SWIRE PACIFIC

ANNUAL REPORT 2025

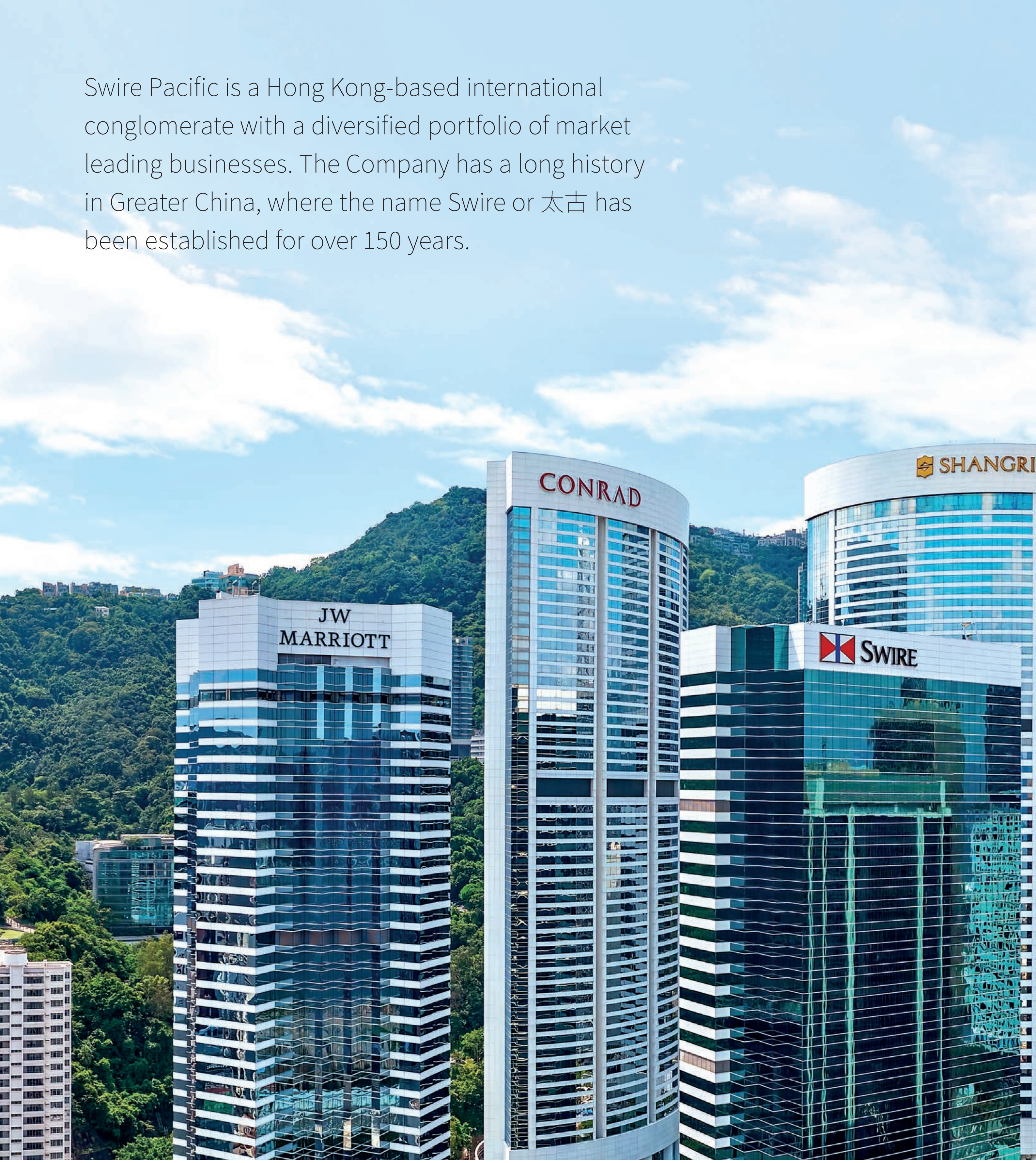
Stock Codes: 'A' Shares 00019 'B' Shares 00087

CONTENTS

Note: Definitions of the terms and ratios used in this report can be found in the Glossary.

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.

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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.

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).

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%

		HK$M	HK$M	
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

		HK$	HK$	
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 74 and 75.
(ii) Refer to note 13 to the financial statements for the daily weighted average number of shares in issue throughout the year.
(iii) Refer to note 34 to the financial statements for the number of shares at the year end.

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.

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.

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.

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.

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.

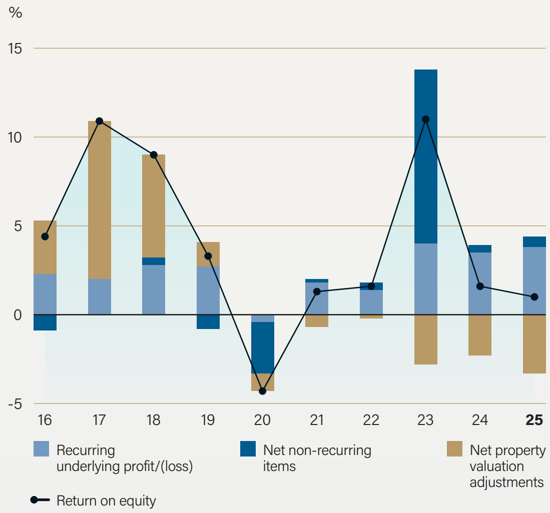
The Cathay group expects to continue growing its passenger capacity in 2026 and will focus on increasing the frequency of existing routes and adding new destinations, and it will take delivery of eight narrowbody aircraft in 2026. This year also marks a meaningful milestone as the Cathay group celebrates 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.

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

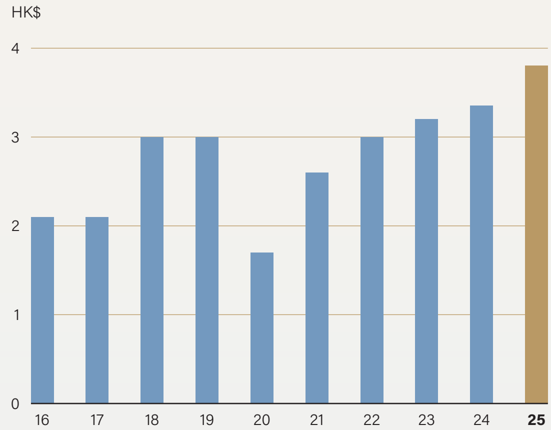
Return on Equity

5-year average 3.3%

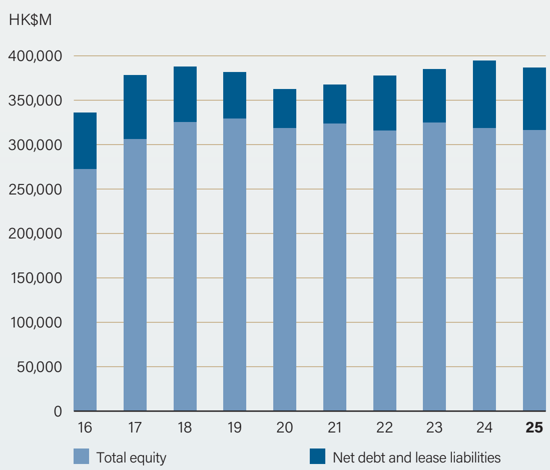


Ordinary Dividends per 'A' Share

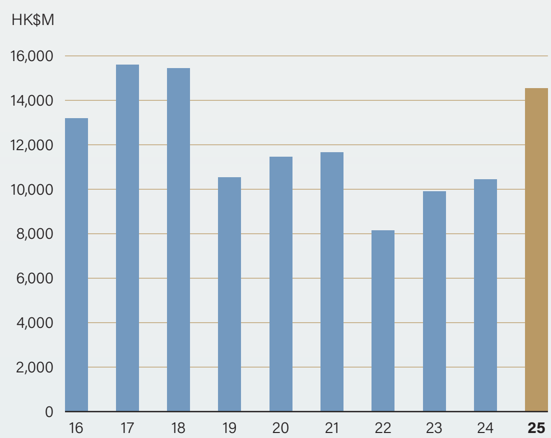
5-year CAGR 17.5%



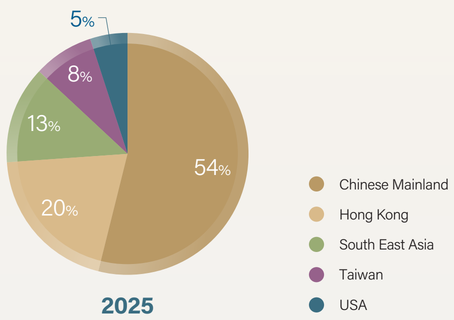
Total Equity and Net Debt (including Lease Liabilities)



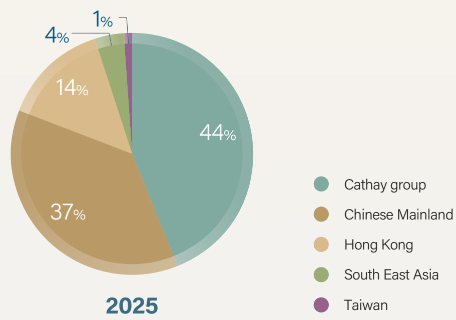
Net Cash Generated from Operating Activities



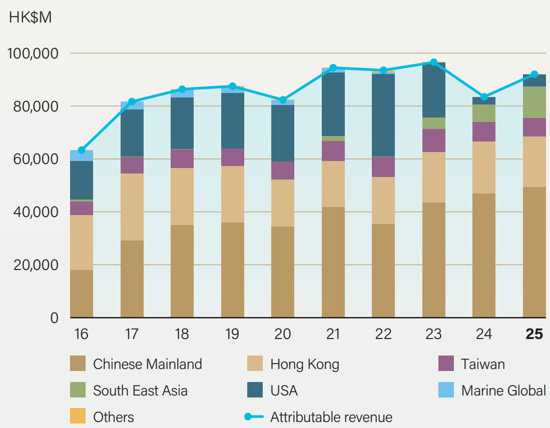
Attributable Revenue by Region[i]



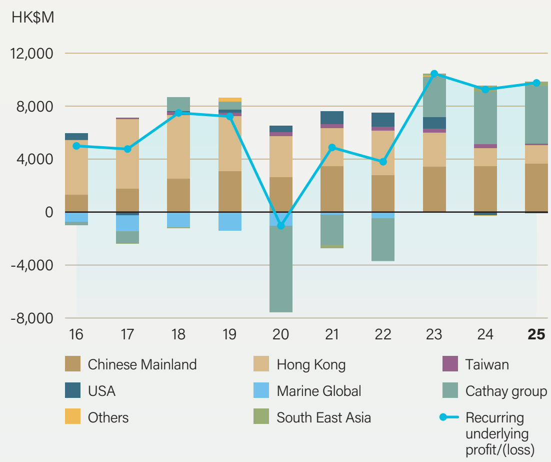
Recurring Underlying Profit by Region[ii]



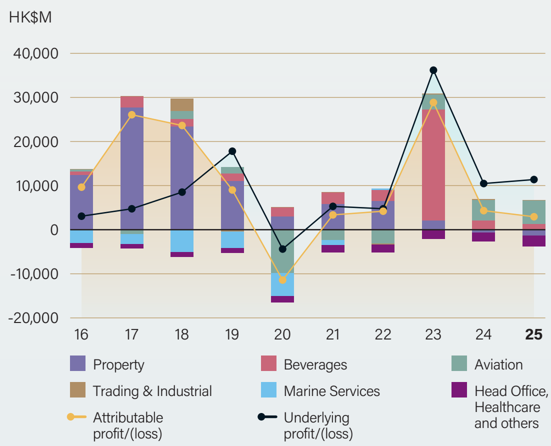
Attributable Revenue by Region[i]



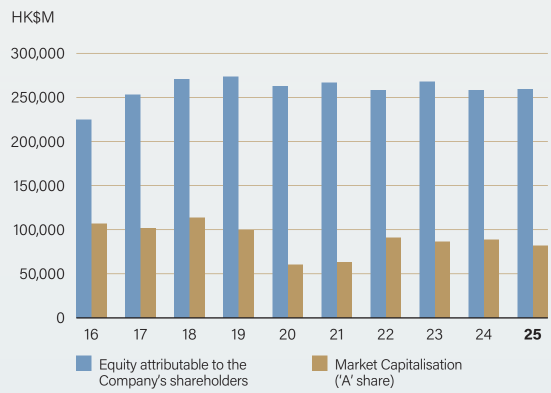
Recurring Underlying Profit/(Loss) by Region



Profit/(Loss) Attributable to the Company's Shareholders



Equity Attributable to the Company's Shareholders and Market Capitalisation at Year End



Notes:

(i) Includes joint ventures' attributable gross rental income of the Property Division.

(ii) Excludes the loss in the USA.

PROPERTY DIVISION

Artist's impression

Topped out in October 2025, Taikoo Place Beijing is Swire Properties' largest investment in the Chinese Mainland, reflecting its steadfast commitment to placemaking and sustainable urban development.

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.

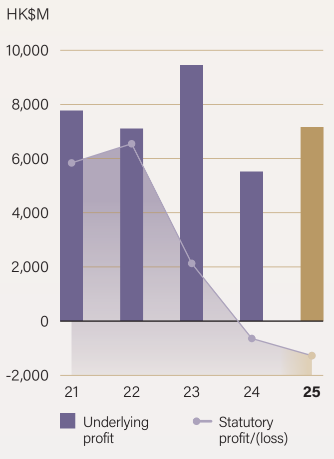
Property Trading

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.

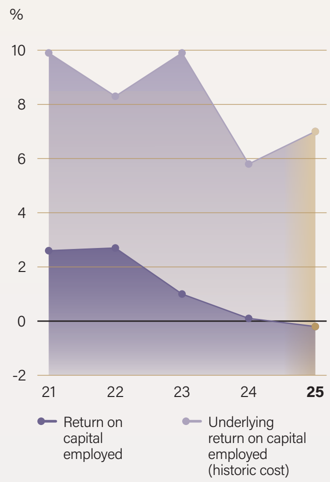
Particulars of the Group's key properties are set out on pages 242 to 251.

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

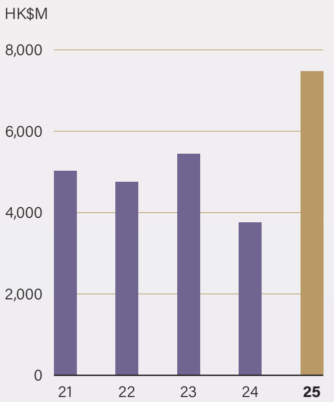
Statutory and Underlying Profit/(Loss) Attributable to the Company's Shareholders



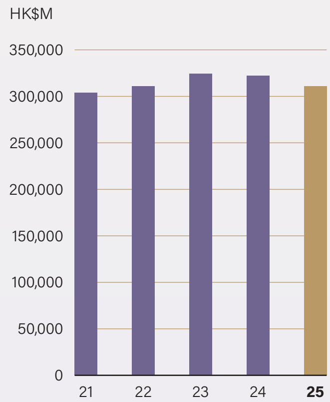
Return on Capital Employed



Net Cash Generated from Operating Activities



Capital Employed



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 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.

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.

2025 PERFORMANCE

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.

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

Reconciliation of Attributable Loss 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 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.

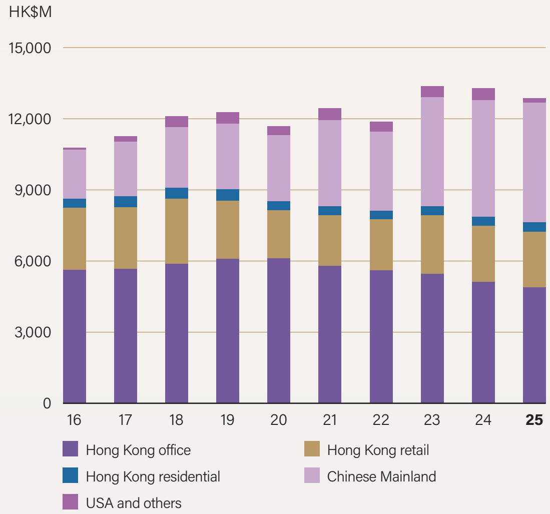
In the Chinese Mainland, Swire Properties' retail portfolio delivered an improved performance in the second half of 2025, supported by enhanced market sentiment and consumer confidence resulting from the government's expanded stimulus package, which continued to benefit the overall economy. Swire Properties' 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.

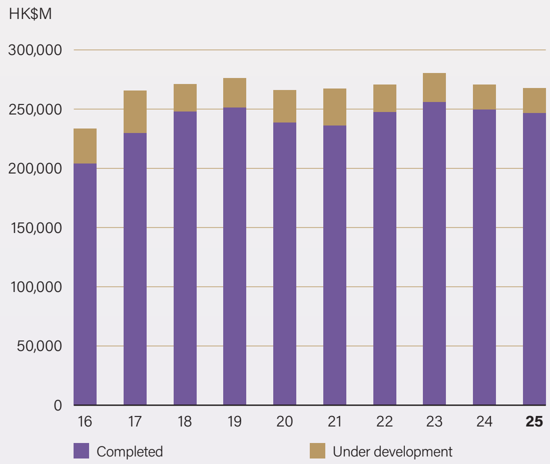
The overall hotel performance in Hong Kong and the Chinese Mainland improved in 2025, reflecting higher occupancy and revenue per available room on average across the portfolio. The performance of the managed hotel in the USA was strong.

Gross Rental Income (after deduction of rental concessions)



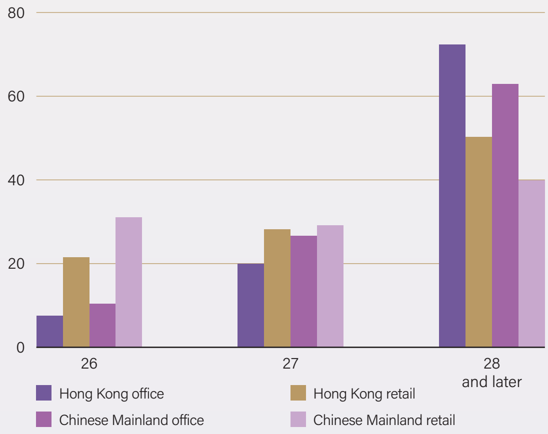
Underlying Operating Profit

Valuation of Investment Properties



Lease Expiry Profile – at 31st December 2025

% of the gross rental income attributable to Swire Properties for the month ended 31st December 2025



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

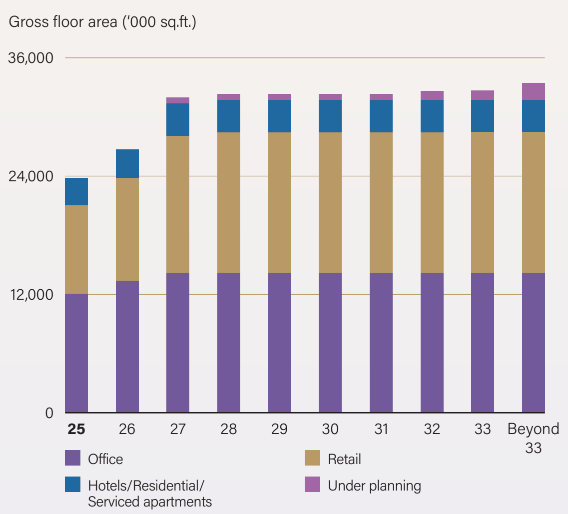
OFFICE | Gross rental income from the Hong Kong office portfolio in 2025 was HK$4,885 million, a 4% decrease from 2024. High vacancy rates, coupled with new supply continue to exert downward pressure on office rent across the Hong Kong market. Despite these headwinds, Swire Properties' office portfolio 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.

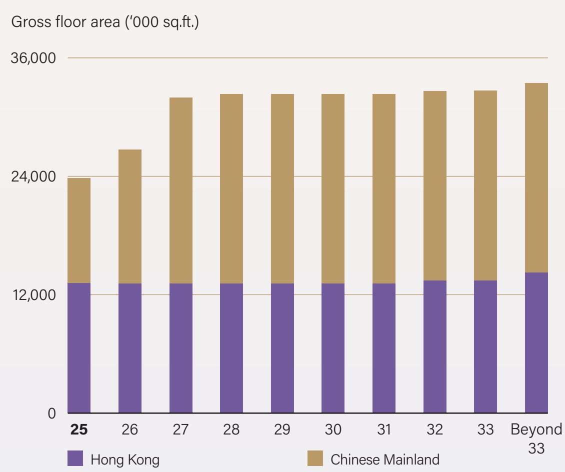
The performance of the offices at Taikoo Place was steady. Those at One Taikoo Place, One Island East (excluding the ten floors disposed of) and the other office towers at Taikoo Place were 96%, 87% and 88% let, respectively, at 31st December 2025. Two Taikoo Place, the newest addition to Taikoo Place,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

Attributable Completed Investment Property and Hotel Portfolio by Type



Attributable Completed Investment Property and Hotel Portfolio by Location



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.

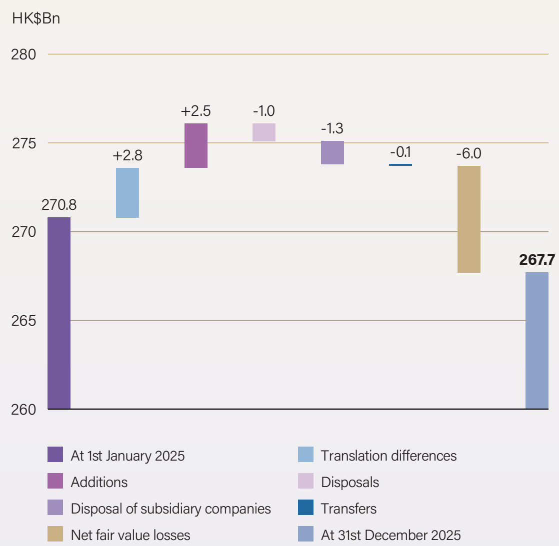
Retail sales and gross rental income at HKRI Taikoo Hui in Shanghai increased by 50% and 1%, respectively, in 2025, reflecting continued tenant mix improvement despite disruption caused by major structural and reconfiguration works in 2025. The mall was 96% let at 31st December 2025.

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.

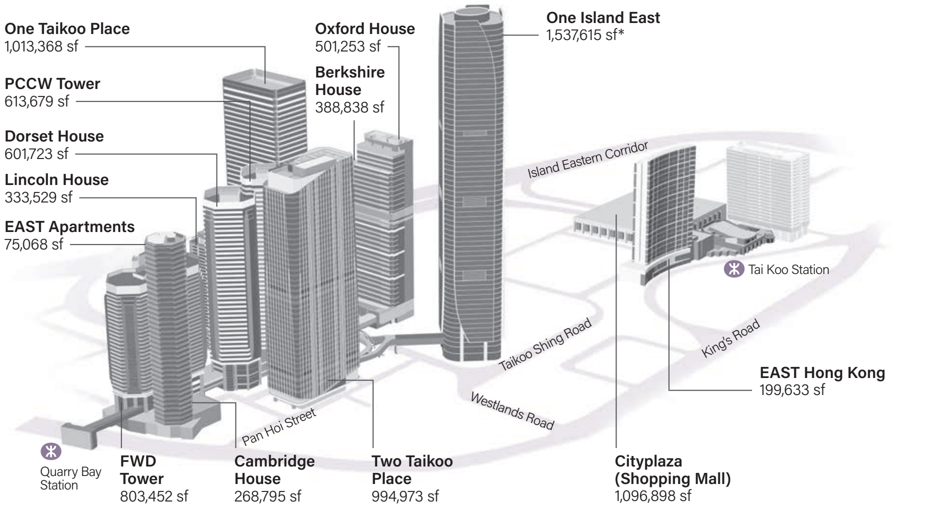
The office towers at Taikoo Hui in Guangzhou, ONE INDIGO in Beijing and HKRI Taikoo Hui in Shanghai were 90%, 93% and 93% let, respectively, at 31st December 2025.

Movement in Investment Properties



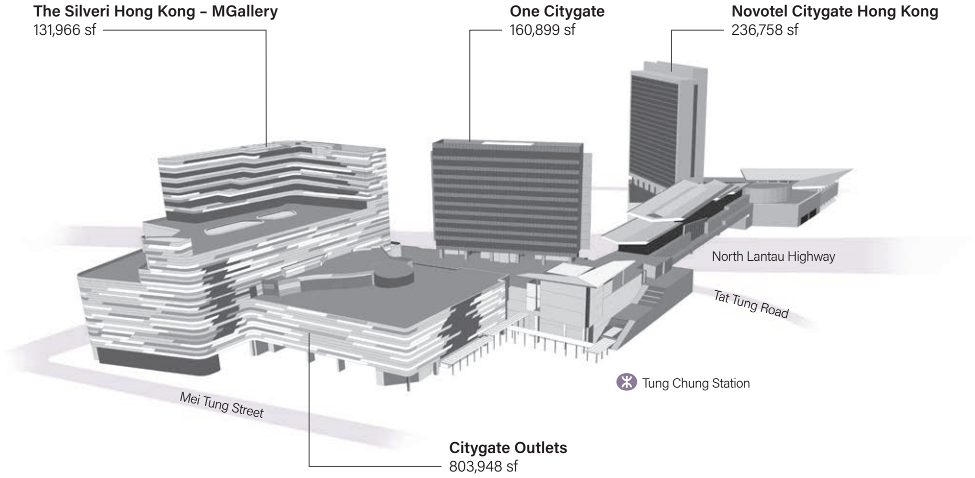
Hong Kong

Taikoo Place and Cityplaza

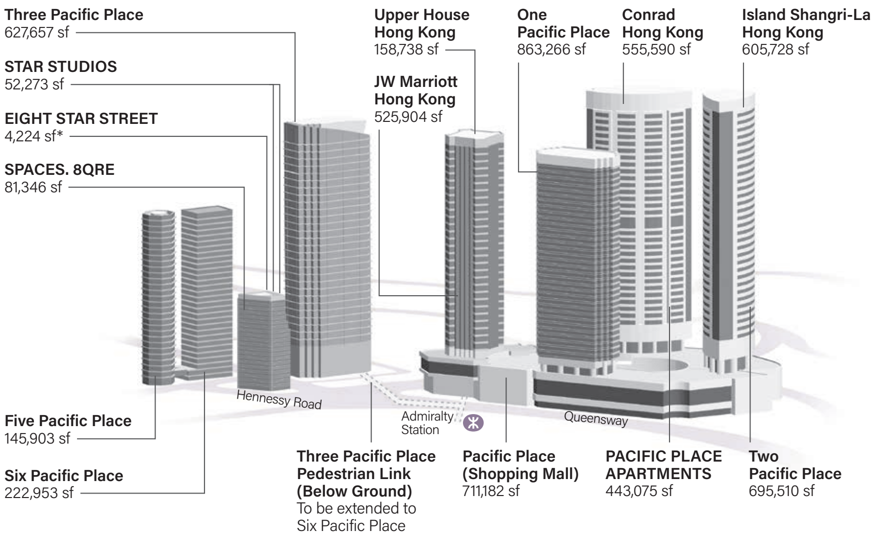


* Including the 43rd, 45th to 54th floors (except for the 49th floor) disposed of.

Citygate



Pacific Place

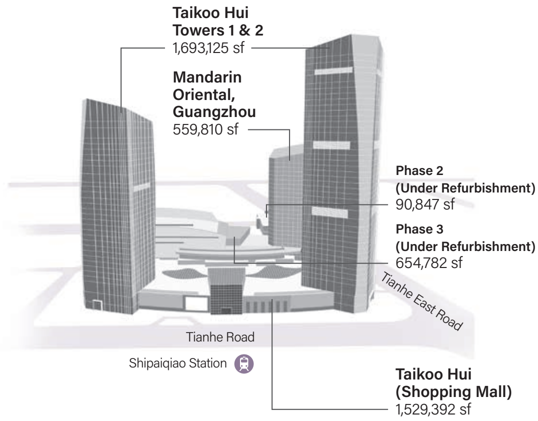


* Floor area shown including the gross floor area of the remaining residential unit of 1,373 sf.

Chinese Mainland

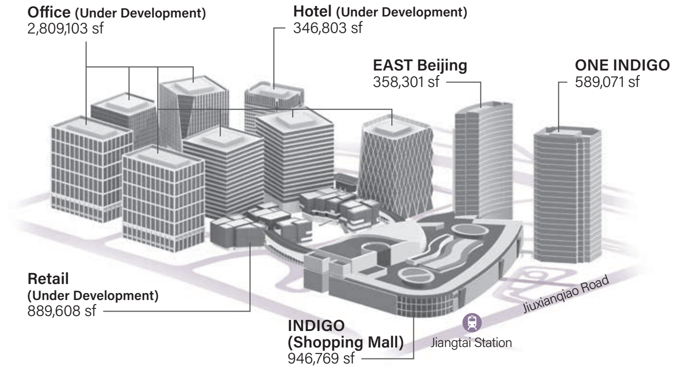
Taikoo Hui

Guangzhou



Taikoo Place Beijing

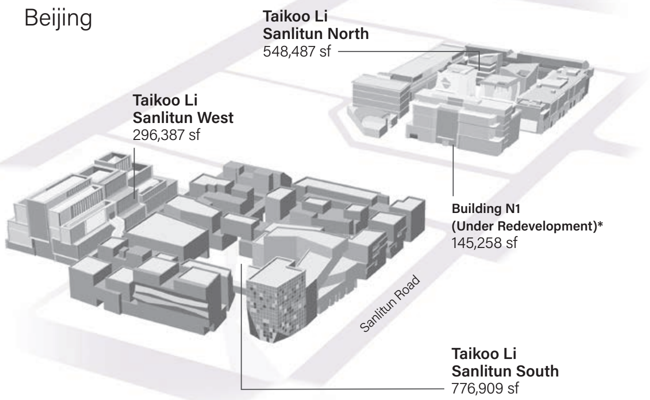
Beijing



Taikoo Place Beijing will combine the existing INDIGO with its Phase Two extension, planned to be completed in phases from mid 2026 onwards.

Taikoo Li Sanlitun

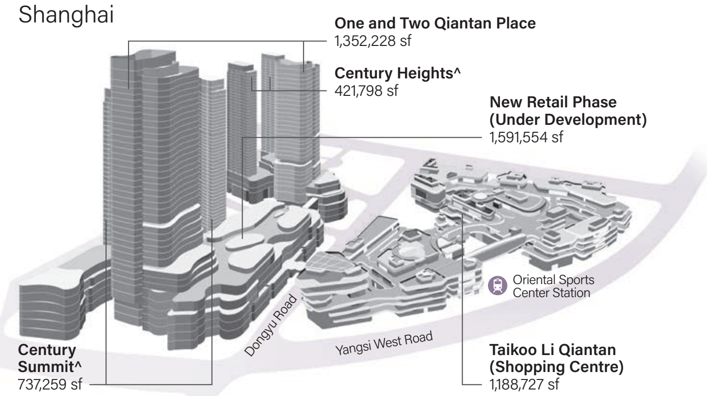
Beijing



* Subject to planning approval

Taikoo Li Qiantan and Qiantan Place

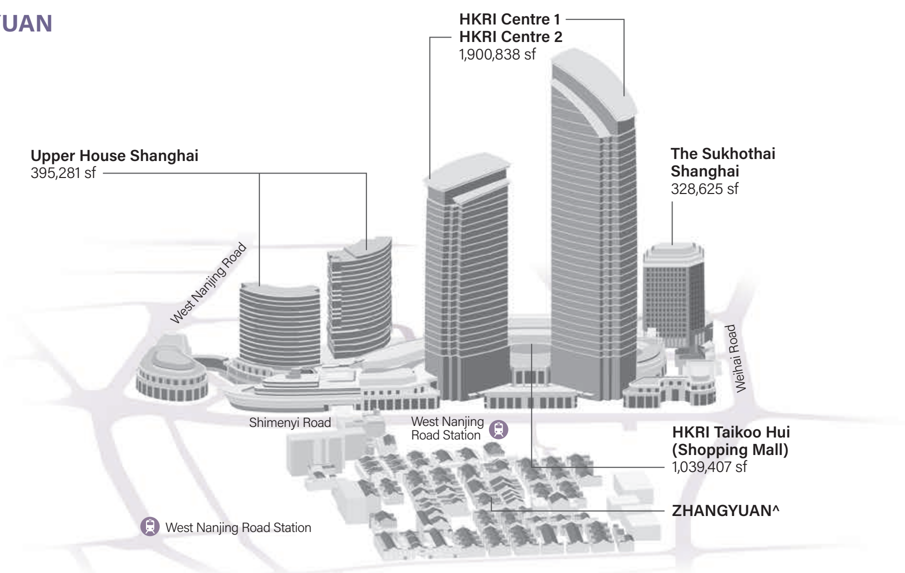
Shanghai



^ Residential trading under development

HKRI Taikoo Hui and ZHANGYUAN

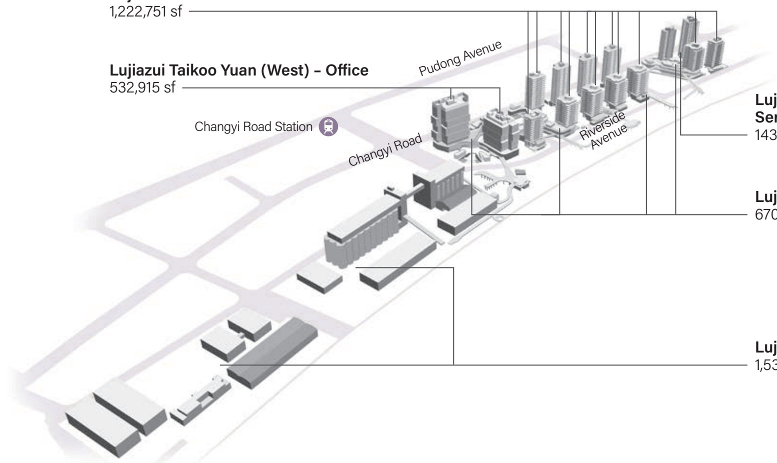
Shanghai



^ ZHANGYUAN, with gross floor area of 1,630,820 sf (including car parking spaces), is operated and managed by a joint venture which is 60% owned by Swire Properties. Swire Properties does not have an ownership interest in the compound.

Lujiazui Taikoo Yuan
(Under Development)

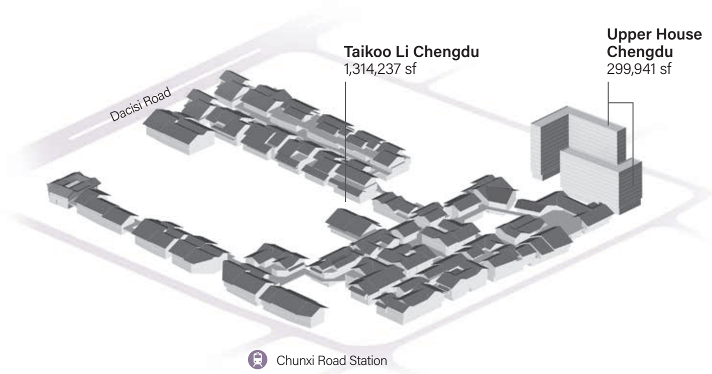
Shanghai



* Subject to planning approval
^ Residential trading

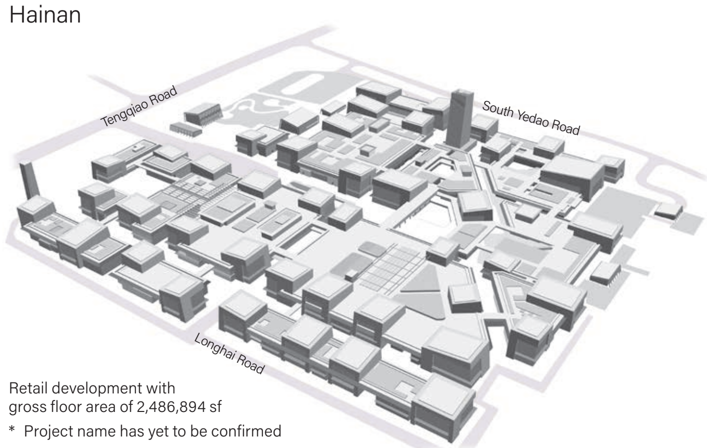
Taikoo Li Chengdu

Chengdu



Taikoo Li Sanya* (Under Development)

Hainan

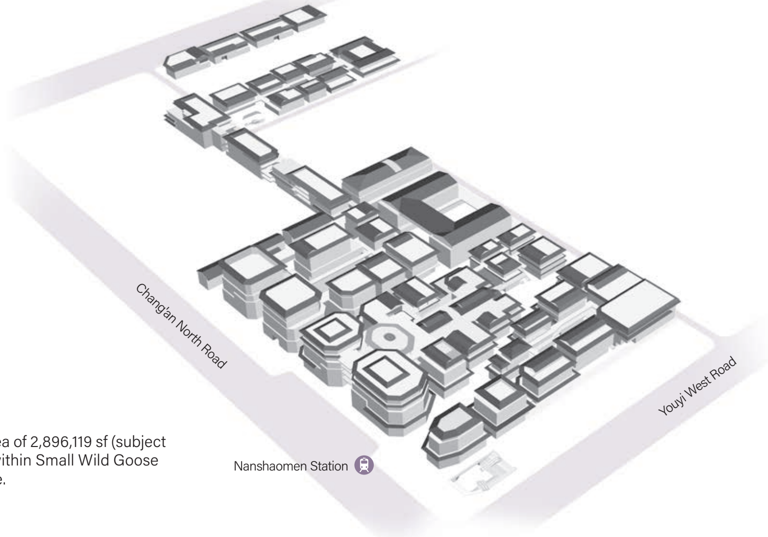


Retail development with
gross floor area of 2,486,894 sf

* Project name has yet to be confirmed

Taikoo Li Xi’an (Under Development)

Xi’an



Taikoo Li Xi’an with gross floor area of 2,896,119 sf (subject to planning approval) is located within Small Wild Goose Pagoda Protection Planning Zone.

Notes:

- Gross floor area figures are shown on a 100% basis.
- These diagrams are not to scale and are for illustration purposes only.
- These diagrams illustrate the major developments of Swire Properties. For details of other developments, please refer to the Schedule of Principal Group Properties on pages 242 to 251.

Profile of Capital Commitments for Investment Properties and Hotels

	Expenditure	Forecast expenditure				Total commitments[i]	Commitments relating to joint venture companies[ii]
	2025 HK$M	2026 HK$M	2027 HK$M	2028 HK$M	2029 and later HK$M	At 31st December 2025 HK$M	At 31st December 2025 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.

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.

Swire Properties' Qiantan Place in Shanghai will feature two premium Grade-A office towers – One Qiantan Place and Two Qiantan Place – as part of the Taikoo Li Qiantan mixed-use development. Artist's impression

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 in 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.

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.

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.

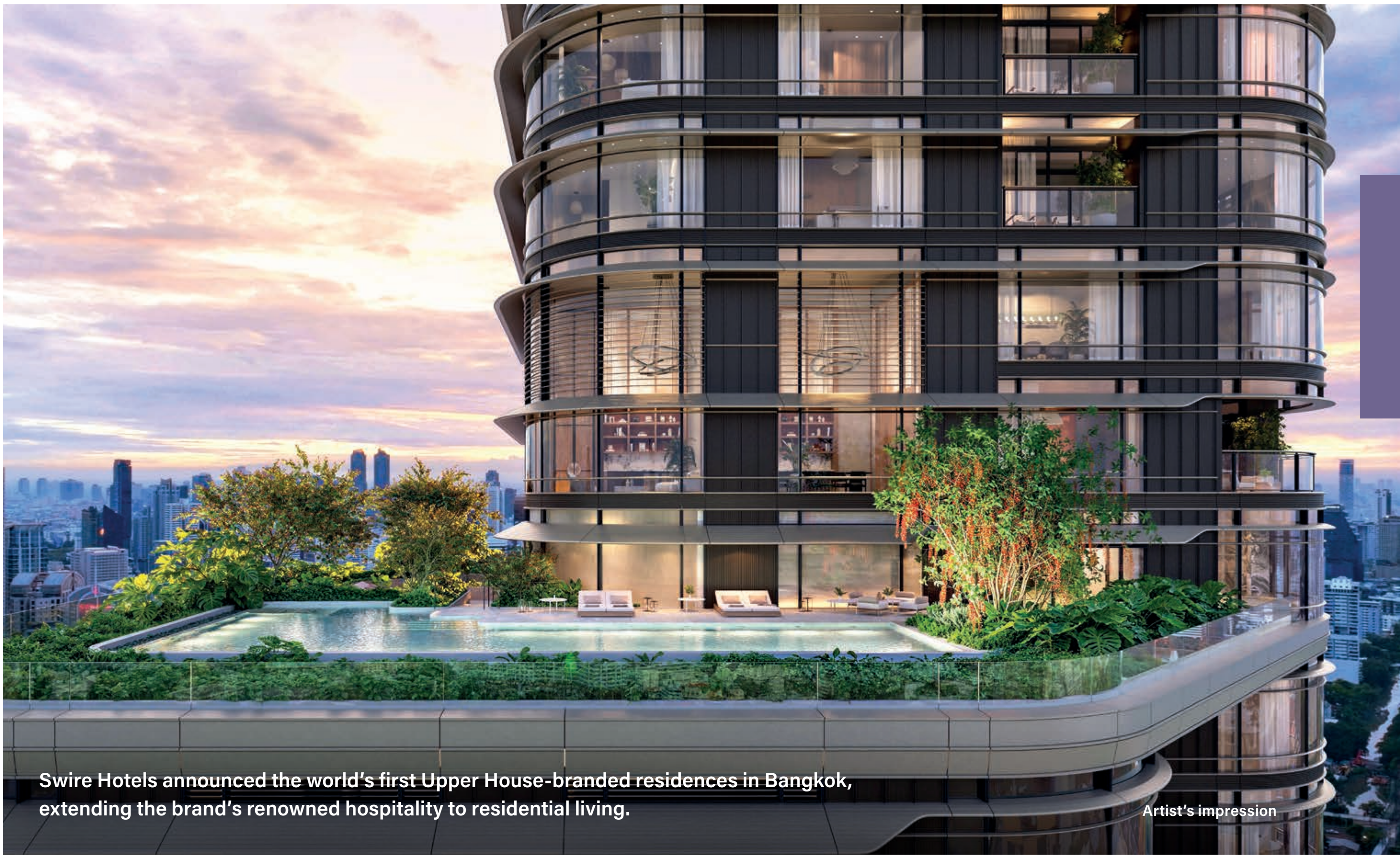
In 2021, a project company held 80% by Swire Properties and 20% by China Motor Bus Company, Limited completed a land exchange with the HKSAR Government in respect of a plot of land in Chai Wan. The plot of land is being redeveloped into THE HEADLAND RESIDENCES, a residential complex (with retail outlet) 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.



Swire Hotels announced the world's first Upper House-branded residences in Bangkok, extending the brand's renowned hospitality to residential living.

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

Swire Coca-Cola brings refreshment to a franchise population of 942.4 million people across owned and managed franchise territories.

BEVERAGES DIVISION

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)).

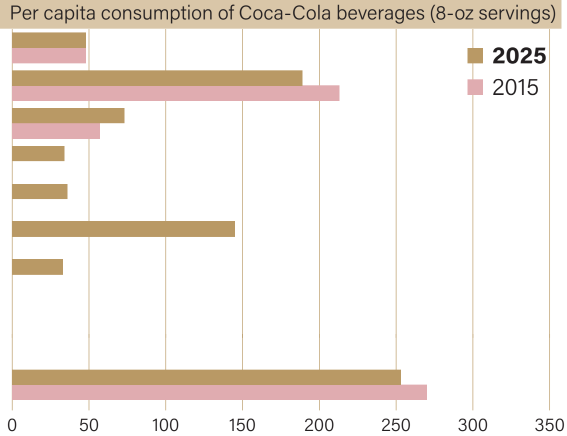
Swire Coca-Cola operates nine wholly-owned franchise businesses (in Hong Kong, Taiwan and several Chinese Mainland provinces and cities) and nine non-wholly-owned franchises (in additional Chinese Mainland provinces plus Vietnam, Cambodia, Thailand and Laos). It also owns six subsidiaries supplying still 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.

Per Capita Consumption in Franchise Territories

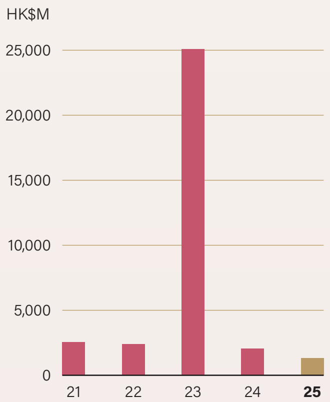
	Franchise population (millions) (end of 2025)	GDP per capita (US$)	Sales volume (million unit cases) 2025	2015
Chinese Mainland	695.7	15,868	1,386	836
Hong Kong	7.5	55,544	59	65
Taiwan	23.3	38,360	71	56
Vietnam(ii)	102.3	4,773	143	N/A
Cambodia(ii)	17.8	2,170	27	N/A
Thailand(ii)	56.3	7,942	340	N/A
Laos(ii)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

Per capita consumption of Coca-Cola beverages (8-oz servings)

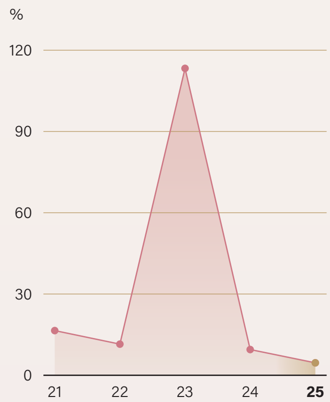


Notes:
(i) A unit case comprises 24 8-ounce servings.
(ii) The acquisitions of these franchise businesses were completed after 2015. Accordingly, the sales volume and per capita consumption information in 2015 are not applicable.

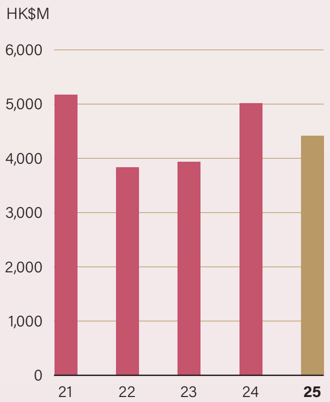
Profit Attributable to the Company's Shareholders



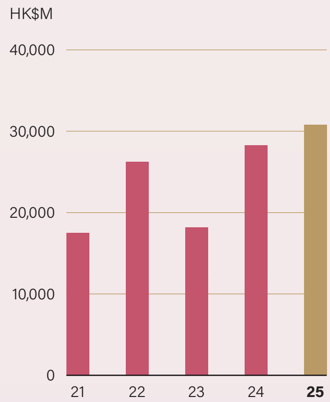
Return on Capital Employed



Net Cash Generated from Operating Activities



Capital Employed



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.

Established in

1965

Annual Revenue[Δ]

HK$ 43.2 billion

Annual Sales Volume[Δ]

2,370
million unit cases

2,037
Owned^

333
Managed*

Present in

8 markets

7
Owned^

1
Managed*

Bottling Plants

41

35
Owned^

6
Managed*

Beverage Brands[@]

62

41
Owned^

31
Managed*

Consumers

942.4
million

910.9
Owned^

31.5
Managed*

Employees

45,798

37,688
Owned^

8,110
Managed*

^ Representing information on the franchise territories owned by Swire Coca-Cola in Greater China and South East Asia.
* The disposal of 100% equity interest in the franchise business in the USA was completed on 7th September 2023. Swire Coca-Cola continues to provide management and administrative support services to SCCU at an agreed annual management fee.
@ Ten brands were both manufactured and distributed in the owned franchise territories and the managed franchise territories.
Δ Revenue and volume include those of Shanghai Shen-Mei and exclude sales to other bottlers.

Franchise Territories Owned by Swire Coca-Cola

GREATER CHINA

Franchise population

726.5 million

Operating areas	Number of bottling plant(s)	Operating areas	Number of bottling plant(s)
Anhui	1	Hubei	2
Fujian	1	Jiangsu	2
Guangdong	5	Jiangxi	1
Guangxi	2	Shanghai	2
Hainan	1	Taiwan	1
Henan	2	Yunnan	1
Hong Kong	1	Zhejiang	3

SOUTH EAST ASIA

Franchise population

184.4 million

Operating areas	Number of bottling plant(s)	Operating areas	Number of bottling plant(s)
Cambodia	1	Vietnam	3
Thailand	5	Laos	1

Franchise Territories Managed by Swire Coca-Cola*

USA

Franchise population

31.5 million

Operating areas#	Number of bottling plant(s)
Arizona	1
California	–
Colorado	1
Idaho	1
Kansas	–
Nebraska	–
Nevada	–
New Mexico	–
Oregon	1
South Dakota	–
Utah	1
Washington	1
Wyoming	–

* The disposal of 100% equity interest in the franchise business in the USA was completed on 7th September 2023. Swire Coca-Cola continues to provide management and administrative support services to SCCU at an agreed annual management fee.

\# Serving throughout parts of the 13 states listed above.

2025 PERFORMANCE

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

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.

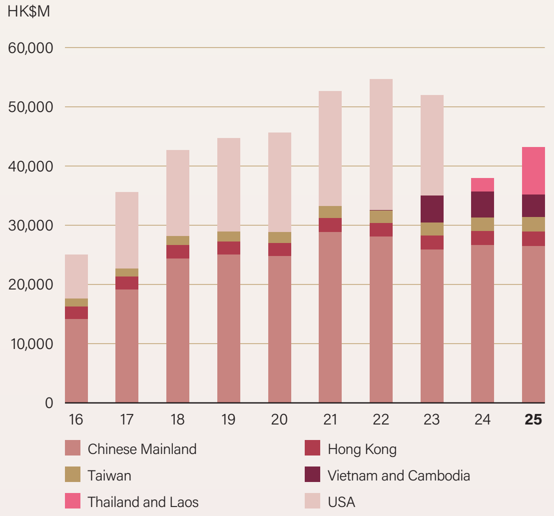
Segment Performance

	Note	Percentage Change in 2025					
		Chinese Mainland	**Hong Kong**	**Taiwan**	**Vietnam and Cambodia**	**Thailand and Laos(iv)**	**Swire Coca-Cola(iv)**
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%**

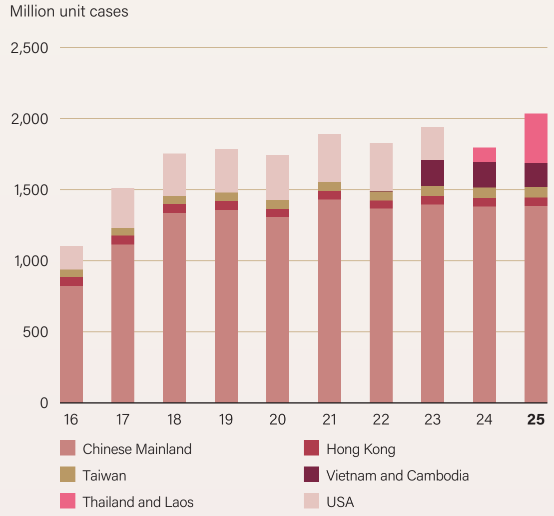
	Note	Chinese Mainland	Hong Kong	Taiwan	Vietnam and Cambodia	Thailand and Laos(iv)	Swire Coca-Cola(iv)
EBITDA Margin	(iii)						
2025		**11.7%**	**18.1%**	**11.9%**	**11.5%**	**14.5%**	**12.6%**
2024		11.5%	16.6%	12.6%	13.2%	18.6%	12.5%
EBIT Margin	(iii)						
2025		**5.6%**	**9.2%**	**7.4%**	**4.8%**	**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.

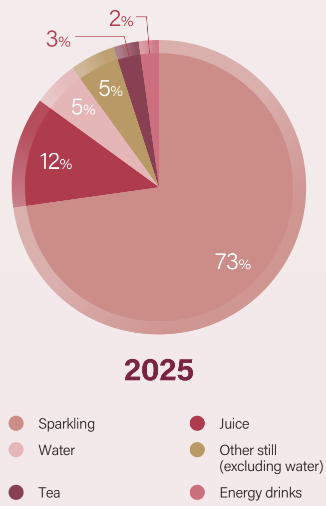
Revenue#

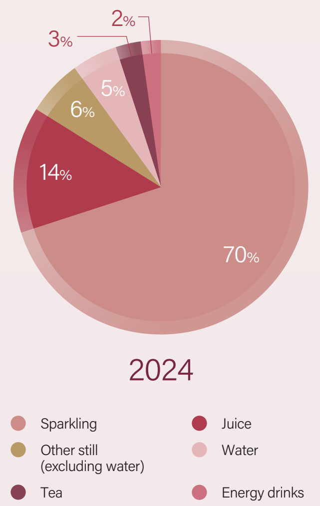


Sales Volume#



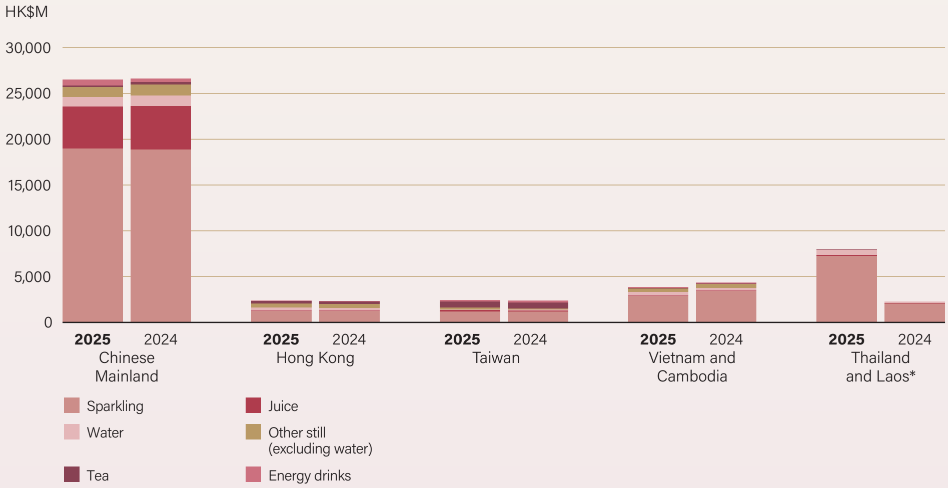
Revenue by Category#





Revenue and volume include those of Shanghai Shen-Mei and exclude sales to other bottlers.
* The 2024 figures for Thailand and Laos represent those for the period after the completion of acquisition on 30th September 2024 to the end of the year.
^ The 2023 figures for SCCU represent those for the period up to the completion of the disposal of SCCU on 7th September 2023.

Revenue by Region and Category#



Revenue and volume include those of Shanghai Shen-Mei and exclude sales to other bottlers.
* The 2024 figures for Thailand and Laos represent those for the period after the completion of acquisition on 30th September 2024 to the end of the year.

Growth in Revenue and Volume in 2025 by Category#

	Chinese Mainland		Hong Kong		Taiwan		Vietnam and Cambodia		Thailand and Laos	
	Revenue	Volume	Revenue	Volume	Revenue	Volume	Revenue	Volume	Revenue	Volume
Sparkling	2%	0%	1%	-1%	-3%	-1%	-16%	-15%	252%	254%
Juice	-3%	-4%	23%	18%	-4%	-3%	-19%	-18%	264%	266%
Tea	-24%	-11%	-2%	-2%	-2%	-4%	2%	1%	350%	400%
Energy drinks	49%	53%	7%	10%	10%	12%	22%	-4%	-	-
Other still (excluding water)	-11%	-5%	11%	5%	17%	11%	-3%	1%	-	-
Water	-4%	6%	-4%	-10%	0%	-3%	24%	24%	260%	244%
	1%	0%	2%	-3%	0%	-1%	-11%	-7%	253%	251%

The revenue growth is measured in local currency terms, except Vietnam and Cambodia, and Thailand and Laos which are measured in Hong Kong dollars.
Revenue and volume include those of Shanghai Shen-Mei and exclude sales to other bottlers.

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.

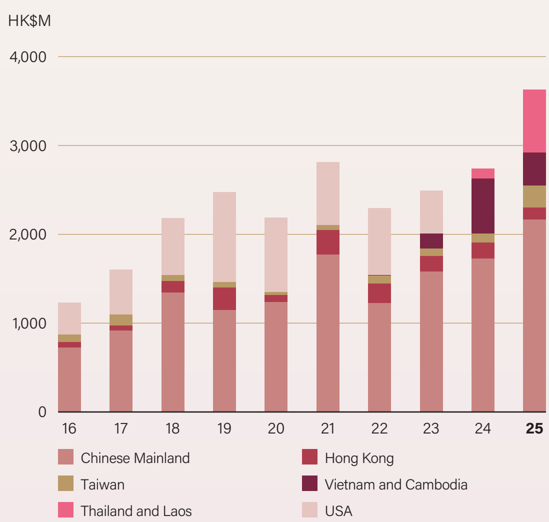
Our 2025 results were impacted by a range of challenges across the region. In the Chinese Mainland, disruptions to traditional distribution channels, driven by aggressive subsidies from food delivery platforms, placed significant pressure on revenue growth. In Vietnam and Thailand, increased competition 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).

Capital Expenditure#



Capital expenditure includes Shanghai Shen-Mei. The 2024 figures for Thailand and Laos represent those for the period after the completion of the acquisition on 30th September 2024 to the end of the year. The 2023 figures for the USA represent those for the period up to the completion of the disposal of SCCU on 7th September 2023.

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%.

With end-to-end digital integration and automated warehousing, Swire Coca-Cola's new Zhengzhou plant commenced operations in October 2025, producing high-quality, diverse beverages while advancing green, smart manufacturing.

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.

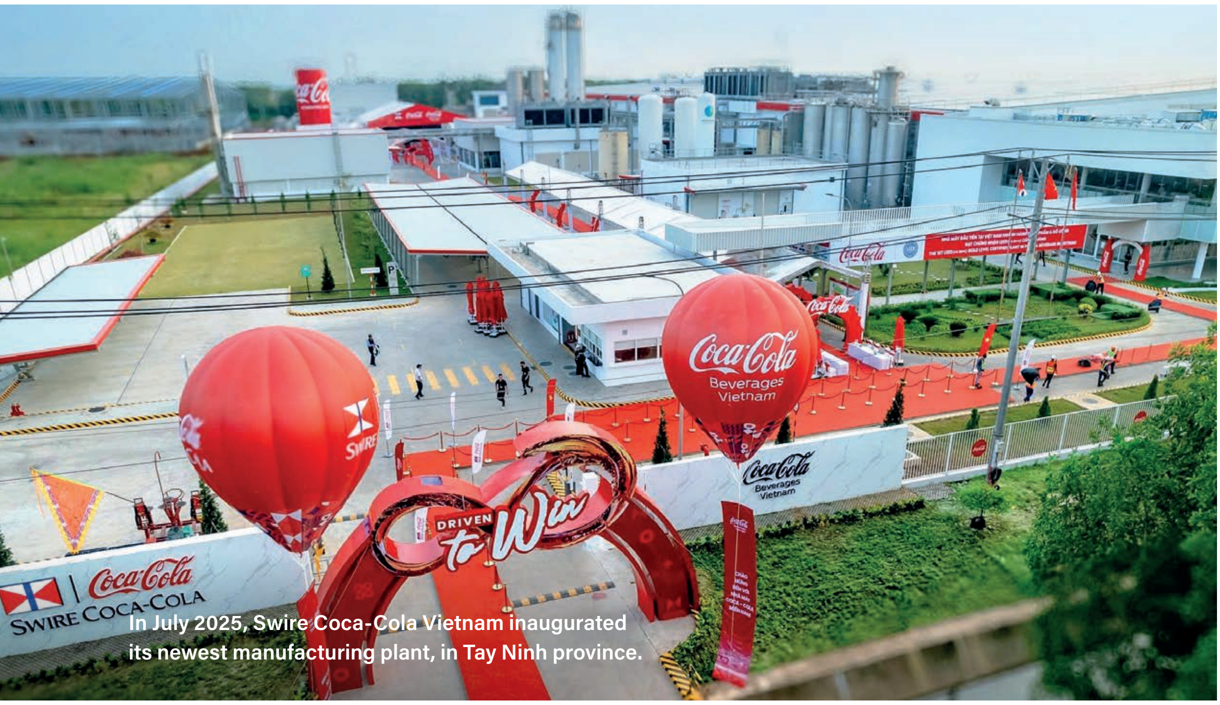
Sparkling revenue decreased by 16%. Energy drinks, water and tea revenues increased by 22%, 24% and 2% respectively. Total sales volume decreased by 7%. In response, management has re-focused on driving sparkling category growth through an aggressive recruitment strategy, including smaller entry packs, 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%.



In July 2025, Swire Coca-Cola Vietnam inaugurated its newest manufacturing plant, in Tay Ninh province.

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

AVIATION DIVISION

Cathay has unveiled its redesigned flagship lounge at Beijing Capital International Airport, a major step in its network-wide lounge enhancement plan.


CATHAY PACIFIC
CX390
08:20
43D

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

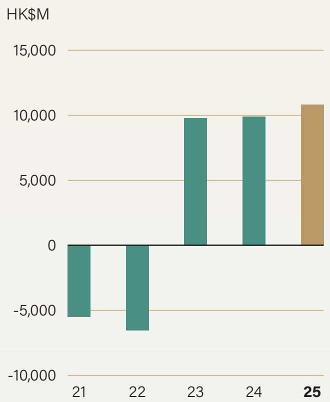
The HAECO group provides aviation maintenance and repair services. Its primary activities are aircraft maintenance and modification work in Hong Kong (by HAECO Hong Kong) and in Xiamen (by HAECO Xiamen), on-wing and off-wing engine support, and engine overhaul work in Hong Kong (by HAECO's 50% joint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

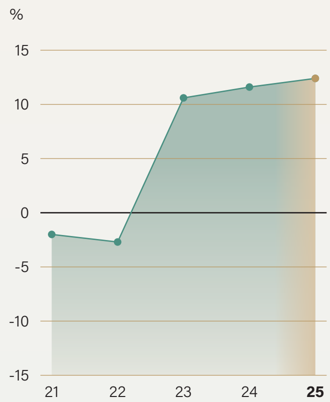
HAECO is a wholly-owned subsidiary of Swire Pacific.

Cathay group (100% Basis)

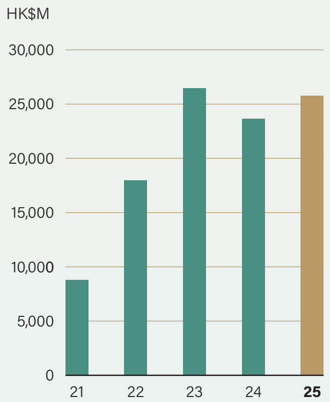
Profit/(Loss) Attributable to the Shareholders of Cathay Pacific Airways



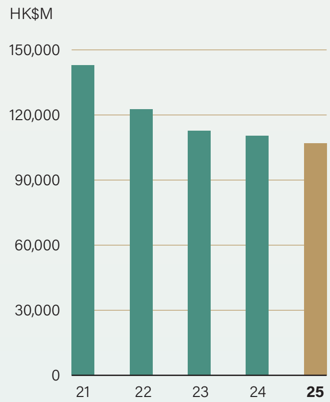
Return on Capital Employed



Net Cash Generated from Operating Activities

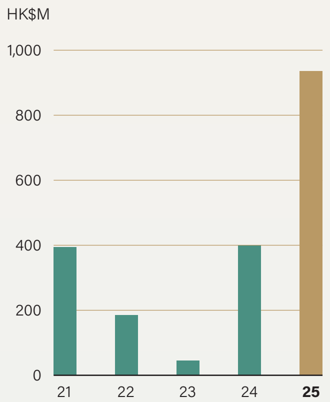


Capital Employed

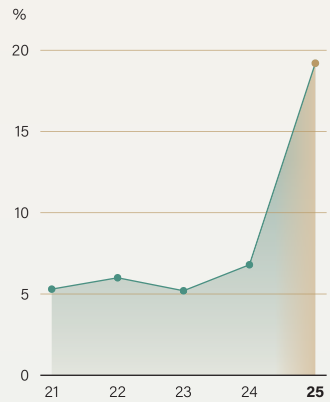


HAECO group

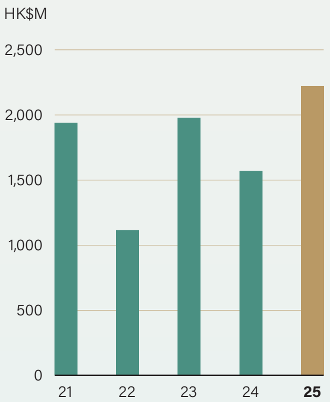
Profit Attributable to the Shareholders of HAECO



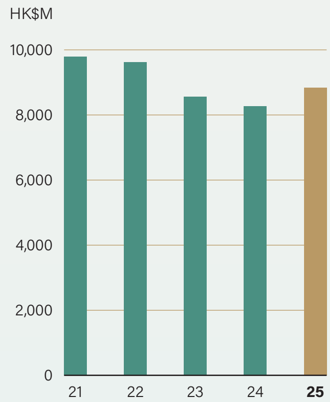
Return on Capital Employed



Net Cash Generated from Operating Activities



Capital Employed



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 PERFORMANCE

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. For more information on the results and financial position of the Cathay group, please refer to the abridged financial statements on pages 238 and 239. 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.

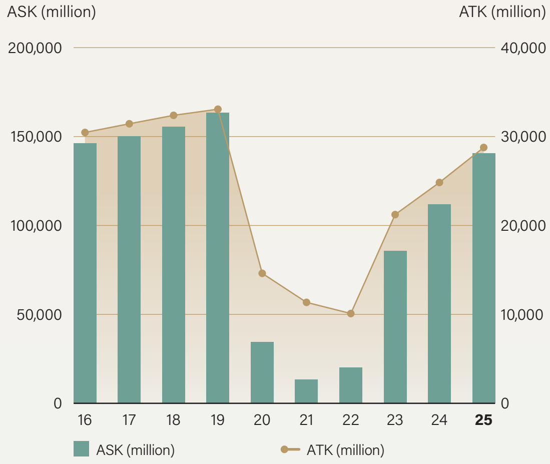
CATHAY GROUP

2025 Performance

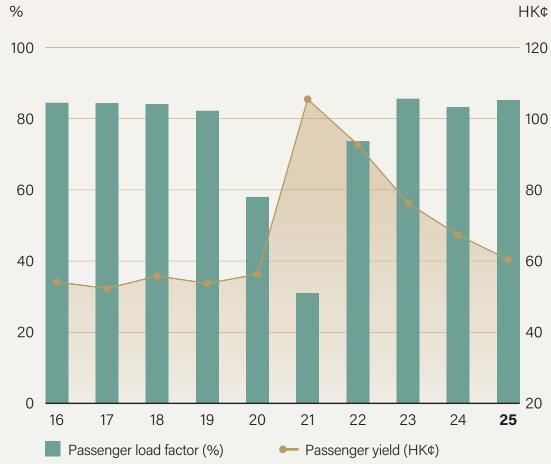
		2025	2024	Change
Cathay Pacific Airways				
Available tonne kilometres (ATK)	Million	**28,773**	24,836	+15.9%
Revenue tonne kilometres (RTK)	Million	**20,461**	17,362	+17.8%
Cost per ATK (with fuel)*	HK$	**3.32**	3.40	-2.4%
Cost per ATK (without fuel)*	HK$	**2.32**	2.36	-1.7%
Fuel consumption per million 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.

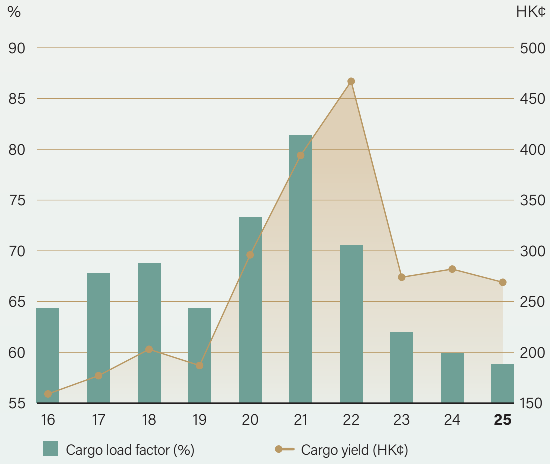
Capacity – Available Seat Kilometres and Available Tonne Kilometres



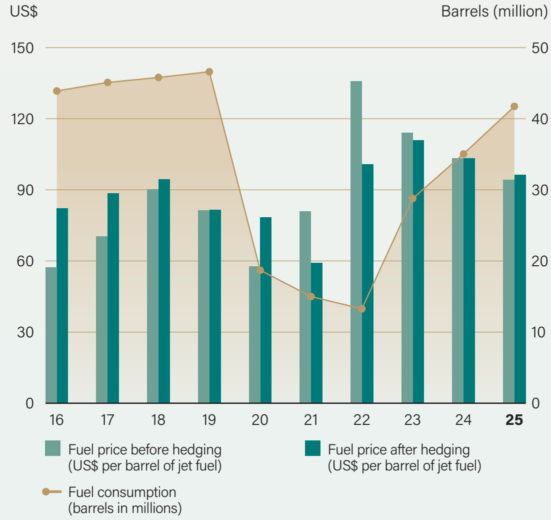
Passenger Services Load Factor and Yield



Cargo Services Load Factor and Yield



Fuel Price and Consumption



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.

In August 2025, the Cathay group exercised its purchase rights for an additional 14 Boeing 777-9 aircraft, bringing its total commitment to 35.

Credit: Boeing
Rendering of future Cathay Pacific 777-9 aircraft

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: Owned	Leased[ii]: With asset transfer	Leased[ii]: Without asset transfer	**Total**	Average age	Orders[iii][ix]: 26	Orders[iii][ix]: 27	Orders[iii][ix]: 28 and beyond	**Total**	Expiry of leases without asset transfer[ii]: 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**						
(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 rights 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

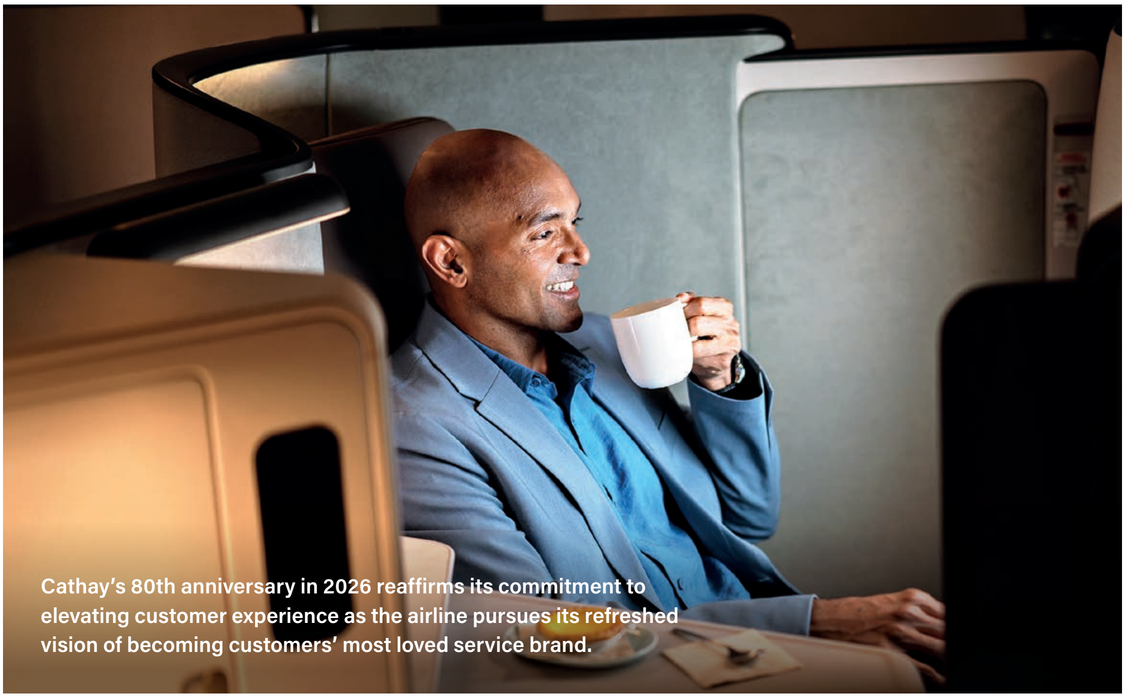
After several years of rapid growth, the Cathay group expects passenger capacity to grow by approximately 10% in 2026. Cathay Pacific will focus on adding more flight frequencies and destinations to the network, strengthening connectivity at the Hong Kong international aviation hub and contributing to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



Cathay's 80th anniversary in 2026 reaffirms its commitment to elevating customer experience as the airline pursues its refreshed vision of becoming customers' most loved service brand.

HONG KONG AIRCRAFT ENGINEERING COMPANY (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.

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.

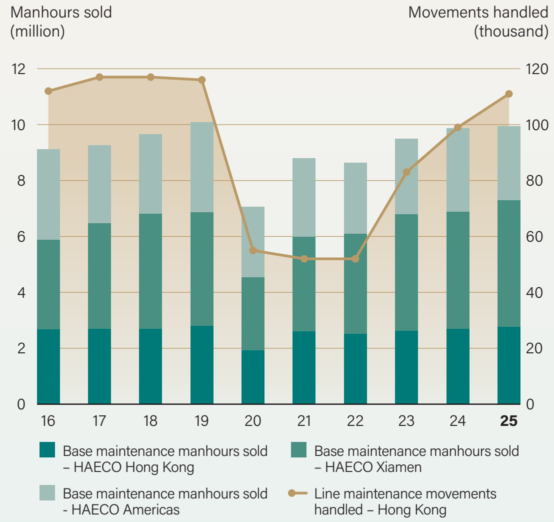
2025 RESULTS SUMMARY

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).

HAECO group – Key Operating Highlights



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.

Set to commence operations in 2026, HAECO's new facility in Xiamen is the world's largest single-span hangar, and has achieved LEED Platinum rating for its sustainable design.

Components

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.

Engine

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.

OUTLOOK

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

HEALTHCARE

In March 2025, Shanghai DeltaHealth Cardiovascular Hospital became the first wholly foreign-owned cardiovascular speciality hospital in the Chinese Mainland.

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 PERFORMANCE

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.

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 HK$M	2024 HK$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 (Note)	**9,754**	9,284

Note:
A more detailed definition is provided in the Glossary on page 254.

Recurring underlying profit by division is provided below.

	2025 HK$M	2024 HK$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.

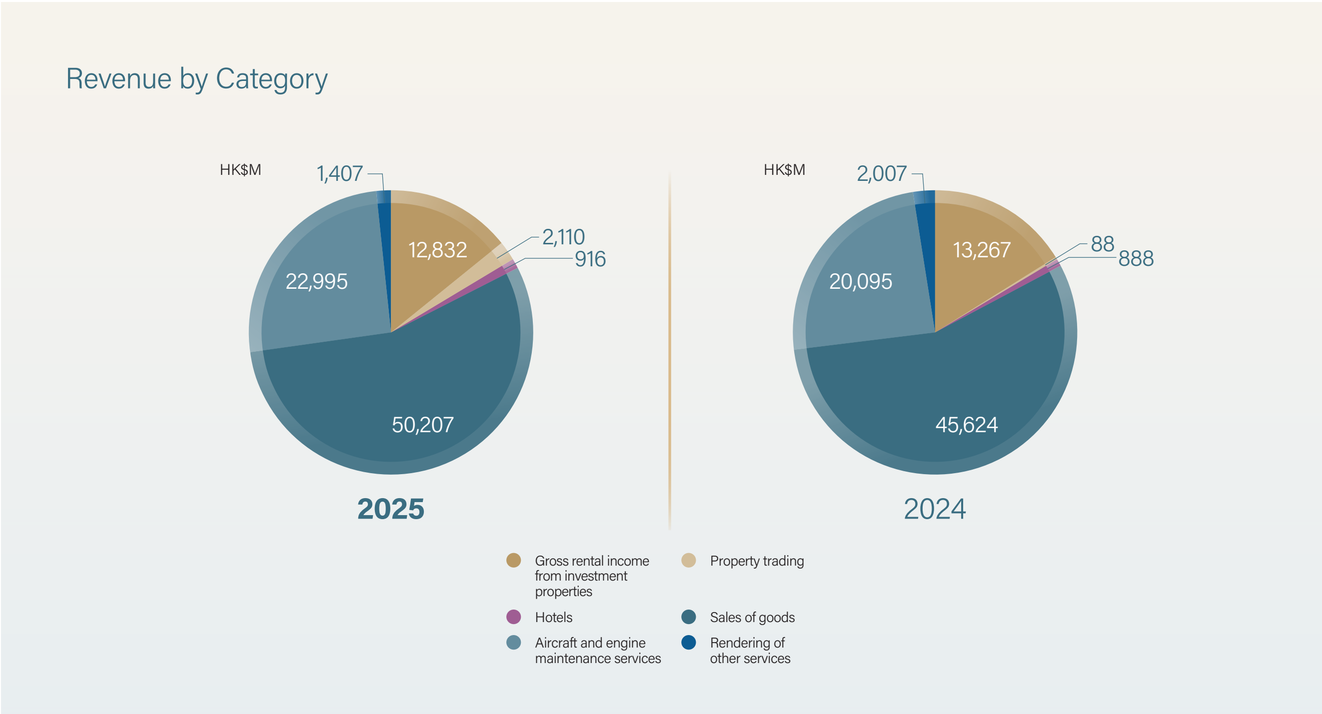
Commentary on and Analysis of Major Balances and Year on Year Variances in the Financial Statements

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes to the Financial Statements	2025 HK$M	2024 HK$M	Increase/(Decrease) HK$M	Increase/(Decrease) %
Revenue	4	**90,467**	81,969	8,498	10%
Cost of sales	6	**(56,728)**	(51,506)	(5,222)	-10%
Expenses	6	**(23,134)**	(21,064)	(2,070)	-10%
Other net (losses)/gains[i]	5	**(78)**	815	(893)	-110%
Change in fair value of investment properties		**(6,073)**	(5,974)	(99)	-2%
Operating profit		**4,454**	4,240	214	5%
Net finance charges	9	**(2,412)**	(2,411)	(1)	0%
Share of (losses)/profits of joint venture companies	20(a)	**(864)**	1,621	(2,485)	-153%
Share of profits of associated companies	20(b)	**4,658**	4,335	323	7%
Taxation	10	**(2,341)**	(3,084)	743	24%
Profit for the year		**3,495**	4,701	(1,206)	-26%
Profit attributable to the Company's shareholders	35	**2,938**	4,321	(1,383)	-32%
Underlying profit attributable to the Company's shareholders	11	**11,373**	10,471	902	9%

Note:
(i) Figures include the loss on disposals of subsidiary companies of HK$616 million.

Revenue



The increase in revenue of HK$8,498 million in 2025 principally reflected higher revenue from Swire Coca-Cola (HK$5,367 million), the Property Division (HK$1,613 million), the HAECO group (HK$2,194 million) and healthcare business (HK$99 million), partly offset by lower revenue from the trading & industrial businesses (HK$797 million).

In the Property Division, gross rental income from property investment decreased by HK$435 million in 2025. In Hong Kong, gross rental income decreased mainly reflecting a weak office market with subdued demand and a surplus supply. In the Chinese Mainland, gross rental income increased mainly because of tenant mix improvements in some of the malls after the completion of renovations. In the USA, gross rental income decreased due to the loss of rental income after the disposal of the Brickell City Centre shopping centre in June 2025. Revenue from property trading rose by HK$2,022 million compared to 2024 primarily due to the sale of Brickell City Centre land and the North Squared site in the USA. Revenue from hotels grew as the performance of hotels in Hong Kong and the Chinese Mainland improved, partly offset by the loss of revenue arising from the closure of The Opposite House in Beijing since June 2024.

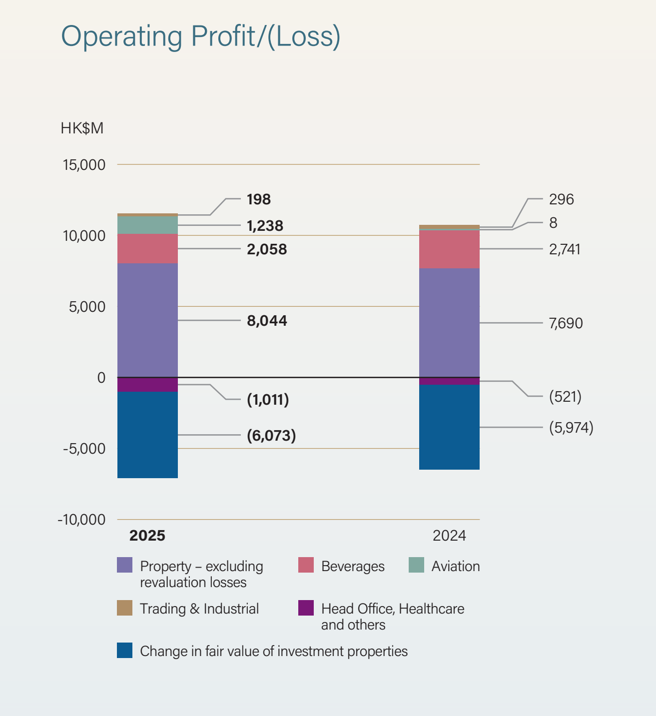
In Swire Coca-Cola, the increase in revenue was primarily due to the full year contribution from the franchise businesses in Thailand and Laos which became subsidiaries on 30th September 2024. In the Chinese Mainland and Hong Kong, revenue was flat compared to 2024. Revenue in Taiwan was slightly ahead of 2024. In Vietnam and Cambodia, revenue was adversely affected by a general contraction in the beverages industry and unfavourable exchange rate movements, and intense market competition. The revenue in Thailand and Laos was affected by intensified competition and economic contraction, primarily driven by a significant decline in tourism.

In the Aviation Division, the HAECO group's revenue grew by 10%. This principally reflected strong demand for engine overhaul, more base maintenance manhours sold and an increase in line maintenance activities.

In the healthcare business, the increase in revenue was mainly due to a full year contribution from DeltaHealth, which became a subsidiary in April 2024.

In the trading & industrial businesses, revenue decreased by 9%, mainly due to lower sales at Swire Resources and fewer vehicles sold at Taikoo Motors.

Operating Profit



The increase in operating profit of HK$214 million was principally due to a strong operating performance from the Aviation Division and an increase in operating profit from property trading in the Property Division, partly offset by lower operating profit from the Beverages Division. There was a higher operating loss from Head Office, Healthcare and others.

The Property Division's operating profit (disregarding changes in the fair value of investment properties) increased by HK$354 million. Profit from property investment decreased by HK$368 million, principally due to lower office gross profit in Hong Kong and the loss of rental income after disposal of the shopping centre in the USA, partly offset by higher retail gross profit in the Chinese Mainland. Profit from property trading increased by HK$675 million, reflecting the recognition of profits on the sale of Brickell City Centre land and the North Squared site in the USA, and EIGHT STAR STREET in Hong Kong.

A fair value loss on investment properties of HK$6,073 million was recorded in 2025, compared to HK$5,974 million in 2024. Investment properties in Hong Kong recorded a fair value loss, principally due to lower office rents, while investment properties in the Chinese Mainland recorded a fair value gain, reflecting higher rents for some of the malls.

The 2025 operating profit of Swire Coca-Cola includes an exchange loss of HK$187 million and a recovery income of HK$107 million relating to the tax payments for the pre-acquisition period of certain bottling businesses, while the 2024 operating profit included non-recurring gains of HK$769 million mainly due to an exchange gain and the remeasurement of Swire Coca-Cola's interest in the Thailand and Laos franchises when they became subsidiaries in September 2024. Disregarding these non-recurring items in both years, the operating profit increased by HK$166 million, primarily reflecting a full year contribution from Thailand and Laos partly offset by a lower contribution from Vietnam and Cambodia.

In the Aviation Division, the 2025 operating profit increased significantly. There was great demand for air travel, particularly in the fourth quarter of the year, and this drove improved results from both the Cathay group and the HAECO group. The 2025 operating profit includes a loss on disposal of HAECO Americas of HK$578 million and a loss on deemed disposal of the Cathay group of HK$112 million following a share dilution, partly offset by higher operating profit from HAECO ITM before the termination of the business.

The 2025 operating profit for the trading & industrial businesses includes a gain on disposal of long-term assets at Taikoo Motors and a loss on the disposal of Qinyuan Bakery. Disregarding these non-recurring items, the operating profit fell by HK$217 million, primarily as a result of lower contributions from Swire Resources and Taikoo Motors.

Head Office, Healthcare and others generated an operating loss of HK$1,011 million in 2025, HK$490 million higher than in 2024. This was mainly due to a lower gain relating to the Group's shareholding in Cadeler. The Group sold its remaining shares in Cadeler in December 2025. The healthcare business recorded a higher operating loss in 2025 due to a full year contribution from DeltaHealth after it became a subsidiary in April 2024.

Net Finance Charges

The net finance charges were in line with 2024. This reflected a higher level of borrowings in Hong Kong and the Chinese Mainland, fully offset by a decrease in the cost of borrowings.

Share of (Losses)/Profits of Joint Venture Companies

The Property Division reported a loss of HK$1,472 million, compared to a profit of HK$704 million, which principally reflected a higher fair value loss on investment properties of HK$1,469 million in 2025 and a bargain purchase gain arising from the acquisition of an additional interest in a joint venture company of HK$566 million recognised in 2024.

At Swire Coca-Cola, profits from joint venture companies decreased mainly due to the loss of contribution from the Thailand and Laos franchise businesses as joint venture companies after they became subsidiary companies of the Group in September 2024.

In the Aviation Division, HAECO group reported a HK$197 million gain on disposal of net assets at an airframe joint venture company operating in the Chinese Mainland in 2024. Disregarding the non-recurring item in 2024, the profits from joint venture companies increased, principally reflecting more engines being overhauled at HAESL.

Share of Profits of Associated Companies

The Group recorded a share of profit from the Cathay group of HK$4,753 million in 2025, ahead of 2024 by HK$304 million. This reflected robust travel demand, as well as increased flight frequency and destinations. Passenger revenue increased by 16%. Capacity and load factor increased, partly offset by lower yield.

In the Property Division, the share of profit from associated companies increased, principally reflecting a higher fair value gain in respect of investment properties.

In the healthcare business, the share of losses of associated companies dropped, primarily due to absence of DeltaHealth's result as an associated company after becoming a subsidiary of the Group in April 2024.

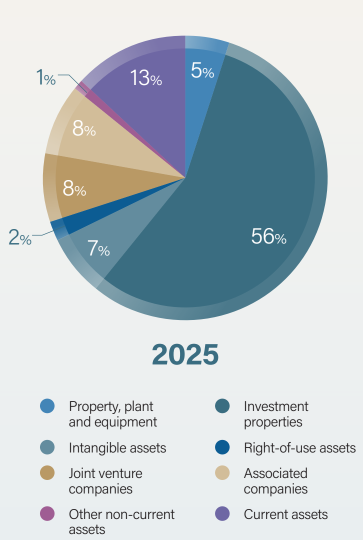
Taxation

The decrease in taxation principally reflected the divestments in the USA partly offset by the deferred tax in relation to the fair value changes in respect of investment properties in the Chinese Mainland.

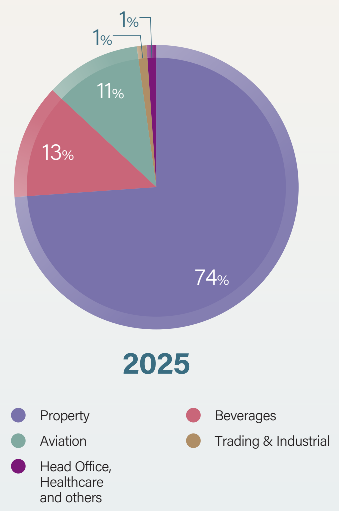
Consolidated Statement of Financial Position

	Notes to the Financial Statements	2025 HK$M	2024 HK$M	Increase/(Decrease) HK$M	%
Property, plant and equipment	14	24,943	23,510	1,433	6%
Investment properties	15	267,756	270,950	(3,194)	-1%
Intangible assets	16	32,114	31,166	948	3%
Right-of-use assets	17	9,207	9,041	166	2%
Joint venture companies	20(a)	40,702	41,968	(1,266)	-3%
Associated companies	20(b)	38,350	36,181	2,169	6%
Properties for sale	24	15,448	12,676	2,772	22%
Stocks and work in progress	25	8,455	7,948	507	6%
Contract assets		1,067	1,084	(17)	-2%
Trade and other receivables	26	11,795	11,250	545	5%
Bank balances and short-term deposits	27	23,172	21,028	2,144	10%
Assets classified as held for sale	28	–	5,022	(5,022)	-100%
Other assets		3,404	4,737	(1,333)	-28%
Total Assets		**476,413**	476,561	(148)	0%
Trade and other payables	29	38,624	36,526	2,098	6%
Loans and bonds	30	88,436	91,591	(3,155)	-3%
Lease liabilities	31	5,126	5,021	105	2%
Deferred tax liabilities	32	20,825	19,799	1,026	5%
Liabilities associated with assets classified as held for sale	28	–	43	(43)	-100%
Other liabilities		7,167	4,914	2,253	46%
Total Liabilities		**160,178**	157,894	2,284	1%
Net Assets		**316,235**	318,667	(2,432)	-1%
Equity attributable to the Company's shareholders	34,35	259,577	258,300	1,277	0%
Non-controlling interests	36	56,658	60,367	(3,709)	-6%
Total Equity		**316,235**	318,667	(2,432)	-1%

Total Assets by Category



Total Assets by Division



Property, Plant and Equipment

The increase in property, plant and equipment principally reflects capital expenditure in the Chinese Mainland, Vietnam and Thailand at Swire Coca-Cola and HAECO group and foreign exchange translation gains of HK$778 million, partly offset by a reduction in property, plant and equipment relating to the disposal of HAECO Americas, Qinyuan Bakery, long-term assets at Taikoo Motors, and depreciation.

Investment Properties

The decrease in investment properties was principally due to a fair value loss of HK$6,073 million, disposals of an industrial site, the 43rd floor at One Island East and certain car parking spaces in Hong Kong (in total HK$2,313 million), transfer of property, plant and equipment of HK$169 million, partly offset by additions during the year of HK$2,541 million and foreign exchange translation gains of HK$2,799 million. The additions included capital expenditure at the Taikoo Place office buildings in Hong Kong, Taikoo Li Sanlitun in Beijing, Taikoo Li Xi'an, and other projects in Hong Kong and the Chinese Mainland. The foreign exchange translation gains were principally in respect of investment properties in the Chinese Mainland.

Intangible Assets

The increase in intangible assets in 2025 principally reflects foreign exchange translation gains of HK$1,320 million, as well as computer software and technical licenses purchases, partly offset by the decrease in goodwill and customer relationships from the disposal of HAECO Americas.

Right-of-Use Assets

The increase in right-of-use assets was mainly due to leases signed by Swire Coca-Cola and the HAECO group, partially offset by depreciation of existing assets.

Joint Venture Companies and Loans Due from Joint Venture Companies

The decrease principally reflects the movements in loans due from joint venture companies and share of losses of joint venture companies (fair value loss net off by operating profits), partly offset by the increase in equity to joint venture companies at the Property Division and share of profits of joint venture companies by the HAECO group, as well as the share of foreign exchange translation gains.

Associated Companies and Loans Due from Associated Companies

The increase principally reflects an increase in the share of net assets from the Cathay group and Property Division, partly offset by the return of equity from an associated company of Swire Coca-Cola.

Properties for Sale

The increase in properties for sale principally reflects the development expenditures of 6 Deep Water Bay Road, The HEADLAND RESIDENCES and 269 Queen's Road East in Hong Kong and acquisition of 25% interest in the Mandarin Oriental, Miami hotel for a planned new residential and hospitality project in the USA.

Stocks and Work in Progress

The increase in stocks and work in progress was principally due to the increase in spare parts at the HAECO group, partly offset by lower stocks of finished goods at Swire Coca-Cola and the trading & industrial businesses.

Trade and Other Receivables

The increase was mainly due to deposits received from a development project and placed in escrow in the USA, partly offset by a refund of a deposit paid for a tender for a property investment project in the Chinese Mainland at the Property Division and settlement of receivables.

Bank Balances and Short-Term Deposits/ Loans and Bonds

The decrease in net borrowings of HK$5,299 million reflects the repayment of bank loans.

Assets Classified as Held for Sale/ Liabilities Associated with Assets Classified as Held for Sale

At 31st December 2024, the balance primarily represented the interest in Brickell City Centre shopping centre in the USA which was identified for sale. The disposal was completed in June 2025. There were no assets held for sale at 31st December 2025.

Other Assets

The decrease in other assets principally reflects the disposal of Brickell City Centre land and the North Squared site in the USA during the year.

Trade and Other Payables

The increase in trade and other payables principally reflects the interest-bearing advances from an associated company and an increase in advances from a non-controlling interest, partly offset by settlement of a put option over a non-controlling interest at the Property Division and accrued capital expenditure.

Deferred Tax Liabilities

The increase in deferred tax liabilities principally reflects deferred tax charges for the year and foreign exchange translation in the Chinese Mainland.

Equity Attributable to the Company's Shareholders

The movement in equity attributable to the Company's shareholders in 2025 consisted of the total comprehensive income for the year attributable to the Company's shareholders (HK$6,149 million) less dividends paid to shareholders (HK$4,602 million), repurchase of the Company's shares (HK$1,847 million) and equity transactions with shareholders and non-controlling interests at the Property, Beverages, Aviation Divisions and the healthcare business (HK$1,577 million).

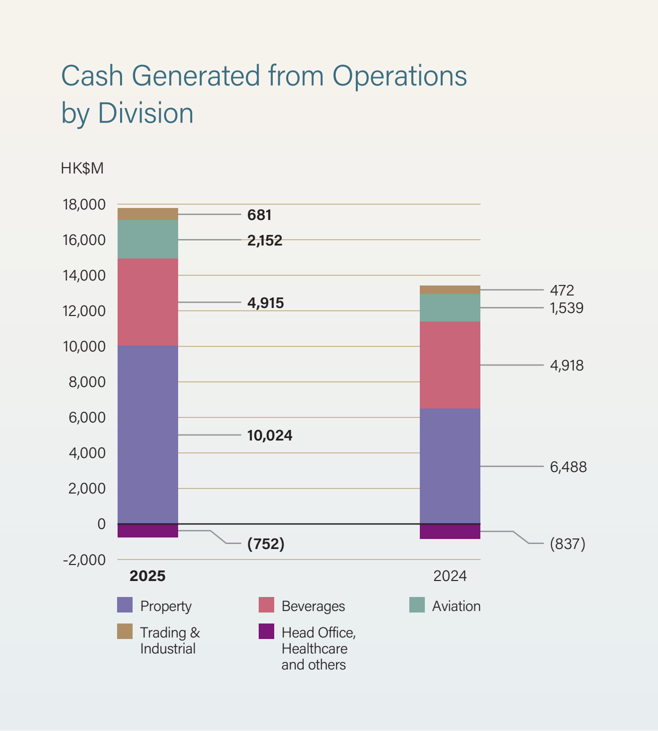
Non-Controlling Interests

Non-controlling interests principally consisted of the 16.69% non-controlling interest in Swire Properties and the 44.4% non-controlling interests of the franchise businesses in Thailand and Laos at Swire Coca-Cola. The movement includes the decrease in non-controlling interest in Swire Properties (from Swire Properties' share buy-back programme) and derecognition of Simon Property Group's non-controlling interest in Brickell City Centre in the USA following its sale in June 2025.

Consolidated Statement of Cash Flows

	Notes to the Financial Statements	**2025 HK$M**	2024 HK$M	Increase/ (Decrease) HK$M
Cash generated from operations	43(a)	**17,020**	12,580	4,440
Net interest paid		**(2,974)**	(2,803)	(171)
Tax paid		**(2,316)**	(2,064)	(252)
Dividends received		**2,821**	2,745	76
Investing activities				
Purchase of property, plant and equipment and right-of-use assets	43(b)	**(5,595)**	(4,411)	(1,184)
Additions of investment properties		**(1,958)**	(4,169)	2,211
Purchase of intangible assets		**(109)**	(154)	45
Proceeds from disposals of property, plant and equipment and right-of-use assets		**1,409**	835	574
Proceeds from disposals of investment properties		**872**	454	418
Proceeds from disposals of subsidiary companies, net of cash disposed of	43(d)	**5,127**	–	5,127
Proceeds from disposals of investments at fair value		**1,138**	583	555
Payment for acquisition of subsidiary companies, net of cash acquired	42	**(498)**	(1,819)	1,321
Purchase of shares in and equity to joint venture companies		**(942)**	(6,271)	5,329
Return of equity from/purchase of shares in associated companies		**339**	(135)	474
Purchase of investments at fair value		**(632)**	(400)	(232)
Net loans to joint venture companies		**887**	(96)	983
Net loans to associated companies		**(135)**	138	(273)
Others		**(971)**	847	(1,818)
Net cash generated from/(used in) businesses and investments		**13,483**	(4,140)	17,623
Dividends paid	35, 36	**(6,587)**	(6,117)	(470)
Capital contribution from non-controlling interests		**110**	64	46
Purchase of non-controlling interests		**(738)**	(755)	17
Purchase of interest in a subsidiary through the settlement of put option		**(570)**	–	(570)
Repurchase of the Company's shares	34	**(1,851)**	(3,878)	2,027
Loans drawn and refinancing	43(c)	**27,324**	34,925	(7,601)
Repayment of loans and bonds	43(c)	**(31,803)**	(12,702)	(19,101)
Advances from an associated company	43(c)	**2,204**	2,049	155
Principal elements of lease payments	43(c)	**(1,041)**	(965)	(76)
Cash paid to shareholders and net funding by external debt/lease liabilities		**(12,952)**	12,621	(25,573)
Increase in cash and cash equivalents		**531**	8,481	(7,950)

Cash Generated from Operations



Tax Paid

The increase in tax paid in 2025 principally reflects the inclusion of full year tax paid by the Swire Coca-Cola franchise businesses in Thailand and Laos after they became subsidiaries in September 2024.

Dividends Received

Dividends received in 2025 principally comprised dividends from Cathay Pacific Airways and HAESL.

Purchase of Property, Plant and Equipment and Right-Of-Use Assets

Purchase of property, plant and equipment and right-of-use assets in 2025 principally comprised capital additions for new Swire Coca-Cola plants in the Chinese Mainland and in Tay Ninh province in Vietnam and new production, marketing and distribution equipment by Swire Coca-Cola, and additions for the new hangars at Xiamen airport by the HAECO group.

Additions of Investment Properties

The additions of investment properties in 2025 principally reflects capital expenditure on the Taikoo Place redevelopment, Six Pacific Place, Phase 3 of Taikoo Hui, Guangzhou, Taikoo Li Xi'an and on other projects in Hong Kong and the Chinese Mainland.

Proceeds from Disposals of Property, Plant and Equipment and Right-of-Use Assets

The 2025 and 2024 proceeds from disposals of property, plant and equipment and right-of-use assets mainly represents compensation received for the Xiamen airport relocation and disposals by Swire Coca-Cola and Taikoo Motors.

Proceeds from Disposals of Investment Properties

The proceeds from disposals of investment properties in 2025 principally reflects the disposal of the 43rd floor at One Island East and Taikoo Shing car parking spaces in Hong Kong.

Proceeds from Disposals of Subsidiary Companies

The 2025 proceeds from disposals of subsidiary companies comprised the proceeds received by the Property Division from the disposal of an industrial site in Hong Kong, and the Brickell City Centre shopping centre, car parking spaces and certain shared facilities in the USA, the sale of HAECO Americas by the HAECO group and Qinyuan Bakery in the Chinese Mainland.

Proceeds from Disposals of Investments at Fair Value

The proceeds from disposals of investments at fair value includes the disposal of shares in Cadeler. The Group sold its remaining shares in Cadeler in December 2025.

Payment for Acquisition of Subsidiary Companies, Net of Cash Acquired

In 2025, the payments represent the acquisition of an additional 25% interest in the existing joint venture company which owns the Mandarin Oriental, Miami by the Property Division, as well as the residual payments for the 2024 acquisition of the bottling businesses in Thailand and Laos and the 2023 acquisition of equity interests in six of the beverages preparation and packaging subsidiaries of CCBMH in the Chinese Mainland by Swire Coca-Cola.

Purchase of Shares in and Equity to Joint Venture Companies

Purchase of shares in joint venture companies reflects the equity injection in joint venture investments at the Property Division.

Return of Equity From/Purchase of Shares in Associated Companies

The return of equity from associated companies reflects the capital reduction from an associated company of Swire Coca-Cola.

Purchase of Non-Controlling Interests

Purchase of non-controlling interests represents the payments made by Swire Properties' share buy-back programme which expired in May 2025.

Repurchase of the Company's Shares

Purchase of the Company's shares represents the payments made under Swire Pacific's share buy-back programme which expired in May 2025.

Loans Drawn and Refinancing

In 2025, loans drawn and refinancing comprised new financing under the Group's medium term note programmes and new loans and drawdowns under financing facilities from banks.

Advances from an Associated Company

The amount in 2025 represents interest-bearing advances from an associated company at the Property Division.

Investment Appraisal and Performance Review

	Capital employed		Capital commitments (Note)	
	2025 HK$M	2024 HK$M	**2025 HK$M**	2024 HK$M
Property investment	**278,629**	289,585	**28,401**	31,064
Property trading	**25,857**	26,108	**–**	–
Hotels	**6,198**	6,266	**1,052**	593
Property – overall	**310,684**	321,959	**29,453**	31,657
Beverages	**30,784**	28,248	**3,623**	4,773
Aviation	**40,756**	38,310	**6,353**	4,136
Trading & Industrial	**2,382**	2,881	**–**	2
Head Office, Healthcare and others	**2,019**	2,853	**454**	468
Total capital employed	**386,625**	394,251	**39,883**	41,036
Less: net debt	**(65,264)**	(70,563)		
Less: lease liabilities	**(5,126)**	(5,021)		
Less: non-controlling interests	**(56,658)**	(60,367)		
Equity attributable to the Company's shareholders	**259,577**	258,300		

	Equity attributable to the Company's shareholders		Return on average equity attributable to the Company's shareholders	
	2025 HK$M	2024 HK$M	**2025**	2024
Property investment	**215,031**	218,209	**-0.6%**	-0.1%
Property trading	**4,330**	3,985	**3.9%**	-6.1%
Hotels	**4,947**	4,773	**-1.5%**	-3.5%
Property – overall	**224,308**	226,967	**-0.6%**	-0.3%
Beverages	**31,134**	30,671	**4.3%**	7.8%
Aviation	**37,947**	35,461	**14.4%**	13.4%
Trading & Industrial	**2,438**	2,257	**6.5%**	9.3%
Head Office, Healthcare and others	**(36,250)**	(37,056)		
Total	**259,577**	258,300	**1.1%**	1.6%

Note:
The capital commitments (including those authorised by directors but not contracted for) represent the Group's capital commitments plus the Group's share of the capital commitments of joint venture companies.

FINANCING

Capital Structure

The Group aims to maintain a capital structure that is appropriate for long-term credit ratings of A1 to A3 on Moody's scale, A+ to A- on Standard & Poor's scale and A+ to A- on Fitch's scale. Actual credit ratings may depart from these levels from time to time due to macro-economic or other circumstances. At 31st December 2025, the Company's long-term credit ratings were A3 from Moody's, A- from Standard & Poor's and A- from Fitch, and Swire Properties' long-term credit ratings were A2 from Moody's and A from Fitch.

Changes in Financing

Analysis of Changes in Financing During the Year

Audited Financial Information

	Loans and bonds				
	due within one year HK$M	due after one year HK$M	Lease liabilities HK$M	Total 2025 HK$M	Total 2024 HK$M
At 1st January	15,766	75,825	5,021	96,612	74,297
Loans drawn and refinancing	2,111	25,213	–	27,324	34,925
Repayment of loans and bonds	(19,855)	(11,948)	–	(31,803)	(12,702)
Reclassification	18,810	(18,810)	–	–	–
Principal elements of lease payments	–	–	(1,041)	(1,041)	(965)
New leases arranged during the year	–	–	1,061	1,061	678
Change in composition of the Group	–	–	(157)	(157)	1,221
Effect of exchange differences	314	901	123	1,338	(871)
Other non-cash movements	20	89	119	228	29
At 31st December	17,166	71,270	5,126	93,562	96,612

Sources of Finance

Audited Financial Information

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 HK$M	Drawn HK$M	Undrawn expiring within one year HK$M	Undrawn expiring beyond one year HK$M	Total undrawn 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.

i) Loans and Bonds

Audited Financial Information

For accounting purposes, the loans and bonds are classified as follows:

	2025			2024		
	Drawn, before unamortised loan fees HK$M	**Unamortised loan fees HK$M**	**Carrying value HK$M**	Drawn, before unamortised loan fees HK$M	Unamortised loan fees HK$M	Carrying value HK$M
Short-term loans – unsecured	**–**	**–**	**–**	300	–	300
Long-term loans and bonds at amortised cost	**88,748**	**(312)**	**88,436**	91,591	(300)	91,291
Less: amount due within one year included under current liabilities	**(17,176)**	**10**	**(17,166)**	(15,473)	7	(15,466)
	71,572	**(302)**	**71,270**	76,118	(293)	75,825

The maturity of long-term loans and bonds is as follows:

	2025 HK$M	2024 HK$M
Bank loans (secured)		
Repayable within one year	**410**	513
Repayable between one and two years	**483**	690
Repayable between two and five years	**2,455**	2,680
Repayable after five years	**2,950**	560
Bank loans (unsecured)		
Repayable within one year	**7,218**	4,531
Repayable between one and two years	**10,022**	11,211
Repayable between two and five years	**14,716**	21,605
Other borrowings (unsecured)		
Repayable within one year	**9,538**	10,422
Repayable between one and two years	**5,722**	9,298
Repayable between two and five years	**26,776**	21,427
Repayable after five years	**8,146**	8,354
	88,436	91,291
Amount due within one year included under current liabilities	**(17,166)**	(15,466)
	71,270	75,825

	2025 HK$M	2024 HK$M
The maturity of lease liabilities is as follows:		
Within one year	**938**	912
Between one and two years	**652**	700
Between two and five years	**1,334**	1,261
Over five years	**2,202**	2,148
	5,126	5,021
Amount due within one year included under current liabilities	**(938)**	(912)
	4,188	4,109

ii) Bank Balances and Short-Term Deposits

The Group had bank balances and short-term deposits of HK$23,172 million at 31st December 2025 compared to HK$21,028 million at 31st December 2024.

Maturity Profile and Refinancing

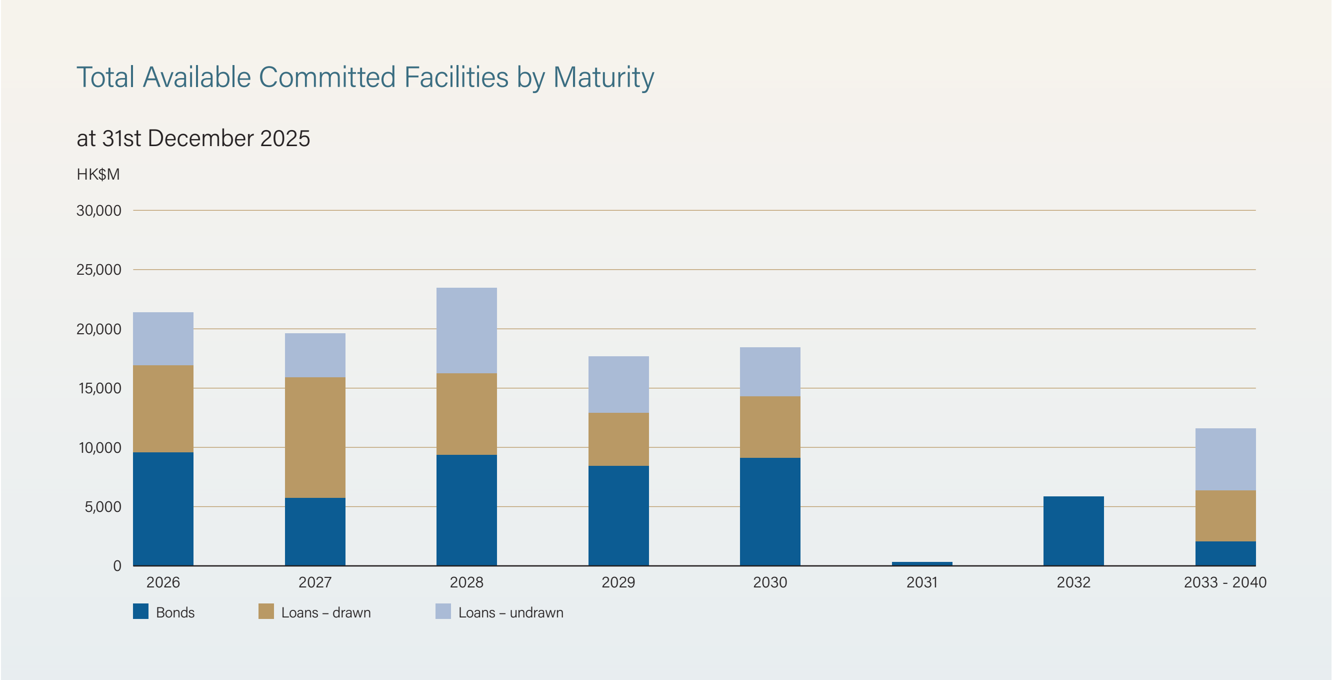
Bank loans and other borrowings are repayable on various dates up to 2040 (2024: 2033).

The weighted average term and cost of the Group's debt is:

	2025	2024
Weighted average term of debt	**3.5 years**	2.7 years
Weighted average cost of debt (Note)	**3.6%**	4.0%

Note:
On a gross debt basis.

The maturity profile of the Group's available committed loan facilities and debt securities is set out below:



Currency Profile

An analysis of the carrying amounts of gross borrowings and lease liabilities by currency (after cross-currency swaps) is shown below:

Audited Financial Information

	2025					2024				
	Loans and bonds HK$M	**%**	**Lease liabilities HK$M**	**%**	**Total HK$M**	Loans and bonds HK$M	%	Lease liabilities HK$M	%	Total HK$M
Currency										
Hong Kong dollar	**59,940**	**68%**	**2,357**	**46%**	**62,297**	66,938	73%	2,679	54%	69,617
Renminbi	**28,496**	**32%**	**777**	**15%**	**29,273**	20,840	23%	860	17%	21,700
United States dollar	**–**	**–**	**475**	**9%**	**475**	3,523	4%	211	4%	3,734
Others	**–**	**–**	**1,517**	**30%**	**1,517**	290	0%	1,271	25%	1,561
Total	**88,436**	**100%**	**5,126**	**100%**	**93,562**	91,591	100%	5,021	100%	96,612

Finance Charges

Audited Financial Information

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%).

The exposure of the Group's loans and bonds to interest rate changes (after interest rate swaps) can be illustrated as follows:

		Fixed interest rate maturing in:			
	Floating interest rate HK$M	1 year or less HK$M	1 to 5 years HK$M	Over 5 years HK$M	Total HK$M
At 31st December 2025	**23,885**	**12,761**	**43,644**	**8,146**	**88,436**
At 31st December 2024	33,273	10,723	39,240	8,355	91,591

Finance Charges (continued)

Audited Financial Information

Interest charged and earned during the year was as follows:

	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

The capitalised interest rates on loans and bonds borrowed for the development of investment properties and properties for sale were between 2.80% and 5.70% per annum (2024: 3.10% and 6.20% per annum).

The amount transferred from other comprehensive income in respect of cash flow hedges in 2025 included HK$37 million relating to currency basis (2024: HK$35 million).

The total interest charged on borrowings held at amortised cost (after interest rate swaps) was HK$3,322 million (2024: HK$3,283 million).

The interest rates per annum, before swaps, at the year-end date were as follows:

	2025				2024			
	HK$ %	RMB %	US$ %	Others %	HK$ %	RMB %	US$ %	Others %
Short-term loans	–	–	–	–	–	–	–	1.96-2.00
Long-term loans and bonds	2.00-4.67	2.03-3.60	2.88-5.13	1.22	2.00-6.80	2.75-3.95	2.88-5.46	0.88

Covenants and Credit Triggers

Audited Financial Information

There are no specific covenants given by the Group in relation to its debt facilities which would require debt repayment or termination of a facility should its credit rating be revised by the credit rating agencies.

The Company has given financial covenants in respect of gearing limits and maintenance of minimum consolidated net worth, to secure funding for itself and its subsidiaries. These covenants are set out below:

	Covenant requirements	2025	2024
Gearing			
Consolidated borrowed money/consolidated net worth	≤ 200%	**20.6%**	22.1%
Consolidated borrowed money and lease liabilities/consolidated net worth	≤ 200%	**22.3%**	23.7%

	HK$M	HK$M	HK$M
Maintenance of minimum consolidated tangible net worth			
Consolidated tangible net worth	≥ 20,000	**284,121**	287,501

These financial covenants, together with long-term credit rating objective, establish the framework within which the capital structure of the Group is determined.

During the year and as of the reporting date, none of the covenants have been breached.

Capital Management

Audited Financial Information

The Group's primary objectives when managing capital are to safeguard the Group's ability to operate as a going concern, so that it can continue to provide returns for shareholders, and to secure access to finance at a reasonable cost.

The Group considers a number of factors in monitoring its capital structure, principally the gearing ratio, cash interest cover and the return cycle of its investments. For the purpose of the gearing ratio, the Group defines net debt as total borrowings less short-term deposits and bank balances. Capital comprises total equity, as shown in the consolidated statement of financial position.

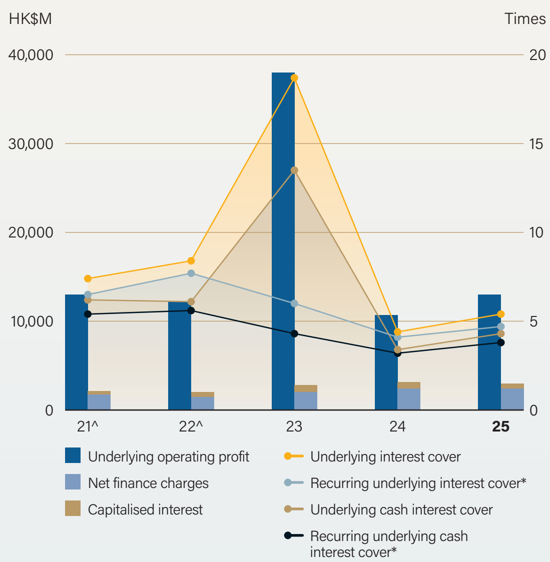
In order to maintain or adjust the gearing ratio, the Group may adjust the amount of dividends paid to shareholders, repurchase shares, raise new debt financing or sell assets to reduce debt. The gearing ratios at 31st December 2025 and 31st December 2024 were as follows:

	2025 HK$M	2024 HK$M
Total borrowings	**88,436**	91,591
Less: bank balances and short-term deposits	**(23,172)**	(21,028)
Net debt	**65,264**	70,563
Total equity	**316,235**	318,667
Gearing ratio	**20.6%**	22.1%
Gearing ratio – including lease liabilities (Note)	**22.3%**	23.7%
Underlying cash interest cover – times	**4.3**	3.4
Return on average equity attributable to the Company's shareholders	**1.1%**	1.6%

Note:
Lease liabilities amounted to HK$5,126 million at 31st December 2025 compared to HK$5,021 million at 31st December 2024 (refer to note 31 to the financial statements).

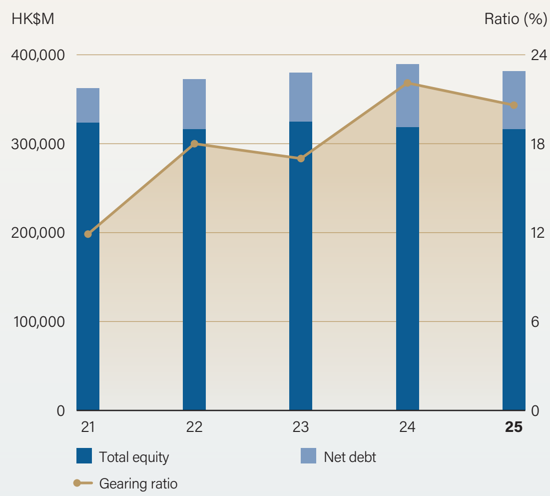
The following graphs illustrate the underlying interest cover and the gearing ratios for each of the last five years:

Underlying Interest Cover



* Calculated using recurring underlying operating profit.
^ Includes continuing operations and discontinued operations.

Gearing Ratio



Debt in Joint Venture and Associated Companies

In accordance with HKFRS Accounting Standards, the net debt of Swire Pacific reported in the consolidated statement of financial position does not include the share of net debt in its joint venture and associated companies. These companies had the following net debt positions at the end of 2025 and 2024:

	Total net debt/(cash) of joint venture and associated companies		Portion of net debt/ (cash) shared by the Group		Debt guaranteed by Swire Pacific or its subsidiaries	
	2025 HK$M	2024 HK$M	**2025 HK$M**	2024 HK$M	**2025 HK$M**	2024 HK$M
Property	**17,915**	17,996	**7,415**	6,572	**2,849**	4,145
Beverages	**(399)**	(1,754)	**(204)**	(726)	**–**	–
Aviation						
Cathay group	**20,136**	30,063	**8,677**	13,524	**–**	–
HAECO group	**1,059**	573	**609**	365	**–**	–
Trading & Industrial	**(34)**	(32)	**(14)**	(13)	**–**	–
Head Office, Healthcare and others	**1,168**	1,367	**172**	228	**–**	–
	39,845	48,213	**16,655**	19,950	**2,849**	4,145

If the share of net debt in joint venture and associated companies were to be added to the Group's net debt, gearing would rise to 25.9% at 31st December 2025 (2024: 28.4%).

The lease liabilities of these companies at the end of 2025 and 2024 were as follows:

	Total lease liabilities of joint venture and associated companies		Portion of lease liabilities shared by the Group	
	2025 HK$M	2024 HK$M	**2025 HK$M**	2024 HK$M
Property	**262**	259	**109**	106
Beverages	**40**	54	**16**	29
Aviation				
Cathay group	**26,676**	27,878	**11,495**	12,541
HAECO group	**86**	3	**43**	1
Head Office, Healthcare and others	**111**	104	**17**	17
	27,175	28,298	**11,680**	12,694

Financial Risk Management

Audited Financial Information

Structure and Policies

In the normal course of business the Group is exposed to financial risks attributable to interest rates, currencies, credit, commodities and liquidity.

The Finance Committee oversees the management of the Group's financial risks, including setting the Group's financial risk profile and related risk management policies and procedures, within an agreed framework authorised by the Board. These policies and procedures are implemented by the head office treasury department and divisional finance functions. The Finance Committee consists of the Finance Director, divisional Finance Directors and other senior finance executives. The Finance Committee meets quarterly to review financial risks at Group and divisional levels. In 2025, the Finance Committee met four times.

The treasury department manages the funding needs of the Group's non-listed subsidiaries, as well as resulting interest rate, currency, credit and liquidity risks. Operating subsidiaries manage currency, credit and commodity exposures that are specific to their trading transactions.

It is the Group's policy not to enter into derivative transactions for speculative purposes. Derivatives are used solely for management of an underlying risk and the Group minimises its exposure to market risk by applying hedge accounting for derivative instruments. By applying hedge accounting, gains and losses on derivatives offset the losses and gains on the assets, liabilities or transactions being hedged. Accounting for derivative financial instruments and hedging activities is discussed on pages 195 to 197.

The Group's listed subsidiary (Swire Properties Limited) and the Group's joint venture and associated companies arrange their financial and treasury affairs on a stand-alone basis. The Company may provide financial support by way of guarantees to its non-listed joint venture and associated companies in cases where significant cost savings are available and risks are acceptable.

Interest Rate Exposure

The Group's interest rate risk arises primarily from borrowings. Borrowings at variable rates expose the Group to cash flow interest rate risk. Borrowings at fixed rates expose the Group to fair value interest rate risk. The Group earns interest income on cash deposits and some loans due from joint venture and associated companies.

Financial Risk Management (continued)

Audited Financial Information (continued)

The Group maintains a significant proportion of debt on a fixed rate basis with a view to increasing certainty of funding costs. The level of fixed rate debt for the Group is decided after taking into consideration the potential impact of higher interest rates on profit, interest cover and the expected cash flows of the Group's businesses and investments. The Group uses interest rate swaps to manage its long-term interest rate exposure. The Finance Directors of the Group and Swire Properties Limited approve all interest rate hedges prior to implementation.

On a quarterly basis, the treasury department calculates the effect of the Group's exposure to interest rate fluctuations on forecast earnings and cash flows by performing sensitivity testing with varying forecast interest rates. The treasury department reports the results of this testing to the Finance Committee. Refer to page 151 for details of the sensitivity testing performed at 31st December 2025.

Currency Exposure

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to United States dollars and Chinese Renminbi. Foreign exchange risk arises from the foreign currency denomination of commercial transactions, assets and liabilities, and net investments in foreign operations.

The Group's policy is to hedge in full all highly probable transactions in each major currency where their value or time to execution gives rise to a significant currency exposure, provided that the cost of the foreign exchange forward or other derivative contract is not prohibitively expensive having regard to the underlying exposure.

Exposure to movements in exchange rates on transactions is minimised by using appropriate hedging instruments where active markets for the relevant currencies exist. At 31st December 2025, the Group had hedged its significant foreign currency funding exposures, by fixing the foreign exchange rates with forward contracts and cross-currency swaps.

Exposure arising from the Group's investments in operating subsidiaries with net assets denominated in foreign currencies is reduced, where practical, by providing funding in the same currency.

Foreign currency funding and deposit exposure is monitored by the treasury department on a continuous basis. The Finance Directors of the Group and Swire Properties Limited approve all foreign currency hedges prior to implementation.

Refer to page 152 for a sensitivity analysis of the Group's exposure to currency risk arising from recognised financial assets or financial liabilities denominated in a currency other than the functional currency at 31st December 2025.

Credit Exposure

The Group's credit risk is primarily attributable to trade and other receivables with wholesale customers, derivative financial instruments, receivables from joint venture companies and associated companies and cash and deposits with banks and financial institutions. Individual operating entities are responsible for setting credit terms appropriate to their industry and assessing the credit profile of individual customers.

Standard settlement terms within the Beverages Division and the HAECO group are 30 days from the date of invoice. In accordance with the provisions of Swire Properties' standard tenancy agreements, rentals and other charges are due on the first day of each calendar month. For hospital operations, the credit terms for insurance companies are generally within 1 month to 6 months, while payment in advance is normally required for individual customers. Typically sales to retail customers within Swire Resources are made by cash or major credit cards. Sales to retail customers within Taikoo Motors are made by cash. The Group has no significant credit risk with any one customer.

Financial Risk Management (continued)

Audited Financial Information (continued)

When depositing surplus funds or entering into derivative contracts, the Group controls its exposure to non-performance by counterparties by dealing with investment grade counterparties to the extent possible, setting approved counterparty limits and applying monitoring procedures. Counterparty credit exposure limits for financial institutions are proposed by the treasury department and approved by the Finance Director. The treasury department monitors the counterparties' credit ratings and issues an approved list of counterparties with their limits on a quarterly basis to all subsidiaries. Group companies require prior approval from the Group's treasurer to deal with banks not on the approved list. In addition, the Group and the Company monitor the exposure to credit risk in respect of the financial assistance provided to subsidiaries, joint venture companies and associated companies through exercising control or significant influence over their financial and operating policy decisions and reviewing their financial positions on a regular basis.

The Group is not required by its counterparties to provide collateral or any other form of security against any change in the market value of derivatives. There are no specific conditions that would require the termination of derivative contracts should the credit rating of Swire Pacific be downgraded.

The maximum credit risk in respect of contingencies is disclosed in note 39 to the financial statements.

Liquidity Risk
The Group takes liquidity risk into consideration when deciding its sources of funds and their tenors, so as to avoid over reliance on funds from any one source and to prevent substantial refinancing in any one period. The Group maintains significant undrawn committed revolving credit facilities and cash deposits in order to reduce liquidity risk further and to allow for flexibility in meeting funding requirements.

The Group aims to maintain immediate access to committed funds to meet its refinancing for the following nine months on a rolling basis and capital commitments for the following 12 months on a rolling basis.

The treasury departments of Swire Pacific and its listed subsidiary (Swire Properties Limited) produce a forecast funding plan for the Group on a quarterly basis and a summary forecast on a monthly basis, in order to assess committed and probable funding requirements. The plan includes an analysis of debt refinancing by year and by source of funds. The Group's treasurer presents the forecast funding plan together with funding proposals to the Finance Director on a regular basis, and to the Finance Committee. Refer to page 153 for details of the Group's contractual obligations at 31st December 2025.

Price Risk
The Group is exposed to price risk in relation to listed equity securities held as equity investments at fair value. Management regularly reviews the expected returns from holding such investments, on an individual basis.

CORPORATE GOVERNANCE REPORT

Corporate and Governance Culture

Swire Pacific is committed to ensuring that its affairs are conducted in accordance with its corporate and governance culture and values of integrity, originality, excellence, humility, teamwork, continuity and high ethical standards, which form a coherent set of principles that are relevant across the Company's business and underpin everything it does. This reflects its belief that, in the achievement of its long-term objectives, it is imperative to act with probity, transparency and accountability. By so acting, Swire Pacific believes that shareholder value will be maximised in the long term and that its employees, those with whom it does business and the communities in which it operates will all benefit.

Corporate governance is the process through which the Board instructs management of the Group to conduct its affairs with a view to ensuring that its objectives are met. The Board is committed to maintaining and developing robust corporate governance practices that are intended to ensure:

- satisfactory and sustainable returns to shareholders
- that the interests of those who deal with the Company are safeguarded
- that overall business risk is understood and managed appropriately
- the delivery of high-quality products and services to the satisfaction of customers
- that high standards of ethics are maintained
- a commitment to sustainable development which supports long-term growth

The Board provides guidance to management by defining the purpose, values and strategic direction of the Group, and plays an important role in establishing and instilling a culture that reinforces the values of acting lawfully, ethically and responsibly. The Company's Corporate Code of Conduct ensures that the corporate culture and expected behaviours are clearly communicated to everyone in the Group. Appropriate policies and procedures are in place to promote and reinforce the need for employees and others who deal with the Company to act with honesty and integrity and to raise concerns about actual or suspected cases of impropriety. Indicators used for assessing and monitoring social and corporate governance related data (including staff turnover rates and breaches of the Company's Corporate Code of Conduct) are set out in the 2025 Sustainability Report of the Company. The Group offers competitive remuneration and benefits designed to attract, motivate and retain talented people at all levels. Having regard to the corporate culture reflected in the policies and practices of the Group, the Board is satisfied that the purpose, values and strategic directions of the Group are aligned with its culture.

Corporate Governance Statement

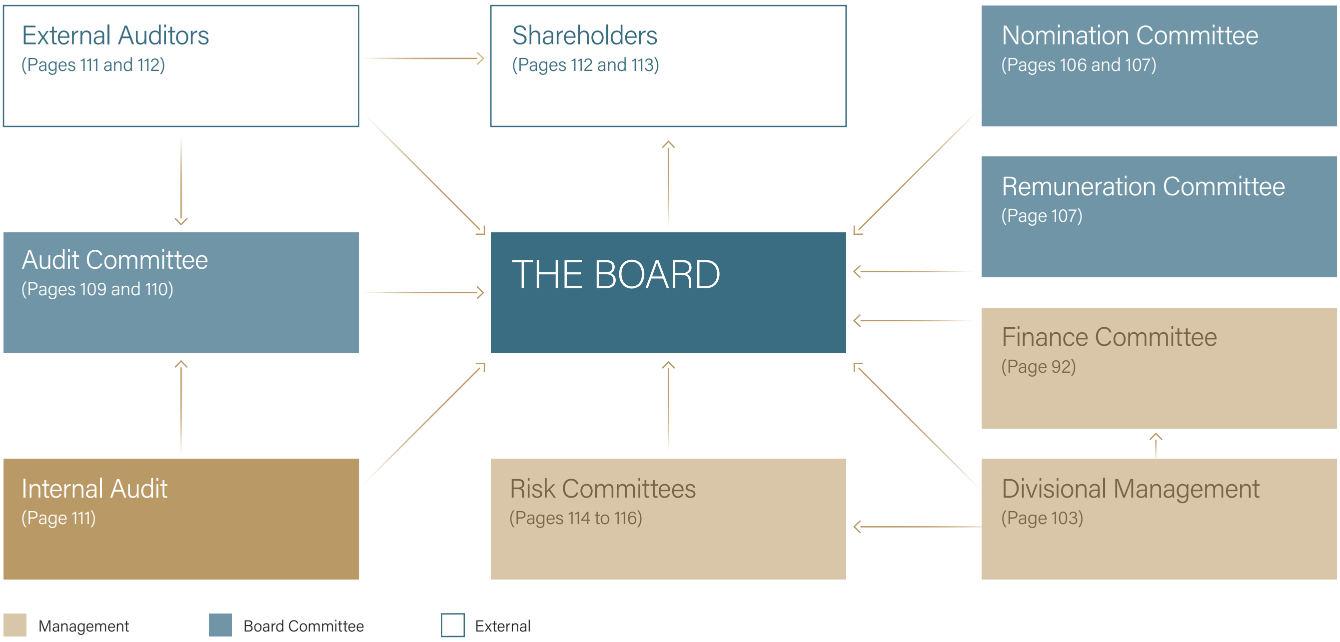
The Corporate Governance Code (the CG Code) as published by The Stock Exchange of Hong Kong Limited sets out the principles of good corporate governance and provides two levels of recommendation:

- code provisions, with which issuers are expected to comply, but with which they may choose not to comply, provided they give considered reasons and explanations for non-compliance
- recommended best practices, with which issuers are encouraged to comply, but which are provided for guidance only

The Company supports the principles-based approach of the CG Code and the flexibility this provides for the adoption of corporate policies and procedures which recognise the individuality of companies. Swire Pacific has adopted its own corporate governance code which is available on its website (www.swirepacific.com). Corporate governance does not stand still; it evolves with the business and operating environment. The Company is always ready to learn and adopt best practices. As part of its commitment to enhance corporate governance standards within the region, Swire Pacific is a member of the Asian Corporate Governance Association.

The Company complied with all the code provisions set out in 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 annual report.

Governance Structure



Note:
The Risk and Finance Committees report to the Board through the Audit Committee.

The Board of Directors

Role of the Board

The Company is governed by a Board of Directors, which is responsible for the strategic leadership and direction of the Group designed to maximise shareholder value, while taking due account of the interests of those with whom the Group does business.

Responsibility for achieving the Company's objectives and running the business on a day-to-day basis is delegated to divisional management. The Board exercises a number of reserved powers which include:

- maintaining and promoting the culture of the Company
- formulating long-term strategy
- approving public announcements, including financial statements
- committing to major acquisitions, divestments and capital projects
- authorising significant changes to the capital structure and material borrowings
- any issue, or buy-back, of equity securities under the relevant general mandates
- approving treasury policy
- setting dividend policy
- approving appointments to the Board
- ensuring that appropriate management development and succession plans are in place
- setting the Group remuneration policy
- approving annual budgets and forecasts
- reviewing operational and financial performance
- reviewing the effectiveness of the Group's risk management and internal control systems
- ensuring the adequacy of the resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit, financial reporting and environmental, social and governance (ESG) functions
- overseeing and approving sustainable development matters

To assist it in fulfilling its duties, the Board has three primary committees, the Audit Committee (see pages 109 and 110), the Nomination Committee (see pages 106 and 107) and the Remuneration Committee (see page 107).

Chairman and Chief Executive

The CG Code requires that the roles of Chairman and Chief Executive be separate and not performed by the same individual to ensure there is a clear division of responsibilities between the running of the Board and the executives who run the business.

Guy Bradley, the Chairman, is responsible for:

- leadership of the Board
- setting its agenda and taking into account any matters proposed by other Directors for inclusion in the agenda
- facilitating effective contributions from and dialogue with all Directors and constructive relations between them
- ensuring that all Directors are properly briefed on issues arising at Board meetings and that they receive accurate, timely and clear information
- obtaining consensus amongst the Directors
- ensuring, through the Board, that good corporate governance practices and procedures are followed

Each division of the Group has one or more executive directors or officers who are responsible for implementing the policies and strategies set by the Board in order to ensure the successful day-to-day management of the Group's individual businesses (see page 103).

Throughout the year, there was a clear division of responsibilities between the Chairman and the respective executive directors or officers responsible for the divisions of the Group.

Board Composition

The Board is structured with a view to ensuring it is of a high calibre and has a balance of skills, experience and diversity of perspectives appropriate to the Company's business so that it works effectively as a team, and that individuals or groups do not dominate any decision-making.

The Board comprises the Chairman, three other Executive Directors and seven Non-Executive Directors. Their biographical details are set out in the section of this annual report headed Directors and Officers and are posted on the Company's website. With effect from 13th May 2026, Patrick Healy will cease to be a Director of the Company for reason of his retirement from the Swire group.

Guy Bradley, David Cogman, Patrick Healy and Martin Murray are directors and/or employees of the John Swire & Sons Limited (Swire) group. Gordon McCallum and Merlin Swire are shareholders, directors and employees of the Swire group.

The Non-Executive Directors bring independent advice, judgement and, through constructive challenge, scrutiny of executives and review of performance and risks. The Audit, Nomination and Remuneration Committees of the Board comprise only Non-Executive Directors.

Five of the seven Non-Executive Directors are Independent Non-Executive Directors, which represent at least one-third of the Board of Directors.

The Independent Non-Executive Directors:

- provide open and objective challenge to management and other Board members
- raise intelligent questions and challenge constructively and with vigour
- bring outside knowledge of the businesses and markets in which the Group operates, providing informed insight and responses to management

Board Independence

The Company has in place effective mechanisms to ensure that independent views and input are available to the Board. The Nomination Committee, a majority of which comprises Independent Non-Executive Directors, assesses the suitability and independence of potential candidates to be appointed as Independent Non-Executive Directors and reviews the independence of each Independent Non-Executive Director annually. The Independent Non-Executive Directors meet with the Chairman at least once annually without the presence of other Directors and they can interact with management and other Directors including the Chairman through formal and informal means. Independent professional advice is also available to all Directors whenever necessary. A review of these mechanisms is conducted on an annual basis to ensure their effectiveness.

Confirmation has been received from all Independent Non-Executive Directors that they are independent as regards the factors set out in Rule 3.13 of the Listing Rules. None of them holds cross-directorships or has significant links with other Directors through involvements in other companies or bodies. The Board considers that all of the Independent Non-Executive Directors are independent in character and judgement.

Gordon Orr has served as an Independent Non-Executive Director for more than nine years. If re-elected at the 2026 Annual General Meeting, Paul Etchells will have also served as an Independent Non-Executive Director for more than nine years as from 17th May 2026. The Directors are of the opinion that they remain independent, notwithstanding their length of tenure. Paul Etchells and Gordon Orr continue to demonstrate the attributes of an Independent Non-Executive Director noted above and there is no evidence that their tenure has had any impact on their independence. During their tenure, Paul Etchells and Gordon Orr have not been involved in the daily management of the Company nor in any relationship or circumstances which would materially interfere with their exercise of independent judgement. Each of them holds not more than 1% of the number of issued shares of the Company. They have demonstrated strong independence by providing impartial views and exercising independent judgement at Board and Board committee meetings. Drawing upon experience and skills acquired through their other directorships and offices, they also bring fresh and objective perspectives to the Board. The Board believes that their detailed knowledge of the Group's business and their external experience continue to be of significant benefit to the Company, and that they maintain an independent view of its affairs.

Taking into account all of the circumstances described in this section, the Company considers all of the Independent Non-Executive Directors to be independent as regards the factors set out in Rule 3.13 of the Listing Rules.

Responsibilities of Directors

On appointment, the Directors receive information about the Group including:

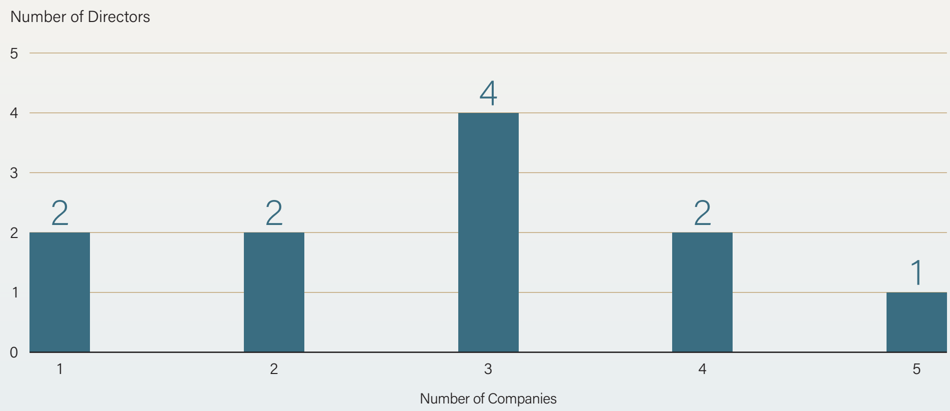
- the role of the Board and the matters reserved for its attention
- the role and terms of reference of Board committees
- the Group's corporate governance practices and procedures
- the powers delegated to management
- the latest financial information

Directors update their skills, knowledge and understanding of the Company's businesses through their participation at meetings of the Board and its committees and through regular meetings with management at the head office and in the divisions. Directors are regularly updated by the Company Secretary on their legal and other duties as Directors of a listed company.

Through the Company Secretary, Directors are able to obtain appropriate professional training and advice.

Each Director ensures that he/she can devote sufficient time and attention to the affairs of the Group. All Directors disclose to the Board on their first appointment their interests as a Director or otherwise in other companies or organisations and such declarations of interests are updated regularly. No Director was a director of more than five listed companies (including the Company) at 31st December 2025.

Listed Company Directorship(s)



Details of Directors' other appointments are shown in their biographies in the section of this annual report headed Directors and Officers.

Board Processes

All committees of the Board follow the same processes as the full Board.

The dates of the 2025 Board meetings were determined in 2024 and any amendments to this schedule were notified to Directors at least 14 days before regular meetings. Appropriate arrangements are in place to allow Directors to include items in the agenda for regular Board meetings.

Agendas and accompanying Board papers are circulated with sufficient time to allow the Directors to prepare before meetings.

The Chairman takes the lead to ensure that the Board acts in the best interests of the Company, that there is effective communication with the shareholders and that their views are communicated to the Board as a whole.

Board decisions are made by vote at Board meetings and supplemented by the circulation of written resolutions between Board meetings.

Minutes of Board meetings are taken by the Company Secretary and, together with any supporting papers, are made available to all Directors. The minutes record the matters considered by the Board, the decisions reached, and any concerns raised or dissenting views expressed by Directors. Draft and final versions of the minutes are sent to all Directors for their comment and records respectively.

Board meetings are structured so as to encourage open discussion, frank debate and active participation by Directors in meetings.

Directors meet at least once annually to discuss the Company's strategy, including investment and divestment plans and other strategic initiatives. The strategy session also serves as a platform for raising new initiatives and ideas.

The Board is provided with such information and explanations as are necessary to enable Directors to make an informed assessment of the financial and other information put before the Board. Queries raised by Directors are answered fully and promptly.

When necessary, the Independent Non-Executive Directors meet privately to discuss matters which are their specific responsibility. Two such meetings were held in 2025.

The Chairman meets at least annually with the Independent Non-Executive Directors without the presence of other Directors.

Board Activities

The Board met five times in 2025, including a strategy session. The attendance of individual Directors at meetings of the Board and its committees is set out in the table below. Average attendance at Board meetings was 98%. All Directors attended Board meetings in person or through electronic means of communication during the year.

	Meetings Attended/Held				
Directors	Board	Audit Committee	Nomination Committee	Remuneration Committee	2025 Annual General Meeting
Executive Directors					
Guy Bradley – Chairman	5/5				✓
David Cogman	5/5				✓
Patrick Healy	5/5				✓
Martin Murray	5/5				✓
Non-Executive Directors					
Gordon McCallum	5/5				✓
Merlin Swire	5/5		1/1	2/2	✓
Independent Non-Executive Directors					
Paul Etchells	5/5	3/3			✓
Rose Lee (retired on 15th May 2025)	1/2			1/1	
Edith Ngan	5/5	3/3			✓
Gordon Orr	5/5		1/1	2/2	✓
Xu Ying	5/5		1/1	1/1	✓
Bonnie Zhang	5/5	3/3			✓
Average attendance	98%	100%	100%	100%	92%

Key areas of the activities of the Board during the year are summarised below.

Leadership and People	– Reviewed the structure, size, composition of the Board and the independence of the Independent Non-Executive Directors – Discussed updates from the Nomination Committee on matters including the Company's progress in achieving measurable objectives on board diversity, updates on employee diversity and the implementation and effectiveness of the Group's diversity policy – Considered and approved the recommendations from the Nomination Committee on re-election of Directors at the 2025 Annual General Meeting – Discussed updates from the Remuneration Committee on matters including compensation of the Executive Directors of the Company, gender pay equity and CEO pay ratio of the Group
Strategy	– Discussed the Group's 10-year plan regarding its business strategies and projections – Discussed the long-term strategies of each of the Group's key operating companies – Discussed the Group's investment and divestment strategies – Considered and approved the Group's investments, acquisitions or disposals, overall portfolio direction and investment plans, capital allocation strategy and growth objectives – Discussed updates on the Group's geographic portfolio and macro-economic developments
Financial and Business Performance	– Reviewed and approved the interim and annual results announcements as well as the interim and annual reports – Discussed and approved the 2026 annual budget and longer-term financial plans – Reviewed business updates and operating results of the Group's core divisions, their operating environments and performance outlook – Reviewed implementation status of the Group's capital allocation strategy – Discussed development progress of projects and investments – Approved and declared the second interim dividend for 2024 and the first interim dividend for 2025 – Reviewed and approved the Group's major financing arrangements and fund-raising activities
Audit, Risk Management and Internal Control	– Discussed updates from the Audit Committee on matters relating to results announcements and annual/interim reports, compliance with regulatory and statutory requirements, reviewed the effectiveness of the Company's risk management process and internal control systems, findings from the group internal audit department, significant accounting and audit issues and codes and policies of the Company – Approved the Group's 2026 audit strategy and reviewed progress on the 2025 audit programme – Reviewed the Group's corporate risk register and key items including geopolitical risks, cybersecurity risks, sustainability-related risks and other major risks, and discussed the relevant risk management measures – Discussed the digital strategy and data governance of the Group – Reviewed the Group's health and safety performance, including its performance in meeting safety targets, hazards reporting system, safety management measures and health and wellbeing initiatives
Governance and Compliance	– Chairmen of the various Board committees updated the Board on their committee meetings, including key matters discussed and issues raised in the meetings – Reviewed the continuing connected transactions conducted by the Group – Reviewed and approved regulatory announcements to be published by the Company – Reviewed updates on the Company's legal and compliance matters – Reviewed and approved updates on the Company's codes and policies – Reviewed the terms of reference adopted by the Company – Received declarations of interest from Directors
Sustainability	– Reviewed and approved the sustainability report of the Company – Discussed the Group's progress towards meeting the environmental and social targets under the Group's sustainability strategy, performance in key sustainability indices, regulatory developments towards sustainability, climate-related, and other key ESG matters

Continuous Professional Development

The Company makes available continuous professional development for all Directors at the expense of the Company so as to develop and refresh their knowledge and skills.

All Directors have been provided with "A Guide on Directors' Duties" issued by the Companies Registry, "Guidelines for Directors" issued by the Hong Kong Institute of Directors and "Corporate Governance Guide for Boards and Directors" issued by The Stock Exchange of Hong Kong Limited and other training materials on various topics, including ESG matters and regulatory updates issued by The Stock Exchange of Hong Kong Limited or external advisers. They were invited to attend seminars and conferences about financial, commercial, economic, risk management, legal, regulatory and other business matters.

Directors have provided the Company with their training records. During 2025, each of the current Directors has participated in continuous professional development as required under Rules 3.09F and 3.09G of the Listing Rules, covering topics identified in the table below:

	Training topic and format				
Directors	Roles, functions and responsibilities of the board, its committees and its directors, and board effectiveness	Issuers' obligations and directors' duties and key regulatory developments	Corporate governance and ESG matters	Risk management and internal controls	Updates on industry-specific developments, business trends and strategies
Executive Directors					
Guy Bradley	🔵🟤	🟤	🔵🟤	🔵🟤	🔵
David Cogman	🔵🟤	🟤	🔵🟤	🔵🟤	🔵
Patrick Healy	🔵🟤	🟤	🔵🟤	🔵🟤	🔵
Martin Murray	🔵🟤	🟤	🔵🟤	🔵🟤	🔵
Non-Executive Directors					
Gordon McCallum	🔵🟤	🟤	🔵🟤	🔵🟤	🔵
Merlin Swire	🔵🟤	🟤	🔵🟤	🔵🟤	🔵
Independent Non-Executive Directors					
Paul Etchells	🔵🟤	🔵🟤	🔵🟤	🔵🟤	🔵
Edith Ngan	🔵🟤	🟤	🔵🟤	🔵🟤	🔵
Gordon Orr	🔵🟤🟣	🟤	🔵🟤🟣	🔵🟤	🔵🟤
Xu Ying	🔵🟤	🟤	🔵🟤	🔵🟤	🔵
Bonnie Zhang	🔵🟤	🟤	🔵🟤	🔵🟤	🔵

Notes:

🔵 Training in the format of seminars, conferences or webinars conducted by external auditors, financial advisers or other training providers

🟤 Training in the format of self-study, such as reading materials, watching videos and attending e-learning courses

🟣 Training in other formats, such as attending industry events as speaker or panelist

Directors' and Officers' Insurance

The Company has arranged appropriate insurance cover in respect of potential legal actions against its Directors and Officers.

Conflicts of Interest

If a Director has a material conflict of interest in relation to a transaction or proposal to be considered by the Board, the individual is required to declare such interest and abstain from voting. The matter is considered at a Board meeting and voted on by Directors who have no material interest in the transaction.

Delegation by the Board

Responsibility for delivering the Company's strategies and objectives, as established by the Board, and responsibility for day-to-day management is delegated to the head of each operating company. These individuals have been given clear guidelines and directions as to their powers and, in particular, the circumstances under which they should report back to, and obtain prior approval from, the Board before making commitments on behalf of the Company.

The Board monitors management's performance against the achievement of financial and non-financial measures, the principal items monitored being:

- detailed monthly reports dealing with health and safety and other ESG matters, profit performance, capital allocation, credit metrics and portfolio strategy
- internal and external audit reports
- feedback from customers, others with whom the Group does business, trade associations and service providers

Securities Transactions

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.

A copy of the Securities Code has been sent to each Director of the Company and is sent to each Director twice annually, immediately before the two financial period ends, with a reminder that the Director cannot deal in the securities and derivatives of the Company during the blackout period before the Group's interim and annual results have been published, and that all their dealings must be conducted in accordance with the Securities Code.

Under the Securities Code, Directors are required to notify the Chairman and receive a dated written acknowledgement before dealing in the securities and derivatives of the Company and, in the case of the Chairman himself, he must notify the Chairman of the Audit Committee and receive a dated written acknowledgement before any dealing.

On specific enquiries made, all the Directors of the Company have confirmed that they have complied with the required standard set out in the Model Code and the Securities Code.

Directors' interests at 31st December 2025 in the shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance) are set out in the section of this annual report headed Directors' Report.

Appointment and Re-election

Potential new Directors are identified and considered by the Nomination Committee for appointment by the Board. A Director appointed by the Board is subject to election by shareholders at the first annual general meeting after his or her appointment, and all Directors are subject to re-election by shareholders every three years.

Potential new Board members are identified on the basis of skills, knowledge and experience which, on assessment by the Directors, will enable them to make a positive contribution to the diversity, performance and effectiveness of the Board. The Company reviews the composition of the Board on a continuing basis by keeping track of the tenure of Directors and any further skills that the Board is looking to acquire. It maintains a pipeline of candidates comprising internal and external candidates as may be identified from time to time. Executive search agencies may be engaged as appropriate to identify external candidates with the desired skillsets. The composition of the Board includes directors who are appointed as Independent Non-Executive Directors, nomination from substantial shareholder and executives of the Company.

In assessing the suitability of a proposed candidate (including Directors eligible for election or re-election), the following non-exhaustive list of factors will be considered:

- the corporate strategy of the Company
- the structure, size, composition and needs of the Board
- the potential contributions a candidate can bring to the Board, including skillsets, experience and other attributes that are complementary to the Board
- the qualifications, integrity and expected time commitment of the candidate
- various aspects of diversity (including gender, age, cultural and educational background, and ethnicity) with reference to the Board Diversity Policy of the Company
- the independence of a candidate to be appointed as an Independent Non-Executive Director

On 10th March 2026, the Nomination Committee, having reviewed the Board's composition and after taking into account the requirement that all Directors are subject to election or re-election (as the case may be) in accordance with the Company's Articles of Association, nominated Paul Etchells, Gordon McCallum and Bonnie Zhang for recommendation to shareholders for re-election at the 2026 Annual General Meeting. Edith Ngan also retires this year but does not offer herself for re-election. The nominations were made in accordance with objective criteria (including gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge, length of service, number of directorships of listed companies and the interests of the Company), with due regard for the benefits of diversity, as set out in the Company's Board Diversity Policy. The Nomination Committee is satisfied with the independence of Paul Etchells and Bonnie Zhang having regard to the criteria set out in the Listing Rules. On 12th March 2026, the Board, having considered the recommendation of the Nomination Committee and having taken into account the respective contributions of Paul Etchells, Gordon McCallum and Bonnie Zhang to the Board and their firm commitment to their roles, recommended all of them for re-election at the 2026 Annual General Meeting. The particulars of the Directors standing for re-election are set out in the section of this annual report headed Directors and Officers and will also be set out in the circular to shareholders to be distributed with this annual report and posted on the Company's website.

Full details of changes in the Board during the year and to the date of this report are provided in the section of this annual report headed Directors' Report.

Board Diversity

The Board has adopted a Board Diversity Policy, which is available on the Company's website. Responsibility for the implementation, monitoring and annual review of this policy has been delegated to the Nomination Committee.

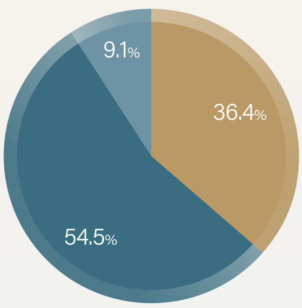
The Board's composition reflects a balance of skills, experience and diversity of perspectives among its members that are relevant to the Company's strategy, governance and business and contributes to the Board's effectiveness.

Skills, Expertise and Experience

Related Industry Experience	
Real Estate/Hotels/Retail	10
Beverages	7
Aviation & Logistics	9
Executive Leadership and Strategy	11
Relevant Market Experience	11
Accounting/Finance and Risk Management	11
Digital	9
ESG	10
Portfolio Management/Capital Allocation	9

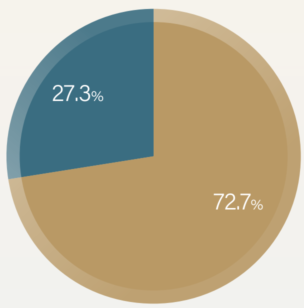
Executive Directors Non-Executive Directors

(out of 11 Directors)



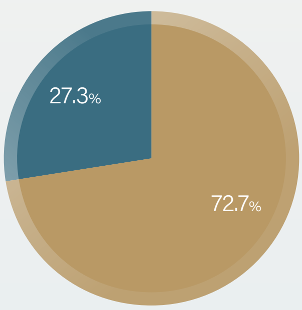
Age

50-59 60-69 70-79



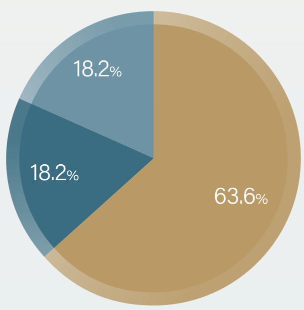
Gender

Male Female



Ethnicity

Non-Chinese Chinese



Years of Service as Director

3-6 years >6-9 years >9 years

In order to achieve a diversity of perspectives among members of the Board, it is the policy of the Company to consider a number of factors when deciding on appointments to the Board and the continuation of those appointments. Such factors include gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge, length of service and the interests of the Company.

The Company has achieved its target of maintaining not less than 30% of female Board members on average over any three-year cycle. As at the date of this report, average female representation on the Board over the past 3-year cycle is 30.3%.

The female representation in the workforce at 31st December 2025 was 31.5% (excluding Cathay group and Hong Kong Aero Engine Services Limited). Details of gender diversity in the workforce are disclosed in the section of this annual report headed Sustainability Review, and in the 2025 Sustainability Report of the Company.

The Company has adopted the following measures to develop a pipeline of potential successors to the Board:

- the Company keeps track of the tenure of Directors and the need for new or replacement directors to be appointed (as the case may be), and maintains a running list of candidates comprising internal and external candidates as may be identified from time to time
- principles and key criteria for evaluating candidates for directorship are set out in the Nomination Committee's terms of reference and the Company's Board Diversity Policy
- the skills and experience of existing Directors help set the criteria and desired skillsets for internal and external candidate search
- executive search agencies may be engaged as appropriate to identify suitable external candidates

Nomination Committee

The Nomination Committee consists of three Non-Executive Directors, Gordon Orr, Merlin Swire and Xu Ying. Two of the Committee members are Independent Non-Executive Directors, one of whom, Gordon Orr, is Chairman. All the members served for the whole of 2025.

The terms of reference of the Nomination Committee comply with the CG Code and are posted on the Company's website.

The Nomination Committee's duties include:

- to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually, assist the Board in maintaining a board skills matrix, and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy
- to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorship
- to assess the independence of the Independent Non-Executive Directors
- to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman
- to review regularly the implementation and effectiveness of the Company's policy on board diversity

The Nomination Committee met once in 2025. A summary of its work is as follows:

- conducted (i) an annual review of the structure, size and composition (including the skills, knowledge and experience) of the Board and considered that the Board's composition reflects an appropriate mix of skills, experience and diversity among its members that are relevant to the Company's strategy, governance and business and contributes to the Board's effectiveness; (ii) an annual assessment of the independence of each Independent Non-Executive Director and considered all of the Independent Non-Executive Directors to be independent; and (iii) an annual review of the implementation and effectiveness of the Company's Board Diversity Policy and considered it to be appropriate
- endorsed the revised target of maintaining not less than 30% of female Board members on average over any three-year cycle
- made recommendations to the Board in respect of the proposed re-election of the Directors retiring at the 2025 Annual General Meeting

The Nomination Committee assessed the Board's diversity by reviewing a comparison against industry and peer group companies, and the relevant experience and skillsets of the Directors. The Committee considered that:

- the ratios for the objective criteria (e.g. age, gender and ethnicity) amongst Board members were reasonable
- the Company was in a good position in terms of gender diversity compared with its peers

– the Board shall maintain not less than 30% of female Board members on average over any three-year cycle

Remuneration Committee

Full details of the remuneration of the Directors are provided in note 8 to the financial statements.

The Remuneration Committee comprises three Non-Executive Directors, Gordon Orr, Merlin Swire and Xu Ying. Two of the Committee members are Independent Non-Executive Directors, one of whom, Gordon Orr, is Chairman. Xu Ying succeeded Rose Lee as a member of the Remuneration Committee with effect from the conclusion of the 2025 Annual General Meeting held on 15th May 2025. All the other members served for the whole of 2025.

The terms of reference of the Remuneration Committee have been reviewed with reference to the CG Code and are posted on the Company's website.

The Remuneration Committee reviews and approves the remuneration proposals with respect to the Executive Directors of the Company, with reference to the Company's Remuneration Policy and the Board's corporate goals and objectives.

The Remuneration Committee exercises the powers of the Board to determine the remuneration packages of individual Executive Directors (including salaries, bonuses, benefits in kind and the terms on which they participate in any provident fund or other retirement benefit scheme), taking into consideration salaries paid by peer group companies, time commitment and responsibilities and employment conditions elsewhere in the Group.

In order to be able to attract and retain employees with the appropriate skills, experience and of suitable calibre, the Swire group provides a competitive remuneration package designed to be commensurate, overall, with those of its peer group. This typically comprises salary, housing, retirement benefits, allowances, medical benefits and a discretionary bonus related to the overall profit of the Swire Pacific Group. Although the remuneration for Executive Directors is not entirely linked to the profits of the business in which they are working, it is considered that, given the different profitability of businesses within the Group, these arrangements have contributed considerably to the maintenance of a flexible, motivated and high-calibre management team within the Group.

The Remuneration Committee reviewed the structure and levels of remuneration paid to Executive Directors at its meeting in October 2025. At this meeting, the Committee considered a report prepared for it by Mercer Limited, an independent firm of consultants, which confirmed that the remuneration of the Company's Executive Directors was competitive with that paid to equivalent positions in peer group companies. The Committee also reviewed the annual fees payable to the Company's Non-Executive Directors (who are not employees or directors of the Swire group) and endorsed a proposal to increase the fees for consideration and approval by the Board.

No Director takes part in the determination of his or her own remuneration.

The following fee levels have been approved by the Board:

Fee	**2025 HK$**	2026 HK$
Director's Fee	**690,000**	828,000
Fee for Audit Committee Chairman	**268,000**	320,000
Fee for Audit Committee Member	**186,000**	225,000
Fee for Nomination Committee Chairman	**83,000**	100,000
Fee for Nomination Committee Member	**60,000**	75,000
Fee for Remuneration Committee Chairman	**83,000**	100,000
Fee for Remuneration Committee Member	**60,000**	75,000

Details of emoluments paid to each Director in 2025 are set out in note 8 to the financial statements.

Accountability and Audit

Financial Reporting

The Board acknowledges its responsibility for:

– the proper stewardship of the Company's affairs, to ensure the integrity of financial information
– preparing annual and interim financial statements and other related information that give a true and fair view of the Group's affairs and of its results and cash flows for the relevant periods, in accordance with HKFRS Accounting Standards and the Hong Kong Companies Ordinance
– selecting appropriate accounting policies and ensuring that these are consistently applied
– making judgements and estimates that are prudent and reasonable
– ensuring that the application of the going concern assumption is appropriate

Risk Management and Internal Control

The Board acknowledges its responsibility to establish, maintain and review the effectiveness of the Group's risk management and internal control systems. This responsibility is primarily supported by the Audit Committee as discussed on pages 109 and 110.

The foundation of strong risk management and internal control systems is dependent on the ethics and culture of the organisation, the quality and competence of its personnel, the direction provided by the Board, and the effectiveness of management.

Since profits are, in part, the reward for successful risk taking in business, the risk management and internal control system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Group has a clear organisational structure that, to the extent required, delegates the day-to-day responsibility for the design, documentation and implementation of the internal control system and monitoring of risk. Individuals appreciate where they will be held accountable in this process.

To this end, the Company has adopted the three lines of defence model of risk governance, which is designed to minimise conflicts of interest and establish independent oversight of risk management. The purpose, composition, and roles and responsibilities of each of the three lines of defence is discussed within the Risk Management section from pages 114 to 116.

The key components of the Group's risk management and internal control system are as follows:

Corporate Culture and Control Environment: The foundation of strong risk management and internal control systems is dependent on the ethics and culture of the organisation, the quality and competence of its personnel, the direction provided by the Board, and the effectiveness of management.

The Company aims at all times to act ethically and with integrity, and to instill this behaviour in all its employees by example from the Board down. The Company has a Corporate Code of Conduct, which is posted on its website.

The Company is committed to developing and maintaining high professional and ethical standards. These are reflected in the rigorous selection process and career development plans for all employees. The organisation prides itself on being a long-term employer which instills in individuals, as they progress through the Group, a thorough understanding of the Company's ways of thinking and acting.

Channels of communication are clearly established, allowing employees a means of communicating their views upwards with a willingness on the part of more senior personnel to listen. Employees are aware that, whenever the unexpected occurs, attention should be given not only to the event itself, but also to determining the cause.

Through the Company's Corporate Code of Conduct, employees are encouraged (and instructed as to how) to report control deficiencies or suspicions of impropriety to those who are in a position to take necessary action. The Company has a Whistleblowing Policy and system for employees and those who deal with the Group to raise concerns, in confidence and with anonymity, where desired, about actual or suspected cases of impropriety in any matter related to the Group. The policy is available on the Company's website.

The Company has an Anti-Fraud and Anti-Corruption Policy which sets out the Company's policy and systems that promote and support compliance with applicable laws and regulations that counter bribery and corruption, fraud, money laundering and criminal/terrorist financing, and enhances the provisions relating to the aforesaid areas in the Company's Corporate Code of Conduct. The policy is available on the Company's website.

Risk Assessment: The Board of Directors and the management each have a responsibility to identify and analyse the risks underlying the achievement of business objectives, and to determine how such risks should be managed and mitigated.

The Company and the operating companies across the Group have adopted a common Enterprise Risk Management (ERM) approach to support the Board of Directors in discharging this responsibility. The ERM approach is described within the Risk Management section from pages 116 to 118.

Control and Monitoring Activities: The internal control and monitoring system comprises policies and procedures intended to ensure that relevant management directives are carried out and actions that may be needed to address risks are taken.

Control activities can be divided into operations, financial reporting and compliance, although there may, on occasion, be some overlap between them. The typical control activities adopted by Group companies include:

- analytical reviews: for example, conducting reviews of actual performance versus budgets, forecasts, prior periods and competitors
- direct functional or activity management: reviews of performance reports, conducted by managers in charge of functions or activities
- information-processing: performing controls intended to check the authorisation of transactions and the accuracy and completeness of their reporting, for example exception reports
- physical controls: ensuring equipment, inventories, securities and other assets are safeguarded and subjected to periodic checks
- performance indicators: carrying out analyses of different sets of data, operational and financial, examining the relationships between them and taking corrective action where necessary
- segregation of duties: dividing and segregating duties among different people, with a view to strengthening checks and minimising the risk of errors and abuse

The Company has in place effective processes and systems for the identification, capture and reporting of operational, financial and compliance-related information in a form and time frame intended to ensure that staff carry out their designated responsibilities.

Regular and ongoing monitoring of controls is carried out to determine if the internal controls are operating effectively, and mechanisms are in place for reporting deficiencies to accountable parties if they are significant. These may include approvals and verifications, reviews, and segregation of duties.

The Company also conducts an annual control self-assessment process. This self-assessment process requires the management in each material operating company and function to assess, through the use of detailed questionnaires, the adequacy and effectiveness of risk management and internal controls over the reliability of financial reporting, the effectiveness and efficiency of operations, and compliance with applicable laws and regulations. The control self-assessment questionnaires cover the material controls across the core functions of the operating companies and functions, with the aim of ensuring that these material controls execute as intended, effectively manage the associated risks, and support the achievement of business objectives. The questionnaires are reviewed by the divisional head office finance teams and follow up action is taken if any control weaknesses are identified. The divisional finance directors are also required to present an annual report to the Finance Committee to substantiate their control self-assessment conclusions. This control self-assessment process and its results are reviewed by GIAD, with significant findings escalated to the Audit Committee and the Board of Directors, if any.

Internal Audit: Independent of management, GIAD reports directly to the Audit Committee and performs regular review of key risk areas and monitors compliance with Group accounting, financial and operational procedures. The role of GIAD is discussed further on page 111.

Audit Committee

The Audit Committee, consisting of three Independent Non-Executive Directors, Paul Etchells, Edith Ngan and Bonnie Zhang, assists the Board in discharging its responsibilities for corporate governance and financial reporting. Paul Etchells is the Chairman of the Audit Committee. All members served for the whole of 2025.

The terms of reference of the Audit Committee follow the guidelines set out by the Hong Kong Institute of Certified Public Accountants and comply with the CG Code. They are available on the Company's website.

The Audit Committee met three times in 2025. Regular attendees at the meetings are the Finance Director, the Group General Counsel and Company Secretary, the Group Head of Internal Audit, the external auditors, the General Manager of Group Finance, representatives of Group Risk Management and the Chief Information Security Officer. The Audit Committee meets at least twice a year with the external auditors, and at least once a year with the Group Head of Internal Audit, in each case without the presence of management. Each meeting receives written reports from the GRMC, the external auditors and GIAD.

The work of the Committee during 2025 included reviews of the following matters:

- the completeness, accuracy and integrity of formal announcements relating to the Group's performance including the 2024 annual and 2025 interim reports and announcements, with recommendations to the Board for approval
- the Group's compliance with regulatory and statutory requirements
- the Group's risk management and internal control systems
- the Group's risk management processes
- the Group's cybersecurity
- the Group's ESG matters
- the approval of the 2026 annual internal audit programme and review of progress on the 2025 programme
- periodic reports from GIAD and progress in resolving any matters identified in them
- significant accounting and audit issues
- the Company's policy regarding connected transactions and the nature of such transactions
- the relationship with the external auditors as discussed on pages 111 and 112
- the Company's 2024 Sustainability Report
- the Company's compliance with the CG Code
- the Company's codes and policies

In 2026, the Committee has reviewed, and recommended to the Board for approval, the 2025 financial statements.

Assessing the Effectiveness of Risk Management and Internal Control Systems

On behalf of the Board, the Audit Committee reviews annually the continued effectiveness of the Group's risk management and internal control systems dealing with risk and financial accounting and reporting, the effectiveness and efficiency of operations, compliance with laws and regulations, and risk management functions.

This assessment considers:

- the scope and quality of management's ongoing monitoring of risks (including ESG risks) and of the risk management and internal control systems, the work and effectiveness of internal audit and the assurances provided by the Finance Director
- the changes in the nature and extent of significant risks (including ESG risks) since the previous review and the Group's ability to respond to changes in its business and the external environment
- the extent and frequency with which the results of monitoring are communicated, enabling the Committee to build up a cumulative assessment of the state of control in the Group and the effectiveness with which risk is being managed
- the adequacy of resources (internal and external) for designing, implementing and monitoring the risk management and internal control systems, including staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit, and financial reporting functions, as well as those relating to the Group's ESG performance and reporting
- the incidence of any significant control failings or weaknesses that have been identified at any time during the period and the extent to which they have resulted in unforeseen outcomes or contingencies that have had, could have had, or may in the future have, a material impact on the Company's financial performance or condition
- the effectiveness of the Company's processes in relation to financial reporting and statutory and regulatory compliance
- areas of risk identified by management
- the relevant information and periodic confirmation provided by management to the Board for monitoring the implementation and effectiveness of risk management and internal control systems
- significant risks reported by GIAD and the GRMC
- work programmes proposed by GIAD and the external auditors
- significant issues arising from internal and external audit reports
- the process and results of the annual control self-assessment exercise

As a result of the above review, the Board confirms, and management has also confirmed to the Board, that the Group's risk management and internal control systems are effective and adequate and have complied with the CG Code provisions on risk management and internal control throughout the year and up to the date of this annual report.

In forming its view, the Board considered the results of the annual control self-assessment exercise and management's responses, GRMC's triannual risk reviews, GIAD's risk-based assurance and the independent auditor's communications. The Board is satisfied that the risk management and internal control systems operated effectively to (a) deal with identified risks, (b) safeguard the Group's assets, (c) reasonably prevent and detect fraud, misconduct and loss, (d) ensure the accuracy of financial reporting, and (e) achieve compliance with applicable laws and regulations.

Company Secretary

The Company Secretary is an employee of the Company and is appointed by the Board. The Company Secretary is responsible for facilitating the Board's processes and communications among Board members, with shareholders and with management. The Company Secretary undertakes at least 15 hours of relevant professional training annually to update skills and knowledge.

Group Internal Audit Department (GIAD)

The Swire group has had GIAD in place for 30 years. GIAD plays a critical role in monitoring the governance of the Group and conducts audits of the Group and of other companies in the Swire group. The department is staffed by 29 audit professionals including a team based in the Chinese Mainland which reports to the Group Head of Internal Audit in Hong Kong.

GIAD reports directly to the Audit Committee without the need to consult with management, and via the Audit Committee to the Board. GIAD has unrestricted access to all areas of the Group's operating companies and functions, assets, records and personnel in the course of conducting its work.

The annual internal audit programme and resources are reviewed and agreed with the Audit Committee.

Scope of Work

Audits are designed to provide assurance that the risk management and internal control systems of the Company and its operating companies are implemented properly and operating effectively, and that the risks associated with the achievement of business objectives are being properly identified, monitored and managed.

The frequency of each audit is determined by GIAD using its own risk assessment methodology, which is based on the COSO (Committee of Sponsoring Organizations of the Treadway Commission) internal control framework, considering such factors as recognised risks, organisational change, overall materiality of each unit, previous internal audit results, external auditors' comments, output from the work of the GRMC and management's views. Each operating company or function is typically audited at least once every three years. Acquired businesses would normally be audited within 12 months of acquisitions. 38 assignments were conducted for Swire Pacific in 2025.

In addition, GIAD assists the Audit Committee in carrying out the analysis and independent appraisal of the adequacy and effectiveness of the Group's risk management and internal control systems through its review of the process by which management has completed the annual control self-assessment, and the results of this assessment.

Furthermore, GIAD conducts ad-hoc projects and investigative work as may be required by management or the Audit Committee.

Audit Conclusion and Response

Copies of internal audit reports are sent to the Chairman of the Board, the Finance Director and the external auditors. The results of each audit are also presented to the Audit Committee. Management is required to provide action plans in response to internal audit recommendations, including those aimed at resolving material internal control defects. These are agreed by GIAD, included in its reports and followed up with a view to ensuring that they are satisfactorily undertaken.

External Auditors

The Audit Committee acts as a point of contact, independent from management, with the external auditors (the auditors). The auditors, PricewaterhouseCoopers, have direct access to the Chairman of the Audit Committee, who meets with them periodically without management present.

The Audit Committee's duties in relation to the auditors include:

- recommending to the Board, for approval by shareholders, the auditors' appointment
- approval of the auditors' terms of engagement
- consideration of the letters of representation to be provided to the auditors in respect of the interim and annual financial statements
- review of reports and other ad-hoc papers from the auditors
- annual appraisal of the quality and effectiveness of the auditors

- assessment of the auditors' independence and objectivity, including the monitoring of non-audit services provided, with a view to ensuring that their independence and objectivity are not, and are not seen to be, compromised
- approval of audit and non-audit fees

Auditors' Independence

Independence of the auditors is of critical importance to the Audit Committee, the Board and shareholders. The auditors write annually to the members of the Audit Committee confirming that they are independent accountants in accordance with the Code of Ethics for Professional Accountants of the Hong Kong Institute of Certified Public Accountants and that they are not aware of any matters which may reasonably be thought to bear on their independence. The Audit Committee assesses the independence of the auditors by considering and discussing each such letter (and having regard to the fees payable to the auditors for audit and non-audit work and the nature of the non-audit work) at a meeting of the Audit Committee.

Provision of Non-audit Services

In deciding whether the auditors should provide non-audit services, the following key principles are considered:

- the auditors should not audit their own firm's work
- the auditors should not make management decisions
- the auditors' independence should not be impaired
- quality of service

In addition, the Company has a protocol in place for approval of the provision of non-audit services by the auditors. Any services which may be considered to be in conflict with the role of the auditors must be submitted to the Audit Committee for approval prior to engagement, regardless of the amounts involved. The protocol is updated from time to time to ensure its effectiveness.

The fees in respect of audit and non-audit services provided to the Group by the auditors for 2025 amounted to approximately HK$64 million and HK$20 million respectively. Fees paid to the auditors are disclosed in note 6 to the financial statements.

Inside Information

With respect to procedures and internal controls for the handling and dissemination of inside information, the Company:

- is required to disclose inside information as soon as reasonably practicable in accordance with the Securities and Futures Ordinance and the Listing Rules
- conducts its affairs with close regard to the "Guidelines on Disclosure of Inside Information" issued by the Securities and Futures Commission
- has included in its Corporate Code of Conduct a strict prohibition on the unauthorised use of confidential or inside information

Shareholders

Communication with Shareholders and Investors

The Board recognises its responsibility to represent the interests of all shareholders and to maximise shareholder value. Communication with shareholders and accountability to shareholders is a high priority of the Company.

The Company has a Shareholders' Communication Policy which is available on the Company's website. The Shareholders' Communication Policy aims to ensure that shareholders and the investment community are provided with appropriate and timely access to material information about the Company. It sets out the Company's framework for promoting effective communication with its shareholders so as to enable them to exercise their rights as shareholders in an informed manner, and to allow the investment community to engage actively with the Company.

The methods used to communicate with shareholders include the following:

- the Finance Director is available for meetings with major shareholders, investors and analysts over two-month periods immediately after the announcement of the interim and annual results and at certain other times during the year. In addition, the Finance Director attended meetings with analysts and investors and conducted analyst briefings during the year. In 2025, the Company conducted bi-annual international equity non-deal roadshows in Hong Kong, Singapore, London, and Edinburgh as well as an annual bond non-deal roadshow in Hong Kong and Singapore. The Finance Director met with more than 70 investors in total during the year
- through the Company's website. This includes electronic copies of financial reports, webcasts of analyst presentations

given at the time of the interim and annual results announcements, slides of presentations given at investor conferences, latest news, public announcements and general information about the Group's businesses
- through publication of interim and annual reports
- through the annual general meeting as discussed below and other general meetings that may be convened

Shareholders may send their enquiries and concerns to the Board by post or email at ir@swirepacific.com. The relevant contact details are set out in the Financial Calendar and Information for Investors section of this annual report. The Company's Shareholders' Communication Policy also sets out channels for shareholders to communicate their views on various matters.

The Audit Committee reviews the implementation and effectiveness of the Shareholders' Communication Policy annually. Having considered the multiple channels of communication in place as described above, it is satisfied that the Shareholders' Communication Policy has been properly implemented and is effective.

The Annual General Meeting

The annual general meeting is an important forum for the Company to engage with its shareholders. The most recent annual general meeting was held on 15th May 2025. The meeting was open to shareholders. The Directors who attended the meeting are shown in the table on page 100.

At the annual general meeting, separate resolutions were proposed for each issue and were voted on by poll. The procedures for conducting a poll were explained at the meeting prior to the polls being taken. The agenda items were:

- receiving the report of the Directors and the audited financial statements for the year ended 31st December 2024
- re-electing Directors
- re-appointing the auditors and authorising the Directors to set their remuneration
- a general mandate authorising the Directors to make on-market share buy-backs
- a general mandate authorising the Directors to allot and issue shares up to 20% of the number of shares of any class then in issue, provided that the aggregate number of the shares of any class so allotted wholly for cash would not exceed 5% of the number of the shares of that class then in issue

Minutes of the meeting together with voting results are available on the Company's website.

Dividend Policy

The Company has a policy on the payment of dividends, which is set out in the section of this annual report headed Directors' Report.

Shareholder Engagement

Pursuant to Article 95 of the Company's Articles of Association, if a shareholder wishes to propose a person other than a retiring Director for election as a Director at a general meeting, he or she should deposit a written notice of nomination at the registered office of the Company within the 7-day period commencing on and including the day after the despatch of the notice of the meeting. The procedures for nominating candidates to stand for election as Directors at general meetings are set out in the Corporate Governance section of the Company's website.

If they wish to propose a resolution relating to other matters to be considered at a general meeting, shareholders are requested to follow the requirements and procedures set out in the Corporate Governance section of the Company's website.

Shareholder(s) representing at least 5% of the total voting rights of all members may request the Board to convene a general meeting. The objects of the meeting must be stated in the related requisition deposited at the Company's registered office. Detailed requirements and procedures are set out in the Corporate Governance section of the Company's website.

Other Information for Shareholders

Key shareholder dates for 2026 are set out in the section of this annual report headed Financial Calendar and Information for Investors and in the Financial Calendar on the Company's website.

No amendment has been made to the Company's Articles of Association during the year.

RISK MANAGEMENT

Effective risk management is critical in ensuring that the Group achieves its strategic objectives and protects its reputation, market position and financial strength. The Company and its operating companies adhere to the Group's Enterprise Risk Management (ERM) policy. The ERM policy requires the identification, assessment, management, monitoring and reporting of current and emerging risks that are material to the Group.

Group Risk Governance Structure

The Board has ultimate responsibility for establishing, implementing, and overseeing an effective ERM framework, including its design and implementation. The Board is supported by the Audit Committee in this regard.

The Group has adopted the three lines of defence model of risk governance, which is designed to minimise conflicts of interest and establish independent oversight of risk management. The Group's enterprise risk management framework is aligned with international standards.

In the first line, the management of each operating company identifies, analyses and reports on the risks for which it is responsible. Risks are mitigated to the extent practical through management actions and controls implemented by the first line. Where risks cannot be eliminated, the related economic returns are required to reflect the risk. When risks originating within an operating company become material to the Group, the first line within the operating company is responsible for escalating these risks to the Group for further management.

The first line's risk management responsibilities are supported by a number of Group functional committees. For financial risks, the Finance Committee sets the parameters for managing financial risks and has oversight of how the operating companies manage these risks within those parameters. For non-financial risks, functional committees such as IT, Legal, and People Committees have oversight of operating company activities including risk mitigation. Sustainability-related risks are overseen by the Swire Group Sustainability Committee (SGSC) which ensures that the Group operates sustainably and effectively manages the Group's sustainability-related risks, as well as the Swire Group Environmental Committee (SGEC) which oversees the effective management of climate and environmental risks. Senior Group and divisional management are members of these functional committees.

The second line refers to the internal processes and functions that help manage risk within the Company by supporting the first line and providing assurance to the Board that key risks are being managed effectively. Two second line risk management committees at the Group level – the Group Risk Management Committee (GRMC) and the Swire Pacific Risk Management Committee (SPACRMC) – served as risk oversight bodies throughout the year. Within the Company, the second line is supported by the Group Risk Management function.

Reporting to the Audit Committee, the GRMC oversees the management of non-financial risks at Group and operating company levels. Membership of the GRMC includes the Finance Director of the Group and heads of the Group's major operating businesses. The GRMC is mandated to (i) regularly review the Group's risk profile, (ii) oversee the management of major risks at Group and operating company levels, (iii) identify emerging risks and potential sources of future risk and (iv) analyse risk events which materialise, with a view to resolving and learning from them.

In relation to risks with a Group dimension, the GRMC was supported during the year by risk forums in areas of human resources, health and safety; IT, data and technology; environment and sustainable development; as well as Chinese Mainland operations. For risks specific to operating companies not material or relevant to the Group, the GRMC was supported by second line bodies in the operating companies.

During the year the SPACRMC had oversight of risks specific to the Company itself, identified risks which had a Group dimension and proposed approaches to the management of such risks to the GRMC.

The GRMC and SPACRMC meetings were chaired by the Finance Director and supported by Group Risk Management.

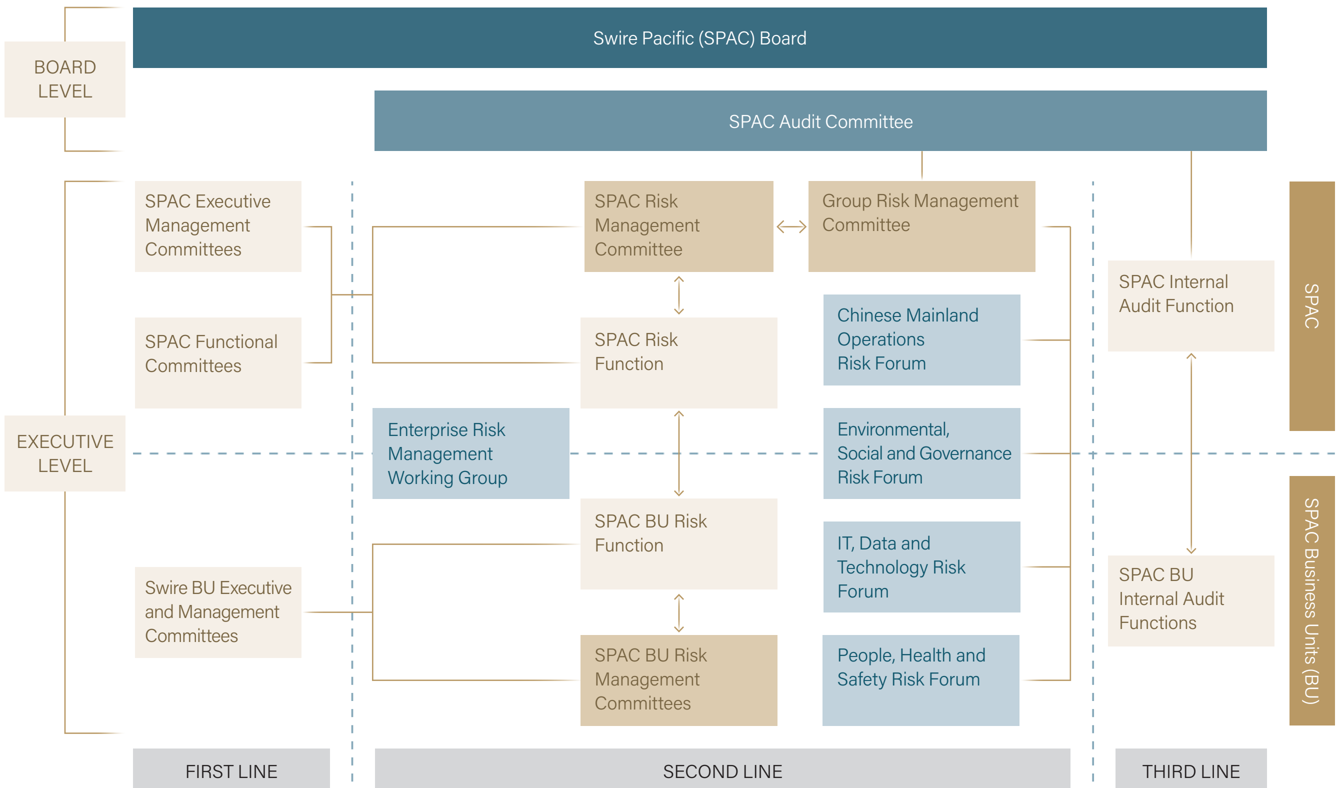
The third line encompasses the independent assurance functions that evaluate the effectiveness of the Company's risk management, control, and governance processes. It is primarily represented by the group internal audit department, which provides objective assessments over the adequacy and effectiveness of both the first and second lines of defence.

Group Internal Audit validates whether risk management processes are implemented properly and operating effectively, and whether the risks which could impact our ability to achieve our business objectives are being properly identified, assessed and mitigated.

The boards and management of the operating companies are responsible for the management of risks at their respective businesses. Risk management governance practices vary between operating companies – commensurate with their nature, size, and operating and regulatory environments – with some having dedicated board and executive risk committees, while others manage risks through their respective audit or executive management committees.

The chart below shows the risk governance structure for the year.

Risk Governance Structure



Risks with a Group dimension are considered by the GRMC, and, where appropriate, by the Audit Committee and the Board. Operating companies mitigate and monitor these risks in their respective businesses.

The risk forums oversee risks within their remit that are considered material to the Group. They advise the GRMC on emerging risks which may affect the Group, analyse risk events that have materialised and develop best practices for managing those risks.

The GRMC reviews Group and divisional risk registers and considers how effectively risks are being managed. It establishes policies applicable to operating companies and promotes risk culture in the Group. On occasion, the Board or Audit Committee also identify risks relevant to the Group's businesses, which are cascaded to the GRMC and relevant operating companies for consideration within their risk registers and further handling.

Following the year-end, the GRMC approved enhancements to the Group's governance arrangements for risk management and sustainability to further improve coordination, reduce duplication, and deepen integration with existing governance bodies. In doing so, certain committees, risk forums, and working groups were concluded as their responsibilities have become well established within other governance structures and in the operations of the Group's operating companies. The revised governance structure maintains strong oversight across the Group while supporting more effective and coherent governance.

Group ERM Process

The Company and the operating companies across the Group have adopted a common ERM approach, involving the following key steps:

- **Identification:** Risks are identified through a variety of sources and categorised by reference to a common risk classification.
- **Evaluation:** The identified risks are assessed on their potential financial and non-financial impacts, and on the vulnerabilities associated with them. Non-financial impacts include dimensions such as reputation, regulatory compliance, potential for significant business interruption, and strategy, while vulnerabilities pay regard to the effectiveness of related internal controls, the Group's readiness to respond, and the degree of externality associated with the risk amongst other factors. The combined assessment of impact and vulnerability allows more significant risks to be prioritised for management attention.
- **Mitigation:** Designated risk owners are responsible for devising mitigation strategies aimed at reducing exposure to key risks and executing the agreed action plans.
- **Reporting and Monitoring:** Continuous tracking of key risks, progress and effectiveness of related mitigating actions, and escalation of material exposures and incidents to the appropriate governance bodies to ensure timely management and mitigation.

The ERM process incorporates both a "top down" and "bottom up" approach. The Board provides guidance from the top on its risk priorities, and the operating companies assess their risks from their respective perspectives. Material risks are reported to the GRMC and consolidated into a Group risk register, which is reviewed by the Audit Committee and the Board on a regular basis.

There were no significant changes to the Group ERM process during the year.

Integration of the ERM Framework into Business Processes

Risk management is an integral part of business management, with the ERM framework seamlessly integrated into fundamental business decision-making processes. This comprehensive approach ensures that potential risks are identified, assessed, and mitigated throughout the business life cycle:

- Key risks are identified and analysed at the Board level during strategic planning.
- The budgeting and planning cycle includes a focus on improving the Group's risk profile.
- Satisfactory delivery of action plans to mitigate key risks are considered in performance management.
- Significant changes in risk profile are included in regular management reporting.
- Risk assessments are performed as part of due diligence on major investments.

Key Risk Management Focus Areas

The Group is exposed to a broad range of risks. Current key risks and uncertainties faced by the Company are highlighted below. Key risks specific to our operating companies are specified in their respective risk registers.

Key Focus Areas and Risk Description	Mitigation
Geopolitical risk Disruption to our businesses and operations caused by potential global or regional instability and conflict, or imposition of disadvantageous economic sanctions and tariffs that may affect key operational, client, or supply chain infrastructure.	– Close monitoring of news media reports, trends and prevailing public and government opinions, and processes for quickly understanding and strategising mitigation activities across operating companies. – Robust crisis management and business continuity plans in place. – Key third party relationship management actively pursued. – Regular review of capital allocation of existing portfolio and potential markets.
Economic slowdown A global economic slowdown that may lead to a substantial decline in business activities, revenue and profit.	– Specific mitigation measures devised by operating companies are in place to address a potential economic slowdown. – Close monitoring of financial risk exposures impacted by macro-economic conditions including but not limited to foreign exchange risk, interest rate risk, liquidity risk, and credit risk. – Adoption of financial risk mitigation strategies in accordance with Group treasury policies.
Business environment risk The business environment risk associated with Hong Kong's continual adaption to the evolving global dynamics and the ability to leverage its strengths to maintain its position as an international financial and aviation hub.	– Regular review of strategy and investments by the Board. – Strategic diversification of business interests with focus on the Chinese Mainland and South East Asia. – Enhancing corporate affairs capabilities and reinforcing relationships with governments in order to contribute to public policy development. – Continual integration into Greater Bay Area development.
Personal data privacy compliance Risk of loss, misappropriation and/or misuse of personal data as a result of data breach incidents, resulting in non-compliance with data privacy laws and regulations.	– Appointed Data Protection Officers across businesses provide oversight of data processing activities against related policies and regulations. – Crisis response framework including third party expert support in place to manage significant data incidents should they occur. – Mandatory data privacy training conducted for all employees on an annual basis.
Existential reputational risk event Failure to promptly and effectively mitigate and respond to unexpected, high-velocity, and high-impact reputational risk events that could pose an existential threat to the Group's brand and standing.	– Escalation and reporting protocol involving relevant functions and senior management to be deployed when needed. – Regularly updating and testing crisis management and business continuity plans. – Utilising specialist resources as required. – Crisis management drills with operating companies held on a regular basis.

Key Focus Areas and Risk Description	Mitigation
Cybersecurity and data protection Risk of IT systems being attacked leading to material business disruptions, data and regulatory breaches and reputational damage.	– Having appropriate policies (including relating to personal data), training programmes and penetration testing in place. – Adoption of globally accepted cybersecurity maturity standards. – Dedicated governance including a first line IT Committee and second line mechanisms including a GRMC-endorsed risk forum to oversee IT, data and technology risks and to recommend best practice. – Leveraging external expertise for certain cybersecurity matters and system testing, when appropriate. – Conducting regular cybersecurity crisis and incident response drills to enhance preparedness. – Implementing mandatory cybersecurity risk assessment processes when engaging with vendors providing business-critical applications. – Appointment of Data Protection Officers to ensure oversight and governance of data privacy practices.
Climate transition coordination and capital allocation Risk that uncoordinated climate transition strategies and competing capital allocation decisions across operating companies may result in inefficient decarbonisation investments, missed climate targets, and restricted access to sustainable financing.	– Robust governance structures at the Group and operating company level to agree on sustainability direction and to prioritise investments across the Group. – Coordinated net-zero pathway planning, including alignment over the Group's climate transition plan. – Use of a Group-wide climate technology platform to accelerate knowledge transfer between businesses.
Supply and value chain disruption Risk of critical supplier failures, nature-related or climate-induced supply shortages, or governance issues that may cause significant cost inflation, resource scarcity, or operational dependencies that constrain operating companies' ability to deliver core services and maintain competitive positioning across the portfolio.	– Supplier diversification strategies leveraging purchasing power while reducing concentration risk across the Group. – Active supplier relationship management to identify and mitigate potential supply chain shortages when they arise. – Strategic inventory maintenance to continue operations even if shortages arise. – Where appropriate, businesses enter into contracts to lock in pricing to hedge against price volatility. – Robust supplier continuity plans to manage responses for urgent scenarios.
Wellbeing and occupational health & safety Employee wellbeing issues leading to poor morale, high turnover and low productivity. Major occupational health and safety incidents at work resulting in the loss of lives or serious injuries, business interruption, and/or significant damage to property as well as negative impact on the Group's reputation.	– Having in place policies and processes relating to staff wellbeing and occupational health & safety. – Implementation of an internationally recognised safety management system deployed across the Group. – Timely escalation, analysis, and reporting of hazards and incidents across the Group to share best practices and prevent recurrence. – Dedicated governance including a GRMC-endorsed committee to oversee health & safety performance, incident lessons learnt and to recommend standardised practices across the Group.
Portfolio planning Insufficient planning and execution of portfolio management activities resulting in the Group's current and prospective risk return profile being adversely affected.	– Having in place 10-year capital budgets, with consideration by the Board and management of the resulting make-up of the portfolio and of its risks and alternatives. – Robust governance processes for investment approval, including an investment committee. – Risk and know-your-partners assessments are conducted on entities considered for investment and proposed joint venture partnerships. – Investment evaluations are also conducted post-acquisition to optimise value and identify areas for course correction.
Emerging risk: Long-term physical climate risk and asset resilience Chronic physical risks to people and property increasing as a result of climate change leading to a potential revaluation of assets as well as business disruptions.	– Dedicated governance including the SGSC and SGEC to oversee environmental risks and to recommend best practice. – Adoption of climate risk tool to assess physical climate risk of physical assets across the Group. – Adoption of appropriate climate targets and close monitoring of actions and performance by the Board and management. – Business continuity plans in place in response to extreme weather events.

DIRECTORS AND OFFICERS

Executive Directors

BRADLEY, Guy Martin Coutts, JP, aged 60, has been a Director of the Company and its Chairman since August 2021 and has served as a Director for 4 years and 6 months. His current term of office commenced on 15th May 2025 and will expire at the conclusion of the Company's 2028 annual general meeting. He is also Chairman of John Swire & Sons (H.K.) Limited and Swire Properties Limited and a Director of Cathay Pacific Airways Limited. He will become Chairman of Cathay Pacific Airways Limited and Swire Coca-Cola Limited on 13th May 2026. He was a Director of the Company from January 2015 to May 2017. He joined the Swire group in 1987 and has worked with the group in the Hong Kong SAR, Papua New Guinea, Japan, the USA, Vietnam, the Chinese Mainland, the Taiwan region and the Middle East. He is a chartered surveyor, a fellow of the Royal Institution of Chartered Surveyors and a member of the Hong Kong Institute of Surveyors. He is also a member of the Chief Executive's Council of Advisers and the Hong Kong-Europe Business Council, a General Committee member of the Hong Kong General Chamber of Commerce, a special counsellor of Our Hong Kong Foundation, and Vice-President of the Real Estate Developers Association of Hong Kong.

COGMAN, David Peter, aged 52, has been a Director of the Company since August 2017 and has served as a Director for 8 years and 7 months. His current term of office commenced on 9th May 2024 and will expire at the conclusion of the Company's 2027 annual general meeting. He is also a Director of John Swire & Sons (H.K.) Limited. He joined McKinsey & Company in 1997 and was a partner in McKinsey's Hong Kong office. He joined the Swire group in 2017. He is Chairman of the Board of Governors of the Hong Kong Philharmonic Orchestra and a member of the M+ Business and Finance Committee of M Plus Museum Limited.

HEALY, Patrick, aged 60, has been a Director of the Company since August 2021 and has served as a Director for 4 years and 6 months. His current term of office commenced on 15th May 2025 and he will cease to be a Director of the Company and other Swire group companies on 13th May 2026. He is also Chair of Cathay Pacific Airways Limited and Swire Coca-Cola Limited and a Director of John Swire & Sons (H.K.) Limited and Air China Limited. He was a Director of Swire Properties Limited from January 2015 to August 2021. He joined the Swire group in 1988 and has worked with the group in the Hong Kong SAR, Germany and the Chinese Mainland.

MURRAY, Martin James, OBE, aged 59, has been a Director of the Company (and its Finance Director) since April 2021 and has served as a Director for 4 years and 11 months. His current term of office commenced on 9th May 2024 and will expire at the conclusion of the Company's 2027 annual general meeting. He is also a Director of John Swire & Sons (H.K.) Limited and Swire Properties Limited. He will become a Director of Cathay Pacific Airways Limited on 13th May 2026. He was Chief Financial Officer of Cathay Pacific Airways Limited and before that Deputy Finance Director of the Company. He joined the Swire group in 1995 and has worked with the group in the Hong Kong SAR, the USA, Singapore and Australia. He is a member of the Institute of Chartered Accountants of Scotland and the Hong Kong Institute of Certified Public Accountants and a council member of the Hong Kong Management Association. He is responsible for the Group's sustainability strategy and the sustainable development function and is an Asia Pacific Chapter Member of the Accounting for Sustainability (A4S) CFO Leadership Network and a council member of the World Business Council for Sustainable Development.

Non-Executive Directors

MCCALLUM, Gordon Douglas, aged 65, has been a Director of the Company since May 2022 and has served as a Director for 3 years and 10 months. His current term of office commenced on 11th May 2023 and will expire at the conclusion of the Company's 2026 annual general meeting. He is a Director of John Swire & Sons Limited and Chairman of its wholly-owned subsidiary, Argent Energy Holdings Limited. He is also Chairman of Zopa Group Plc and Zopa Bank Limited and a Director of Cathay Pacific Airways Limited. He was previously a Director of Virgin Atlantic Airways Limited and associated companies in the Virgin Atlantic group.

SWIRE, Merlin Bingham, aged 52, has been a Director of the Company since January 2009 and has served as a Director for 17 years and 2 months. His current term of office commenced on 9th May 2024 and will expire at the conclusion of the Company's 2027 annual general meeting. He is also Deputy Chairman, Chief Executive Officer and a shareholder of John Swire & Sons Limited and a Director of Swire Properties Limited and Cathay Pacific Airways Limited. He was Chairman of the Company and Swire Properties Limited from July 2018 to August 2021. He joined the Swire group in 1997 and has worked with the group in the Hong Kong SAR, Australia, the Chinese Mainland and London.

Independent Non-Executive Directors

ETCHELLS, Paul Kenneth, aged 75, has been a Director of the Company since May 2017 and has served as a Director for 8 years and 9 months. His current term of office commenced on 11th May 2023 and will expire at the conclusion of the Company's 2026 annual general meeting. He was employed by the Swire group in the Hong Kong SAR from 1976 to 1998. He was an Independent Non-Executive Director of Samsonite Group S.A. from May 2011 to May 2025 and employed by The Coca-Cola Company from July 1998 to June 2010 and worked in the USA, the Chinese Mainland and the Hong Kong SAR.

NGAN, Edith Manling, aged 61, has been a Director of the Company since June 2022 and has served as a Director for 3 years and 8 months. Her current term of office commenced on 11th May 2023 and will expire at the conclusion of the Company's 2026 annual general meeting. She is an Independent Non-Executive Director of Asia Financial Holdings Limited, Blue Moon Group Holdings Limited and Tencent Music Entertainment Group. She was an Independent Non-Executive Director of HKBN Ltd. from September 2022 to September 2023. She sits on various government advisory committees and private boards.

ORR, Gordon Robert Halyburton, aged 63, has been a Director of the Company since August 2015 and has served as a Director for 10 years and 6 months. His current term of office commenced on 15th May 2025 and will expire at the conclusion of the Company's 2028 annual general meeting. He is an Independent Non-Executive Director of EQT AB, Lenovo Group Limited, Meituan and Fidelity China Special Situations PLC. He is also Vice Chair of the China-Britain Business Council. He joined McKinsey & Company in 1986 and retired in 2015. He was a member of McKinsey's global shareholder board from 2003 to 2015.

XU, Ying, aged 62, has been a Director of the Company since August 2021 and has served as a Director for 4 years and 6 months. Her current term of office commenced on 15th May 2025 and will expire at the conclusion of the Company's 2028 annual general meeting. She is a Non-Executive Director of Wumei Technology Group and an Independent Non-Executive Director of Naspers Limited and Prosus N.V. She is also a member of the World Retail Congress Advisory Board.

ZHANG, Yi Bonnie, aged 52, has been a Director of the Company since June 2022 and has served as a Director for 3 years and 8 months. Her current term of office commenced on 11th May 2023 and will expire at the conclusion of the Company's 2026 annual general meeting. She is the Chief Financial Officer of Sina Corporation and an Independent Director of Hesai Group, Yatsen Holding Limited and H World Group Limited.

Company Secretary

LOMAS, Bernadette Mak, aged 60, has been Company Secretary since February 2022. She is also Group General Counsel of the Group. She is qualified to practise law in the Hong Kong SAR and in the State of New York. Prior to joining the Group, she was Group General Counsel and Company Secretary of a leading Hong Kong listed company.

Notes:
1. The Audit Committee comprises Paul Etchells (committee chairman), Edith Ngan and Bonnie Zhang.
2. The Nomination Committee comprises Gordon Orr (committee chairman), Merlin Swire and Xu Ying.
3. The Remuneration Committee comprises Gordon Orr (committee chairman), Merlin Swire and Xu Ying.
4. All the Executive Directors and Non-Executive Directors are employees of the John Swire & Sons Limited group.

DIRECTORS' REPORT

The Directors submit their report together with the audited financial statements for the year ended 31st December 2025, which are set out on pages 145 to 239.

Principal Activities

The principal activity of Swire Pacific Limited (the Company) is that of a holding company, and the principal activities of its principal subsidiary, joint venture and associated companies are shown on pages 227 to 237. An analysis of the Group's performance for the year by reportable business segment and geographical area is set out in note 7 to the financial statements.

Consolidated Financial Statements

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries (collectively referred to as the Group) together with the Group's interests in joint venture and associated companies. Details of the joint venture and associated companies are provided under note 20 to the financial statements.

Dividends

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 Company's dividend policy is to deliver sustainable growth in dividends and to pay out not less than half of its recurring underlying profit (excluding the Company's share of the results of Cathay Pacific Airways, but including all dividends received from that company) by way of ordinary dividends over time.

Closure of Register of Members

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.

Business Review

A fair review of the Group's business, a description of the principal risks and uncertainties facing the Group, particulars of important events affecting the Group that have occurred since the end of the financial year and an indication of the likely future development of the Group's business (including, in each case to the extent necessary for an understanding of the development, performance or position of the Group's business, key performance indicators) are provided in the sections of this annual report headed Chairman's Statement, 2025 Performance Review and Outlook, Financial Review, Financing and Risk Management and in the Notes to the Financial Statements. To the extent necessary for an understanding of the development, performance or position of the Group's business, a discussion of the Group's environmental policies and performance and an account of the Group's key relationships with its employees, customers and suppliers and others that have a significant impact on the Group and on which the Group's success depends are provided in the section of this annual report headed Sustainability Review. A discussion of the Group's compliance with the relevant laws and regulations that have a significant impact on the Group is provided in the sections of this annual report headed Sustainability Review, Corporate Governance Report, Risk Management and Directors' Report. Detailed information on the Group's sustainability performance is provided in the 2025 Sustainability Report of the Company.

Reserves

Movements in the reserves of the Group and the Company during the year are set out in notes 35 and 37(b) respectively to the financial statements.

Share Capital

During the year under review, pursuant to the share buy-back programme announced by the Company on 5th December 2023 (the Share Buy-back Programme) which expired at the conclusion of the Company's 2025 annual general meeting, the Company bought back an aggregate of 25,119,000 'A' shares and 15,402,500 'B' shares on The Stock Exchange of Hong Kong Limited (the Hong Kong Stock Exchange) at an aggregate cost (excluding transaction fees) of HK$1,842 million. All the shares bought back were subsequently cancelled.

Details of the Share Buy-backs made during the year and the Company's share capital are set out in note 34 to the financial statements.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's shares during the year and the Group has not adopted any share option scheme.

At 31st December 2025, taking into account the shares bought back and cancelled, 778,988,000 'A' shares and 2,848,932,500 'B' shares were in issue (31st December 2024: 805,569,500 'A' shares and 2,865,850,000 'B' shares).

Accounting Policies

The material accounting policies of the Group are set out in the relevant Notes to the Financial Statements (if they relate to a particular item) and in the section of this annual report headed Accounting Policies.

Auditors

PricewaterhouseCoopers retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of PricewaterhouseCoopers as auditors of the Company is to be proposed at the forthcoming annual general meeting.

Financial Review

A review of the consolidated results, consolidated statement of financial position and consolidated statement of cash flows of the Group is shown in the section of this annual report headed Financial Review. A ten-year summary of the financial performance of the Group is shown in the section of this annual report headed Summary of Past Performance.

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 Listing Rules as applicable for and throughout the year covered by the annual report.

Details of the Company's corporate governance practices are set out in the section of this annual report headed Corporate Governance Report.

Environmental, Social and Governance

For the year covered by the annual report, the Company has complied with all the applicable provisions set out in Part C of the Environmental, Social and Governance Reporting Code contained in Appendix C2 of the Listing Rules as applicable for the year ended 31st December 2025.

Donations

During the year, the Group made donations (including cash contributions and in-kind contributions) for charitable purposes of HK$83 million. Total donations made by the Group amounted to HK$127 million including donations by the Swire Group Charitable Trust.

Fixed Assets

For details of movements in fixed assets, refer to notes 14 and 15 to the financial statements.

The annual valuation of the Group's investment property portfolio, whether completed or in the course of development, was carried out by professionally qualified valuer, with 99% by value having been valued by Cushman & Wakefield Limited on the basis of market value at 31st December 2025. This valuation resulted in a decrease of HK$6,073 million in the carrying value of the investment property portfolio.

A schedule of the principal properties of the Group and its joint venture and associated companies is given in the section of this annual report headed Schedule of Principal Group Properties.

Borrowings

For details of the Group's borrowings refer to the section of this annual report headed Financing.

Interest

For details of the amount of interest capitalised by the Group refer to page 89.

Major Customers and Suppliers

During the year, less than 30% of the Group's sales and less than 30% of the Group's purchases were attributable to the Group's five largest customers and suppliers respectively.

Directors

All the present Directors of the Company whose names are listed in the section of this annual report headed Directors and Officers served throughout the calendar year 2025. Rose Lee retired as a Director with effect from the conclusion of the Company's 2025 annual general meeting held on 15th May 2025. Patrick Healy has resigned and will cease to be a Director with effect from 13th May 2026.

Independence Confirmation

All of the Independent Non-Executive Directors (listed in the section of this annual report headed Directors and Officers) have confirmed their independence as regards the factors in Rule 3.13 of the Listing Rules and the Company considers all of them to be independent.

Term of Appointment

Article 93 of the Company's Articles of Association provides for all Directors to retire at the third annual general meeting following their election by ordinary resolution. In accordance therewith, Paul Etchells, Gordon McCallum and Bonnie Zhang retire this year and, being eligible, offer themselves for re-election. Edith Ngan also retires this year but does not offer herself for re-election.

Each of the Directors has entered into a letter of appointment, which constitutes a service contract, with the Company for a term of up to three years until retirement under Article 91 or Article 93 of the Articles of Association of the Company, which will be renewed for a term of three years upon each election or re-election. No Director has a service contract with the Company which is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

Fees and Emoluments

Full details of Directors' fees and emoluments are set out in note 8 to the financial statements.

Directors' fees paid to the Independent Non-Executive Directors during the year totalled HK$5.5 million. They received no other emoluments from the Group.

Directors' Interests

At 31st December 2025, the register maintained under Section 352 of the Securities and Futures Ordinance (SFO) showed that Directors held the following interests in the shares of Swire Pacific Limited and its associated corporations (within the meaning of Part XV of the SFO), John Swire & Sons Limited and Swire Properties Limited:

	Capacity					
	Beneficial interest					
	Personal	Family	Trust interest	Total no. of shares	Percentage of voting shares (comprised in the class) (%)	Note
Swire Pacific Limited						
'A' shares						
Paul Etchells	–	12,000	–	12,000	0.0015	
Gordon Orr	9,000	–	–	9,000	0.0012	
'B' shares						
Gordon McCallum	77,500	–	–	77,500	0.0027	

	Capacity					
	Beneficial interest					
	Personal	Family	Trust interest	Total no. of shares	Percentage of issued share capital (comprised in the class) (%)	Note
John Swire & Sons Limited						
Ordinary Shares of £1						
Gordon McCallum	46,177	–	–	46,177	0.05	
Merlin Swire	2,194,216	630,000	21,564,708	24,388,924	24.39	1
8% Cum. Preference Shares of £1						
Gordon McCallum	64,247	–	–	64,247	0.07	
Merlin Swire	3,966,725	–	16,917,930	20,884,655	23.21	1

	Capacity					
	Beneficial interest					
	Personal	Family	Trust interest	Total no. of shares	Percentage of voting shares (%)	Note
Swire Properties Limited						
Ordinary Shares						
Paul Etchells	–	8,400	–	8,400	0.00015	

Note:
1. Merlin Swire was a trustee and/or potential beneficiary of trusts which held 10,241,372 ordinary shares and 6,705,528 preference shares in John Swire & Sons Limited included under Trust interest and did not have any beneficial interest in those shares.

Other than as stated above, no Director or Chief Executive of the Company had any interest or short position, whether beneficial or non-beneficial, in the shares or underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

Neither during nor prior to the year under review has any right been granted to, or exercised by, any Director of the Company, or to or by the spouse or minor child of any Director, to subscribe for shares, warrants or debentures of the Company.

Other than as stated in this report, no transaction, arrangement or contract of significance to which the Group was a party and in which a Director or an entity connected with a Director is or was materially interested, either directly or indirectly, subsisted during or at the end of the year.

At no time during the year was the Company, or any of its associated corporations, a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Directors' Interests in Competing Businesses

None of the Directors or their respective close associates has any competing interests which need to be disclosed pursuant to Rule 8.10 of the Listing Rules.

Directors of Subsidiaries

The names of all directors who have served on the boards of the subsidiaries of the Company during the year ended 31st December 2025 or during the period from 1st January 2026 to the date of this report are kept at the Company's registered office and made available for inspection by the members of the Company in accordance with Section 390(6) of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong).

Permitted Indemnity

Subject to the Companies Ordinance (Cap. 622 of the Laws of Hong Kong), every Director is entitled under the Company's Articles of Association to be indemnified out of the assets of the Company against all costs, charges, expenses, losses and liabilities which he or she may sustain or incur in or about the execution or discharge of his or her duties and/or the exercise of his or her powers and/or otherwise in relation to or in connection with his or her duties, powers or office. To the extent permitted by such Ordinance, the Company has taken out insurance against the liability and costs associated with defending any proceedings which may be brought against directors of companies in the Group.

Substantial Shareholders' and Other Interests

The register of interests in shares and short positions maintained under Section 336 of the SFO shows that at 31st December 2025 the Company had been notified of the following interests in the shares of the Company held by substantial shareholders and other persons:

Long position	'A' shares	Percentage of voting shares (comprised in the class) (%)	'B' shares	Percentage of voting shares (comprised in the class) (%)	Note
Substantial Shareholder					
John Swire & Sons Limited	442,879,720	56.85	2,131,969,282	74.83	1

Note:
1. John Swire & Sons Limited (Swire) was deemed to be interested in a total of 442,879,720 'A' shares and 2,131,969,282 'B' shares of the Company at 31st December 2025, comprising:
   (a) 885,861 'A' shares and 13,367,962 'B' shares directly owned by Swire;
   (b) 12,632,302 'A' shares and 37,597,019 'B' shares directly owned by its wholly-owned subsidiary Taikoo Limited;
   (c) 39,580,357 'A' shares and 1,482,779,222 'B' shares directly owned by its wholly-owned subsidiary John Swire & Sons (H.K.) Limited; and
   (d) the following shares directly owned by wholly-owned subsidiaries of John Swire & Sons (H.K.) Limited: 2,055,000 'B' shares owned by Canterbury Holdings Limited, 322,603,700 'A' shares and 123,945,000 'B' shares owned by Elham Limited, 39,461,000 'A' shares and 373,003,444 'B' shares owned by Shrewsbury Holdings Limited, 99,221,635 'B' shares owned by Tai-Koo Limited and 27,716,500 'A' shares owned by Waltham Limited.

At 31st December 2025, the Swire group was interested in 64.45% of the equity of the Company and controlled 70.97% of the voting rights attached to shares in the Company.

Public Float

Listing Rule 13.32B requires that at least 25% of an issuer's total number of issued shares, or any lower minimum percentage of public float prescribed at the time of listing under Listing Rule 8.08(1), must at all times be held by the public. The Company has been granted a waiver by the Hong Kong Stock Exchange from strict compliance with Listing Rule 8.08(1), such that the Company's public float percentage is calculated based on its total issued share capital as if its shares still had nominal values.

Based on information that is publicly available to the Company or otherwise within the knowledge of its Directors as at the date of this report:

(a) during the year ended 31st December 2025, at least 25% of the Company's total issued share capital (calculated on the basis of the waiver) has been held by the public and the Company has complied with the public float requirement under Listing Rule 13.32B, taking into consideration the aforesaid waiver;

(b) as at 31st December 2025, the public float of the Company was 35.55%, none of which was held by persons who had disclosed their interests pursuant to Part XV of the SFO or by trustees holding shares for a share scheme. Details of the Company's remaining ownership of its shares are contained in the paragraphs titled "Directors' Interests" and "Substantial Shareholders' and Other Interests" in this Directors' Report on pages 124 to 126.

(c) as at 31st December 2025, the Company had two classes of ordinary shares ('A' shares and 'B' shares), which carry equal voting rights. Details of the Company's share capital are set out in note 34 to the financial statements.

Continuing Connected Transactions

During the year ended 31st December 2025, the Group had the following continuing connected transactions, details of which are set out below:

(a) Services Agreements

There are agreements for services (Services Agreements), in respect of which John Swire & Sons (H.K.) Limited (JS&SHK), a wholly-owned subsidiary of John Swire & Sons Limited (Swire), provides to the Company and some of its subsidiary and associated companies advice and expertise of the directors and senior officers of the Swire group, including (but not limited to) assistance in negotiating with regulatory and other governmental or official bodies, certain staff services (including full or part time services of members of the staff of the Swire group), certain central services and such other services as may be agreed from time to time, and procured for the Company and its subsidiary, joint venture and associated companies the use of relevant trademarks owned by Swire. No fee is payable in consideration of such procuration obligation or such use. The procuration obligation would fall away if the Services Agreements were terminated or not renewed.

In return for these services, JS&SHK receives annual service fees calculated (A) in the case of the Company, as 2.5% of the dividends receivable from associates and joint ventures of the Company, where there are no agreements for services with such companies, and (B) in the case of its subsidiaries and associates with such agreements, as 2.5% of their relevant consolidated profits before taxation and non-controlling interests after certain adjustments. The fees for each year are payable in cash in arrear in two instalments, an interim payment by the end of October and a final payment by the end of April of the following year, adjusted to take account of the interim payment. The Company also reimburses the Swire group at cost for most of the expenses incurred in the provision of the services.

The Services Agreements, which took effect from 1st January 2005, were amended and restated on 18th September 2008 and further amended and restated on 9th August 2019. They have been successively renewed upon expiry of each previous term. Following their latest renewal on 1st October 2025, the current term of the Services Agreements is from 1st January 2026 to 31st December 2028 and they are renewable for successive periods of three years thereafter unless either party to them gives to the other notice of termination of not less than three months expiring on any 31st December.

Particulars of the fees paid and the expenses reimbursed for the year ended 31st December 2025 are given in note 41 to the financial statements.

(b) Tenancy Framework Agreement

The Company, JS&SHK and Swire Properties Limited (Swire Properties) entered into a tenancy framework agreement (Tenancy Framework Agreement) on 14th August 2014 to govern existing and future tenancy agreements between members of the Group, members of the JS&SHK group and members of the Swire Properties group. The Tenancy Framework Agreement, which took effect from 1st January 2014, has been successively renewed upon expiry of each previous term. Following its latest renewal on 1st October 2024, the current term of the Tenancy Framework Agreement is from 1st January 2025 to 31st December 2027 and it is renewable for successive periods of three years thereafter unless any party to it gives to the other parties notice of termination of not less than three months expiring on any 31st December. Pursuant to the Tenancy Framework Agreement, members of the Group, members of the JS&SHK group and members of the Swire Properties group enter into tenancy agreements from time to time on normal commercial terms based on prevailing market rentals.

Particulars of the aggregate rentals payable to the Group under tenancies subject to the Tenancy Framework Agreement for the year ended 31st December 2025 are given in note 41 to the financial statements.

(c) Management Services Agreement

Swire Coca-Cola Limited (SCCL, a wholly-owned subsidiary of the Company), Swire Pacific Holdings Inc. (SPHI, a wholly-owned subsidiary of Swire) and Swire entered into a management services agreement (Management Services Agreement) on 18th July 2023 for the provision of management and administrative support services by SCCL to SPHI and its subsidiaries. The initial term of the Management Services Agreement is from 7th September 2023 until 27th April 2037 (both days inclusive), and thereafter, subject to mutual agreement, will be renewed on the same terms for successive terms of 10 years, unless terminated earlier pursuant to its terms.

An annual management fee is payable by SPHI to SCCL in consideration of these services, being the greater of: (a) HK$117 million (plus a 5% mark-up), which shall be increased for each subsequent financial year commencing after 31st December 2023 in line with the Hong Kong Composite Consumer Price Index for that financial year; and (b) 6% of the recurring earnings before interest and tax of SPHI group for that financial year. The annual management fee is payable by SPHI to SCCL on the 10th business day following the approval by the board of directors of SPHI of its audited financial statements for that financial year.

Particulars of the management fee payable by SPHI to SCCL for the year ended 31st December 2025 are given in note 41 to the financial statements.

The Swire group was interested in 64.45% of the equity of the Company and controlled 70.97% of the voting rights attached to shares in the Company at 31st December 2025. Swire is therefore a connected person of the Company under the Listing Rules. JS&SHK and SPHI, as wholly-owned subsidiaries of Swire, are also connected persons of the Company. The transactions under the Services Agreements, the Tenancy Framework Agreement and the Management Services Agreement are continuing connected transactions in respect of which announcements dated 7th August 2025, 9th May 2024 and 18th July 2023 respectively were published.

The pricing policies as set out in the agreements in paragraphs (a) to (c) above in respect of the continuing connected transactions of the Group have been followed when determining the price and terms for such transactions.

As directors and/or employees of the Swire group, Guy Bradley, David Cogman, Patrick Healy and Martin Murray are interested in the Services Agreements and the Tenancy Framework Agreement. Patrick Healy (being a director of both SPHI and SCCL) is also interested in the Management Services Agreement. As shareholders, directors and employees of the Swire group, Gordon McCallum and Merlin Swire are interested in the Services Agreements, the Tenancy Framework Agreement and the Management Services Agreement.

The Independent Non-Executive Directors of the Company, who are not interested in any connected transactions with the Group, have reviewed and confirmed that the continuing connected transactions as set out above have been entered into by the Group in the ordinary and usual course of business of the Group, on normal commercial terms or better, and according to the agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The auditors of the Company have also reviewed the continuing connected transactions and confirmed to the Board that nothing has come to their attention that causes them to believe that these transactions have not been approved by the Board of the Company; that these transactions were not, in all material respects, in accordance with the pricing policies of the Group if the transactions involve the provision of goods or services by the Group; that these transactions were not entered into, in all material respects, in accordance with the relevant agreements governing the transactions; and that the relevant annual caps have been exceeded.

The related party transactions set out in note 41 to the financial statements include transactions that constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules for which the disclosure requirements in accordance with the Listing Rules had been met.

Discloseable Transaction

Sale of Interests in Brickell City Centre in Miami

On 27th June 2025,

(1) Swire Properties One LLC (the Retail and Facilities Vendor), a wholly-owned subsidiary of Swire Properties, entered into a membership interest purchase agreement with SPG BCC Holdco Member, LLC (the Retail Purchaser), the ultimate beneficial owner of which was Simon Property Group L.P. (Simon Property), for the sale and purchase of 75% of the membership interests in BCC Retail Holdco LLC, which represented the Retail and Facilities Vendor's entire interests in BCC Retail Holdco LLC. BCC Retail Holdco LLC then owned 100% of the membership interests in Brickell City Centre Retail LLC, which then owned the retail element of Brickell City Centre;

(2) BCC Parking LLC (the Parking Vendor), a wholly-owned subsidiary of Swire Properties, entered into a purchase and sale contract with SPG BCC Parking Owner, LLC (the Parking Purchaser), the ultimate beneficial owner of which was Simon Property, for the sale and purchase of all the assets related to the ownership and operation of the parking areas at Brickell City Centre by the Parking Vendor; and

(3) The Retail and Facilities Vendor entered into a membership interest purchase agreement with BCC SFM Holdco, LLC (the Facilities Purchaser), the ultimate beneficial owner of which was Simon Property, for the sale and purchase of the Retail and Facilities Vendor's 100% of the membership interests in BCC Facilities Manager LLC, which then owned certain shared areas and facilities at Brickell City Centre,

(collectively, the Disposal).

The consideration for the Disposal was up to US$548,725,001, which included a contingent consideration of up to US$36,100,000 to be paid later, subject to satisfaction of certain conditions.

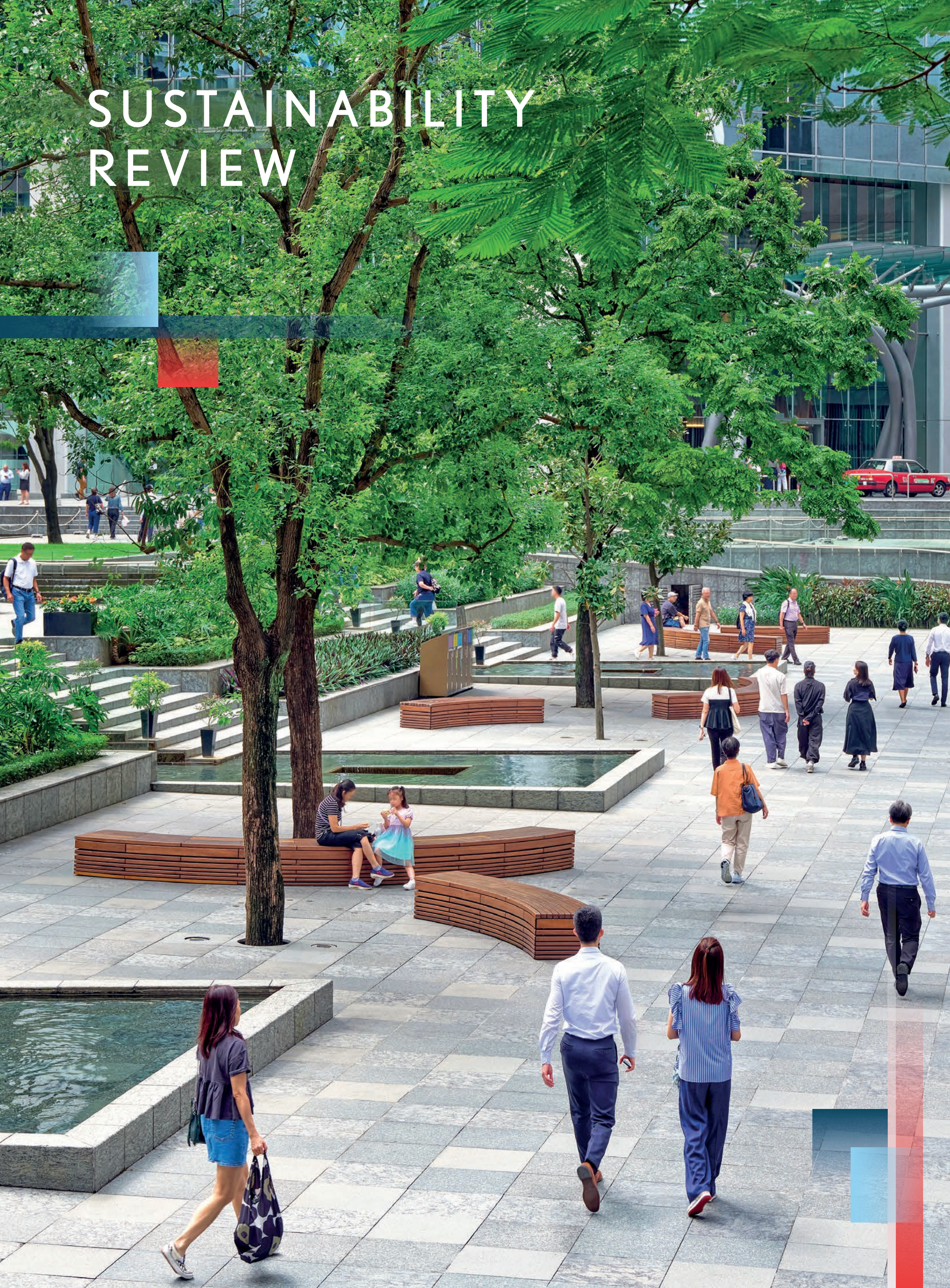
As at the date of the aforementioned transaction documents, as (a) the Retail and Facilities Vendor, being a wholly-owned subsidiary of Swire Properties, held a 75% membership interest in BCC Retail Holdco LLC, which was therefore a subsidiary of Swire Properties; and (b) the Retail Purchaser held the remaining 25% membership interest in BCC Retail Holdco LLC, the Retail Purchaser and its associates, the Parking Purchaser and the Facilities Purchaser, were therefore connected persons of Swire Properties under the Listing Rules. Accordingly, the Disposal constituted a connected transaction of Swire Properties.

The Disposal also constituted a discloseable transaction for the Company under the Listing Rules, in respect of which an announcement dated 27th June 2025 was published.

On behalf of the Board

Guy Bradley
Chairman
Hong Kong, 12th March 2026

SUSTAINABILITY REVIEW



SUSTAINABILITY REVIEW

Sustainable development is integral to our approach to business and investment. Providing quality products and services that our customers can trust, investing in our people and communities, and protecting shared natural resources is not only the right thing to do, it is fundamental to our ability to create long-term value for our shareholders.

Through our sustainable development strategy, renamed as SD 2050, we aim for innovation and continuous improvement in five areas common to all our businesses: Climate, Waste, Water, People and Communities. We chose SD 2050 to enhance alignment with our operating companies' strategies, to draw focus to our long-term environmental ambitions which remain steadfast, and to guide decision making.

We have committed to achieve net-zero carbon emissions, water neutrality and zero waste to landfill by 2050. We have set interim targets for 2030 in each of these areas. The health and safety of our people is key, and we have set our businesses a goal of achieving zero harm. We aim to maintain not less than 30% of female members on the Board on average over any three-year cycle. We make significant contributions to our communities through our operating companies and the Swire Group Charitable Trust (Swire Trust).

Acquisitions which have occurred since 2023, the year when our targets were set, are excluded from our commentary on performance against targets, but included in commentary on overall performance.

Environmental, social and governance topics not covered by SD 2050 are important to our investors, regulators and customers. We have policies on human rights, biodiversity and sustainable procurement.

Governance of Sustainability

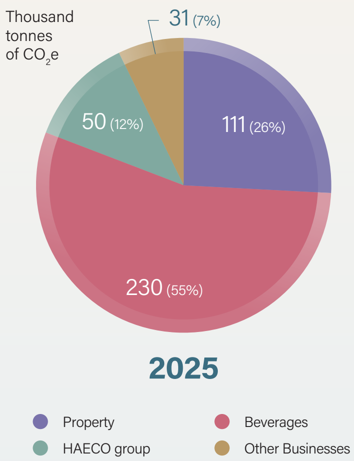
Our Board is ultimately accountable for sustainability matters. It is kept informed of sustainability risks and performance by the Swire Group Sustainability Committee (SGSC) and Group Risk Management Committee (GRMC), which report to the Board via the Audit Committee. The Head of Sustainable Development reports monthly to the Group's Finance Director, who is an Executive Director of the Company. The Finance Director briefs the Board and division heads twice a year on sustainability matters.

In 2025, we convened Group risk forums which are relevant to SD 2050. They dealt with environment, social and governance, human resources and health and safety. For details, see the Risk Management sections of this report and of our Sustainability Report 2025.

Other Group committees relevant to SD 2050 in 2025 were the Swire Group Environmental Committee, the Health and Safety Committee, the Diversity and Inclusion Steering Committee and the Philanthropy Council.

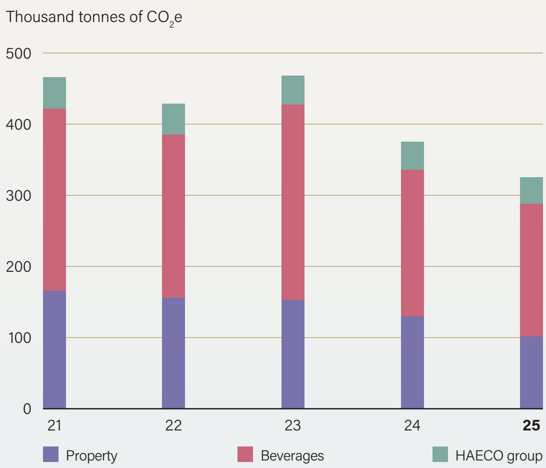
The Swire Pacific sustainable development function is responsible for the environmental areas of SD 2050. Our Group risk management function, and the people and philanthropy departments also have SD 2050 responsibilities.

Total Scope 1 and 2 GHG Emissions



Notes:
1. Swire Pacific tracks its energy consumption and GHG emissions through utility bills and purchase or service records. When such records are not yet available, consumption is captured through direct measurements (e.g. readings of submeters). These figures are updated upon availability of records.
2. Totals may not be the exact sum of numbers shown due to rounding.

Scope 2 GHG Emissions



Note:
Swire Pacific tracks its energy consumption and GHG emissions through utility bills and purchase or service records. When such records are not yet available, consumption is captured through direct measurements (e.g. readings of submeters). These figures are updated upon availability of records. The figures for prior years have been updated to reflect such availability.

Sustainable Development Fund

The Swire Pacific Sustainable Development Fund (SD Fund) offers financial support to operating companies for projects which can deliver significant environmental benefits, but which cannot be justified by reference to our cost of capital targets. The SD Fund has supported trials of innovative green technology projects. Over HK$150 million of cumulative funding for projects had been committed by 31st December 2025.

Sustainable Finance

At the end of 2025, sustainable finance (where part of the cost is linked to the achievement of sustainability targets) represented more than 58% of our total financing.

Climate

The world must halve emissions by 2030 and reach net-zero emissions by 2050 to avoid the worst effects of climate change. Reducing our greenhouse gas (GHG) emissions is a business imperative. We must ensure that our assets and operations can withstand and adapt to climate-related physical and transition risks.

Climate Risk

We consider the operational, regulatory, reputational, human, strategic and financial impact of climate change on our businesses. The results of our physical and transition scenario analysis are included in the ESG Risk Management section of our Sustainability Report 2025. These follow the provisions set out in Appendix C2 to the Main Board Listing Rules of Hong Kong Exchanges and Clearing Limited (HKEX).

Greenhouse Gas Emissions

Our target is to reduce by 50% our scope 1 and 2 GHG emissions by 2030 from their 2018 levels. We aim to reach net-zero GHG emissions by 2050. In 2025, our scope 1 and 2 GHG emissions[1] were 423 thousand tonnes of carbon dioxide equivalent (CO_2e), a 10% decrease from 2024.

Businesses covered by our 2030 target achieved a 46% reduction in scope 1 and 2 emissions against a 2018 baseline. Swire Properties and Swire Coca-Cola accounted for approximately 81% of the Group's operational emissions in 2025. They have set science based targets (SBTs) which have been approved by the Science Based Targets initiative (SBTi).

In 2025, the Cathay group's GHG emissions were 16,808 thousand tonnes of CO_2e. We report 43.09% of them (our shareholding interest in Cathay group at year end), or 7,243 thousand tonnes of CO_2e. Cathay group has committed to achieving net-zero carbon emissions by 2050, for sustainable aviation fuel to represent 10% of its fuel consumption on Cathay Pacific operating flights by 2030, and to improve its emission intensity by 12% per revenue tonne kilometres (RTK) by 2030 from a 2019 baseline. In 2025, its carbon intensity, measured in grammes of CO_2 per RTK, increased by 1% compared with 2024, primarily because of a shift in the freighter-passenger aircraft mix, with a higher proportion of flights by passenger aircraft, which have higher carbon intensity than freighters.

In 2025, the Cathay group worked to expand its initiatives and partnerships regarding sustainable aviation fuel (SAF). This included joining the US$150 million oneworld Breakthrough Energy Ventures (BEV) Fund, which aims to advance next generation SAF technology and committing to a US$70 million SAF co-investment partnership with Airbus in support of opportunities to scale up SAF availability in Asia and globally.

Since 2023, we have piloted internal carbon pricing. We use carbon fees and shadow pricing. The carbon fee for each operating company is based on its most recent financial year's operational GHG emissions and budgets are set aside for decarbonisation projects based on the carbon fee. Shadow pricing is applied to projects exceeding a threshold value. Swire Coca-Cola, Swire Properties and HAECO (which account for approximately 93% of our GHG emissions) are participating in this initiative.

Electricity consumption is our largest source of scope 1 and 2 GHG emissions. In 2025, our GHG emissions derived from purchased electricity decreased by 11% from 2024. Across the Group we retrofitted buildings and improved operational procedures. Energy saving and increased use of renewable electricity helped.

In line with the Group's Sustainable Building Design Policy, new and substantially renovated buildings over a threshold construction floor area should obtain the highest or second highest international or local building environmental certification. All existing buildings without major renovations or refurbishments are encouraged to obtain similar standard where practicable.

In the Chinese Mainland, eight Swire Coca-Cola bottling plants are powered by 100% renewable electricity. At Swire Properties, the proportion of renewable electricity usage in the Chinese Mainland for both landlord and tenant operations stood at approximately 88% at the end of 2025. In 2025, 38% of the electricity used by the Group came from renewable sources.

Waste

By reducing and recycling our waste, we lower the cost of packaging, waste management and disposal, while creating opportunities to recover value from materials and potentially create new revenue streams. Our ambition is to turn today's waste into a resource for tomorrow and to contribute to the creation of a circular economy. As a Group, we aim to achieve zero waste to landfill by 2050. Our strategy focuses on reducing waste at source, improving packaging design and recyclability, managing hazardous waste responsibly, and promoting recycling, reuse, and recovery across our operations.

In 2025, the Group generated 67 thousand tonnes of waste, a 10% decrease from 2024. Swire Properties and Swire Coca-Cola account for more than 90% of the Group's waste. Our targets are to divert 65% and 100% of our non-hazardous

Note:
1 This figure includes scope 2 emissions calculated using the market-based method.

Freshwater Withdrawal

Note:
Swire Pacific tracks its water consumption through utility bills and purchase or service records. When such records are not yet available, consumption is captured through direct measurements (e.g. readings of submeters). These figures are updated upon availability of records. The figures for 2024 have been updated to reflect such availability.

waste from landfill by 2030 and 2050, respectively. Businesses covered by our 2030 target improved their waste diversion rates from 2024.

Swire Properties' waste policy spans building design to operations, promoting circularity and resource efficiency. Since tenants generate over 90% of building waste, engagement is vital. Its Green Performance Pledge fosters collaboration to reduce energy, water, and waste.

Construction and operational waste are major concerns. Swire Properties' Resource and Circularity Policy focuses on designing out waste and improving recycling across the supply chain.

In Hong Kong, Swire Coca-Cola launched a lighter, more recyclable glass bottle in 2022 and adopted a new plastic cap design to reduce material use. In 2025, it became the first company in Hong Kong to produce beverage bottles made 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.

Water

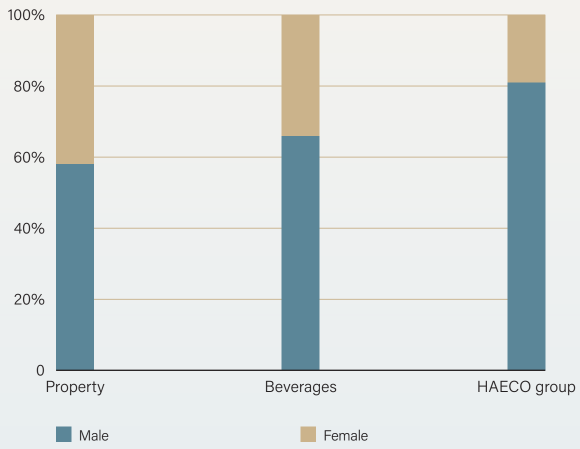
Freshwater availability and quality are crucial to our business operations. Collective action is needed as water scarcity is a systemic, cross-boundary challenge. It is important that we have sound water management plans and work with other water users to improve water security in our operating locations and protect this shared resource for the future.

Our goal is to be water neutral by 2050, with an interim target to improve water efficiency by 30% by 2030 compared to a 2018 frozen efficiency baseline. We aim to achieve this by minimising freshwater consumption through improving efficiency, leak repairs, and maximising water reuse and recycling opportunities.

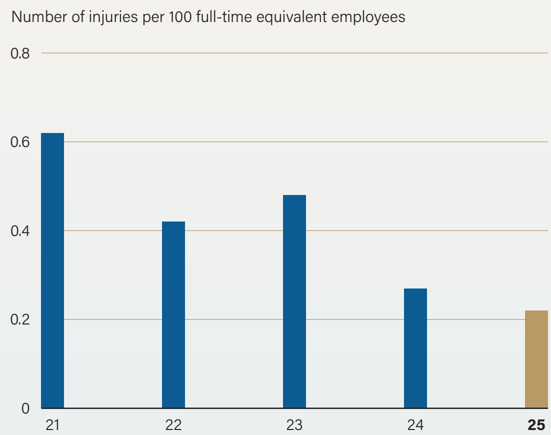
In 2025, the Group withdrew 18.6 million cubic metres of water, 2% less than in 2024. Swire Coca-Cola accounted for approximately 87% of our water use. Swire Coca-Cola aims to return to the environment water in amounts equivalent to those which it uses in its products.

Businesses covered by our 2030 target achieved a 27% reduction in water use against a 2018 baseline.

Workforce Breakdown by Gender



Lost Time Injury Rate (LTIR)



People

We aim to be an employer of choice that attracts and retains the most talented people. We do this by creating safe, healthy and inclusive workplaces where everyone is treated with respect and has equal opportunities to succeed.

At the end of 2025, we employed over 92,000 people (including the Cathay group and HAESL). The majority of our people are based in Hong Kong and the Chinese Mainland.

Staff turnover is monitored with a view to identifying areas of improvement and managing issues as they arise. In 2025, the turnover rate was 10%, which was an improvement from 2024.

Health and Safety

We aim to conduct our operations in a manner which safeguards the health and safety of our people, contractors, suppliers, customers and visitors to our business premises and the communities in which we operate. We aim to continuously improve our health and safety culture and performance through systems improvements, training, learning, and transparent reporting with a view to causing zero harm. We expect our contractors to observe high safety standards.

We care about the mental and physical health and wellbeing of our people. Group initiatives include health checks, employee assistance programmes with 24-hour confidential hotlines, and policies on flexible working and parental leave.

We track, monitor and aim to improve lost time injury rate across our businesses. In 2025, the number of injuries per 100 full-time equivalent employees (lost time injury rate or LTIR) decreased by 22% to 0.21 from 0.27 in 2024.

Regrettably there was a work-related employee fatality at Swire Coca-Cola Vietnam in 2025.

Diversity, Equity and Inclusion

We believe in creating an environment where people feel comfortable at work and are able to realise their full potential. We are committed to creating an inclusive and supportive working environment for our people regardless of their age, gender, gender identity, sexual orientation, relationships, family status, disability, race, ethnicity, nationality and religious or political beliefs.

The Company aims to maintain not less than 30% of female members on the Board on average over any three-year cycle. At the time of publication, women represent over 30% of our Board over the past three-year cycle.

The Company is required to comply with applicable employment and other laws.

Training and Development

We need an agile and well-trained workforce in order to respond to competitive and changing business environment. We provide on-the-job training, mentoring and coaching classroom training and online learning. All new joiners take part in induction programmes that include anti-discrimination and anti-corruption training as well as site visits to our businesses in Hong Kong.

Our in-house leadership development company designs and provides learning and development programmes for management staff. High potential managers attend business management and executive programmes at INSEAD and Stanford. Training programmes emphasise sustainability and contribute to the development of a strong corporate culture and a style of leadership that is consistent with our values.

We recruit high-calibre individuals with a view to developing them into future leaders within the Group. They are trained in management, finance and human resources. They have access to coaching and mentoring.

Our summer internship programme gives exceptional students the opportunity to gain experience of working at Swire. Interns learn about our values and what we do, and then work on business projects at our operating companies.

We communicate with our people on a regular basis via our intranet, newsletters, surveys and staff forums.

Communities

We believe that when the communities in which we operate prosper, so do we. We concentrate on doing things where we believe we can make a difference. We support our communities with monetary donations, provision of products and services and with the time and energy of our staff, and through the Swire Trust.

In 2025, the Swire Trust continued to focus on education advancement, marine conservation and community network building programmes in Hong Kong.

Our employees contributed approximately 2,300 hours of service in 2025 via the Swire Trust staff engagement programme. During the year, the Group including our operating companies made charitable contributions (cash and in-kind) of HK$127 million in the communities where they operate.

Engaging with Suppliers

Operating companies are committed where possible to purchasing products which do not adversely affect the environment. Our guidelines on doing so are in accordance with international standards.

Our Supplier Code of Conduct deals with regulatory compliance, forced labour, child labour, health and safety, environmental issues, compensation and working hours, human rights, subcontractor management, ethics and reporting.

Our businesses engage with thousands of suppliers. They supply goods and services which include aircraft parts, fuel, sugar, auditing, office supplies and uniforms. A Group-wide assessment has been carried out to identify the potential ESG risks associated with our key suppliers. We prefer to work with suppliers that share our high standards and values. We share information and best practices with suppliers and encourage them to adopt appropriate sustainability and other standards.

FINANCIAL CONTENTS

INDEPENDENT AUDITOR'S REPORT

pwc 羅兵咸永道

To the Shareholders of Swire Pacific Limited
(incorporated in Hong Kong with limited liability)

Opinion

What we have audited

The consolidated financial statements of Swire Pacific Limited (the "Company") and its subsidiaries (the "Group"), which are set out on pages 145 to 239, comprise:

- the consolidated statement of financial position as at 31st December 2025;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31st December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") as issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of investment properties *Refer to notes 15 and 20 in the consolidated financial statements.* The Group's investment properties held by subsidiary companies, joint venture companies and associated companies are carried at fair value as at 31st December 2025, with changes in fair value recorded in the consolidated statement of profit or loss for the year. Valuations were obtained from a third party valuer (the "valuer") in respect of the majority of the investment properties as at 31st December 2025. The valuations of both completed investment properties and investment properties under development are dependent on the key assumptions, namely market rents and capitalisation rates that require significant management estimates and judgement. The valuation of investment properties under development involves other assumptions such as estimated construction costs to complete and expected developer's profit margin. We focused on the valuation of investment properties due to the significant estimates and judgement involved in determining the key assumptions applied in the valuation.	Our procedures in relation to management's valuation of investment properties included: – Understanding management's controls and processes for determining the valuation of investment properties and assessing the inherent risk of material misstatement by considering the degree of estimation uncertainty and the judgement involved in determining the assumptions to be applied; – Evaluating the valuer's competence, capabilities and objectivity; – Reading the external valuation reports and assessing the appropriateness of methodologies used; – Comparing the market rents and capitalisation rates used by the valuer to an estimated range, determined by reference to publicly available information and recent lettings of the subject properties, on a sample basis, with the involvement of our in-house valuation expert; – For investment properties under development, comparing the estimated construction costs to complete with management's budgets and testing, on a sample basis, the construction costs to supporting documentation such as quantity surveyor reports and signed contracts, where available, and comparing the expected developer's profit margin used by the valuer to an estimated range with the involvement of our in-house valuation expert; and – Checking, on a sample basis, the rental data provided by management to the valuer by agreeing them to rental agreements and other supporting evidence. We found the key assumptions were supported by the available evidence.

Key Audit Matter	How our audit addressed the Key Audit Matter
Impairment assessments of goodwill and indefinite-lived intangible assets relating to Swire Coca-Cola's businesses in South East Asia *Refer to note 16 in the consolidated financial statements.* The Group acquired subsidiary interests in beverages businesses in Cambodia in 2022, Vietnam in 2023, and Thailand and Laos in 2024. Management is required to conduct impairment assessments of the carrying value of each business which contains goodwill and indefinite-lived intangible assets at least annually. Swire Coca-Cola's businesses in Vietnam and Cambodia and Swire Coca-Cola's businesses in Thailand and Laos include substantial goodwill and indefinite-lived intangible assets. Management performed impairment assessments for Swire Coca-Cola's businesses in Vietnam and Cambodia and Swire Coca-Cola's businesses in Thailand and Laos by comparing their carrying values to their recoverable amounts, using value in use calculations. The calculations use discounted cash flow forecasts, which are dependent on key assumptions, namely the revenue growth rates in the first five years, the terminal growth rates, the discount rates and, for Swire Coca-Cola's businesses in Vietnam and Cambodia, the growth rates projected between the sixth and tenth years. Management has concluded that no impairment is required based on the impairment assessments performed. We focused on the impairment assessments of these businesses because the preparation of discounted cash flow forecasts involves estimating the key assumptions which are subject to a significant degree of judgement.	Our procedures in relation to management's impairment assessments of goodwill and indefinite-lived intangible assets relating to Swire Coca-Cola's businesses in South East Asia included: – Understanding management's controls and processes for performing the impairment assessments; – Assessing the inherent risk of material misstatement by considering the degree of estimation uncertainty and the judgement involved in determining the assumptions to be applied; – Testing the mathematical accuracy of the impairment assessments; – Evaluating the key assumptions adopted in the preparation of the discounted cash flow forecasts, by comparing the revenue growth rates with management's approved business plans and by comparing the terminal growth rates, the discount rates and, for Swire Coca-Cola's businesses in Vietnam and Cambodia, the growth rates projected between the sixth and tenth years, with external market data, with the involvement of our in-house valuation expert; and – Evaluating management's sensitivity analyses and performing our own independent sensitivity analyses of the key assumptions adopted in the value in use calculations. We found the key assumptions adopted in the impairment assessments of these businesses were supported by the available evidence.

Key Audit Matter	How our audit addressed the Key Audit Matter
Key audit matters in relation to Cathay Pacific Airways Limited ("Cathay Pacific Airways") *Refer to note 20 to the consolidated financial statements and the abridged financial statements of Cathay Pacific Airways on pages 238 and 239* The Group's interest in Cathay Pacific Airways is accounted for under the equity method. The Group's share of profit after tax from Cathay Pacific Airways for the year ended 31st December 2025 was HK$4,753 million and the Group's interest in Cathay Pacific Airways was HK$25,964 million as at 31st December 2025. Key audit matters relating to Cathay Pacific Airways are summarised below. We focused on these matters due to the relative significance of: – The Group's share of profit after tax from Cathay Pacific Airways to the Group's consolidated statement of profit or loss; and – The Group's interest in Cathay Pacific Airways to the Group's consolidated statement of financial position. The amounts noted below are those in the Cathay Pacific Airways consolidated financial statements (i.e. on a 100% basis).	Cathay Pacific Airways is a significant associated company of the Group and is audited by a non-PwC auditor ("the CX Auditor"). We have met with the CX Auditor and have discussed their identified audit risks and audit approach, the results of their work and the key audit matters identified; and have reviewed their key working papers in respect of their audit of the Cathay Pacific Airways consolidated financial statements for the year ended 31st December 2025. After considering the procedures performed by us in respect of our review of the audit work of the CX Auditor, we have determined that the audit work performed and evidence obtained are sufficient for our purpose. We have discussed the key audit matters relating to Cathay Pacific Airways with Swire Pacific management and have evaluated the impact on our audit of the consolidated financial statements. The procedures performed by the CX Auditor on the respective key audit matters are summarised below.

Key Audit Matter	How our audit addressed the Key Audit Matter
Key audit matters in relation to Cathay Pacific Airways Limited ("Cathay Pacific Airways") *(continued)* *Refer to note 20 to the consolidated financial statements and the abridged financial statements of Cathay Pacific Airways on pages 238 and 239.* **Assessing impairment of goodwill** – The carrying values of Cathay Pacific Airways' goodwill arising from business combinations amounted to HK$11,615 million as at 31st December 2025. Cathay Pacific Airways management is required to conduct an impairment assessment on the carrying value of Cathay Pacific Airways' cash-generating units ("CGUs"): – Annually where the carrying value of the CGUs includes goodwill; and/or – When indicators of impairment are identified. Cathay Pacific Airways management performs an impairment assessment of each CGU by comparing the carrying value of the CGU with its recoverable amount, which is the higher of fair value less costs of disposal and value in use based on discounted cash flow forecasts. The preparation of discounted cash flow forecasts involves estimating future cash flows and discount rates. The CX Auditor identified the assessment of impairment of goodwill as a key audit matter because of the significance of the carrying value of such assets to the Cathay Pacific Airways consolidated financial statements and because the preparation of discounted cash flow forecasts involves estimating future cash flows and discount rates which are subject to a significant degree of judgement and could be subject to management bias.	The CX Auditor's procedures to assess the impairment of goodwill included the following: – Assessing Cathay Pacific Airways management's identification of Cathay Pacific Airways' CGUs and the allocation of assets to the CGUs for the purpose of impairment assessment; – Assessing Cathay Pacific Airways management's view on whether there are impairment indicators on the carrying value of Cathay Pacific Airways' CGUs; – Assessing whether Cathay Pacific Airways management had performed impairment testing in accordance with the requirements of the prevailing accounting standards; – Meeting Cathay Pacific Airways management and reviewing board minutes and other papers to understand the latest operating plans of Cathay Pacific Airways; – Involving the CX Auditor's internal valuation specialists to assess the methodology and significant assumptions, including discount rates, adopted by Cathay Pacific Airways management in its impairment assessments; – Evaluating the assumptions adopted in the preparation of the discounted cash flow forecasts, including projected future growth rates for income and expenses and discount rates; – Performing sensitivity analyses on the key assumptions, including expected growth rates and discount rates, adopted in the discounted cash flow forecasts and assessing whether there were any indicators of management bias in the selection of these assumptions; and – Comparing the value in use for the CGUs that has been estimated by Cathay Pacific Airways management to Cathay Pacific Airways' market capitalisation.

Key Audit Matter	How our audit addressed the Key Audit Matter
Key audit matters in relation to Cathay Pacific Airways Limited ("Cathay Pacific Airways") *(continued)* *Refer to note 20 to the consolidated financial statements and the abridged financial statements of Cathay Pacific Airways on pages 238 and 239.* **Revenue recognition** – Passenger and cargo sales are recognised as revenue in Cathay Pacific Airways consolidated financial statements when the related transportation service is provided. The value of the sales for which the related transportation service has not yet been provided at the end of the reporting period, adjusted for breakage, is recorded as a contract liability. Cathay Pacific Airways maintains sophisticated information technology ("IT") systems in order to track the point of service provision for each sale and also to track the issuance and subsequent redemption and utilisation of Asia Miles. The value attributed to programme awards under Cathay Pacific Airways customer loyalty programme, Asia Miles, is recognised as a contract liability. This arises as members of the programme accumulate Asia Miles by travelling on Cathay Pacific Airways' flights or when Cathay Pacific Airways sells Asia Miles to participating partners in the programme. The amount is subsequently recognised as revenue when the related goods or services are provided subsequent to the redemption of the Asia Miles. Cathay Pacific Airways management allocates the amount received in relation to mileage earning flights, based on stand-alone selling price, between the flight and Asia Miles earned by members of the programme. Cathay Pacific Airways management's judgement is exercised in estimating the fair value of an Asia Mile and the amount of breakage on award of Asia Miles. The CX Auditor identified revenue recognition as a key audit matter because revenue is one of Cathay Pacific Airways' key performance indicators and it involves complicated IT systems which give rise to an inherent risk that revenue could be recorded incorrectly or could be subject to manipulation to meet targets or expectations. In addition, the allocation of revenue between flights and Asia Miles also gives rise to an inherent risk of error or manipulation.	The CX Auditor's procedures to assess revenue recognition included the following: – Assessing the design, implementation and operating effectiveness of Cathay Pacific Airways management's general IT controls and key application controls over Cathay Pacific Airways' IT systems which govern revenue recognition, including access controls, controls over programme changes, interfaces between different systems as well as key manual internal controls over revenue recognition; – Inspecting underlying documentation, on a sample basis, to assess whether the passenger, cargo and Asia Miles revenue was recognised in accordance with Cathay Pacific Airways' accounting policies; – Inspecting underlying documentation for revenue related journal entries which met specified risk-based criteria; – Assessing Cathay Pacific Airways management's estimate of the unit stand-alone selling price and the amount of breakage on award of Asia Miles and the allocation of the amount received in relation to mileage earning flights between the flight and contract liability attributable to Asia Miles earned by members; and – Inspecting contracts with major partners of the Asia Miles programme to assess if there were any terms and conditions that may have affected the accounting treatment of the related Asia Miles.
	We found that, in the context of our audit of the consolidated financial statements of Swire Pacific Limited, Cathay Pacific Airways management's judgements and estimates associated with the key audit matters noted in respect of the Group's share of the profit after tax and interest in Cathay Pacific Airways were supported by the available evidence.

Other Information

The Directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon. The other information does not include the specific information presented therein that is identified as being an integral part of the consolidated financial statements and, therefore, covered by our audit opinion on the consolidated financial statements.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors and the Audit Committee for the Consolidated Financial Statements

The Directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Sean William Tuckfield (practising certificate number: P03802).

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, 12th March 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31st December 2025

	Note	**2025 HK$M**	2024 HK$M
Revenue	4	**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	5	**538**	815
Loss on disposals of subsidiary companies	43(d)	**(616)**	–
Change in fair value of investment properties		**(6,073)**	(5,974)
Operating profit		**4,454**	4,240
Finance charges		**(3,022)**	(2,984)
Finance income		**610**	573
Net finance charges	9	**(2,412)**	(2,411)
Share of (losses)/profits of joint venture companies	20(a)	**(864)**	1,621
Share of profits of associated companies	20(b)	**4,658**	4,335
Profit before taxation		**5,836**	7,785
Taxation	10	**(2,341)**	(3,084)
Profit for the year		**3,495**	4,701
Profit for the year attributable to:			
The Company's shareholders	35	**2,938**	4,321
Non-controlling interests	36	**557**	380
		3,495	4,701
Underlying profit attributable to the Company's shareholders	11	**11,373**	10,471

		HK$	HK$
Earnings per share from profit attributable to the Company's shareholders:	13		
'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

The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

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

The above consolidated statement of other comprehensive income should be read in conjunction with the accompanying notes.

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	14	24,943	23,510
Investment properties	15	267,756	270,950
Intangible assets	16	32,114	31,166
Right-of-use assets	17	9,207	9,041
Properties held for development	18	60	1,201
Joint venture companies	20(a)	27,433	26,932
Loans due from joint venture companies	20(a)	13,269	15,036
Associated companies	20(b)	37,707	35,528
Loans due from associated companies	20(b)	643	653
Investments at fair value	22	1,552	2,160
Other receivables and other non-current assets	26	487	62
Derivative financial instruments	23	1	79
Deferred tax assets	32	1,009	711
Retirement benefit assets	33	294	146
		416,475	417,175
Current assets			
Properties for sale	24	15,448	12,676
Stocks and work in progress	25	8,455	7,948
Contract assets		1,067	1,084
Trade and other receivables	26	11,308	11,188
Taxation receivable		427	427
Derivative financial instruments	23	61	13
Bank balances and short-term deposits	27	23,172	21,028
		59,938	54,364
Assets classified as held for sale	28	–	5,022
		59,938	59,386
Current liabilities			
Trade and other payables	29	36,999	35,189
Contract liabilities		5,569	3,386
Taxation payable		561	704
Derivative financial instruments	23	14	26
Short-term loans	30	–	300
Long-term loans and bonds due within one year	30	17,166	15,466
Lease liabilities due within one year	31	938	912
		61,247	55,983
Liabilities associated with assets classified as held for sale	28	–	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	30	71,270	75,825
Long-term lease liabilities	31	4,188	4,109
Derivative financial instruments	23	650	454
Other payables	29	1,625	1,337
Deferred tax liabilities	32	20,825	19,799
Retirement benefit liabilities	33	373	344
		98,931	101,868
NET ASSETS		316,235	318,667
EQUITY			
Share capital	34	1,294	1,294
Reserves	35	258,283	257,006
Equity attributable to the Company's shareholders		259,577	258,300
Non-controlling interests	36	56,658	60,367
TOTAL EQUITY		316,235	318,667

Guy Bradley
Martin Murray
Paul Etchells
Directors
Hong Kong, 12th March 2026

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31st December 2025

	Note	2025 HK$M	2024 HK$M
Operating activities			
Cash generated from operations	43(a)	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	43(b)	(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	43(d)	5,127	–
Proceeds from disposals of investments at fair value		1,138	583
Payment for acquisition of subsidiary companies, net of cash acquired	42	(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	43(c)	27,324	34,925
Repayment of loans and bonds	43(c)	(31,803)	(12,702)
Advances from an associated company	43(c)	2,204	2,049
Principal elements of lease payments	43(c)	(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	34	(1,851)	(3,878)
Dividends paid to the Company's shareholders	35	(4,602)	(4,586)
Dividends paid to non-controlling interests	36	(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	27	20,966	19,730
Included in assets classified as held for sale		–	91
		20,966	19,821

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st December 2025

	Note	Attributable to the Company's shareholders				Non-controlling interests	Total equity
		Share capital HK\$M	Revenue reserve HK\$M	Other reserves HK\$M	Total HK\$M	HK\$M	HK\$M
At 1st January 2025		1,294	260,696	(3,690)	258,300	60,367	318,667
Profit for the year		–	2,938	–	2,938	557	3,495
Other comprehensive income		–	176	3,035	3,211	1,251	4,462
Total comprehensive income for the year		–	3,114	3,035	6,149	1,808	7,957
Increase in share of net assets of subsidiary companies		–	–	–	–	193	193
Derecognised upon disposal of subsidiary companies	43(d)	–	–	–	–	(1,370)	(1,370)
Repurchase of the Company's shares		–	(1,847)	–	(1,847)	–	(1,847)
Dividends paid		–	(4,602)	–	(4,602)	(1,982)	(6,584)
Change in composition of the Group		–	1,577	–	1,577	(2,358)	(781)
Transfer		–	12	(12)	–	–	–
At 31st December 2025		1,294	258,950	(667)	259,577	56,658	316,235

	Attributable to the Company's shareholders				Non-controlling interests	Total equity
	Share capital HK\$M	Revenue reserve HK\$M	Other reserves HK\$M	Total HK\$M	HK\$M	HK\$M
At 1st January 2024	1,294	266,875	(40)	268,129	56,645	324,774
Profit for the year	–	4,321	–	4,321	380	4,701
Other comprehensive income/(loss)	–	70	(3,650)	(3,580)	(915)	(4,495)
Total comprehensive income/(loss) for the year	–	4,391	(3,650)	741	(535)	206
Capital contribution from non-controlling interests	–	–	–	–	55	55
Repurchase of the Company's shares	–	(3,851)	–	(3,851)	–	(3,851)
Dividends paid	–	(4,586)	–	(4,586)	(1,535)	(6,121)
Change in composition of the Group	–	(2,133)	–	(2,133)	5,737	3,604
At 31st December 2024	1,294	260,696	(3,690)	258,300	60,367	318,667

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

General Information

The Company is a limited liability company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited. The principal activity of the Company is that of a holding company. The principal activities of its major subsidiary, joint venture and associated companies are shown on pages 227 to 237.

The audited financial statements are set out on pages 145 to 239 and also include the "Audited Financial Information" under Financial Review on page 74 and Financing on pages 85 to 94.

1. 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.

1. Changes in Accounting Policies and Disclosures (continued)

(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.

2. Financial Risk Management

The Group's approach to financial risk management is discussed on pages 92 to 94 under the heading "Audited Financial Information".

Interest rate exposure

The impact on the Group's consolidated statements of profit or loss and other comprehensive income of a 100 basis-points increase or decrease in market interest rates from the rates applicable at 31st December, with all other variables held constant, would have been:

	100 basis-points increase in interest rates HK$M	100 basis-points decrease in interest rates HK$M
At 31st December 2025		
Impact on profit or loss: (loss)/gain	**(31)**	**31**
Impact on other comprehensive income: gain/(loss)	**170**	**(171)**
At 31st December 2024		
Impact on profit or loss: (loss)/gain	(117)	117
Impact on other comprehensive income: gain/(loss)	129	(130)

This analysis is based on a hypothetical situation, as in practice market interest rates rarely change in isolation, and should not be considered a projection of likely future profits or losses. The analysis assumes the following:

- Changes in market interest rates affect the interest income or expense of floating rate financial instruments
- Changes in market interest rates only affect interest income or expense in relation to fixed rate financial instruments if these are recognised at fair value
- Changes in market interest rates affect the fair value of derivative financial instruments
- All other financial assets and liabilities are held constant

2. Financial Risk Management (continued)

Currency exposure

The following analysis details the Group's exposure to currency risk from recognised financial assets and financial liabilities denominated in a currency other than the functional currency.

The impact on the Group's consolidated statements of profit or loss and other comprehensive income of a weakening or strengthening in the United States dollar against the Hong Kong dollar from the year-end rate of 7.7831 (2024: 7.7632), with all other variables held constant, would have been:

	Weakening in US$ to lower peg limit (7.75) HK$M	Strengthening in US$ to upper peg limit (7.85) HK$M
At 31st December 2025		
Impact on profit or loss: (loss)/gain	**(22)**	**37**
Impact on other comprehensive income: (loss)/gain	**(3)**	**6**
At 31st December 2024		
Impact on profit or loss: (loss)/gain	1	12
Impact on other comprehensive income: gain	–	2

The impact on the Group's consolidated statements of profit or loss and other comprehensive income of a weakening or strengthening in the Renminbi against the Hong Kong dollar from the year-end rate of 1.1133 (2024: 1.0636), with all other variables held constant, would have been:

	Weakening in RMB by 5% HK$M	Strengthening in RMB by 5% HK$M
At 31st December 2025		
Impact on profit or loss: gain/(loss)	**43**	**(43)**
Impact on other comprehensive income	**–**	**–**
At 31st December 2024		
Impact on profit or loss: gain/(loss)	1	(1)
Impact on other comprehensive income	–	–

This analysis is based on a hypothetical situation, as in practice market exchange rates rarely change in isolation, and should not be considered a projection of likely future profits or losses. The analysis assumes the following:

- All foreign currency cash flow hedges are highly effective
- Currency risk does not arise from financial assets or liabilities denominated in the functional currencies of the Company and its subsidiary companies
- Currency risk does not arise from financial instruments that are non-monetary items

Credit exposure

The Group has the following major types of assets that are subject to the expected credit loss model:

- Trade receivables and contract assets
- Other financial assets at amortised cost

2. Financial Risk Management (continued)

Credit exposure (continued)

Trade receivables and contract assets

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for trade receivables and contract assets. As the Group's historical credit loss experience does not indicate different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished among the Group's different customer segments. The expected loss rates are based on historical payment profiles. These rates are adjusted to reflect current and forward-looking information about economic conditions.

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators include the failure of a debtor to engage in a repayment plan with the Group, and the failure to make contractual payments for a period of greater than 120 days past due. Impairment charges on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited to the same line item.

Other financial assets at amortised cost

Other financial assets at amortised cost include other receivables and loans due from related parties. Loans due from joint venture and associated companies and other related companies are considered to have a low credit risk as the financial positions and performances of these companies are regularly monitored and reviewed by management of the Group.

Liquidity exposure

The tables below analyse the contractual undiscounted cash flows of the Group's non-derivative financial liabilities and net-settled derivative financial liabilities by relevant maturity groupings based on the remaining periods at the year-end date to the earliest contractual maturity dates.

At 31st December 2025	Note	**Carrying amount HK\$M**	**Total contractual undiscounted cash flow HK\$M**	**Within 1 year or on demand HK\$M**	**More than 1 year but less than 2 years HK\$M**	**More than 2 years but less than 5 years HK\$M**	**More than 5 years HK\$M**
Trade and other payables (excluding deposits received on sale of investment properties)	29	**38,268**	**38,268**	**36,056**	**685**	**1,133**	**394**
Borrowings (including interest obligations)	30	**88,436**	**96,911**	**19,549**	**18,263**	**47,028**	**12,071**
Lease liabilities	31	**5,126**	**6,167**	**1,111**	**797**	**1,659**	**2,600**
Derivative financial instruments	23	**664**	**664**	**14**	**328**	**271**	**51**
Financial guarantee contracts	39	**–**	**3,516**	**3,516**	**–**	**–**	**–**
		132,494	**145,526**	**60,246**	**20,073**	**50,091**	**15,116**

At 31st December 2024	Note	Carrying amount HK\$M	Total contractual undiscounted cash flow HK\$M	Within 1 year or on demand HK\$M	More than 1 year but less than 2 years HK\$M	More than 2 years but less than 5 years HK\$M	More than 5 years HK\$M
Trade and other payables (excluding deposits received on sale of investment properties)	29	36,123	36,123	33,937	590	1,252	344
Borrowings (including interest obligations)	30	91,591	97,900	17,881	22,737	48,131	9,151
Lease liabilities	31	5,021	6,127	1,082	841	1,567	2,637
Derivative financial instruments	23	480	480	26	3	323	128
Financial guarantee contracts	39	–	4,271	4,271	–	–	–
		133,215	144,901	57,197	24,171	51,273	12,260

3. Critical Accounting Estimates and Judgements

Estimates and judgements used in preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, inevitably, seldom be equal to the related actual results. The estimates and assumptions that have a significant effect on the carrying amounts of assets and liabilities are discussed in the relevant notes as follows:

(a) Valuation and impairment of assets (notes 16 and 20)

(b) Fair value of investment properties (note 15)

(c) Accounting for Cathay Pacific Airways Limited (note 20(b))

4. Revenue

Accounting Policy

Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. Provided the collectability of the related receivable is probable, revenue is recognised as follows:

(a) Rental income is recognised when a lease commences. According to the contractual terms, leased properties do not have alternative uses to the Group after the leasing periods stipulated in the signed tenancy agreements commence. Rental income is recognised on a straight-line basis over the shortest of (i) the remaining lease term, (ii) the period to the next rent review date and (iii) the period from the commencement date of the lease to the first break option date (if any), exclusive of any turnover rent (if applicable) and other charges and reimbursements (if any). Where the lease includes a rent-free period, the rental income foregone is allocated evenly over the lease term. Turnover rent is recognised when the lessee's revenue transaction is recognised. Rental income forgiven (not recognised as an expected credit loss of operating lease receivables) is treated as a lease modification, and the revised future lease income under the new lease, including any prepaid or accrued lease income relating to the original lease, is subsequently recognised as income on a straight-line basis.

(b) The Group develops and sells residential properties. Revenue is recognised when control over the property has been transferred to the buyers. According to the contractual terms, the properties generally do not have alternative uses to the Group after the signing of sales contracts with the buyers. However, in Hong Kong, the Chinese Mainland and the USA, an enforceable right to payment does not arise until legal title to the property has been transferred to the buyer. Therefore, revenue is recognised upon completion of the transfer of legal title to the buyer.

(c) Sales of goods are recognised when control of the goods has transferred, being when the goods are delivered to the customer, the customer has full discretion over the use of the goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Sales of goods in the Group's beverages and retail operations happen at a point in time and do not include any significant separate performance obligations.

(d) Sales of services, including aircraft and engine maintenance services and services provided by hotel operations and hospital operations, are recognised when the services are rendered. For certain engine maintenance contracts, revenue is recognised over time rather than at a point in time.

In determining the transaction price, the Group adjusts the promised amount of consideration for the effect of a financing component if it is significant.

4. Revenue (continued)

Accounting Policy (continued)

Definition of terms

Contract asset: An entity's right to consideration in exchange for goods or services that the entity has transferred to a customer when that right is conditional on something other than the passage of time (for example, the entity's future performance).

Contract liability: An entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer.

When the Group enters into sale and purchase contracts for properties or sales contracts for services other than tenancy agreements, if the performance obligations fulfilled by the Group exceed the total payments received to date, a contract asset is recognised; if the total payments received to date exceed the performance obligation fulfilled, a contract liability is recognised. Deposits received upon signing of sale and purchase contracts, or sales contracts are recognised as contract liabilities.

Contract asset and contract liability are defined in HKFRS 15 "Revenue from Contracts with Customers". These two terms do not apply to rental income from lease agreements, which is specifically excluded from the scope of HKFRS 15.

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

	2025 HK$M	2024 HK$M
Revenue recognised in the current reporting period that was related to the contract liability balance at the beginning of the year	2,695	2,046

Of the contract liabilities of HK$5,569 million outstanding at 31st December 2025 (2024: HK$3,386 million), HK$4,056 million (2024: HK$2,749 million) is expected to be recognised as revenue within one year and the remaining balance of HK$1,513 million (2024: HK$637 million) after one year.

4. Revenue (continued)

The following table shows unsatisfied performance obligations resulting from contracts with customers.

	2025 HK$M	2024 HK$M
Aggregate amount of transaction prices allocated to revenue contracts that are partly or fully unsatisfied at the end of the year	21,518	12,397

Of the amount disclosed above at 31st December 2025, HK$13,387 million (2024: HK$7,111 million) is expected to be recognised as revenue within one year and the remaining balance of HK$8,131 million (2024: HK$5,286 million) after one year.

5. Other Net Gains

	Note	2025 HK$M	2024 HK$M
Gain arising from the acquisition of interests in joint venture companies		–	625
Loss arising from the acquisition of interests in an associated company		–	(59)
(Loss)/gain on deemed disposals of associated companies		(81)	20
(Loss)/gain on disposals of investments at fair value through profit or loss		(89)	139
Loss on disposals of investment properties		(89)	–
Gain/(loss) on disposals of property, plant and equipment		362	(76)
Loss on disposals of assets classified as held for sale		–	(220)
Change in fair value of assets classified as held for sale		–	(2)
Net foreign exchange (losses)/gains		(167)	440
Fair value (losses)/gains on investments at fair value through profit or loss		(80)	134
Fair value losses on cross-currency swaps transferred from cash flow hedge reserve		–	(167)
Fair value gains/(losses) on forward foreign exchange contracts not qualifying as hedges		5	(20)
Impairment charges recognised on			
– property, plant and equipment	14	(38)	(159)
– intangible assets	16	(3)	–
Provision for restructuring		–	(547)
Government subsidies		133	171
Others		585	536
Total		538	815

6. Expenses by Nature

Expenses included in cost of sales, distribution costs, administrative expenses and other operating expenses are analysed as follows:

	Note	2025 HK$M	2024 HK$M
Direct rental outgoings in respect of investment properties(i)		3,314	3,347
Cost of goods sold(ii)		39,451	34,754
Write-down of stocks and work in progress		63	123
Impairment charges on trade receivables		5	38
Depreciation of property, plant and equipment	14	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	16	228	244
– initial leasing costs in respect of investment properties		83	52
– others		1	2
Staff costs(ii)		17,435	15,905
Other lease expenses(iii)		221	216
Auditors' remuneration			
– audit services		64	61
– tax services		7	11
– other services		13	31
Other expenses		14,668	14,103
Total cost of sales, distribution costs, administrative expenses and other operating expenses		79,862	72,570

Notes:

(i) Direct rental outgoings in respect of investment properties include impairment charges relating to expected credit losses on forgiveness of lease payments of operating lease receivables, i.e. rent concessions granted to tenants during the year, under HKFRS 9 (2025: nil; 2024: HK$27 million).

(ii) The cost of goods sold on a divisional basis are: Property of HK$1,214 million (2024: HK$62 million), Beverages of HK$22,133 million (2024: HK$19,430 million), Aviation of HK$9,970 million (2024: HK$8,581 million) and Trading & Industrial of HK$6,134 million (2024: HK$6,681 million). The staff costs on a divisional basis are: Property of HK$2,423 million (2024: HK$2,364 million), Beverages of HK$7,411 million (2024: HK$6,499 million), Aviation of HK$6,215 million (2024: HK$5,682 million), Trading & Industrial of HK$1,039 million (2024: HK$1,111 million) and Head Office, Healthcare and others of HK$347 million (2024: HK$249 million).

(iii) These expenses relate to short-term leases, leases of low-value assets and leases with variable payments. They are directly charged to the consolidated statement of profit or loss and are not included in the measurement of lease liabilities under HKFRS 16.

7. Segment Information

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

Accounting Policy

Segment information is reported in a manner consistent with the Group's internal financial reporting provided to the Executive Directors for making strategic decisions. A reportable segment comprises either one or more operating segments which can be aggregated together because they share similar economic characteristics or single operating segments which are discloseable separately because they cannot be aggregated or because they exceed certain quantitative thresholds.

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.

7. Segment Information (continued)

(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.

7. Segment Information (continued)

(a) Information about reportable segments (continued)

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.

7. 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**

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.

7. Segment Information (continued)

(a) Information about reportable segments (continued)

Analysis of total assets of the Group (continued)

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.

7. 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**

7. Segment Information (continued)

(a) Information about reportable segments (continued)

Analysis of total liabilities and non-controlling interests of the Group (continued)

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

7. Segment Information (continued)

(a) Information about reportable segments (continued)

Analysis of external revenue of the Group – Timing of revenue recognition

	Year ended 31st December 2025				Year ended 31st December 2024			
	At a point in time HK$M	**Over time HK$M**	**Rental income on leases HK$M**	**Total HK$M**	At a point in time HK$M	Over time HK$M	Rental income on leases HK$M	Total HK$M
Property								
Property investment	–	134	12,832	12,966	–	136	13,267	13,403
Property trading	2,110	–	–	2,110	88	–	–	88
Hotels	382	534	–	916	395	493	–	888
	2,492	668	12,832	15,992	483	629	13,267	14,379
Beverages								
Chinese Mainland	25,001	–	–	25,001	25,234	–	–	25,234
Hong Kong	2,481	–	–	2,481	2,444	–	–	2,444
Taiwan	2,455	–	–	2,455	2,353	–	–	2,353
Vietnam and Cambodia	3,867	–	–	3,867	4,338	–	–	4,338
Thailand and Laos	8,157	–	–	8,157	2,233	–	–	2,233
Others	13	–	–	13	5	–	–	5
	41,974	–	–	41,974	36,607	–	–	36,607
Aviation								
HAECO group	155	23,701	–	23,856	169	21,493	–	21,662
Trading & Industrial								
Swire Resources	2,132	–	–	2,132	2,279	–	–	2,279
Taikoo Motors	4,761	8	–	4,769	5,209	7	–	5,216
Swire Foods	1,225	14	–	1,239	1,379	31	–	1,410
Swire Environmental Services	–	118	–	118	–	127	–	127
	8,118	140	–	8,258	8,867	165	–	9,032
Head Office, Healthcare and others	115	272	–	387	70	219	–	289
Total	52,854	24,781	12,832	90,467	46,196	22,506	13,267	81,969

(b) Information about geographical areas

The activities of the Group are principally based in Hong Kong and the Chinese Mainland.

An analysis of revenue and non-current assets of the Group by principal markets is outlined below:

	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.

8. Directors' and Executive Officers' Emoluments

(a) The total emoluments of Directors of the Company which are disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

	Cash			Non-cash				
	Salary/ fee[i] HK$'000	Bonus[ii] HK$'000	Allowance and benefits HK$'000	Retirement scheme contributions HK$'000	Bonus paid into retirement scheme[ii] HK$'000	Housing benefits HK$'000	**Total 2025 HK$'000**	Total 2024 HK$'000
Executive Directors								
Guy Bradley	8,450	8,692	220	2,280	8,692	10,152	38,486	35,952
David Cogman	4,717	8,285	2,376	17	–	–	15,395	13,212
Patrick Healy	7,644	8,050	2,409	2,063	8,050	–	28,216	25,784
Martin Murray	4,590	4,657	2,392	1,239	4,657	–	17,535	15,956
Zhang Zhuo Ping (until 31st August 2024)	–	2,720	–	–	–	–	2,720	6,734
Non-Executive Directors								
Gordon McCallum	–	–	–	–	–	–	–	–
Merlin Swire	–	–	–	–	–	–	–	–
Independent Non-Executive Directors								
Paul Etchells	1,358	–	–	–	–	–	1,358	1,358
Rose Lee (until 15th May 2025)	277	–	–	–	–	–	277	750
Edith Ngan	876	–	–	–	–	–	876	876
Gordon Orr	1,256	–	–	–	–	–	1,256	1,256
Xu Ying	882	–	–	–	–	–	882	823
Bonnie Zhang	876	–	–	–	–	–	876	876
Total 2025	**30,926**	**32,404**	**7,397**	**5,599**	**21,399**	**10,152**	**107,877**	**N/A**
Total 2024	30,686	29,814	7,392	6,667	19,129	9,889	N/A	103,577

Notes:
(i) Independent Non-Executive Directors received fees as members of the Board and its committees. Executive Directors received salaries.
(ii) Bonuses are not yet approved for 2025. The amounts disclosed above are related to services as Executive Directors for 2024 but paid and charged to the Group in 2025.
(iii) The total emoluments of Executive Directors are charged to the Group in accordance with the amount of time spent on its affairs.
(iv) The Directors' emoluments shown in the table above include the emoluments received from an associated company by a Director who was nominated by the Company to act as a director of the associated company.

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group are as follows:

	Year ended 31st December	
	2025	2024
Number of individuals:		
Executive Directors[i]	4	4
Executive Officers	1	1
	5	5

8. Directors' and Executive Officers' Emoluments (continued)

(b) Five highest paid individuals (continued)

Emoluments paid to the Executive Officers are as follows:

	Year ended 31st December	
	2025 HK$'000	2024 HK$'000
Cash:		
Salary	**4,572**	4,233
Bonus[ii]	**6,375**	4,055
Allowance and benefits	**3,569**	3,219
Non-cash:		
Retirement scheme contributions	**1,234**	1,346
Bonus paid into retirement scheme	**2,813**	4,055
	18,563	16,908

Notes:
(i) Details of the emoluments paid to these Directors are included in the disclosure set out in note 8(a) above.
(ii) Bonuses are not yet approved for 2025. The amounts disclosed above are related to services as Executive Officers for 2024 but paid and charged to the Group in 2025.

The number of the above Executive Officers whose emoluments fell within the following bands:

	Year ended 31st December	
	2025	2024
HK$18,500,000 – HK$19,000,000	**1**	–
HK$16,500,000 – HK$17,000,000	**–**	1
	1	1

9. Net Finance Charges

Accounting Policy

Interest costs incurred are charged to the consolidated statement of profit or loss except for those interest charges attributable to the acquisition, construction or production of qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale) which are recognised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale.

Interest income on financial assets at fair value through profit or loss (FVPL) is included in the net fair value gains/(losses) on these assets. Interest income on financial assets at amortised cost and financial assets at fair value through other comprehensive income (FVOCI) calculated using the effective interest method is recognised on a time proportion basis in the consolidated statement of profit or loss as part of finance income. Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Any other interest income is included in other income in other net gains/(losses). Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Refer to the table with the heading "Audited Financial Information" on page 89 for details of the Group's net finance charges.

10. Taxation

Accounting Policy

The tax charge comprises current and deferred tax. The tax charge is recognised in the consolidated statement of profit or loss, except to the extent that it relates to items recognised in the consolidated statement of other comprehensive income or directly to equity.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The Group is subject to income taxes in numerous jurisdictions. Judgement is required in determining the worldwide provision for income taxes. There are transactions and calculations relating to the Group's ordinary business activities for which the ultimate tax determination is uncertain. The Group recognised liabilities for potential tax exposures based on estimates of whether additional taxes will be due. If the Group concludes it is probable that a taxation authority will accept an uncertain tax treatment, the Group determines the taxable profit/(tax loss) consistently with the tax treatment used in the relevant income tax filings. If the Group concludes it is not probable that a taxation authority will accept an uncertain tax treatment, the Group reflects the effect of uncertainty for each uncertain tax treatment by using either (a) the most likely amount – the single most likely amount in a range of possible outcomes or (b) the expected value – the sum of the probability-weighted amounts in a range of possible outcomes. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences affect the income tax and deferred tax provisions in the year in which the outcomes become known.

	Note	**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	32		
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.

10. Taxation (continued)

The tax charge on the Group's profit before taxation differs from the theoretical amount that would arise using the Hong Kong profits tax rate of the Company as follows:

	2025 HK$M	2024 HK$M
Profit before taxation	5,836	7,785
Calculated at a tax rate of 16.5% (2024: 16.5%)	963	1,284
Share of results of joint venture and associated companies	(626)	(982)
Effect of different tax rates in other jurisdictions	419	620
Change in fair value of investment properties	1,041	1,411
Income not subject to tax	(286)	(156)
Expenses not deductible for tax purposes	689	393
Unused tax losses not recognised	334	330
Utilisation of previously unrecognised tax losses	(337)	(38)
Recognition of previously unrecognised tax losses	(34)	(21)
Deferred tax assets written off	43	35
Under-provisions in prior years	3	3
Withholding tax	262	293
Others	(130)	(88)
Tax charge	2,341	3,084

The Group's share of joint venture companies' tax charges of HK$281 million (2024: HK$471 million) and share of associated companies' tax charges of HK$742 million (2024: HK$644 million) respectively are included in the share of results of joint venture and associated companies shown in the consolidated statement of profit or loss.

11. Underlying Profit Attributable to the Company's Shareholders

Accounting Policy

Underlying profit attributable to the Company's shareholders is provided for greater understanding of the Group's underlying business performance. Underlying profit principally adjusts for fair value movements on investment properties and the associated deferred tax and for other deferred tax provisions in relation to investment properties.

Refer to the table with the heading "Audited Financial Information" on page 74 for details of the Group's underlying profit attributable to the Company's shareholders.

12. Dividends

Accounting Policy

Dividend distributions to the Company's shareholders are recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders or declared by the Company's Directors, where appropriate.

	2025 HK$M	2024 HK$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

12. Dividends (continued)

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.

13. 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.

14. Property, Plant and Equipment

Accounting Policy

Property, plant and equipment is carried at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of purchases in foreign currency of property, plant and equipment. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

With the exception of freehold land, all other items of property, plant and equipment are depreciated at rates sufficient to write off their original costs to estimated residual values using the straight-line method over their anticipated useful lives in the following manner:

Property	2% to 5% per annum
Plant and machinery	5% to 50% per annum

The assets' expected useful lives and residual values are regularly reviewed and adjusted, if appropriate, at the end of each reporting period to take into account operational experience and changing circumstances.

On the transfer of owner-occupied property to investment property, increases in the carrying amount arising on revaluation of land and buildings are credited to the consolidated statement of other comprehensive income and shown within the property revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged in the consolidated statement of other comprehensive income and debited against the property revaluation reserve directly in equity; all other decreases are charged to the consolidated statement of profit or loss.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amounts and are recognised within other net gains/(losses) in the consolidated statement of profit or loss. When revalued assets are sold, the amounts included in the property revaluation reserve are transferred to the revenue reserve.

14. Property, Plant and Equipment (continued)

	Note	Property HK$M	Plant and machinery HK$M	Total HK$M
Cost				
At 1st January 2025		19,305	24,164	43,469
Translation differences		515	794	1,309
Disposal of subsidiary companies	43(d)	(1,083)	(427)	(1,510)
Additions		2,016	3,211	5,227
Disposals		(346)	(2,678)	(3,024)
Net transfers from investment properties	15	152	–	152
Transfers to properties for sale		–	(14)	(14)
Other net transfers		(143)	380	237
At 31st December 2025		20,416	25,430	45,846
Accumulated depreciation and impairment				
At 1st January 2025		7,607	12,352	19,959
Translation differences		148	383	531
Disposal of subsidiary companies	43(d)	(406)	(361)	(767)
Depreciation for the year	6	613	2,533	3,146
Impairment charges	5	(2)	40	38
Disposals		(165)	(2,158)	(2,323)
Net transfers to investment properties	15	(17)	–	(17)
Transfers to properties for sale		–	(1)	(1)
Other net transfers		(3)	340	337
At 31st December 2025		7,775	13,128	20,903
Net book value				
At 31st December 2025		12,641	12,302	24,943

14. Property, Plant and Equipment (continued)

	Note	Property HK$M	Plant and machinery HK$M	Total HK$M
Cost				
At 1st January 2024		17,258	23,521	40,779
Translation differences		(325)	(652)	(977)
Acquisition of subsidiary companies		1,311	1,125	2,436
Additions		1,821	2,753	4,574
Disposals		(59)	(2,617)	(2,676)
Net transfers to investment properties	15	(705)	–	(705)
Transfer from properties for sale		–	51	51
Transfer to assets classified as held for sale		–	(13)	(13)
Other net transfers		4	(4)	–
At 31st December 2024		19,305	24,164	43,469
Accumulated depreciation and impairment				
At 1st January 2024		7,722	12,258	19,980
Translation differences		(127)	(301)	(428)
Depreciation for the year	6	538	2,089	2,627
Impairment charges	5	(13)	172	159
Disposals		(42)	(1,862)	(1,904)
Net transfers to investment properties	15	(471)	–	(471)
Transfer to assets classified as held for sale		–	(4)	(4)
At 31st December 2024		7,607	12,352	19,959
Net book value				
At 31st December 2024		11,698	11,812	23,510

Property and plant and machinery include amounts of HK$3,310 million (2024: HK$2,277 million) and HK$713 million (2024: HK$639 million) respectively which represent advance payments and deposits under contracts with third parties in respect of assets under construction.

At 31st December 2025, property, plant and equipment of HK$430 million (2024: HK$428 million) are pledged as security for secured loans and other borrowings.

15. Investment Properties

Accounting Policy

Investment property comprises freehold land, leasehold land and buildings held for long-term rental yields or for capital appreciation or for both, and that are not occupied by the Group. Property held by the lessee as a right-of-use asset is classified and accounted for as an investment property when the rest of the definition of investment property is met.

Investment properties (including those under development) are carried at fair value and are valued twice a year. The majority of investment properties are valued by independent valuers. The valuations are performed in accordance with the HKIS Valuation Standards 2024 published by The Hong Kong Institute of Surveyors and are on the basis of market value related to individual properties, and separate values are not attributed to land and buildings. These values represent their fair values in accordance with HKFRS 13. Land and buildings that are being developed for future use as investment properties and investment properties that are being redeveloped for continuing use as investment properties are measured at fair value and included as investment properties under development. Changes in fair values are recognised in the consolidated statement of profit or loss.

Subsequent expenditure is charged to an investment property's carrying amount only when it is probable that future economic benefits associated with that expenditure will flow to the Group and the cost can be measured reliably. All other repair and maintenance costs in respect of an investment property are expensed in the consolidated statement of profit or loss during the financial period in which they are incurred.

If an investment property becomes owner-occupied or property for sale, it is reclassified as property, plant and equipment, leasehold land under right-of-use assets or properties for sale respectively, and its fair value at the date of reclassification becomes its deemed cost for accounting purposes.

Expenditure incurred in leasing out the Group's investment properties during development is deferred and amortised on a straight-line basis in the consolidated statement of profit or loss upon occupation of the property over a period not exceeding the terms of the leases.

Critical Accounting Estimates and Judgements

Cushman & Wakefield Limited, an independent property valuer, was engaged to carry out a valuation of the major portion of the Group's investment property portfolio at 31st December 2025. This valuation was carried out in accordance with the HKIS Valuation Standards 2024 published by The Hong Kong Institute of Surveyors, which define market value as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties each acted knowledgeably, prudently and without compulsion". The assumptions are principally in respect of market rents and yields.

Management has reviewed the independent property valuation and compared it with its own assumptions, with reference to comparable sales transaction data where such information is available, and has concluded that the independent property valuation of the Group's investment property portfolio is reasonable.

15. Investment Properties (continued)

	Note	Completed HK$M	Under development HK$M	Total HK$M
At 1st January 2025		**249,445**	**21,390**	**270,835**
Translation differences		**2,494**	**305**	**2,799**
Additions		**799**	**1,742**	**2,541**
Disposals		**(1,005)**	**–**	**(1,005)**
Net transfers to property, plant and equipment	14	**(167)**	**(2)**	**(169)**
Net transfers from right-of-use assets		**43**	**(1)**	**42**
Disposal of subsidiary companies	43(d)	**(894)**	**(414)**	**(1,308)**
Net fair value losses		**(3,981)**	**(2,092)**	**(6,073)**
		246,734	**20,928**	**267,662**
Add: initial leasing costs		**94**	**–**	**94**
At 31st December 2025		**246,828**	**20,928**	**267,756**

	Note	Completed HK$M	Under development HK$M	Total HK$M
At 1st January 2024		256,105	24,486	280,591
Translation differences		(1,867)	(145)	(2,012)
Additions		899	3,742	4,641
Transfer between categories		4,283	(4,283)	–
Net transfers (to)/from property, plant and equipment	14	(49)	283	234
Net transfers (to)/from right-of-use assets		(216)	8	(208)
Transfer to properties for sale		–	(1,682)	(1,682)
Transfer to assets classified as held for sale		(4,755)	–	(4,755)
Net fair value losses		(4,955)	(1,019)	(5,974)
		249,445	21,390	270,835
Add: initial leasing costs		115	–	115
At 31st December 2024		249,560	21,390	270,950

Geographical Analysis of Investment Properties

	2025 HK$M	2024 HK$M
Held in Hong Kong		
On medium-term leases (10 to 50 years)	**28,691**	29,782
On long-term leases (over 50 years)	**175,093**	180,627
	203,784	210,409
Held in the Chinese Mainland		
On short-term leases (less than 10 years)	**832**	858
On medium-term leases (10 to 50 years)	**63,046**	58,684
	63,878	59,542
Held in the USA		
Freehold	**–**	884
	267,662	270,835

15. Investment Properties (continued)

At 31st December 2025, investment properties of HK$17,821 million (2024: HK$17,782 million) are pledged as security for secured loans and other borrowings.

On 17th November 2023, Swire Properties and the Securities and Futures Commission entered into sale and purchase agreements for the sale of Swire Properties' interest in the 42nd to 54th floors (excluding the 49th floor) of the One Island East office tower in Hong Kong, for a total cash consideration of HK$5,400 million. Sale of the 45th to 54th floors (excluding the 49th floor) was completed in December 2023 and a loss on disposal was recognised in the consolidated statement of profit or loss during 2023. The sale of the 43rd floor was completed in December 2025 and a loss on disposal was recognised in the consolidated statement of profit or loss during the year.

The 42nd and 44th floors of One Island East with a total fair value of HK$891 million, are included in the investment properties at 31st December 2025 (2024: 42nd to 44th floors with a total fair value of HK$1,342 million). The sale of each of these floors will be completed in accordance with the terms specified in the sale and purchase agreements before the end of 2028.

Additions include capital expenditure in response to climate change. Such expenditure is intended to reduce carbon emission and energy use, with a view to mitigating climate-related risks and to meet carbon reduction targets.

Valuation processes and techniques underlying management's estimate of fair value

The Group's investment properties were valued at their fair values at 31st December 2025. 99% by value were valued by Cushman & Wakefield Limited on the basis of market value. The independent professionally qualified valuers hold recognised relevant professional qualifications in the jurisdictions in which they valued the Group's investment properties and have recent experience in the locations and types of investment properties valued. The remaining properties were valued by management. The valuation is based on the highest and best use of the properties.

The valuation of the Group's completed investment property portfolio is derived by capitalising the rental income derived from existing tenancies with due provision for reversionary income potential and by making reference to recent comparable sales transactions available in the relevant property market.

The valuation of the Group's investment properties under development is derived by making reference to market capitalisation rates and recent comparable sales transactions in the relevant property market (on the assumption that the properties had already been completed at the valuation date). It also takes into account the construction cost already incurred and the estimated cost to be incurred to complete the project plus the developer's estimated profit and a margin for risk.

The fair values of the Group's investment properties are sensitive to changes in both observable and unobservable inputs. If capitalisation rates increase, the fair values decrease. If market rents increase, the fair values increase. If estimated costs to complete or the developer's estimated profit and margin for risk increase, the fair values decrease. The opposite is true for decreases in these inputs.

There are inter-relationships between observable and unobservable inputs. Expected vacancy rates may have an impact on yields, with higher vacancy rates resulting in higher yields. For investment properties under development, increases in construction costs that enhance the properties' features may result in an increase in future rental values. An increase in future rental income may be linked with higher costs.

The Group reviews the valuations performed by the independent valuers for financial reporting purposes. Discussions of valuation processes and results are held between management and the independent valuers at least once every half year, in line with the Group's half year reporting dates.

During the valuation, Cushman & Wakefield Limited, consistent with the relevant valuation standards, where applicable and to the extent that current market participants would, considered the environmental, social and governance factors of the subject properties in the valuations, as observed from inspection and the information provided by the Group.

15. Investment Properties (continued)

Fair value hierarchy

The Group's investment properties are measured at fair value and categorised within the fair value hierarchy as follows:

	Completed				Under development			
	Hong Kong HK$M	Chinese Mainland HK$M	USA HK$M	Total HK$M	Hong Kong HK$M	Chinese Mainland HK$M	Total HK$M	Total HK$M
Level 2	293	418	–	711	4,456	–	4,456	5,167
Level 3	189,592	56,431	–	246,023	9,443	7,029	16,472	262,495
Total	189,885	56,849	–	246,734	13,899	7,029	20,928	267,662
Add: initial leasing costs								94
At 31st December 2025								267,756

	Completed				Under development			
	Hong Kong HK$M	Chinese Mainland HK$M	USA HK$M	Total HK$M	Hong Kong HK$M	Chinese Mainland HK$M	Total HK$M	Total HK$M
Level 2	1,008	400	–	1,408	5,373	–	5,373	6,781
Level 3	194,386	52,767	884	248,037	9,642	6,375	16,017	264,054
Total	195,394	53,167	884	249,445	15,015	6,375	21,390	270,835
Add: initial leasing costs								115
At 31st December 2024								270,950

Notes:
The levels in the hierarchy represent the following:
Level 2 – Investment properties measured at fair value using inputs other than quoted prices but where those inputs are based on observable market data.
Level 3 – Investment properties measured at fair value using inputs not based on observable market data.

The above investment properties principally comprise commercial and residential properties completed and under development in Hong Kong and the Chinese Mainland. The Group's investment properties in the USA were disposed of in June 2025. Refer to note 43(d). Due to the heterogeneous nature of the Group's investment properties, most of them are valued by reference to a level 3 fair value measurement.

The change in level 3 fair value of investment properties during the year is as follows:

	Completed				Under development			
	Hong Kong HK$M	Chinese Mainland HK$M	USA HK$M	Total HK$M	Hong Kong HK$M	Chinese Mainland HK$M	Total HK$M	Total HK$M
At 1st January 2025	194,386	52,767	884	248,037	9,642	6,375	16,017	264,054
Translation differences	–	2,466	10	2,476	–	305	305	2,781
Additions	597	193	–	790	489	1,247	1,736	2,526
Disposals	(451)	–	–	(451)	–	–	–	(451)
Transfer between categories	–	–	–	–	174	–	174	174
Net transfers to property, plant and equipment	(167)	–	–	(167)	–	(2)	(2)	(169)
Net transfers from right-of-use assets	43	–	–	43	–	–	–	43
Disposal of subsidiary companies	–	–	(894)	(894)	–	–	–	(894)
Net fair value (losses)/gains	(4,816)	1,005	–	(3,811)	(862)	(896)	(1,758)	(5,569)
At 31st December 2025	189,592	56,431	–	246,023	9,443	7,029	16,472	262,495

15. Investment Properties (continued)

Fair value hierarchy (continued)

	Completed				Under development			
	Hong Kong HK$M	Chinese Mainland HK$M	USA HK$M	Total HK$M	Hong Kong HK$M	Chinese Mainland HK$M	Total HK$M	Total HK$M
At 1st January 2024	197,079	52,217	5,270	254,566	15,571	3,326	18,897	273,463
Translation differences	–	(1,817)	(36)	(1,853)	–	(145)	(145)	(1,998)
Additions	699	134	64	897	748	2,951	3,699	4,596
Transfer between categories	4,283	–	–	4,283	(4,283)	–	(4,283)	–
Net transfers (to)/from property, plant and equipment	(51)	2	–	(49)	–	283	283	234
Net transfers to right-of-use assets	(218)	2	–	(216)	–	–	–	(216)
Transfer to properties for sale	–	–	–	–	(1,682)	–	(1,682)	(1,682)
Transfer to assets classified as held for sale	–	–	(4,755)	(4,755)	–	–	–	(4,755)
Net fair value (losses)/gains	(7,406)	2,229	341	(4,836)	(712)	(40)	(752)	(5,588)
At 31st December 2024	194,386	52,767	884	248,037	9,642	6,375	16,017	264,054

Information about level 3 fair value measurements using significant unobservable inputs is as follows:

At 31st December 2025	**Valuation technique**	**Market rent per month[(i)] HK$ per sq. ft. (lettable)**	**Capitalisation rate**
Completed			
Hong Kong	**Income capitalisation**	**Low 10's – Low 500's**	**2.63% – 5.50%**
Chinese Mainland	**Income capitalisation**	**Less than 10 – Mid 300's**	**5.50% – 6.50%**
Under development			
Hong Kong	**Residual[(iii)]**	**High 50's**	**3.63%**
Chinese Mainland	**Residual[(iii)]**	**Low 30's – Low 100's**	**5.50% – 6.75%**

At 31st December 2024	Valuation technique	Market rent per month[(i)] HK$ per sq. ft. (lettable)	Capitalisation rate
Completed			
Hong Kong	Income capitalisation	Mid 10's – Low 500's	2.50% – 5.25%
Chinese Mainland	Income capitalisation	Less than 10 – Low 300's	5.50% – 6.50%
USA[(ii)]	Income capitalisation	N/A	6.00%
Under development			
Hong Kong	Residual[(iii)]	Low 60's	3.75%
Chinese Mainland	Residual[(iii)]	High 30's – Low 100's	5.50% – 5.75%
Chinese Mainland	Sales comparison	–	–

Notes:
(i) Market rent is determined in accordance with the definition of that term in the HKIS Valuation Standards 2024 of The Hong Kong Institute of Surveyors, which is "the estimated amount for which all interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion". It is in effect the rental income (exclusive of usual outgoings) which a property would be expected to earn if it were vacant and available to let at the valuation date. It is not necessarily the same as the rent which a tenant is actually committed to pay.
(ii) Investment properties in the USA of HK$4,755 million were transferred to assets classified as held for sale during the year ended 31st December 2024. The main valuation inputs used for these properties were effective market rents per month ranging from less than HK$10 to mid HK$70's per square foot and capitalisation rate of 5.50% determined by an independent valuer at 31st December 2024. The properties were disposed of in June 2025.
(iii) In using the residual method to make fair value measurements of investment properties, two additional unobservable inputs have been used. These are the estimated costs to complete the development and the developer's estimated profit and margin for risk.

16. Intangible Assets

Accounting Policy

(a) Goodwill
Goodwill represents the excess of the consideration transferred over the fair value of the Group's share of the assets transferred, the liabilities incurred to the former owners of the acquired asset and the equity interests issued by the Group. Goodwill is treated as an asset of the entity acquired and, where attributable to a foreign entity, is translated at the period-end closing rate.

Goodwill is stated at cost less accumulated impairment. Goodwill is allocated to cash-generating units (CGUs) for the purpose of impairment testing, which is performed annually, or more often if an impairment indicator exists. Impairment charges recognised in respect of goodwill are not reversed.

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(b) Computer software
Computer software licences acquired are capitalised on the basis of the costs incurred to acquire and bring into use the specific software. These costs are amortised over their estimated useful lives of 3 to 10 years.

Costs associated with maintaining computer software programmes are recognised as expenses as incurred. Costs that are directly associated with the development of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development employee costs and an appropriate portion of relevant overheads. Computer software costs recognised as assets are amortised over their estimated useful lives of 3 to 10 years.

(c) Service, franchise and operating rights
Service, franchise and operating rights acquired are shown at historical cost. Service, franchise and operating rights acquired in a business combination are recognised at fair value at the acquisition date.

Service, franchise and operating rights that have a finite useful life are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of service, franchise and operating rights over their estimated useful lives of 10 to 40 years.

Service, franchise and operating rights that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

(d) Customer relationships
Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. Customer relationships have a finite useful life and are subsequently carried at cost less accumulated amortisation. Customer relationships are amortised over their estimated useful lives of 7.5 to 15 years.

16. Intangible Assets (continued)

	Note	Goodwill HK$M	Computer software HK$M	Service, franchise and operating rights HK$M	Customer relationships HK$M	Others HK$M	Total HK$M
Cost							
At 1st January 2025		**11,988**	**1,335**	**19,958**	**600**	**119**	**34,000**
Translation differences		**233**	**27**	**1,080**	**2**	**–**	**1,342**
Disposal of subsidiary companies	43(d)	**(846)**	**(42)**	**–**	**(512)**	**(10)**	**(1,410)**
Additions		**–**	**108**	**146**	**–**	**–**	**254**
Disposals		**–**	**(61)**	**–**	**–**	**(23)**	**(84)**
Other net transfers		**–**	**9**	**–**	**–**	**–**	**9**
At 31st December 2025		**11,375**	**1,376**	**21,184**	**90**	**86**	**34,111**
Accumulated amortisation and impairment							
At 1st January 2025		**1,181**	**769**	**414**	**409**	**61**	**2,834**
Translation differences		**3**	**15**	**–**	**2**	**2**	**22**
Disposal of subsidiary companies	43(d)	**(584)**	**(25)**	**–**	**(400)**	**–**	**(1,009)**
Amortisation for the year	6	**–**	**161**	**31**	**34**	**2**	**228**
Impairment charges	5	**–**	**3**	**–**	**–**	**–**	**3**
Disposals		**–**	**(58)**	**–**	**–**	**(23)**	**(81)**
At 31st December 2025		**600**	**865**	**445**	**45**	**42**	**1,997**
Net book value							
At 31st December 2025		**10,775**	**511**	**20,739**	**45**	**44**	**32,114**

	Note	Goodwill HK$M	Computer software HK$M	Service, franchise and operating rights HK$M	Customer relationships HK$M	Others HK$M	Total HK$M
Cost							
At 1st January 2024		10,627	1,170	8,144	603	284	20,828
Translation differences		(268)	(17)	(1,067)	(3)	(1)	(1,356)
Acquisition of subsidiary companies		1,629	75	12,879	–	–	14,583
Additions		–	119	–	–	34	153
Disposals		–	(14)	–	–	–	(14)
Transfer to assets classified as held for sale		–	–	–	–	(198)	(198)
Other net transfers		–	2	2	–	–	4
At 31st December 2024		11,988	1,335	19,958	600	119	34,000
Accumulated amortisation and impairment							
At 1st January 2024		1,186	653	378	370	200	2,787
Translation differences		(5)	(11)	(3)	(2)	(3)	(24)
Amortisation for the year	6	–	140	39	41	24	244
Disposals		–	(13)	–	–	–	(13)
Transfer to assets classified as held for sale		–	–	–	–	(160)	(160)
At 31st December 2024		1,181	769	414	409	61	2,834
Net book value							
At 31st December 2024		10,807	566	19,544	191	58	31,166

16. Intangible Assets (continued)

Impairment test of goodwill and indefinite-lived franchise rights

Critical Accounting Estimates and Judgements

The Group believes that certain franchise agreements will continue to be renewed at each expiration date and they have therefore been assigned indefinite useful lives.

At each reporting date, an assessment is made as to whether there is any indication that goodwill or any indefinite-lived franchise rights may be impaired. These tests require the use of estimates to calculate recoverable amounts. The calculation of recoverable amounts considers estimates of both value in use and fair value less costs of disposal. The determination of recoverable amounts and any impairment charge is determined based on the higher of value in use and fair value less costs of disposal.

The value in use calculations use financial budgets and plans covering five-year periods unless a longer period can be justified. Key assumptions used in the financial budgets and plans are revenue growth and margins. The discount rates applicable to the future cash flows reflect the specific risks relating to the relevant CGUs. Cash flows beyond these periods are extrapolated using rates of growth and profitability not exceeding historical results.

Intangible assets acquired in recent transactions are more susceptible to impairment given they are initially recorded at fair value based on macroeconomic conditions and forecasts existing at the time of the acquisition. Consequently if operating results and/or macroeconomic conditions deteriorate there is a higher risk of impairment of such acquired assets.

Goodwill is allocated to the Group's CGUs, after impairment, identified by divisional business segment and geographic location.

	Note	2025 HK$M	2024 HK$M
Swire Properties – Taikoo Li Chengdu	a	1,354	1,294
Swire Coca-Cola – Hong Kong and Chinese Mainland	b	2,206	2,104
Swire Coca-Cola – Vietnam and Cambodia	c	2,023	2,055
Swire Coca-Cola – Thailand and Laos	d	1,229	1,127
HAECO – Hong Kong and Chinese Mainland	e	3,510	3,510
HAECO – USA		19	283
DeltaHealth	f	434	434
		10,775	10,807

Notes:

(a) The recoverable amount of this CGU is determined using the calculation of the fair value less costs of disposal. It mainly represents the fair value of investment properties of Taikoo Li Chengdu by reference to the valuation performed by independent valuers at each reporting date, less costs of disposal estimated by management based on the Group's experience with disposal of assets and on industry benchmarks. The results of the impairment test using these inputs show that the recoverable amount exceeds the carrying amount of the CGU. The Group therefore concluded that no impairment was required for the goodwill at 31st December 2025 and 2024.

The main valuation inputs used were effective market rents per month ranging from approximately HK$10 to HK$350 (2024: HK$10 to HK$300) per square foot and capitalisation rates ranging from 5.50% to 6.50% (2024: 5.50% to 6.50%) determined by an independent valuer at 31st December 2025 and the costs of disposal estimated by Swire Properties' management. Reasonably possible changes in the key assumptions would not result in an impairment.

16. Intangible Assets (continued)

Impairment test of goodwill and indefinite-lived franchise rights (continued)

(b) The recoverable amount (including the franchise rights) of Swire Coca-Cola's businesses in Hong Kong and the Chinese Mainland has been determined using a value in use calculation. The calculation uses cash flow projections covering a five-year period based on financial budgets and plans prepared by management. A weighted average pre-tax discount rate of 9.0% (2024: 9.5%) has been applied and cash flows beyond the five-year period are assumed not to grow by more than 2.0% (2024: 2.0%) per annum. Reasonably possible changes in the key assumptions would not result in an impairment.

(c) The recoverable amount (including the franchise rights) of Swire Coca-Cola's businesses in Vietnam and Cambodia has been determined using a value in use calculation. The calculation uses cash flow projections covering a five-year period based on financial budgets and plans prepared by management. Cash flows in the first five years are projected using a cumulative average revenue growth rate of 11.5%. Cash flows between the sixth and tenth years are projected using a growth rate of no more than 6.5% per annum and a terminal growth rate of no more than 5.0% (2024: 5.0%) per annum was applied beyond the tenth year period. A weighted average pre-tax discount rate of 11.0% (2024: 10.0%) has been applied. In light of the markets' growth prospects, management believes that the long-term assumptions used in the calculation are conservative. The result of the impairment assessment shows that the recoverable amount exceeds the carrying amount and the Group concluded no impairment was required to the goodwill and franchise rights associated with the CGUs at 31st December 2025. While holding other assumptions constant in each of the following scenarios: (i) an increase/decrease of 150 basis-points in discount rate would result in a shortfall of HK$1,622 million/additional headroom of HK$4,073 million in recoverable amount against its carrying value, and an increase/decrease of 33 basis-points in discount rate would result in no headroom/additional headroom of HK$663 million; or (ii) an increase/decrease of 100 basis-points in forecast revenue growth rate per annum during the five-year period would result in additional headroom of HK$1,651 million/shortfall of HK$1,013 million in recoverable amount against its carrying value, and an increase/decrease of 36 basis-points in forecast revenue growth rate would result in additional headroom of HK$590 million/no headroom. Management believes that using the fair value less costs of disposal methodology would result in higher headroom.

(d) The recoverable amount (including the franchise rights) of Swire Coca-Cola's businesses in Thailand and Laos has been determined using a value in use calculation. The calculation uses cash flow projections covering a five-year period based on financial budgets and plans prepared by management. A weighted average pre-tax discount rate of 8.5% (2024: 10.5%) has been applied and cash flows beyond the five-year period are assumed to grow not more than 3.0% per annum (2024: cash flows beyond the ten-year period are assumed to grow not more than 3.0% per annum). In light of the markets' growth prospects, management believes that the long-term assumptions used in the calculation are conservative. The result of the impairment assessment shows that the recoverable amount exceeds the carrying amount and the Group concluded no impairment was required to the goodwill and franchise rights associated with the CGUs at 31st December 2025. While holding other assumptions constant, an increase/decrease of 100 basis-points in discount rate would result in a shortfall of HK$1,413 million/additional headroom of HK$6,330 million in recoverable amount against its carrying value, and an increase/decrease of 60 basis-points in discount rate would result in no headroom/additional headroom of HK$3,408 million. Management believes that using the fair value less costs of disposal methodology would result in higher headroom.

(e) The recoverable amount of HAECO's businesses in Hong Kong and the Chinese Mainland has been determined using a value in use calculation. It represents the present value of estimates of cash flow projections covering a five-year period based on financial budgets and plans prepared by management. A weighted average pre-tax discount rate of 8.0% (2024: 9.5%) has been applied and cash flows beyond the five-year period are assumed not to grow by more than 3.0% (2024: 3.0%) per annum. Reasonably possible changes in the key assumptions would not result in an impairment.

(f) The recoverable amount of this CGU is derived on a value in use basis using financial budgets and plans prepared by management.

17. Right-of-use Assets

Accounting Policy

The Group (acting as lessee) leases land, offices, warehouses, retail stores and equipment. Except for certain long-term leasehold land in Hong Kong, rental contracts are typically made for fixed periods of 1 to 50 years but may have extension and early termination options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Leased assets may not be used as security for borrowing purposes.

Leases are recognised by lessees as right-of-use assets and corresponding liabilities at the date at which the leased assets are available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the consolidated statement of profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each financial period.

Assets and liabilities arising from leases are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payment of penalties for terminating the lease, if the lease term used in the computation assumes the lessee exercises an option to terminate.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. However, if the ownership of the underlying asset is expected to be transferred to the Group by the end of the lease term and if the cost of the right-of-use asset has already included the exercise price of a purchase option, depreciation is calculated on a straight-line basis to write off cost over the anticipated useful life of the underlying asset to its estimated residual value.

Payments by lessees associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as expenses in the consolidated statement of profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise information technology equipment and small items of office furniture.

17. Right-of-use Assets (continued)

The recognised right-of-use assets relate to the following types of assets:

	2025 HK$M	2024 HK$M
Leasehold land held for own use	3,405	3,535
Land use rights	1,549	1,334
Property	3,786	4,028
Plant and equipment	467	144
Total	9,207	9,041

The Group is the registered owner or occupant of its leasehold land and land use rights. Upfront payments were made to acquire these interests in land and there are no ongoing payments to be made under the terms of the land leases (so that no lease liabilities are recognised) except government rents and rates and other payments to the relevant government authorities, which may vary from time to time. Details relating to these interests in land are as follows:

	2025		2024	
	Leasehold land held for own use HK$M	Land use rights HK$M	Leasehold land held for own use HK$M	Land use rights HK$M
Held in Hong Kong				
On medium-term leases (10 to 50 years)	426	160	481	4
On long-term leases (over 50 years)	2,478	–	2,554	–
Held outside of Hong Kong				
On medium-term leases (10 to 50 years)	428	1,389	448	1,330
On long-term leases (over 50 years)	73	–	52	–
	3,405	1,549	3,535	1,334

Lease arrangements for other types of assets are negotiated on an individual asset basis and contain a wide range of different terms and conditions, including lease payments and lease terms.

At 31st December 2025, right-of-use assets of HK$93 million (2024: HK$92 million) were pledged as security for secured loans and other borrowings.

Additions to right-of-use assets of HK$1,062 million were made during the year ended 31st December 2025 (2024: HK$678 million). There were no additions to right-of-use assets arising from acquisition of subsidiary companies during the year ended 31st December 2025 (2024: HK$561 million).

Disposals of right-of-use assets arising from the disposal of subsidiary companies during the year ended 31st December 2025 totalled HK$212 million (2024: Nil).

During the year ended 31st December 2025, total cash outflow for leases was included in the consolidated statement of cash flows as (a) interest paid of HK$206 million (2024: HK$186 million) under "operating activities", (b) payment for short-term and low-value assets leases and variable lease payments of HK$221 million (2024: HK$216 million) recorded in cash generated from operations under "operating activities", and (c) principal elements of lease payments of HK$1,041 million (2024: HK$965 million) under "financing activities".

18. Properties Held for Development

Accounting Policy

Properties held for development comprise freehold land at cost and related costs of preliminary works, and are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Properties held for development are not expected to be sold or developed within the Group's normal operating cycle and are classified as non-current assets.

	2025 HK$M	2024 HK$M
Properties held for development		
Freehold land	49	982
Development costs	11	219
	60	1,201

19. Subsidiary Companies

Accounting Policy

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Swire Pacific Limited has a material controlling interest in one subsidiary company, Swire Properties Limited (Swire Properties). During the year, the Group's interest in Swire Properties increased from 82.5% to 83.3% (2024: 82.0% to 82.5%) following the repurchase by Swire Properties of 44,736,600 shares (2024: 47,778,600 shares) for a total aggregate price of HK$707 million (2024: HK$750 million) (excluding transaction fees). The following information is a summary of Swire Properties' statement of financial position, statement of profit or loss and statement of cash flows. Adjustments have been made to certain line items to account for investment properties occupied by subsidiaries of the Group as well as the non-controlling interest held by third parties.

Summarised Statement of Financial Position – Swire Properties

	At 31st December	
	2025 HK$M	2024 HK$M
Current:		
Assets	29,802	27,091
Liabilities	(25,860)	(19,780)
Total current net assets	3,942	7,311
Non-current:		
Assets	323,518	328,108
Liabilities	(56,316)	(57,206)
Total non-current net assets	267,202	270,902
Net assets	271,144	278,213
Non-controlling interests	46,836	51,246

19. Subsidiary Companies (continued)

Summarised Statement of Profit or Loss – Swire Properties

	For the year ended 31st December	
	2025 HK$M	2024 HK$M
Revenue	**16,041**	14,428
Loss for the year attributable to shareholders	**(1,519)**	(751)
Other comprehensive income/(loss)	**2,778**	(2,037)
Total comprehensive income/(loss) attributable to shareholders	**1,259**	(2,788)
Total comprehensive income/(loss) allocated to non-controlling interests	**220**	(471)
Dividends paid to non-controlling interests	**1,077**	1,116

Summarised Statement of Cash Flows – Swire Properties

	For the year ended 31st December	
	2025 HK$M	2024 HK$M
Net cash generated from operating activities	**7,471**	3,762
Net cash generated from/(used in) investing activities	**3,190**	(6,277)
Net cash (used in)/generated from financing activities	**(5,895)**	2,757
Net increase in cash and cash equivalents	**4,766**	242
Cash and cash equivalents at 1st January	**5,212**	5,097
Effect of exchange differences	**205**	(127)
Cash and cash equivalents at 31st December	**10,183**	5,212

The principal subsidiary companies of Swire Pacific Limited are shown on pages 227 to 237.

20. Interests in Joint Venture and Associated Companies

Accounting Policy

Joint venture companies are those companies' interests which are held for the long term and over which the Group is in a position to exercise joint control with other venturers in accordance with contractual arrangements, and where the Group has rights to the net assets of those companies.

Associated companies are those companies over which the Group has significant influence, but not control or joint control, over their management including participation in financial and operating policy decisions, generally accompanying a shareholding representing between 20% and 50% of the voting rights.

In the Group's consolidated statement of financial position, its interests in joint venture and associated companies are accounted for using the equity method of accounting and are initially recognised at cost. The excess of the cost of investment in joint venture and associated companies over the fair value of the Group's share of the identifiable net assets acquired at the date of acquisition represents goodwill. The Group's interests in joint venture and associated companies include goodwill identified on acquisitions, net of any accumulated impairment loss.

Critical Accounting Estimates and Judgements

The Group assesses at the end of each reporting period whether there is any objective evidence that its interests in joint venture and associated companies are impaired. Such objective evidence includes whether there have been any significant adverse changes in the technological, market, economic or legal environment in which the joint venture and associated companies operate or whether there has been a significant or prolonged decline in value below their cost. If there is an indication that an interest in a joint venture or associated company is impaired, the Group assesses whether the entire carrying amount of the investment (including goodwill) is recoverable. An impairment loss is recognised in the consolidated statement of profit or loss equal to the amount by which the carrying amount is higher than the higher of the investment's fair value less costs of disposal and value in use. Any reversal of such impairment loss in subsequent periods is credited to the consolidated statement of profit or loss.

(a) Interests in joint venture companies

	2025 HK$M	2024 HK$M
Share of net assets, unlisted	**26,672**	26,188
Goodwill	**761**	744
Joint venture companies	**27,433**	26,932
Loans due from joint venture companies less provisions		
– Interest-free	**10,253**	11,597
– Interest-bearing at 3.0% to 6.5% per annum (2024: 3.0% to 6.5% per annum)	**3,016**	3,439
	13,269	15,036

The loans due from joint venture companies are unsecured and have no fixed terms of repayment. These loans are considered to have low credit risk. The financial position and performance of these companies are regularly monitored and reviewed by the management of the Group.

20. Interests in Joint Venture and Associated Companies (continued)

(a) Interests in joint venture companies (continued)

In June 2025, Swire Properties completed the acquisition of a 25% equity interest in the joint venture company (JVCo) which owns Mandarin Oriental, Miami from Mandarin Oriental Miami, Inc. for a consideration of US$37 million. Swire Properties previously held a 75% equity interest in JVCo and following the completion of the acquisition in June 2025, JVCo became a wholly-owned subsidiary of Swire Properties. Since the net assets of the JVCo are primarily concentrated in one underlying property, the transaction was accounted for as an asset acquisition. The cost based approach was adopted and the previously held equity interest was not remeasured. The carrying amount of the previously held equity interest, the consideration paid and direct transaction costs incurred for the acquisition were allocated to the cost of assets acquired.

The Group's share of the assets and liabilities and results of joint venture companies is summarised below:

	2025 HK$M	2024 HK$M
Non-current assets[(i)]	**45,796**	44,298
Current assets	**14,780**	17,783
Current liabilities	**(7,886)**	(8,111)
Non-current liabilities	**(26,018)**	(27,782)
Net assets	**26,672**	26,188
Revenue	**24,117**	27,512
Expenses	**(24,700)**	(25,420)
(Loss)/profit before taxation	**(583)**	2,092
Taxation	**(281)**	(471)
(Loss)/profit for the year[(ii)]	**(864)**	1,621
Other comprehensive income/(loss)	**895**	(587)
Total comprehensive income for the year	**31**	1,034

Notes:
(i) Non-current assets includes investment properties of HK$39,886 million (2024: HK$38,495 million). Investment properties held by the joint venture companies were valued by Cushman & Wakefield Limited on the basis of market value. The significant unobservable inputs used for the valuation of these investment properties are referenced to a level 3 fair value measurement as disclosed in note 15.
(ii) Share of losses of joint venture companies amounted to HK$864 million (2024: profit of HK$1,055 million and a bargain purchase gain arising from the acquisition of an additional interest in a joint venture company of HK$566 million).

Capital commitments and contingencies in respect of joint venture companies are disclosed in notes 38(a) and 39(a) respectively.

The principal joint venture companies of the Group are shown on pages 227 to 237.

20. Interests in Joint Venture and Associated Companies (continued)

(b) Interests in associated companies

Critical Accounting Estimates and Judgements

Under HKFRS 10, the Company is required to consolidate as subsidiaries in its financial statements, companies which it controls. The Company controls another company if it has (i) power over the other company, (ii) exposure or rights to variable returns from its involvement with the other company and (iii) ability to use its power over the other company to affect the amount of the Company's returns. All three of these requirements must be met. The Company has considered whether to consolidate Cathay Pacific Airways as a subsidiary in its financial statements in the light of the provisions of HKFRS 10.

Under HKFRS 10, the Company will be taken to have power over Cathay Pacific Airways if the Company has rights which give the Company the current ability to direct the activities of Cathay Pacific Airways which significantly affect the Company's returns from Cathay Pacific Airways.

As the Company holds less than half (43.09% at 31st December 2025) of the voting rights in Cathay Pacific Airways, the Company does not have power over Cathay Pacific Airways by virtue of holding a majority of those voting rights. The Company has accordingly considered other relevant factors in order to determine whether it has such power. The Company is party to a shareholders agreement dated 8th June 2006 (the Shareholders Agreement) between itself, Air China Limited (Air China) and others in relation to the affairs of Cathay Pacific Airways, as subsequently amended. The Shareholders Agreement contains provisions relating to the composition of the board of Cathay Pacific Airways (including Air China being obliged to use its votes as a shareholder of Cathay Pacific Airways to support the Company appointing a majority of the board of directors of Cathay Pacific Airways). The Company is of the view, having considered the terms of the Shareholders Agreement, the terms of an operating agreement dated 8th June 2006 between Cathay Pacific Airways and Air China and the way in which the board of Cathay Pacific Airways governs the affairs of Cathay Pacific Airways in practice, that the Company does not have power over Cathay Pacific Airways for the purposes of HKFRS 10. It follows that, as one of the three requirements in HKFRS 10 for consolidation has not been met, the Company should not consolidate Cathay Pacific Airways as a subsidiary in the Company's financial statements and should account for its interest in Cathay Pacific Airways as an associated company.

	2025 HK$M	2024 HK$M
Share of net assets		
– Listed in Hong Kong	25,239	23,300
– Unlisted	10,692	10,421
	35,931	33,721
Goodwill	1,776	1,807
Associated companies	37,707	35,528
Loans due from associated companies less provisions		
– Interest-free	233	242
– Interest-bearing at 5.0% to 5.6% per annum (2024: 5.0% to 6.3% per annum)	410	411
	643	653

The loans due from associated companies are unsecured and have no fixed terms of repayment, except for interest-bearing loans due from associated companies of HK$40 million and HK$298 million which are repayable in 2027 and 2029 respectively (2024: HK$40 million repayable in 2027 and HK$298 million repayable in 2029). These loans are considered to have low credit risk. The financial position and performance of these companies are regularly monitored and reviewed by the management of the Group.

At 31st December 2025, Swire Properties' 40% equity interest in an associated company of HK$7,573 million (2024: HK$7,136 million) was pledged as security for securing advances from another associated company as disclosed in note 29.

20. Interests in Joint Venture and Associated Companies (continued)

(b) Interests in associated companies (continued)

In February 2021, Cathay Pacific Airways issued convertible bonds in an amount of HK$6.74 billion. In January 2025, HK$4,558 million in aggregate principal amount of the bonds was repurchased and the outstanding principal amount of the bonds was HK$2,164 million after the completion of the repurchase. During 2025, 283,447,261 ordinary shares were allotted and issued on exercise of the conversion rights of Cathay Pacific Airways' convertible bonds. Consequently, Swire Pacific's interest was diluted and reduced from 44.985% to 43.09%. The loss on deemed disposal of interests (including goodwill) in the Cathay group was HK$112 million (2024: gain of HK$0.9 million).

In November 2025, Cathay Pacific Airways and Qatar Airways Q.C.S.C. (Qatar Airways) entered into an undertaking to execute a buy-back agreement pursuant to which Cathay Pacific Airways would buy-back Qatar Airways' 9.56% shareholding in Cathay Pacific Airways at a consideration of HK$6,969 million. The completion of the share buy-back was executed on 24th February 2026. Consequently, Swire Pacific's interest has increased to 47.64%.

In January 2026, Air China and Cathay Pacific Airways entered into a share placing agreement to dispose of 108,080,000 shares.

The carrying amount of the Group's interest in Cathay Pacific Airways at 31st December 2025 was HK$25,964 million (2024: HK$24,057 million). The market value of the shares held in Cathay Pacific Airways at 31st December 2025 was HK$36,007 million (2024: HK$27,635 million), which is higher than the carrying amount.

The Group's share of assets and liabilities and results of associated companies is summarised below:

	2025 HK$M	2024 HK$M
Non-current assets (Note)	76,192	75,793
Current assets	21,212	19,261
Current liabilities	(30,986)	(24,847)
Non-current liabilities	(30,455)	(36,370)
Non-controlling interests	(31)	(40)
Others	(1)	(76)
Net assets	35,931	33,721
Revenue	50,940	47,445
Expenses	(45,540)	(42,466)
Profit before taxation	5,400	4,979
Taxation	(742)	(644)
Profit for the year	4,658	4,335
Other comprehensive income/(loss)	89	(554)
Total comprehensive income for the year	4,747	3,781

Note:
Non-current assets includes investment properties of HK$5,921 million (2024: HK$4,870 million). Investment properties held by the associated companies were valued by Cushman & Wakefield Limited on the basis of market value. The significant unobservable inputs used for the valuation of these investment properties are referenced to a level 3 fair value measurement as disclosed in note 15.

Contingencies in respect of Cathay Pacific Airways are disclosed in note 39(b).

The principal associated companies of the Group are shown on pages 227 to 237. In addition, Cathay Pacific Airways is considered individually material to the Group and abridged financial statements are shown on pages 238 and 239.

21. Financial Instruments by Category

Accounting Policy

Financial Assets

(a) Classification
The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through the consolidated statement of other comprehensive income or through the consolidated statement of profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are either recorded in the consolidated statement of profit or loss or the consolidated statement of other comprehensive income (OCI). For investment in debt instruments, this will depend on the business model in relation to which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(b) Recognition and derecognition
Purchases and sales of financial assets are recognised on their trade date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) Measurement
At initial recognition, except for trade debtors, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs in respect of financial assets at FVPL are expensed in the consolidated statement of profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Debt instruments:
Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

(i) Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the consolidated statement of profit or loss and presented in other net gains/(losses) together with foreign exchange gains and losses.

(ii) FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in the consolidated statement of profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the consolidated statement of profit or loss and recognised in other net gains/(losses). Interest income from these financial assets is included in finance income using the effective interest method. Foreign exchange gains and losses are presented in other net gains/(losses).

21. Financial Instruments by Category (continued)

Accounting Policy (continued)

Financial Assets (continued)

(c) Measurement (continued)

(iii) FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in the consolidated statement of profit or loss and presented net within "other net gains/(losses)" in the period in which it arises.

Equity instruments:
The Group subsequently measures all equity investments at fair value. Dividends from such investments are recognised in the consolidated statement of profit or loss as other net gains/(losses) when the Group's right to receive payments is established. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the consolidated statement of profit or loss following the derecognition of the investment.

Changes in the fair value of equity investments at FVPL are recognised in other net gains/(losses) in the consolidated statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(d) Impairment
The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group applies the simplified approach permitted by HKFRS 9 to measuring expected credit losses which uses a lifetime expected loss allowance for trade receivables and contract assets.

The measurement of expected credit losses of operating lease receivable includes consideration of expectations of forgiveness of lease income recognised as part of the relevant receivable.

Financial Liabilities

The Group classifies its financial liabilities in the following measurement categories:

(i) At fair value through profit or loss
Derivatives are included within this category unless they are designated as hedges.

(ii) Derivatives used for hedging
Derivative instruments are classified within this category if they qualify for hedge accounting.

(iii) Amortised cost
This category comprises non-derivative financial liabilities with fixed or determinable payments and fixed maturities.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the financial statements where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The Group has also entered into arrangements that do not meet the criteria for offsetting but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

21. Financial Instruments by Category (continued)

The accounting policies applied to financial instruments are shown below by line item:

Assets as per consolidated statement of financial position

	Note	At fair value through profit or loss HK$M	At fair value through other comprehensive income HK$M	Derivatives used for hedging HK$M	Amortised cost HK$M	Total carrying amount HK$M	Fair value HK$M
At 31st December 2025							
Loans due from joint venture companies	20(a)	–	–	–	13,269	13,269	13,269
Loans due from associated companies	20(b)	–	–	–	643	643	643
Investments at fair value	22	1,032	520	–	–	1,552	1,552
Derivative financial assets	23	5	–	57	–	62	62
Trade and other receivables excluding prepayments	26	–	–	–	10,532	10,532	10,532
Bank balances and short-term deposits	27	–	–	–	23,172	23,172	23,172
Total		1,037	520	57	47,616	49,230	49,230
At 31st December 2024							
Loans due from joint venture companies	20(a)	–	–	–	15,036	15,036	15,036
Loans due from associated companies	20(b)	–	–	–	653	653	653
Investments at fair value	22	1,757	403	–	–	2,160	2,160
Derivative financial assets	23	5	–	87	–	92	92
Trade and other receivables excluding prepayments	26	–	–	–	10,191	10,191	10,191
Bank balances and short-term deposits	27	–	–	–	21,028	21,028	21,028
Total		1,762	403	87	46,908	49,160	49,160

Liabilities as per consolidated statement of financial position

	Note	At fair value through profit or loss HK$M	Derivatives used for hedging HK$M	Amortised cost HK$M	Total carrying amount HK$M	Fair value HK$M
At 31st December 2025						
Trade and other payables excluding non-financial liabilities	29	–	–	36,359	36,359	36,359
Derivative financial liabilities	23	7	657	–	664	664
Long-term loans and bonds due within one year	30	–	–	17,166	17,166	17,186
Lease liabilities due within one year	31	–	–	938	938	938
Long-term loans and bonds due after one year	30	–	–	71,270	71,270	71,516
Lease liabilities due after one year	31	–	–	4,188	4,188	4,188
Total		7	657	129,921	130,585	130,851
At 31st December 2024						
Trade and other payables excluding non-financial liabilities	29	653	–	34,085	34,738	34,738
Derivative financial liabilities	23	8	472	–	480	480
Short-term loans	30	–	–	300	300	300
Long-term loans and bonds due within one year	30	–	–	15,466	15,466	12,267
Lease liabilities due within one year	31	–	–	912	912	912
Long-term loans and bonds due after one year	30	–	–	75,825	75,825	74,253
Lease liabilities due after one year	31	–	–	4,109	4,109	4,109
Total		661	472	130,697	131,830	127,059

The trade and other payables includes a put option for existing shareholders to sell additional shares in TNCC. The put option is measured at amortised cost.

21. Financial Instruments by Category (continued)

The fair values of financial instruments traded in active markets are based on quoted market prices at the year-end date. The quoted market prices used for financial assets held by the Group are the then current bid prices.

The fair values of financial instruments that are not traded in active markets are determined by using valuation techniques such as estimated discounted cash flows or based on quotes from market makers, which use assumptions that are based on market conditions existing at each year-end date.

The book values of trade and other receivables and trade and other payables approximate their fair values.

The fair value of borrowings is not equal to their carrying value, but is based on cash flows discounted using assumptions sourced from the relevant financial institutions or quotes from market makers or alternative market participants supported by observable inputs, such as interest rates. Non-current borrowings would be categorised within level 2 of the fair value hierarchy if they were accounted for at fair value.

Financial instruments that are measured at fair value are included in the following fair value hierarchy:

Assets as per consolidated statement of financial position

	Note	Level 1 HK$M	Level 2 HK$M	Level 3 HK$M	Total carrying amount HK$M
At 31st December 2025					
Investments at fair value through other comprehensive income	22(a)				
– Listed equity investments		**72**	**–**	**–**	**72**
– Unlisted equity investments		**–**	**–**	**448**	**448**
Investments at fair value through profit or loss					
– Unlisted equity investments	22(b)	**–**	**–**	**723**	**723**
– Unlisted debt investments	22(c)	**–**	**–**	**309**	**309**
Derivative financial assets	23	**–**	**62**	**–**	**62**
Total		**72**	**62**	**1,480**	**1,614**
At 31st December 2024					
Investments at fair value through other comprehensive income	22(a)				
– Listed equity investments		65	–	–	65
– Unlisted equity investments		–	–	338	338
Investments at fair value through profit or loss					
– Listed equity investments	22(b)	764	–	–	764
– Unlisted equity investments	22(b)	–	–	674	674
– Unlisted debt investments	22(c)	–	–	319	319
Derivative financial assets	23	–	92	–	92
Total		829	92	1,331	2,252

21. Financial Instruments by Category (continued)

Liabilities as per consolidated statement of financial position

	Note	Level 1 HK$M	Level 2 HK$M	Level 3 HK$M	Total carrying amount HK$M
At 31st December 2025					
Derivative financial liabilities	23	–	664	–	664
At 31st December 2024					
Derivative financial liabilities	23	–	480	–	480
Put option over a non-controlling interest in the USA		–	–	653	653
		–	480	653	1,133

Notes:
The levels in the hierarchy represent the following:
Level 1 – Financial instruments measured at fair value using quoted prices in active markets.
Level 2 –Financial instruments measured at fair value using inputs other than quoted prices but where those inputs are based on observable market data.
Level 3 –Financial instruments measured at fair value using inputs not based on observable market data.

The Group's policy is to recognise any transfer into and out of fair value hierarchy levels as at the date of the event or change in circumstances that causes the transfer.

The change in level 3 financial instruments for the year is as follows:

	Unlisted investments HK$M	Put options over non-controlling interests HK$M
At 1st January 2025	1,331	653
Translation differences	6	(1)
Additions	632	–
Derecognition of a put option over a non-controlling interest upon settlement	–	(570)
Disposal	(544)	–
Distribution	–	(8)
Change in fair value during the year recognised in		
– profit or loss*	–	(74)
– other comprehensive income	55	–
At 31st December 2025	1,480	–
* Including unrealised gain recognised on balances held at 31st December 2025	–	–

21. Financial Instruments by Category (continued)

	Unlisted investments HK$M	Put options over non-controlling interests HK$M
At 1st January 2024	876	638
Translation differences	(7)	(4)
Additions	387	–
Disposal	(3)	–
Acquisition of subsidiary companies	78	–
Distribution	–	(30)
Change in fair value during the year recognised in		
– profit or loss*	–	49
At 31st December 2024	1,331	653
* Including unrealised losses recognised on balances held at 31st December 2024	–	(49)

There has been no change in the valuation techniques for level 2 and level 3 fair value hierarchy classifications.

The fair value of derivatives used for hedging in level 2 is based on quotes from market makers or discounted cash flow valuation techniques and is supported by observable inputs. The most significant observable inputs are market interest rates, exchange rates, yields and commodity prices.

The fair value of unlisted equity investments classified within level 3 is predominately determined using quotes from market makers which use assumptions that are based on market conditions existing at each year-end date. The significant unobservable inputs used are yields and market prices. The fair value of unlisted debt investments classified within level 3 is determined using a discounted cash flow valuation technique. The significant unobservable inputs used are expected future growth rates and discount rates. Changing these unobservable inputs based on reasonable alternative assumptions would not significantly change the valuation of unlisted investments.

The Group's finance departments perform the valuations of financial instruments required for reporting purposes, including level 3 fair values. The valuations are reviewed and approved by the Divisional Finance Directors.

22. Investments at Fair Value

		2025 HK$M	2024 HK$M
(a)	Equity investments at fair value through other comprehensive income		
	Shares listed in Hong Kong	31	26
	Shares listed overseas	41	39
	Unlisted investments	448	338
		520	403
(b)	Equity investments at fair value through profit or loss		
	Shares listed overseas	–	764
	Unlisted investments	723	674
		723	1,438
(c)	Debt investments at fair value through profit or loss		
	Unlisted investments	309	319
	Total	1,552	2,160

23. Derivative Financial Instruments

Accounting Policy

Derivatives are initially recognised at fair value on the dates derivative contracts are entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The Group designates certain derivatives as either: (a) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges); (b) hedges of highly probable forecast transactions (cash flow hedges); or (c) hedges of net investments in foreign operations (net investment hedges).

The Group documents at the inception of transactions the economic relationship between hedging instruments and hedged items, including whether the derivatives that are used in hedging transactions are expected to offset changes in cash flows of hedged items.

(a) Cash flow hedges that qualify for hedge accounting
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in the consolidated statement of profit or loss.

When option contracts are used to hedge forecast transactions, the Group designates only the intrinsic value of the options as the hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the options are recognised in the cash flow hedge reserve within equity. The changes in the time value of the options that relate to the hedged item (aligned time value) are recognised within OCI in the costs of hedging reserve within equity.

When forward contracts are used to hedge forecast transactions, the Group designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in the cash flow hedge reserve within equity. The change in the forward element of the contract that relates to the hedged item (aligned forward element) is recognised within OCI in the costs of hedging reserve within equity. In some cases, the Group may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains or losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedge reserve within equity.

23. Derivative Financial Instruments (continued)

Accounting Policy (continued)

When cross-currency swap contracts are used to hedge future cash flow, the Group designates only the change in fair value of the swap contract after exclusion of the foreign currency basis spread component as the hedging instrument. Gains or losses relating to the effective portion of the swap contract after exclusion of the foreign currency basis spread component are recognised in the cash flow hedge reserve within equity. The change in fair value of the foreign currency basis spread of the swap contract, to the extent it relates to the hedged item, is recognised separately as a cost of hedging on a systematic and rational basis over the period of the hedging relationship within OCI in equity. Hedge ineffectiveness is recognised in the consolidated statement of profit or loss within finance costs.

Amounts accumulated in equity are reclassified in the periods when the hedged item affects the consolidated statement of profit or loss, as follows:

(i) Where the hedged item subsequently results in the recognition of a non-financial asset (such as inventory), both the deferred hedging gains and losses and the deferred time value of the option contracts or deferred forward points, if any, are included within the initial cost of the asset. The deferred amounts are ultimately recognised in the consolidated statement of profit or loss as the hedged item affects the consolidated statement of profit or loss (for example through cost of sales).

(ii) The gains or losses relating to the effective portion of (a) the interest rate swaps hedging variable rate borrowings and (b) cross-currency swap contracts hedging borrowings in foreign currency are recognised in the consolidated statement of profit or loss within finance cost at the same time as the interest expense on the hedged borrowings.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss and deferred costs of hedging existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the consolidated statement of profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately transferred to the consolidated statement of profit or loss.

(b) Net investment hedges
Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of a hedge is recognised in equity; the gain or loss relating to the ineffective portion is recognised immediately in the consolidated statement of profit or loss.

Gains and losses accumulated in equity are transferred to the consolidated statement of profit or loss when the foreign operation is disposed of.

(c) Derivatives that do not qualify for hedge accounting
Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in the consolidated statement of profit or loss.

(d) Rebalancing of hedge relationships
If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in the consolidated statement of profit or loss at the time of the hedge relationship rebalancing.

23. Derivative Financial Instruments (continued)

	2025		2024	
	Assets HK$M	Liabilities HK$M	Assets HK$M	Liabilities HK$M
Cross-currency swaps – cash flow hedges[(i)]	48	585	37	451
Interest rate swaps – cash flow hedges[(ii)]	–	71	49	–
Forward foreign exchange contracts				
– cash flow hedges	9	1	1	21
– not qualifying as hedges	–	7	–	8
Commodity swaps – not qualifying as hedges	5	–	5	–
Total	62	664	92	480
Analysed as:				
– Current	61	14	13	26
– Non-current	1	650	79	454
	62	664	92	480

Notes:

(i) The cross-currency swaps principally hedge the foreign currency risk relating to US$ note issues. Gains and losses recognised in the consolidated statement of other comprehensive income on cross-currency swaps at 31st December 2025 are expected to affect the consolidated statement of profit or loss in the years to redemption of the notes (up to and including 2032). The total notional principal amount of the outstanding cross-currency swap contracts at 31st December 2025 was HK$20,543 million (2024: HK$20,492 million). The hedging instruments typically have a one-to-one hedge ratio with the hedged items.

(ii) The interest rate swaps hedge long-term interest rate exposures. Gains and losses recognised in the consolidated statement of other comprehensive income on interest rate swaps at 31st December 2025 are expected to affect the consolidated statement of profit or loss in the years to redemption of the notes (up to and including 2030). The total notional principal amount of the outstanding interest rate swap contracts at 31st December 2025 was HK$6,650 million (2024: HK$4,450 million). The hedging instruments typically have a one-to-one hedge ratio with the hedged items.

(iii) For the years ended 31st December 2025 and 31st December 2024, all cash flow hedges qualifying for hedge accounting were effective.

24. Properties for Sale

Accounting Policy

Properties for sale comprise freehold and leasehold land at cost, construction costs and interest costs capitalised and are carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Properties under development are active construction projects which are expected to be sold within the Group's normal operating cycle and are classified as current assets. Completed properties are available for immediate sale and are classified as current assets.

	2025 HK$M	2024 HK$M
Properties for sale		
Properties under development		
– development costs	3,042	3,837
– freehold land	109	–
– leasehold land	4,011	8,751
Completed properties		
– development costs	3,489	54
– leasehold land	4,797	34
	15,448	12,676

25. Stocks and Work in Progress

Accounting Policy

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost represents average unit cost and net realisable value is determined on the basis of anticipated sales proceeds less estimated selling expenses. The costs of finished goods and work in progress comprise direct material and labour costs and an appropriate proportion of production overhead expenses less provisions for foreseeable losses. Cost also includes the transfer from equity of any gains/losses on qualifying cash flow hedges relating to purchases of raw materials or stocks.

	2025 HK$M	2024 HK$M
Goods for sale	**3,709**	4,035
Manufacturing materials	**1,266**	1,321
Production and service supplies	**3,480**	2,592
	8,455	7,948

26. Trade and Other Receivables

Accounting Policy

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components. Other receivables are recognised initially at fair value. Trade and other receivables are subsequently measured at amortised cost using the effective interest method, less provision for loss allowance. Trade and other receivables in the consolidated statement of financial position are stated net of such provisions.

	2025 HK$M	2024 HK$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.

26. Trade and Other Receivables (continued)

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

	2025 HK$M	2024 HK$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

Other receivables include rent free and other lease incentives to tenants of HK$1,517 million (2024: HK$1,609 million), which are amortised over the relevant lease terms.

The other non-current assets at 31st December 2025 represents a contingent consideration for the sale of Swire Properties' interests in the investment properties at Brickell City Centre in the USA as mentioned in note 43(d). In accordance with the sale and purchase agreement, the contingent consideration is expected to be received in 2028, on the 45th day following the third anniversary of the completion of the disposal.

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.

At 31st December 2025, trade debtors of HK$55 million (2024: HK$53 million) were impaired and the expected credit losses for the remaining trade and other receivables are not significant. The amount of the provision was HK$53 million at 31st December 2025 (2024: HK$52 million).

The maximum exposure to credit risk at 31st December 2025 and 31st December 2024 is the carrying value of trade debtors, amounts due from joint venture and associated companies, accrued income and other receivables disclosed above. The carrying value of rental deposits from tenants held as security against trade debtors at 31st December 2025 was HK$2,936 million in trade and other payables (2024: HK$2,942 million).

27. Bank Balances and Short-Term Deposits

Accounting Policy

Cash and cash equivalents comprise cash in hand, amounts repayable on demand from banks and financial institutions and short-term highly liquid investments which were within three months of maturity when acquired, less bank overdrafts.

	2025 HK$M	2024 HK$M
Bank balances and short-term deposits maturing within three months	**20,966**	19,730
Short-term deposits maturing after more than three months	**2,206**	1,298
	23,172	21,028

The effective interest rates on short-term deposits of the Group ranged from 0.01% to 7.0% per annum (2024: 0.01% to 5.5% per annum); these deposits have maturities from 5 to 365 days (2024: 7 to 365 days).

The maximum exposure to credit risk in respect of bank balances and short-term deposits at 31st December 2025 and 31st December 2024 is the carrying value of the bank balances and short-term deposits disclosed above.

28. Assets Classified as Held for Sale/Liabilities Associated with Assets Classified as Held for Sale

Accounting Policy

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs of disposal, except for assets such as deferred tax assets, financial assets and investment properties that are carried at fair value.

Non-current assets classified as held for sale and the assets associated with the disposal group classified as held for sale are presented separately from the other assets in the consolidated statement of financial position. The liabilities associated with the disposal group classified as held for sale are presented separately from other liabilities in the consolidated statement of financial position.

As at 31st December 2024, assets classified as held for sale and liabilities associated with assets classified as held for sale represented Swire Properties' interests in certain investment properties in the USA and certain fixed assets of Swire Coca-Cola.

In 2025, Swire Properties completed the disposal of its interest in these investment properties to Simon Property Group, a non-controlling interest which previously owned a 25% interest in these properties. Details of the disposals are disclosed in note 43(d).

29. Trade and Other Payables

Accounting Policy

Trade and other payables (except for put options over non-controlling interests in subsidiary companies, if any) are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

	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 amounts due to and advances from immediate holding, joint venture and associated companies, and non-controlling interests are unsecured, interest-free and have no fixed terms of repayment. Included in the interest-bearing advances from associated companies, a balance of HK$2,115 million (2024: HK$2,021 million) is secured by Swire Properties' 40% equity interest in another associated company and repayable in 2027 or with a 60-day notice from the lending associated company. The remaining amounts are unsecured and repayable in 2028 or with a 60-day notice from the lending associated company. Apart from the amounts due to joint venture and associated companies, which are interest-bearing as specified above, the balances are interest free.

Other payables due after one year under non-current liabilities represent deposits received for the sale of Swire Properties' interest in the 42nd and 44th floors (2024: 42nd to 44th floors) of the One Island East office tower in Hong Kong. The sale of each of these floors will be completed in accordance with the terms specified in the sale and purchase agreements before the end of 2028.

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

30. Borrowings

Accounting Policy

Borrowings are recognised initially at fair value and subsequently measured at amortised cost. Transaction costs incurred are included in respect of those not held at fair value through profit or loss. Borrowings are subsequently stated at amortised cost, with any difference between the proceeds (net of transaction costs) and the redemption value recognised in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has a right to defer settlement of the liability for at least 12 months after the period-end date.

For disclosure purposes, the fair value of borrowings stated at amortised cost is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

During the year ended 31st December 2025 the Group was, and up to date of this annual report the Group has been, in compliance with the loan covenants under the Group's borrowings and available banking facilities.

During the year ended 31st December 2025, the Group designated the Renminbi-denominated borrowings of HK$22,244 million (2024: HK$16,433 million) to hedge the exposure arising from the net investments in subsidiaries with major operations in the Chinese Mainland. Losses arising from the hedging instrument of HK$954 million (2024: gains of HK$481 million) have been recognised in other comprehensive income as an effective hedge.

Refer to the tables with the heading "Audited Financial Information" on pages 85 to 94 for details of the Group's borrowings.

31. Lease Liabilities

	2025 HK$M	2024 HK$M
Maturity profile at year end is as follows:		
Within one year	**938**	912
Between one and two years	**652**	700
Between two and five years	**1,334**	1,261
Over five years	**2,202**	2,148
	5,126	5,021
Amount due within one year included under current liabilities	**(938)**	(912)
	4,188	4,109

At 31st December 2025, the weighted average incremental borrowing rate applied in measuring the lease liabilities was 3.98% per annum (2024: 4.00% per annum).

For the accounting policy in respect of lease liabilities, please refer to right-of-use assets (note 17).

32. Deferred Taxation

Accounting Policy

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred tax arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the recognition, has no impact on taxable or accounting profit or loss, it is not recognised. Tax rates enacted or substantively enacted by the period-end date are used to determine deferred taxation.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred taxation is provided on temporary differences arising on investments in subsidiary, joint venture and associated companies, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax relating to investment properties in Hong Kong and the USA is calculated having regard to the presumption that the value of these properties is capable of being recovered entirely through sale. This presumption is rebutted in relation to investment properties in the Chinese Mainland, because the business model applicable to them is to consume substantially all the economic benefits embodied in them over time rather than through sale. Accordingly, deferred tax relating to investment properties in the Chinese Mainland is determined on the basis of recovery through use.

Deferred tax assets and liabilities are netted off when the taxes relate to the same taxation authority and where offsetting is legally enforceable. The following amounts, determined after appropriate offsetting, are shown separately in the consolidated statement of financial position:

	2025 HK$M	2024 HK$M
Deferred tax assets	**1,009**	711
Deferred tax liabilities	**(20,825)**	(19,799)
	(19,816)	(19,088)

Substantially all deferred tax balances are to be recovered or settled after more than 12 months.

The movement on the net deferred tax liabilities account is as follows:

	Note	**2025 HK$M**	2024 HK$M
At 1st January		**19,088**	16,093
Translation differences		**673**	(537)
Acquisition of subsidiary companies		**–**	2,584
Disposal of subsidiary companies	43(d)	**(21)**	–
Charged to profit or loss	10	**88**	916
(Credited)/charged to other comprehensive income		**(12)**	34
Other net transfers		**–**	(2)
At 31st December		**19,816**	19,088

32. Deferred Taxation (continued)

The movement in deferred tax assets and liabilities (prior to offsetting balances within the same taxation jurisdiction) during the year is as follows:

Deferred tax liabilities

	Accelerated tax depreciation		Valuation of investment properties		Right-of-use assets		Others		Total	
	2025 HK$M	2024 HK$M	**2025 HK$M**	2024 HK$M	**2025 HK$M**	2024 HK$M	**2025 HK$M**	2024 HK$M	**2025 HK$M**	2024 HK$M
At 1st January	**6,442**	6,103	**8,462**	8,111	**597**	577	**5,900**	3,291	**21,401**	18,082
Translation differences	**88**	(61)	**384**	(276)	**13**	(9)	**193**	(217)	**678**	(563)
Acquisition of subsidiary companies	**–**	64	**–**	–	**–**	53	**–**	2,624	**–**	2,741
Disposal of subsidiary companies	**–**	–	**–**	–	**–**	–	**(34)**	–	**(34)**	–
Charged/(credited) to profit or loss	**93**	333	**(252)**	627	**18**	(24)	**53**	173	**(88)**	1,109
Charged to other comprehensive income	**4**	3	**–**	–	**–**	–	**9**	29	**13**	32
Other net transfers	**481**	–	**–**	–	**15**	–	**21**	–	**517**	–
At 31st December	**7,108**	6,442	**8,594**	8,462	**643**	597	**6,142**	5,900	**22,487**	21,401

Deferred tax assets

	Provisions		Tax losses		Lease liabilities		Others		Total	
	2025 HK$M	2024 HK$M	**2025 HK$M**	2024 HK$M	**2025 HK$M**	2024 HK$M	**2025 HK$M**	2024 HK$M	**2025 HK$M**	2024 HK$M
At 1st January	**228**	168	**766**	737	**587**	587	**732**	497	**2,313**	1,989
Translation differences	**2**	(10)	**3**	(1)	**12**	(8)	**(12)**	(7)	**5**	(26)
Acquisition of subsidiary companies	**–**	–	**–**	–	**–**	48	**–**	109	**–**	157
Disposal of subsidiary companies	**1**	–	**(10)**	–	**–**	–	**(4)**	–	**(13)**	–
Credited/(charged) to profit or loss	**67**	58	**(37)**	29	**7**	(40)	**(213)**	146	**(176)**	193
Credited/(charged) to other comprehensive income	**–**	–	**–**	–	**–**	–	**25**	(2)	**25**	(2)
Other net transfers	**464**	12	**–**	1	**11**	–	**42**	(11)	**517**	2
At 31st December	**762**	228	**722**	766	**617**	587	**570**	732	**2,671**	2,313

Deferred tax assets are recognised in respect of tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses of HK$3,304 million (2024: HK$4,492 million) to carry forward against future taxable income.

These amounts are analysed as follows:

	Unrecognised tax losses	
	2025 HK$M	2024 HK$M
No expiry date	**2,569**	2,925
Expiring in 2025	**–**	158
Expiring in 2026	**114**	109
Expiring in 2027	**143**	189
Expiring in 2028	**113**	108
Expiring in 2029 (2024: 2029 or after)	**145**	1,003
Expiring in 2030 or after	**220**	N/A
	3,304	4,492

33. Retirement Benefits

The Group operates a number of defined benefit and defined contribution retirement benefit schemes for its employees, the assets of which are generally held in separate trustee administered funds. The majority of the Group's schemes are final salary guaranteed lump sum defined benefit plans.

A defined benefit scheme is a retirement plan that defines the benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The Group has an obligation to provide participating employees with these benefits.

A defined contribution scheme is a retirement plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in current and prior periods.

Accounting Policy

For defined benefit schemes, retirement benefit costs are assessed using the projected unit credit method. Under this method, the cost of providing retirement benefits is charged to the consolidated statement of profit or loss so as to spread the regular cost over the service lives of employees.

The asset or liability recognised in the consolidated statement of financial position is the present value of the cost of providing these benefits (the defined benefit obligation) less the fair value of the plan assets at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries and is determined by discounting the estimated future cash flows using interest rates payable in respect of high quality corporate bonds. The plan assets are valued on a bid price basis.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in the consolidated statement of other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in the consolidated statement of profit or loss. Any differences between the implicit and actual return on assets are charged as remeasurements to the consolidated statement of other comprehensive income.

For defined contribution schemes, the Group's contributions are charged to the consolidated statement of profit or loss in the periods to which the contributions relate.

The Group's obligations and expenses in respect of defined benefit schemes are dependent on a number of factors that are determined using a number of actuarial assumptions. The details of the actuarial assumptions used, including applicable sensitivities, are disclosed in note 33(f).

For the year ended 31st December 2025, disclosures are based on valuations prepared by Mercer (Hong Kong) Limited at 31st December 2024 which were updated to reflect the position at 31st December 2025 by Cannon Trustees Limited, the main administration manager of the Group's defined benefit schemes. For the year ended 31st December 2024, disclosures in respect of defined benefit schemes are based on valuations prepared by Mercer (Hong Kong) Limited at 31st December 2024. Schemes in Taiwan, Cambodia and Thailand are valued by independent qualified actuaries. The method of accounting and the frequency of valuations are similar to those used for defined benefit schemes.

Contributions to the defined benefit retirement schemes are made in accordance with the funding rates recommended by independent qualified actuaries to ensure that the plans will be able to meet their liabilities as they become due. The funding rates are subject to annual review and are determined by taking into consideration the difference between the market values of the plans' assets and the present value of accrued past service liabilities, on an ongoing basis, as computed by reference to actuarial valuations. The principal schemes in Hong Kong are valued by qualified actuaries for funding purposes under the provision of Hong Kong's Occupational Retirement Schemes Ordinance. The latest actuarial valuations indicate that the funding level was 107% (2024: 103%) of the accrued liabilities on an ongoing basis. The Group expects to make contributions of HK$164 million to its defined benefit schemes in 2026.

33. Retirement Benefits (continued)

New employees in Hong Kong are offered the choice of joining the defined benefit retirement schemes, the defined contribution retirement schemes or the mandatory provident fund (MPF) scheme. Where staff elect to join the MPF scheme, both the Company and the staff are required to contribute 5% of the employees' relevant monthly income (capped at HK$30,000). Staff may elect to contribute more than the minimum as a voluntary contribution. Employees engaged outside Hong Kong are covered by appropriate local arrangements.

(a) The amounts recognised in the consolidated statement of financial position are as follows:

	2025 HK$M	2024 HK$M
Present value of funded obligations	4,242	3,929
Fair value of plan assets	(4,163)	(3,731)
Net retirement benefit liabilities	79	198
Represented by:		
Retirement benefit assets	294	146
Retirement benefit liabilities	(373)	(344)
	(79)	(198)

(b) Changes in the present value of the defined benefit obligations are as follows:

	2025 HK$M	2024 HK$M
At 1st January	3,929	3,626
Translation differences	36	(10)
Transfer of members	(4)	(5)
Acquisition of subsidiary companies	–	276
Current service cost	200	206
Interest expense	157	147
Actuarial losses/(gains) from changes in financial assumptions	297	(34)
Experience losses	20	67
Benefits paid	(395)	(344)
Curtailments and settlements	2	–
At 31st December	4,242	3,929

The weighted average duration of the defined benefit obligations is 6.9 years (2024: 7.3 years).

(c) Changes in the fair value of plan assets are as follows:

	2025 HK$M	2024 HK$M
At 1st January	3,731	3,573
Translation differences	5	(7)
Transfer of members	(4)	(5)
Interest income	159	148
Return on plan assets, excluding interest income	466	178
Contributions by employers	166	184
Benefits paid	(360)	(340)
At 31st December	4,163	3,731

There were no plan amendments during the year.

33. Retirement Benefits (continued)

(d) Net expenses recognised in the consolidated statement of profit or loss are as follows:

	2025 HK$M	2024 HK$M
Current service cost	200	206
Net interest income	(2)	(1)
Past service cost – curtailments	2	–
	200	205

The above net expenses were included in costs of sales, distribution costs and administrative expenses in the consolidated statement of profit or loss.

The actual return on defined benefit plan assets was a gain of HK$625 million (2024: gain of HK$326 million).

(e) The plan assets of the schemes in Hong Kong are invested in the Swire Group Unitised Trust (the Unitised Trust). The Unitised Trust has four sub-funds in which the assets may be invested in accordance with separate and distinct investment policies and objectives. The Unitised Trust and sub-funds are overseen by an investment committee, which meets four times a year.

The make-up of the Unitised Trust is the result of the asset allocation of each sub-fund. The asset allocation of each plan targets a mix of equities, fixed income, absolute return funds and short duration bond sub-funds.

The management of the assets within the sub-funds is delegated by the investment committee to a number of reputable investment managers. The plan assets comprise:

	2025 HK$M	2024 HK$M
Equities		
Asia Pacific	226	180
Europe	204	157
North America	721	640
Emerging markets	832	692
Bonds		
Global	958	926
Emerging markets	89	77
Absolute return funds	748	697
Cash	385	362
	4,163	3,731

At 31st December 2025, the prices of 47% of equities and 10% of bonds were quoted on active markets (31st December 2024: 35% and 11% respectively). The remainder of the prices were not quoted on active markets.

The most significant risk facing the defined benefit schemes of the Group is market risk. This risk embodies the potential for losses and gains and includes price risk, interest rate risk and currency risk as well as factors specific to an individual investment and its issuer and risk specific to a certain market. Market risk is managed principally through diversification of investments by the appointed investment managers. Investment managers enter into agreements that stipulate the performance objective of the investments, which is referenced to a recognised benchmark. The investment committee monitors the overall market risk position on a quarterly basis.

33. Retirement Benefits (continued)

(f) The significant actuarial assumptions used are as follows:

	2025		2024	
	Hong Kong %	**Others %**	Hong Kong %	Others %
Discount rate	**3.16**	**1.35 – 6.00**	4.39	1.60 – 6.00
Expected rate of future salary increases	**3.50 – 4.00**	**2.75 – 7.00**	3.50 – 5.40	2.75 – 7.00

The sensitivity of the defined benefit obligations to changes in actuarial assumptions is:

	Increase/(decrease) in defined benefit obligations		
	Change in assumption	Increase in assumption HK$M	Decrease in assumption HK$M
At 31st December 2025			
Discount rate	**0.5%**	**(139)**	**146**
Expected rate of future salary increases	**0.5%**	**143**	**(137)**
At 31st December 2024			
Discount rate	0.5%	(126)	135
Expected rate of future salary increases	0.5%	134	(127)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligations to significant actuarial assumptions the same method has been applied as when calculating the retirement benefit liability recognised within the consolidated statement of financial position.

(g) Defined contribution retirement schemes
Total retirement benefit costs charged to the consolidated statement of profit or loss for the year ended 31st December 2025 amounted to HK$602 million (2024: HK$574 million), including HK$402 million (2024: HK$369 million) in respect of defined contribution schemes.

34. 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.

34. Share Capital (continued)

Details of shares acquired by month are as follows:

'A' shares	Number purchased	Highest price paid HK$	Lowest price paid HK$	Total[i] HK$M
Month				
January	3,014,000	70.00	66.90	207
February	6,203,500	67.90	62.45	401
March	7,104,500	70.00	65.15	488
April	6,296,000	69.25	60.20	407
May	2,501,000	70.00	66.95	174
	25,119,000			1,677

'B' shares	Number purchased	Highest price paid HK$	Lowest price paid HK$	Total[i] HK$M
Month				
January	1,807,500	11.20	10.66	20
February	2,250,000	11.04	10.50	24
March	4,947,500	11.50	10.58	54
April	4,480,000	11.14	9.46	46
May	1,917,500	10.90	10.66	21
	15,402,500			165

Note:
(i) Excluding transaction fees of HK$5 million for 'A' shares and 'B' shares.

Except for voting rights, which are equal, the entitlements of 'A' and 'B' shareholders are in the proportion five to one.

35. Reserves

	Note	Revenue reserve HK$M	Property revaluation reserve HK$M	Investment revaluation reserve HK$M	Cash flow hedge reserve HK$M	Translation reserve HK$M	Total HK$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	12	(2,849)	–	–	–	–	(2,849)
2025 first interim dividend	12	(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: actual dividend paid HK$2,849 million) representing the declared second interim dividend for the year (note 12).

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

35. Reserves (continued)

	Note	Revenue reserve HK$M	Property revaluation reserve HK$M	Investment revaluation reserve HK$M	Cash flow hedge reserve HK$M	Translation reserve HK$M	Total HK$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	12	(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).

36. Non-controlling Interests

The movement of non-controlling interests during the year is as follows:

	Note	2025 HK$M	2024 HK$M
At 1st January		60,367	56,645
Share of profits less losses for the year		557	380
Share of revaluation of property previously occupied by the Group			
– (Losses)/gains recognised during the year		(3)	1
Share of defined benefit plans			
– remeasurement gains recognised during the year		5	12
Share of cash flow hedges			
– (Losses)/gains recognised during the year		(12)	21
– transferred to net finance charges		(1)	(10)
– deferred tax		3	(2)
Share of other comprehensive income/(loss) of joint venture and associated companies		211	(150)
Share of net translation differences		1,048	(787)
Share of total comprehensive income/(loss)		1,808	(535)
Increase in share of net assets of subsidiary companies		193	–
Derecognised upon disposal of subsidiary companies	43(d)	(1,370)	–
Capital contribution from non–controlling interests		–	55
Dividends declared and/or paid		(1,982)	(1,535)
Change in composition of the Group (Note)		(2,358)	5,737
At 31st December		56,658	60,367

Note:
As at 31st December 2025, the change in composition of the Group comprised share buy-back of Swire Properties of HK$2,339 million (repurchase of Swire Properties shares of HK$121 million and a decrease in non-controlling interests of Swire Properties of HK$2,218 million) and net transactions with non-controlling interests at Beverages Division of HK$21 million, offset by net transactions with non-controlling interests within the Head Office, Healthcare and others of HK$2 million.

As at 31st December 2024, the change in composition of the Group comprised acquisition of non-wholly-owned subsidiaries at Beverages Division and Healthcare business of HK$7,234 million and net transactions with non-controlling interests at Beverages and Aviation Divisions of HK$46 million, offset by repurchase of Swire Properties shares of HK$132 million and a decrease in non-controlling interests of Swire Properties of HK$1,411 million.

37. Company Statement of Financial Position and Reserves

(a) Company Statement of Financial Position

	Note	31st December 2025 HK$M	31st December 2024 HK$M
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		–	1
Subsidiary companies		25,704	25,704
Loans due from subsidiary companies		17,081	18,458
Associated companies		9,896	9,896
Equity investments at fair value		30	789
Deferred tax assets		1	1
		52,712	54,849
Current assets			
Trade and other receivables		69	58
Taxation receivable		427	427
Bank balances and short-term deposits		14	76
		510	561
Current liabilities			
Trade and other payables		306	283
Amounts due to subsidiary companies		39,067	40,976
		39,373	41,259
Net current liabilities		(38,863)	(40,698)
Total assets less current liabilities		13,849	14,151
NET ASSETS		13,849	14,151
EQUITY			
Equity attributable to the Company's shareholders			
Share capital	34	1,294	1,294
Reserves	37(b)	12,555	12,857
TOTAL EQUITY		13,849	14,151

Guy Bradley
Martin Murray
Paul Etchells
Directors
Hong Kong, 12th March 2026

37. Company Statement of Financial Position and Reserves (continued)

(b) The movement of the Company's reserves during the year is as follows:

	Note	Revenue reserve HK$M	Investment revaluation reserve HK$M	Total HK$M
At 1st January 2025		**12,908**	**(51)**	**12,857**
Profit for the year		**6,142**	**–**	**6,142**
Other comprehensive income				
Changes in the fair value of equity investments at fair value through other comprehensive income				
– gains recognised during the year		**–**	**5**	**5**
Total comprehensive income for the year		**6,142**	**5**	**6,147**
Repurchase of the Company's shares		**(1,847)**	**–**	**(1,847)**
2024 second interim dividend	12	**(2,849)**	**–**	**(2,849)**
2025 first interim dividend	12	**(1,753)**	**–**	**(1,753)**
At 31st December 2025		**12,601**	**(46)**	**12,555**
At 1st January 2024		10,843	(34)	10,809
Profit for the year		10,500	–	10,500
Other comprehensive income				
Defined benefit plans				
– remeasurement losses recognised during the year		(6)	–	(6)
– deferred tax		8	–	8
Changes in the fair value of equity investments at fair value through other comprehensive income				
– losses recognised during the year		–	(17)	(17)
Total comprehensive income for the year		10,502	(17)	10,485
Repurchase of the Company's shares		(3,851)	–	(3,851)
2023 second interim dividend		(2,841)	–	(2,841)
2024 first interim dividend	12	(1,745)	–	(1,745)
At 31st December 2024		12,908	(51)	12,857

(i) Distributable reserves of the Company at 31st December 2025 amounted to HK$12,601 million (2024: HK$12,908 million).

(ii) The Company's revenue reserve includes HK$3,372 million (2024: actual dividend paid HK$2,849 million) representing the declared second interim dividend for the year (note 12).

38. Capital Commitments

		2025 HK$M	2024 HK$M
(a)	The Group's outstanding capital commitments at the year end in respect of:		
	Property, plant and equipment and others	2,932	2,735
	Investment properties	4,441	5,597
		7,373	8,332
	The Group's share of capital commitments of joint venture companies at the year end (Note)	3,434	2,983

Note:
Of which the Group is committed to provide funding of HK$1,217 million (2024: HK$845 million).

At 31st December 2025, the Group was committed to inject capital of HK$982 million (2024: HK$1,549 million) to joint venture companies.

(b) At 31st December 2025, the Group had unprovided contractual obligations for future repairs and maintenance in respect of investment properties of HK$243 million (2024: HK$521 million).

39. Contingencies

Accounting Policy

Contingent liabilities are possible obligations that arise from past events, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of an outflow of economic benefits is remote.

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under HKFRS 9 "Financial Instruments"; and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of HKFRS 15 "Revenue from Contracts with Customers".

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations. Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

39. Contingencies (continued)

		2025 HK$M	2024 HK$M
(a)	Guarantees provided in respect of:		
	Bank loans and other liabilities of joint venture companies	**2,849**	4,145
	Bank guarantees given in lieu of utility deposits and others	**667**	126
		3,516	4,271

The Group has assessed the fair value of the above guarantees and does not consider them to be material. They have therefore not been recognised in the consolidated statement of financial position.

At 31st December 2025, the future trade receivables of DeltaHealth China Limited and the registered share capital of two of its subsidiary companies totalling HK$2,632 million (2024: HK$2,419 million) are pledged as security for secured loans and other borrowings.

(b) Cathay Pacific Airways

Cathay Pacific Airways remains the subject of antitrust proceedings in various jurisdictions. The proceedings are focused on issues relating to pricing and competition. Cathay Pacific Airways is represented by legal counsel in connection with these matters.

The proceedings and civil actions are ongoing and the outcomes are subject to uncertainties. Cathay Pacific Airways is not in a position to assess the full potential liabilities but makes provisions based on facts and circumstances in line with the accounting policy set out above in this note.

In November 2010, the European Commission issued a decision in its airfreight investigation finding that, amongst other things, Cathay Pacific Airways and a number of other international cargo carriers agreed cargo surcharge levels and that such agreements infringed European competition law. The European Commission imposed a fine of Euros 57.12 million on Cathay Pacific Airways. However, the European Commission's finding against Cathay Pacific Airways and the imposition of this fine was annulled by the General Court in December 2015 and the fine of Euros 57.12 million was refunded to Cathay Pacific Airways in February 2016. The European Commission issued a new decision against Cathay Pacific Airways and the other airlines involved in the case in March 2017. The same fine of Euros 57.12 million was imposed on Cathay Pacific Airways, which was paid by Cathay Pacific Airways in June 2017. Cathay Pacific Airways filed an appeal to the General Court against this decision, and on 30th March 2022 the General Court partially annulled the decision, and a refund of a portion of the fine, Euros 10 million, was paid to Cathay Pacific Airways in June 2022. Cathay Pacific Airways filed an appeal to the European Court of Justice (ECJ) in early June 2022 and a final ECJ judgement was handed down in the first quarter of 2026.

Cathay Pacific Airways is a defendant in a number of civil claims in a number of countries including the Netherlands and Norway alleging violations of applicable competition laws arising from Cathay Pacific Airways' alleged conduct relating to its air cargo operations. Cathay Pacific Airways is represented by legal counsel and is defending these actions.

40. Lease Commitments

Accounting Policy

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Receipts by the Group as lessor under operating leases (net of any incentives paid to lessees) are recognised as income in the consolidated statement of profit or loss on a straight-line basis over the period of the lease.

For commenced leases (which are not identified as low-value or short-term leases) undertaken by the Group as a lessee, right-of-use assets and the corresponding lease liabilities are recognised in the financial statements when the leased assets became available for use. Commitments in respect of leases payable by the Group as lessees represent the future lease payments for (i) committed leases which have not yet commenced at the year-end date and (ii) short-term leases.

(a) Lessor – lease receivables

The leases for investment properties typically run for periods of three to six years. The retail turnover-related rental income received from investment properties during the year amounted to HK$999 million (2024: HK$1,072 million).

The future aggregate minimum lease receipts under non-cancellable operating leases were receivable by the Group at the year end as follows:

	2025 HK$M	2024 HK$M
Investment properties		
Within one year	**8,327**	8,698
Between one and two years	**6,695**	7,145
Between two and three years	**4,715**	5,300
Between three and four years	**3,384**	3,387
Between four and five years	**2,281**	2,391
After five years	**5,136**	4,570
	30,538	31,491

Assets held for deployment on operating leases at the year end were as follows:

	Investment properties	
	2025 HK$M	2024 HK$M
Investment properties at fair value	**246,734**	249,445

(b) Lessee

The future aggregate lease payments under leases committed but not yet commenced were payable by the Group at the year end as follows:

	2025 HK$M	2024 HK$M
Land and buildings		
Within one year	**5**	44
Between one and five years	**5**	174
Over five years	**2**	172
	12	390
Equipment		
Within one year	**–**	8
	12	398

At 31st December 2025, there were no short-term lease commitments which were significantly dissimilar to those relating to the portfolio of short-term leases for which expenses were recognised for the year ended 31st December 2025 (2024: none).

41. Related Party Transactions

Accounting Policy

Related parties of the Group are individuals and companies, including subsidiary, fellow subsidiary, joint venture and associated companies and key management of the Group or the parent of the Group (including close members of their families), where the individual or company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

There are agreements for services (Services Agreements), in respect of which John Swire & Sons (H.K.) Limited (JS&SHK) provides services to various companies in the Group and under which costs are reimbursed and fees are payable. In return for these services, JS&SHK receives annual fees calculated (A) in the case of the Company, as 2.5% of the dividends receivable from joint venture and associated companies of the Company, where there are no agreements for services with such companies, and (B) in the case of its subsidiaries and associated companies with such agreements, as 2.5% of their relevant consolidated profits before taxation and non-controlling interests after certain adjustments. The Services Agreements were renewed on 1st October 2025 for three years expiring on 31st December 2028. For the year ended 31st December 2025, service fees payable amounted to HK$272 million (2024: HK$270 million). Expenses of HK$436 million (2024: HK$380 million) were reimbursed at cost; in addition, HK$656 million (2024: HK$614 million) in respect of shared administrative services was reimbursed.

Under a tenancy framework agreement (Tenancy Framework Agreement) between JS&SHK, the Company and Swire Properties Limited dated 14th August 2014, members of the Group enter into tenancy agreements with members of the JS&SHK group from time to time on normal commercial terms based on prevailing market rentals. The Tenancy Framework Agreement was renewed on 1st October 2024 for a term of three years from 1st January 2025 to 31st December 2027. For the year ended 31st December 2025, the aggregate rentals payable to the Group by the JS&SHK group under tenancies to which the Tenancy Framework Agreement applies amounted to HK$100 million (2024: HK$104 million). Such amount is included under "Revenue from rental of properties" to the immediate holding company in the summary of related party transactions below within this note.

Swire Coca-Cola Limited (SCCL), John Swire & Sons Limited (Swire) and Swire Pacific Holdings Inc. (SPHI) entered into a management services agreement (Management Services Agreement) on 18th July 2023 for the provision of management and administrative support services by SCCL to SPHI group from time to time on normal commercial terms. The Management Services Agreement covers the service period from 7th September 2023 until 27th April 2037. For the year ended 31st December 2025, the management fees payable by SPHI to SCCL under the Management Services Agreement amounted to HK$171 million (2024: HK$168 million). Such amount is included under "Revenue from rendering of management services" in the summary of related party transactions below within this note.

The above related party transactions constitute continuing connected transactions of the Company, in respect of which the Company has complied with the requirements under Chapter 14A of the Listing Rules. A detailed description of the aforesaid agreements is contained in the paragraph titled "Continuing Connected Transactions" in the Directors' Report on pages 126 to 128.

41. Related Party Transactions (continued)

In addition, the following is a summary of significant transactions between the Group and related parties (including transactions under the Tenancy Framework Agreement and Management Services Agreement), which were carried out in the normal course of the Group's business. The summary does not include transaction amounts relating to the Services Agreements, which are disclosed in the first paragraph under this note.

		Joint venture companies[(iv)]		Associated companies[(iv)]		Fellow subsidiary companies[(v)]		Immediate holding company[(v)]	
	Note	**2025 HK$M**	2024 HK$M	**2025 HK$M**	2024 HK$M	**2025 HK$M**	2024 HK$M	**2025 HK$M**	2024 HK$M
Revenue from	(i)								
– Sales of beverage drinks		**438**	479	**31**	24	**–**	–	**–**	–
– Sales of goods		**1,192**	1,061	**–**	–	**–**	–	**–**	–
– Rendering of services		**111**	101	**11**	13	**–**	2	**2**	2
– Rendering of management services		**–**	–	**–**	–	**171**	168	**–**	–
– Aircraft and engine maintenance		**55**	46	**2,962**	2,875	**–**	–	**–**	–
– Rental of properties	(ii)	**–**	–	**1**	1	**–**	–	**100**	104
Purchase of beverage drinks	(i)	**49**	78	**–**	–	**–**	–	**–**	–
Purchase of other goods	(i)	**12**	13	**24**	143	**–**	–	**–**	–
Purchase of services	(i)	**11**	21	**2**	15	**12**	13	**–**	–
Interest income	(iii)	**119**	151	**42**	8	**–**	–	**–**	–
Interest charges	(iii)	**10**	11	**24**	8	**–**	–	**–**	–

Notes:
(i) Sales and purchases of goods and rendering of services to and from related parties were conducted in the normal course of business at prices and on terms no less favourable to the Group than those charged to/by and contracted with other customers/suppliers of the Group.
(ii) Swire Properties has, in the normal course of its business, entered into lease agreements with related parties to lease premises for varying periods up to six years. The leases were entered into on normal commercial terms.
(iii) Loans advanced to joint venture and associated companies at 31st December 2025 are disclosed in note 20. Amounts due from and to joint venture and associated companies and advances from these companies are disclosed in notes 26 and 29.
(iv) The transactions with these entities do not constitute connected transactions of the Company under Chapter 14A of the Listing Rules.
(v) The transactions with these entities constitute exempt or non-exempt connected transactions of the Company, in respect of which the Company has complied with the requirements under Chapter 14A of the Listing Rules. The revenue of HK$171 million (from rendering of management services) and HK$100 million (from rental of properties) (2024: HK$168 million and HK$104 million) relate to the non-exempt continuing connected transactions under the Management Services Agreement and the Tenancy Framework Agreement, respectively. The disclosures required by Chapter 14A of the Listing Rules are provided under the paragraph titled "Continuing Connected Transactions" in the Directors' Report on pages 126 to 128.

The amounts due from and to the immediate holding company at 31st December 2025 are disclosed in notes 26 and 29. These balances arise in the normal course of business, are non-interest-bearing and have no fixed settlement dates.

Remuneration of key management, which includes Executive and Non-executive Directors and Executive Officers, is disclosed in note 8.

42. Acquisition of Subsidiary Companies

(a) As mentioned in note 20, Swire Properties acquired an additional 25% equity interest in the existing joint venture company which owns Mandarin Oriental, Miami in June 2025, and the joint venture company became a wholly-owned subsidiary of Swire Properties. Details of the purchase consideration and the net identifiable assets acquired are as follows:

	2025 HK$M
Properties for sale	540
Trade and other receivables	7
Bank balance and short-term deposits	18
Trade and other payables	(31)
Net identifiable assets acquired	534
Satisfied by:	
Purchase consideration settled in cash	290
Equity interests previously held by Swire Properties	244
	534
Analysis of the net outflow of cash and cash equivalents for acquisition:	
Purchase consideration settled in cash	290
Less: Cash and cash equivalents acquired	(18)
Net cash outflow on acquisition	272

(b) Payment for the acquisition in 2024

During the year, the Group paid HK$70 million in respect of the acquisition of equity interests in the franchise businesses in Thailand and Laos in 2024. The amount has been included in payment for acquisition of subsidiary companies, net of cash acquired in the consolidated statement of cash flows.

(c) Payment for the acquisition in 2023

During the year, the Group paid HK$156 million in respect of the acquisition of equity interests in six of the beverages preparation and packaging subsidiaries of CCBMH in the Chinese Mainland in 2023. The amount has been included in payment for acquisition of subsidiary companies, net of cash acquired in the consolidated statement of cash flows.

43. Notes to the Consolidated Statement of Cash Flows

(a) Reconciliation of operating profit to cash generated from operations

	2025 HK$M	2024 HK$M
Operating profit	4,454	4,240
Gain arising from the acquisition of interests in joint venture companies	–	(625)
Loss arising from the acquisition of interests in an associated company	–	59
Loss on disposals of subsidiary companies	616	–
Loss/(gain) on deemed disposals of associated companies	81	(20)
Loss/(gain) on disposals of investments at fair value through profit or loss	89	(139)
Loss on disposals of investment properties	89	–
(Gain)/loss on disposals of property, plant and equipment	(362)	76
Loss on disposals of assets classified as held for sale	–	220
Change in fair value of investment properties	6,073	5,974
Change in fair value of assets classified as held for sale	–	2
Depreciation, amortisation and impairment charges	4,662	4,140
Provision for restructuring	–	547
Other items	76	(690)
Operating profit before working capital changes	15,778	13,784
Increase in properties for sale	(796)	(1,601)
Increase in stocks and work in progress	(490)	(792)
Increase in contract assets	(108)	(51)
Increase in trade and other receivables	(500)	(1,771)
Increase in trade and other payables and contract liabilities	3,136	3,011
Cash generated from operations	17,020	12,580

43. Notes to the Consolidated Statement of Cash Flows (continued)

(b) Purchase of property, plant and equipment and right-of-use assets

	2025 HK$M	2024 HK$M
Property	2,227	1,366
Plant and machinery	3,282	2,856
Right-of-use assets	86	189
Total	5,595	4,411

The above purchase amounts do not include interest capitalised on property, plant and equipment.

(c) Analysis of changes in financing during the year

	Loans and bonds		Lease liabilities	
	2025 HK$M	2024 HK$M	2025 HK$M	2024 HK$M
At 1st January	91,591	69,218	5,021	5,079
New leases entered during the year	–	–	1,061	678
Net cash inflow/(outflow) from financing activities				
– Loans drawn and refinancing	27,324	34,925	–	–
– Repayment of loans and bonds	(31,803)	(12,702)	–	–
– Principal elements of lease payments	–	–	(1,041)	(965)
Change in composition of the Group	–	820	(157)	401
Effect of exchange differences	1,215	(796)	123	(75)
Other non–cash movements	109	126	119	(97)
At 31st December	88,436	91,591	5,126	5,021

During the year ended 31st December 2025, advances from an associated company of HK$2,204 million (2024: HK$2,049 million) were reported under "financing activities" in the consolidated statement of cash flows. As at 31st December 2025, after taking into account a positive currency adjustment of HK$117 million (2024: negative currency adjustment of HK$28 million), the outstanding balances of these advances of HK$4,342 million (2024: HK$2,021 million) were recorded in the consolidated statement of financial position under "trade and other payables" as disclosed in note 29.

43. Notes to the Consolidated Statement of Cash Flows (continued)

(d) Disposals of subsidiary companies

	Note	Subsidiaries in Property Division(i) HK$M	Subsidiaries in Aviation Division HK$M	Subsidiaries in trading & industrial business HK$M	Total HK$M
Net assets disposed of:					
Property, plant and equipment		1	571	171	743
Investment properties	(ii)	6,141	–	–	6,141
Intangible assets		–	393	8	401
Right-of-use assets		37	108	67	212
Deferred tax assets		3	–	9	12
Stocks and work in progress		–	126	16	142
Contract assets		–	125	–	125
Trade and other receivables		14	222	23	259
Taxation receivable		–	–	2	2
Bank balances and short-term deposits		–	68	30	98
Trade and other payables		(59)	(230)	(126)	(415)
Contract liabilities		–	(43)	(43)	(86)
Lease liabilities		–	(117)	(40)	(157)
Deferred tax liabilities		–	(33)	–	(33)
		6,137	1,190	117	7,444
Less: Non-controlling interests derecognised		(1,370)	–	–	(1,370)
Gain/(loss) on disposals		40	(578)	(78)	(616)
		4,807	612	39	5,458
Satisfied by:					
Cash received (net of transaction costs)		4,524	592	39	5,155
Contingent consideration		283	–	–	283
Consideration receivable		–	20	–	20
		4,807	612	39	5,458
Analysis of the net inflow of cash and cash equivalents from disposal:					
Net cash proceeds		4,524	662	39	5,225
Less: Cash and cash equivalents disposed of		–	(68)	(30)	(98)
Net cash inflow on disposal		4,524	594	9	5,127

Notes:
(i) The disposal of subsidiary companies consists of the sale of Swire Properties' interests in certain properties in Hong Kong and the USA. In June 2025, Swire Properties completed the disposal of its interest in the investment properties at Brickell City Centre in the USA to Simon Property Group, a non-controlling interest, for a total consideration of up to US$549 million, of which up to US$36 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.
(ii) The amounts include investment properties of HK$1,308 million and assets classified as held for sale of HK$4,833 million.

44. Immediate and Ultimate Holding Company

The immediate holding company is John Swire & Sons (H.K.) Limited, a company incorporated in Hong Kong.

The ultimate holding company is John Swire & Sons Limited, a company incorporated in the United Kingdom.

ACCOUNTING POLICIES

Apart from the material accounting policies presented within the corresponding notes to the financial statements, the other material accounting policies applied in the preparation of these consolidated financial statements are set out below.

1. Basis of Preparation

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants. The consolidated financial statements have been prepared under the historical cost convention as modified in relation to the revaluation of certain financial assets and financial liabilities (including investments at fair value and derivative instruments), investment properties and defined benefit assets/liabilities, each of which is carried at fair value, and assets held for sale which are carried at fair value less costs of disposal.

2. Basis of Consolidation

The consolidated financial statements incorporate the financial statements of Swire Pacific Limited, its subsidiary companies (together referred to as the Group) and the Group's interests in joint venture and associated companies.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary company is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are generally expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquired subsidiary either at fair value or at the non-controlling interest's proportionate share of the acquired subsidiary's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquired subsidiary and the acquisition-date fair value of any previous equity interest in the acquired subsidiary over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the acquired subsidiary, the difference is recognised directly in the consolidated statement of profit or loss.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred. Accounting policies of subsidiary companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary company is recorded in equity. Gains or losses on disposals to non-controlling interests where control is not lost are also recorded in equity.

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in the consolidated statement of profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associated company, joint venture company or financial asset. In addition, any amounts previously recognised in the consolidated statement of other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in the consolidated statement of other comprehensive income are reclassified to the consolidated statement of profit or loss.

Where the Group enters into a contract that contains an obligation (for example a written put option exercisable by the contract counterparty) to acquire shares in a partly-owned subsidiary company from the owner of the non-controlling interest, which is not part of a business combination, the Group records a financial liability in respect of the present value of the redemption amount with a corresponding charge directly to equity. Changes to the value of the financial liability are recognised in the consolidated statement of profit or loss within net finance charges.

The Group's share of its joint venture and associated companies' post-acquisition profits or losses is recognised in the consolidated statement of profit or loss, and its share of post-acquisition movements in the consolidated statement of other comprehensive income is recognised in the consolidated statement of other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses equals or exceeds its interest in the joint venture or associated company, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture or associated company.

The Group recognises the disposal of an interest in a joint venture company when it ceases to have joint control and the risks and rewards of ownership have passed to the acquirer.

If the ownership interest in an associated company is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in the consolidated statement of other comprehensive income is reclassified to the consolidated statement of profit or loss where appropriate.

Unrealised gains on transactions between the Group and its joint venture and associated companies are eliminated to the extent of the Group's interest in these companies. Unrealised losses on assets transferred between the Group and its joint venture and associated companies are also eliminated unless the transactions provide evidence of impairment of the assets transferred. Accounting policies of joint venture and associated companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising in respect of investments in associated companies are recognised in the consolidated statement of profit or loss.

3. Subsidiary Companies

Investments in subsidiary companies in the Company's standalone financial statements are stated at cost less provision for any impairment losses. Income from subsidiary companies is accounted for on the basis of dividends received and receivable. Long-term loans to subsidiary companies are considered to be quasi-equity in nature where there are no defined repayment terms and no expectation of repayment.

4. Joint Venture and Associated Companies

In the Company's statement of financial position, its investments in joint venture and associated companies are stated at cost less provision for any impairment losses. Income from joint venture and associated companies is recognised by the Company on the basis of dividends received and receivable. Long-term loans to joint venture and associated companies are subject to expected credit losses assessment. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

5. Foreign Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit or loss, except when deferred in the consolidated statement of other comprehensive income as qualifying cash flow hedges or qualifying net investment hedges.

When a gain or loss on a non-monetary item is recognised directly in the consolidated statement of other comprehensive income, any associated translation difference is also recognised directly in the consolidated statement of other comprehensive income. When a gain or loss on a non-monetary item is recognised in the consolidated statement of profit or loss, any associated translation difference is also recognised in the consolidated statement of profit or loss.

(c) Group companies

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

(ii) Income and expenses for each statement of profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

(iii) All resulting exchange differences are recognised in the statement of other comprehensive income and accumulated in a separate component in equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are recognised in the consolidated statement of other comprehensive income. When a foreign operation is partly disposed of or sold, exchange differences that were recorded in equity are reclassified to the consolidated statement of profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

6. Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

PRINCIPAL SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES

Showing proportion of capital owned at 31st December 2025

	Attributable to the Group %	Owned directly %	Owned by subsidiaries %	Issued and fully paid up share capital/Registered capital	Principal activities
PROPERTY					
Subsidiary companies:					
Incorporated in Hong Kong:					
Achieve Bright Limited	83.31	–	100	100 shares (HK$100)	Property trading
Citiluck Development Limited	83.31	–	100	1,000 shares (HK$1,000)	Property investment
Cityplaza Holdings Limited	83.31	–	100	100 shares (HK$1,000)	Property investment
Coventry Estates Limited	83.31	–	100	4 shares (HK$40)	Property investment
Joyful Sincere Limited •	66.65	–	100	1 share (HK$1)	Property trading
One Queen's Road East Limited	83.31	–	100	200 shares (HK$200)	Property investment
Pacific Place Holdings Limited	83.31	–	100	2 shares (HK$2)	Property investment
Redhill Properties Limited	83.31	–	100	250,000 shares (HK$7,300,000)	Property trading
Swire Properties (Finance) Limited	83.31	–	100	1,000,000 shares (HK$1,000,000)	Financial services
Swire Properties Hotel Management Limited	83.31	–	100	1 share (HK$10)	Hotel and restaurant management and consultancy
Swire Properties Limited	83.31	83.31	–	5,757,484,800 shares (HK$10,449,437,325.77)	Holding company
Swire Properties Management Limited	83.31	–	100	2 shares (HK$20)	Property management
Swire Properties MTN Financing Limited	83.31	–	100	1 share (HK$1)	Financial services
Swire Properties Real Estate Agency Limited	83.31	–	100	2 shares (HK$20)	Real estate agency
Taikoo Place Holdings Limited	83.31	–	100	2 shares (HK$2)	Property investment
Incorporated in the Chinese Mainland:					
(Domestic company)					
Beijing Tianlian Real Estate Company Limited ^ •	83.31	–	100	Registered capital of RMB865,000,000	Holding company
(Sino-foreign joint ventures)					
Taikoo Hui (Guangzhou) Development Company Limited ^	80.81	–	97	Registered capital of RMB3,550,400,000	Property investment
Xi'an Tengyun Real Estate Company Limited ^	58.32	–	70	Registered capital of RMB3,653,743,600	Property investment
(Wholly foreign owned enterprises)					
Beijing Anye Property Management Company Limited ^	83.31	–	100	Registered capital of RMB160,170,485.20	Property investment
Beijing Sanlitun Hotel Management Company Limited ^	83.31	–	100	Registered capital of RMB800,000,000	Property investment
Beijing Sanlitun North Property Management Company Limited ^	83.31	–	100	Registered capital of RMB2,784,000,000	Property investment
Beijing Sanlitun South Property Management Company Limited ^	83.31	–	100	Registered capital of RMB1,598,000,000	Property investment
Chengdu Qianhao Real Estate Company Limited	83.31	–	100	Registered capital of US$329,000,000	Property investment
Sunshine Melody (Guangzhou) Properties Management Limited	83.31	–	100	Registered capital of RMB295,000,000	Property investment
Swire Properties (China) Investment Company Limited ^	83.31	–	100	Registered capital of US$30,000,000	Holding company

Notes:
1. This table lists the principal subsidiary, joint venture and associated companies of the Group including those which, in the opinion of the Directors, materially contribute to the net income of the Group or hold a material portion of the assets or liabilities of the Group. To give full details of these companies would, in the opinion of the Directors, result in particulars of excessive length.
2. Unless otherwise stated, the principal place of operation of each subsidiary is the same as its place of incorporation.
3. * Group interest held through joint venture or associated companies.
4. ^ Translated name.
5. • Companies not audited by PricewaterhouseCoopers. These companies accounted for approximately 14.5% of attributable net assets at 31st December 2025.

	Attributable to the Group %	Owned directly %	Owned by subsidiaries %	Issued and fully paid up share capital/Registered capital	Principal activities
PROPERTY (continued)					
Subsidiary companies (continued):					
Incorporated in the USA:					
50A Developer LLC	83.31	–	100	Limited Liability Company	Property trading and investment
BCC Hotel Management Services LLC	83.31	–	100	Limited Liability Company	Hotel management
OID Holding Company LLC	83.31	–	100	Limited Liability Company	Property trading and investment
OID T1 Developer LLC	83.31	–	100	Limited Liability Company	Property trading
OID T2 Developer LLC	83.31	–	100	Limited Liability Company	Property trading
Swire Brickell Key Hotel, Ltd.	83.31	–	100	Limited Partnership	Hotel investment
Swire Jadeco LLC	83.31	–	100	Limited Liability Company	Property trading
Swire Properties Inc	83.31	–	100	1,000 shares of US$0.01 each	Holding company
Swire Properties One LLC	83.31	–	100	Limited Liability Company	Holding company
Swire Properties US Inc	83.31	–	100	1,000 shares of US$0.01 each	Holding company
Swire Realty LLC	83.31	–	100	Limited Liability Company	Real estate agency
Incorporated in the British Virgin Islands:					
Apex Best Investments Limited (operates in Hong Kong)	83.31	–	100	1 share of US$1	Property investment
Boom View Holdings Limited (operates in Hong Kong)	83.31	–	100	2 shares of US$1 each	Property investment
Cherish Shine Limited (operates in Hong Kong)	83.31	–	100	1 share of US$1	Property investment
Da Long Limited (operates in Hong Kong)	83.31	–	100	1 share of US$1	Property investment
Gold Fountain Ventures Limited (operates in Hong Kong)	83.31	–	100	1 share of US$1	Property investment
Great City China Holdings Limited (operates in the Chinese Mainland)	83.31	–	100	100 shares of US$1 each	Holding company
High Grade Ventures Limited (operates in Hong Kong)	83.31	–	100	1 share of US$1	Property trading and investment
Keen Elite Group Limited (operates in Hong Kong)	83.31	–	100	1 share of US$1	Property investment
Novel Ray Limited (operates in Hong Kong)	83.31	–	100	1 share of US$1	Property investment
One Pacific Place Limited (operates in Hong Kong)	83.31	–	100	1 share of US$1	Property investment
Park Concept Group Limited (operates in Hong Kong)	83.31	–	100	1 share of US$1	Property investment
Prosperous Dynasty Limited (operates in Hong Kong)	83.31	–	100	1 share of US$1	Property investment
Sound Dragon Trading Co., Ltd. (operates in Hong Kong)	83.31	–	100	1 share of US$1	Property investment
Sino Flagship Investments Limited (operates in Hong Kong)	83.31	–	100	1 share of US$1	Property investment
Swire and Island Communication Developments Limited • (operates in Hong Kong)	49.99	–	60	100 shares of HK$10 each and 1 non-voting dividend share of HK$10	Property investment
Swire Properties China Holdings Limited (operates in Hong Kong)	83.31	–	100	1 share of US$1	Holding company

	Attributable to the Group %	Owned directly %	Owned by subsidiaries %	Issued and fully paid up share capital/Registered capital	Principal activities
PROPERTY (continued)					
Joint venture companies:					
Incorporated in Hong Kong:					
Hareton Limited •	41.66	–	50	100 shares (HK$1,000)	Property investment
Pacific Grace Limited	41.66	–	*	2 shares (HK$2)	Property investment
Richly Leader Limited	41.66	–	50	1,000,000,000 shares (HK$700,000,000)	Property investment
Incorporated in the British Virgin Islands:					
Dazhongli Properties Limited (operates in the Chinese Mainland)	41.66	–	50	1,000 shares of US$1 each	Holding company
Fortune Access Holdings Limited (operates in Hong Kong)	20.83	–	25	100 shares of US$1 each	Holding company
Newfoundworld Investment Holdings Limited (operates in Hong Kong)	22.22	–	26.67	15 shares of US$1 each	Holding company
Parico Resources Limited • (operates in Hong Kong)	41.66	–	*	2 shares of US$1 each	Holding company
Incorporated in the Chinese Mainland:					
(Domestic companies)					
Beijing Linlian Real Estate Company Limited ^•	41.66	–	50	Registered capital of RMB400,000,000	Property investment
Shanghai Kaiye Commercial Management Company Limited ^	49.99	–	60	Registered capital of RMB10,000,000	Property management
(Sino-foreign joint ventures)					
Beijing Xingtaitonggang Properties Company Limited ^•	41.57	–	49.895	Registered capital of RMB9,500,000,000	Property investment
Guangzhou Jushi Investment Development Company Limited ^	41.66	–	50	Registered capital of RMB3,670,000,000	Property investment
Shanghai Qianxiu Company Limited ^	41.66	–	50	Registered capital of RMB1,549,777,000	Property investment
Sanya Seaside Investment & Development Company Limited ^•	41.66	–	50	Registered capital of RMB2,500,000,000	Property investment
(Wholly foreign owned enterprise)					
Guan Feng (Shanghai) Real Estate Development Company Limited ^	41.66	–	*	Registered capital of US$1,136,530,000	Property investment
Incorporated in Indonesia:					
PT Jantra Swarna Dipta	41.66	–	50	1,728,176 shares of Rp1,000,000 each	Property trading
Incorporated in Thailand:					
City Dynamic Co., Ltd. •	33.32	–	40	165,000,000 shares of Baht10 each	Property trading

	Attributable to the Group %	Owned directly %	Owned by subsidiaries %	Issued and fully paid up share capital/Registered capital	Principal activities
PROPERTY (continued)					
Associated companies:					
Incorporated in Hong Kong:					
Greenroll Limited •	16.66	–	20	45,441,000 shares (HK$454,410,000)	Hotel investment
Queensway Hotel Limited •	16.66	–	*	100,000 shares (HK$1,000,000)	Hotel investment
Shangri-La International Hotels (Pacific Place) Limited	16.66	–	20	10,005,000 shares (HK$10,005,000)	Hotel investment
Incorporated in the Chinese Mainland:					
(Sino-foreign joint ventures)					
Shanghai Dongmao Real Estate Limited^	33.32	–	40	Registered capital of RMB16,000,000,000	Property trading and investment
Shanghai Yaolong Investment Limited^	33.32	–	40	Registered capital of RMB2,200,000,000	Property trading and investment
Incorporated in Vietnam:					
City Garden Thu Thiem Limited Liability Company •	16.66	–	*	Charter capital of VND969,797,500,000	Property trading
BEVERAGES					
Subsidiary companies:					
Incorporated in Hong Kong:					
Mount Limited	100	–	100	1 share (HK$1)	Holding company
New Life Plastics Limited	56.67	–	56.67	30,000,000 shares (HK$30,000,000)	Waste plastics recycling
Swire Beverages Holdings Limited	100	100	–	50,010,002 shares (HK$5,001,000,200)	Holding company
Swire Coca-Cola HK Limited	100	–	100	2,400,000 shares (HK$24,000,000)	Manufacture and sale of non-alcoholic beverages
Swire Coca-Cola Limited	100	–	100	14,600 shares (US$7,300,000)	Holding company and sale of non-alcoholic beverages
Swire Recycling Limited	100	–	100	10,000 shares (HK$10,000)	Holding company
Top Noble Limited	100	–	100	1 share (HK$1)	Holding company
Swire Beverages Group Management Services Limited	100	–	100	1 share (HK$1)	Holding company
Incorporated in the Chinese Mainland:					
(Sino-foreign joint ventures)					
Coca-Cola Bottlers Manufacturing (Wuhan) Company Limited	100	–	100	Registered capital of US$57,111,958	Manufacture and sale of non-carbonated beverages
Swire Coca-Cola Beverages Hubei Limited	95.80	–	95.80	Registered capital of US$17,988,000	Manufacture and sale of non-alcoholic beverages
Swire Coca-Cola Beverages Wenzhou Limited	80	–	92.85	Registered capital of RMB71,300,000	Manufacture and sale of non-alcoholic beverages
Swire Coca-Cola Beverages Zhejiang Limited	80	–	80	Registered capital of US$20,000,000	Manufacture and sale of non-alcoholic beverages
Swire Coca-Cola Beverages Zhengzhou Ltd.	94.44	–	94.44	Registered capital of US$18,000,000	Manufacture and sale of non-alcoholic beverages
Swire Guangdong Coca-Cola (Huizhou) Limited	62.96	–	85.19	Registered capital of US$5,000,000	Manufacture and sale of non-alcoholic beverages
Swire Guangdong Coca-Cola Limited	62.96	–	62.96	Registered capital of RMB510,669,000	Manufacture and sale of non-alcoholic beverages

	Attributable to the Group %	Owned directly %	Owned by subsidiaries %	Issued and fully paid up share capital/Registered capital	Principal activities
BEVERAGES (continued)					
Subsidiary companies (continued):					
Incorporated in the Chinese Mainland (continued):					
(Wholly foreign owned enterprises)					
Coca-Cola Bottlers Manufacturing (Dongguan) Company Limited ^	100	–	100	Registered capital of US$141,218,820	Manufacture and sale of non-carbonated beverages
Coca-Cola Bottlers Manufacturing (Foshan) Company Limited ^	100	–	100	Registered capital of US$31,496,700	Manufacture and sale of non-carbonated beverages
Coca-Cola Bottlers Manufacturing (Hangzhou) Company Limited ^	100	–	100	Registered capital of US$22,631,066	Manufacture and sale of non-carbonated beverages
Coca-Cola Bottlers Manufacturing (Nanning) Company Limited	100	–	100	Registered capital of US$11,841,731	Manufacture and sale of non-carbonated beverages
Coca-Cola Bottlers Manufacturing (Suzhou) Company Limited	100	–	100	Registered capital of US$10,502,829	Manufacture and sale of non-carbonated beverages
Swire BCD Co., Ltd.	100	–	100	Registered capital of US$60,000,000	Holding company
Swire Beverages Shared Services (Xi'an) Limited^	100	–	100	Registered capital of RMB20,000,000	Management services
Swire Coca-Cola Beverages Guangxi Limited	100	–	100	Registered capital of US$15,200,000	Manufacture and sale of non-alcoholic beverages
Swire Coca-Cola Beverages Hainan Limited	100	–	100	Registered capital of US$11,700,000	Manufacture and sale of non-alcoholic beverages
Swire Coca-Cola Beverages Hefei Ltd.	100	–	100	Registered capital of US$12,000,000	Manufacture and sale of non-alcoholic beverages
Swire Coca-Cola Beverages Jiangsu Limited	100	–	100	Registered capital of US$19,000,000	Manufacture and sale of non-alcoholic beverages
Swire Coca-Cola Beverages Jiangxi Limited	100	–	100	Registered capital of RMB40,000,000	Manufacture and sale of non-alcoholic beverages
Swire Coca-Cola Beverages Luohe Limited	94.44	–	100	Registered capital of RMB115,180,000	Manufacture and sale of non-alcoholic beverages
Swire Coca-Cola Beverages Xiamen Ltd.	100	–	100	Registered capital of US$52,737,000	Manufacture and sale of non-alcoholic beverages
Swire Coca-Cola Beverages Yunnan Limited	95.10	–	95.10	Registered capital of US$8,800,000	Manufacture and sale of non-alcoholic beverages
Swire Coca-Cola (China) Co., Ltd.	100	–	100	Registered capital of RMB100,000,000	Procurement and management services
Swire Coca-Cola Supply Chain Management (Hainan) Co., Ltd. ^	100	–	100	Registered capital of RMB100,000,000	Procurement and management services
Swire Guangdong Coca-Cola Zhanjiang Limited	100	–	100	Registered capital of RMB23,000,000	Manufacture and sale of non-alcoholic beverages
Xiamen Luquan Industries Company Limited	100	–	100	Registered capital of RMB63,370,000	Manufacture and sale of non-alcoholic beverages
Incorporated in Bermuda:					
Swire Pacific Industries Limited	100	–	100	12,000 shares of US$1 each	Holding company
Incorporated in the British Virgin Islands:					
Swire Coca-Cola Beverages Limited (operates in Taiwan)	100	–	100	1,599,840,000 'A' shares of US$0.01 each and 200,160,000 'B' shares of US$0.01 each	Manufacture and sale of non-alcoholic beverages
Swire Coca-Cola (S&D) Limited (operates in Taiwan)	100	–	100	20,100 shares of US$1 each	Sale of non-alcoholic beverages

	Attributable to the Group %	Owned directly %	Owned by subsidiaries %	Issued and fully paid up share capital/Registered capital	Principal activities
BEVERAGES (continued)					
Subsidiary companies (continued):					
Incorporated in the USA:					
Earthwise Investing, Inc.	100	–	100	1,000 shares of US$0.01 each	Sustainability fund investment
Incorporated in Singapore:					
CC Cambodia Holdings Pte. Ltd.	100	–	100	Issued and paid-up capital of SG$11,904,302 and US$14,100,000	Holding company
Coca-Cola Indochina Pte Ltd	100	–	100	Issued and paid-up capital of SG$667,136,300 and US$199,600,000	Holding company
Swire Beverages (South East Asia) Pte. Ltd.	100	–	100	Issued capital of US$1,250,000,000 and paid-up capital of US$1,226,010,000	Holding company
Incorporated in Cambodia:					
Cambodia Beverage Company Ltd.	86.69	–	100	3,616 shares of US$12,000 each	Manufacture and sale of non-alcoholic beverages
Incorporated in Vietnam:					
Coca-Cola Beverages Viet Nam Limited Liability Company	100	–	100	Charter capital of VND12,376,606,243,429	Manufacture and sale of non-alcoholic beverages
Incorporated in Thailand:					
ThaiNamthip Corporation Public Company Limited •	55.59	–	55.59	5,512,065,185 shares of Baht2 each	Manufacture and sale of non-alcoholic beverages
Incorporated in Laos:					
Lao Coca-Cola Bottling Co., Ltd. •	55.59	–	100	10,949,970 shares of LAK33,600 each	Manufacture and sale of non-alcoholic beverages
Joint venture companies:					
Incorporated in the Chinese Mainland:					
(Sino-foreign co-operative joint ventures)					
Shanghai Shen-Mei Beverage and Food Co., Ltd. •	53.85	–	53.85	Registered capital of US$93,218,600	Manufacture and sale of non-alcoholic beverages and beverage base
Shanghai Shen-Mei Minfa Beverage and Food Co., Ltd. ^ •	53.85	–	*	Registered capital of RMB100,000,000	Manufacture and sale of non-alcoholic beverages
Swire Coca-Cola (Suzhou) Beverages Limited ^ •	53.85	–	*	Registered capital of RMB100,000,000	Manufacture and sale of non-alcoholic beverages
Incorporated in Thailand:					
Asset Thai Co., Ltd. •	47.77	–	49	163,220,000 shares of Baht10 each	Property business
Associated companies:					
Incorporated in Hong Kong:					
Coca-Cola Bottlers Manufacturing Holdings Limited	41	–	41	30,000 shares (HK$299,459.05)	Holding company

	Attributable to the Group %	Owned directly %	Owned by subsidiaries %	Issued and fully paid up share capital/Registered capital	Principal activities
AVIATION					
Subsidiary companies:					
Incorporated in Hong Kong:					
HAECO ITM Limited	82.93	–	70 & *	100 shares (HK$100)	Aircraft inventory technical management
Hong Kong Aircraft Engineering Company Limited	100	100	–	1,000,000 shares (HK$185,193,750)	Aircraft overhaul and maintenance
Incorporated in the Chinese Mainland:					
(Sino-foreign joint ventures)					
HAECO Composite Structures (Jinjiang) Co., Ltd.	82.41	–	84.10 & *	Registered capital of US$11,663,163	Composite material aeronautic parts/systems repair, manufacturing and sales
Shanghai Taikoo Aircraft Engineering Services Company Limited ^ •	69.40	–	75	Registered capital of US$3,700,000	Line maintenance
Taikoo Engine Services (Xiamen) Company Limited	77.09	–	76.59 & *	Registered capital of US$113,000,000	Overhaul and maintenance of commercial aero engines
Taikoo (Xiamen) Aircraft Engineering Company Limited	62.47	–	58.55 & *	Registered capital of US$41,500,000	Aircraft overhaul and maintenance
Taikoo (Xiamen) Landing Gear Services Company Limited	90.27	–	90.82 & *	Registered capital of US$83,090,000	Landing gear repair and overhaul
(Wholly foreign owned enterprise)					
HAECO Component Overhaul (Xiamen) Limited	100	–	100	Registered capital of US$18,600,000	Aircraft component repair and overhaul
Incorporated in the USA:					
HAECO Global Engine Support, LLC •	100	–	100	Limited Liability Company	On-wing and off-wing engine support
HAECO USA, Inc.	100	–	100	100 shares of US$1	Holding company
Incorporated in the United Kingdom:					
HAECO Global Engine Support Ltd •	100	–	100	1 share of GBP1	On-wing and off-wing engine support
Joint venture companies:					
Incorporated in Hong Kong:					
Goodrich Asia-Pacific Limited	49	–	49	9,200,000 shares (HK$9,200,000)	Repair and maintenance of aircraft wheel and brake systems
Hong Kong Aero Engine Services Limited	50	–	50	20 shares (HK$200)	Overhaul, repair and modification of commercial aero engines
Incorporated in the Chinese Mainland:					
(Sino-foreign joint ventures)					
Goodrich TAECO Aeronautical Systems (Xiamen) Company Limited	21.86	–	35	Registered capital of US$5,000,000	Repair and maintenance of aircraft fuel control, flight control and electrical components
Honeywell TAECO Aerospace (Xiamen) Company Limited •	31.25	–	35	Registered capital of US$5,000,000	Aircraft component repair and overhaul
Taikoo (Shandong) Aircraft Engineering Company Limited •	36.25	–	40	Registered capital of RMB200,000,000	Airframe maintenance and line maintenance services

	Attributable to the Group %	Owned directly %	Owned by subsidiaries %	Issued and fully paid up share capital/Registered capital	Principal activities
AVIATION (continued)					
Associated companies:					
Incorporated in Hong Kong:					
AHK Air Hong Kong Limited •	43.09	–	*	1,000,000 shares (HK$90,670,000)	Cargo airline
Airline Property Limited •	43.09	–	*	2 shares (HK$20)	Property investment
Airline Stores Property Limited •	43.09	–	*	2 shares (HK$20)	Property investment
Airline Training Property Limited •	43.09	–	*	2 shares (HK$20)	Property investment
Asia Miles Limited •	43.09	–	*	2 shares (HK$2)	Travel reward programme
Cathay Holidays Limited •	43.09	–	*	40,000 shares (HK$4,000,000)	Travel tour operator
Cathay Pacific Aircraft Leasing (H.K.) Limited •	43.09	–	*	1 share (HK$1)	Aircraft financing facilitator
Cathay Pacific Airways Limited •	43.09	43.09	–	6,722,856,511 ordinary shares (HK$31,122,958,525.21)	Operation of scheduled airline services
Cathay Pacific Catering Services (H.K.) Limited •	43.09	–	*	600 shares (HK$600,000)	Airline catering
Cathay Pacific Finance Limited •	43.09	–	*	1 share (HK$1)	Aircraft financing facilitator
Cathay Pacific MTN Financing (HK) Limited •	43.09	–	*	1 share (HK$1)	Financial services
Cathay Pacific Services Limited •	43.09	–	*	1 share (HK$1)	Cargo terminal
Hong Kong Airport Services Limited •	43.09	–	*	100 shares (HK$100)	Aircraft ramp handling
Hong Kong Aviation and Airport Services Limited •	43.09	–	*	2 shares (HK$2)	Property investment
Hong Kong Express Airways Limited •	43.09	–	*	1,000,000 shares (HK$3,174,607,160)	Operation of scheduled airline services
Vogue Laundry Service Limited •	43.09	–	*	3,700 shares (HK$1,850,000)	Laundry and dry cleaning
Incorporated in the Chinese Mainland:					
Air China Cargo Co., Ltd. •	9.05	–	*	Registered capital of RMB12,208,881,225	Cargo airline
Air China Limited •	6.50	–	*	4,955,610,672 'H' shares of RMB1 each and 12,492,810,328 'A' shares of RMB1 each	Operation of scheduled airline services
(Wholly foreign owned enterprise)					
Guangzhou Guo Tai Information Processing Company Limited •	43.09	–	*	Registered capital of HK$8,000,000	Information processing
Incorporated in the Cayman Islands:					
Cathay Pacific Finance III Limited •	43.09	–	*	1 share of US$1	Financial services
Incorporated in the Isle of Man:					
Cathay Pacific Aircraft Services Limited •	43.09	–	*	10,000 shares of US$1 each	Aircraft acquisition facilitator
Incorporated in India:					
Connaught Network Services Private Limited •	43.09	–	*	90,000 shares of INR100 each	Information processing

	Attributable to the Group %	Owned directly %	Owned by subsidiaries %	Issued and fully paid up share capital/Registered capital	Principal activities
TRADING & INDUSTRIAL — INDUSTRIAL					
Subsidiary companies:					
Incorporated in Hong Kong:					
Swire Foods Holdings Limited	100	100	–	1 share (HK$1)	Holding company
Swire Industrial Limited	100	100	–	2 shares (HK$2)	Holding company
Swire Waste Management Limited	100	–	100	1 'A' share (HK$1) and 1 'B' share (HK$1)	Provision of waste management services
Taikoo Sugar Limited	100	–	100	300,000 shares (HK$4,360,000)	Packing and trading of branded food products
Incorporated in the Chinese Mainland:					
(Domestic company)					
Taikoo Sugar Chengdu Limited ^ •	100	–	100	Registered capital of RMB5,000,000	Packing and trading of branded food products
(Wholly foreign owned enterprises)					
Swire Foods Trading (China) Limited ^ •	100	–	100	Registered capital of HK$63,500,000	Trading of branded food products
Taikoo Sugar (China) Limited ^ •	100	–	100	Registered capital of HK$61,350,000	Packing and trading of branded food products
TRADING & INDUSTRIAL — TRADING					
Subsidiary companies:					
Incorporated in Hong Kong:					
Bel Air Motors Limited (operates in Taiwan)	100	–	100	1 share (HK$1)	Automobile distribution
Beldare Motors Limited (operates in Taiwan)	100	–	100	10,000 shares (HK$1,000,000)	Automobile distribution
Chevon Holdings Limited	85	–	85	160,000,000 shares (HK$160,000,000)	Holding company
Chevon (Hong Kong) Limited	85	–	100	1,000,000 shares (HK$1,000,000)	Marketing, distribution and retailing of branded casual apparel and accessories
International Automobiles Limited	100	–	100	10,000 shares (US$10,000)	Automobile distribution
Liberty Motors Limited (operates in Taiwan)	100	–	100	2 shares (HK$20)	Automobile distribution
Swire Resources Limited	100	–	100	4,010,000 shares (HK$40,100,000)	Marketing, distribution and retailing of branded sports and casual footwear, apparel and accessories
Swire Trading Limited	100	100	–	2 shares (HK$20)	Holding company
Taikoo Commercial Vehicles Limited (operates in Taiwan)	100	–	100	2,000 shares (HK$2,000)	Automobile distribution
Yuntung Motors Limited (operates in Taiwan)	100	–	100	2 shares (HK$2)	Automobile distribution
Incorporated in Macau:					
Swire Resources (Macau) Limited •	100	–	100	2 shares (MOP25,000)	Marketing, distribution and retailing of branded sports and casual footwear, apparel and accessories

	Attributable to the Group %	Owned directly %	Owned by subsidiaries %	Issued and fully paid up share capital/Registered capital	Principal activities
TRADING & INDUSTRIAL — TRADING (continued)					
Subsidiary companies (continued):					
Incorporated in the Chinese Mainland:					
(Wholly foreign owned enterprises)					
Chevon (Shanghai) Trading Company Limited ^	85	–	100	Registered capital of US$12,000,000	Marketing, distribution and retailing of branded casual apparel and accessories
Swire Resources (Shanghai) Trading Company Limited ^	100	–	100	Registered capital of US$6,040,000	Marketing, distribution and retailing of branded sports and casual footwear, apparel and accessories
Incorporated in Taiwan:					
Biao Yi Limited ^ •	100	–	100	10,000,000 shares of NT$1 each	Automobile distribution
Incorporated in the British Virgin Islands and operate in Taiwan:					
Biao Da Motors Limited	100	–	100	1 share of US$1	Automobile distribution
Supreme Motors Limited •	100	–	100	1 share of US$1	Automobile distribution
Taikoo Motorcycle Limited	100	–	100	1 share of US$1	Automobile distribution
Taikoo Motors Limited	100	–	100	1 share of US$1	Automobile distribution
Joint venture company:					
Incorporated in Hong Kong:					
Intermarket Agencies (Far East) Limited	70	–	70	7 'A' shares (HK$70) and 3 'B' shares (HK$30)	Marketing, distribution and retailing of branded sports and casual footwear, apparel and accessories

	Attributable to the Group %	Owned directly %	Owned by subsidiaries %	Issued and fully paid up share capital/Registered capital	Principal activities
OTHERS					
Subsidiary companies:					
Incorporated in Hong Kong:					
Global Food Venture Investment Limited	100	100	–	1 share (HK$1)	Holding company
Swire Finance Limited	100	100	–	1,000 shares (HK$10,000)	Financial services
Swire Pacific MTN Financing (HK) Limited	100	100	–	1 share (HK$1)	Financial services
Incorporated in the Cayman Islands:					
Swire Pacific MTN Financing Limited	100	100	–	1 share of US$1	Financial services
Incorporated in the Cayman Islands and operates in the Chinese Mainland:					
DeltaHealth China Limited	91.73	–	91.73	35,228,989 shares and 1,083,378,480 convertible preferred shares of US$0.001 each	Holding company
Incorporated in the Chinese Mainland:					
(Wholly foreign owned enterprise)					
Shanghai DeltaHealth Hospital Co., Ltd. ^	91.73	–	100	Registered capital of US$330,500,000	Provision of healthcare services
Incorporated in Indonesia:					
PT Swire Investments Indonesia •	100	–	100	3,088,000 shares of Rp100,000 each	Management consultancy
Associated companies:					
Incorporated in the Cayman Islands and operates in the Chinese Mainland:					
Columbia China Healthcare Co., Limited •	13.59	–	13.59	837,333,333.32 shares of US$0.0001 each	Holding company for provision of healthcare services
Incorporated in the British Virgin Islands and operates in the Chinese Mainland:					
SHH Core Holding Limited •	15.04	–	15.04	17,009,945 shares and 10,524,184 preferred shares of US$0.00001 each	Holding company for provision of healthcare services

CATHAY PACIFIC AIRWAYS LIMITED – ABRIDGED FINANCIAL STATEMENTS

To provide shareholders with information on the consolidated results and consolidated financial position of the Group's significant listed associated company, Cathay Pacific Airways Limited (Cathay Pacific Airways), the following is a summary of its audited consolidated statement of profit or loss and consolidated statement of other comprehensive income for the year ended 31st December 2025 and consolidated statement of financial position at 31st December 2025, modified to conform to the Group's financial statements presentation.

Consolidated Statement of Profit or Loss

For the year ended 31st December 2025

	2025 HK$M	2024 HK$M
Revenue	116,766	104,371
Operating expenses	(102,693)	(91,194)
Operating profit before non-recurring items	14,073	13,177
Gains on deemed partial disposals of associated companies	–	578
Net reversal of impairment and other gains or charges	385	173
Operating profit	14,458	13,928
Finance charges	(3,169)	(3,897)
Finance income	492	841
Net finance charges	(2,677)	(3,056)
Share of profits of associated companies	529	331
Profit before taxation	12,310	11,203
Taxation	(1,482)	(1,315)
Profit for the year	10,828	9,888
Profit for the year attributable to:		
Ordinary shareholders of Cathay Pacific Airways	10,828	9,607
Preference shareholder of Cathay Pacific Airways	–	281
Non-controlling interests	–	–
	10,828	9,888

	HK¢	HK¢
Earnings per share attributable to Cathay Pacific Airways' ordinary shareholders:		
Basic	165.5	149.2
Diluted	161.8	133.2

Consolidated Statement of Other Comprehensive Income

For the year ended 31st December 2025

	2025 HK$M	2024 HK$M
Profit for the year	10,828	9,888
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Defined benefit plans	141	(110)
Changes in the fair value of equity investments at fair value through other comprehensive income	–	(5)
Items that may be reclassified subsequently to profit or loss		
Cash flow hedges	(1,649)	362
Share of other comprehensive loss of associated companies	(77)	(220)
Net translation differences	743	(486)
Other comprehensive loss for the year, net of tax	(842)	(459)
Total comprehensive income for the year	9,986	9,429
Total comprehensive income attributable to:		
Ordinary shareholders of Cathay Pacific Airways	9,986	9,148
Preference shareholder of Cathay Pacific Airways	–	281
Non-controlling interests	–	–
	9,986	9,429

Consolidated Statement of Financial Position

At 31st December 2025

	2025 HK$M	2024 HK$M
ASSETS AND LIABILITIES		
Non-current assets		
Property, plant and equipment	117,856	116,457
Intangible assets	14,335	14,420
Investments in associated companies	17,317	16,371
Other long-term receivables and investments	3,583	3,598
Deferred tax assets	1,430	1,152
	154,521	151,998
Current assets		
Stocks	1,864	1,386
Trade and other receivables	8,377	7,326
Liquid funds	12,289	10,534
	22,530	19,246
Current liabilities		
Interest-bearing liabilities	13,908	11,626
Trade and other payables	22,203	18,477
Contract liabilities	21,650	18,365
Taxation payable	1,282	1,771
	59,043	50,239
Net current liabilities	(36,513)	(30,993)
Total assets less current liabilities	118,008	121,005
Non-current liabilities		
Interest-bearing liabilities	45,193	56,849
Other long-term payables	3,882	3,462
Other long-term contract liabilities	145	197
Deferred tax liabilities	8,671	7,990
	57,891	68,498
NET ASSETS	60,117	52,507
EQUITY		
Share capital	31,123	28,841
Reserves	28,987	23,659
Equity attributable to Cathay Pacific Airways' shareholders	60,110	52,500
Non-controlling interests	7	7
TOTAL EQUITY	60,117	52,507

SUMMARY OF PAST PERFORMANCE

	2016 HK$M	2017 HK$M	2018 HK$M	2019 HK$M
Ratios				
Return on equity	4.4%	10.9%	9.0%	3.3%
Derived from:				
Recurring underlying profit/(loss)	*2.3%*	*2.0%*	*2.8%*	*2.7%*
Net non-recurring items	*–0.9%*	*0.0%*	*0.4%*	*–0.8%*
Net property valuation adjustments	*3.0%*	*8.9%*	*5.8%*	*1.4%*
5-year average	*5.9%*	*6.5%*	*7.1%*	*6.7%*
Gearing ratio (excluding lease liabilities)	23.5%	23.7%	19.3%	14.2%
Statement of Profit or Loss				
Revenue				
Property	16,691	18,443	14,604	14,135
Beverages	18,420	34,066	41,189	43,316
Aviation	13,760	14,546	14,892	15,901
Trading & Industrial	9,276	10,163	10,896	9,843
Marine Services	4,237	3,066	3,018	2,451
Head Office, Healthcare and others	5	5	7	6
	62,389	80,289	84,606	85,652
Profit/(loss) attributable to the Company's shareholders				
Property	12,357	27,731	23,437	11,007
Beverages	813	2,441	1,630	1,686
Aviation	441	(1,002)	1,781	1,550
Trading & Industrial	114	69	2,904	(452)
Marine Services	(3,013)	(2,232)	(5,033)	(3,634)
Head Office, Healthcare and others	(1,068)	(937)	(1,090)	(1,150)
	9,644	26,070	23,629	9,007
Dividends for the year	3,159	3,155	4,505	4,505
Share repurchases	–	165	9	–
Retained profit less share repurchases	6,485	22,750	19,115	4,502
Statement of Financial Position				
Capital employed				
Property – cost and working capital	90,797	95,846	92,805	95,777
– valuation surplus	171,591	198,496	217,858	208,172
Beverages	7,845	17,274	16,657	17,177
Aviation	42,606	44,798	45,449	47,187
Trading & Industrial	5,246	5,631	2,252	3,249
Marine Services	18,170	16,755	13,014	10,120
Head Office, Healthcare and others	(41)	(192)	(253)	(125)
	336,214	378,608	387,782	381,557
Financed by				
Equity attributable to the Company's shareholders	224,879	253,163	270,424	273,352
Non-controlling interests	47,289	52,931	54,691	56,142
Net debt	64,046	72,514	62,667	46,688
Lease liabilities	–	–	–	5,375
	336,214	378,608	387,782	381,557

	HK$	HK$	HK$	HK$
'A' Shares				
Earnings/(loss) per share – basic	6.41	17.34	15.74	6.00
Dividends per share	2.10	2.10	3.00	3.00
Equity attributable to shareholders per share	149.50	168.58	180.09	182.04
'B' Shares				
Earnings/(loss) per share – basic	1.28	3.47	3.15	1.20
Dividends per share	0.42	0.42	0.60	0.60
Equity attributable to shareholders per share	29.90	33.72	36.02	36.41
Underlying				
Profit/(loss) (HK$M)	3,063	4,742	8,523	17,797
Return on equity (historic cost)	3.6%	5.4%	9.3%	18.2%
Earnings/(loss) per 'A' share – basic (HK$)	2.04	3.15	5.68	11.85
Earnings/(loss) per 'B' share – basic (HK$)	0.41	0.63	1.14	2.37
Cash interest cover – times	2.6	4.0	5.0	10.5
Dividend payout ratio	103.1%	66.5%	52.9%	25.3%

^ Includes continuing operations and discontinued operations.

2020^ HK$M (Restated)	2021^ HK$M (Restated)	2022^ HK$M	2023 HK$M	2024 HK$M	**2025 HK$M**
–4.3%	1.3%	1.6%	11.0%	1.6%	**1.1%**
–0.4%	*1.8%*	*1.4%*	*4.0%*	*3.5%*	***3.8%***
–2.9%	*0.2%*	*0.4%*	*9.8%*	*0.4%*	***0.6%***
–1.0%	*–0.7%*	*–0.2%*	*–2.8%*	*–2.3%*	***–3.3%***
4.7%	*4.0%*	*2.2%*	*2.6%*	*2.2%*	***3.3%***
12.2%	11.9%	18.0%	17.0%	22.1%	**20.6%**
13,542	16,275	13,788	14,625	14,379	**15,992**
45,080	53,925	54,223	51,842	36,607	**41,974**
11,483	11,464	13,828	17,787	21,662	**23,856**
8,308	9,553	9,321	10,555	9,032	**8,258**
1,889	1,601	524	–	–	**–**
10	12	9	14	289	**387**
80,312	92,830	91,693	94,823	81,969	**90,467**
2,967	5,840	6,546	2,131	(641)	**(1,275)**
2,076	2,549	2,392	25,097	2,039	**1,318**
(9,751)	(2,380)	(3,072)	3,393	4,697	**5,270**
12	94	(307)	299	211	**154**
(5,240)	(1,118)	359	–	–	**–**
(1,484)	(1,628)	(1,723)	(2,067)	(1,985)	**(2,529)**
(11,420)	3,357	4,195	28,853	4,321	**2,938**
2,553	3,904	4,391	16,274	4,586	**4,602**
–	–	2,643	878	3,851	**1,847**
(13,973)	(547)	(2,839)	11,701	(4,116)	**(3,511)**
96,499	104,969	111,413	133,505	137,021	**135,977**
200,053	198,788	199,608	191,092	184,938	**174,707**
16,514	17,474	26,233	18,172	28,248	**30,784**
42,956	40,590	35,904	37,529	38,310	**40,756**
2,813	2,527	2,353	2,693	2,881	**2,382**
3,557	943	–	–	–	**–**
270	2,324	2,100	1,998	2,853	**2,019**
362,662	367,615	377,611	384,989	394,251	**386,625**
262,266	266,515	258,456	268,129	258,300	**259,577**
56,344	57,105	57,480	56,645	60,367	**56,658**
38,900	38,655	56,759	55,136	70,563	**65,264**
5,152	5,340	4,916	5,079	5,021	**5,126**
362,662	367,615	377,611	384,989	394,251	**386,625**
HK$	HK$	HK$	HK$	HK$	**HK$**
(7.61)	2.24	2.81	19.96	3.06	**2.17**
1.70	2.60	3.00	11.32	3.35	**3.80**
174.66	177.49	177.75	186.03	187.35	**192.45**
(1.52)	0.45	0.56	3.99	0.61	**0.43**
0.34	0.52	0.60	2.26	0.67	**0.76**
34.93	35.50	35.55	37.21	37.47	**38.49**
(4,390)	5,293	4,748	36,177	10,471	**11,373**
–3.9%	5.2%	4.8%	34.8%	9.8%	**10.2%**
(2.92)	3.52	3.18	25.03	7.41	**8.38**
(0.58)	0.70	0.64	5.01	1.48	**1.68**
5.3	6.2	6.1	13.5	3.4	**4.3**
N/A	73.8%	92.5%	45.0%	44.0%	**40.5%**

SCHEDULE OF PRINCIPAL GROUP PROPERTIES

At 31st December 2025

	Gross floor areas in square feet							
	Hong Kong		Chinese Mainland		USA and Elsewhere		Totals	
	Held through subsidiaries	Held through other companies	Held through subsidiaries	Held through other companies	Held through subsidiaries	Held through other companies	Held through subsidiaries	Held through subsidiaries and other companies
Completed properties for investment								
Retail	2,321,552	224,000	4,596,646	1,830,323	–	–	6,918,198	8,972,521
Office	8,437,823	735,414	1,693,125	1,244,955	–	–	10,130,948	12,111,317
Residential/Serviced apartments	555,551	–	157,180	73,662	–	–	712,731	786,393
Hotels	358,371	435,770	702,571	467,442	–	–	1,060,942	1,964,154
	11,673,297	1,395,184	7,149,522	3,616,382	–	–	18,822,819	23,834,385
Property developments for investment								
Retail	–	24,968	3,311,798	2,742,869	–	–	3,311,798	6,079,635
Office	–	–	–	2,155,659	–	–	–	2,155,659
Residential/Serviced apartments	–	–	110,675	57,540	–	–	110,675	168,215
Hotels	–	–	273,685	173,037	–	–	273,685	446,722
Under planning	779,000	–	–	615,701	–	–	779,000	1,394,701
	779,000	24,968	3,696,158	5,744,806	–	–	4,475,158	10,244,932
Completed properties for sale								
Residential/Serviced apartments	446,095	109,148	–	–	–	561,364	446,095	1,116,607
Retail	1,968	–	–	–	–	–	1,968	1,968
	448,063	109,148	–	–	–	561,364	448,063	1,118,575
Property developments for sale								
Retail	13,197	–	–	–	–	–	13,197	13,197
Residential/Mixed-use	365,544	202,369	–	981,492	895,000	1,495,533	1,260,544	3,939,938
	378,741	202,369	–	981,492	895,000	1,495,533	1,273,741	3,953,135
	13,279,101	1,731,669	10,845,680	10,342,680	895,000	2,056,897	25,019,781	39,151,027

Notes:

1. All properties held through subsidiary companies are wholly-owned except for Island Place (60% owned), The Headland Residences (80% owned), Taikoo Hui, Guangzhou (97% owned), Taikoo Li Xi'an (70% owned), and Phase 3 of Taikoo Hui, Guangzhou (formerly known as No. 387 Tianhe Road, Guangzhou) (97% owned). The above summary table includes the floor areas of these five properties on a 100% basis.
2. "Other companies" comprise joint venture, associated companies and financial assets at fair value through profit or loss. The floor areas of properties held through such companies are shown on an attributable basis.
3. Gross floor areas in Hong Kong and the Chinese Mainland exclude car parking spaces; there are about 8,840 completed car parking spaces in Hong Kong and the Chinese Mainland, which are held by subsidiaries and other companies for investment.
4. When a Hong Kong property is held under a renewable lease, the expiry date of the renewal period is shown.
5. All properties in the USA are freehold.

Completed properties for investment in Hong Kong	Address	Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Year of completion	Remarks
Office							
1. Pacific Place							
One Pacific Place	88 Queensway, Admiralty	2135	115,066 (part)	863,266	–	1988	
Two Pacific Place	88 Queensway, Admiralty	2047	203,223 (part)	695,510	–	1990	
2. Three Pacific Place	1 Queen's Road East, Wan Chai	2050-2852	40,236	627,657	111	2004/2007	Linked to The Mall at Pacific Place and Admiralty MTR station.
3. FWD Tower, Taikoo Place	979 King's Road, Taikoo Place, Quarry Bay	2881	70,414 (part)	803,452	311	1993	Linked to Dorset House and Cambridge House. Formerly known as Devon House. Renamed "FWD Tower" with effective from 1st January 2026.
4. Dorset House, Taikoo Place	979 King's Road, Taikoo Place, Quarry Bay	2881	238,582 (part)	601,723	204	1994	Linked to FWD Tower and PCCW Tower.
5. Lincoln House, Taikoo Place	979 King's Road, Taikoo Place, Quarry Bay	2881	238,582 (part)	333,529	164	1998	Linked to PCCW Tower and One Taikoo Place.
6. Oxford House, Taikoo Place	979 King's Road, Taikoo Place, Quarry Bay	2881/2899	33,434	501,253	182	1999	Linked to One Taikoo Place.
7. Cambridge House, Taikoo Place	979 King's Road, Taikoo Place, Quarry Bay	2881	70,414 (part)	268,795	–	2003	Linked to FWD Tower.
8. One Island East, Taikoo Place	18 Westlands Road, Taikoo Place, Quarry Bay	2881/2899	109,929 (part)	1,284,095	–	2008	Linked to Two Taikoo Place. Floor area is approximation and excludes ten floors which were disposed to SFC.
9. One Taikoo Place, Taikoo Place	979 King's Road, Taikoo Place, Quarry Bay	2881	238,582 (part)	1,013,368	82	2018	Linked to Lincoln House and Oxford House.
10. Two Taikoo Place, Taikoo Place	979 King's Road, Taikoo Place, Quarry Bay	2881	238,582 (part)	994,973	346	2022	Linked to PCCW Tower and One Island East.
11. SPACES. 8QRE	8 Queen's Road East, Wan Chai	2089/ 2103/2113	4,612	81,346	–	2013 (Refurbishment)	With ground floor retail.
12. Five Pacific Place	28 Hennessy Road, Wan Chai	2843	9,622	145,903	–	2012	
13. Six Pacific Place	50 Queen's Road East, Wan Chai	2843	14,433	222,953	88	2024	
	Total held through subsidiaries			8,437,823	1,488		
14. PCCW Tower, Taikoo Place	979 King's Road, Taikoo Place, Quarry Bay	2881	238,582 (part)	613,679	217	1994	Linked to Dorset House, Lincoln House and Two Taikoo Place. Floor area shown represents the whole development, in which Swire Properties owns a 50% interest.
15. Berkshire House, Taikoo Place	25 Westlands Road, Taikoo Place, Quarry Bay	2047	25,926	388,838	84	1998	Floor area shown represents the whole development, in which Swire Properties owns a 50% interest.
16. One Citygate	20 Tat Tung Road, Tung Chung, Lantau Island	2047	358,557 (part)	160,899	63	1999/ 2000	Above Citygate Outlets. Floor area shown represents the whole of the office area of the development, in which Swire Properties owns a 26.67% interest.
17. South Island Place	8 Wong Chuk Hang Road, Wong Chuk Hang	2064	25,260	382,499	137	2018	Floor area shown represents the whole development, in which Swire Properties owns a 50% interest.
	Total held through joint venture companies			1,545,915	501		
	– of which attributable to Swire Properties			735,414			

Completed properties for investment in Hong Kong	Address	Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Year of completion	Remarks
Retail							
1. Pacific Place							
The Mall at Pacific Place	88 Queensway, Admiralty	2135/2047	318,289 (part)	711,182	426	1988/1990	Shopping centre with restaurants and a cinema. Access to Admiralty MTR station. Pacific Place also comprises serviced apartments and hotels, details of which are given in the Residential and Hotels categories below.
2. Cityplaza	18 Taikoo Shing Road, Taikoo Shing	2899	334,475 (part)	1,096,898	845	1983/1987/ 1997/2000	Shopping centre with restaurants, ice-skating rink, cinema and access to Tai Koo MTR station.
3. Commercial areas in Stages I – X of Taikoo Shing	Taikoo Shing	2081/ 2889/2899	–	329,777	669	1977-1985	Neighbourhood shops, schools and car parking spaces.
4. Island Place	500 King's Road, North Point	2047	106,498 (part)	150,223	288	1996	Floor area shown represents the whole shopping centre podium, in which Swire Properties owns a 60% interest.
5. StarCrest	9 Star Street, Wan Chai	2047	40,871 (part)	13,112	83	1999	Floor area shown represents the whole of the retail podium.
6. EAST Apartments, Taikoo Place	23 Tong Chong Street, Taikoo Place, Quarry Bay	2881	8,664 (part)	12,312	–	2014	Floor area shown represents the whole of a 3-storey retail podium (excluding serviced suites above).
7. STAR STUDIOS I & II	8-10 & 18 Wing Fung Street, Wan Chai	2056/2852	6,775 (part)	5,197	–	2016 (Refurbishment)	Floor area shown represents the retail area (excluding residential apartments).
8. EIGHT STAR STREET	8 Star Street, Wan Chai	2856	3,609 (part)	2,851	–	2022	Floor area shown represents the whole of the retail podium.
	Total held through subsidiaries			2,321,552	2,311		
9. Tung Chung Crescent	Tung Chung Crescent Tung Chung, Lantau Island	2047	331,658 (part)	36,053	75	1998/ 1999	Floor area shown represents the retail space, in which Swire Properties owns a 26.67% interest.
10. Citygate Outlets	18-20 Tat Tung Road, Tung Chung, Lantau Island	2047/ 2063	466,476 (part)	803,948	1,197	1999/ 2000/ 2019	Floor area shown represents the whole of the retail area of the development, in which Swire Properties owns a 26.67% interest.
	Total held through joint venture companies			840,001	1,272		
	– of which attributable to Swire Properties			224,000			
Residential							
1. Pacific Place Apartments	88 Queensway, Admiralty	2047	203,223 (part)	443,075	–	1990	270 serviced suites below Conrad Hong Kong Hotel.
2. EAST Apartments, Taikoo Place	23 Tong Chong Street, Taikoo Place, Quarry Bay	2881	8,664 (part)	62,756	–	2014	106 serviced suites above a 3-storey retail podium. Floor area shown excludes retail portion.
3. STAR STUDIOS I & II	8-10 & 18 Wing Fung Street, Wan Chai	2056/2852	6,775 (part)	47,076	–	2016 (Refurbishment)	120 apartments above ground floor shops. Floor area shown excludes retail area (5,197 square feet).
4. House B, 36 Island Road, Deep Water Bay	36 Island Road, Deep Water Bay	2097	20,733 (part)	2,644	–	1980	One detached house.
	Total held through subsidiaries			555,551	–		
Hotels							
1. EAST Hong Kong	29 Taikoo Shing Road, Taikoo Shing	2899	146,184 (part)	199,633	–	2009	331-room hotel.
2. Upper House Hong Kong (formerly known as The Upper House), Pacific Place	88 Queensway, Admiralty	2135	115,066 (part)	158,738	–	2009 (Refurbishment)	117-room hotel above the JW Marriott Hotel.
	Total held through subsidiaries			358,371	–		

Completed properties for investment in Hong Kong	Address	Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Year of completion	Remarks
Hotels (continued)							
3. JW Marriott Hotel, Pacific Place	88 Queensway, Admiralty	2135	115,066 (part)	525,904	–	1988	608-room hotel, in which Swire Properties owns a 20% interest.
4. Conrad Hong Kong Hotel, Pacific Place	88 Queensway, Admiralty	2047	203,223 (part)	555,590	–	1990	513-room hotel, in which Swire Properties owns a 20% interest.
5. Island Shangri-La Hotel, Pacific Place	88 Queensway, Admiralty	2047	203,223 (part)	605,728	–	1991	544-room hotel, in which Swire Properties owns a 20% interest.
	Total held through associated companies			1,687,222	–		
	– of which attributable to Swire Properties			337,444			
6. Novotel Citygate Hong Kong, Citygate	51 Man Tung Road, Tung Chung, Lantau Island	2047	358,557 (part)	236,758	25	2005	440-room hotel, in which Swire Properties owns a 26.67% interest.
7. The Silveri Hong Kong – MGallery, Citygate	16 Tat Tung Road, Tung Chung, Lantau Island	2063	107,919 (part)	131,966	5	2019	206-room hotel, in which Swire Properties owns a 26.67% interest.
	Total held through joint venture companies			368,724	30		
	– of which attributable to Swire Properties			98,326			

Completed properties for investment in the Chinese Mainland	Address	Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Year of completion	Remarks
Retail							
1. Taikoo Li Sanlitun (Taikoo Li Sanlitun South)	19 Sanlitun Road, Chaoyang district, Beijing	2044 (2054 for car parks)	566,332 (part)	776,909	417	2007	Shopping centre with restaurants and cinema.
2. Taikoo Li Sanlitun (Taikoo Li Sanlitun North)	11 Sanlitun Road, Chaoyang district, Beijing	2044 (2054 for car parks)	566,332 (part)	519,399	340	2007	Shopping centre with restaurants.
3. Taikoo Li Sanlitun (Taikoo Li Sanlitun West)	58 Workers' Stadium North Road, Chaoyang district, Beijing	2033	40,102	296,387	50	2021	Shopping centre with restaurants leased by Swire Properties.
4. Building 15	15 Sanlitun North, Chaoyang district, Beijing	2048	4,861	19,011	–	2000s	Commercial building acquired by Swire Properties.
5. The Red	Building 15A, Sanlitun North, Chaoyang district, Beijing	2027	7,641	10,077	–	2000s	Shopping centre leased by Swire Properties.
6. Phase 2 of Taikoo Hui (formerly known as Hui Fang)	75 Tianhe East Road, Tianhe district, Guangzhou	2044	174,377 (part)	90,847	100	2008	Shopping centre with restaurants.
7. Taikoo Hui	383 Tianhe Road, Tianhe district, Guangzhou	2051	526,941 (part)	1,529,392	718	2011	Shopping centre with restaurants. Floor area shown represents the retail portion, in which Swire Properties owns a 97% interest.
8. Taikoo Li Chengdu	Daci Temple Area, 9 Dongda Street, Jinjiang district, Chengdu	2051	814,604 (part)	1,314,237	1,051	2014	Shopping centre with restaurants and cinema. Floor area shown represents the retail portion.
9. Heritage Buildings in Taikoo Li Chengdu	Daci Temple Area, 9 Dongda Street, Jinjiang district, Chengdu	2034	N/A	40,387	–	2014	Heritage Buildings leased from the local government as part of the retail operation of Taikoo Li Chengdu.
	Total held through subsidiaries			4,596,646	2,676		

Completed properties for investment in the Chinese Mainland	Address	Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Year of completion	Remarks
Retail (continued)							
10. INDIGO	18 Jiuxianqiao Road, Chaoyang district, Beijing	2044 (2054 for car parks)	628,279 (part)	946,769	617	2012	Shopping centre with restaurants and cinema. Floor area shown represents the retail portion, in which Swire Properties owns a 50% interest.
11. HKRI Taikoo Hui	No. 789 Nanjing Road (West), Jing'an district, Shanghai	2049	676,091 (part)	1,039,407	391	2016	Floor area shown represents the retail portion, in which Swire Properties owns a 50% interest.
12. Metrolink in HKRI Taikoo Hui	No. 789 Nanjing Road (West), Jing'an district, Shanghai	2035	N/A	67,813	–	2018	Shopping corridor leased from Shanghai Shentong Metro and operated by HKRI Taikoo Hui, in which Swire Properties owns a 50% interest.
13. Taikoo Li Qiantan	No. 500, Dongyu Road, Pudong district, Shanghai	2053	638,125	1,188,727	907	2020	Swire Properties owns a 50% interest.
14. Taikoo Li Julong Wan Guangzhou	Located between Fangcun Avenue and the Pearl River in the Baietan Julong Wan Area of Liwan district, Guangzhou	2063	432,551 (part)	417,930	160	2025	GFA based on land title figure, including asset-light buildings, in which Swire Properties owns a 50% interest.
	Total held through joint venture companies			3,660,646	2,075		
	– of which attributable to Swire Properties			1,830,323			
Office							
1. Taikoo Hui Towers 1 & 2	383 Tianhe Road, Tianhe district, Guangzhou	2051	526,941 (part)	1,693,125	–	2011	Floor area shown represents the office portion, in which Swire Properties owns a 97% interest.
	Total held through subsidiaries			1,693,125	–		
2. ONE INDIGO	20 Jiuxianqiao Road, Chaoyang district, Beijing	2054	631,072 (part)	589,071	392	2011	Floor area shown represents the office portion, in which Swire Properties owns a 50% interest.
3. HKRI Centre 1 and HKRI Centre 2	288 Shimen Road (No. 1), Jing'an district, Shanghai	2059	676,091 (part)	1,900,838	670	2016	Floor area shown represents the office portion, in which Swire Properties owns a 50% interest.
	Total held through joint venture companies			2,489,909	1,062		
	– of which attributable to Swire Properties			1,244,955			
Hotels							
1. Mandarin Oriental, Guangzhou	389 Tianhe Road, Tianhe district, Guangzhou	2051	526,941 (part)	Hotel: 509,434 Serviced apartment: 50,376 559,810	– –	2012	263-room hotel and 24 serviced apartments, in which Swire Properties owns a 97% interest.
2. Upper House Chengdu (formerly known as The Temple House)	Daci Temple Area, 9 Dongda Street, Jinjiang district, Chengdu	2051	814,604 (part)	Hotel: 193,137 Serviced apartment: 106,804 299,941	– –	2015	100-room hotel and 42 serviced apartments.
	Total held through subsidiaries			859,751	–		
3. EAST Beijing	22 Jiuxianqiao Road, Chaoyang district, Beijing	2044 (2054 for office and car parks)	631,072 (part)	358,301	236	2012	365-room hotel, in which Swire Properties owns a 50% interest.

Completed properties for investment in the Chinese Mainland	Address	Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Year of completion	Remarks
Hotels (continued)							
4. The Sukhothai Shanghai Hotel	380 Weihai Road, Jing'an district, Shanghai	2049	676,091 (part)	Hotel: 328,625	87	2018	201-room hotel, in which Swire Properties owns a 50% interest.
Upper House Shanghai (formerly known as The Middle House and The Middle House Residences)	366 Shi Men Yi Road, Jing'an district, Shanghai			Hotel: 247,958	52	2018	111-room hotel, in which Swire Properties owns a 50% interest.
				Serviced apartment: 147,323	52	2018	102 serviced apartments, in which Swire Properties owns a 50% interest.
				723,906			
	Total held through joint venture companies			1,082,207	427		
	– of which attributable to Swire Properties			541,104			

Property developments for investment in Hong Kong	Lot number	Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Stage of completion	Expected completion date	Remarks
Under planning								
1. 8 Shipyard Lane and 1067 King's Road	QBML 2 & Ext sE ss2 QBML 2 & Ext sE ss6	2899	51,937	Under planning: 779,000	To be determined	Under planning.	To be determined	
	Total held through subsidiaries			779,000	–			
Retail								
1. 983-987A King's Road and 16-94 Pan Hoi Street	QBML 1 sJ ss1 QBML 1 sJ ss2 QBML 1 sJ ss3 QBML 1 sJ ss4 QBML 1 sJ ss5 QBML 1 sJ ss6 QBML 1 sJ ss7 QBML 1 sJ RP QBML 1 sK ss1 QBML 1 sK ss2 QBML 1 sK ss3 QBML 1 sK ss4 QBML 1 sK ss5 QBML 1 sK RP QBML 1 sL ss1 QBML 1 sL RP	2881	43,881 (part)	49,936	To be determined	Foundation work in progress.	2028	Residential blocks over retail podium. Floor area shown represents only the retail podium, in which Swire Properties owns a 50% interest. The area shown is subject to change.
	Total held through joint venture companies			49,936	–			
	– of which attributable to Swire Properties			24,968				

Property developments for investment in the Chinese Mainland	Address	Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Stage of completion	Expected completion date	Remarks
Retail								
1. Phase 3 of Taikoo Hui, Guangzhou (formerly known as No. 387 Tianhe Road, Guangzhou)	No. 387 Tianhe Road, Guangzhou, connected to the shopping mall at Taikoo Hui Guangzhou	2041	326,848	Under planning: 654,782	134	Design scheme finalised.	From 2027	To be refurbished as a luxury retail extension to Taikoo Hui. Floor area shown represents the retail portion, in which Swire Properties owns a 97% interest.
2. Building N1 (formerly known as The Opposite House under redevelopment)	On the north of current Taikoo Li Sanlitun, Beijing	2044 (2054 for car parks)	566,332 (part)	145,258	54	Superstructure completed. Façade works in progress.	2026	Redevelopment of a complex retail landmark.
3. Taikoo Li Xi'an – retail portion	The Small Wild Goose Pagoda historical and cultural zone, Beilin district, Xi'an	2064	1,383,129 (part)	Under planning: 2,511,758	2,695 (subject to change)	Basement and superstructure works in progress.	From 2027	Retail-led mixed-use development comprising retail and cultural facilities in addition to a hotel and serviced apartments. Swire Properties owns a 70% interest.
	Total held through subsidiaries			3,311,798	2,883			

Property developments for investment in the Chinese Mainland	Address	Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Stage of completion	Expected completion date	Remarks
Retail (continued)								
4. Taikoo Li Sanya	Next to and on the west of current Phase II of the Sanya International Duty-Free Complex	2063	2,233,401	Under planning: 2,486,894 (under design & further review)	2,582	Basement, superstructure, façade, mechanical and electrical installation works in progress.	From 2026	A premium, resort-style, retail-led development in the Haitang district of Sanya. Swire Properties owns a 50% interest.
5. Taikoo Place Beijing – retail portion	Next to and on the east of current INDIGO, Beijing	2060	842,807 (part)	Under planning: 889,608	To be determined	Superstructure topped out. Façade, mechanical and electrical installation works in progress.	From late-2026	An office-led, mixed-use extension of the existing INDIGO project comprising a shopping mall, office towers, and a hotel. Swire Properties owns a 49.895% interest.
6. Taikoo Li Julong Wan Guangzhou	Located between Fangcun Avenue and the Pearl River in the Baietan Julong Wan Area of Liwan district, Guangzhou	2063	432,551 (part)	Under planning: 301,513	To be determined	Basement and superstructure works in progress.	From first half of 2027	Prior to the first phase's completion, exhibitions, events, pop-up shops and activities are being conducted to activate the area starting from late 2025. Swire Properties owns a 50% interest.
	Total held through joint venture companies			3,678,015	2,582			
	– of which attributable to Swire Properties			1,838,073				
7. Shanghai New Bund Mixed-use Project – retail portion	Next to and on the east of current Taikoo Li Qiantan, Pudong district, Shanghai	2053	686,789 (part)	Under planning: 1,591,554	1,674 (total for retail and office)	Office towers and retail portion topped out. Façade and interior fit out works in progress.	2026	A mixed-use development comprising retail, office and residential uses, directly opposite Taikoo Li Qiantan. Swire Properties owns a 40% interest.
8. Lujiazui Taikoo Yuan (West), Shanghai – retail portion	E08-4, E10-2, and E12-1 Plots in Yangjing Riverside, Pudong district, Shanghai	2061	831,659 (part)	Under planning: 670,436	849 (total for retail and office)	Basement structure, superstructure and façade works in progress.	From 2026	West portion of Lujiazui Taikoo Yuan, a mixed-use development comprising premium residential, retail, office and cultural facilities, and potentially a lifestyle hotel. Swire Properties owns a 40% interest.
	Total held through associated companies			2,261,990	2,523			
	– of which attributable to Swire Properties			904,796				
Office								
1. Taikoo Place Beijing – office portion	Next to and on the east of current INDIGO, Beijing	2070	842,807 (part)	Under planning: 2,809,103	To be determined	Superstructure topped out. Façade, mechanical and electrical installation works in progress.	From late-2026	An office-led, mixed-use extension of the existing INDIGO project comprising a shopping mall, office towers, and a hotel. Swire Properties owns a 49.895% interest.
	Total held through joint venture companies			2,809,103	–			
	– of which attributable to Swire Properties			1,401,602				
2. One and Two Qiantan Place (formerly known as Shanghai New Bund Mixed-use Project – office portion)	Next to and on the east of current Taikoo Li Qiantan, Pudong district, Shanghai	2063	686,789 (part)	Under planning: 1,352,228	1,674 (total for retail and office)	Office towers and retail portion topped out. Façade and interior fit out works in progress.	2026	A mixed-use development comprising retail, office and residential uses, directly opposite Taikoo Li Qiantan. Swire Properties owns a 40% interest.
3. Lujiazui Taikoo Yuan (West), Shanghai – office portion	E08-4, E10-2, and E12-1 Plots in Yangjing Riverside, Pudong district, Shanghai	2071	831,659 (part)	Under planning: 532,915	849 (total for retail and office)	Basement structure, superstructure and façade works in progress.	2027	West portion of Lujiazui Taikoo Yuan, a mixed-use development comprising premium residential, retail, office and cultural facilities, and potentially a lifestyle hotel. Swire Properties owns a 40% interest.
	Total held through associated companies			1,885,143	2,523			
	– of which attributable to Swire Properties			754,057				

Property developments for investment in the Chinese Mainland	Address	Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Stage of completion	Expected completion date	Remarks
Hotels								
1. Taikoo Li Xi'an – hotel portion	The Small Wild Goose Pagoda historical and cultural zone, Beilin district, Xi'an	2064	1,383,129 (part)	Under planning: 273,685	–	Basement and superstructure works in progress.	From 2027	Retail-led mixed-use development comprising retail and cultural facilities in addition to a hotel and serviced apartments. Swire Properties owns a 70% interest.
	Total held through subsidiaries			273,685	–			
2. Taikoo Place Beijing – hotel portion	Next to and on the east of current INDIGO, Beijing	2060	842,807 (part)	Under planning: 346,803	To be determined	Superstructure topped out. Façade, mechanical and electrical installation works in progress.	From late-2027	An office-led, mixed-use extension of the existing INDIGO project comprising a shopping mall, office towers, and a hotel. Swire Properties owns a 49.895% interest.
	Total held through joint venture companies			346,803	–			
	– of which attributable to Swire Properties			173,037				
Serviced Apartments								
1. Taikoo Li Xi'an – serviced apartment portion	The Small Wild Goose Pagoda historical and cultural zone, Beilin district, Xi'an	2064	1,383,129 (part)	Under planning: 110,675	–	Basement and superstructure works in progress.	From 2027	Retail-led mixed-use development comprising retail and cultural facilities in addition to a hotel and serviced apartments. Swire Properties owns a 70% interest.
	Total held through subsidiaries			110,675	–			
2. Lujiazui Taikoo Yuan (West), Shanghai – serviced apartment portion	E08-4, E10-2, and E12-1 Plots in Yangjing Riverside, Pudong district, Shanghai	2091	831,659 (part)	Under planning: 143,850	146	Superstructure works completed. Façade and fit-out works in progress.	From 2026	West portion of Lujiazui Taikoo Yuan, a mixed-use development comprising premium residential, retail, office and cultural facilities, and potentially a lifestyle hotel. Swire Properties owns a 40% interest.
	Total held through associated companies			143,850	146			
	– of which attributable to Swire Properties			57,540				
Under planning								
1. Lujiazui Taikoo Yuan (East), Shanghai	E13-1 and E13-3 Plots in Yangjing Riverside, Pudong district, Shanghai	2061 for retail 2071 for office and culture	803,759	Under planning: 1,539,252	To be determined	Design scheme under development.	From 2027	East portion of Lujiazui Taikoo Yuan, a mixed-use development comprising premium residential, retail, office and cultural facilities, and potentially a lifestyle hotel. Swire Properties owns a 40% interest.
	Total held through associated companies			1,539,252	–			
	– of which attributable to Swire Properties			615,701				

Completed properties for sale in Hong Kong	Address	Site area in square feet	Gross floor area in square feet	Number of car parks	Year of completion	Remarks
Residential						
1. EIGHT STAR STREET	No. 8 Star Street, Wan Chai	3,609 (part)	1,373	–	2022	Residential block comprising 37 units over retail podium. As of 31st December 2025, sales of 36 units had been closed. Floor area shown represents the GFA of the remaining residential unit.
2. 6 Deep Water Bay Road	No. 6 Deep Water Bay Road	28,202	15,000	6	2025	The site was redeveloped into 2 houses.
3. The Headland Residences	99 Sheung On Street, Chai Wan	96,876 (part)	429,722	243	2025	Phase 1 residential portion of the whole development, in which Swire Properties owns an 80% interest.
	Total held through subsidiaries		446,095	249		

Completed properties for sale in Hong Kong	Address	Site area in square feet	Gross floor area in square feet	Number of car parks	Year of completion	Remarks
Residential (continued)						
4. LA MONTAGNE, Wong Chuk Hang	Site D, THE SOUTHSIDE 11 Heung Yip Road, Wong Chuk Hang	738,199 (part)	436,591	138	2024	Floor area shown represents the GFA of the remaining residential units of the whole Wong Chuk Hang Station Package Four development, in which Swire Properties owns a 25% interest.
	Total held through joint venture companies		436,591	138		
	– of which attributable to Swire Properties		109,148			
Retail						
1. The Headland Residences	99 Sheung On Street, Chai Wan	96,876 (part)	1,968	1	2025	The retail portion of the whole development, in which Swire Properties owns an 80% interest.
	Total held through subsidiaries		1,968	1		

Completed properties for sale in Indonesia	Address	Site area in square feet	Gross floor area in square feet	Number of car parks	Year of completion	Remarks
Residential						
1. Savyavasa, South Jakarta	Jalan Wijaya II/Jalan Dharmawangsa Raya, Kebayoran Baru, South Jakarta	227,982	1,122,728	1,079	2025	3 residential towers with 402 units, in which Swire Properties owns a 50% interest.
	Total held through joint venture companies		1,122,728	1,079		
	– of which attributable to Swire Properties		561,364			

Property developments for sale in Hong Kong	Lot number	Leasehold expiry	Site area in square feet	Gross floor area in square feet	Number of car parks	Expected completion date	Remarks
Residential							
1. The Headland Residences	CWIL 178	2071	96,876 (part)	Residential: 262,554	–	2026	Phase 2 residential portion of the whole development, in which Swire Properties owns an 80% interest.
2. 269 Queen's Road East	IL 9061	2072	13,203 (part)	Residential: 102,990	To be determined	2027	Residential block over retail podium. Floor area shown represents the residential portion of the development.
	Total held through subsidiaries			365,544	–		
3. 983-987A King's Road and 16-94 Pan Hoi Street	QBML 1 sJ ss1 QBML 1 sJ ss2 QBML 1 sJ ss3 QBML 1 sJ ss4 QBML 1 sJ ss5 QBML 1 sJ ss6 QBML 1 sJ ss7 QBML 1 sJ RP QBML 1 sK ss1 QBML 1 sK ss2 QBML 1 sK ss3 QBML 1 sK ss4 QBML 1 sK ss5 QBML 1 sK RP QBML 1 sL ss1 QBML 1 sL RP	2881	43,881 (part)	Residential: 404,738	To be determined	2028	Residential blocks over retail podium. Floor area shown represents only the residential development, in which Swire Properties owns a 50% interest. The area shown is subject to change.
	Total held through joint venture companies			404,738	–		
	– of which attributable to Swire Properties			202,369			
Retail							
1. 269 Queen's Road East	IL 9061	2072	13,203 (part)	Retail: 13,197	To be determined	2027	The retail portion of the whole development.
	Total held through subsidiaries			13,197	–		

Property developments for sale in the Chinese Mainland	Lot number/Address	Site area in square feet	Gross floor area in square feet	Number of car parks	Expected completion date	Remarks
1. Shanghai New Bund Mixed-use Project	Next to and on the east of current Taikoo Li Qiantan, Pudong district, Shanghai	686,789 (part)	Residential/ Mixed-use: 1,159,057	1,156	2026	A mixed-use development comprising retail, office and residential uses, directly opposite Taikoo Li Qiantan. As of December 2025, approximately 97% of residential properties have been pre-sold. Swire Properties owns a 40% interest.
2. Lujiazui Taikoo Yuan Residences, Shanghai	E08-4, E10-2, and E12-1 Plots in Yangjing Riverside, Pudong district, Shanghai	831,659 (part)	Residential/ Mixed-use: 1,294,672	1,026	From 2026	11 residential towers for trading in Lujiazui Taikoo Yuan, a mixed-use development comprising premium residential, retail, office and cultural facilities, potentially a lifestyle hotel as well. As of December 2025, approximately 96% of residential properties launched in first 3 batches have been pre-sold. Swire Properties owns a 40% interest. Floor area shown excludes the public rental housing of approximately 71,925 square feet to be handed over to the Government upon completion.
	Total held through associated companies		2,453,729	2,182		
	– of which attributable to Swire Properties		981,492			

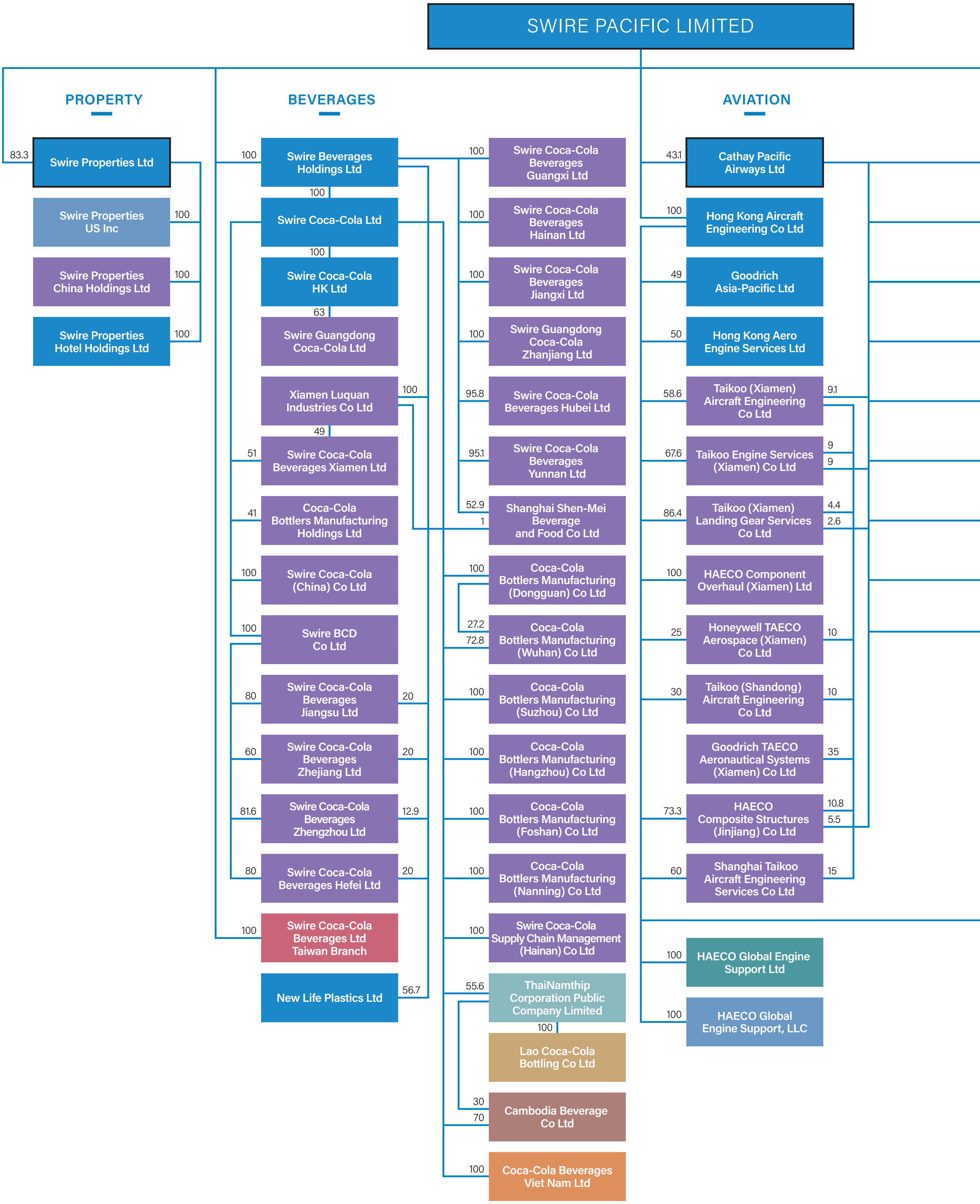
Property developments for sale in Vietnam	Lot number/Address	Site area in square feet	Gross floor area in square feet	Number of car parks	Expected completion date	Remarks
1. Empire City, Ho Chi Minh City	Empire City, Area 2B, Thu Thiem New Urban Area, An Khanh Ward, Ho Chi Minh City	1,103,461	Residential/ Mixed-use: 5,357,318	4,667	In phases up to 2031	A residential-led mixed-use project comprising luxury residential condominiums, an office tower, a hotel, serviced apartments and a retail mall. To be completed in phases up to 2031. Swire Properties effectively owns a 15.73% interest. GFA excludes 172,295 sqm of parking (although this is included in Swire Properties' investment).
	Total held through financial assets at fair value through profit or loss		5,357,318	4,667		
	– of which attributable to Swire Properties		842,706			

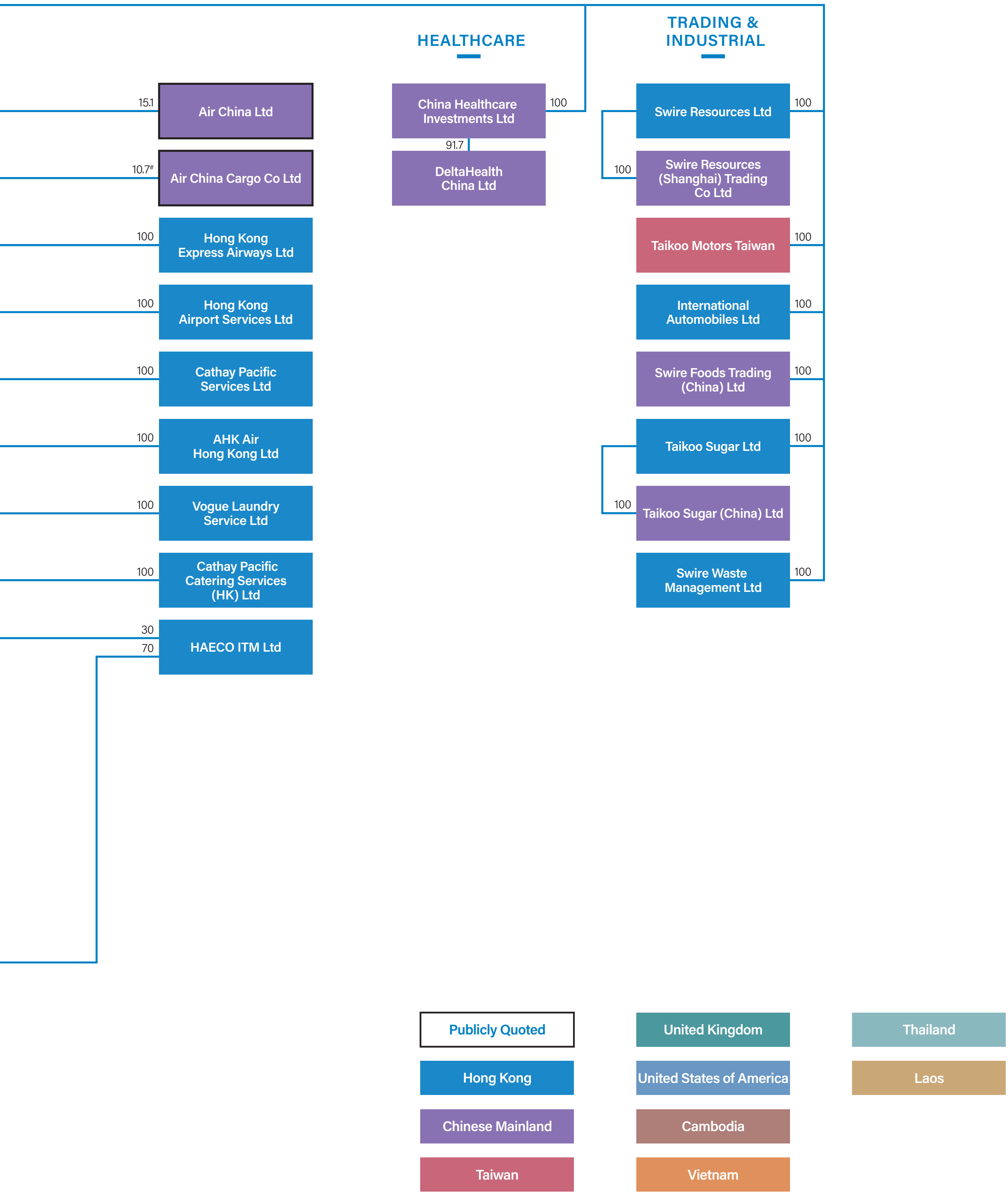
Property developments for sale in Thailand	Lot number/Address	Site area in square feet	Gross floor area in square feet	Number of car parks	Expected completion date	Remarks
1. Upper House Residences Bangkok and The Wireless Residences by Upper House, Bangkok (formerly known as Wireless Road Project)	Wireless Road, Lumpini, Pathumwan, Bangkok	136,186	Residential: 1,632,067	993	From 2029	A freehold luxury condominium project located in the prime Lumphini sub-district, Bangkok. The project is expected to be completed from 2029 onwards. Swire Properties owns a 40% interest in the project.
	Total held through joint venture companies		1,632,067	993		
	– of which attributable to Swire Properties		652,827			

Property developments for sale in the United States	Lot number/Address	Site area in square feet	Gross floor area in square feet	Number of car parks	Expected completion date	Remarks
1. South Brickell Key, Miami, Florida	750 Claughton Island Drive, Miami, Florida	105,372	Residential: 550,000	395	To be determined	Swire Properties has announced plans to develop a luxury residential and hospitality project on Brickell Key, Miami.
2. Mandarin Oriental, Miami	500 Brickell Key Drive, Miami, Florida 33131	120,233	Residential: 345,000	600	To be determined	326-room luxury hotel in central Miami. The property is closed to allow for redevelopment into a luxury residential and hospitality project, which is under planning.
	Total held through subsidiaries		895,000	995		

GROUP STRUCTURE CHART

at 31st December 2025





* This organisation chart is for illustrative purposes only and does not represent the legal structure of the Group.

\# Shareholding held through subsidiary at 10.72%, another 10.29% held through an economic interest with total holding at 21.01%.

GLOSSARY

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

Financial

Underlying profit or loss
Reported profit or loss adjusted principally for the impact of (i) changes in the fair value of investment properties, (ii) deferred tax on investment properties and (iii) amortisation of right-of-use assets reported under investment properties.

Recurring underlying profit or loss
Underlying profit or loss adjusted for significant credits and charges of a non-recurring nature, including gains and losses on the sale of businesses, investment properties and properties held for development, and non-cash impairments.

EBIT
Earnings before interest and tax.

EBITDA
Earnings before interest, tax, depreciation and amortisation.

Capital employed
Total equity plus net debt and lease liabilities.

Consolidated net worth
Total of share capital, reserves and non-controlling interests.

Consolidated tangible net worth
Consolidated net worth less goodwill and other intangible assets.

Equity attributable to the Company's shareholders
Equity excluding non-controlling interests.

Gross borrowings
Total of loans, bonds and overdrafts.

Net debt or consolidated borrowed money
Total of loans, bonds and overdrafts net of cash, bank deposits and bank balances.

Aviation

Available tonne kilometres (ATK)
Overall capacity, measured in tonnes available for the carriage of passengers, excess baggage, and cargo on each sector multiplied by the sector distance.

Available seat kilometres (ASK)
Passenger seat capacity, measured in seats available for the carriage of passengers on each sector multiplied by the sector distance.

Available freight tonne kilometres (AFTK)
Cargo capacity, measured in tonnes available for the carriage of freight on each sector multiplied by the sector distance.

Revenue tonne kilometres (RTK)
Traffic volume, measured in tonnes from the carriage of passengers, excess baggage, and cargo on each sector multiplied by the sector distance.

Revenue passenger kilometres (RPK)
Number of passengers carried on each sector multiplied by the sector distance.

Revenue freight tonne kilometres (RFTK)
Amount of cargo, measured in tonnes, carried on each sector multiplied by the sector distance.

On-time performance
Departure within 15 minutes of scheduled departure time.

Sustainability

Carbon Dioxide Equivalent (CO_2e)
A measure of the global warming potential of releases of the seven greenhouse gases specified by the Kyoto Protocol. These are carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6), and nitrogen trifluoride (NF_3).

Greenhouse Gas (GHG)
A gas that contributes to the greenhouse effect by absorbing infrared radiation.

– **Scope 1 emissions** are direct GHG emissions from sources that are owned or controlled by an organisation.

– **Scope 2 emissions** are indirect GHG emissions from consumption of purchased electricity, heat and steam.

– **Scope 3 emissions** are all other indirect GHG emissions from upstream and downstream in an organisation's value chain. For example, by its customers and investments, including associated companies.

Cubic metres (cbm)
A metric unit of volume or capacity equal to 1,000 litres or 1.0 metric tonne of water.

Lost Time Injury Rate (LTIR) represents the number of injuries per 100 full time equivalent (FTE) employees per year. It is calculated as the total injuries multiplied by 200,000 and then divided by total hours worked. The factor 200,000 is the annual hours worked by 100 employees, based on 40 hours per week for 50 weeks a year. The definitions of an injury and the number of hours worked may vary slightly in different jurisdictions and in different industries. In such cases local legal definitions and industry norms will take precedence.

Ratios

Financial

$$\text{Earnings/(loss) per share} = \frac{\text{Profit/(loss) attributable to the Company's shareholders}}{\text{Weighted average number of shares in issue during the year}}$$

$$\text{Equity attributable to the Company's shareholders per share} = \frac{\text{Equity excluding non-controlling interests}}{\text{Number of shares in issue at the end of the year}}$$

$$\text{Return on equity} = \frac{\text{Profit/(loss) attributable to the Company's shareholders}}{\text{Average equity during the year attributable to the Company's shareholders}}$$

$$\text{Return on capital employed} = \frac{\text{Profit/(loss) before net interest after taxation}}{\text{Average capital employed}}$$

$$\text{Interest cover} = \frac{\text{Operating profit/(loss)}}{\text{Net finance charges}}$$

$$\text{Cash interest cover} = \frac{\text{Operating profit/(loss)}}{\text{Total of net finance charges and capitalised interest}}$$

$$\text{Dividend payout ratio} = \frac{\text{Dividends paid and declared}}{\text{Underlying profit/(loss) attributable to the Company's shareholders}}$$

$$\text{Gearing ratio} = \frac{\text{Net debt}}{\text{Total equity}}$$

Aviation

$$\text{Passenger/Cargo load factor} = \frac{\text{Revenue passenger kilometres/Cargo revenue tonne kilometres}}{\text{Available seat kilometres/Available freight tonne kilometres}}$$

$$\text{Passenger/Cargo yield} = \frac{\text{Passenger revenue/Cargo revenue}}{\text{Revenue passenger kilometres/Cargo revenue tonne kilometres}}$$

$$\text{Cost per ATK} = \frac{\text{Total operating expenses of Cathay Pacific Airways}}{\text{ATK of Cathay Pacific Airways}}$$

FINANCIAL CALENDAR AND INFORMATION FOR INVESTORS

Financial Calendar 2026

'A' and 'B' shares trade ex-dividend	8th April
Annual Report available to shareholders	9th April
Share registers closed for 2025 second interim dividends entitlement	10th April
Record date for 2025 second interim dividends entitlement	10th April
Payment of 2025 second interim dividends	8th May
Share registers closed for attending and voting at Annual General Meeting	11th – 14th May
Record date for Annual General Meeting	14th May
Annual General Meeting	14th May
Interim results announcement	August
First interim dividends payable	October

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88 Queensway
Hong Kong

Registrars

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183 Queen's Road East
Hong Kong

Website: www.computershare.com

Depositary

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BNY Mellon Shareowner Services
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Providence, RI 02940-3078
USA

Website: www.computershare.com/investor
E-mail: shrrelations@cpushareownerservices.com
Tel: Calls within USA – toll free: 1-888-269-2377
International callers: 1-201-680-6825

Stock Codes

	'A'	'B'
Hong Kong Stock Exchange	19	87
ADR	SWRAY	SWRBY

Except for voting rights, which are equal, the entitlements of 'A' and 'B' shareholders are in the proportion 5 to 1.

Independent Auditors

PricewaterhouseCoopers
Certified Public Accountants and
Registered Public Interest Entity Auditor

Investor Relations

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Public Affairs

E-mail: publicaffairs@swirepacific.com
Tel: (852) 2840-8094
Fax: (852) 2526-9365
Website: www.swirepacific.com

Request for Feedback

In order that we may improve our reporting, we would be grateful to receive your comments on our public announcements and disclosures via e-mail to ir@swirepacific.com

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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.

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