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香港興業國際集團有限公司*
HKR International Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 00480)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

The Board of Directors (the "Board") of HKR International Limited (the "Company") announces the results of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2026 (the "Period").

RESULTS

The Group's revenue for the Period amounted to HK$762.6 million, representing a decrease of 60.4% from HK$1,925.5 million in the last corresponding period. The Group recorded an underlying loss of HK$59.2 million, compared to an underlying profit of HK$45.4 million in the last corresponding period. The decline was primarily attributable to the absence of sales completion of new projects during the Period. In the last corresponding period, River One in Chinese Mainland made a significant contribution to the Group's revenue and results.

With the inclusion of the Group's attributable share of net unrealised losses on fair value change of investment properties held by the Group and its joint venture amounting to HK$30.4 million and non-recurring asset impairment provisions of HK$54.0 million for the property development projects held by the Group and its joint venture, the Group recorded a loss attributable to owners of the Company of HK$143.6 million. This represented a reduction in loss of HK$335.0 million, compared with the loss attributable to owners of the Company of HK$478.6 million in the last corresponding period.

DIVIDEND

The Board has resolved not to declare any interim dividend to its shareholders for the Period. There was also no interim dividend paid by the Company to its shareholders for the last corresponding period.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	NOTES	For the six months ended 30 September	
		2026	2025
		HK$'M	*HK$'M*
		(unaudited)	(unaudited)
Revenue	*3*	**762.6**	1,925.5
Cost of sales		**(577.0)**	(1,561.2)
Gross profit		**185.6**	364.3
Other income		**50.3**	43.9
Other gains and losses		**(86.6)**	(96.6)
Selling, administrative and other operating expenses		**(336.3)**	(316.6)
Change in fair value and losses on disposal of investment properties			
Realised losses on disposal		**–**	(15.5)
Unrealised gains/(losses)		**12.1**	(364.9)
Finance costs	*4*	**(167.3)**	(145.4)
Share of results of associates		**(0.1)**	(0.1)
Share of results of joint ventures		**151.5**	76.4
Loss before taxation	*5*	**(190.8)**	(454.5)
Taxation	*6*	**(17.2)**	(65.1)
Loss for the period		**(208.0)**	(519.6)
Loss for the period attributable to:			
Owners of the Company	*7*	**(143.6)**	(478.6)
Non-controlling interests		**(64.4)**	(41.0)
		(208.0)	(519.6)
		HK cents	*HK cents*
Loss per share	*9*		
Basic		**(9.7)**	(32.2)
Diluted		**(9.7)**	(32.2)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	For the six months ended 30 September	
	2026	2025
	HK$'M	*HK$'M*
	(unaudited)	(unaudited)
Loss for the period	**(208.0)**	(519.6)
Other comprehensive (expense)/income:		
Items that will not be reclassified to profit or loss		
Investments in equity instruments measured at fair value through other comprehensive income:		
Fair value changes during the period	**(1.0)**	(0.2)
Deferred tax arising from fair value changes	**(0.1)**	(0.1)
	(1.1)	(0.3)
Items that may be subsequently reclassified to profit or loss		
Exchange differences arising from foreign joint ventures	**251.7**	87.4
Exchange differences arising from translation of other foreign operations	**81.0**	163.8
Release of exchange reserve upon deregistration of foreign subsidiaries	**–**	(41.5)
Share of asset revaluation reserve of a joint venture	**–**	2.4
	332.7	212.1
Other comprehensive income for the period, net of tax	**331.6**	211.8
Total comprehensive income/(expense) for the period	**123.6**	(307.8)
Total comprehensive income/(expense) attributable to:		
Owners of the Company	**188.0**	(266.8)
Non-controlling interests	**(64.4)**	(41.0)
	123.6	(307.8)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	NOTE	**30 September 2026** ***HK$'M*** **(unaudited)**	31 March 2026 *HK$'M* (audited)
Non-current assets			
Investment properties		**12,886.6**	12,924.4
Property, plant and equipment		**3,120.3**	3,009.3
Intangible assets		**3.6**	4.7
Right-of-use assets		**67.6**	72.2
Interests in associates		**–**	–
Interests in joint ventures		**10,630.1**	10,555.4
Properties held for development for sale		**3,175.0**	3,163.1
Equity instruments measured at fair value through other comprehensive income		**12.1**	16.0
Financial assets at fair value through profit or loss		**369.4**	363.4
Investments in debt instruments measured at amortised cost		**4.0**	4.4
Other assets		**163.4**	178.3
Deferred tax assets		**44.4**	40.9
		30,476.5	30,332.1
Current assets			
Inventories		**37.2**	37.2
Properties held for sale		**3,349.5**	981.3
Properties under development for sale		**6,818.5**	8,802.1
Trade receivables	*10*	**41.5**	41.8
Deposits, prepayments and other receivables		**302.1**	300.2
Amounts due from associates		**0.4**	0.4
Amounts due from joint ventures		**175.9**	174.6
Investments in debt instruments measured at amortised cost		**–**	3.0
Taxation recoverable		**110.9**	110.5
Bank balances and cash		**3,291.8**	2,325.9
		14,127.8	12,777.0
Assets classified as held for sale		**125.5**	–
		14,253.3	12,777.0

	NOTE	**30 September 2026 HK$'M (unaudited)**	31 March 2026 HK$'M (audited)
Current liabilities			
Trade payables, provision and accrued charges	*11*	**992.1**	902.5
Deposits received and other financial liabilities		**181.7**	189.8
Contract liabilities		**487.1**	122.6
Bank and other loans due within one year		**5,398.7**	2,099.7
Lease liabilities		**7.2**	7.2
Other liabilities		**2,165.5**	2,112.0
Taxation payable		**95.9**	81.0
		9,328.2	5,514.8
Liabilities associated with assets classified as held for sale		**1.7**	–
		9,329.9	5,514.8
Net current assets		**4,923.4**	7,262.2
Total assets less current liabilities		**35,399.9**	37,594.3
Non-current liabilities			
Contract liabilities		**33.3**	37.6
Bank and other loans due after one year		**8,005.5**	10,306.2
Lease liabilities		**42.1**	45.8
Other liabilities due after one year		**710.5**	716.3
Deferred tax liabilities		**463.3**	466.8
		9,254.7	11,572.7
		26,145.2	26,021.6
Capital and reserves			
Share capital		**371.3**	371.3
Reserves		**22,628.4**	22,440.4
Equity attributable to owners of the Company		**22,999.7**	22,811.7
Non-controlling interests		**3,145.5**	3,209.9
		26,145.2	26,021.6

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

2. MATERIAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on historical cost basis, except for certain properties and financial instruments, which are measured at fair values, as appropriate.

The accounting policies used in the preparation of the condensed consolidated financial statements for the six months ended 30 September 2026 are consistent with those set out in the annual report for the year ended 31 March 2026, except for the adoption of amendments to HKFRS Accounting Standards as described in note 2(a) and the accounting policy on non-current assets (or disposal groups) held for sale detailed below.

Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment properties that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

(a) Amendments to HKFRS Accounting Standards adopted by the Group

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards and interpretation issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1 April 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11

The adoption of the above amended standards and interpretations has no material effect on the results and financial position of the Group.

(b) New and amendments to standards and interpretations issued but not yet effective

HKFRS 18 "Presentation and Disclosure in Financial Statements" will replace HKAS 1 "Presentation of Financial Statements", introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

The Group will apply the new standard from its mandatory effective date of 1 April 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 March 2027 will be restated in accordance with HKFRS 18.

Except for the above mentioned changes in the presentation and disclosure in HKFRS 18, the Group has already commenced an assessment of the impact of the remaining new standards and amendments to standards and interpretations and does not expect they will have any significant impact to the results of operations and financial position of the Group.

3. REVENUE AND SEGMENT INFORMATION

The Group is organised into five operating divisions: property development, property investment, transportation services and property management, hotel operations and leisure businesses. Each of the operating divisions represents an operating and reportable segment.

Disaggregation of revenue

	Property development *HK$'M*	Property investment *HK$'M*	Transportation services and property management *HK$'M*	Hotel operations *HK$'M*	Leisure businesses *HK$'M*	Total *HK$'M*
For the six months ended 30 September 2026						
Types of goods or services:						
Sales of properties	**132.9**	**–**	**–**	**–**	**–**	**132.9**
Hotel revenue	**–**	**–**	**–**	**118.4**	**–**	**118.4**
Other services rendered	**9.8**	**38.1**	**140.8**	**–**	**147.4**	**336.1**
Revenue from contracts with customers	**142.7**	**38.1**	**140.8**	**118.4**	**147.4**	**587.4**
Rental income	**–**	**172.1**	**2.3**	**–**	**0.8**	**175.2**
Consolidated revenue, as reported	**142.7**	**210.2**	**143.1**	**118.4**	**148.2**	**762.6**
Geographical markets:						
Hong Kong	**46.6**	**196.6**	**143.1**	**58.8**	**148.2**	**593.3**
Chinese Mainland	**96.1**	**13.6**	**–**	**–**	**–**	**109.7**
Japan	**–**	**–**	**–**	**10.5**	**–**	**10.5**
South East Asia	**–**	**–**	**–**	**49.1**	**–**	**49.1**
Total	**142.7**	**210.2**	**143.1**	**118.4**	**148.2**	**762.6**
Timing of revenue recognition:						
At a point in time	**132.9**	**–**	**119.5**	**41.6**	**80.6**	**374.6**
Over time	**9.8**	**38.1**	**21.3**	**76.8**	**66.8**	**212.8**
Total	**142.7**	**38.1**	**140.8**	**118.4**	**147.4**	**587.4**

	Property development *HK$'M*	Property investment *HK$'M*	Transportation services and property management *HK$'M*	Hotel operations *HK$'M*	Leisure businesses *HK$'M*	Total *HK$'M*
For the six months ended 30 September 2025						
Types of goods or services:						
Sales of properties	1,263.2	–	–	–	–	1,263.2
Hotel revenue	–	–	–	110.6	–	110.6
Other services rendered	10.3	39.2	143.3	–	151.9	344.7
Revenue from contracts with customers	1,273.5	39.2	143.3	110.6	151.9	1,718.5
Rental income	–	203.9	2.2	–	0.9	207.0
Consolidated revenue, as reported	1,273.5	243.1	145.5	110.6	152.8	1,925.5
Geographical markets:						
Hong Kong	82.8	231.2	145.5	60.6	152.8	672.9
Chinese Mainland	1,190.7	11.2	–	–	–	1,201.9
Japan	–	0.7	–	5.2	–	5.9
South East Asia	–	–	–	44.8	–	44.8
Total	1,273.5	243.1	145.5	110.6	152.8	1,925.5
Timing of revenue recognition:						
At a point in time	1,263.2	–	121.6	39.6	84.2	1,508.6
Over time	10.3	39.2	21.7	71.0	67.7	209.9
Total	1,273.5	39.2	143.3	110.6	151.9	1,718.5

Segment information

The following is an analysis of the Group's revenue and results by operating and reportable segments for the period under review:

	Property development *HK$'M*	Property investment *HK$'M*	Transportation services and property management *HK$'M*	Hotel operations *HK$'M*	Leisure businesses *HK$'M*	Total *HK$'M*
For the six months ended 30 September 2026						
REVENUE						
Segment revenue – sales to external customers derived by the Group, an associate and joint ventures	**1,172.2**	**1,082.3**	**143.1**	**118.4**	**148.2**	**2,664.2**
Excluding revenue of an associate and joint ventures	**(1,029.5)**	**(872.1)**	**–**	**–**	**–**	**(1,901.6)**
Consolidated revenue, as reported	**142.7**	**210.2**	**143.1**	**118.4**	**148.2**	**762.6**
RESULTS						
Segment results – total realised results of the Group, associates and joint ventures *(note)*	**(140.6)**	**427.4**	**6.7**	**(43.4)**	**(13.4)**	**236.7**
Excluding realised results of associates and joint ventures not shared by the Group	**(63.4)**	**(151.4)**	**–**	**–**	**–**	**(214.8)**
Results attributable to the Group	**(204.0)**	**276.0**	**6.7**	**(43.4)**	**(13.4)**	**21.9**
Unallocated other expenses						**(9.8)**
Unallocated corporate expenses						**(69.0)**
Finance costs and corporate level exchange difference						**(117.6)**
Unrealised gains on fair value change of investment properties						**12.1**
Net unrealised losses on fair value change of investment properties attributable to the Group's interest in a joint venture, net of deferred tax						**(45.6)**
Loss for the period						**(208.0)**
Non-controlling shareholders' share of loss for the period						**64.4**
Loss for the period attributable to owners of the Company						**(143.6)**

	Property development *HK$'M*	Property investment *HK$'M*	Transportation services and property management *HK$'M*	Hotel operations *HK$'M*	Leisure businesses *HK$'M*	Total *HK$'M*
For the six months ended 30 September 2025						
REVENUE						
Segment revenue – sales to external customers derived by the Group, an associate and joint ventures	1,997.9	1,043.3	145.5	110.6	152.8	3,450.1
Excluding revenue of an associate and joint ventures	(724.4)	(800.2)	–	–	–	(1,524.6)
Consolidated revenue, as reported	1,273.5	243.1	145.5	110.6	152.8	1,925.5
RESULTS						
Segment results – total realised results of the Group, associates and joint ventures *(note)*	(272.2)	369.8	30.9	(39.0)	0.3	89.8
Excluding realised results of associates and joint ventures not shared by the Group	43.0	(121.0)	–	–	–	(78.0)
Results attributable to the Group	(229.2)	248.8	30.9	(39.0)	0.3	11.8
Unallocated other expenses						(17.6)
Unallocated corporate expenses						(31.2)
Finance costs and corporate level exchange difference						(101.2)
Unrealised losses on fair value change of investment properties						(364.9)
Net unrealised losses on fair value change of investment properties attributable to the Group's interest in a joint venture, net of deferred tax						(16.5)
Loss for the period						(519.6)
Non-controlling shareholders' share of loss for the period						41.0
Loss for the period attributable to owners of the Company						(478.6)

Note: The segment results of the Group include the entire results of associates and joint ventures, excluding the net unrealised gains or losses on fair value change of investment properties net of deferred tax arising from change in fair value.

4. FINANCE COSTS

	For the six months ended 30 September	
	2026	2025
	HK$'M	*HK$'M*
Interests on		
Bank and other loans	**258.4**	231.5
Advance from a non-controlling shareholder	**53.5**	48.1
Lease liabilities	**1.1**	1.1
Bank and other loans arrangement fees	**9.6**	11.2
	322.6	291.9
Less: Amounts included in the qualifying assets *(note)*	**(155.3)**	(146.5)
	167.3	145.4

Note: To the extent funds are borrowed generally and used for the purpose of financing certain properties under development for sale, investment property under construction and assets under construction, the capitalisation rate used to determine the amounts of borrowing costs eligible for the capitalisation is 4.09% (six months ended 30 September 2025: 3.78%) per annum.

5. LOSS BEFORE TAXATION

	For the six months ended 30 September	
	2026	2025
	HK$'M	*HK$'M*
Loss before taxation has been arrived at after (crediting)/charging:		
Bank and other interest income	**(23.6)**	(18.8)
Gain on deregistration of subsidiaries	**–**	(40.1)
Gain on disposal of a subsidiary	**–**	(1.1)
Net exchange loss/(gain)	**14.2**	(22.7)
Depreciation on property, plant and equipment	**100.8**	91.8
Depreciation on right-of-use assets	**4.9**	5.0
Amortisation of intangible assets	**1.1**	1.2
Fair value change of financial assets at fair value through profit or loss	**(5.1)**	10.7
Impairment loss on investment in debt instruments measured at amortised cost	**–**	6.2
Impairment loss on properties held for sale	**31.7**	138.9
Impairment loss on properties under development for sale	**39.6**	–
Government grants and subsidies	**(17.6)**	(15.7)

6. TAXATION

	For the six months ended 30 September	
	2026	2025
	HK$'M	*HK$'M*
Hong Kong Profits Tax calculated at 16.5% (2025: 16.5%) of the estimated assessable profit for the period	**14.7**	18.8
Overseas tax calculated at rates prevailing in respective jurisdictions	**11.0**	(4.3)
Land appreciation tax ("LAT")	**0.5**	0.1
	26.2	14.6
Deferred taxation for the period	**(9.0)**	50.5
	17.2	65.1

According to the requirements of the Provisional Regulations of the People's Republic of China (the "PRC") on LAT effective from 1 January 1994 and amended on 8 January 2011, and the Implementation Rules on the Provisional Regulations of the PRC on LAT effective from 27 January 1995, all gains arising from the sale or transfer of real estate in the PRC with effect from 1 January 1994 are subject to LAT at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from the sale of properties less deductible expenditures including payments made for acquisition of land use rights, costs and expenses for the development of the land or for construction of new buildings and supporting facilities, or the assessed value for old buildings and structures, tax payable relating to transfer of the real estate and other deductible items prescribed by the Ministry of Finance.

7. LOSS FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY

Loss for the period attributable to owners of the Company comprises:

	For the six months ended 30 September	
	2026	2025
	HK$'M	*HK$'M*
(a) Net unrealised losses on change in fair value of investment properties during the period		
– The Group	**12.1**	(364.9)
Attributable to non-controlling interests	**3.1**	28.7
	15.2	(336.2)
– Joint venture, net of deferred tax	**(45.6)**	(16.5)
	(30.4)	(352.7)
(b) Losses excluding net unrealised gains or losses on change in fair value of investment properties	**(113.2)**	(125.9)
Net accumulated gains on change in fair value of investment properties, net of deferred tax recognised in profit or loss in prior years for properties disposed of during the period	**–**	62.4
	(113.2)	(63.5)
Sub-total	**(143.6)**	(416.2)
Less: Net accumulated gains on change in fair value of investment properties, net of deferred tax recognised in profit or loss in prior years for properties disposed of during the period	**–**	(62.4)
Loss for the period attributable to owners of the Company	**(143.6)**	(478.6)

8. DIVIDENDS

	For the six months ended 30 September	
	2026	2025
	HK$'M	*HK$'M*
No final dividend paid for the financial year ended 31 March 2026 (six months ended 30 September 2025: No final dividend paid for the financial year ended 31 March 2025)	**–**	–

The directors of the Company did not declare any interim dividend for the six months ended 30 September 2026 and 2025.

9. LOSS PER SHARE

The calculation of basic and diluted loss per share attributable to owners of the Company is based on the following data:

	For the six months ended 30 September	
	2026	2025
	HK$'M	*HK$'M*
Loss		
Loss for the purpose of calculating basic and diluted loss per share	**(143.6)**	(478.6)

	For the six months ended 30 September	
	2026	2025
Number of shares		
Number of ordinary shares in issue during the period for the purpose of calculating basic loss per share	**1,485,301,803**	1,485,301,803
Effect of dilutive potential ordinary shares:		
Adjustment in relation to share options issued by the Company	**–**	–
Weighted average number of ordinary shares for the purpose of calculating diluted loss per share	**1,485,301,803**	1,485,301,803

Diluted loss per share for the six months ended 30 September 2026 and 2025 was the same as the basic loss per share since the share options had anti-dilutive effect.

10. TRADE RECEIVABLES

The credit periods allowed by the Group to its customers are dependent on the general practices in the industries concerned. For property sales, sales terms vary for each property project and are determined with reference to the prevailing market conditions. Property rentals are receivable in advance. Payments for clubs and hotel services are receivable on demand.

The following is an aging analysis of trade receivables, net of allowance for credit losses, presented based on the payment due date at the end of the reporting period:

	30 September 2026	31 March 2026
	HK$'M	*HK$'M*
Not yet due	**10.1**	10.6
Overdue:		
0 – 60 days	**13.8**	12.9
61 – 90 days	**4.0**	2.9
Over 90 days	**13.6**	15.4
	41.5	41.8

11. TRADE PAYABLES, PROVISION AND ACCRUED CHARGES

As at 30 September 2026, included in trade payables, provision and accrued charges are trade payables of HK$139.8 million (31 March 2026: HK$186.6 million), an aging analysis presented based on the payment due date at the end of the reporting period is as follows:

	30 September 2026	31 March 2026
	HK$'M	*HK$'M*
Not yet due	**129.5**	136.2
Overdue:		
0 – 60 days	**6.9**	45.8
61 – 90 days	**0.2**	0.4
Over 90 days	**3.2**	4.2
	139.8	186.6

BUSINESS REVIEW

(Save as otherwise stated below, all projects and operations are 100% owned by the Group)

PROPERTY DEVELOPMENT AND INVESTMENT

The Group's revenue from property development and investment for the Period, including proportionate shares of joint ventures and associates of HK$848.4 million, was HK$1,201.3 million. The contribution of property development and investment in the Period, including proportionate shares of joint ventures and associates of HK$197.0 million, totalled HK$72.0 million.

Property Development

Hong Kong

Despite global trade frictions and lingering geopolitical uncertainties, Hong Kong's economy demonstrated underlying resilience. For the first nine months of 2026, the residential property market transitioned toward steady consolidation following a multi-year downturn. Performance was buoyed by a vibrant first-half rebound, catalysed by proactive HKSAR Government measures, including the total removal of demand-side management measures for residential properties, relaxed mortgage loan-to-value limits, and the expansion of talent admission schemes for incoming professionals. Although buyer sentiment adopted a more prudent posture entering the third quarter amidst evolving interest rate dynamics, the primary market remains anchored by solid end-user demand and a stabilising macro backdrop.

In response to market dynamics, the Group's residential project launches were strategically timed, leveraging the Group's brand equity, architectural excellence, and marketing strategies to capture interest from high-net-worth purchasers, investors, incoming international talents, and families seeking a quality, resort-style lifestyle.

At Discovery Bay ("DB"), in which the Group holds a 50% interest, several strategic milestones under the DB 2.0 Blueprint were achieved during the Period. This long-term, high-value enhancement strategy encompasses the new residential development of Toscana at DB North, ONE TOSCANA and ONE TOSCANA 2, comprising 320 and 170 units respectively – were grandly unveiled during the Period. While sales and marketing activities are underway, the first batch of sales arrangement was announced for ONE TOSCANA in late September 2026, offering a selection of highly coveted units for sale by tender to cater to discerning purchasers.

Shortly following the announcement of sales arrangement, three units at ONE TOSCANA were sold at a total of approximately HK$33 million within September 2026, establishing a new benchmark for DB's latest luxury residential development. Driven by the project's exceptional quality, lush green setting, and upgraded community amenities, the launch generated strong visitor traffic and robust market interest from a wide range of segments, including local families, expatriates, Chinese Mainland visitors, and incoming professionals under the HKSAR Government's talent admission schemes.

Under Master Plan 7.0, Toscana will be launched in phases, collectively delivering over 1.3 million square feet of Gross Floor Area ("GFA") and more than 1,400 residential units in DB North. The development is centred around Park Toscana, a 160,000 square-feet Italian-style central park designed under the dual themes of "Green Living Art" and "Clubhouse Everywhere", featuring 13 Italian-themed zones.

Following the Town Planning Board's approvals for future sea-view residential developments at DB Area 6f and a waterfront development at DB Area 10b featuring a 350-metre promenade adjacent to Lantau Yacht Club ("LYC"), a revised Master Plan 8.0 application incorporating these residential proposals has been submitted to the Government.

In line with the DB 2.0 Blueprint, construction is underway for DB Sports Club, a multi-recreation complex targeted for completion in the fourth quarter of 2027. The facility will feature indoor and outdoor sports amenities, including a greenhouse farm, rock climbing walls, dedicated pickleball courts, a skatepark, campsite facilities, and dining venues. Concurrently, government approval has been granted for DB Times Square, a transit-oriented facility providing over 160 parking spaces with park-and-ride access to support cross-district connectivity.

To solidify its position as an international lifestyle hub, DB continuously upgrades its community facilities to foster environmental consciousness, active living, and family well-being. During the Period, DB hosted a slate of signature events, including the annual "DB Easter Egg Hunt on the Beach & Carnival", "DB Open Water Race", alongside pet-centric placemaking initiatives such as the unveiling of three giant pet-themed murals and the launch of the popular KMB Pet Bus service. These, combined with the "DB FUNtastic Summer" campaign, "Summer Spending Rewards" programme, regular Weekend Markets, and cross-regional gastronomic showcases, reinforce DB's distinctive resort-style appeal for lifestyle-conscious homebuyers while elevating resident satisfaction.

At VILLA LUCCA, the luxury residential development in Tai Po (a 40:60 joint venture with Hysan Development Company Limited), sales momentum remained firm, supported by steady local buyer demand and expanding interest from Chinese Mainland and international purchasers.

During the Period, the Group recorded accelerated sales absorption across its luxury residential portfolio, underpinned by robust demand for premium residences. A total of three garden houses at IL PICCO and 25 units at VILLA LUCCA were transacted.

The Group's current key residential projects in Hong Kong include:

Projects	Status as of 30 September 2026
ONE TOSCANA, DB *(50% owned)*	• Total units: 320 • Total units launched: 20 • Units sold: 3 (3 sold during the Period) • Sales proceeds generated during the Period: Approximately HK$33 million
IL PICCO, DB *(50% owned)*	• Total units: 21 garden houses • Units sold: 18 (3 sold during the Period) • Sales proceeds generated during the Period: Approximately HK$146 million
VILLA LUCCA, Tai Po *(40% owned)*	• Total units: 262 • Units sold: 184 (25 sold during the Period) • Sales proceeds generated during the Period: Approximately HK$1,099 million

Chinese Mainland

During the Period, the Chinese Mainland residential property market continued its trend of stabilisation and consolidation, with divergence across different segments remaining pronounced. While the primary housing market remained relatively subdued, first-tier cities such as Shanghai demonstrated comparatively stronger resilience and performance. Within the land market, overall activities continued to moderate as developers further concentrated capital and land acquisitions on core cities and high-conviction projects offering high return profiles.

Looking ahead, this broad market trajectory is expected to prevail. The "August 28 Policy", introduced by the Central Government of the People's Republic of China to safeguard homebuyers against pre-construction delivery risks, imposes significantly higher demands on developers' capital strength and initial cash outlays, effectively driving the real estate sector toward a project-centric model of prudent development. While the immediate direct impact on short-term transaction volumes remains limited, the policy's medium-term structural effects – notably in extending capital lock-up cycles and reshaping developers' land acquisition and investment behaviour – are projected to gradually materialise starting from 2027.

Against this backdrop, the Group maintains a disciplined and value-focused development strategy, guided by a risk-adjusted investment framework to support sustainable and long-term growth.

The Group's current key residential projects in Chinese Mainland include:

Projects	Status as of 30 September 2026
Sienna One, Jiaxing, Zhejiang	• Total units: 727 • 157 units sold on a cumulative basis among a total of 296 units launched • Approximately RMB424 million cumulative sales proceeds • Occupation Permit targeted for March 2027
IN One, Hangzhou, Zhejiang	• Total units: 295 • 148 units sold on a cumulative basis • Approximately RMB287 million cumulative sales proceeds
River One, Shanghai	• Total units: 262 • 245 units sold on a cumulative basis • Total car parking spaces: 421 • 121 car parking spaces sold on a cumulative basis • Approximately RMB1,274 million cumulative sales proceeds

Property Investment

Hong Kong

Hong Kong's commercial leasing market navigated a shifting macroeconomic landscape during the Period. While lingering interest rate uncertainties weighed on market sentiment, overall leasing activity remained measured. Office rental demand was tempered by corporate right-sizing and hybrid work trends. Conversely, the retail sector saw selective momentum – while luxury retail faced headwinds, experiential retail concepts, food and beverage ("F&B"), and tourism-related segments benefited from steady inbound visitor growth.

Supported by a diversified tenant base and proactive asset management, the Group's office and retail portfolios sustained resilient occupancy. The Group optimised tenant retention through tailored leasing solutions, including flexible terms, fit-out support, and strategic renewal incentives. Concurrently, retail offerings were actively curated toward lifestyle, F&B, and cross-border spending trends, reinforcing the Group's positioning as a preferred landlord for businesses seeking stability and long-term value.

The Group's investment properties in DB (in which the Group holds a 50% interest) – comprising DB Plaza and its extension, as well as DB North Plaza – recorded an average occupancy rate of approximately 77% during the Period. The Group actively pursued asset optimisation through strategic tenant reshuffling, maintaining a balanced mix of F&B and lifestyle retail aligned with community preferences. In parallel, enhancement plans are underway to upgrade facilities and connectivity to elevate the overall experience for residents and visitors.

In addition, the Group leverages a vibrant year-round calendar of events across DB – spanning festivals, sports events, and lifestyle showcases – to catalyse footfall and invigorate merchant performance.

Across the broader commercial portfolio, CDW Building in Tsuen Wan sustained an average office occupancy of approximately 78%, while 8½ retail arcade demonstrated resilience with an average occupancy of 90% despite prevailing softness in retail sales and foot traffic. In Cheung Sha Wan, West Gate Tower achieved an average occupancy rate of 90%.

The United Daily News Centre in To Kwa Wan maintained an average occupancy rate of 93%. Approval for land use conversion from industrial to residential has been secured, with the finalisation of land premium terms currently underway. Wellgan Villa in Kowloon Tong maintained robust leasing momentum with an average occupancy of 100%.

As the Group's first student accommodation, "HOLLYWOOD RESIDENCE" commenced operations in August 2026, marking a significant milestone for the Group as it expands its diversified property portfolio. The project spans 26,500 square feet of GFA, providing approximately 160 premium bedspaces, designed to meet the growing demand for quality private student housing.

Chinese Mainland

HKRI Taikoo Hui ("HTH") in Shanghai (50% interest) reinforced its positioning as a premier luxury and lifestyle destination through continuous tenant mix refinement and high-profile brand activations. Building on the momentum generated by the launch of "The Louis" in June 2025, HTH expanded its brand ecosystem with 50 new store openings during the Period. Among these, 20 were first-in-town, flagship or new-concept stores. Notable openings included Rolex Prestige, Max Mara, TAG Heuer, Montblanc, Fabrique, Aesop, Birkenstock, Barbour, PAÑPURI, and Lancôme. Looking ahead, HTH will welcome the popular luxury lifestyle brand, Alo, to its South Garden where it will open its first Shanghai flagship store in 2027, further enhancing the footfall and elevating the overall customer experience through exclusive retail offerings.

The HKRI Centres One and Two office towers at HTH achieved a combined average occupancy rate of approximately 94% during the Period. Despite heightened competition and operational challenges, the towers continued to substantially outperform local market benchmarks, reflecting the project's premium positioning and strong tenant retention capabilities.

In March 2026, the Group successfully acquired the land use rights for "Land Lot 2026 Jiaxiuzhou No. 007" in Xiuzhou District, Jiaxing, Zhejiang, through a 10:90 joint venture with the Jiaxing Canal Bay Urban Construction and Investment Group Co., Ltd. under the Jiaxing Municipal People's Government. Spanning approximately 125,000 square metres of aboveground GFA and 108,000 square metres of belowground GFA, the site will be developed into a landmark retail complex comprising a modern shopping mall, an outdoor retail street, and lakefront views, positioned as Jiaxing's leading retail landmark.

The project is currently in the planning stage, with ground-breaking scheduled for the fourth quarter of 2026 and completion targeted within three years. Upon completion, the project will be managed and operated by the Group, representing a key strategic milestone in advancing the Group's light asset development and management model.

In Hangzhou, HKR International Centre navigated ongoing market competition and rental softness during the Period. The property maintained a solid average occupancy rate of 87% across its 156 office units and 62 parking spaces. To mitigate persistent market headwinds, the Group continues to implement proactive leasing strategies to preserve asset yield and support long-term value.

In Tianjin, The Exchange (15% interest) delivered steady performance amid a competitive market, achieving an average occupancy rate of approximately 85% during the Period.

TRANSPORTATION SERVICES AND PROPERTY MANAGEMENT

Transportation Services

To enhance multi-point connectivity, peak-hour ferry services were upgraded in May 2026 with additional sailings from Monday to Saturday, facilitating seamless travel between DB North, DB Pier, and Central. Concurrently, the Group achieved a key milestone in its sustainability roadmap by progressively expanding its green transit network. Following a structured rollout in September 2026, all three planned electric midi-buses were successfully deployed into service – with the first unit supporting marketing and residential sales activities for the "Toscana" development, while the remaining two were sequentially deployed, accelerating the electrification of the local fleet. The Group continues to advance its green transit initiatives, which include ongoing procurement planning for electric vehicles and collaboration with utility providers to assess and establish necessary charging infrastructure across key operational locations.

The Group continues to advance its smart mobility roadmap, highlighted by its recent autonomous vehicle trials. Phase 1 of the autonomous bus trial between DB Tunnel and Sunny Bay concluded successfully in September 2026. Following the submission of evaluation data to the Transport Department, Phase 2 of the trial – connecting DB North and Sunny Bay – is targeted for launch in November 2026, subject to formal regulatory approval. Additionally, the licensing application process for a pilot robot taxi service within DB is actively underway, with trial operations targeted to launch in February 2027.

Effective 3 April 2026, the Group implemented the Government's revised Concessionary Fare Scheme, capping fares at or below the regulatory threshold at a flat rate while applying a percentage discount to higher-tier fares. To counter inflationary cost pressures and safeguard long-term service sustainability, a bus fare adjustment was introduced in June 2026. Together, these structural measures helped optimise yield management and support cost recovery across the transit network.

Property Management

The Group's property management operations in DB continued to deliver stellar performance in sustainability and operational excellence during the Period, garnering prestigious industry accolades.

At the UNSDG Achievement Awards Hong Kong 2026 organised by the Green Council, Discovery Bay Services Management Limited received the "Project Award – Recognised Project" for DB's age-friendly initiative, Elderly Caring Group. Further validating its service standards and environmental leadership, City Management secured the "Outstanding Award for Excellent Contribution to Sustainable Property (Property Management) – Promote Environmental Protection" and the "Pioneer Award Excellence for ESG Connect" at the Hong Kong Green and Sustainability Contribution Awards 2026 organised by Hong Kong Quality Assurance Agency.

HOTEL OPERATIONS AND LEISURE BUSINESSES

Hotel Operations

Hong Kong's tourism sector recorded a steady rebound in inbound visitor arrivals during the Period, supported by resilient demand from the Chinese Mainland and long-haul markets. However, the full recovery across short-haul markets progressed at a more gradual pace due to flight capacity normalisation, fuel surcharges, and regional competition. Furthermore, arrival growth and hotel accommodation demand showed a divergent trend, as a significant portion of this growth was driven by same-day and short-haul travellers, resulting in fewer overnight stays, particularly for hotels located outside core urban and tourist districts.

Hong Kong

While Chinese Mainland short-haul travellers sustained Hong Kong's tourism momentum, broader sector recovery was moderated as regional visitors exhibited cautious travel habits, including shorter booking lead times, heightened price sensitivity, and reduced average length of stay.

In response, Auberge Discovery Bay Hong Kong implemented targeted strategies to stabilise occupancy and enhance guest retention. The hotel launched themed experiential room packages tailored for wellness enthusiasts and premium leisure travellers to drive room sales and ancillary revenues. To capture inbound leisure and corporate demand, the hotel also strategically aligned its promotional initiatives with the government's major event line-up and seasonal mega-campaigns.

Concurrently, the hotel further strengthened its positioning in the Meetings, Incentives, Conventions and Exhibitions market through trade promotions initiatives in key cities across Chinese Mainland and Kuala Lumpur, organising familiarisation trips for corporate event planners, and participating in major wedding exhibitions and collaborating with wedding service providers. Additionally, digital and social media marketing across Hong Kong and the Chinese Mainland was accelerated to optimise brand exposure across core source markets.

Chinese Mainland

The Chinese Mainland macroeconomic backdrop provided a steady foundation for domestic tourism consumption during the Period. While domestic consumers' propensity to travel remained strong, spending behaviour became more rational across the broader market. Concurrently, the Chinese Mainland's tourism and hospitality sector sustained a robust recovery during the Period, underpinned by the full resumption of international travel and favourable visa policies. In Shanghai, economic expansion and a notable surge in inbound overseas arrivals served as key growth drivers for the local hospitality sector, leading to positive market-wide room rate adjustments.

Against this backdrop, The Sukhothai Shanghai ("TSS") demonstrated operational resilience amid a highly competitive and cost-intensive market landscape. TSS sustained performance through disciplined revenue management, refined guest offerings, signature wellness programmes, and curated destination dining events. To mitigate rising operating expenses, the hotel successfully executed cost-optimisation initiatives across energy management, procurement, and labour scheduling. Looking ahead, TSS will continue to leverage its design-led accommodation, bespoke services, and embedded sustainability practices to strengthen guest loyalty and capture high-end leisure and inbound demand.

Thailand

Despite broader softness and volume pressure in Bangkok's luxury hotel segment, the local hospitality market continued to see stabilisation from higher-spending long-haul visitors. While Thailand updated its visa-free policy – shifting back to a standard 30-day visa exemption for most eligible countries starting September 2026, down from the previous 60-day allowance – key international source markets continued to provide a solid demand foundation across the city's high-end accommodation sector.

Within this environment, The Sukhothai Bangkok ("TSB") maintained a resilient performance and consistently outperformed its industry peers. Revenue momentum was supported by dynamic rate optimisation and a healthy transient business mix across individual, group, and corporate clients. TSB maintained a balanced market footprint across regional and long-haul source markets – including the Chinese Mainland, the United States, the United Kingdom, South Korea, Germany, and Japan – mitigating seasonal demand fluctuations. Forward bookings remain encouraging, underpinned by strong group commitments, while TSB continues to focus on high-value markets and targeted business development.

Japan

Japan's broader tourism market experienced political tension between China and Japan. Destinations accustomed to high-spending luxury travel faced temporary headwinds, necessitating strategic pivots toward broader international and domestic leisure demographics.

Navigating the evolving market dynamics, Hotel Kanronomori in Niseko, Hokkaido successfully captured demand across both long-haul and short-haul international markets. Positioning itself in the upper mid-scale segment, the hotel achieved strong room occupancy and revenue growth. To secure repeat family bookings and new corporate partnerships, the hotel reactivated its banquet and conference services which was suspended since the COVID-19 pandemic. Guest experience will be further enhanced by the conversion of the coffee shop into a Japanese restaurant by the fourth quarter of 2026, followed by guestroom upgrades scheduled for completion during the first quarter of 2027.

Leisure Businesses

The Group's premium leisure portfolio in DB – comprising Discovery Bay Recreation Club ("DBRC"), Club Siena, Discovery Bay Golf Club ("DBGC"), LYC, and DB Ice Rink ("DBIR") – maintained its industry leadership through continuous infrastructure enhancements and operational excellence.

Accredited as Hong Kong's first marina to achieve the prestigious "5 Gold Anchor Platinum" status and Hong Kong's only "Superyacht Ready Marina", LYC continues to set benchmarks in maritime hospitality. Beyond its core maritime operations, LYC has successfully expanded into the weddings and events market, earning industry-wide recognition for its exceptional hospitality, fine dining, and service standards. LYC hosted its premier boat show, "Festa Nautica 2026", in November 2026 and remains well-positioned to fully support the Government's yacht tourism initiatives, while capturing opportunities arising from the southbound travel for Guangdong yachts.

DBGC demonstrated high resilience and strong operational momentum during the Period. The club hosted major regional events, including the Hong Kong Junior Open Championship 2026 and the HKPGA Super and Senior Order of Merit. Member engagement expanded across the Men's Day series, while the Discovery Bay Golf Academy launched structured seasonal terms. Facility enhancements were further complemented by a Monthly Simulator Challenge and expanded on-course dining options.

DBIR reinforced its status as an international ice sports venue by staging major world-class competitions, including the IIHF World Championship, the ISI Hong Kong Invitational, and the Hong Kong Short Track Speed Skating Championships. The venue also broadened its sporting discipline mix by introducing curling and hosting its inaugural Curling Open Day to drive community engagement.

HUMAN RESOURCES

As of 30 September 2026, the Group employed a workforce of 1,566 individuals across its diverse business portfolio. Navigating a dynamic talent landscape, the Group remains dedicated to advancing its human capital strategies by cultivating a culture centred on employee care and continuous growth. Key initiatives included nurturing future talent through the HKR International Summer Internship Program 2026, where participants engaged in milestone activities, including a LinkedIn office visit, a Forum & Networking Session with Young Generation Managers, and a Professional Image and Business Etiquette Workshop, to equip them for workplace readiness.

The Group also actively reinforced employee well-being and interdepartmental cohesion through the HKRI Fun Club initiatives. These featured team-building events such as the Hybrid Quadrathlon combining e-sports and gym challenges, alongside health-focused activities including Pickleball 101 and traditional Chinese medicine seminars. Simultaneously, the Group upheld stringent occupational health and safety standards through dedicated committees and regular risk inspections. These comprehensive efforts underscore the Group's commitment to building a resilient, high-performing, and supportive workplace.

OUTLOOK

The global economic environment remains complex and volatile. Persistent trade frictions and geopolitical tensions continue to create uncertainties for businesses worldwide.

In Hong Kong, the residential property market demonstrated a measured recovery during 2026, transitioning toward steady consolidation following a prolonged downturn. Although initial performance was buoyed by a vibrant rebound in the first half of the year, market sentiment adopted a more prudent posture entering the third quarter amid evolving interest rate dynamics and fluctuating borrowing costs.

Nevertheless, sales momentum across the Group's luxury residential properties gained further traction subsequent to the Period under review, reflecting sustained market absorption for premier developments. Notably, IL PICCO and VILLA LUCCA have maintained robust sales momentum, highlighting enduring demand for the Group's premium offerings.

Meanwhile, the commercial office market remained moderate as companies focus on controlling costs and managing workspace efficiency.

Against this backdrop, driving sustainable growth and unlocking enduring and long-term business asset value remain the Group's top priorities. The Group is actively advancing its DB 2.0 Blueprint, positioning DB to evolve into a vibrant, resort-inspired community. A landmark milestone under the blueprint has been the launch of ONE TOSCANA and ONE TOSCANA 2, which have garnered a positive market response. Moving forward, DB will further solidify its identity as a premier regional lifestyle destination, catalysed by an expanding portfolio of curated cultural, sports, and wellness events.

In the Chinese Mainland, the residential property market is charting a path toward steady stabilisation, fuelled by targeted supportive measures from the Central Government, such as lower down-payment thresholds, reduced mortgage rates, and accelerated urban renewal initiatives. Capitalising on this local market stabilisation, sales momentum for Sienna One in Jiaxing picked up at a relatively faster pace during the Period. The Group remains fully committed to deepening its footprint across the strategic Yangtze River Delta region, capitalising on its light asset management model to capture new growth opportunities.

The upcoming development of the premium commercial land plot in Xiuzhou District, Jiaxing, into Xiuhu HKRI INCITY, marks a key milestone in the Group's strategic position towards light asset management. Envisioned as a flagship cultural, commercial, and tourism complex, this benchmark lakeside commercial development will showcase the scalability of the Group's ongoing operational model – successfully integrating international vision with localised execution to unlock and drive sustainable commercial asset value.

Simultaneously, Chinese Mainland commercial property dynamics are being reshaped by sophisticated consumers prioritising experiential and culturally resonant retail environments. Upholding HKRI's commitment to innovation, HTH remains at the forefront of experiential retail by continuously driving business innovation. To unlock full market potential and lead evolving consumer trends, the Group will continue to captivate discerning domestic and international visitors through curated flagship debuts and first-store openings.

To deepen customer engagement and unlock cross-segment synergies across our residential, retail, and hospitality portfolios, the Group is currently planning a comprehensive Customer Relationship Management initiative. This unified platform will enable data-driven insights, targeted cross-marketing, and enhanced customer retention.

To navigate macroeconomic fluctuations, the Group will maintain strict financial discipline, prudently optimising its capital structure while continuously sharpening operational efficiency. Backed by a strong balance sheet and solid business fundamentals, the Group will strategically pursue high-quality growth opportunities to deliver sustainable value for its shareholders.

FINANCIAL REVIEW

SEGMENT RESULT ANALYSIS

Property Development

For the Period, the Group recognised segment revenue of HK$142.7 million (six months ended 30 September 2025: HK$1,273.5 million) and a segment loss of HK$204.0 million (six months ended 30 September 2025: loss of HK$229.2 million) from the property development segment.

The decrease in segment revenue was primarily attributable to the absence of sales completion of new projects during the Period, whereas River One in Chinese Mainland generated significant sales revenue in the last corresponding period. The improvement in segment result was mainly due to lower impairment provisions for property development projects held by the Group and its joint venture. As at 30 September 2026, the Group had contracted but unrecognised property sales of HK$644.9 million.

Property Investment

The segment recorded a revenue of HK$210.2 million (six months ended 30 September 2025: HK$243.1 million) and a profit of HK$276.0 million (six months ended 30 September 2025: HK$248.8 million) for the Period.

The decrease in segment revenue was mainly attributable to lower rent rates of the Group's major properties in Hong Kong. The improvement in segment result was mainly due to a higher contribution from the Group's share of results of its joint venture, HTH which increased from HK$121.0 million to HK$154.7 million.

Transportation Services and Property Management

For the Period, the segment recorded revenue of HK$143.1 million (six months ended 30 September 2025: HK$145.5 million) and a profit of HK$6.7 million (six months ended 30 September 2025: HK$30.9 million). The decrease in segment profit was primarily due to higher fuel prices.

Hotel Operations

The segment recorded revenue of HK$118.4 million (six months ended 30 September 2025: HK$110.6 million) and a loss of HK$43.4 million (six months ended 30 September 2025: loss of HK$39.0 million) for the Period.

Leisure Businesses

The leisure businesses segment, which primarily comprises DBRC, Club Siena, DBGC, LYC and DBIR, recorded revenue of HK$148.2 million (six months ended 30 September 2025: HK$152.8 million) and a loss of HK$13.4 million (six months ended 30 September 2025: profit of HK$0.3 million) for the Period. The decrease was mainly due to lower debenture transfer fees from DBGC and decrease in berthing fee of LYC.

LIQUIDITY AND FINANCIAL RESOURCES

Net Debt and Capital Structure

As at 30 September 2026, the Group had bank balances and cash of HK$3,291.8 million (31 March 2026: HK$2,325.9 million) and a net debt of HK$10,112.4 million (31 March 2026: HK$10,080.0 million) after deducting total bank and other loans of HK$13,404.2 million (31 March 2026: HK$12,405.9 million).

Within the Group's bank balances and cash, approximately 54% were denominated in Hong Kong dollars, 32% in Renminbi, 7% in U.S. dollars, 5% in Japanese Yen, with the remainder mainly in Singapore dollars and Thai Baht.

The Group's debt portfolio as at 30 September 2026 comprised primarily bilateral and syndicated bank loans, which were used to finance its general working capital and development projects. The unlisted notes of HK$300 million were issued under Medium Term Note programme in May 2021.

The maturity profile of bank and other loans was 40.3% (31 March 2026: 16.9%) falling within one year, 49.4% (31 March 2026: 41.5%) falling between one and two years, 10.3% (31 March 2026: 39.2%) falling between two and five years and nil (31 March 2026: 2.4%) falling over 5 years.

Among the Group's bank and other loans as at 30 September 2026, 89.7% of bank loans were on floating rate basis while 10.3% were on fixed rate basis and the unlisted notes carried fixed coupon rate. On the other hand, 94.1% were denominated in Hong Kong dollars while 5.9% were denominated in Renminbi.

Shareholders' Fund and Gearing

As at 30 September 2026, the shareholders' fund of the Group increased by HK$188.0 million to HK$22,999.7 million (31 March 2026: HK$22,811.7 million).

The Group's gearing ratio was 44.0% (31 March 2026: 44.2%) as calculated by the Group's net debt to the shareholders' fund as at 30 September 2026.

Availability of Facilities

Total available loan facilities as at 30 September 2026 amounted to HK$16,113.5 million (31 March 2026: HK$15,803.9 million), of which 80.1% were committed.

As at 30 September 2026, the unutilised credit facilities were approximately HK$2,687.4 million (31 March 2026: HK$3,371.1 million). The Group continues to closely monitor its liquidity requirements and arranges financing for its development projects and operations as and when appropriate.

The weighted average financing cost was 4.0% per annum for the Period, compared to 3.5% per annum for the last corresponding period.

With the ample internal resources, unutilised loan facilities, and ready access to the loan and debt capital markets, the Group has sufficient financial resources to fund its current commitments and future potential investment opportunities ahead.

TREASURY POLICY

The Group has centralised treasury functions and adopts a conservative approach for its treasury management. In addition, the Group closely reviews and monitors its foreign currency exposure. To manage foreign currency exposure arising from certain overseas investments, the Group maintains certain naturally hedged positions and may enter into swap or forward arrangements as appropriate. The Group's banking facilities are principally on floating rate basis, and interest rate swaps may be employed to manage interest rate risk for its short- to medium- term borrowings when appropriate and necessary.

The use of derivative financial instruments is strictly controlled and are primarily used for management of interest rates and currency exposures. It is the Group's policy to restrict the use of financial derivatives for speculative purposes.

MAJOR PROJECT AND DISPOSAL

In March 2026, the Group, together with a joint venture partner, won the bid of the land use rights of a piece of land situated at Xiuzhou District, Jiaxing, Zhejiang for RMB216.4 million (approximately HK$245.9 million). The Group holds 10% equity interest in the joint venture project company which is for the acquisition and development of the land into a landmark retail complex.

In April 2026, the joint venture project company paid RMB64.7 million (approximately HK$73.5 million), which together with the bidding deposit of RMB43.5 million (approximately HK$49.4 million) paid in March 2026, representing 50% of the land cost. The remaining balance of RMB108.2 million (approximately HK$124.9 million) was settled in June 2026. Based on its equity interest, the Group's share of the total land cost amounts to RMB21.6 million (approximately HK$24.8 million).

During the Period, the Group entered into a sales and purchase agreement to sell a wholly-owned subsidiary which holds certain investment properties in Hong Kong at a consideration of HK$106.5 million, subject to net asset value adjustments. The transaction was subsequently completed in October 2026.

PLEDGE OF ASSETS

As at 30 September 2026, the Group pledged an investment property and certain properties held for sale and properties held for/under development for sale, with a total carrying value of HK$11,951.1 million (31 March 2026: HK$11,388.9 million), as security for banking facilities granted to the Group.

FINANCIAL GUARANTEE CONTRACTS

As at 30 September 2026 and 31 March 2026, the Group had no significant financial guarantee contracts outstanding.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Period.

CORPORATE GOVERNANCE

The Company is dedicated to maintaining good corporate governance, which it considers fundamental to the success of its businesses and operations. Throughout the Period, the Company has complied with the code provisions of the Corporate Governance Code ("CG Code") as set out in Appendix C1 to the Listing Rules, except for Code Provision C.2.1 of the CG Code which stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The Chairman of the Board, Mr CHA Mou Zing Victor, currently performs the roles of both the Chairman and the Managing Director. The Board will continue to identify a suitable candidate to take up the role of Managing Director as soon as practicable. The Board further notes that Mr CHA's assumption of the role of Managing Director is an interim arrangement pending the identification and appointment of a suitable candidate. In light of the temporary nature of this arrangement, reinforced by a balanced Board composition and oversight from independent non-executive Directors, the Board is of the view that such deviation will not have an adverse impact on the Company's corporate governance standards.

REVIEW OF INTERIM RESULTS

The interim results of the Group for the Period have not been audited, but have been reviewed by the Audit Committee of the Company and the Group's Auditor, Messrs PricewaterhouseCoopers.

By order of the Board
HKR International Limited
CHA Mou Zing Victor
Executive Chairman & Managing Director

Hong Kong, 18 November 2026

As at the date of this announcement, the Board comprises:

Executive Chairman and Managing Director
Mr CHA Mou Zing Victor

Non-executive Deputy Chairman
Ms WONG CHA May Lung Madeline

Executive Director
Ms WONG Chin Han

Non-executive Directors
Mr CHA Mou Daid Johnson
Mr CHA Yiu Chung Benjamin

Independent Non-executive Directors
Mr CHEUNG Wing Lam Linus
Ms CHIU Kwai Fong Florence
Mr FAN Hung Ling Henry
Ms Barbara SHIU
Mr TANG Kwai Chang

* *Registered under the predecessor ordinance of the Companies Ordinance, Chapter 622 of the laws of Hong Kong*