For immediate release 12th March 2026

Swire Pacific increases 2025 underlying profit by 9% to HK$11,373 million

- *Core Divisions delivering solid results in a challenging environment*
- *Results bolstered by active capital recycling strategy and Aviation performance*
- *Substantial increase in dividends of 13%*

12th March 2026, Hong Kong – Swire Pacific Limited ("Swire Pacific") has recorded an underlying profit attributable to shareholders of HK$11,373 million for 2025, compared with an underlying profit of HK$10,471 million achieved in 2024.

The Aviation Division had a good year. The Cathay group's strong performance seen in the first half increased in the second half. The HAECO group also continued to perform well. The Property Division performed strongly at the underlying profit level, supported by the successful execution of its capital recycling strategy. The Beverages Division performed solidly within the context of weakened consumer sentiment.

Guy Bradley, Chairman, Swire Pacific, said, "Overall it has been a good year for Swire Pacific, and we are pleased to have achieved an increase in underlying profit attributable to shareholders. Despite an uncertain operating environment in 2025, we've maintained our progressive dividend and upheld our solid financial position, driven by the effective management of our balance sheet. We have also continued with our strategy of executing our investments in core markets and active capital recycling."

Swire Pacific has declared a second interim dividend of HK$2.50 per 'A' share and HK$0.50 per 'B' share which, together with the dividends paid in October 2025, amount to full-year dividends of HK$3.80 per 'A' share and HK$0.76 per 'B' share. This represents an increase of 13% on the ordinary dividends for 2024.

Business performance and strategic developments

Swire Properties' performance was driven by disciplined capital management and the successful execution of its active capital recycling strategy. Swire Pacific's share of Swire Properties' underlying attributable profit rose to HK$7,160 million in 2025, up from HK$5,509 million in 2024. The increase was mainly driven by gains from the disposal of interests in the Brickell City Centre shopping centre, its car parking spaces and certain shared facilities, and two adjacent land parcels in Miami, USA, as well as an industrial site and the 43rd floor of One Island East in Hong Kong.

Swire Properties continued with its HK$100 billion investment plan, approximately 67% of which has now been committed and with the majority of its Chinese Mainland allocation now deployed. In Hong Kong, despite subdued office market conditions, office occupancy has been steady with several tenants expanding their footprints at Taikoo Place and Pacific Place. In the Chinese Mainland, Taikoo Place Beijing reached a major milestone when the structural topping out of all buildings was completed in October 2025. Swire Properties marked another significant milestone in Beijing with the strategic transformation of Taikoo Li Sanlitun North. In December 2025, Swire Properties announced the launch of Qiantan Place in Shanghai, featuring two premium Grade-A office towers – One Qiantan Place and Two Qiantan Place – forming the office component of the expanded, mixed-use Taikoo Li Qiantan development. At

Group Public Affairs
31/F One Pacific Place 88 Queensway Hong Kong GPO Box 1 HK Tel (852) 2840 8094 Fax (852) 2526 9365

Swire Properties' first Taikoo Li retail development in the GBA, Taikoo Li Julong Wan Guangzhou, phased opening began in December 2025. Construction is ongoing at Taikoo Li Xi'an, Taikoo Li Sanya and, in Shanghai, Lujiazui Taikoo Yuan. Also in Shanghai, the third and fourth batches of Lujiazui Taikoo Yuan Residences, launched in September 2025 and January 2026, respectively, achieved an exceptional market response. In South East Asia, Swire Properties launched its first-ever Upper House-branded residences: Upper House Residences Bangkok and The Wireless Residences by Upper House.

Swire Coca-Cola's performance was solid in 2025. Swire Coca-Cola reported an attributable profit of HK$1,318 million in 2025, compared with a profit of HK$2,039 million in 2024. Excluding non-recurring items, attributable profit was flat year-on-year, and improved market conditions are anticipated in 2026. In July 2025, Swire Coca-Cola Vietnam inaugurated its newest plant in Tay Ninh province – the country's first food and beverage facility to achieve LEED Gold Green Building certification. In October 2025, in the Chinese Mainland, operations commenced at Swire Coca-Cola's new, state-of-the-art plant in Zhengzhou, Henan province.

The Cathay group had a good year. Swire Pacific's share of the Cathay group's attributable profit increased to HK$4,753 million in 2025 from HK$4,449 million in 2024. There was great demand for travel, particularly in the fourth quarter of the year when passenger volumes reached the highest levels in the Cathay group's history. At Cathay Pacific, passenger revenue increased by 16% while passenger capacity increased by 26%. 28.9 million passengers were carried in 2025, an increase of 27% compared to 2024. The cargo business delivered a robust performance despite the uncertainty caused by tariffs and trade tensions.

Throughout 2025, the Cathay group continued to execute its programme of over HK$100 billion in investment in its fleet, cabin and lounge products, and digital innovation. In August 2025, the Cathay group exercised its purchase rights for an additional 14 Boeing 777-9 aircraft, bringing its total commitment to 35. During the year, the Cathay group's two passenger airlines, Cathay Pacific and HK Express, added 20 new destinations, bringing its combined passenger network to more than 100 destinations worldwide by the end of 2025. In early January 2025, the Cathay group repurchased approximately 68% of the HK$6,722 million, 2.75% guaranteed convertible bonds due in 2026 (issued in February 2021). All the convertible bonds have now been converted by their holders or have matured. In February 2026, the Cathay group repurchased shares held by Qatar Airways. The buy-back reflects the Cathay group's confidence in its long-term business prospects.

The HAECO group reported an attributable profit of HK$936 million in 2025, compared with a profit of HK$399 million in 2024. Robust demand for travel and air cargo drove growth in base maintenance services, as well as in engine overhaul services. During the year, the HAECO group completed the sale of its US aircraft maintenance operation, HAECO Americas, and discontinued the loss-making HAECO ITM inventory management business. In the Chinese Mainland, operations at the HAECO group's new base maintenance hangars and facilities at Xiamen Xiang'an International Airport are set to commence in late 2026.

Regarding sustainability, for the first time, Swire Pacific has been included in the CDP Climate A-List, highlighting its leadership on climate action. It also maintained its presence in world-leading ESG indices. On its emissions, Swire Pacific achieved a 46% reduction in scope 1 and 2 GHG emissions during 2025 compared with its target baseline. It also saw improved year-on-year water efficiency and maintained high rates of waste diversion.

Group Public Affairs
31/F One Pacific Place 88 Queensway Hong Kong GPO Box 1 HK Tel (852) 2840 8094 Fax (852) 2526 9365

"We expect to see market uncertainty continuing as a result of geopolitical developments in the Middle East. However, we're as confident as ever about long-term opportunities for growth. Hong Kong has always been, and continues to be, our home. The city's economy is making progress, buoyed by a resurgence of IPO activity and growing optimism in the financial sector. We remain committed to investing here and the wider GBA, in the rest of the Chinese Mainland and in South East Asia. Consumer sentiment is recovering and, as it does, the operating environment should improve further in the year ahead," said Mr Bradley.

Full results are attached to this press release and are available at www.swirepacific.com.

– End –

About Swire Pacific Limited

Swire Pacific (HKEX: 00019/00087) is a Hong Kong-listed international conglomerate with a diversified portfolio of market leading businesses. The company has a long history in Greater China, where the name Swire or Taikoo (太古) has been established for over 150 years. Swire Pacific's strategy is focused on Greater China and South East Asia, where we seek to grow our core businesses of Property, Beverages, and Aviation, as well as new areas of growth, such as healthcare. Swire Pacific is the largest shareholder in two other listed companies in Hong Kong: Swire Properties Limited and Cathay Pacific Airways Limited. Swire Pacific is listed on the Hang Seng Corporate Sustainability Index, the Dow Jones Best-in-Class Asia Pacific Index and the MSCI ESG Indices.

Visit Swire Pacific's website at www.swirepacific.com

For media enquiries, please contact:

Ms Agnes Yeung
Manager, Group Public Affairs, Swire Pacific Limited
Tel: (852) 2840 8077 / (852) 9102 7163
Email: agnesyeung@jsshk.com

SWIRE PACIFIC

SWIRE PACIFIC LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Codes: 00019 and 00087)

2025 Annual Results

2025 Performance Highlights

	Note	2025	2024	Change
Return on equity		**1.1%**	1.6%	-0.5%pt
Dividend per 'A' share (HK$)		**3.80**	3.35	+13%

	Note	HK$M	HK$M	Change
Profit attributable to the Company's shareholders				
Underlying profit	(i)	**11,373**	10,471	+9%
Recurring underlying profit	(i)	**9,754**	9,284	+5%
As reported		**2,938**	4,321	-32%
Revenue		**90,467**	81,969	+10%
Operating profit		**4,454**	4,240	+5%
Operating profit excluding change in fair value of investment properties		**10,527**	10,214	+3%
Change in fair value of investment properties		**(6,073)**	(5,974)	N/A
Cash generated from operations		**17,020**	12,580	+35%
Net cash inflow/(outflow) before financing		**13,483**	(4,140)	-426%
Total equity (including non-controlling interests)		**316,235**	318,667	-1%
Net debt		**65,264**	70,563	-8%
Gearing ratio (excluding lease liabilities)		**20.6%**	22.1%	-1.5%pt

	Note	HK$	HK$	Change
Earnings per share (basic)	(ii)			
As reported				
'A' share		**2.17**	3.06	-29%
'B' share		**0.43**	0.61	
Underlying				
'A' share		**8.38**	7.41	+13%
'B' share		**1.68**	1.48	
Dividends per share				
'A' share		**3.80**	3.35	+13%
'B' share		**0.76**	0.67	
Equity attributable to the Company's shareholders per share	(iii)			
'A' share		**192.45**	187.35	+3%
'B' share		**38.49**	37.47	

Notes:
(i) Reconciliations between the reported and underlying profit, and between underlying profit and recurring underlying profit are provided on pages 49 and 50.
(ii) Refer to note 7 to the financial statements for the daily weighted average number of shares in issue throughout the year.
(iii) Refer to note 10 to the financial statements for the number of shares at the year end.

Corporate Statement

Swire Pacific is a Hong Kong-based international conglomerate with a diversified portfolio of market leading businesses. The Company has a long history in Greater China, where the name Swire or 太古 has been established for over 150 years.

Sustainable Growth

Our aims are to deliver sustainable growth in shareholder value, achieved through sound returns on equity over the long term, and to return value to shareholders through sustainable growth in ordinary dividends. Our strategy is focused on Greater China and South East Asia, where we seek to grow our core Property, Beverages and Aviation divisions. We are targeting new areas of growth, such as healthcare.

Our Values

Integrity, endeavour, excellence, humility, teamwork, continuity.

Our Core Principles

- We focus on Asia, principally Greater China, because of its strong growth potential and because it is where the Group has long experience, deep knowledge and strong relationships.
- We mobilise capital, talent and ideas across the Group. Our scale and diversity increase our access to investment opportunities.
- We are prudent financial managers. This enables us to execute long-term investment plans irrespective of short-term financial market volatility.
- We recruit the best people and invest heavily in their training and development. The welfare of our people is critical to our operations.
- We build strong and lasting relationships, based on mutual benefit, with those with whom we do business.
- We invest in sustainable development, because it is the right thing to do and because it supports long-term growth through innovation and improved efficiency.
- We are committed to the highest standards of corporate governance and to the preservation and development of the Swire brand and reputation.

Our Investment Principles

- We aim to build a portfolio of businesses that collectively deliver a steady dividend stream over time.
- We are long-term investors. We prefer to have controlling interests in our businesses and to manage them for long-term growth. We do not rule out minority investments in appropriate circumstances.
- We concentrate on businesses where we can contribute expertise, and where our expertise can add value.
- We invest in businesses that provide high-quality products and services and that are leaders in their markets.
- We divest from businesses which have reached their full potential under our ownership, and recycle the capital released into existing or new businesses.

Our Businesses

With three core divisions (Property, Beverages and Aviation), Swire Pacific undertakes a wide range of commercial activities.

Swire Properties' shopping malls are home to more than 2,200 retail outlets. Its offices house a working population estimated to exceed 71,000. In Hong Kong, Swire Properties is one of the largest commercial landlords and operators of retail space, principally through the ownership and management of its core centres at Pacific Place and Taikoo Place. In the Chinese Mainland, it has major commercial developments in Beijing, Guangzhou, Chengdu, Shanghai, Xi'an and Sanya. Residential projects are under development or available for sale in Hong Kong, the Chinese Mainland, Indonesia, Vietnam and Thailand. Swire Hotels owns or manages seven hotels.

Corporate Statement (continued)

As at 31st December 2025, Swire Coca-Cola sold the products of The Coca-Cola Company to a franchise population of 911 million people in Greater China and South East Asia. It also provides management and administrative support services to Swire Coca-Cola, USA which serves a franchise population of 32 million people in the USA. Swire Coca-Cola manufactures and distributes products comprising 41 beverage brands in franchise territories owned.

Cathay Pacific Airways, with its subsidiaries HK Express and Air Hong Kong, had 237 aircraft at the end of 2025. At 31st December 2025, Cathay Pacific and HK Express offered scheduled passenger services to more than 100 destinations worldwide (an additional 176 with codeshare agreements). Cathay Cargo offered scheduled freighter services to 41 destinations worldwide, in addition to utilising belly capacity on the Cathay group's passenger flights. The Cathay group had an interest of 15.09% in Air China as at 31st December 2025.

HAECO is one of the world's leading aircraft engineering and maintenance service providers. It principally operates from bases in Hong Kong and the Chinese Mainland, serving close to 400 airlines and other customers globally.

We have investments in the healthcare sector in the Yangtze River Delta and the Greater Bay Area in the Chinese Mainland, as well as in Indonesia. We will continue to seek investment opportunities in private healthcare services, particularly in major city clusters in the Chinese Mainland and in South East Asia.

Swire Pacific is one of Hong Kong's largest and oldest employers, where we have over 42,000 employees. In the Chinese Mainland, we have over 33,000 employees. Globally, we employ over 92,000 people*.

* Includes the Cathay group and Hong Kong Aero Engine Services Limited (HAESL).

Chairman's Statement

Dear Shareholders,

I am pleased with our full-year financial results. The Aviation Division had a good year, with the Cathay group's strong performance seen in the first half increasing in the second half. The HAECO group also continued to perform well. The Property Division performed strongly at the underlying profit level, supported by the successful execution of its active capital recycling strategy. The Beverages Division performed solidly within the context of weakened consumer sentiment.

In 2025, underlying attributable profit to shareholders (excluding investment property revaluation losses) rose to HK$11,373 million, compared with HK$10,471 million in 2024. This growth was driven by the Aviation Division and significant gains in the Property Division from the sale of non-core assets in the USA and Hong Kong. Excluding these and other non-recurring items, recurring underlying attributable profit increased to HK$9,754 million from HK$9,284 million in 2024. Reported attributable profit (including revaluation losses on investment properties and non-recurring items) was HK$2,938 million compared with HK$4,321 million in 2024.

Last year's operating environment was impacted by heightened geopolitical and economic uncertainty. Despite these challenges, we have been able to maintain our solid financial position and the progressive dividend policy, driven by the effective management of our balance sheet and high credit ratings. I am grateful to everyone who has contributed to these results.

Hong Kong remains Swire Pacific's home and we are as committed as ever to building our presence in the city. Likewise, we continue to be very optimistic about Hong Kong's status as a global financial centre and international aviation hub in the years to come. We are also confident about the city's continued integration into the Greater Bay Area (GBA) and believe it will provide opportunities for further growth for Hong Kong.

Strategic Developments

Throughout 2025, we continued to deliver value for shareholders and maintained our focus on progressing and executing the strategic plans of our Property, Beverages and Aviation divisions across our core markets of Hong Kong, the Chinese Mainland and South East Asia.

Swire Properties continued with its HK$100 billion investment plan, approximately 67% of which has now been committed and with the majority of its Chinese Mainland allocation now deployed. Capital recycling of non-core assets continued to be a key part of Swire Properties' strategy. The exit from its Miami investment properties portfolio and several divestments in Hong Kong, including the sale of car parking spaces at Taikoo Shing and a non-core site in Tsing Yi, were completed during the year. These transactions released capital from mature assets for reinvestment in higher-return opportunities.

In Hong Kong, despite subdued office market conditions, office occupancy has been steady with several tenants expanding their footprints at Taikoo Place and Pacific Place. The "flight to quality" trend continues, as tenants take advantage of favourable market conditions to upgrade their premises. Regarding the residential market, in September 2025, Swire Properties launched sales for the first batch of THE HEADLAND RESIDENCES in Chai Wan. In December 2025, it sold two ultra-luxury houses, 6 Deep Water Bay Road, for HK$2.2 billion, setting one of the highest prices achieved in recent years for luxury residential properties in the city.

Chairman's Statement (continued)

In the Chinese Mainland, Taikoo Place Beijing reached a major milestone when the structural topping out of all buildings was completed in October 2025. The landmark, mixed-use riverfront development is Swire Properties' largest investment in the Chinese Mainland, and is scheduled to open in phases from late 2026. Swire Properties marked another significant milestone in Beijing with the strategic transformation of Taikoo Li Sanlitun North. In December 2025, Swire Properties announced the launch of Qiantan Place in Shanghai, a joint-venture with Lujiazui Group featuring two premium Grade-A office towers – One Qiantan Place and Two Qiantan Place – forming the office component of the expanded, mixed-use Taikoo Li Qiantan development. Completion is scheduled for 2026. At Swire Properties' first Taikoo Li retail development in the GBA, Taikoo Li Julong Wan Guangzhou, phased opening began in December 2025. Construction is ongoing at other projects in the Chinese Mainland, including Taikoo Li Xi'an, Taikoo Li Sanya and, in Shanghai, Lujiazui Taikoo Yuan. Also in Shanghai, the third and fourth batches of Lujiazui Taikoo Yuan Residences, launched in September 2025 and January 2026, respectively, achieved an exceptional market response.

In South East Asia, Swire Properties launched its first-ever Upper House-branded residences. Two ultra-luxury developments, Upper House Residences Bangkok and The Wireless Residences by Upper House, are being developed in the Thai capital. Construction commenced in April 2025 with completion expected from 2029. Also in 2025, all Swire Hotels' Upper House hotels were rebranded under the "Upper House" name.

Swire Coca-Cola, which celebrated its 60th anniversary in 2025, marked a number of milestones. In July 2025, Swire Coca-Cola Vietnam inaugurated its newest manufacturing plant in Tay Ninh province. The US$136 million-plant is the country's first food and beverage facility to achieve LEED Gold Green Building certification, marking an important step in Swire Coca-Cola's sustainability journey. In the Chinese Mainland, operations commenced at Swire Coca-Cola's new, state-of-the-art plant in Zhengzhou, Henan province, in October 2025. The new plant is part of Swire Coca-Cola's long-term investment and growth in the Chinese Mainland.

Swire Coca-Cola has been granted in-principle approval for shares of ThaiNamthip Corporation Public Company Limited to be listed on The Stock Exchange of Thailand. The potential listing is intended to create a separately listed Thai entity which would remain a non-wholly-owned subsidiary of Swire Pacific. The potential listing is subject to, among other things, final regulatory approval, market conditions and the decisions of the boards of directors.

Throughout 2025, the Cathay group continued to execute its programme of over HK$100 billion in investment in its fleet, cabin and lounge products, and digital innovation. In August 2025, the Cathay group exercised its purchase rights for an additional 14 Boeing 777-9 aircraft, bringing its total commitment to 35. During the year, the Cathay group's two passenger airlines, Cathay Pacific and HK Express, added 20 new destinations, bringing its combined passenger network to more than 100 destinations worldwide by the end of 2025 and further enhancing the connectivity of the Hong Kong international aviation hub.

In early January 2025, the Cathay group repurchased approximately 68% of the HK$6,722 million, 2.75% guaranteed convertible bonds due in 2026 (issued in February 2021). All the convertible bonds have now been converted by their holders or have matured. In February 2026, the Cathay group repurchased shares held by Qatar Airways. The buy-back reflects the Cathay group's confidence in its long-term business prospects. At the HAECO group, the sale of HAECO Americas in November 2025 was part of the HAECO group's refocused strategy to concentrate its operations and investment in core growth markets, namely Hong Kong, the Chinese Mainland and South East Asia.

Chairman's Statement (continued)

Our healthcare business is in the early stages of its development and we continue to monitor and deepen our understanding of the sector. In March 2025, Shanghai DeltaHealth Cardiovascular Hospital, located in the Qingpu District and near the Hongqiao transportation hub, became the first wholly foreign-owned cardiovascular speciality hospital in the Chinese Mainland. In April 2025, Indonesia Healthcare Corporation, which is our investee company in Indonesia, opened Bali International Hospital. The hospital is supported by partnerships with world-class healthcare operators.

Business Performance

Our financial results for 2025 were driven by ongoing high demand for air travel and the resilience of our Property and Beverages Divisions, despite challenging market conditions.

Property Division
Our share of Swire Properties' underlying attributable profit rose to HK$7,160 million in 2025, up from HK$5,509 million in 2024. The increase was mainly driven by gains from the disposal of interests in the Brickell City Centre shopping centre, its car parking spaces and certain shared facilities, and two adjacent land parcels in Miami, USA, as well as an industrial site and the 43rd floor of One Island East in Hong Kong. Net rental income from Swire Properties' investment property portfolio declined compared with 2024. The Hong Kong office market remained weak for most of 2025 but showed improvement towards year-end, supported by an active IPO market and improved sentiment in the financial sector. Similarly, the Hong Kong retail market, which has faced challenges for several years, demonstrated signs of mild growth in the second half of the year.

In the Chinese Mainland, Swire Properties' retail portfolio delivered an improved performance in the second half of 2025, supported by improved market sentiment and rising consumer confidence driven by the government's expanded stimulus measures, which continued to boost the overall economy. Swire Properties' malls benefitted from ongoing upgrade initiatives. Overall foot traffic and retail sales recorded solid growth.

Beverages Division
Swire Coca-Cola reported an attributable profit of HK$1,318 million in 2025, compared with a profit of HK$2,039 million in 2024. Excluding non-recurring items, attributable profit was flat year-on-year. The 2025 performance was impacted by several challenges. In the Chinese Mainland, a structural shift away from traditional distribution channels, supported by aggressive subsidies from food delivery platforms, put significant pressure on revenue growth. In Vietnam and Thailand, increased competition and weak consumer sentiment weighed on overall results. Thailand was particularly affected by a significant decline in tourism. Improved market conditions are anticipated in 2026.

Aviation Division
Our share of the Cathay group's attributable profit increased to HK$4,753 million in 2025 from HK$4,449 million in 2024. There was great demand for travel, particularly in the fourth quarter of the year when passenger volumes reached the highest levels in the Cathay group's history. At Cathay Pacific, passenger revenue increased by 16% while passenger capacity increased by 26%. 28.9 million passengers were carried in 2025, an increase of 27% compared to 2024. The cargo business delivered a robust performance despite the uncertainty caused by tariffs and trade tensions. The net results of the Cathay group's associate businesses were better than in 2024.

Chairman's Statement (continued)

The HAECO group reported an attributable profit of HK$936 million in 2025, compared with a profit of HK$399 million in 2024. Robust demand for travel and air cargo drove growth in base maintenance services at its Hong Kong and Xiamen operations, as well as in engine overhaul services at HAESL and HAECO Engine Services (Xiamen). During the year, the HAECO group completed the sale of its US aircraft maintenance operation, HAECO Americas, and discontinued the HAECO ITM inventory management business which had been loss-making.

Other Businesses

Results from our healthcare businesses improved in 2025 as the hospitals continued to streamline operations and improve efficiency and productivity.

Financial Strength and Progressive Dividends

Our financial position remains solid. At the end of 2025, available liquidity was HK$52.7 billion. Weighted average cost of debt was at a healthy level of 3.6%, with 73% of Swire Pacific's gross borrowing being on a fixed-rate basis. Our gearing ratio was 20.6%. With a very robust balance sheet, we will continue executing our investments in core markets.

We continue to focus on delivering sustainable, steady returns to our shareholders through our progressive dividend policy. The Directors are pleased to declare a second interim dividend of HK$2.50 per 'A' share and HK$0.50 per 'B' share which, together with the dividends paid in October 2025, amount to full-year dividends of HK$3.80 per 'A' share and HK$0.76 per 'B' share. This represents an increase of 13% on the ordinary dividends for 2024.

The second interim dividend will be paid on 8th May 2026 to shareholders registered at the close of business on the record date, being Friday, 10th April 2026. Shares of the Company will be traded ex-dividend from Wednesday, 8th April 2026.

Sustainability

Swire Pacific's sustainability strategy, now named "SD 2050", reflects our unwavering commitment to a sustainable future and sets a clear timeline for action. For the first time, Swire Pacific has been included in the CDP Climate A-List, highlighting our leadership on climate action. We also maintained our presence in world-leading ESG indices. On our emissions, we achieved a 46% reduction in scope 1 and 2 GHG emissions during 2025 compared with our target baseline. We also saw improved year-on-year water efficiency and maintained our high rates of waste diversion.

We have continued to integrate sustainability practices into the core functions of the Company, working closely with our teams and operating companies to deliver not only enhanced risk management but also environmental leadership.

Across our businesses, we are enhancing our sustainability credentials. At Swire Properties, all wholly-owned projects under development have achieved the highest ratings of green building certification. In 2025, 16 buildings at Pacific Place and Taikoo Place garnered top industry recognition for their sustainability features, including quadruple Platinum certifications in BEAM Plus, LEED, WELL and WiredScore. Also last year, Swire Properties retained top rankings in the Global Real Estate Sustainability Benchmark and the Hang Seng Corporate Sustainability Index.

Chairman's Statement (continued)

In 2025, Swire Coca-Cola became the first company in Hong Kong to produce beverage bottles made entirely from locally collected and recycled polyethylene terephthalate (rPET). The rPET is supplied by New Life Plastics Ltd., Hong Kong's first food-grade-ready plastic bottle recycling facility, which is also a subsidiary of Swire Coca-Cola.

In 2025, the Cathay group and its corporate partners together committed to using around 17,400 tonnes of sustainable aviation fuel (SAF), representing an increase of nearly 180% compared with 2024. At the HAECO group, the new hangar at Xiamen Xiang'an International Airport, which is scheduled to open in 2026, has been awarded LEED Platinum certification for its sustainability features.

Looking Ahead

In 2026, we will remain focused on executing our recent investments across core markets while delivering value for shareholders through our progressive dividend policy.

Swire Properties has an exciting pipeline of new developments, including the expansion of Taikoo Li Qiantan and Taikoo Hui Guangzhou, as well as Lujiazui Taikoo Yuan, Taikoo Li Sanya, Taikoo Li Xi'an and Taikoo Li Julong Wan Guangzhou. In Hong Kong, the office market has gained renewed momentum in recent months, and Swire Properties' office portfolio remains well-positioned to attract premium tenants seeking high-specification office buildings. Residential sales have been gradually improving, and demand is expected to improve further. In the Chinese Mainland, the retail market has shown signs of stabilisation, and the sector is expected to gradually build momentum, while retailers maintain a cautiously positive outlook. In the near term, the market for high-quality residential developments in prime locations of Tier-1 cities is expected to remain positive. Swire Properties' strong balance sheet enables it to continue with its progressive dividend policy.

At Swire Coca-Cola, the introduction of a simpler regional management structure and the appointment of a Chief Operating Officer in December 2025 will accelerate decision making and enhance its ability to capitalise on market opportunities, supporting long-term growth. Consumer spending in the Chinese Mainland saw improvement in the fourth quarter of 2025, which is expected to continue. In response to the structural shift away from traditional distribution channels, Swire Coca-Cola is investing in its e-commerce capabilities and other new channels to continue driving sustained growth. The commencement of operations at new production facilities will better position Swire Coca-Cola to meet demand as it increases. In Hong Kong, while focusing on improving production and logistics efficiency, the business is also enhancing its commercial capability to unlock the market's potential and improve performance. In Vietnam, despite exchange rate volatility and rising costs, Swire Coca-Cola will continue to prioritise revenue growth and cost efficiency initiatives to grow profitability and consolidate its market presence. In Thailand, the operating environment remains competitive but commercial initiatives are beginning to deliver positive results.

The Cathay group expects to continue growing its passenger capacity in 2026 and will focus on increasing the frequency of existing routes and adding new destinations, and it will take delivery of eight narrowbody aircraft in 2026. This year also marks a meaningful milestone as the Cathay group celebrates its 80th anniversary and it remains fully committed to strengthening Hong Kong's status as an international aviation hub. At the HAECO group, high demand for base maintenance and engine services is expected to continue in 2026. Line maintenance work is expected to grow. HAECO Xiamen's construction of hangars and facilities at the new Xiamen airport has been completed, with operations set to commence in late 2026.

Chairman's Statement (continued)

We expect to see market uncertainty continuing as a result of geopolitical developments in the Middle East. However, we remain positive about long-term opportunities for growth across all our businesses. These results are testimony to how we operate in challenging times, and specifically to our capital recycling strategy. In Hong Kong, the economy continues to make progress. There is a resurgence in IPO activity on the city's stock exchange and growing confidence within the financial sector. We are optimistic that consumer sentiment will also recover, which should improve the operating environment in the year ahead.

Guy Bradley
Chairman
Hong Kong, 12th March 2026

REVIEW OF OPERATIONS

PROPERTY DIVISION

Swire Properties is a leading developer, owner and operator of mixed-use, principally commercial, properties in Hong Kong and the Chinese Mainland, with a record of creating long-term value by placemaking and transforming urban areas. As at 31st December 2025, Swire Pacific Limited held an 83.31% interest in Swire Properties.

Swire Properties' business comprises three main areas:

Property Investment

Swire Properties has a substantial investment property and hotel portfolio, with an aggregate gross floor area of approximately 33.5 million square feet attributable to the company. This comprises approximately 23.8 million square feet of completed investment properties and hotels and approximately 9.7 million square feet of investment properties under development or held for future development. In Hong Kong, the investment property and hotel portfolio comprises approximately 14.3 million square feet (attributable) of primarily Grade-A office and retail premises, hotels, serviced apartments and other luxury residential accommodation. In the Chinese Mainland, Swire Properties has interests in 11 major commercial developments in prime locations in Beijing, Guangzhou, Chengdu, Shanghai, Xi'an and Sanya. These developments are expected to comprise approximately 19.2 million square feet of attributable gross floor area when they are all completed. Of this, 10.6 million square feet has already been completed. Outside of Hong Kong and the Chinese Mainland, the investment property portfolio comprised the shopping centre and car parking spaces at the Brickell City Centre development in Miami, USA, until their disposals in June 2025.

Hotel Investment and Management

Swire Properties wholly-owns and manages, through Swire Hotels, two hotels in Hong Kong, Upper House Hong Kong (formerly known as The Upper House) at Pacific Place and EAST Hong Kong in Taikoo Shing. Swire Properties has a 20% interest in each of the JW Marriott, Conrad Hong Kong and Island Shangri-La hotels at Pacific Place and a 26.67% interest in the Novotel Citygate and The Silveri Hong Kong - MGallery in Tung Chung. In the Chinese Mainland, Swire Hotels manages three hotels. Upper House Chengdu (formerly known as The Temple House) at Taikoo Li Chengdu is wholly-owned by Swire Properties. 50% interests are owned in EAST Beijing at INDIGO, and in Upper House Shanghai (formerly known as The Middle House) at HKRI Taikoo Hui in Shanghai. Swire Properties owns 97% and 50% interests in the Mandarin Oriental at Taikoo Hui in Guangzhou and The Sukhothai Shanghai at HKRI Taikoo Hui, respectively. In the USA, Swire Properties manages, through Swire Hotels, EAST Miami and wholly-owns the Mandarin Oriental in Miami which ceased operations in May 2025. Swire Hotels has confirmed its expansion plans to open new hotels in Tokyo in Japan and Shenzhen in the Chinese Mainland under management contracts, and in Beijing, Shanghai and Xi'an in the Chinese Mainland which will be both owned and managed.

Property Trading

Swire Properties' trading portfolio comprises completed units available for sale at EIGHT STAR STREET, LA MONTAGNE and 6 Deep Water Bay Road (with sale completed in March 2026) in Hong Kong, as well as Savyavasa in Jakarta. Additionally, the completed units of Phase 1 of THE HEADLAND RESIDENCES in Hong Kong are available for sale. There are seven residential projects under development; three in Hong Kong, two in the Chinese Mainland, one in Vietnam and one in Thailand. There is also a plan to develop a luxury residential and hospitality project on Brickell Key in Miami, USA.

Swire Properties is listed on The Stock Exchange of Hong Kong Limited.

Investment Property and Hotel Portfolio

(Gross floor area (or expected gross floor area) attributable to Swire Properties in million square feet)

	At 31st December 2025						At 31st December 2024
Location	Office	Retail	Hotels	Residential/ Serviced Apartments	Under Planning	Total	Total
Completed							
Pacific Place	**2.2**	**0.7**	**0.5**	**0.4**	**-**	**3.8**	3.8
Taikoo Place	**6.3**	**-**	**-**	**0.1**	**-**	**6.4**	6.4
Cityplaza	**-**	**1.1**	**0.2**	**-**	**-**	**1.3**	1.3
Others	**0.7**	**0.8**	**0.1**	**0.1**	**-**	**1.7**	1.9
- Hong Kong	**9.2**	**2.6**	**0.8**	**0.6**	**-**	**13.2**	13.4
Taikoo Li Sanlitun	**-**	**1.6**	**-**	**-**	**-**	**1.6**	1.6
Taikoo Li Chengdu	**-**	**1.4**	**0.2**	**0.1**	**-**	**1.7**	1.7
Taikoo Hui	**1.6**	**1.5**	**0.5**	**-**	**-**	**3.6**	3.6
INDIGO	**0.3**	**0.5**	**0.2**	**-**	**-**	**1.0**	1.0
HKRI Taikoo Hui	**1.0**	**0.5**	**0.2**	**0.1**	**-**	**1.8**	1.8
Taikoo Li Qiantan	**-**	**0.6**	**-**	**-**	**-**	**0.6**	0.6
Others	**-**	**0.3**	**-**	**-**	**-**	**0.3**	0.1
- Chinese Mainland	**2.9**	**6.4**	**1.1**	**0.2**	**-**	**10.6**	10.4
- USA	**-**	**-**	**-**	**-**	**-**	**-**	0.6
Total completed	**12.1**	**9.0**	**1.9**	**0.8**	**-**	**23.8**	24.4
Under development or held for future development							
- Hong Kong(i)	**-**	**-**	**-**	**-**	**1.1**	**1.1**	0.8
- Chinese Mainland(ii)	**2.2**	**5.3**	**0.4**	**0.1**	**0.6**	**8.6**	8.5
- USA	**-**	**-**	**-**	**-**	**-**	**-**	1.5
Total	**14.3**	**14.3**	**2.3**	**0.9**	**1.7**	**33.5**	35.2

Notes:

(i) The properties principally comprise Wah Ha Factory Building, 8 Shipyard Lane and Zung Fu Industrial Building, 1067 King's Road, and 9-43 Hoi Wan Street and 29-41 Tong Chong Street.

(ii) The properties principally comprise Taikoo Place Beijing, Taikoo Li Xi'an, Taikoo Li Sanya, Taikoo Li Julong Wan Guangzhou, Phase 3 of Taikoo Hui (formerly known as No. 387 Tianhe Road) in Guangzhou and two mixed-use projects in Shanghai.

STRATEGY:

The strategic objective of Swire Properties (as a listed company in its own right) is sustainable growth in shareholder value over the long term as a leading developer, owner and operator of mixed-use, principally commercial, properties in Hong Kong and the Chinese Mainland. The strategies employed in order to achieve this objective are these:

- Creation of long-term value through conceiving, designing, developing, owning and managing transformational mixed-use and other projects in urban areas.
- Maximisation of the earnings and value of its completed properties through active asset management and by reinforcing its assets through enhancement, redevelopment and new additions.
- Developing luxury and high-quality residential properties.
- Focusing principally on Hong Kong and the Chinese Mainland, and selectively in South East Asia.
- Conservative management of its capital base.

2025 PROPERTY DIVISION PERFORMANCE

Property Division – Financial Highlights

	2025 HK$M	2024 HK$M
Revenue		
Gross rental income derived from		
Office	**5,248**	5,488
Retail	**7,193**	7,388
Residential	**438**	440
Other revenue *	**135**	136
Property investment	**13,014**	13,452
Property trading	**2,110**	88
Hotels	**917**	888
Total revenue	**16,041**	14,428
Operating profit/(loss) derived from		
Property investment		
From operations	**7,703**	8,242
Sale of interests in investment properties	**(49)**	(220)
Fair value losses in respect of investment properties	**(6,073)**	(5,974)
Property trading	**497**	(178)
Hotels	**(107)**	(154)
Total operating profit	**1,971**	1,716
Share of post-tax (loss)/profit from joint venture and associated companies	**(1,258)**	826
Attributable loss	**(1,519)**	(751)
Swire Pacific share of attributable loss	**(1,275)**	(641)

* Other revenue is mainly estate management fees.

Property Division – Underlying Profit/(Loss) by Segment

	2025 HK$M	2024 HK$M
Property investment	**6,781**	6,845
Property trading	**(448)**	(219)
Hotels	**(87)**	(202)
Recurring underlying attributable profit	**6,246**	6,424
Divestments	**2,360**	289
Underlying attributable profit	**8,606**	6,713

Property Division – Reconciliation of Attributable to Underlying Profit

Additional information is provided in the following section to reconcile reported and underlying profit/(loss) attributable to shareholders. These reconciling items principally adjust for the fair value movements on investment properties and the associated deferred tax in the Chinese Mainland and the USA, and for other deferred tax provisions in relation to investment properties. Amortisation of right-of-use assets classified as investment properties is charged to underlying profit. In 2024, a further adjustment was also made to remove the effect of a bargain purchase gain arising from the acquisition of an additional interest in a joint venture company.

	Note	**2025 HK$M**	2024 HK$M
Attributable loss		**(1,519)**	(751)
Adjustments in respect of investment properties:			
Fair value losses in respect of investment properties	(i)	**7,731**	6,197
Deferred tax on investment properties	(ii)	**288**	1,283
Fair value gains realised on sale of interests in investment properties	(iii)	**2,195**	534
Depreciation of investment properties occupied by the Group	(iv)	**30**	29
Amortisation of right-of-use assets reported under investment properties	(v)	**(80)**	(78)
Reversal of impairment loss on a hotel held as part of a mixed-use development	(vi)	**-**	(11)
Bargain purchase gain arising from the acquisition of an additional interest in a joint venture company	(vii)	**-**	(566)
Non-controlling interests' share of fair value movements less deferred tax		**(39)**	76
Underlying attributable profit		**8,606**	6,713
Profit from divestments		**(2,360)**	(289)
Recurring underlying attributable profit		**6,246**	6,424
Swire Pacific share of underlying attributable profit		**7,160**	5,509
Swire Pacific share of recurring underlying attributable profit		**5,194**	5,272

Notes:

(i) This represents the fair value movements as shown in the Group's consolidated statement of profit or loss and the Group's share of fair value movements of joint venture and associated companies.

(ii) This represents deferred tax movements on the Group's investment properties, plus the Group's share of deferred tax movements on investment properties held by joint venture and associated companies. These comprise deferred tax on fair value movements on investment properties in the Chinese Mainland and the USA, and deferred tax provisions made in respect of investment properties held for the long term where it is considered that the liability will not reverse for some considerable time. It also includes certain tax adjustments arising from transfers of investment properties within the Group.

(iii) Prior to the implementation of HKAS 40, changes in the fair value of investment properties were recorded in the revaluation reserve rather than the consolidated statement of profit or loss. On sale, the fair value gains/(losses) were transferred from the revaluation reserve to the consolidated statement of profit or loss.

(iv) Prior to the implementation of HKAS 40, no depreciation was charged on investment properties occupied by the Group.

(v) HKFRS 16 amends the definition of investment property under HKAS 40 to include properties held by lessees as right-of-use assets to earn rentals or for capital appreciation or both, and requires the Group to account for such right-of-use assets at their fair value. The amortisation of such right-of-use assets is charged to underlying profit.

(vi) Under HKAS 40, hotel properties are stated in the accounts at cost less accumulated depreciation and any provision for impairment losses, rather than at fair value. If HKAS 40 did not apply, wholly-owned and joint venture hotel properties held for the long term as part of mixed-use property developments would be accounted for as investment properties. Accordingly, any increase or decrease in their values would be recorded in the revaluation reserve rather than in the consolidated statement of profit or loss.

(vii) The bargain purchase gain arising from the acquisition of an additional interest in a joint venture company was calculated principally by reference to the market value of the underlying property portfolio of the joint venture company in comparison with the consideration paid.

2025 PROPERTY INDUSTRY REVIEW

Office and Retail

Hong Kong

Office
The office market sentiment picked up slightly in 2025, supported by a more active IPO market. However, high vacancy rates and new supply continued to exert downward pressure on rents.

Retail
The retail market showed signs of stabilisation in 2025. Nevertheless, the sector continues to undergo a structural transformation driven by changes in local and tourist spending behaviour.

Chinese Mainland

Retail
Retail sales in the Chinese Mainland improved in 2025 due to an expanded stimulus package issued by the government, including the introduction of visa-free entry to the Chinese Mainland for approximately 75 countries, a value-added tax refund scheme for international tourists, and initiatives to attract investment and improve consumer confidence.

Office
Demand for office space in Beijing, Shanghai and Guangzhou remained weak amid economic uncertainty. In Guangzhou and Shanghai, new supply has led to increased vacancy rates. In Beijing, new supply was limited.

Property Sales Markets

Hong Kong

The residential market sentiment improved slightly in 2025 in the light of interest rate cuts, with signs of slow market recovery.

Chinese Mainland

The residential market for high-quality developments in prime locations of Tier-1 cities was relatively resilient, particularly in Shanghai where luxury residential properties in core areas received positive market responses, despite an increase in supply in 2025.

2025 RESULTS SUMMARY

Attributable loss from the Property Division for the year was HK$1,275 million, compared to a loss of HK$641 million in 2024. These figures include fair value losses, before deferred tax and after non-controlling interests, of HK$7,694 million in 2025, compared to HK$6,277 million in 2024, mainly arising from the Hong Kong office portfolios for both years.

Attributable underlying profit, which principally adjusts for changes in the fair value of investment properties, increased to HK$7,160 million in 2025 from HK$5,509 million in 2024. The increase was driven primarily by gains arising from the disposal of Swire Properties' interests in the Brickell City Centre shopping centre, its car parking spaces and certain shared facilities, and two adjacent land parcels in Miami, USA, as well as an industrial site and the 43rd floor of One Island East in Hong Kong in 2025. These gains were partly offset by the loss of rental income from the Brickell City Centre retail mall after its disposal, lower rental income from the Hong Kong office portfolios and higher sales and marketing expenses incurred for several residential trading projects.

Attributable recurring underlying profit, which excludes profit from divestments of HK$1,966 million (HK$237 million in 2024), was HK$5,194 million in 2025, compared to HK$5,272 million in 2024.

Recurring underlying profit from property investment decreased in 2025. This principally reflected the loss of rental income from the Brickell City Centre retail mall after its disposal and lower office rental income in Hong Kong.

In Hong Kong, high vacancy rates and new supply exerted downward pressure on office rents until the fourth quarter of 2025, when rents became more stable. Despite these challenges, occupancy of Swire Properties' office portfolio remained largely steady, with increased leasing activity driven by the expansion of existing tenants. The office market gained renewed momentum, underpinned by an active IPO market and improved sentiment in the financial sector. The retail market demonstrated signs of mild growth in the second half of 2025, notwithstanding structural challenges such as the ongoing trend for outbound travel and changes in customer spending behaviour. Through continuous trade mix upgrades, dynamic marketing, promotional campaigns and loyalty programme initiatives, footfall and sales performance at Swire Properties' malls remained resilient.

In the Chinese Mainland, Swire Properties' retail portfolio delivered an improved performance in the second half of 2025, supported by enhanced market sentiment and consumer confidence resulting from the government's expanded stimulus package, which continued to benefit the overall economy. Swire Properties' malls have begun to realise the positive impact from ongoing upgrade initiatives, including the opening of "The Louis" by LOUIS VUITTON at HKRI Taikoo Hui in Shanghai and the reopening of Taikoo Li Sanlitun North in Beijing. Despite temporary disruptions from upgrading works at some of the malls, overall foot traffic and retail sales recorded solid growth.

In the USA, retail sales and gross rental income, up to the date of disposal of Brickell City Centre shopping centre in late June 2025, grew compared to the same period in 2024, reflecting an improved tenant mix and higher opening rate.

The underlying loss from property trading in 2025 was primarily a result of sales and marketing expenses incurred for several residential trading projects, particularly in Hong Kong and the USA, which have either been launched or are planned to launch in the coming few years. Additionally, there was a loss on the sale of some residential units in Hong Kong.

The overall hotel performance in Hong Kong and the Chinese Mainland improved in 2025, reflecting higher occupancy and revenue per available room on average across the portfolio. The performance of the managed hotel in the USA was strong.

HK$100 BILLION INVESTMENT PLAN

In March 2022, Swire Properties announced a plan to invest HK$100 billion over ten years in development projects in Hong Kong and the Chinese Mainland, and in residential trading projects (including in South East Asia). The target allocation is HK$30 billion to Hong Kong, HK$50 billion to the Chinese Mainland and HK$20 billion to residential trading projects (including in South East Asia). At 6th March 2026, approximately HK$67 billion of the planned investments had been committed (HK$11 billion to Hong Kong, HK$46 billion to the Chinese Mainland and HK$10 billion to residential trading projects).

Major committed projects include residential developments at THE HEADLAND RESIDENCES, 269 Queen's Road East, 983-987A King's Road and 16-94 Pan Hoi Street in Hong Kong, and at Upper House Residences Bangkok and The Wireless Residences by Upper House (formerly known as the Wireless Road project) in Bangkok; a retail-led mixed-use development in Taikoo Li Xi'an; a retail-led development in Sanya; mixed-use developments in Lujiazui Taikoo Yuan and the New Bund in Shanghai; Taikoo Li Julong Wan Guangzhou; Phase 3 of Taikoo Hui (formerly known as No. 387 Tianhe Road) in Guangzhou; as well as office and other commercial use developments at 8 Shipyard Lane and at 1067 King's Road in Hong Kong. Uncommitted projects include further retail-led mixed-use projects in Tier-1 and emerging Tier-1 cities in the Chinese Mainland, including Beijing and Shenzhen, with a plan to double Swire Properties' gross floor area in the Chinese Mainland, further expansion at Pacific Place and Taikoo Place in Hong Kong as well as further residential trading projects in Hong Kong, the Chinese Mainland, Miami and South East Asia.

KEY DEVELOPMENTS

In April 2025, Swire Properties acquired the 12.07% interest in the Brickell City Centre shopping centre (with an approximate leasable area of 500,000 square feet) in Miami, USA from Bal Harbour Shops (BHS), for a consideration of US$73.5 million. Following the acquisition, Swire Properties' interest in the Brickell City Centre shopping centre increased to 75%, with Simon Property Group (SPG) holding a 25% interest.

In May, September 2025, and January 2026, an associated company in which Swire Properties holds a 40% interest launched the sales of the second, third and fourth batches of Lujiazui Taikoo Yuan Residences, a luxury residential development in Shanghai, following a successful first launch in December 2024. 175 out of 200 units of the total of the second, third and fourth batches were pre-sold up to 6th March 2026, bringing in cumulative sales proceeds of RMB11.7 billion since the launch in 2024.

In May 2025, Swire Properties completed the sale of the Brickell City Centre land which is adjacent to the Brickell City Centre shopping centre, with an approximate gross floor area of 1.5 million square feet, for a consideration of approximately US$211.5 million. The land had previously been held for development.

In June 2025, Swire Properties completed the disposal of its 75% interest in the Brickell City Centre shopping centre, and its entire interests in the Brickell City Centre car parking spaces and certain shared facilities to SPG for a total consideration of up to US$548.7 million, of which up to US$36.1 million will be payable as a contingent consideration at a later date. The amount of the contingent consideration is subject to the satisfaction of certain conditions.

In June 2025, Swire Properties acquired a 25% interest in the joint venture company which owns the Mandarin Oriental, Miami from the Mandarin Oriental Hotel Group for a consideration of US$37 million, increasing Swire Properties' ownership to 100%. The hotel ceased operations in May 2025 and is scheduled for demolition in the second quarter of 2026 to allow for the construction of The Residences at The Mandarin Oriental, Miami, which is currently under planning.

In July 2025, Swire Properties completed the sale of the North Squared site in Miami, USA with an approximate gross floor area of 523,000 square feet for a consideration of US$45 million.

In September 2025, Swire Properties started the pre-sales of the first batch of THE HEADLAND RESIDENCES in Hong Kong, with 143 out of 300 launched units pre-sold up to 6th March 2026.

In October 2025, Swire Properties completed the disposal of an industrial site in Tsing Yi, Hong Kong to a third-party buyer for a consideration of HK$663 million.

In November 2025, Swire Properties offered a further 453 car parking spaces in the Taikoo Shing residential development in Hong Kong for sale. 435 car parking spaces have been sold up to 6th March 2026.

In December 2025, Swire Properties completed the sale of the 43rd floor at One Island East in Quarry Bay to the Securities and Futures Commission (SFC), in accordance with the sale and purchase agreement entered into in November 2023.

In December 2025, Phase 1 of Taikoo Li Julong Wan Guangzhou, the retail portion of a mixed-used development in which Swire Properties holds a 50% interest, was opened progressively. Phase 1 consists of a range of retail, food and beverage, and lifestyle shops as well as exhibition and event space.

In March 2026, Swire Properties completed the sale of two residential houses at 6 Deep Water Bay Road to a third-party buyer for a consideration of HK$2.2 billion.

INVESTMENT PROPERTIES

Hong Kong

Office

Gross rental income from the Hong Kong office portfolio in 2025 was HK$4,885 million, a 4% decrease from 2024. High vacancy rates, coupled with new supply continue to exert downward pressure on office rent across the Hong Kong market. Despite these headwinds, Swire Properties' office portfolio continues to remain resilient. At 31st December 2025, the office portfolio was 89% let. Excluding Two Taikoo Place and Six Pacific Place, the rest of the office portfolio was 91% let.

The performance of the offices at One, Two and Three Pacific Place was resilient in 2025. These offices were 96% let at 31st December 2025. At Six Pacific Place, the building was 66% let at 31st December 2025.

The performance of the offices at Taikoo Place was steady. Those at One Taikoo Place, One Island East (excluding the ten floors disposed of) and the other office towers at Taikoo Place were 96%, 87% and 88% let, respectively, at 31st December 2025. Two Taikoo Place, the newest addition to Taikoo Place, was 73% let.

The offices at South Island Place were 94% let at 31st December 2025. Swire Properties has a 50% interest in the development.

Retail

Gross rental income from the retail portfolio in Hong Kong was HK$2,355 million in 2025, similar to that in 2024. Diverse marketing campaigns and intensive activations were launched to attract both local customers and tourists to our malls. Hong Kong's retail market demonstrated signs of stabilisation in the second half of 2025, notwithstanding the structural challenges including the outbound travel trend and changes in customer spending behaviour. Retail sales increased by 6%, 3% and 2%, respectively, at The Mall at Pacific Place, Cityplaza, and Citygate Outlets in 2025. The provisional estimate of the retail sales in the Hong Kong market as a whole increased by 1% in 2025.

The malls were almost fully let throughout the year.

Residential

The completed residential portfolio available for lease comprises Pacific Place Apartments at Pacific Place, EAST Apartments in Quarry Bay, STAR STUDIOS in Wan Chai and a number of luxury houses on Hong Kong Island and Lantau Island. The residential portfolio was approximately 79% let at 31st December 2025.

Investment Properties under Development

In 2018, Swire Properties submitted compulsory sale applications in respect of two sites (Wah Ha Factory Building, 8 Shipyard Lane and Zung Fu Industrial Building, 1067 King's Road) in Quarry Bay. Swire Properties obtained full ownership of Zung Fu Industrial Building and Wah Ha Factory Building in March 2022 and July 2023, respectively. The two sites are intended to be redeveloped for office and other commercial uses with an aggregate gross floor area of approximately 779,000 square feet.

In June 2022, Swire Properties submitted a compulsory sale application for the majority portion of the site at 9-43 Hoi Wan Street and 29-41 Tong Chong Street in Quarry Bay. The gross site area is approximately 24,800 square feet. Proceeding with the development (the planning of which is being reviewed) is subject to Swire Properties having successfully bid in the compulsory sale.

Others

In November 2023, Swire Properties entered into agreements for the sale of 12 office floors (42nd to 54th floors excluding the 49th floor) at One Island East in Quarry Bay to the SFC. Completion of the sale of the nine floors (45th to 54th floors excluding the 49th floor) currently occupied by the SFC took effect in December 2023. Completion for the 43rd floor took place on 31st December 2025. Completion for the 44th floor will take place not earlier than 31st December 2026 and not later than 31st December 2027 while completion for the 42nd floor will take place not earlier than 31st December 2027 and not later than 31st December 2028. The total gross floor area of the 12 floors is approximately 300,000 square feet.

In November 2025, Swire Properties offered a further 453 car parking spaces in the Taikoo Shing residential development in Hong Kong for sale. 435 car parking spaces have been sold at 6th March 2026. All of the sales had been recognised at 31st December 2025.

Chinese Mainland

Retail

Retail sales in the Chinese Mainland improved in 2025 due to an expanded economic stimulus package issued by the government which improved consumer confidence, technological advancement that attracted investment and increased spending, and measures taken to encourage spending by international tourists such as visa-free entry and a value-added tax refund scheme. Despite disruption caused by upgrading works at some of Swire Properties' malls, overall foot traffic and retail sales continued to increase, underscoring the appeal of Swire Properties' malls. Our malls continued to benefit from the ongoing enhancement of the tenant mix. Notably, HKRI Taikoo Hui welcomed "The Louis" by LOUIS VUITTON in June 2025, while Taikoo Li Sanlitun further strengthened its luxury offerings with the opening of global flagship stores from LOUIS VUITTON Maison, House of Dior Beijing, and Tiffany & Co. in December 2025.

Retail sales (excluding sales by vehicle retailers) at our malls on an attributable basis in the Chinese Mainland increased by 7% in 2025, outperforming the market, and were 65% higher than in 2019 (pre-pandemic). Retail sales at Taikoo Li Sanlitun and INDIGO in Beijing, Taikoo Li Chengdu, Taikoo Hui in Guangzhou, HKRI Taikoo Hui and Taikoo Li Qiantan in Shanghai increased by 11%, 3%, 7%, 2%, 50% and 7%, respectively. In comparison with 2019, retail sales at Taikoo Li Sanlitun, Taikoo Li Chengdu, Taikoo Hui, HKRI Taikoo Hui and INDIGO increased by 12%, 32%, 70%, 27% and 1%, respectively, while Taikoo Li Qiantan had not yet commenced business in 2019.

Swire Properties' gross rental income from retail properties in the Chinese Mainland increased by 3%, to HK$4,628 million, in 2025.

Retail sales and gross rental income at Taikoo Li Sanlitun in Beijing increased by 11% and 3%, respectively, in 2025, driven by strong footfall at Taikoo Li Sanlitun South and West following successful upgrades, brand positioning and the opening of new flagship and pop-up stores. Growth was further supported by the introduction of visa-free entry to the Chinese Mainland and a value-added tax refund scheme for international tourists, and nearby developments such as the renovated Workers' Stadium, Sanlitun Bar Street, and metro lines.

Demand for retail space remained robust as Taikoo Li Sanlitun strengthened its position as a luxury, fashion and social destination. The development was 99% let at 31st December 2025. In 2025, the opening of iconic standalone maisons and architecturally distinctive flagship stores reinforced Taikoo Li Sanlitun North's status as a luxury fashion landmark. Building N1 (formerly known as The Opposite House hotel), adjacent to Taikoo Li Sanlitun North, is being redeveloped into a new retail landmark for global flagship stores. The building was topped out in November 2025 and is expected to open in 2027.

Retail sales and gross rental income at Taikoo Li Chengdu increased by 7% and 5% respectively in 2025, reflecting ongoing renovation and upgrade of anchor flagship stores. Swire Properties continues to reinforce the development as a premium shopping and leisure destination. The development was 97% let at 31st December 2025.

Both retail sales and gross rental income at Taikoo Hui in Guangzhou increased by 2% in 2025, reflecting continuous improvements in the tenant mix. The mall was 100% let at 31st December 2025. Hui Fang (now known as Phase 2 of Taikoo Hui), which is in close proximity to Taikoo Hui shopping mall, is being revamped as a new lifestyle destination to bring customers new experiences in fashion, F&B, social and wellbeing. The revamp is expected to be completed at the end of 2026. Design development of Phase 3 of Taikoo Hui (formerly known as No. 387 Tianhe Road), which is connected to Taikoo Hui shopping mall and was acquired in August 2024, is in progress. This property will be renovated as a luxury retail addition to Taikoo Hui and the refurbishment is expected to be completed from 2027.

Retail sales at INDIGO in Beijing, part of Taikoo Place Beijing, increased by 3% while gross rental income decreased by 2% in 2025, reflecting the disruption caused by the development of new buildings in Taikoo Place Beijing. The mall was 99% let at 31st December 2025.

Retail sales and gross rental income at HKRI Taikoo Hui in Shanghai increased by 50% and 1%, respectively, in 2025, reflecting continued tenant mix improvement despite disruption caused by major structural and reconfiguration works in 2025. The mall was 96% let at 31st December 2025.

Retail sales at Taikoo Li Qiantan in Shanghai grew by 7% while gross rental income decreased by 3% in 2025. The development was 98% let at 31st December 2025.

Office

Demand for office space in Beijing, Shanghai and Guangzhou remained subdued amid ongoing economic uncertainty. In Guangzhou and Shanghai, new supply led to increased vacancy rates. In Beijing, new supply was limited but demand for office space was soft. Swire Properties' gross rental income from office properties in the Chinese Mainland decreased by 4% to HK$363 million in 2025.

The office towers at Taikoo Hui in Guangzhou, ONE INDIGO in Beijing and HKRI Taikoo Hui in Shanghai were 90%, 93% and 93% let, respectively, at 31st December 2025.

Investment Properties under Development

Taikoo Place Beijing is an extension of the existing INDIGO development, comprising approximately 4 million square feet of gross floor area. Designed as an office-led mixed-use development, the project is scheduled to open in phases from late 2026. All buildings have reached superstructure topping-out. Façade, mechanical and electrical installation works for office towers are in progress. The development is being undertaken in partnership with China Life Insurance Company Limited. Swire Properties has a 49.895% interest in this development.

Taikoo Li Xi'an is located at the Small Wild Goose Pagoda historical and cultural zone in the Beilin district of Xi'an and is being developed as a retail-led mixed-use development comprising retail and cultural facilities, a hotel and serviced residences. The estimated gross floor area is approximately 2.9 million square feet and is subject to change. Basement and superstructure works are in progress. The project is expected to be completed in phases from 2027. The development is being conducted in collaboration with Xi'an Cheng Huan Cultural Investment and Development Co., Ltd. Swire Properties has a 70% interest in this development.

Strategically located in the heart of Haitang Bay National Coastal Recreation Park in Sanya, Taikoo Li Sanya is Swire Properties' first-ever resort-style premium retail development including underground parking and other ancillary facilities, with a gross floor area of approximately 2.5 million square feet. In collaboration with China Tourism Group Duty Free Corporation Limited, the development will constitute Phase III of the Sanya International Duty-Free Complex. Basement, superstructure, façade, mechanical and electrical installation works are in progress. The development is expected to be completed in phases from 2026. Swire Properties has a 50% interest in this development.

The New Bund Mixed-use Project is situated within Shanghai's middle-ring road and spans a site area of approximately 686,000 square feet. Located at the intersection of three Shanghai metro lines, the site is adjacent to Taikoo Li Qiantan, Swire Properties' first joint venture development with the Lujiazui group. It is a mixed-use development comprising retail, office and residential components, with an approximate gross floor area of 4.1 million square feet (including retail floor area below ground). The office towers and retail podium have been topped out. Façade and interior fit-out works are in progress. The development is expected to be completed in 2026. Approximately 98% of the total saleable area of the residential towers (Century Summit and Century Heights) was pre-sold at 6th March 2026. Swire Properties has a 40% interest in this development.

Jointly developed with the Lujiazui group, Lujiazui Taikoo Yuan, situated along the Huangpu River and within the inner-ring road in the Pudong district of Shanghai, is being developed into a mixed-use landmark comprising premium residential properties, retail, office and cultural facilities, and a hotel and serviced apartments. The estimated gross floor area is approximately 4.2 million square feet (including retail floor area below ground), subject to relevant planning approval. The office towers of Lujiazui Taikoo Yuan have been topped out. Superstructure works of the retail portion are in progress. Façade and interior fit-out works are also in progress. The development is expected to be completed in phases from 2026. The pre-sale of the second, third and fourth batches of the residential units was launched in May, September 2025, and January 2026, respectively. 225 out of 250 units were pre-sold for the four batches up to 6th March 2026. Swire Properties has a 40% interest in this development.

Swire Properties is collaborating with the Guangzhou Pearl River Enterprises Group to develop the retail portion (Taikoo Li Julong Wan Guangzhou) of a mixed-use development in the Liwan district of Guangzhou, the centre of the Guangzhou-Foshan metropolitan area. The entire development will have an approximate gross floor area of 5.7 million square feet. Swire Properties acquired and leased the retail site, with a gross floor area of approximately 719,000 square feet as of 31st December 2025. This will increase to approximately 1,615,000 square feet, subject to further transaction agreements. Phase 1 of the retail portion of the development, consisting of a range of retail, dining and lifestyle shops, as well as exhibition and event space, was opened progressively in December 2025, while basement and superstructure works for subsequent phases are in progress. The overall development is planned to be completed in phases from 2027. Swire Properties has a 50% interest in the retail portion of this development.

In August 2024, Taikoo Hui Guangzhou acquired a property directly connected to the Taikoo Hui shopping mall to form Phase 3 of Taikoo Hui (formerly known as No. 387 Tianhe Road). The building has an approximate gross floor area of 655,000 square feet and will be renovated to become a luxury retail extension of the shopping mall. Design development is in progress and the refurbishment is expected to be completed from 2027. Swire Properties has a 97% interest in this property.

Others

In 2021, Swire Properties formed a joint venture management company with Shanghai Jing'an Real Estate (Group) Co., Ltd. This company, in which Swire Properties has a 60% interest, is engaged in the revitalisation and management of the ZHANGYUAN shikumen compound in the Jing'an district of Shanghai. When the revitalisation is completed, the compound will have a gross floor area (including car parking spaces) of 673,871 square feet above ground and 956,949 square feet underground. The compound comprises over 40 shikumen blocks with approximately 170 two or three-storey houses, and is connected to three metro lines and to HKRI Taikoo Hui. The first phase (the West zone) was completed and opened in November 2022. Construction and renovation works for the second phase (the East zone) are in progress. The second phase is planned to be completed and opened by phases from 2026. Swire Properties does not have an ownership interest in the compound.

USA

Brickell City Centre is an urban mixed-use development in the Brickell financial district of Miami, USA which comprises a shopping centre and car parking spaces, two office towers (Two and Three Brickell City Centre, which were sold in 2020), a hotel with serviced apartments (EAST Miami, which was sold in 2021) managed by Swire Hotels and two residential towers (Reach and Rise) developed for sale. All the residential units at Reach and Rise have been sold.

Swire Properties owned 62.93% of the shopping centre at the Brickell City Centre development, with a leasable area of approximately 500,000 square feet, at 1st January 2025. In January 2025, BHS exercised its option to sell its 12.07% interest of the shopping centre to Swire Properties, which was completed in April 2025, for a consideration of US$73.5 million. A gain was recorded on the derecognition of the corresponding put option liability. Following the acquisition, Swire Properties' interest in the Brickell City Centre shopping centre increased to 75%, with SPG holding a 25% interest.

In June 2025, Swire Properties completed the disposal of its 75% interest in the shopping centre, and its entire interest in the car parking spaces and certain shared facilities to SPG for a total consideration of up to US$548.7 million, of which up to US$36.1 million will be payable as a contingent consideration at a later date. The amount of the contingent consideration is subject to the satisfaction of certain conditions.

Retail sales and gross rental income, up to the date of disposal of the shopping centre in late June 2025, increased by 4% and 7%, respectively, compared to the same period in 2024, reflecting an improved tenant mix and higher opening rate.

Additionally, Swire Properties completed the sale of the Brickell City Centre land which is adjacent to the shopping centre, with an approximate gross floor area of 1.5 million square feet, for a consideration of approximately US$211.5 million in May 2025. The land had previously been held for development.

Lease Expiry Profile – at 31st December 2025

% of the gross rental income attributable to Swire Properties for the month ended 31st December 2025	2026	2027	2028 and later
Hong Kong office	7.6%	20.0%	72.4%
Hong Kong retail	21.5%	28.2%	50.3%
Chinese Mainland office	10.4%	26.7%	62.9%
Chinese Mainland retail	31.0%	29.1%	39.9%

VALUATION OF INVESTMENT PROPERTIES

The portfolio of investment properties was valued at 31st December 2025 on the basis of market value, with 99% by value having been valued by Cushman & Wakefield Limited. The amount of this valuation (which excludes properties occupied by the subsidiary companies of the Group) was HK$267,662 million, compared to HK$270,835 million at 31st December 2024.

The decrease in the valuation of the investment property portfolio primarily reflected a reduction in the fair value of the office investment properties in Hong Kong and disposal of investment properties, partly offset by the additions in 2025 and a foreign exchange translation gain in respect of the investment properties in the Chinese Mainland. The reduction of 12.5 basis points in the capitalisation rates of certain office investment properties in Hong Kong lessened the fair value loss.

Under HKAS 40, hotel properties are not accounted for as investment properties. The hotel buildings are included within property, plant and equipment. The leasehold land is included within right-of-use assets. Both are recorded at cost less accumulated depreciation or amortisation and any provision for impairment.

HOTELS

In comparison with 2024, the overall performance of managed hotels in Hong Kong and the Chinese Mainland improved, reflecting higher occupancy and revenue per available room on average across the portfolio. The operating result of the managed hotel in the USA was strong. The managed hotels (including restaurants and hotel management office) recorded an operating profit before depreciation of HK$60 million in 2025, compared with HK$17 million in 2024.

The Upper House in Hong Kong, The Temple House in Chengdu and The Middle House in Shanghai were renamed as Upper House Hong Kong, Upper House Chengdu and Upper House Shanghai, respectively.

Swire Hotels has confirmed its expansion plan to open five new hotels; in Tokyo in Japan, and Beijing, Shenzhen, Shanghai and Xi'an in the Chinese Mainland.

Profile of Capital Commitments for Investment Properties and Hotels

	Expenditure	Forecast expenditure				Total commitments[(i)]	Commitments relating to joint venture companies[(ii)]
	2025	2026	2027	2028	2029 and later	**At 31st December 2025**	**At 31st December 2025**
	HK$M	HK$M	HK$M	HK$M	HK$M	**HK$M**	**HK$M**
Hong Kong	**1,079**	810	382	508	9,403	**11,103**	**37**
Chinese Mainland	**3,064**	7,575	6,022	2,107	2,646	**18,350**	**9,748**
USA	**24**	-	-	-	-	**-**	**-**
Total	**4,167**	8,385	6,404	2,615	12,049	**29,453**	**9,785**

Notes:

(i) The capital commitments (including those authorised by directors but not contracted for) represent Swire Properties' capital commitments of HK$19,668 million plus Swire Properties' share of the capital commitments of joint venture companies of HK$9,785 million.

(ii) Swire Properties is committed to provide funding of HK$1,217 million of the capital commitments of joint venture companies.

PROPERTY TRADING

Hong Kong

EIGHT STAR STREET at 8 Star Street, Wan Chai is a residential building (with retail outlets on the lowest two levels) of approximately 34,000 square feet. The occupation permit was obtained in May 2022. 36 out of 37 units had been sold at 6th March 2026. Sales of 36 units had been recognised up to 31st December 2025, with one sale in 2025.

A joint venture formed by Swire Properties, Kerry Properties Limited and Sino Land Company Limited is undertaking a residential development, LA MONTAGNE, in Wong Chuk Hang. This development comprises two residential towers (Phases 4A and 4B) with an aggregate gross floor area of approximately 638,000 square feet and 800 residential units. The occupation permit and consent to assign were obtained in November 2024 and May 2025, respectively. Pre-sales of Phase 4A started in July 2023. 353 out of 432 units had been sold at 6th March 2026. Sales of 289 units had been recognised in 2025. Handover of units to purchasers commenced in June 2025. Swire Properties has a 25% interest in the joint venture.

Originally comprised of six three-storey semi-detached houses at 6 Deep Water Bay Road, the site has been redeveloped into two houses with an aggregate gross floor area of approximately 15,000 square feet. The occupation permit was obtained in April 2025. Both houses were sold in December 2025 and handed over to the buyer in March 2026.

In 2021, a project company held 80% by Swire Properties and 20% by China Motor Bus Company, Limited completed a land exchange with the HKSAR Government in respect of a plot of land in Chai Wan. The plot of land is being redeveloped into THE HEADLAND RESIDENCES, a residential complex (with retail outlet) with an aggregate gross floor area of approximately 694,000 square feet. Superstructure works are in progress at the Phase 2 site. The occupation permit for Phase 1 was obtained in August 2025 while the development of Phase 2 is expected to be completed in the second quarter of 2026. Pre-sales of the first batch started in September 2025. 143 out of 300 launched units in Phase 1 had been pre-sold at 6th March 2026.

In June 2022, Swire Properties acquired (via a government land tender) a plot of land at 269 Queen's Road East in Wan Chai. The site is being developed primarily for residential use with an aggregate gross floor area of approximately 116,000 square feet. Superstructure works are in progress. The development is expected to be completed in 2027.

In 2018, a joint venture company in which Swire Properties holds a 50% interest submitted a compulsory sale application in respect of the sites at 983-987A King's Road and 16-94 Pan Hoi Street in Quarry Bay. In October 2023, the joint venture company obtained full ownership of the sites. Foundation works are in progress. The sites will be redeveloped for residential and retail use with a gross floor area of approximately 455,000 square feet. The development is expected to be completed in 2028.

Chinese Mainland

In November 2023, Swire Properties completed the acquisition of a 40% equity interest in two landmark developments from the Lujiazui group (Shanghai New Bund Mixed-use Project and Lujiazui Taikoo Yuan in Shanghai's Pudong New Area). These two developments include residential components: Century Summit and Century Heights within the New Bund Mixed-use Project, and Lujiazui Taikoo Yuan Residences within the Lujiazui Taikoo Yuan project.

The residential towers have been topped out and façade and interior fit-out works are in progress at Century Summit and Century Heights. Approximately 98% of the total saleable area had been pre-sold at 6th March 2026, with an expected completion date in 2026.

Lujiazui Taikoo Yuan Residences is Swire Properties' flagship residential project in the Chinese Mainland, situated along the Huangpu River and within the inner-ring road in the Pudong district of Shanghai. The pre-sales of the second, third and fourth batches of 57, 83 and 60 residential units in Lujiazui Taikoo Yuan Residences started in May 2025, September 2025, and January 2026 respectively. 225 out of the total 250 units had been pre-sold for all four batches up to 6th March 2026. The remaining units are expected to launch progressively in 2026. The superstructure was topped out in September 2025 while façade and interior fit-out works are in progress, with an expected completion date from 2026 onwards.

Indonesia

In 2019, a joint venture between Swire Properties and Jakarta Setiabudi Internasional Group completed the acquisition of a plot of land in South Jakarta. The land has been developed into a residential project with an aggregate gross floor area of approximately 1,123,000 square feet. The development, named Savyavasa, comprises around 400 residential units across 3 towers. The SLF certificate (Indonesian Occupation Permit) was received in the fourth quarter of 2025. Handover of units to buyers has begun. Swire Properties has a 50% interest in the joint venture company. 184 units, including all units in tower 1, had been sold at 6th March 2026.

Vietnam

In 2021, Swire Properties made a minority investment in Empire City, a residential-led mixed-use development (with residential, retail, office, hotel and serviced apartment components) in Ho Chi Minh City. The development is under construction and is expected to be completed in phases up to 2031. Swire Properties invested in the development through an agreement with Gaw Capital Partners, an existing participant in the development. Nearly all of the launched residential units or 53% of the total units of the whole project had been sold at 6th March 2026.

Thailand

In February 2023, Swire Properties acquired a 40% interest in a site located on Wireless Road in the Lumphini sub-district in Pathum Wan district, Bangkok. In partnership with City Realty Co. Ltd., the site is under construction for residential purposes with a site area of approximately 136,000 square feet. The Environmental Impact Assessment was approved in February 2025 and substructure works are in progress. The development comprises two towers named Upper House Residences Bangkok and The Wireless Residences by Upper House with approximately 156 and 239 residential units, respectively, to be completed from 2029. VIP sales have commenced, along with the opening of the sales gallery in Bangkok.

USA

Pre-sales for The Residences at The Mandarin Oriental, Miami, a luxury residential and hospitality project (which is currently under planning), were launched in 2024. The development will consist of two towers on Brickell Key. The first tower will comprise luxury private residences. The second tower will comprise a new Mandarin Oriental hotel as well as private residences and hotel residences. The existing Mandarin Oriental hotel closed in May 2025 and is scheduled for demolition in the second quarter of 2026 to allow construction of the new development to begin.

In July 2025, Swire Properties completed the sale of the North Squared site in Brickell, Miami with an approximate gross floor area of 523,000 square feet.

OUTLOOK

Hong Kong's office market has gained renewed momentum in recent months, underpinned by an active IPO market and improved sentiment in the financial sector. Increased leasing activity has been driven by incremental expansion of existing tenants and the 'flight-to-quality' trend, as tenants take advantage of favourable market conditions to upgrade their premises. This has contributed to a gradual decline in office vacancy rates, while rents have remained largely stable since the fourth quarter of 2025. Following the early and gentle recovery of office sentiment led by the Central district, Pacific Place has seen an uptick in leasing activity. While Taikoo Place, recognised for its sustainability credentials and a proven track record in placemaking and tenant engagement, continues to operate in a highly competitive environment, it remains well-positioned to attract premium occupiers seeking high-specification office buildings.

Across the Chinese Mainland, soft demand and new supply are expected to increase office vacancy levels in 2026. In Shanghai, new supply and existing vacant stock will continue to put pressure on rents. In Guangzhou, new supply, particularly in decentralised areas, is set to weigh on rents as demand remains weak. In Beijing, despite limited new supply, demand remains weak and rents are still expected to stay under pressure as vacancies increase. While sentiment remains cautious, amid economic uncertainty, our high-quality and well-managed office portfolio is well positioned to capture demand from the ongoing 'flight-to-quality' trend.

Despite the positive impact of a rising stock market, ongoing shifts in consumer shopping behaviour are expected to intensify competition between physical and online retail channels in Hong Kong. Retailers are likely to maintain prudent and strategic approaches amid market uncertainties, given ongoing concerns about returns on capital expenditure and increasing operating costs. The gradual recovery of inbound tourism, together with a robust calendar of international events and conferences, is anticipated to stimulate demand across Hong Kong's retail and F&B sectors. Supported by continuous trade mix upgrades, strong and dynamic marketing and promotional campaigns, and loyalty programme initiatives, footfall and sales performance at Swire Properties' malls are expected to remain resilient.

The retail market in the Chinese Mainland has shown signs of improved momentum and sentiment supported by a series of expanded stimulus packages issued by the government and technological advancement that is attracting investment and increasing spending. The retail sector is expected to gradually build momentum with further developments, whilst retailers maintain a cautiously positive outlook in the medium to long-term. Several segments, including lifestyle, leisure and sports, have gained traction, demonstrating the potential to drive new consumer demand and highlighting the importance of maintaining a diverse range of high-quality brands across our portfolios. Retailers, although more selective, are actively seeking high-quality retail spaces to expand and focus on offering unique experiences, special concepts and customer engagement, emphasising the importance of the unique positioning, brand mix and premium services across our portfolios. The market is in a transition phase, shaped by new consumer values towards experiences.

Market demand for retail space is expected to remain cautious in 2026. While luxury retailers are likely to be conservative with expansion plans, demand for high-quality retail space in key locations with high potential and experiential concepts such as Beijing, Chengdu and Shanghai where Swire Properties operates, is expected to continue. In Guangzhou, demand for space from luxury brands is expected to remain steady. Overall, demand from goldsmith, sports and leisure brands is expected to increase.

In Hong Kong, residential sales have been gradually improving, supported by recent interest rate cuts and the relaxation of mortgage measures. However, market confidence and sentiment are expected to take some time to recover following the end of the interest rate hike cycle. Demand is expected to improve in the medium to long term, driven by local buyers and an increase in demand from Chinese Mainland buyers.

The market for high-quality residential developments in prime locations of Tier-1 cities in the Chinese Mainland is expected to remain strong in the near term. Premium projects in Shanghai achieved robust sales, as evidenced by the successful launches of the second, third and fourth batches of Lujiazui Taikoo Yuan Residences in May, September 2025 and January 2026, despite increased supply in the second half of 2025. The outlook for Beijing and Shanghai's luxury residential market is anticipated to be stable in the long term.

Urbanisation, a rising middle class and a limited supply continue to support luxury residential demand in South East Asia. Markets such as Jakarta, Ho Chi Minh City and Bangkok are expected to improve. Despite some market uncertainty, outlook for the luxury residential market in Miami remains robust. Florida remains an attractive destination for USA and international homebuyers due to its favourable climate and tax regime, as well as its location as a gateway city to and from Latin America.

The hotel business in Hong Kong is expected to remain competitive in 2026, despite early signs of improvement in room demand. The hotel business in the Chinese Mainland is expected to remain stable in 2026 while the managed hotel in the USA is expected to perform well in 2026. Swire Properties is expanding its hotel management business, with a focus on extending its hotel brands in Asia Pacific through hotel management agreements.

Tim Blackburn

BEVERAGES DIVISION

Swire Coca-Cola holds exclusive rights to manufacture, market and distribute Coca-Cola products across 11 provinces and Shanghai in the Chinese Mainland, as well as Hong Kong, Taiwan, Vietnam, Cambodia, Laos and most of Thailand. It also provides management and administrative support services to Swire Pacific Holdings Inc. (doing business as Swire Coca-Cola, USA (SCCU)).

Swire Coca-Cola operates nine wholly-owned franchise businesses (in Hong Kong, Taiwan and several Chinese Mainland provinces and cities) and nine non-wholly-owned franchises (in additional Chinese Mainland provinces plus Vietnam, Cambodia, Thailand and Laos). It also owns six subsidiaries supplying still beverages in the Chinese Mainland and holds a joint venture in Shanghai (Shanghai Shen-Mei). On 27th February 2026, it sold a 30% stake in its Vietnam franchise to the owner of its Thailand franchise, ThaiNamthip Corporation Public Company Limited (TNCC).

At the end of 2025, Swire Coca-Cola manufactured 41 beverage brands and distributed them to a franchise population of 911 million people in franchise territories wholly and partly owned, while SCCU manufactured 31 beverage brands and distributed to a franchise population of 32 million people.

	Franchise population (millions) (end of 2025)	GDP per capita (US$)	Sales volume (million unit cases)		Per capita consumption of Coca-Cola beverages (8-oz servings)	
			2025	2015	**2025**	2015
Chinese Mainland	**695.7**	**15,868**	**1,386**	836	**48**	48
Hong Kong	**7.5**	**55,544**	**59**	65	**189**	213
Taiwan	**23.3**	**38,360**	**71**	56	**73**	57
Vietnam(ii)	**102.3**	**4,773**	**143**	N/A	**34**	N/A
Cambodia(ii)	**17.8**	**2,170**	**27**	N/A	**36**	N/A
Thailand(ii)	**56.3**	**7,942**	**340**	N/A	**145**	N/A
Laos(ii)	**8.0**	**2,174**	**11**	N/A	**33**	N/A
	910.9		**2,037**	957		
USA (managed by Swire Coca-Cola)	**31.5**	**67,064**	**333**	126	**253**	270
	942.4		**2,370**	1,083		

Notes:

(i) A unit case comprises 24 8-ounce servings.

(ii) The acquisitions of these franchise businesses were completed after 2015. Accordingly, the sales volume and per capita consumption information in 2015 are not applicable.

STRATEGY:

As one of the world's top five Coca-Cola bottlers, Swire Coca-Cola's purpose is to refresh consumers while delivering long term, sustainable value for our shareholders. We pursue this objective through the following strategic priorities:

Balanced Portfolio

Our business model focuses on the manufacturing, marketing and distribution of The Coca-Cola Company's portfolio of non-alcoholic ready to drink beverages. Our balanced portfolio spans sparkling beverages, hydration, tea, coffee, juice, energy and sports drinks, with a growing proportion of low and no sugar offerings to meet evolving consumer preferences.

Focus on Greater China and South East Asia

We operate across Greater China and four South East Asian markets. We are focused on sustained growth in the Chinese Mainland market. In South East Asia we will increase our presence through targeted investment, capability building and selective market opportunities.

Operational Excellence

We are committed to best in class marketplace execution and operational excellence, underpinned by a relentless focus on productivity improvement. Continuous improvement in manufacturing, planning and logistics enables us to enhance service levels, optimise capacity and drive cost efficiency.

Sustainable Margin Growth

We apply disciplined revenue growth management across our markets. We are scaling digital, data and analytics capabilities to strengthen demand sensing, route optimisation and predictive maintenance, while equipping frontline teams with real time execution tools. We maintain a rigorous cost transformation programme to protect margins and fund future growth.

Safety & Sustainability

The safety of our people is of utmost importance. Safety, and sustainability, are embedded across our operations and decision making. Our priorities include reducing carbon intensity, advancing water stewardship, accelerating circular packaging initiatives, and strengthening safety performance, people development and community engagement.

2025 BEVERAGES DIVISION PERFORMANCE

Beverages Division - Financial Highlights

	2025 HK$M	2024 HK$M
Revenue	**41,976**	36,609
EBITDA[(i)]	**4,746**	5,030
Operating profit derived from		
Operating activities	**2,138**	1,972
Non-recurring items[(i)]	**(187)**	769
Total operating profit[(i)]	**1,951**	2,741
Share of post-tax profits from joint venture and associated companies	**82**	223
Attributable profit (excluding non-recurring item)	**1,390**	1,388
Acquisition of TNCC	**(72)**	651
Attributable profit (including non-recurring item)	**1,318**	2,039

Beverages Division - Segment Financial Highlights

	Revenue		EBITDA[(i)]		Attributable Profit	
	2025 HK$M	2024 HK$M	**2025 HK$M**	2024 HK$M	**2025 HK$M**	2024 HK$M
Chinese Mainland	**25,001**	25,234	**2,867**	2,764	**846**	839
Hong Kong	**2,483**	2,446	**437**	388	**201**	177
Taiwan	**2,455**	2,353	**266**	261	**119**	126
Vietnam and Cambodia	**3,867**	4,338	**395**	502	**152**	235
Thailand and Laos						
Operating activities	**8,157**	2,233	**1,121**	584	**223**	265
Non-recurring items	**-**	-	**(187)**	762	**(72)**	651
	8,157	2,233	**934**	1,346	**151**	916
Net central costs and others	**13**	5	**(153)**	(231)	**(151)**	(254)
Operating activities	**41,976**	36,609	**4,933**	4,268	**1,390**	1,388
Non-recurring items	**-**	-	**(187)**	762	**(72)**	651
Swire Coca-Cola	**41,976**	36,609	**4,746**	5,030	**1,318**	2,039

Accounting for Swire Coca-Cola

For the years ended 31st December 2025 and 31st December 2024, all the wholly and partly-owned franchise businesses were accounted for as subsidiaries in the financial statements of Swire Pacific other than the division's joint venture interest in the Coca-Cola bottling unit of Shanghai Shen-Mei Beverage and Food Co., Ltd. which was accounted for using the equity method of accounting as a single line-item in the consolidated statement of profit or loss. The franchise businesses in Thailand and Laos were accounted for as joint ventures with equity method of accounting between 9th February and 30th September 2024. After that, they were accounted for as subsidiaries. Revenue shown above includes the revenue from those franchise businesses accounted for as subsidiaries. EBITDA and the attributable profit figures shown above comprise the EBITDA and attributable profits of all franchise businesses.

Note:

(i) Tax payments relating to the pre-acquisition period of certain bottling businesses are recoverable from third parties and therefore have no net impact on attributable profit. The 2025 EBITDA and operating profit figures shown above exclude HK$107 million relating to these recoveries.

Beverages Division - Segment Performance

	Note	Chinese Mainland	Hong Kong	Taiwan	Vietnam and Cambodia	Thailand and Laos(iv)	Swire Coca-Cola(iv)
		Percentage Change in 2025					
Active Outlets		-2%	-2%	-2%	-12%	10%	0%
Revenue	(i)	1%	2%	0%	-11%	253%	14%
Sales Volume	(ii)	0%	-3%	-1%	-7%	251%	13%
Gross Profit per unit case		-1%	9%	3%	-7%	0%	0%

EBITDA Margin	(iii)	Chinese Mainland	Hong Kong	Taiwan	Vietnam and Cambodia	Thailand and Laos(iv)	Swire Coca-Cola(iv)
2025		11.7%	18.1%	11.9%	11.5%	14.5%	12.6%
2024		11.5%	16.6%	12.6%	13.2%	18.6%	12.5%
EBIT Margin	(iii)						
2025		5.6%	9.2%	7.4%	4.8%	7.6%	6.2%
2024		5.6%	8.6%	8.5%	7.7%	13.6%	6.7%

Notes:

(i) Revenue for Swire Coca-Cola, including that of Shanghai Shen-Mei and excluding sales to other bottlers, was HK$43,190 million (2024: HK$37,932 million).

(ii) The sales volume for the Chinese Mainland shown in the table above represents sales in 13 franchise territories.

(iii) (a) EBITDA and EBIT for Swire Coca-Cola (including that of Shanghai Shen-Mei and excluding non-recurring items and central costs and others) were HK$5,425 million (2024: HK$4,751 million) and HK$2,671 million (2024: HK$2,534 million) respectively.

(b) EBITDA margin and EBIT margin represent EBITDA and EBIT expressed as percentages of revenue (which includes that of Shanghai Shen-Mei and excludes sales to other bottlers).

(iv) The 2024 figures of Thailand and Laos used in the calculation of percentage changes and margins represent the results from 1st October to 31st December 2024 as the franchise businesses in Thailand and Laos became subsidiaries on 30th September 2024.

2025 RESULTS SUMMARY

Swire Coca-Cola made an attributable profit of HK$1,318 million in 2025. This included a non-recurring exchange loss of HK$72 million. Attributable profit in 2024 included non-recurring gains of HK$651 million, mainly due to an exchange gain and the remeasurement of Swire Coca-Cola's equity interests to fair value when the franchises in Thailand and Laos became subsidiaries. Excluding non-recurring items in both years, the recurring attributable profit in 2025 was HK$1,390 million, which was similar to 2024.

Our 2025 results were impacted by a range of challenges across the region. In the Chinese Mainland, disruptions to traditional distribution channels, driven by aggressive subsidies from food delivery platforms, placed significant pressure on revenue growth. In Vietnam and Thailand, increased competition and weak consumer sentiment weighed on overall results. Thailand was particularly affected by a significant decline in tourism.

Despite these challenges, total revenue (including that of Shanghai Shen-Mei and excluding sales to other bottlers) increased by 14% to HK$43,190 million. Sales volume increased by 13% to 2,037 million unit cases. The increase in revenue was mainly due to the full-year contribution from TNCC which became a subsidiary on 30th September 2024. Revenue grew in the Chinese Mainland by 1% in local currency terms despite sales volume being in line with 2024, due to effective pricing management across the region and better category mix. Volume dropped by 3% in Hong Kong, although revenue increased by 2%. Both revenue and volume declined in Vietnam and Cambodia; revenue fell by 7% in Vietnam and 11% in Cambodia, while volume fell by 8% in Vietnam and 2% in Cambodia. Local initiatives are being implemented to drive growth in the sparkling category, specifically with a focus on affordable recruitment packs for the Vietnam and Thailand markets.

EBITDA (including that of Shanghai Shen-Mei and excluding non-recurring items, and central and other costs) increased by 14% to HK$5,425 million. The EBITDA margin increased from 12.5% to 12.6%.

In 2025, Swire Coca-Cola continued to make significant investments in production assets, logistics infrastructure, merchandising equipment and digital capabilities. The new plants in Vietnam and Zhengzhou commenced operations in July and October, respectively. Capital commitments at 31st December 2025 were HK$3,623 million (including share of the capital commitments of joint venture companies and those authorised by directors but not contracted for).

Chinese Mainland

Attributable profit from the Chinese Mainland was HK$846 million in 2025, a 1% increase from 2024.

Revenue (including that of Shanghai Shen-Mei and excluding sales to other bottlers) increased by 1% in local currency terms. Sparkling and energy drinks revenue increased by 2% and 49% respectively. Tea and juice revenue decreased by 24% and 3% respectively with strong competition noted in the tea category. Total sales volume was consistent with 2024.

Revenue performance was impacted by a continued structural shift in the market channel mix, and heightened competitive activity, including aggressive promotional subsidies by food delivery platforms for ready-to-drink beverages, particularly during the third quarter of 2025. In response, commercial initiatives were launched to improve the route-to-market model, strengthen commercial capabilities, and enhance cost efficiency. These actions contributed to revenue growth in local currency terms, including better per-unit pricing in the core sparkling category.

EBITDA and EBIT (including that of Shanghai Shen-Mei and excluding central and other costs) increased by 2% and 1% in local currency terms respectively. The increase in revenue was partly offset by a general increase in operating expenses and raw material costs. The EBITDA margin increased from 11.5% to 11.7%, while the EBIT margin remained unchanged at 5.6%.

Hong Kong

Attributable profit from Hong Kong in 2025 was HK$201 million, a 14% increase from 2024, mainly due to improved revenue driven by a favourable product mix.

Revenue (excluding sales to other bottlers) increased by 2%. Sparkling, juice and coffee revenue increased by 1%, 23% and 13% respectively. Tea and water revenue decreased by 2% and 4% respectively. Total sales volume decreased by 3%.

EBITDA and EBIT (excluding central and other costs) increased by 12% and 9% respectively. The increase in revenue and lower raw material costs were partly offset by higher operating expenses and depreciation charges.

The EBITDA margin increased from 16.6% in 2024 to 18.1% in 2025. The EBIT margin increased from 8.6% to 9.2%.

Taiwan

Attributable profit from Taiwan in 2025 was HK$119 million, a 6% decrease from 2024.

Revenue in local currency terms was flat compared to 2024. Sparkling revenue decreased by 3%. Still revenue increased by 2%, driven by growth in coffee and energy drinks revenue which grew by 23% and 10% respectively. Total sales volume decreased by 1%.

EBITDA and EBIT (excluding central and other costs) decreased by 6% and 13% in local currency terms respectively. Operating expenses increased, mainly due to costs associated with a capacity enhancement project at the Taoyuan bottling plant, together with higher depreciation charges. Attributable results were positively affected by favourable exchange rate movements.

The EBITDA margin decreased from 12.6% in 2024 to 11.9% in 2025. The EBIT margin decreased from 8.5% to 7.4%.

Vietnam and Cambodia

Attributable profit from Vietnam and Cambodia in 2025 was HK$152 million, a decrease of 35% from 2024, principally due to the difficult operating environment.

Revenue decreased by 11% from 2024 in Hong Kong dollar terms due to unfavourable exchange rate movements, a general contraction of the beverages industry, with a pronounced decline in the sparkling segment, and intense market competition. Performance was further affected by disruptions to wholesale and distributor channels due to an increased compliance burden associated with new tax regulations in Vietnam.

Sparkling revenue decreased by 16%. Energy drinks, water and tea revenues increased by 22%, 24% and 2% respectively. Total sales volume decreased by 7%. In response, management has re-focused on driving sparkling category growth through an aggressive recruitment strategy, including smaller entry packs, while optimising the cost structure to reflect current demand levels, ensuring the business is well positioned to benefit from any market recovery.

EBITDA and EBIT (excluding central and other costs) decreased by 22% and 45% respectively. As well as the decrease in revenue, the results were adversely affected by the depreciation of the Vietnamese Dong, the reduction in effective shareholding in the franchise business in Cambodia following the disposal of a 30% equity interest to TNCC in December 2024, and expenses relating to the relocation of the Ho Chi Minh City plant. Lower operating expenses partly offset these negative factors.

The EBITDA margin decreased from 13.2% in 2024 to 11.5% in 2025. The EBIT margin decreased from 7.7% to 4.8%.

Thailand and Laos

Attributable profit for Thailand and Laos was HK$151 million in 2025. Excluding a non-recurring exchange loss of HK$72 million on the retranslation of cash balances, the attributable profit would be HK$223 million. Disregarding the non-recurring items in both years, the recurring profit decreased by 16% (noting the results of Thailand and Laos in 2024 reflect our 39% share from 9th February to 30th September 2024 and 55.7% share thereafter). Revenue was HK$8,157 million. EBITDA and EBIT (excluding non-recurring items, and central and other costs) were HK$1,159 million and HK$603 million respectively. The EBITDA margin decreased from 18.6% in 2024 to 14.5% in 2025. The EBIT margin decreased from 13.6% to 7.6%.

The Thailand market was affected by intensified competition and economic contraction during the year, primarily driven by a significant decline in tourism, which weighed on domestic consumption.

In this uncertain macroeconomic environment, management is focused on maintaining operational flexibility and cost discipline, while continuing to prepare the business for improved conditions as the economic outlook stabilises.

Update on Proposed Spin-off and Separate Listing of Thailand Franchise Business

On 9th February 2024, Swire Coca-Cola entered into an agreement to acquire a majority stake in TNCC. The acquisition was completed in two phases in 2024. As part of this transaction, a put option was granted to certain individual shareholders of TNCC. This gave them an option to sell certain additional shares in TNCC to Swire Coca-Cola in the event shares in TNCC are listed on a stock exchange in the future. The exact number of shares to be sold and the exercise price will be determined by reference to the circumstances at the time of exercise (if any).

On the same date, TNCC conditionally agreed to acquire a 30% interest in the franchise businesses in Cambodia and Vietnam. The disposal of the 30% equity interest in the franchise business in Cambodia was completed in December 2024, while the disposal of the 30% interest in the franchise business in Vietnam was completed on 27th February 2026.

Swire Pacific submitted a spin-off application to The Stock Exchange of Hong Kong Limited (the Hong Kong Stock Exchange) pursuant to Practice Note 15 (PN15) to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the Listing Rules) in relation to the proposed spin-off and separate listing on the Stock Exchange of Thailand (SET) of TNCC. The Hong Kong Stock Exchange has confirmed that the Company may proceed with the proposed spin-off under PN15 of the Listing Rules. On 6th May 2025, TNCC submitted a listing application to each of the Securities and Exchange Commission, Thailand (SEC) and the SET for the listing and public offering of its shares. The SET has provided an approval in principle. The registration statement and the draft prospectus have been made available for public review in accordance with local regulatory requirements. The potential listing is intended to create a separately listed Thai entity which would remain a non-wholly owned subsidiary of Swire Coca-Cola. The potential listing is subject to, among other things, final regulatory approval, market conditions and the decisions of the boards of directors of the Company and TNCC.

USA

Following the disposal of SCCU in 2023, Swire Coca-Cola continues to provide management and administrative support services to SCCU. The management fee for 2025 was HK$171 million, an increase of 2% from 2024.

OUTLOOK

The introduction of a simpler regional management structure and the appointment of a Chief Operating Officer in December 2025 are expected to accelerate decision-making and enhance our ability to respond to market opportunities, supporting sustainable long-term growth.

Consumer spending in the Chinese Mainland showed signs of improvement in the fourth quarter of 2025, and this momentum is expected to continue in 2026. In response to ongoing structural changes in the channel mix, especially with the rapid expansion of food delivery platforms and e-commerce, we are strengthening our route-to-market approach and enhancing our commercial execution across the emerging channels. The business remains focused on driving sustainable growth through continued emphasis on the sparkling category, alongside more targeted investment in e-commerce capabilities and other new channels. These actions build on previous efforts to improve market coverage, pricing and execution quality, supported by disciplined revenue growth management and cost management. In addition, the commissioning of new production facilities and accelerated placement of cold drink equipment will boost capacity and competitiveness, helping us manage disruptions and support growth in the year ahead.

In Hong Kong, although the operating environment remains challenging, we are focusing on enhancing execution excellence, optimising our distribution model, and improving both production and logistics efficiency to drive stronger performance.

Sales and operations in Taiwan are expected to grow, driven by the development of consumer-recruitment packs, innovation in new product offerings, and continued initiatives to build consumption occasions. Despite ongoing raw material cost inflation, the business is expected to deliver profit growth.

In Vietnam, notwithstanding headwinds from exchange rate volatility and rising raw material costs, the business will continue to prioritise sparkling revenue growth and cost-efficiency initiatives to sustain profitability and strengthen our market presence. In Cambodia, volume growth is expected to help offset higher raw material prices and operational costs.

In Thailand, although the operating environment remains competitive and broader macroeconomic conditions uncertain, our commercial initiatives are beginning to deliver positive results. Continued focus on channel competitiveness, disciplined revenue management, and productivity improvements will support performance as the market conditions gradually stabilise.

We remain confident that despite the near-term challenges across South East Asia, the favourable demographic trends and underlying economic fundamentals of this fast-growing region, combined with our ongoing investments, will drive incremental and long-term growth for Swire Coca-Cola. Our diversified regional footprint continues to strengthen our ability to execute effectively and capitalise on our growth strategy.

Karen So

REVIEW OF OPERATIONS

AVIATION DIVISION

The Aviation Division comprises an associate interest in the Cathay group and the wholly-owned Hong Kong Aircraft Engineering Company (HAECO) group. As at 31st December 2025, Swire Pacific Limited held a 43.09% interest in the Cathay group.

The Cathay group
Cathay Pacific Airways Limited (Cathay Pacific Airways) is listed on The Stock Exchange of Hong Kong Limited. The Cathay group includes Cathay Pacific Airways (which provides passenger services by Cathay Pacific, and freighter services by Cathay Cargo), Hong Kong Express Airways Limited (HK Express) and AHK Air Hong Kong Limited (Air Hong Kong) and associate interests in Air China Limited (Air China) and Air China Cargo Co., Ltd. (Air China Cargo). The Cathay group also has interests in companies providing flight catering and passenger and ramp handling services, and owns and operates a cargo terminal at Hong Kong International Airport.

At 31st December 2025, Cathay Pacific and HK Express offered scheduled passenger services to more than 100 destinations worldwide. Cathay Cargo offered scheduled freighter services to 41 destinations worldwide, in addition to utilising belly capacity on the Cathay group's passenger flights. There were also codeshare agreements in relation to 176 passenger destinations. At 31st December 2025, Cathay Pacific Airways had 179 aircraft and had ordered 85 new aircraft for future delivery.

HK Express is a low-cost airline based in Hong Kong and offers scheduled services within Asia. At 31st December 2025, it had 44 aircraft and had ordered 18 new aircraft for future delivery.

Air Hong Kong operates express cargo services for DHL Express to 17 cities in Asia, the Middle East, Europe and Australia. At 31st December 2025, Air Hong Kong operated 14 freighters.

As at 31st December 2025, the Cathay group owned 15.09% of Air China, the national flag carrier and a leading provider of passenger, cargo and other airline-related services in the Chinese Mainland. Air China Cargo, in which the Cathay group owns an equity and an economic interest totalling 21.01%, is the leading provider of air cargo services in the Chinese Mainland.

The Cathay group employed more than 33,000 people (approximately 85% of them in Hong Kong) at 31st December 2025.

The HAECO group
The HAECO group provides aviation maintenance and repair services. Its primary activities are aircraft maintenance and modification work in Hong Kong (by HAECO Hong Kong) and in Xiamen (by HAECO Xiamen), on-wing and off-wing engine support, and engine overhaul work in Hong Kong (by HAECO's 50% joint venture company, HAESL) and in Xiamen (by HAECO Engine Services (Xiamen)).

The HAECO group has subsidiaries and joint venture companies in the Chinese Mainland which offer a range of aircraft engineering services.

HAECO is a wholly-owned subsidiary of Swire Pacific.

STRATEGY:

The strategic objective of Cathay Pacific Airways (as a listed company in its own right) is sustainable growth in shareholder value over the long term. The strategies employed by the Cathay group in order to achieve this objective (and the strategic objectives of HAECO) are these:

- Excelling in customer service, operational and safety performance, productivity and the creation of value.
- Capitalising on the opportunities presented by the Greater Bay Area.
- Contributing to the development of Hong Kong as an international aviation and logistics centre.
- Developing Cathay Pacific's premium lifestyle travel brand.
- Developing HK Express as a successful low-cost carrier.
- Building on Cathay Pacific Airways' digital leadership.
- Achieving net-zero carbon emissions by 2050.
- Developing and strengthening the HAECO brand.
- Increasing the range and depth of aircraft engineering services offered by HAECO.
- Maintaining and enhancing HAECO's high standards of service to aircraft engineering customers.

2025 AVIATION DIVISION PERFORMANCE

Aviation Division – Financial Highlights

	2025 HK$M	2024 HK$M
Cathay group		
Share of post-tax profit from associated companies	**4,753**	4,449
HAECO group		
Revenue	**23,856**	21,662
Operating profit	**1,419**	40
Attributable profit	**936**	399
Others	**(419)**	(151)
Attributable profit	**5,270**	4,697

Accounting for the Aviation Division

The Group accounts for its associate interest in the Cathay group using the equity method of accounting. The Group recognises its share of net profit or loss as a single line-item in the consolidated statement of profit or loss. Others includes HK$295 million pertaining to an early termination of a service contract involving engineering assets and transactions between the Cathay group and the HAECO group and a loss on deemed disposal of interests in the Cathay group from 44.985% to 43.09% of HK$112 million.

Cathay group – 2025 Performance

		2025	2024	Change
Cathay Pacific Airways				
Available tonne kilometres (ATK)	Million	**28,773**	24,836	+15.9%
Revenue tonne kilometres (RTK)	Million	**20,461**	17,362	+17.8%
Cost per ATK (with fuel)*	HK$	**3.32**	3.40	-2.4%
Cost per ATK (without fuel)*	HK$	**2.32**	2.36	-1.7%
Fuel consumption per million ATK	Barrels	**1,327**	1,289	+2.9%
Fuel consumption per million RTK	Barrels	**1,865**	1,844	+1.1%
Aircraft utilisation	Hours per day	**11.3**	9.4	+20.2%
Average age of fleet	Years	**12.8**	11.8	+1.0 year
Cathay Pacific				
Passenger revenue	HK$M	**72,454**	62,595	+15.8%
Available seat kilometres (ASK)	Million	**140,681**	111,789	+25.8%
Revenue passenger kilometres (RPK)	Million	**119,875**	93,016	+28.9%
Passenger revenue per ASK	HK¢	**51.5**	56.0	-8.0%
Revenue passengers carried	'000	**28,871**	22,827	+26.5%
Passenger load factor	%	**85.2**	83.2	+2.0%pt
Passenger yield	HK¢	**60.4**	67.3	-10.3%
On-time performance (passenger)	%	**75.3**	72.9	+2.4%pt
Cathay Cargo				
Cargo revenue	HK$M	**24,279**	24,000	+1.2%
Available freight tonne kilometres (AFTK)	Million	**15,373**	14,193	+8.3%
Revenue freight tonne kilometres (RFTK)	Million	**9,037**	8,503	+6.3%
Cargo revenue per AFTK	HK$	**1.58**	1.69	-6.5%
Cargo carried	'000 Tonnes	**1,677**	1,532	+9.5%
Cargo load factor	%	**58.8**	59.9	-1.1%pt
Cargo yield	HK$	**2.69**	2.82	-4.6%
HK Express				
Passenger revenue	HK$M	**6,394**	5,994	+6.7%
Available seat kilometres (ASK)	Million	**18,157**	13,764	+31.9%
Revenue passenger kilometres (RPK)	Million	**14,446**	11,481	+25.8%
Passenger revenue per ASK	HK¢	**35.2**	43.5	-19.1%
Revenue passengers carried	'000	**7,912**	6,100	+29.7%
Passenger load factor	%	**79.6**	83.4	-3.8%pt
Passenger yield	HK¢	**44.2**	52.2	-15.3%
On-time performance	%	**84.3**	79.1	+5.2%pt

* Cost per ATK represents total operating costs divided by ATK for the year.

Cathay group

2025 AIRLINE INDUSTRY REVIEW

The last three years have been a period of unprecedented growth and development for the Cathay group as demand for travel has recovered following the pandemic. During 2025, the Cathay group expanded its global network, launching a total of 20 destinations across Cathay Pacific and HK Express, while also increasing the frequency of flights on existing routes. Retrofitted Boeing 777-300ERs with award-winning Aria suites, a new Premium Economy offering and a refreshed Economy offering were introduced to more long-haul routes, and customers were welcomed back to Cathay group's flagship lounges at Hong Kong International Airport and Beijing Capital International Airport following extensive redesigns.

The cargo business demonstrated resilience and delivered a robust performance. Despite the uncertainty caused by tariffs and trade tensions, Cathay Cargo successfully adjusted its capacity to serve demand where it was strongest.

The Cathay group repurchased HK$4,558 million of its HK$6,722 million convertible bonds in January 2025. Following a series of conversions during the year and in early 2026, all the convertible bonds have now been converted by their holders or have matured.

2025 RESULTS SUMMARY

The Cathay group's attributable profit on a 100% basis was HK$10,828 million in 2025, compared with a profit of HK$9,888 million in 2024. Cathay Pacific Airways reported an attributable profit after tax of HK$9,948 million (2024: profit of HK$9,799 million).

Passenger Services

Cathay Pacific

Passenger revenue in 2025 was HK$72,454 million, an increase of 16% compared to 2024. Revenue passenger kilometres increased by 29%. Capacity, measured in available seat kilometres, increased by 26%. 28.9 million passengers were carried, an average of 79,100 passengers per day, 27% more than in 2024. The load factor was 85.2%, compared with 83.2% in 2024.

HK Express

HK Express reported a loss in 2025. The airline continued to face challenges in 2025, including various short-term factors that negatively impacted demand. The airline also launched multiple new destinations that will take time to mature. The loss in the second half of the year was lower than the first half and positive impact from some of the measures implemented earlier in the year to address the headwinds faced by the airline has started to be seen.

Cargo Services

Cathay Cargo

The cargo revenue of Cathay Pacific Airways in 2025 was HK$24,279 million, an increase of 1% compared to 2024. Revenue freight tonne kilometres increased by 6%. Capacity, measured by available freight tonne kilometres, increased by 8%. The load factor decreased by 1.1% points to 58.8%. Yield decreased by 5% to HK$2.69. Demand remained resilient despite tariffs and removal of the de minimis exemption for shipments entering the USA.

Air Hong Kong

Air Hong Kong recorded a profit in 2025, reflecting a consistently solid performance.

Operating Costs

Net fuel costs for Cathay Pacific Airways increased by 11% to HK$28,715 million, reflecting the increase in capacity, although fuel prices were lower. Non-fuel costs increased by HK$8,121 million (or 14%) compared with 2024.

Fleet Profile

At 31st December 2025, the total number of aircraft in the Cathay group's fleet was 237.

Fleet Profile[i]

Aircraft type	Number at 31st December 2025				Average age	Orders[iii][ix]				Expiry of leases without asset transfer[ii]					
		Leased[ii]													
	Owned	With asset transfer	Without asset transfer	**Total**		26	27	28 and beyond	**Total**	26	27	28	29	30	31 and beyond
Cathay Pacific Airways (Passenger aircraft):															
A321/A320-200neo	5	6	5	**16**	3.1	3[iv]	8[iv]	3[iv]	**14**						5
A330-300	41	1	1	**43**	17.3							1			
A330-900								30	**30**						
A350-900	20	8	2	**30**	7.7							2			
A350-1000	11	7		**18**	6.1										
777-300	17			**17**	24.2										
777-300ER	26		9	**35**	13.2										9
777-9							9	26[v]	**35**						
Cathay Pacific Airways (Freighter):															
A350F								6	**6**						
747-400ERF	6			**6**	17.0										
747-8F	14			**14**	12.9										
Total	140	22	17	**179**	12.8	3	17	65	**85**	-	-	3	-	-	14
HK Express:															
A320-200	3[vi]		3	**6**	17.8							2	1		
A320-200neo			10	**10**	6.8	2[iv][vii]	2[iv][vii]	4[iv][vii]	**8**			2	2	1	5
A321-200	2[vi]		10	**12**	10.5					2					8
A321-200neo	7[vi]	9[vi]		**16**	1.3	3[iv][vii]	6[iv][vii]	1[iv][vii]	**10**						
Total	12	9	23	**44**	7.3	5	8	5	**18**	2	-	4	3	1	13
Air Hong Kong[viii]:															
A330-243F			4	**4**	11.9					2				2	
A330-300P2F			10	**10**	14.2					3		4	3		
Total	-	-	14	**14**	13.6	-	-	-	**-**	5	-	4	3	2	-
Grand total	**152**	**31**	**54**	**237**	**11.8**	**8**	**25**	**70**	**103**	**7**	**-**	**11**	**6**	**3**	**27**

Notes:

(i) The table does not reflect aircraft movements after 31st December 2025.

(ii) Leases without asset transfer components are accounted for in a similar manner to leases with asset transfer components under accounting standards. The majority of leases without asset transfer components in the above table are within the scope of HKFRS 16 Leases (HKFRS 16).

(iii) The Cathay group believes that based on its available unrestricted liquidity as at 31st December 2025, as well as its ready access to both loan and debt capital markets, it will have sufficient financing capacity to fund this material investment in the fleet.

(iv) Final number subject to reallocation between Cathay Pacific Airways and HK Express.

(v) The Cathay group exercised purchase right to acquire 14 Boeing 777-9 aircraft in August 2025.

(vi) The aircraft are sub-leased to HK Express from Cathay Pacific Airways.

(vii) Final split between Airbus A320-200neo and A321-200neo is subject to adjustment in accordance with future operational requirements.

(viii) The contractual arrangements relating to the freighters operated by Air Hong Kong do not constitute leases in accordance with HKFRS 16.

(ix) The Cathay group also has the right to acquire 89 additional aircraft.

Air China and Air China Cargo

The Cathay group's share of the results of Air China and Air China Cargo is based on their financial statements drawn up three months in arrears. Consequently, the 2025 results include Air China's and Air China Cargo's results for the 12 months ended 30th September 2025, adjusted for any significant events or transactions for the period from 1st October 2025 to 31st December 2025.

Air China Cargo exercised its over-allotment right in 2025 after it listed on the Shenzhen Stock Exchange in December 2024 to cater for the excess market demand. As a result, the Cathay group's interest in Air China Cargo was diluted from 21.36% to 21.01%.

For the 12 months ended 30th September 2025, financial results for Air China Cargo improved due to the increased scale of its freighter fleet and solid performance in air cargo services, cargo terminal services and integrated logistics solutions.

OUTLOOK

After several years of rapid growth, the Cathay group expects passenger capacity to grow by approximately 10% in 2026. Cathay Pacific will focus on adding more flight frequencies and destinations to the network, strengthening connectivity at the Hong Kong international aviation hub and contributing to passenger and cargo throughput.

Following an encouraging start in the first two months of 2026, the Cathay group will remain agile in facing external challenges, including a volatile global geopolitical environment, unexpected changes in passenger and cargo traffic flows, and fluctuations in jet fuel prices.

In 2026, Cathay Pacific expects to take delivery of three narrowbody aircraft and HK Express expects to take delivery of five narrowbody aircraft.

2026 marks a meaningful milestone for the Cathay group as it celebrates 80 years of connecting Hong Kong and the Chinese Mainland with the world. With more than 100 passenger destinations, a fleet of more than 230 aircraft and an ongoing HK$100 billion investment both in the air and on the ground, the Cathay group is fully committed to its refreshed vision of becoming its customers' most loved service brand.

Ronald Lam

Hong Kong Aircraft Engineering Company (HAECO) group

HAECO group – Financial Highlights	2025 HK$M	2024 HK$M
Revenue		
Airframe	**8,604**	8,159
Components	**1,332**	2,337
Engine	**13,070**	11,011
Others	**267**	155
	23,273	21,662
Non-recurring items	**583**	-
Total revenue	**23,856**	21,662
Operating profit derived from		
Operating activities	**1,486**	744
Non-recurring items	**(67)**	(704)
Total operating profit	**1,419**	40
Attributable profits/(losses)^		
Airframe	**504**	369
Components	**208**	(88)
Engine	**822**	739
Others	**(369)**	(348)
Attributable profit (excluding non-recurring items)	**1,165**	672
Airframe – provisional loss on disposal of HAECO Americas	**(578)**	-
Airframe – gain on disposal of non-current assets at a joint venture company in the Chinese Mainland	**-**	197
Components – exiting ITM operation	**349**	-
Components – provision and fixed asset impairment for exiting ITM operation	**-**	(470)
Attributable profit (including non-recurring items)	**936**	399

^ Attributable profits/losses of Airframe and Others for the year ended 31st December 2024 have been re-presented to provide a like-for-like comparison following changes to classification of central costs.

HAECO group – Operating Highlights		2025	2024
Airframe – base maintenance manhours sold			
HAECO Hong Kong	*Million*	**2.77**	2.70
HAECO Xiamen	*Million*	**4.52**	4.18
HAECO Americas*	*Million*	**2.65**	2.99
Total	*Million*	**9.94**	9.87
Airframe – line maintenance movements handled			
Hong Kong	*Thousand*	**111**	99
Chinese Mainland	*Thousand*	**39**	34
Total	*Thousand*	**150**	133
Engines overhauled			
HAESL		**373**	336
HAECO Engine Services (Xiamen)		**111**	110

* The 2025 figures for HAECO Americas represent those for the period up to the completion of disposal.

2025 AVIATION MAINTENANCE AND REPAIR INDUSTRY REVIEW

In 2025, the continuing robust demand for travel and air cargo drove an increase in demand for aircraft maintenance, repair and overhaul (MRO) services.

2025 RESULTS SUMMARY

The HAECO group reported an attributable profit of HK$936 million for 2025. This includes a non-recurring attributable profit from HAECO ITM (which was discontinued in 2025, following a decision in 2024 to exit the business) of HK$349 million and a provisional non-recurring loss on disposal of HAECO Americas of HK$578 million. This compares with an attributable profit of HK$399 million in 2024, which included a non-recurring gain of HK$197 million on disposal of certain non-current assets by a joint venture company in the Chinese Mainland, and a non-recurring loss of HK$470 million resulting from a provision made for the costs of exiting the HAECO ITM business, including an impairment of its fixed assets.

The HAECO group's recurring attributable profit for 2025 was HK$1,165 million, HK$493 million higher than the profit in 2024. The recurring profit increase was primarily attributable to more base maintenance manhours sold in Hong Kong and the Chinese Mainland, and growth in demand for engine overhaul services at HAESL and HAECO Engine Services (Xiamen). The absence of a recurring loss from HAECO ITM in 2025 also contributed to the HAECO group's profit growth.

At 31st December 2025, the HAECO group had outstanding capital commitments of HK$6,353 million (including share of the capital commitments of joint venture companies and those authorised by directors but not contracted for).

Airframe

The airframe business of the HAECO group generated a recurring attributable profit of HK$504 million in 2025, a 37% increase from 2024. Despite the disposal of HAECO Americas during 2025, revenue grew by 5% representing a growth in base maintenance manhours sold in Hong Kong and Xiamen in 2025. HAECO Hong Kong and HAECO Xiamen both increased their maintenance activities in 2025, and recorded a 6% increase in their aggregate manhours compared with 2024.

HAECO Hong Kong

The profit of the airframe business of HAECO Hong Kong improved significantly in 2025, driven by robust demand for travel and air cargo and sustained work demand from key customers. 2.77 million base maintenance manhours were sold in 2025, a growth of 3% over 2024. Approximately 111,000 line maintenance aircraft movements were handled in 2025, an increase of 12% compared with 2024.

HAECO Xiamen

In 2025, the attributable profit of HAECO Xiamen's airframe services was higher than in 2024. 4.52 million base maintenance manhours were sold in 2025, 8% more than 2024 reflecting market demand for base maintenance services.

HAECO Americas

The HAECO group ceased to operate its airframe business in the USA after the disposal of HAECO Americas in November 2025. Revenue and profit in 2025 were recorded up to that period.

The recurring operating profit of HAECO Americas' airframe business was lower than in 2024. 2.65 million base maintenance manhours were sold until the disposal date, 11% fewer than those sold in the full year of 2024.

<u>Components</u>

Recurring revenue from the components business in 2025 fell by 43% compared to 2024, primarily due to the HAECO group's exit from the loss-making HAECO ITM operation. Despite the resulting reduction in revenue, the recurring attributable result improved significantly, moving from a loss of HK$88 million in 2024 to a profit of HK$208 million in 2025. The remaining components businesses (in particular, HAECO Landing Gear Services and HAECO Composite Services) performed well and recorded profit increases in 2025.

<u>Engine</u>

The attributable profit from the engine business was HK$822 million in 2025, an 11% increase from 2024. Revenue (comprising that of HAECO Engine Services (Xiamen) and the Global Engine Support business and excluding that of HAESL, which is not consolidated) grew by 19%. The profit growth mainly resulted from higher demand for engine overhaul at HAESL and HAECO Engine Services (Xiamen).

HAESL

HAESL recorded an increase in attributable profit from 2024 to 2025. The increase reflected more engines being overhauled. Repair and overhaul services were performed on 373 engines in 2025, compared with 336 in 2024.

HAECO Engine Services (Xiamen)

HAECO Engine Services (Xiamen) recorded a solid increase in attributable profit from 2024 to 2025. 90 performance restoration workscopes and 21 quick turn workscopes on GE90 aircraft engines were performed in 2025, compared with 82 performance restoration workscopes and 28 quick turn workscopes in 2024. The profit growth reflected demand for repair and overhaul of GE90 aircraft engines and modules.

Global Engine Support

The Global Engine Support business (which provides on-wing and off-wing engine services through the HAECO group's facilities mainly in Hong Kong, Dallas, Amsterdam and London) incurred an overall loss in 2025 compared to a profit in 2024. The decline was primarily due to a slower-than-expected ramp-up of heavy maintenance work in Dallas following the relocation to a new facility in early 2025.

<u>OUTLOOK</u>

Despite recent geopolitical developments, high demand for base maintenance and engine services in Hong Kong and the Chinese Mainland is expected to continue in 2026, building on the healthy volume seen in 2025. Line maintenance work is expected to grow.

The decision to exit the airframe business in the USA and to discontinue ITM's operation reflects the HAECO group's refocused strategy. This strategy prioritises serving a global customer base whilst concentrating operations and investment in core growth markets, namely Hong Kong, the Chinese Mainland, and South East Asia.

HAECO Xiamen's construction of hangars and facilities at the new Xiamen airport has been completed. The installation of maintenance, repair and overhaul equipment is currently underway. The hangars in the new airport are set to commence operations in late 2026. The relocation to the new airport will make a significant difference to HAECO Xiamen's operations. The new maintenance base, the world's largest single-span hangar, will be among the most energy-efficient and technologically advanced, featuring smart building and MRO technologies that will enhance operational efficiency and, as a LEED Platinum facility, significantly reduce the impact on the environment.

Richard Sell

REVIEW OF OPERATIONS

HEALTHCARE

DeltaHealth
The Group owns a controlling interest in DeltaHealth China Limited (DeltaHealth) a healthcare provider in the Chinese Mainland. DeltaHealth owns and operates Shanghai DeltaHealth Cardiovascular Hospital, which opened in 2016 and is the first wholly foreign-owned cardiovascular hospital in the Chinese Mainland, and DeltaWest Clinic, an outpatient clinic in the Changning district of Shanghai.

The Group increased its interest in DeltaHealth from 22% to 89.42% in April 2024, following which it became a subsidiary. The Group acquired an additional 2.31% interest in DeltaHealth in September 2025, taking the Group's interest to 91.73%.

Columbia China Healthcare
The Group has an associate investment in Columbia China Healthcare Co., Limited, which owns and operates three private hospitals and three senior housing facilities in the Yangtze River Delta area.

New Frontier GBA Healthcare
The Group has an associate investment in New Frontier GBA Healthcare (under the entity SHH Core Holding Limited), which owns Shenzhen New Frontier United Family Hospital, a private hospital operated by United Family Healthcare, as well as HEAL Medical Group in Hong Kong and Hong Kong Integrated Oncology Centre. In February 2025, the Group's shareholding was diluted to 15.04% following a share issuance to new investors.

Indonesia Healthcare Corporation (IHC)
In July 2024, the Group made an investment in IHC, a hospital group in Indonesia. IHC comprises 38 majority and joint-owned hospitals and operates 67 clinics throughout Indonesia, including the new Bali International Hospital which opened in April 2025.

2025 RESULTS SUMMARY

The attributable loss from the healthcare companies was HK$263 million in 2025, compared with a loss of HK$326 million in 2024. The 2025 results reflected a full year performance and an improved operating performance at DeltaHealth on a comparable basis, continued growth at New Frontier GBA Healthcare and a HK$31 million gain on deemed disposal of SHH Core Holding Limited following the share dilution. The 2024 attributable loss included a remeasurement loss on acquisition of DeltaHealth of HK$59 million, offset by a HK$20 million gain on deemed disposal of SHH Core Holding Limited.

For DeltaHealth, 2025 was the first full year of Diagnosis-Intervention Packet (DIP) implementation, which applies case-based pricing structures in line with broader healthcare reform in the Chinese Mainland. We are actively streamlining operations and improving efficiency at the hospital to ensure sustainable profitability under the DIP framework. Our strategy is to maintain our leadership position in cardiac surgery while broadening our cardiology services.

OUTLOOK

With the investments described above, the Group has exposure to the healthcare sector in the Chinese Mainland and Indonesia. We have invested HK$3.1 billion (including committed investments) in the sector. While we seek further investment opportunities at reasonable valuations in the Chinese Mainland and in South East Asia, our near-term focus is on improving the operational performance of our existing investments.

David Cogman

TRADING & INDUSTRIAL

2025 TRADING & INDUSTRIAL PERFORMANCE

Trading & Industrial – Financial Highlights

	2025 HK$M	2024 HK$M
Revenue		
Swire Resources	**2,132**	2,279
Taikoo Motors	**4,769**	5,216
Swire Foods	**1,317**	1,511
Swire Environmental Services	**118**	127
Total revenue	**8,336**	9,133
Operating profits/(losses) derived from		
Swire Resources	**26**	66
Taikoo Motors	**22**	185
Swire Foods	**1**	24
Swire Environmental Services	**21**	31
Central costs	**9**	(10)
Operating activities	**79**	296
Non-recurring items	**119**	-
Total operating profit	**198**	296
Attributable profits/(losses)		
Swire Resources	**25**	50
Taikoo Motors	**2**	134
Swire Foods	**(18)**	11
Swire Environmental Services	**17**	26
Central costs	**9**	(10)
Attributable profit (excluding non-recurring items)	**35**	211
Loss relating to disposal of interest in Qinyuan Bakery	**(78)**	-
Gain on disposal of a property and other assets at Taikoo Motors	**197**	-
Attributable profit (including non-recurring items)	**154**	211

2025 INDUSTRY REVIEW

Footwear and apparel business in Hong Kong and the Chinese Mainland – In 2025, footwear and apparel sales decreased by 3.9% in Hong Kong while sales in the Chinese Mainland increased by 3.2%.

Car sales in Taiwan – New car registrations in Taiwan decreased by 9% to 414,416 in 2025.

Sugar sales in the Chinese Mainland – The volume of sugar sold in the Chinese Mainland in 2025 was 34,613 million pounds, a slight increase compared with 2024.

2025 RESULTS SUMMARY

The attributable profit of the trading & industrial businesses in 2025 was HK$154 million. This includes a non-recurring gain of HK$197 million on the disposal of a property and other assets by Taikoo Motors, and a non-recurring loss relating to the disposal of Qinyuan Bakery of HK$78 million. Disregarding these non-recurring items, the recurring profit decreased by HK$176 million in 2025.

Swire Resources

The attributable profit of Swire Resources in 2025 was HK$25 million, compared with an attributable profit of HK$50 million in 2024. The decrease reflects the challenging market conditions for sports retailers in Hong Kong as many local residents now travel regularly to neighbouring GBA cities to shop.

Revenue and gross profit in 2025 were 6% and 7% lower than in 2024 respectively. Costs were tightly managed.

188 retail outlets were operated in Hong Kong and Macau at the end of 2025, ten more than the end of 2024. Six retail outlets were operated in the Chinese Mainland at the end of 2025, the same number as at the end of 2024.

Taikoo Motors

The attributable profit of Taikoo Motors in 2025 was HK$199 million. A non-recurring gain of HK$197 million was recorded which primarily relates to the disposal of a car dealership property in Taipei. Excluding the non-recurring item, the recurring attributable profit in 2025 was HK$2 million, compared to HK$134 million in 2024.

In 2025, Taikoo Motors sold 13,608 vehicles, representing a 17% decline from the previous year. The reduction in sales reflects the cyclical weakness of specific brands in the portfolio.

Swire Foods

Swire Foods reported an attributable loss of HK$96 million in 2025, compared with an attributable profit of HK$11 million in 2024. The 2025 result includes a non-recurring loss of HK$78 million relating to the disposal of Qinyuan Bakery in the Chinese Mainland in December 2025. Qinyuan Bakery recorded a loss of HK$23 million up to the date of sale, reflecting intense competition and weak demand.

Taikoo Sugar recorded an attributable profit of HK$5 million in 2025 compared with HK$6 million in 2024.

Swire Environmental Services

Swire Environmental Services made an attributable profit of HK$17 million in 2025, compared with HK$26 million in 2024. The decrease was due to the expiry of a waste transfer services contract with the HKSAR Government in March 2024.

OUTLOOK

The trend of local residents travelling to shop outside Hong Kong and changing tourist spending patterns is expected to continue in 2026. With cost management efforts, some improvement in the profit of Swire Resources is anticipated.

At Taikoo Motors, we expect vehicle sales volumes and margins to normalise as issues with specific brands are resolved.

At Taikoo Sugar, we expect sales to be under pressure in 2026 due to the trend of lower sugar consumption in Hong Kong and overall weakness in demand in the Chinese Mainland. However, with marketing initiatives and efforts to improve cost efficiency, we expect to maintain our business performance in 2026.

The profit of Swire Environmental Services is expected to remain steady across the first three quarters of 2026, with a subsequent decline expected following the termination of its final waste transfer service contract in September 2026.

David Cogman

FINANCIAL REVIEW

Additional information is provided in the following section to reconcile reported and underlying profit attributable to the Company's shareholders. These reconciling items principally adjust for the fair value movements on investment properties and the associated deferred tax in the Chinese Mainland and the USA, and for other deferred tax provisions in relation to investment properties. Amortisation of right-of-use assets classified as investment properties is charged to underlying profit. In 2024, a further adjustment was also made to remove the effect of a bargain purchase gain arising from the acquisition of an additional interest in a joint venture company.

Audited Financial Information

	Note	**2025 HK$M**	2024 HK$M
Reported profit attributable to the Company's shareholders		**2,938**	4,321
Adjustments in respect of investment properties:			
Fair value losses in respect of investment properties	(i)	**7,731**	6,197
Deferred tax on investment properties	(ii)	**288**	1,283
Fair value gains realised on sale of interests in investment properties	(iii)	**2,195**	534
Depreciation of investment properties occupied by the Group	(iv)	**30**	29
Amortisation of right-of-use assets reported under investment properties	(v)	**(80)**	(78)
Reversal of impairment loss on a hotel held as part of a mixed-use development	(vi)	**-**	(11)
Bargain purchase gain arising from the acquisition of an additional interest in a joint venture company	(vii)	**-**	(566)
Non-controlling interests' share of fair value movements less deferred tax		**(1,729)**	(1,238)
Underlying profit attributable to the Company's shareholders		**11,373**	10,471

Notes:

(i) This represents the fair value movements as shown in the Group's consolidated statement of profit or loss and the Group's share of fair value movements of joint venture and associated companies.

(ii) This represents deferred tax movements on the Group's investment properties, plus the Group's share of deferred tax movements on investment properties held by joint venture and associated companies. These comprise deferred tax on fair value movements on investment properties in the Chinese Mainland and the USA, and deferred tax provisions made in respect of investment properties held for the long term where it is considered that the liability will not reverse for some considerable time. It also includes certain tax adjustments arising from transfers of investment properties within the Group.

(iii) Prior to the implementation of HKAS 40, changes in the fair value of investment properties were recorded in the revaluation reserve rather than the consolidated statement of profit or loss. On sale, the fair value gains/(losses) were transferred from the revaluation reserve to the consolidated statement of profit or loss.

(iv) Prior to the implementation of HKAS 40, no depreciation was charged on investment properties occupied by the Group.

(v) HKFRS 16 amends the definition of investment property under HKAS 40 to include properties held by lessees as right-of-use assets to earn rentals or for capital appreciation or both, and requires the Group to account for such right-of-use assets at their fair value. The amortisation of such right-of-use assets is charged to underlying profit.

(vi) Under HKAS 40, hotel properties are stated in the accounts at cost less accumulated depreciation and any provision for impairment losses, rather than at fair value. If HKAS 40 did not apply, wholly-owned and joint venture hotel properties held for the long term as part of mixed-use property developments would be accounted for as investment properties. Accordingly, any increase or decrease in their values would be recorded in the revaluation reserve rather than in the consolidated statement of profit or loss.

(vii) The bargain purchase gain arising from the acquisition of an additional interest in a joint venture company was calculated principally by reference to the market value of the underlying property portfolio of the joint venture company in comparison with the consideration paid.

Financial Review (continued)

Recurring underlying profit is provided below to show the effect of significant non-recurring items, which does not form part of the audited financial information.

	2025	2024
	HK$M	HK$M
Underlying profit attributable to the Company's shareholders	**11,373**	10,471
Significant non-recurring items:		
Gain on disposals of interests in investment properties and properties held for development	**(1,966)**	(237)
Loss/(gain) on disposals of property, plant and equipment and investments	**325**	(299)
Net remeasurement and other adjustments in respect of acquisitions	**72**	(592)
Fair value loss/(gain) of investments	**75**	(155)
(Reversal of impairment)/impairment of property, plant and equipment, investments and stocks	**(125)**	96
Recurring underlying profit	**9,754**	9,284

Recurring underlying profit by division is provided below.

	2025	2024
	HK$M	HK$M
Property	**5,194**	5,272
Beverages	**1,390**	1,388
Aviation		
Cathay group (Note)	**4,374**	3,978
HAECO group and others (Note)	**1,150**	654
Trading & Industrial	**35**	211
Head Office, Healthcare and others	**(2,389)**	(2,219)
Recurring underlying profit	**9,754**	9,284

Note: Including consolidation adjustments.

Consolidated Statement of Profit or Loss **For the year ended 31st December 2025**	Note	**2025** **HK$M**	2024 HK$M
Revenue	2	**90,467**	81,969
Cost of sales		**(56,728)**	(51,506)
Gross profit		**33,739**	30,463
Distribution costs		**(13,253)**	(11,440)
Administrative expenses		**(9,609)**	(9,355)
Other operating expenses		**(272)**	(269)
Other net gains		**538**	815
Loss on disposals of subsidiary companies		**(616)**	-
Change in fair value of investment properties		**(6,073)**	(5,974)
Operating profit	3	**4,454**	4,240
Finance charges		**(3,022)**	(2,984)
Finance income		**610**	573
Net finance charges	4	**(2,412)**	(2,411)
Share of (losses)/profits of joint venture companies		**(864)**	1,621
Share of profits of associated companies		**4,658**	4,335
Profit before taxation		**5,836**	7,785
Taxation	5	**(2,341)**	(3,084)
Profit for the year		**3,495**	4,701
Profit for the year attributable to:			
The Company's shareholders		**2,938**	4,321
Non-controlling interests		**557**	380
		3,495	4,701
Underlying profit attributable to the Company's shareholders		**11,373**	10,471
		HK$	HK$
Earnings per share from profit attributable to the Company's shareholders:	7		
'A' share – basic		**2.17**	3.06
'B' share – basic		**0.43**	0.61
'A' share – diluted		**2.11**	2.74
'B' share – diluted		**0.42**	0.55

Consolidated Statement of Other Comprehensive Income **For the year ended 31st December 2025**	**2025** **HK$M**	2024 HK$M
Profit for the year	**3,495**	4,701
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Revaluation of property previously occupied by the Group		
- (losses)/gains recognised during the year	**(86)**	3
Defined benefit plans		
- remeasurement gains recognised during the year	**149**	145
- deferred tax	**(24)**	(16)
Changes in the fair value of equity investments at fair value through other comprehensive income		
- gains/(losses) recognised during the year	**59**	(18)
- deferred tax	**(4)**	(3)
Share of other comprehensive income/(loss) of joint venture and associated companies	**56**	(51)
Net translation differences	**1,048**	(787)
	1,198	(727)
Items that may be reclassified subsequently to profit or loss		
Cash flow hedges		
- (losses)/gains recognised during the year	**(346)**	55
- transferred to net finance charges	**(14)**	(68)
- transferred (to)/from operating profit	**(46)**	176
- deferred tax	**40**	(15)
Share of other comprehensive income/(loss) of joint venture and associated companies		
- recognised during the year	**928**	(1,074)
- reclassified to profit or loss on disposal	**-**	(16)
Net translation differences	**2,702**	(2,826)
	3,264	(3,768)
Other comprehensive income/(loss) for the year, net of tax	**4,462**	(4,495)
Total comprehensive income for the year	**7,957**	206
Total comprehensive income/(loss) attributable to:		
The Company's shareholders	**6,149**	741
Non-controlling interests	**1,808**	(535)
	7,957	206

Consolidated Statement of Financial Position
At 31st December 2025

	Note	31st December 2025 HK$M	31st December 2024 HK$M
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**24,943**	23,510
Investment properties		**267,756**	270,950
Intangible assets		**32,114**	31,166
Right-of-use assets		**9,207**	9,041
Properties held for development		**60**	1,201
Joint venture companies		**27,433**	26,932
Loans due from joint venture companies		**13,269**	15,036
Associated companies		**37,707**	35,528
Loans due from associated companies		**643**	653
Investments at fair value		**1,552**	2,160
Other receivables and other non-current assets	8	**487**	62
Derivative financial instruments		**1**	79
Deferred tax assets		**1,009**	711
Retirement benefit assets		**294**	146
		416,475	417,175
Current assets			
Properties for sale		**15,448**	12,676
Stocks and work in progress		**8,455**	7,948
Contract assets		**1,067**	1,084
Trade and other receivables	8	**11,308**	11,188
Taxation receivable		**427**	427
Derivative financial instruments		**61**	13
Bank balances and short-term deposits		**23,172**	21,028
		59,938	54,364
Assets classified as held for sale		**-**	5,022
		59,938	59,386
Current liabilities			
Trade and other payables	9	**36,999**	35,189
Contract liabilities		**5,569**	3,386
Taxation payable		**561**	704
Derivative financial instruments		**14**	26
Short-term loans		**-**	300
Long-term loans and bonds due within one year		**17,166**	15,466
Lease liabilities due within one year		**938**	912
		61,247	55,983
Liabilities associated with assets classified as held for sale		**-**	43
		61,247	56,026
Net current (liabilities)/assets		**(1,309)**	3,360
Total assets less current liabilities		**415,166**	420,535
Non-current liabilities			
Long-term loans and bonds		**71,270**	75,825
Long-term lease liabilities		**4,188**	4,109
Derivative financial instruments		**650**	454
Other payables	9	**1,625**	1,337
Deferred tax liabilities		**20,825**	19,799
Retirement benefit liabilities		**373**	344
		98,931	101,868
NET ASSETS		**316,235**	318,667
EQUITY			
Share capital	10	**1,294**	1,294
Reserves	11	**258,283**	257,006
Equity attributable to the Company's shareholders		**259,577**	258,300
Non-controlling interests		**56,658**	60,367
TOTAL EQUITY		**316,235**	318,667

Consolidated Statement of Cash Flows For the year ended 31st December 2025	**2025 HK$M**	2024 HK$M
Operating activities		
Cash generated from operations	**17,020**	12,580
Interest paid	**(3,609)**	(3,461)
Interest received	**635**	658
Tax paid	**(2,316)**	(2,064)
	11,730	7,713
Dividends received from joint venture and associated companies	**2,821**	2,745
Net cash generated from operating activities	**14,551**	10,458
Investing activities		
Purchase of property, plant and equipment and right-of-use assets	**(5,595)**	(4,411)
Additions of investment properties	**(1,958)**	(4,169)
Purchase of intangible assets	**(109)**	(154)
Proceeds from disposals of property, plant and equipment and right-of-use assets	**1,409**	835
Proceeds from disposals of investment properties	**872**	454
Proceeds from disposals of subsidiary companies, net of cash disposed of	**5,127**	-
Proceeds from disposals of investments at fair value	**1,138**	583
Payment for acquisition of subsidiary companies, net of cash acquired	**(498)**	(1,819)
Purchase of shares in joint venture companies	**-**	(5,239)
Purchase of shares in associated companies	**-**	(135)
Equity to joint venture companies	**(942)**	(1,032)
Return of equity from an associated company	**339**	-
Purchase of investments at fair value	**(632)**	(400)
Loans to joint venture companies	**(108)**	(779)
Loans to associated companies	**(140)**	(298)
Repayment of loans by joint venture companies	**1,335**	605
Repayment of loans by associated companies	**5**	436
Advances from joint venture companies	**-**	78
Advances to joint venture companies	**(340)**	-
Receipt of deposits maturing after more than three months	**3,306**	4,483
Placement of deposits maturing after more than three months	**(4,273)**	(3,629)
Initial leasing costs incurred	**(4)**	(7)
Net cash used in investing activities	**(1,068)**	(14,598)
Net cash inflow/(outflow) before financing activities	**13,483**	(4,140)
Financing activities		
Loans drawn and refinancing	**27,324**	34,925
Repayment of loans and bonds	**(31,803)**	(12,702)
Advances from an associated company	**2,204**	2,049
Principal elements of lease payments	**(1,041)**	(965)
	(3,316)	23,307
Capital contribution from non-controlling interests	**110**	64
Purchase of non-controlling interests	**(738)**	(755)
Purchase of interest in a subsidiary through the settlement of put option	**(570)**	-
Repurchase of the Company's shares	**(1,851)**	(3,878)
Dividends paid to the Company's shareholders	**(4,602)**	(4,586)
Dividends paid to non-controlling interests	**(1,985)**	(1,531)
Net cash (used in)/generated from financing activities	**(12,952)**	12,621
Increase in cash and cash equivalents	**531**	8,481
Cash and cash equivalents at 1st January	**19,821**	11,831
Effect of exchange differences	**614**	(491)
Cash and cash equivalents at 31st December	**20,966**	19,821
Represented by:		
Bank balances and short-term deposits maturing within three months		
Included in bank balances and short-term deposits	**20,966**	19,730
Included in assets classified as held for sale	**-**	91
	20,966	19,821

1. Segment Information

(a) Information about reportable segments – Analysis of Consolidated Statement of Profit or Loss

Year ended 31st December 2025

	External revenue HK$M	Inter-segment revenue HK$M	Operating profit/ (loss) HK$M	Finance charges HK$M	Finance income HK$M	Share of profits/ (losses) of joint venture companies HK$M	Share of profits/ (losses) of associated companies HK$M	Tax (charge)/ credit HK$M	Profit/ (loss) for the year HK$M	Profit/(loss) attributable to the Company's shareholders HK$M	Underlying profit/(loss) attributable to the Company's shareholders HK$M	Depreciation and amortisation charged to operating profit/(loss) HK$M
Property												
Property investment	12,966	48	7,654	(1,199)	223	716	(8)	(1,003)	6,383	5,330	6,939	(323)
Change in fair value of investment properties	-	-	(6,073)	-	-	(1,998)	185	(133)	(8,019)	(6,694)	-	-
Property trading	2,110	-	497	(12)	41	(169)	5	(176)	186	162	294	(87)
Hotels	916	1	(107)	(7)	-	(21)	32	16	(87)	(73)	(73)	(186)
	15,992	**49**	**1,971**	**(1,218)**	**264**	**(1,472)**	**214**	**(1,296)**	**(1,537)**	**(1,275)**	**7,160**	**(596)**
Beverages												
Chinese Mainland	25,001	-	1,267	(38)	31	73	7	(390)	950	846	846	(1,520)
Hong Kong	2,481	2	223	(3)	-	-	-	(19)	201	201	201	(214)
Taiwan	2,455	-	155	(2)	2	-	-	(36)	119	119	119	(111)
Vietnam and Cambodia	3,867	-	132	(3)	83	-	-	(57)	155	152	152	(263)
Thailand and Laos[i]	8,157	-	363	(25)	138	2	-	(135)	343	151	151	(569)
Net central costs and others[ii]	13	-	(82)	(3)	1	-	-	(86)	(170)	(151)	(151)	(36)
	41,974	**2**	**2,058**	**(74)**	**255**	**75**	**7**	**(723)**	**1,598**	**1,318**	**1,318**	**(2,713)**
Aviation												
Cathay group[iii]	-	-	-	-	-	-	4,753	-	4,753	4,753	4,753	-
HAECO group[iv]	23,856	-	1,419	(182)	52	530	-	(309)	1,510	936	936	(740)
Others[v]	-	-	(181)	-	-	3	(249)	-	(427)	(419)	(419)	(26)
	23,856	**-**	**1,238**	**(182)**	**52**	**533**	**4,504**	**(309)**	**5,836**	**5,270**	**5,270**	**(766)**
Trading & Industrial												
Swire Resources	2,132	-	26	(16)	5	-	-	10	25	25	25	(273)
Taikoo Motors[vi]	4,769	-	219	(17)	-	-	-	(3)	199	199	199	(159)
Swire Foods[vii]	1,239	78	(77)	(3)	2	-	-	(18)	(96)	(96)	(96)	(50)
Swire Environmental Services	118	-	21	-	-	-	-	(4)	17	17	17	(3)
Central costs	-	-	9	-	-	-	-	-	9	9	9	-
	8,258	**78**	**198**	**(36)**	**7**	**-**	**-**	**(15)**	**154**	**154**	**154**	**(485)**
Head Office, Healthcare and others												
Healthcare and others[viii]	378	-	(214)	(41)	4	-	(67)	(1)	(319)	(292)	(292)	(61)
Net income/(expenses)	9	78	(797)	(1,517)	74	-	-	3	(2,237)	(2,237)	(2,237)	-
	387	**78**	**(1,011)**	**(1,558)**	**78**	**-**	**(67)**	**2**	**(2,556)**	**(2,529)**	**(2,529)**	**(61)**
Inter-segment elimination	**-**	**(207)**	**-**	**46**	**(46)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**90,467**	**-**	**4,454**	**(3,022)**	**610**	**(864)**	**4,658**	**(2,341)**	**3,495**	**2,938**	**11,373**	**(4,621)**

Notes:

Sales between business segments are accounted for at competitive market prices charged to unaffiliated customers for similar goods and services. Interest charged by the Head Office to the business segments is based on market interest rates and the Group's cost of debt.

(i) The exchange loss on bank balances in respect of TNCC of HK$187 million was included under "operating profit/(loss)".
(ii) Recovery income of HK$107 million relating to the tax payments for the pre-acquisition period of certain bottling businesses is included under "operating profit/(loss)".
(iii) The share of profits included a net reversal of impairment charges of HK$125 million (HK$289 million on a 100% basis) and fair value gain on equity investments of HK$5 million (HK$10 million on a 100% basis).
(iv) The loss on disposals of subsidiary companies in the HAECO group of HK$578 million was included under "operating profit/(loss)".
(v) Others includes HK$295 million pertaining to an early termination of a service contract involving engineering assets and transactions between the Cathay group and the HAECO group. It also includes the loss on deemed disposal of interests in the Cathay group from 44.985% to 43.09% of HK$112 million. Both were included under "operating profit/(loss).
(vi) The gain on disposals of property, plant and equipment of HK$197 million was included under "operating profit/(loss)".
(vii) The loss on disposals of subsidiary companies of HK$78 million in trading & industrial businesses was included under "operating profit/(loss)".
(viii) The gain on deemed disposal of interest in SHH Core included under "operating profit/(loss)" was HK$31 million.

1. Segment Information (continued)

(a) Information about reportable segments – Analysis of Consolidated Statement of Profit or Loss (continued)

Year ended 31st December 2024

	External revenue HK$M	Inter-segment revenue HK$M	Operating profit/ (loss) HK$M	Finance charges HK$M	Finance income HK$M	Share of profits/ (losses) of joint venture companies HK$M	Share of profits/ (losses) of associated companies HK$M	Tax (charge)/ credit HK$M	Profit/ (loss) for the year HK$M	Profit/(loss) attributable to the Company's shareholders HK$M	Underlying profit/(loss) attributable to the Company's shareholders HK$M	Depreciation and amortisation charged to operating profit/(loss) HK$M
Property												
Property investment	13,403	49	8,022	(1,213)	230	1,323	(5)	(1,038)	7,319	6,164	5,855	(312)
Change in fair value of investment properties	-	-	(5,974)	-	-	(529)	83	(1,058)	(7,478)	(6,443)	-	-
Property trading	88	-	(178)	-	3	(21)	14	(54)	(236)	(199)	(180)	(29)
Hotels	888	-	(154)	(11)	-	(69)	30	13	(191)	(163)	(166)	(182)
	14,379	**49**	**1,716**	**(1,224)**	**233**	**704**	**122**	**(2,137)**	**(586)**	**(641)**	**5,509**	**(523)**
Beverages												
Chinese Mainland	25,234	-	1,262	(45)	41	64	10	(386)	946	839	839	(1,428)
Hong Kong	2,444	2	201	(5)	-	-	-	(19)	177	177	177	(187)
Taiwan	2,353	-	166	(2)	1	-	-	(39)	126	126	126	(95)
Vietnam and Cambodia	4,338	-	265	(10)	82	-	-	(102)	235	235	235	(237)
Thailand and Laos(i)	2,233	-	1,078	(32)	42	149	-	(138)	1,099	916	916	(119)
Net central costs and others	5	-	(231)	(3)	2	-	-	(39)	(271)	(254)	(254)	-
	36,607	**2**	**2,741**	**(97)**	**168**	**213**	**10**	**(723)**	**2,312**	**2,039**	**2,039**	**(2,066)**
Aviation												
Cathay group(ii)	-	-	-	-	-	-	4,449	-	4,449	4,449	4,449	-
HAECO group(iii)	21,662	-	40	(156)	62	698	-	(163)	481	399	399	(794)
Others	-	-	(32)	-	-	5	(133)	-	(160)	(151)	(151)	(32)
	21,662	**-**	**8**	**(156)**	**62**	**703**	**4,316**	**(163)**	**4,770**	**4,697**	**4,697**	**(826)**
Trading & Industrial												
Swire Resources	2,279	-	66	(21)	9	1	-	(5)	50	50	50	(296)
Taikoo Motors	5,216	-	185	(14)	-	-	-	(37)	134	134	134	(159)
Swire Foods	1,410	101	24	(4)	3	-	-	(12)	11	11	11	(64)
Swire Environmental Services	127	-	31	-	1	-	-	(6)	26	26	26	(5)
Central costs	-	-	(10)	-	-	-	-	-	(10)	(10)	(10)	-
	9,032	**101**	**296**	**(39)**	**13**	**1**	**-**	**(60)**	**211**	**211**	**211**	**(524)**
Head Office, Healthcare and others												
Healthcare and others(iv)	279	-	(235)	(33)	22	-	(113)	1	(358)	(337)	(337)	(42)
Net income/(expenses)	10	81	(286)	(1,513)	153	-	-	(2)	(1,648)	(1,648)	(1,648)	-
	289	**81**	**(521)**	**(1,546)**	**175**	**-**	**(113)**	**(1)**	**(2,006)**	**(1,985)**	**(1,985)**	**(42)**
Inter-segment elimination	**-**	**(233)**	**-**	**78**	**(78)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**81,969**	**-**	**4,240**	**(2,984)**	**573**	**1,621**	**4,335**	**(3,084)**	**4,701**	**4,321**	**10,471**	**(3,981)**

Notes:

Sales between business segments are accounted for at competitive market prices charged to unaffiliated customers for similar goods and services. Interest charged by the Head Office to the business segments is based on market interest rates and the Group's cost of debt.

(i) The share of profit from the joint venture companies in Thailand and Laos was HK$149 million (before becoming a subsidiary). The remeasurement gain and related exchange gains in respect of TNCC included under "operating profit/(loss)" was HK$769 million.

(ii) After the share issuance of Air China in February and December 2024, the Cathay group's equity interest in Air China was reduced from 16.26% to 15.09%. After the listing of Air China Cargo in December 2024, the Cathay group's equity interest in Air China Cargo was reduced from 24.00% to 21.36%. The gain on deemed disposal of interests in Air China and Air China Cargo included under "share of profits/(losses)" of the Cathay group was HK$260 million (HK$578 million on a 100% basis). A gain on the repurchase of convertible bonds under "share of profits/(losses)" of the Cathay group was HK$48 million (HK$106 million on a 100% basis). The share of profits also included a reversal of impairment charges and fair value gain on equity investments of HK$30 million (HK$67 million on a 100% basis).

(iii) A provision for restructuring of HK$547 million and an impairment charge of HK$157 million in relation to the exit of the ITM operation were included under "operating profit/(loss)". The gain on disposal of non-current assets at a joint venture company in the Chinese Mainland included under "share of profits/(losses) of joint venture companies" was HK$197 million (HK$549 million on a 100% basis).

(iv) The remeasurement loss in respect of DeltaHealth and the gain on deemed disposal of interest in SHH Core included under "operating profit/(loss)" were HK$59 million and HK$20 million respectively.

1. Segment Information (continued)

(a) Information about reportable segments (continued)

Analysis of total assets of the Group

At 31st December 2025

	Segment assets HK$M	Joint venture companies(i) HK$M	Associated companies(i) HK$M	Bank balances and short-term deposits HK$M	Total assets HK$M	Additions to non-current assets(ii) HK$M
Property						
Property investment	274,895	27,428	3,705	9,191	315,219	2,699
Property trading	17,729	5,697	7,220	816	31,462	28
Hotels	4,306	1,532	625	176	6,639	80
	296,930	**34,657**	**11,550**	**10,183**	**353,320**	**2,807**
Beverages						
Swire Coca-Cola	**51,505**	**1,490**	**13**	**9,457**	**62,465**	**3,473**
Aviation						
Cathay group	-	-	25,964	-	25,964	-
HAECO group	15,481	2,373	-	1,854	19,708	2,433
Others	3,820	2,137	-	-	5,957	-
	19,301	**4,510**	**25,964**	**1,854**	**51,629**	**2,433**
Trading & Industrial						
Swire Resources	832	42	-	261	1,135	153
Taikoo Motors	2,670	-	-	282	2,952	244
Swire Foods	209	3	-	288	500	37
Swire Environmental Services	57	-	-	18	75	-
Other activities	(1)	-	-	10	9	-
	3,767	**45**	**-**	**859**	**4,671**	**434**
Head Office, Healthcare and others	**2,686**	**-**	**823**	**819**	**4,328**	**35**
	374,189	**40,702**	**38,350**	**23,172**	**476,413**	**9,182**

At 31st December 2024

	Segment assets HK$M	Joint venture companies(i) HK$M	Associated companies(i) HK$M	Bank balances and short-term deposits HK$M	Total assets HK$M	Additions to non-current assets(ii) HK$M
Property						
Property investment	283,680	27,660	3,316	4,940	319,596	4,880
Property trading	15,235	6,760	6,968	51	29,014	85
Hotels	4,157	1,710	592	130	6,589	68
	303,072	36,130	10,876	5,121	355,199	5,033
Beverages						
Swire Coca-Cola	48,795	1,378	394	11,101	61,668	2,805
Aviation						
Cathay group	-	-	24,057	-	24,057	-
HAECO group	13,778	2,282	-	2,815	18,875	1,759
Others	3,846	2,134	-	-	5,980	-
	17,624	4,416	24,057	2,815	48,912	1,759
Trading & Industrial						
Swire Resources	909	41	-	257	1,207	229
Taikoo Motors	3,059	-	-	21	3,080	338
Swire Foods	536	3	-	347	886	80
Swire Environmental Services	57	-	-	50	107	2
Other activities	(4)	-	-	19	15	-
	4,557	44	-	694	5,295	649
Head Office, Healthcare and others	3,336	-	854	1,297	5,487	8
	377,384	41,968	36,181	21,028	476,561	10,254

Notes:

(i) The assets relating to joint venture and associated companies include the loans due from these companies.

(ii) In this analysis, additions to non-current assets during the year exclude joint venture and associated companies, financial instruments, deferred tax assets, retirement benefit assets and non-current assets acquired in business combinations.

1. Segment Information (continued)

(a) Information about reportable segments (continued)

Analysis of total liabilities and non-controlling interests of the Group

At 31st December 2025	**Segment liabilities HK$M**	**Current and deferred tax liabilities HK$M**	**Inter-segment borrowings/ (advances) HK$M**	**External borrowings HK$M**	**Lease liabilities HK$M**	**Total liabilities HK$M**	**Non-controlling interests HK$M**
Property							
Property investment	11,683	15,716	(21,808)	49,243	462	55,296	44,892
Property trading	4,606	183	21,415	-	17	26,221	911
Hotels	265	-	393	-	1	659	1,033
	16,554	**15,899**	**-**	**49,243**	**480**	**82,176**	**46,836**
Beverages							
Swire Coca-Cola	**17,216**	**5,008**	**-**	**-**	**1,188**	**23,412**	**7,919**
Aviation							
HAECO group	8,687	332	134	-	2,585	11,738	1,842
Others	-	-	-	-	-	-	102
	8,687	**332**	**134**	**-**	**2,585**	**11,738**	**1,944**
Trading & Industrial							
Swire Resources	611	2	(61)	-	318	870	-
Taikoo Motors	673	6	-	-	526	1,205	-
Swire Foods	97	14	-	-	19	130	-
Swire Environmental Services	27	-	-	-	1	28	-
Other activities	1	(1)	-	-	-	-	-
	1,409	**21**	**(61)**	**-**	**864**	**2,233**	**-**
Head Office, Healthcare and others	**1,364**	**126**	**(73)**	**39,193**	**9**	**40,619**	**(41)**
	45,230	**21,386**	**-**	**88,436**	**5,126**	**160,178**	**56,658**

At 31st December 2024	Segment liabilities HK$M	Current and deferred tax liabilities HK$M	Inter-segment borrowings/ (advances) HK$M	External borrowings HK$M	Lease liabilities HK$M	Total liabilities HK$M	Non-controlling interests HK$M
Property							
Property investment	10,185	14,886	(21,889)	48,347	516	52,045	49,342
Property trading	2,718	137	21,329	-	-	24,184	845
Hotels	193	-	560	-	4	757	1,059
	13,096	15,023	-	48,347	520	76,986	51,246
Beverages							
Swire Coca-Cola	17,310	5,009	487	-	939	23,745	7,252
Aviation							
HAECO group	7,465	322	1,276	44	2,467	11,574	1,767
Others	-	-	-	-	-	-	110
	7,465	322	1,276	44	2,467	11,574	1,877
Trading & Industrial							
Swire Resources	664	2	(61)	-	440	1,045	-
Taikoo Motors	701	15	-	290	572	1,578	-
Swire Foods	277	13	(6)	-	75	359	-
Swire Environmental Services	35	(5)	-	-	2	32	-
Other activities	18	-	6	-	-	24	-
	1,695	25	(61)	290	1,089	3,038	-
Head Office, Healthcare and others	1,213	124	(1,702)	42,910	6	42,551	(8)
	40,779	20,503	-	91,591	5,021	157,894	60,367

1. Segment Information (continued)

(a) Information about reportable segments (continued)

The Group is organised on a divisional basis: Property, Beverages, Aviation and Trading & Industrial.

The reportable segments within each of the divisions are classified according to the nature of the business. The Head Office is also considered to be a reportable segment as discrete financial information is available for the Head Office activities and regularly provided to the Board.

(b) Information about geographical areas

	Revenue		**Non-current assets (Note)**	
	2025 HK$M	2024 HK$M	**2025 HK$M**	2024 HK$M
Hong Kong	**18,579**	19,196	**216,822**	224,031
Chinese Mainland	**48,213**	45,681	**88,815**	81,914
Taiwan	**7,048**	7,430	**1,562**	1,668
Vietnam and Cambodia	**3,867**	4,338	**9,004**	9,248
Thailand and Laos	**8,157**	2,233	**17,201**	15,326
USA	**4,414**	2,949	**441**	3,445
Others	**189**	142	**235**	236
Total	**90,467**	81,969	**334,080**	335,868

Note: In this analysis, the total of non-current assets excludes joint venture and associated companies (and loans advanced to these companies), investments at fair value, other receivables and other non-current assets, derivative financial instruments, deferred tax assets and retirement benefit assets.

2. Revenue

Revenue represents sales by the Company and its subsidiary companies to external customers which comprises:

	2025 HK$M	2024 HK$M
Gross rental income from investment properties	**12,832**	13,267
Property trading	**2,110**	88
Hotels	**916**	888
Sales of goods	**50,207**	45,624
Aircraft and engine maintenance services	**22,995**	20,095
Rendering of other services	**1,407**	2,007
Total	**90,467**	81,969

3. Operating Profit

	2025 HK$M	2024 HK$M
Operating profit has been arrived at after charging:		
Depreciation of property, plant and equipment	**3,146**	2,627
Depreciation of right-of-use assets		
- leasehold land held for own use	**50**	45
- land use rights	**58**	56
- property	**962**	938
- plant and equipment	**93**	17
Amortisation of		
- intangible assets	**228**	244
- initial leasing costs in respect of investment properties	**83**	52
- others	**1**	2
Impairment charges recognised on		
- property, plant and equipment	**38**	159
- intangible assets	**3**	-
Provision for restructuring	**-**	547
Loss arising from the acquisition of interests in an associated company	**-**	59
Loss on deemed disposals of associated companies	**81**	-
Loss on disposals of investments at fair value through profit or loss	**89**	-
Loss on disposals of investment properties	**89**	-
Loss on disposals of property, plant and equipment	**-**	76
Loss on disposals of assets classified as held for sale	**-**	220
And after crediting:		
Gain arising from the acquisition of interests in joint venture companies	**-**	625
Gain on deemed disposals of associated companies	**-**	20
Gain on disposals of investments at fair value through profit or loss	**-**	139
Gain on disposals of property, plant and equipment	**362**	-
Government subsidies	**133**	171

4. Net Finance Charges

	2025 HK$M	2024 HK$M
Interest charged		
Bank loans and overdrafts	**1,451**	1,688
Other loans and bonds	**1,752**	1,537
Fair value (gain)/loss on derivative instruments		
Cross-currency and interest rate swaps: cash flow hedges, transferred from other comprehensive income	**(14)**	(68)
Cross-currency swaps: others	**(1)**	(1)
Amortised loan fees – loans at amortised cost	**134**	127
	3,322	3,283
Lease liabilities	**204**	189
(Profit)/loss on the movement in the fair value of the liabilities in respect of put options over non-controlling interests in subsidiary companies	**(74)**	49
Other financing costs	**159**	184
Capitalised on		
Investment properties	**(307)**	(407)
Properties for sale	**(282)**	(314)
	3,022	2,984
Less: interest income		
Short-term deposits and bank balances	**441**	391
Other loans and investments	**169**	182
	610	573
Net finance charges	**2,412**	2,411

5. Taxation

	2025 HK$M	2024 HK$M
Current taxation		
Hong Kong profits tax	**485**	421
Chinese Mainland Enterprise Income Tax	**1,359**	1,281
Other taxes	**406**	463
Under-provisions in prior years	**3**	3
	2,253	2,168
Deferred taxation		
Change in fair value of investment properties	**50**	627
Origination and reversal of temporary differences	**38**	289
	88	916
	2,341	3,084

Hong Kong profits tax is calculated at 16.5% (2024: 16.5%) on the estimated assessable profits for the year. Under the Law of the People's Republic of China on Enterprise Income Tax (the EIT Law) and Implementation Regulation of the EIT Law, the tax rate of the Chinese Mainland subsidiaries is 25% (2024: 25%). Other taxes are calculated at tax rates applicable in jurisdictions in which the Group is assessable for tax.

6. Dividends

	2025	2024
	HK$M	HK$M
First interim dividend paid on 10th October 2025 of HK$1.30 per 'A' share and HK$0.26 per 'B' share (2024: HK$1.25 and HK$0.25)	**1,753**	1,745
Second interim dividend declared on 12th March 2026 of HK$2.50 per 'A' share and HK$0.50 per 'B' share (2024 actual dividend paid: HK$2.10 and HK$0.42)	**3,372**	2,849
	5,125	4,594

The second interim dividend is not accounted for in 2025 because it had not been declared or approved at the year-end date. The actual amount payable in respect of 2025 will be accounted for as an appropriation of the revenue reserve in the year ending 31st December 2026 when declared.

The Directors have declared second interim dividends of HK$2.50 per 'A' share and HK$0.50 per 'B' share which, together with the first interim dividends of HK$1.30 per 'A' share and HK$0.26 per 'B' share paid in October 2025, amount to full-year dividends of HK$3.80 per 'A' share and HK$0.76 per 'B' share, compared to full-year dividends of HK$3.35 per 'A' share and HK$0.67 per 'B' share in respect of 2024. The second interim dividends will be paid on Friday, 8th May 2026 to shareholders registered at the close of business on the record date, being Friday, 10th April 2026. Shares of the Company will be traded ex-dividend from Wednesday, 8th April 2026.

The register of members will be closed on Friday, 10th April 2026, during which day no transfer of shares will be effected. In order to qualify for entitlement to the second interim dividends, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrars, Computershare Hong Kong Investor Services Limited, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 9th April 2026.

To facilitate the processing of proxy voting for the annual general meeting to be held on 14th May 2026, the register of members will be closed from 11th May 2026 to 14th May 2026, both days inclusive, during which period no transfer of shares will be effected. The record date for determining the eligibility of shareholders to attend and vote at the annual general meeting is Thursday, 14th May 2026. In order to be entitled to attend and vote at the annual general meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrars, Computershare Hong Kong Investor Services Limited, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Friday, 8th May 2026.

7. Earnings Per Share (Basic and Diluted)

Basic earnings per share is calculated by dividing the profit attributable to the Company's shareholders of HK$2,938 million (2024: HK$4,321 million) by the daily weighted average number of 786,169,236 'A' shares and 2,853,521,185 'B' shares in issue during the year (2024: 833,526,329 'A' shares and 2,895,346,755 'B' shares), in the proportion five to one.

Diluted earnings per share is calculated by dividing the profit attributable to the Company's shareholders of HK$2,864 million (2024: HK$3,864 million) (adjusted by the attributable effect of dilutive potential ordinary shares of Cathay Pacific Airways of HK$74 million (2024: HK$457 million)) by the daily weighted average number of 786,169,236 'A' shares and 2,853,521,185 'B' shares in issue during the year (2024: 833,526,329 'A' shares and 2,895,346,755 'B' shares), in the proportion of five to one.

8. Trade and Other Receivables

	2025	2024
	HK$M	HK$M
Trade receivables	**4,348**	3,862
Amounts due from immediate holding company	**25**	4
Amounts due from joint venture companies	**176**	166
Amounts due from associated companies	**221**	345
Prepayments and accrued income	**2,687**	2,438
Other non-current assets	**281**	-
Other receivables	**4,057**	4,435
	11,795	11,250
Amounts due after one year included under non-current assets	**(487)**	(62)
	11,308	11,188

The amounts due from joint venture and associated companies are unsecured, interest free (except where specified) and on normal trade credit terms.

The analysis of the age of trade debtors at the year end (based on their invoice dates) is as follows:

	2025	2024
	HK$M	HK$M
Up to three months	**4,116**	3,638
Between three and six months	**183**	163
Over six months	**49**	61
	4,348	3,862

Group companies have different credit policies, depending on the requirements of their markets and the businesses in which they operate. Analyses of the age of debtors are prepared and closely monitored with a view to minimising credit risk associated with receivables. There is no concentration of credit risk with respect to trade and other receivables, as the Group has a large number of customers.

9. Trade and Other Payables

	2025 HK$M	2024 HK$M
Trade payables	**6,349**	6,606
Amounts due to immediate holding company	**101**	106
Amounts due to joint venture companies	**5**	11
Amounts due to associated companies	**60**	79
Interest-bearing advances from joint venture companies at 2.23%-3.38% per annum (2024: 2.85%-5.26% per annum)	**336**	656
Interest-bearing advances from associated companies at 0.35%-6.84% per annum (2024: 0.35%-7.36% per annum)	**4,389**	2,207
Advances from a non-controlling interest	**1,710**	1,476
Rental deposits from tenants	**2,936**	2,942
Deposits received on sale of investment properties	**356**	403
Put options over non-controlling interests	**1,861**	2,514
Accrued capital expenditure	**2,956**	1,972
Other accruals	**8,625**	8,745
Other payables	**8,940**	8,809
	38,624	36,526
Amounts due after one year included under non-current liabilities	**(1,625)**	(1,337)
	36,999	35,189

The analysis of the age of trade creditors at the year end (based on their invoice dates) is as follows:

	2025 HK$M	2024 HK$M
Up to three months	**6,078**	6,136
Between three and six months	**183**	411
Over six months	**88**	59
	6,349	6,606

10. Share Capital

	'A' shares	'B' shares	Total HK$M
Issued and fully paid with no par value			
At 1st January 2025	**805,569,500**	**2,865,850,000**	**1,294**
Repurchased in 2024 and cancelled during the year	**(1,462,500)**	**(1,515,000)**	**-**
Repurchased and cancelled during the year	**(25,119,000)**	**(15,402,500)**	**-**
At 31st December 2025	**778,988,000**	**2,848,932,500**	**1,294**

	'A' shares	'B' shares	Total HK$M
Issued and fully paid with no par value			
At 1st January 2024	856,824,500	2,922,337,500	1,294
Repurchased in 2023 and cancelled during the year	(2,626,500)	(3,455,000)	-
Repurchased and cancelled during the year	(48,628,500)	(53,032,500)	-
At 31st December 2024	805,569,500	2,865,850,000	1,294

During the year, the Company repurchased 25,119,000 'A' shares and 15,402,500 'B' shares on The Stock Exchange of Hong Kong Limited for a total aggregate price of HK$1,842 million (excluding transaction fees). The repurchase was governed by section 257 of the Hong Kong Companies Ordinance (Cap. 622). The total amount paid for the repurchased 'A' shares and 'B' shares was paid wholly out of the distributable profits of the Company included in its revenue reserve. The Company did not hold any repurchased shares as treasury shares. All the shares repurchased were subsequently cancelled during the year ended 31st December 2025.

11. Reserves

	Revenue reserve	Property revaluation reserve	Investment revaluation reserve	Cash flow hedge reserve	Translation reserve	Total
	HK$M	HK$M	HK$M	HK$M	HK$M	HK$M
At 1st January 2025	**260,696**	**2,464**	**(195)**	**275**	**(6,234)**	**257,006**
Profit for the year	2,938	-	-	-	-	2,938
Other comprehensive income						
Revaluation of property previously occupied by the Group						
- losses recognised during the year	-	(83)	-	-	-	(83)
Defined benefit plans						
- remeasurement gains recognised during the year	144	-	-	-	-	144
- deferred tax	(24)	-	-	-	-	(24)
Changes in the fair value of equity investments at fair value through other comprehensive income						
- gains recognised during the year	-	-	59	-	-	59
- deferred tax	-	-	(4)	-	-	(4)
Cash flow hedges						
- losses recognised during the year	-	-	-	(334)	-	(334)
- transferred to net finance charges	-	-	-	(13)	-	(13)
- transferred to operating profit	-	-	-	(46)	-	(46)
- deferred tax	-	-	-	37	-	37
Share of other comprehensive income of joint venture and associated companies						
- recognised during the year	56	4	-	(721)	1,434	773
Net translation differences	-	-	-	-	2,702	2,702
Total comprehensive income for the year	**3,114**	**(79)**	**55**	**(1,077)**	**4,136**	**6,149**
Repurchase of the Company's shares	**(1,847)**	**-**	**-**	**-**	**-**	**(1,847)**
2024 second interim dividend (note 6)	**(2,849)**	**-**	**-**	**-**	**-**	**(2,849)**
2025 first interim dividend (note 6)	**(1,753)**	**-**	**-**	**-**	**-**	**(1,753)**
Change in composition of the Group (Note)	**1,577**	**-**	**-**	**-**	**-**	**1,577**
Transfer	**12**	**(12)**	**-**	**-**	**-**	**-**
At 31st December 2025	**258,950**	**2,373**	**(140)**	**(802)**	**(2,098)**	**258,283**

Note: The change in composition of the Group was due to the share buy-back by Swire Properties of HK$1,630 million (increase in ownership of HK$2,218 million net of repurchase of Swire Properties shares of HK$588 million), net transactions with non-controlling interests within the Beverages Division of HK$21 million, offset by conversion of convertible bonds by Cathay Pacific Airways of HK$72 million (HK$167 million on a 100% basis) and net transactions with non-controlling interests within the Head Office, Healthcare and others of HK$2 million.

(a) The Group's revenue reserve includes retained revenue reserves from joint venture companies amounting to HK$8,546 million (2024: HK$9,758 million) and retained revenue reserves from associated companies amounting to HK$14,757 million (2024: HK$11,931 million).

(b) The Group's revenue reserve includes HK$3,372 million (2024: HK$2,849 million) representing the declared second interim dividend for the year.

(c) As at 31st December 2025, the Group's cash flow hedge reserve includes a credit of HK$23 million (net of tax) (2024: HK$48 million) relating to the currency basis element of the Group's derivatives which is recognised separately as a cost of hedging.

11. Reserves (continued)

	Revenue reserve	Property revaluation reserve	Investment revaluation reserve	Cash flow hedge reserve	Translation reserve	Total
	HK$M	HK$M	HK$M	HK$M	HK$M	HK$M
At 1st January 2024	266,875	2,462	(170)	35	(2,367)	266,835
Profit for the year	4,321	-	-	-	-	4,321
Other comprehensive income						
Revaluation of property previously occupied by the Group						
- gains recognised during the year	-	2	-	-	-	2
Defined benefit plans						
- remeasurement gains recognised during the year	133	-	-	-	-	133
- deferred tax	(16)	-	-	-	-	(16)
Changes in the fair value of equity investments at fair value through other comprehensive income						
- losses recognised during the year	-	-	(18)	-	-	(18)
- deferred tax	-	-	(3)	-	-	(3)
- reclassified to revenue reserve on disposal	2	-	(2)	-	-	-
Cash flow hedges						
- gains recognised during the year	-	-	-	34	-	34
- transferred to net finance charges	-	-	-	(58)	-	(58)
- transferred from operating profit	-	-	-	176	-	176
- deferred tax	-	-	-	(13)	-	(13)
Share of other comprehensive income of joint venture and associated companies						
- recognised during the year	(33)	-	(2)	101	(1,041)	(975)
- reclassified to profit or loss on disposal	(16)	-	-	-	-	(16)
Net translation differences	-	-	-	-	(2,826)	(2,826)
Total comprehensive income for the year	4,391	2	(25)	240	(3,867)	741
Repurchase of the Company's shares	(3,851)	-	-	-	-	(3,851)
2023 second interim dividend	(2,841)	-	-	-	-	(2,841)
2024 first interim dividend (note 6)	(1,745)	-	-	-	-	(1,745)
Change in composition of the Group (Note)	(2,133)	-	-	-	-	(2,133)
At 31st December 2024	260,696	2,464	(195)	275	(6,234)	257,006

Note: The change in composition of the Group comprised share buy-back of Swire Properties of HK$791 million (increase in ownership of HK$1,411 million net of repurchase of Swire Properties shares of HK$620 million), less a put option over a non-controlling interest at Beverages Division of HK$1,837 million, net transactions with non-controlling interests at Beverages and Aviation Divisions of HK$37 million, buy-back of warrants by Cathay Pacific Airways of HK$692 million (HK$1,538 million on a 100% basis) and repurchase of convertible bonds by Cathay Pacific Airways of HK$358 million (HK$796 million on a 100% basis).

12. Changes in Accounting Policies and Disclosures

(a) The following revised standards were adopted by the Group effective from 1st January 2025:

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability

The revised standards did not have a significant effect on the Group's consolidated financial statements or accounting policies.

(b) The Group has not early adopted the following new and revised standards and interpretation that have been issued but are effective for annual periods beginning on or after 1st January 2026 and such standards have not been applied in preparing these consolidated financial statements.

Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments[1]
Annual Improvements Project	Annual Improvements to HKFRS Accounting Standards – Volume 11[1]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity[1]
HKFRS 18	Presentation and Disclosure in Financial Statements[2]
HKFRS 19	Subsidiaries without Public Accountability: Disclosures[2]
Amendments to HK-Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]

1 To be applied by the Group from 1st January 2026.
2 To be applied by the Group from 1st January 2027.
3 The effective date is to be determined.

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. Based on a preliminary assessment, except for HKFRS 18 which may have an impact on the presentation of the consolidated financial statements for the year ending 31st December 2027, none of the remaining new and revised standards and interpretation are expected to have a significant effect on the Group's consolidated financial statements.

(c) In December 2021, the Organisation for Economic Co-operation and Development (OECD) issued model rules for a new global minimum tax framework (Pillar Two), commonly known as BEPS 2.0, and various governments around the world have issued, or are in the process of issuing, legislation on this. Pillar Two legislation in Hong Kong, namely the Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025, was enacted on 6th June 2025 and the rules take retrospective effect from 1st January 2025. Respective governments of the Group's other major operating regions (except for Vietnam) have not substantively enacted the legislation on Pillar Two as of the date of approval of these 2025 financial statements. In conjunction with the ultimate holding company of the Group, an assessment was performed on the various regions in which the Group has operations and no material exposure was identified or recognised during the year ended 31st December 2025.

13. Requirement in Connection with Publication of "Non-statutory Accounts" under Section 436 of the Hong Kong Companies Ordinance Cap. 622

The financial information relating to the years ended 31st December 2024 and 2025 that is included in this document does not constitute the Company's statutory annual consolidated financial statements for those years but is derived from those financial statements.

The non-statutory accounts (within the meaning of section 436 of the Companies Ordinance (Cap. 622) (the Ordinance)) in this document are not specified financial statements (within such meaning). The specified financial statements for the year ended 31st December 2024 have been delivered to the Registrar of Companies in Hong Kong in accordance with section 664 of the Ordinance. The specified financial statements for the year ended 31st December 2025 have not been but will be delivered to the Registrar of Companies in Hong Kong in accordance with section 664 of the Ordinance. Auditor's reports have been prepared on the specified financial statements for the years ended 31st December 2024 and 2025. Those reports were not qualified or otherwise modified, did not refer to any matters to which the auditor drew attention by way of emphasis without qualifying the reports and did not contain statements under section 406(2) or 407(2) or (3) of the Ordinance.

Sources of Finance

At 31st December 2025, committed loan facilities and debt securities amounted to HK$118,313 million, of which HK$29,565 million (25%) were undrawn. In addition, there were lease liabilities amounting to HK$5,126 million. The Group had undrawn uncommitted facilities totalling HK$11,837 million. Sources of gross borrowings at 31st December 2025 comprised:

	Available	Drawn	Undrawn expiring within one year	Undrawn expiring beyond one year	Total undrawn
	HK$M	HK$M	HK$M	HK$M	HK$M
Committed facilities					
Loans and bonds					
Bonds	**50,302**	**50,302**	**-**	**-**	**-**
Bank loans	**68,011**	**38,446**	**4,500**	**25,065**	**29,565**
Total committed facilities	**118,313**	**88,748**	**4,500**	**25,065**	**29,565**
Uncommitted facilities					
Bank loans and overdrafts	**11,837**	**-**	**11,837**	**-**	**11,837**
Total	**130,150**	**88,748**	**16,337**	**25,065**	**41,402**

Note: The figures above are stated before unamortised loan fees of HK$312 million.

At 31st December 2025, 73% of the Group's gross borrowings were on a fixed rate basis and 27% were on a floating rate basis (2024: 64% and 36%).

Corporate Governance

The Company complied with all the code provisions set out in the Corporate Governance Code (the CG Code) contained in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the Listing Rules) as applicable for and throughout the year covered by the 2025 Annual Report.

The Company has adopted a code of conduct (the Securities Code) regarding securities transactions by Directors on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the Model Code) contained in Appendix C3 to the Listing Rules. These rules are available on the Company's website.

On specific enquiries made, all the Directors of the Company have confirmed that, in respect of the accounting period covered by the annual report, they have complied with the required standard set out in the Model Code and the Securities Code.

Details of the Company's corporate governance practices will be available in the 2025 Annual Report.

The annual results have been reviewed by the Audit Committee of the Company.

Proposed Amendments to Articles of Association of the Company

The Board proposes to adopt a new set of the Articles of Association of the Company (the "New Articles") to incorporate amendments to the existing Articles of Association of the Company. The purposes of these amendments are to enable the Company to conduct general meetings in hybrid or fully virtual format and to manage its corporate affairs more efficiently, as well as to reflect the Listing Rules amendments relating to the further expansion of the paperless listing regime. The amendments also seek to generally update and align the existing articles with the Companies Ordinance (Cap. 622), including the recent adoption of the treasury share regime in the Ordinance for Hong Kong incorporated listed companies and the facilitation of paperless corporate communications. Other consequential and administrative amendments are also proposed to update the existing articles for greater clarity.

The proposed adoption of the New Articles will be subject to the passing of a special resolution by the Company's shareholders at its annual general meeting to be held in May 2026. Further details of the proposed changes under the New Articles will be set out in the circular relating to the annual general meeting to be despatched to the Company's shareholders.

Annual Report

The 2025 Annual Report containing all the information required by the Listing Rules will be published on the Stock Exchange website and the Company website www.swirepacific.com. Printed copies will be available to shareholders on 9th April 2026.

List of Directors

As at the date of this announcement, the Directors of the Company are:
Executive Directors: Guy Bradley (Chairman), David Cogman, Patrick Healy, Martin Murray;
Non-Executive Directors: Gordon McCallum, Merlin Swire; and
Independent Non-Executive Directors: Paul Etchells, Edith Ngan, Gordon Orr, Xu Ying and Bonnie Zhang.

By Order of the Board
SWIRE PACIFIC LIMITED
Guy Bradley
Chairman
Hong Kong, 12th March 2026

Disclaimer

This document may contain forward-looking statements that reflect the Company's beliefs, plans or expectations about the future or future events. These forward-looking statements are based on a number of assumptions, estimates and projections, and are therefore subject to inherent risks, uncertainties and other factors beyond the Company's control. The actual results or outcomes of events may differ materially and/or adversely due to a number of factors, including changes in the economies and industries in which the Group operates (in particular in Hong Kong and the Chinese Mainland), macro-economic and geopolitical uncertainties, changes in the competitive environment, data quality, foreign exchange rates, interest rates and commodity prices, and the Group's ability to identify and manage risks to which it is subject. Nothing contained in these forward-looking statements is, or shall be, relied upon as any assurance or representation as to the future or as a representation or warranty otherwise. Neither the Company nor its directors, officers, employees, agents, affiliates, advisers or representatives assume any responsibility to update these forward-looking statements or to adapt them to future events or developments or to provide supplemental information in relation thereto or to correct any inaccuracies.

References in this document to Hong Kong are to Hong Kong SAR, to Macau are to Macao SAR and to Taiwan are to the Taiwan region.