession rights of HK$311.9 million (note 9) which was included in "other income and gains, net".

(vii) The amount mainly represented profit on disposal of assets held-for-sale of HK$42.7 million (note 4) which was included in "other income and gains, net" and share of loss from a joint venture of HK$206.3 million associated with its disposals of subsidiaries, including the related release of reserves, which was included in "share of results of joint ventures".

(viii) The amount represented share of non-operating income of a joint venture of HK$607.8 million less professional fee incurred, which was included in "share of results of joint ventures".

2. Revenue and segment information (continued)

(a) The information of the reportable segments provided to the Executive Committee for FY2026 and related comparative figures is as follows: (continued)

HK$'m	Financial Services	Roads	Logistics	Construction	Facilities Management	Strategic Investments	Corporate	Total
2025								
Amortization of intangible assets	85.0	-	-	4.0	31.2	-	-	120.2
Amortization of intangible concession rights	-	1,136.8	-	-	-	-	-	1,136.8
Depreciation of property, plant and equipment	29.4	99.5	0.1	54.3	111.7	0.1	14.9	310.0
Depreciation of right-of-use assets	106.8	0.3	0.6	40.1	89.9	-	9.0	246.7
Insurance finance expenses	5,223.4	-	-	-	-	-	-	5,223.4
Net (gain)/loss on fair value of financial assets at FVPL	(2,531.2)	-	-	1.9	-	(144.8)	-	(2,674.1)
Interest income	(3,007.6)	(57.8)	(2.1)	(33.3)	(98.8)	(73.5)	(278.6)	(3,551.7)
Finance costs	17.5	99.3	7.7	38.5	18.4	0.2	1,288.7	1,470.3
Income tax expenses/(credit)	119.2	373.8	10.3	129.5	33.7	(0.2)	-	666.3
Additions to assets (remark)	385.4	56.2	16.3	329.6	109.7	-	3.1	900.3
As at 30 June 2025								
Company and subsidiaries	110,327.9	14,130.6	2,950.2	10,107.6	2,558.1	3,202.3	8,747.1	152,023.8
Associated companies	-	2,392.6	264.2	167.8	183.4	1,709.4	2.7	4,720.1
Joint ventures	-	5,543.2	9,454.8	-	-	893.9	259.8	16,151.7
Total assets	110,327.9	22,066.4	12,669.2	10,275.4	2,741.5	5,805.6	9,009.6	172,895.6
Total liabilities	85,582.9	4,810.6	317.8	8,873.4	864.5	72.2	32,492.5	133,013.9

Remark: Represented assets expected to be recovered more than 12 months after the reporting period other than financial instruments, deferred tax assets, post-employment benefit assets, insurance contract assets and reinsurance contract assets.

2. Revenue and segment information (continued)

(b) Additional information of assets and liabilities by the following line items:

As at 30 June 2026

HK$'m	Non-financial services and corporate	Financial Services	Total
Assets			
Intangible assets	**270.2**	**5,907.2**	**6,177.4**
Intangible concession rights	**6,178.4**	**-**	**6,178.4**
Investment properties	**5,812.1**	**501.4**	**6,313.5**
Associated companies	**4,814.9**	**350.7**	**5,165.6**
Joint ventures	**16,538.1**	**-**	**16,538.1**
Insurance contract assets	**-**	**1,341.7**	**1,341.7**
Reinsurance contract assets	**-**	**104.5**	**104.5**
Debt instruments as financial assets at amortized cost	**-**	**1,272.1**	**1,272.1**
Financial assets at FVOCI	**618.3**	**10,589.2**	**11,207.5**
Financial assets at FVPL	**2,713.0**	**86,673.4**	**89,386.4**
Trade and other receivables	**8,279.9**	**504.9**	**8,784.8**
Investments related to unit-linked contracts	**-**	**11,148.1**	**11,148.1**
Cash and bank balances	**13,782.9**	**6,977.8**	**20,760.7**
Assets held-for-sale	**4,483.4**	**-**	**4,483.4**
Others	**2,003.3**	**292.1**	**2,295.4**
	65,494.5	**125,663.1**	**191,157.6**
Liabilities			
Insurance contract liabilities	**-**	**93,743.5**	**93,743.5**
Financial liabilities related to unit-linked contracts	**-**	**4,364.5**	**4,364.5**
Borrowings and other interest-bearing liabilities	**32,102.4**	**312.8**	**32,415.2**
Financial liabilities at FVPL	**2,183.5**	**-**	**2,183.5**
Trade and other payables	**9,963.2**	**429.7**	**10,392.9**
Liabilities directly associated with assets held-for-sale	**2,499.5**	**-**	**2,499.5**
Others	**2,761.2**	**705.9**	**3,467.1**
	49,509.8	**99,556.4**	**149,066.2**

(c) Information by geographical areas:

	Assets expected to be recovered more than 12 months (remark)	
HK$'m	**2026**	2025
Hong Kong	**10,152.2**	10,345.5
The Chinese Mainland	**10,316.0**	13,902.2
Others	**149.2**	27.4
	20,617.4	24,275.1

Remark: Represented assets expected to be recovered more than 12 months after the reporting period other than financial instruments, deferred tax assets, post-employment benefit assets, insurance contract assets and reinsurance contract assets.

3. Operating profit

Operating profit of the Group is arrived at after crediting and charging the following:

	Note	**2026 HK$'m**	2025 HK$'m
Crediting			
Gross rental income from investment properties		**228.7**	223.2
Less: outgoings		**(56.6)**	(57.1)
		172.1	166.1
Charging			
Auditors' remuneration			
- Provision for current year		**22.3**	22.3
- Under-provision in prior years		**0.6**	0.6
Cost of inventories sold		**90.9**	547.8
Cost of construction		**15,094.4**	12,776.3
Amortization of intangible assets		**137.8**	120.2
Amortization of intangible concession rights	*9*	**1,195.8**	1,136.8
Depreciation of property, plant and equipment		**338.1**	310.0
Depreciation of right-of-use assets		**248.1**	246.7
Agency commission and allowances		**2,526.5**	2,506.9
Expenses on short-term leases		**8.2**	7.2
Expenses on variable lease payments		**165.6**	120.3
Staff costs (including directors' emoluments and share-based payment)	(a)	**3,539.8**	3,196.2
Other costs and expenses		**1,443.2**	1,283.2
		24,811.3	22,274.5
Amounts attributed to insurance contracts		**(3,832.6)**	(3,691.2)
Amortization of insurance acquisition cash flows		**1,262.8**	964.6
Incurred claims and other directly attributable expenses		**1,976.2**	1,828.9
Losses on onerous contracts, net of reversal		**(2.7)**	(27.9)
		24,215.0	21,348.9
Represented by			
Cost of sales	*5*	**19,844.2**	17,568.2
Insurance service expenses		**3,236.3**	2,765.6
Selling and marketing expenses		**102.8**	117.2
General and administrative expenses		**1,031.7**	897.9
		24,215.0	21,348.9

(a) The Group recognized the total share-based payment expense of HK$77.0 million (2025: HK$24.3 million) for the current year in relation to share options granted by the Company.

4. Other income and gains, net

	Note	**2026 HK$'m**	2025 HK$'m
Net gain on fair value of financial assets at FVPL		**2,579.3**	2,674.1
Net gain associated with investments related to unit-linked contracts		**1,896.7**	1,002.6
Fair value change of financial liabilities at FVPL	*11*	**70.0**	-
Profit on disposal of assets held-for-sale		**-**	42.7
Interest income			
- Debt instruments as financial assets at FVPL		**2,540.4**	2,350.0
- Debt instruments as financial assets at FVOCI		**589.4**	572.9
- Debt instruments as financial assets at amortized cost		**44.1**	58.9
- Bank deposits and others		**479.1**	569.9
Dividend income		**739.1**	405.5
Others		**156.1**	168.0
Charges associated with financial liabilities related to unit-linked contracts		**(712.5)**	(455.1)
Net loss on disposal of debt instruments as financial assets at FVOCI		**(361.9)**	(459.9)
Net loss on fair value of derivative financial instruments		**(122.1)**	(541.0)
Loss on fair value of investment properties		**(115.5)**	(582.7)
Loss on partial disposal of interest in an associated company		**(116.3)**	-
Impairment loss on intangible concession rights	*9*	**(105.0)**	(311.9)
Remeasurement loss on assets classified as held-for-sale	*13*	**(73.7)**	-
Impairment loss related to an associated company		**(37.2)**	-
Net exchange (loss)/gain		**(4.0)**	94.8
Expected credit loss provision, net of reversal			
- Debt instruments as financial assets at FVOCI		**(2.0)**	(13.5)
- Debt instruments as financial assets at amortized cost		**2.1**	(0.2)
- Trade and other receivables		**(4.6)**	12.7
		7,441.5	5,587.8
Represented by			
Net investment income and gains from insurance business		**6,841.2**	5,477.2
Others		**600.3**	110.6
		7,441.5	5,587.8

5. Cost of sales

	Note	**2026 HK$'m**	2025 HK$'m
Cost of inventories sold		**90.9**	547.8
Cost of construction		**15,094.4**	12,776.3
Cost of services rendered		**4,658.9**	4,244.1
	3	**19,844.2**	17,568.2

6. Income tax expenses

Hong Kong profits tax is provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits for the year. Taxation on the Chinese Mainland and overseas profits has been calculated on the estimated taxable profits for the year at the rates of tax prevailing in the regions in which the Group operates. These rates range from 12% to 25% (2025: 12% to 25%). Withholding tax on dividends is mainly provided at the rate of 5% or 10% (2025: 5% or 10%).

The assessable profits of the Group's insurance business are computed in accordance with the special provisions of the Hong Kong Inland Revenue Ordinance ("IRO"). Profits tax for the life insurance business, as defined by IRO, is computed at a rate of 16.5% (2025: 16.5%) of 5% of net premiums (gross premiums received less reinsurance premiums ceded) of the life insurance business in accordance with Section 23(1)(a) of IRO and for non-life long term insurance business, is computed using the adjusted surplus method upon implementation of the HKRBC regime in accordance with Cap. 41 of the Insurance Ordinance.

The amount of income tax charged to the consolidated income statement represents:

	2026 **HK$'m**	2025 HK$'m
Current tax		
Hong Kong profits tax	**272.3**	247.7
The Chinese Mainland and overseas taxation	**514.5**	526.5
Deferred tax credit	**(84.6)**	(107.9)
	702.2	666.3

Share of taxation of associated companies and joint ventures of HK$124.8 million (2025: HK$74.8 million) and HK$210.3 million (2025: HK$198.5 million) respectively are included in the consolidated income statement as share of results of associated companies and joint ventures respectively.

Pillar Two income taxes

The Group, as a subsidiary of a wider in-scope multinational enterprise group, is subject to the Pillar Two tax reform.

Pillar Two legislation in Hong Kong were enacted on 6 June 2025, with the domestic minimum top-up tax ("HKMTT") and income inclusion rule ("IIR") retroactively effective from 1 January 2025, which are applicable to the Group from FY2026 onwards. An annual top-up tax return in Hong Kong shall be filed by 30 September 2027. Based on the Group's internal assessment with the information currently available, top-up tax under Pillar Two legislations in Hong Kong is not expected to be material, however it is subject to further assessment and the relevant internal charging mechanism to be determined, if applicable, by the wider group.

Other major jurisdictions where the Group operates, including the Chinese Mainland, have not enacted or substantively enacted the Pillar Two legislations. The Group will continue the assessment on the potential impact of Pillar Two legislations to the Group's operations.

7. Earnings per share

The calculation of basic earnings per share for FY2026 is based on earnings of HK$2,392.6 million (2025: HK$2,162.0 million) which represented profit attributable to shareholders of the Company; and on the weighted average of 4,498,425,294 ordinary shares outstanding during the year (2025: 4,400,196,166 shares after adjusting for the issuance of bonus shares in December 2025).

The calculation of diluted earnings per share is based on earnings of HK$2,392.6 million (2025: HK$2,162.0 million) as stated above; and on the weighted average number of ordinary shares outstanding adjusted by the effects of all dilutive potential ordinary shares. The calculation of weighted average number of shares for calculating diluted earnings per share is as follows:

	Number of shares	
	2026	2025*
Weighted average number of shares for calculating basic earnings per share	**4,498,425,294**	4,400,196,166
Effect of dilutive potential ordinary shares		
4.0% Convertible Bonds	**4,750,959**	43,914,940
2.8% Convertible Bonds	**53,210,834**	-
Share options	**6,212,420**	-
Weighted average number of shares for calculating diluted earnings per share	**4,562,599,507**	4,444,111,106

* Adjusted for the bonus shares allotted and issued in December 2025.

During FY2025, the share options of the Company had an anti-dilutive effect on the basic earnings per share as the adjusted exercise price of the share options was above the average market price of the ordinary shares during the outstanding period, and therefore were not included in the calculation of diluted earnings per share.

8. Dividends

	2026 **HK$'m**	2025 HK$'m
Interim ordinary dividend paid of HK$0.28 (2025: HK$0.30) per share	**1,278.5**	1,201.6
Final ordinary dividend proposed of HK$0.33 (2025: paid of HK$0.35) per share	**1,506.9**	1,422.5
2025: Special dividend paid of HK$0.30 per share	**-**	1,201.6
	2,785.4	3,825.7

At the meeting held on 24 September 2026, the Board recommended a final ordinary dividend of HK$0.33 per share. This proposed ordinary dividend has not been recognized as a dividend payable in the consolidated financial statements but will be reflected as an appropriation of the retained profits in the consolidated financial statements for FY2027.

Subject to the passing of the relevant resolution at the annual general meeting of the Company to be held on 17 November 2026 ("AGM"), it is expected that the final ordinary dividend will be paid on or about 15 December 2026.

9. Intangible concession rights

	Note	**2026** **HK$'m**	2025 HK$'m
Cost			
At beginning of year		**24,246.6**	23,858.9
Classified as assets held-for-sale	*13*	**(5,284.4)**	-
Translation differences		**1,405.2**	387.7
At end of year		**20,367.4**	24,246.6
Accumulated amortization and impairment			
At beginning of year		**13,284.7**	11,632.8
Amortization	*3*	**1,195.8**	1,136.8
Impairment	*4*	**105.0**	311.9
Classified as assets held-for-sale	*13*	**(1,218.1)**	-
Translation differences		**821.6**	203.2
At end of year		**14,189.0**	13,284.7
Net book value			
At end of year		**6,178.4**	10,961.9

Intangible concession rights refer to the Group's investment in and operations of toll roads in the Chinese Mainland. During FY2026, the Group has conducted an impairment assessment of the recoverability of the intangible concession rights based on value in use approach using discounted cash flow method incorporated the assumptions developed with reference to prevailing market conditions and historical performance. According to the assessment, an impairment loss related to intangible concession rights of HK$105.0 million (2025: HK$311.9 million) was recognized by the Group in FY2026 and included in "other income and gains, net".

10. Trade and other receivables

Included in trade and other receivables are trade receivables which are analyzed based on invoice date as follows:

	2026	2025
	HK$'m	HK$'m
Under 3 months	**1,550.3**	1,711.3
4 to 6 months	**2.8**	22.9
Over 6 months	**106.5**	119.0
	1,659.6	1,853.2

11. Financial liabilities at fair value through profit or loss

The balance as at 30 June 2026 represented HK$2,218.0 million exchangeable bonds issued by the Company in October 2025 at a price of 103.0% of the principal amount bearing a coupon rate of 0.75% per annum. These bonds are unsecured and have maturity of three years falling due October 2028. The bondholders have the rights to require the Company to redeem all or part of the bonds on 3 October 2027 at their principal amount, together with accrued but unpaid interest. The bondholders also have the right, at any time on or after the issue date and up to the maturity date, to exchange the bonds into exchange property initially consisting of the Group's investment in the shares of Shoucheng, which is subject to adjustments pursuant to the terms and conditions of the exchangeable bonds. During the current year, no exchangeable bond was exchanged into the shares of Shoucheng.

As at 30 June 2026, the aggregate fair value of the exchangeable bonds amounted to HK$2,183.5 million and a gain of HK$70.0 million (note 4) arising from the change in fair value during the current year is included in "other income and gains, net".

12. Trade and other payables

Included in trade and other payables are trade payables which are analyzed based on invoice date as follows:

	2026	2025
	HK$'m	HK$'m
Under 3 months	**945.2**	872.1
4 to 6 months	**3.0**	24.0
Over 6 months	**37.6**	46.9
	985.8	943.0

13. Assets held-for-sale/Liabilities directly associated with assets held-for-sale

In May 2026, the Group entered into an equity transfer agreement for the disposal of its entire equity interest in Hunan CTFS, at a consideration of approximately RMB1.61 billion (equivalent to HK$1,861.3 million). As at 30 June 2026, the assets and liabilities of Hunan CTFS were classified as held-for-sale and were measured at the lower of carrying amount and fair value less costs to sell. A remeasurement loss of HK$73.7 million was recognized by the Group after taking into account of the cost to perfecting the title and included in "other income and gains, net" in FY2026. The disposal was completed on 24 July 2026 and the shareholder's loan to Hunan CTFS and its accrued interest have been fully repaid as at the date of this announcement.

The assets and liabilities classified as held-for-sale as at 30 June 2026, which have been presented separately in the consolidated statement of financial position, are as follows:

	Note	**HK$'m**
Assets held-for-sale		
Intangible concession rights	*9*	**4,066.3**
Property, plant and equipment		**56.5**
Trade and other receivables		**10.1**
Cash and bank balances		**424.2**
		4,557.1
Less: remeasurement loss on assets classified as held-for-sale	*4*	**(73.7)**
		4,483.4
Liabilities directly associated with assets held-for-sale		
Borrowings and other interest-bearing liabilities		**(2,438.9)**
Loan from shareholder and accrued interest		**(245.9)**
Trade and other payables		**(60.3)**
Taxation		**(0.3)**
		(2,745.4)
Less: loan from shareholder and accrued interest		**245.9**
		(2,499.5)

14. Comparative figures

Certain comparative figures for FY2025 have been reclassified or extended to conform with the presentation for FY2026.

FINAL DIVIDEND AND BONUS ISSUE OF SHARES

The Company is committed to delivering a sustainable and progressive dividend policy. The aim of its dividend policy is to steadily increase or at least maintain the Hong Kong dollar value of total ordinary dividend annually. The prospective total dividend growth, however, remains dependent upon the financial performance and future funding needs of the Group.

The Board has accordingly resolved to recommend a final ordinary dividend (the "Final Dividend") of HK$0.33 per share for FY2026 (FY2025: HK$0.35 per share in cash with a scrip option), payable in cash, to the Shareholders whose names appear on the register of members of the Company on 23 November 2026. Together with the interim ordinary dividend of HK$0.28 per share for FY2026 (FY2025: interim ordinary dividend of HK$0.30 per share and special dividend of HK$0.30 per share) paid in April 2026, total distribution of dividend by the Company for FY2026 will be HK$0.61 per share (FY2025: HK$0.95 per share).

Subject to the passing of the relevant resolution at the AGM, it is expected that the Final Dividend will be paid on or about 15 December 2026.

The Board has also proposed to make a bonus issue of shares to the Shareholders on the basis of one bonus share for every ten shares held by the Shareholders whose names appear on the register of members of the Company on 23 November 2026 (the "Bonus Issue"). The Bonus Issue is conditional upon the passing of the relevant resolution at the AGM and the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of and permission to deal in the new shares to be issued under the Bonus Issue. The bonus shares will be credited as fully paid and will rank pari passu in all respects with the existing Shares, save that they will not be entitled to the Final Dividend. No fractional bonus shares will be allotted. Fractional entitlements will be aggregated and dealt with for the benefit of the Company. Details about the Bonus Issue will be set out in a circular to be sent to the Shareholders in October 2026. Immediately after the Bonus Issue, it is expected that the Company will continue to comply with the public float requirement under the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

For the purposes of determining Shareholders' eligibility to attend and vote at the AGM and entitlement to the Final Dividend and the Bonus Issue, the register of members of the Company will be closed. Details of such closures are set out below:

For determining eligibility to attend and vote at the AGM:	
Latest time to lodge transfer documents for registration	4:30 pm on 11 November 2026
Closure of register of members	12 to 17 November 2026 (both days inclusive)
Record date	17 November 2026
AGM date	17 November 2026

For determining entitlement to the Final Dividend and the Bonus Issue:	
Latest time to lodge transfer documents for registration	4:30 pm on 20 November 2026
Closure of register of members	23 November 2026
Record date	23 November 2026
Despatch of share certificates of the bonus shares	on or about 15 December 2026
Final Dividend payment date	on or about 15 December 2026

During the above closure periods, no transfer of shares will be registered. To be eligible to attend and vote at the AGM and to qualify for the Final Dividend and the Bonus Issue, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than the aforementioned latest time.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, approximately 10,700 staff were employed by entities under the Group's management of which approximately 3,800 staff were employed in Hong Kong. Total staff related costs including provident funds, staff bonus and deemed share option benefits but excluding directors' remunerations and their deemed share option benefits during FY2026 were HK$3.42 billion (FY2025: HK$3.105 billion). Remuneration packages including salaries, bonuses and share options are granted to employees according to individual performance and are reviewed according to general market conditions every year. Structured training programmes were provided by the Group to employees on an ongoing basis.

AUDIT COMMITTEE AND REVIEW OF ANNUAL RESULTS

The Audit Committee of the Company was set up by the Board with specific terms for the purpose of reviewing and providing supervision over the Group's financial reporting process, and risk management and internal control systems. It currently comprises three independent non-executive directors of the Company. The Audit Committee has reviewed the accounting principles and practices adopted by the Group and the audited consolidated financial statements of the Group for FY2026 with the management and the external auditor.

The figures in respect of the Group's consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for FY2026 as set out in the preliminary results announcement have been agreed by the Group's auditor, PricewaterhouseCoopers ("PwC Hong Kong"), to the amounts set out in the Group's audited consolidated financial statements for FY2026. The work performed by PwC Hong Kong 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 HKICPA and consequently no assurance has been expressed by PwC Hong Kong on the preliminary results announcement.

CORPORATE GOVERNANCE PRACTICES

The Company has been striving to achieve good corporate governance which is the system of rules, processes and practices that the Company is managed and overseen for the purpose of balancing the interests of shareholders, the community and other stakeholders. Good corporate governance could contribute to long-term success and sustainability of the Company.

Throughout FY2026, the Company has complied with all the applicable code provisions under the Corporate Governance Code as contained in Appendix C1 of the Listing Rules.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

On 18 July 2025, the Company completed the repurchase of the 4.0% Convertible Bonds at a price equivalent to 100% of the principal amount. An aggregate outstanding principal amount of HK$566 million of the 4.0% Convertible Bonds has been repurchased.

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during FY2026.

DEALINGS IN THE COMPANY'S SECURITIES BY DIRECTORS AND RELEVANT EMPLOYEES

The Company has adopted the Code for Dealing in Securities of the Company by Directors of the Company and Relevant Employees of the Group ("Dealings Code") as its own code of conduct for governing the securities transactions by directors and specified employees ("Relevant Employees") who, because of their positions, are likely to come across unpublished inside information. Specific enquiry was made with all directors of the Company and the Relevant Employees and it was established that they had all complied with the required standard of the Dealings Code during FY2026.

THE BOARD

As at the date of this announcement, (a) the executive directors of the Company are Dr Cheng Kar Shun, Henry, Mr Cheng Chi Ming, Brian, Mr Ho Gilbert Chi Hang, Mr Lam Jim and Mr Cheng Chi Leong, Christopher; (b) the non-executive directors of the Company are Mr William Junior Guilherme Doo (alternate director to Mr William Junior Guilherme Doo: Mr Lam Wai Hon, Patrick) and Mr Tsang On Yip, Patrick; and (c) the independent non-executive directors of the Company are Mr Shek Lai Him, Abraham, Mr Lee Yiu Kwong, Alan, Mrs Oei Wai Chi Grace Fung, Mr Wong Kwai Huen, Albert, Professor Chan Ka Keung, Ceajer and Ms Ng Yuen Ting, Yolanda.

By order of the Board
CTF Services Limited
Dr Cheng Kar Shun, Henry
Chairman

Hong Kong, 24 September 2026