

THE FIRST HALF IN REVIEW

BUSINESS PERFORMANCE

HONG KONG BUSINESSES

MTR's Hong Kong businesses comprise rail and bus transport services, station commercial activities such as retail rentals and advertising sales, property activities including development, rental and management, and the investment, design and construction of new railway lines

throughout the city. The Company operates according to a "Rail plus Property" business model ("R+P Model") that enables it to generate funds from property developments along existing railway lines to support future infrastructure projects as well as on-going operations and maintenance while also creating vibrant communities centred on convenient transport links.

HONG KONG TRANSPORT SERVICES TRANSPORT OPERATIONS

HIGHLIGHTS

- MTR maintained world-class 99.9% train service delivery and passenger journeys on-time
- Company saw higher patronage and revenue from Cross-boundary Service and High Speed Rail ("HSR")
- Company continued to "Go Smart Go Beyond" by employing technological advancements and innovative solutions across its operations



HK\$ million	Six months ended 30 June		
	2025	2024	Inc./(Dec.) %
Hong Kong Transport Operations			
Total Revenue	11,509	11,138	3.3
Operating Profit before Depreciation, Amortisation and Variable Annual Payment ("EBITDA")	3,966	4,059	(2.3)
Profit before Interest, Finance Charges, Taxation and after Variable Annual Payment ("EBIT")	98	415	(76.4)
EBITDA Margin (in %)	34.5%	36.4%	(1.9)% pts.
EBIT Margin (in %)	0.9%	3.7%	(2.8)% pts.

In the first half of 2025, revenue from Hong Kong transport operations was HK\$11,509 million, an increase of 3.3% compared to the same period last year, which was driven by higher contribution from Domestic Service as well as higher patronage for Cross-boundary

Service and HSR. Profit before interest, finance charges and taxation and net of the variable annual payment to Kowloon-Canton Railway Corporation ("KCRC") decreased to HK\$98 million, which was mainly attributable to higher operating costs.

Patronage and Revenue

	Patronage In million		Revenue HK\$ million	
	Six months ended 30 June 2025	Inc./ (Dec.) %	Six months ended 30 June 2025	Inc./ (Dec.) %
Hong Kong Transport Operations				
Domestic Service	786.0	(0.2)	7,241	2.9
Cross-boundary Service	51.2	10.1	1,810	6.6
HSR and Intercity	14.7	16.2	1,656	2.1
Airport Express	6.4	2.3	402	2.8
Light Rail and Bus	105.4	0.9	355	5.7
	963.7	0.7	11,464	3.4
Others			45	(16.7)
Total			11,509	3.3

Driven by enhanced cross-boundary transportation capacity, the more frequent two-way flow of travellers between Hong Kong and Mainland China has boosted patronage for Cross-boundary Service and HSR. Total patronage for all rail and bus services was 963.7 million compared to the 957.4 million recorded over the first half of 2024, representing an increase of 0.7%. Average weekday patronage increased by 1.2% to 5.65 million.

Market Share

MTR's overall market share of the franchised public transport market in Hong Kong was 50.0% in the first five months of 2025 compared with 50.1% over the same period in 2024. Of this total, our share of cross-harbour traffic was 72.5% compared with 72.2% in the first five months of 2024.

The Company's share of the cross-boundary transport business in the first five months of 2025 decreased to 48.8% from 50.7%, mainly due to faster traffic growth at emerging land-based control points. Our share of traffic to and from the airport in the first five months of 2025 decreased to 17.7% from 18.3%, mainly due to increasing competition from other modes of transport.

Fare Adjustment, Promotions and Concessions

In March 2025, we announced that MTR fares would remain unchanged in 2025/2026 in accordance with the Fare Adjustment Mechanism. The calculated fare adjustment rate of +1.45% fell within the range of $\pm 1.5\%$ and will instead be rolled over to 2026/2027. The total rate of +1.91% to be recouped in 2025/2026 will also be carried forward to 2026/2027 for recoupment according

to the mechanism. The fare freeze demonstrates the mechanism's considerations of public affordability based on objective data that reflect Hong Kong's overall economic situation. We continued to offer fare concessions this year for passengers from all walks of life, including the elderly, children, eligible students, persons with disabilities and more, as well as the City Saver and HK\$0.5 interchange discount with Green Minibus while extending the Monthly Passes and Early Bird Discount for another year. An overall fare adjustment of +9.24% for Airport Express became effective on 22 June 2025 along with fare promotions for various passenger groups. This marked the first fare adjustment for this line since 2017.

Service Performance

Over the first half of the year, MTR once again achieved a world-class level of 99.9% for both passenger journeys on-time and train service delivery, exceeding the Company's Operating Agreement commitment as well as its own, even more demanding Customer Service Pledge. During this period, MTR ran over 0.92 million train trips on its heavy rail network and more than 0.45 million trips on its light rail network, with six delays in total on heavy rail and no delays on light rail. Delays are defined as those lasting 31 minutes or more and attributable to factors within MTR's control. In all cases of delay, we investigated thoroughly to determine the cause and prevent future occurrences from happening. Eight follow-up actions aimed at strengthening the overall resilience of the railway network were formulated after the investigations of the incidents on the East Rail Line and Tseung Kwan O Line in the first half of 2025.

Safety Performance

Over the first six months of 2025, the total number of reportable events on our heavy rail network and light rail network decreased year on year by 20%, demonstrating the high priority we place on public and staff safety. The drop in the number of cases also underscores the effectiveness of the Company's various safety initiatives, such as launching escalator safety initiatives targeted primarily towards youth and the elderly, reopening the MTR Safety Experience Zone and organising the Light Rail Model Pedestrian Campaign.

Enhancing the Customer Experience

MTR is regarded as a global leader in mass transit because of its commitment to world-class safety and reliability as well as its focus on ensuring the highest possible level of passenger service. During the period under review, the Company continued to "Go Smart Go Beyond" by upgrading its networks and services with the latest innovations to provide a convenient, comfortable, smart and sustainable customer experience.

Boosting Passenger Convenience

We continued to enhance service for passengers in the first half of 2025 with increased frequencies along the Tseung Kwan O Line. To address the diverse travel needs of passengers and promote inclusive mobility, the "Cat/Dog Carrying Trial Scheme" was launched on the Light Rail in May 2025 to provide greater convenience for passengers wishing to travel with their cats and dogs during weekends and public holidays. We were also pleased to trial a new Light Rail sightseeing route, "Tuen Mun Voyager" which enables passengers to explore the unique charm of the area, promotes local tourism and deepens traveller connections with local communities.

Upgrade of Automatic Fare Collection System

As at 30 June 2025, 1,669 new or retrofitted Automatic Fare Collection ("AFC") system entry/ exit ticket gates had been installed under our HK\$1.3 billion upgrade programme, and 37 stations had completed replacements.

New Trains

Our programme to replace older trains with newer, more comfortable Q-train models continued over the first six

months of 2025. A total of 28 new trains are now in use along the Kwun Tong and Island lines. Meanwhile, we commenced type testing of new Tung Chung Line trains, and new Disneyland Resort Line trains are in the design stage and expected to be brought into operation in 2028. We have also commenced the design stage for new trains along the Tuen Mun South Extension.

Replacement of Signalling System

We continue to advance our programme replacing the existing SACEM signalling system along the Tsuen Wan, Island, Kwun Tong and Tseung Kwan O lines with a communication-based train control signalling system ("CBTC system"). Service along the Tsuen Wan Line is expected to commence in 2026, followed by implementation on the Island, Kwun Tong and Tseung Kwan O lines. Overall project completion is expected around 2029. Besides replacing long-serving assets, this programme facilitates our works to boost carrying capacity, increase passenger convenience and fulfil the Company's long-term operational needs.

Replacement of Power Distribution Systems

During the review period, a large-scale power system replacement project designed to improve equipment performance and enhance the system reliability of power supply for train services and station operations is progressing. The first phase of the project covers the Kwun Tong and Tsuen Wan lines and is targeted for completion in 2028. The second phase covers the Island and Tseung Kwan O lines and is targeted for completion in 2032.

Replacement of Air Conditioning Systems

Batch 2 of our programme to replace chillers at various stations with newer, more energy-efficient models is progressing, with 31 units to be replaced between 2022 and 2025. This initiative will provide passengers with additional comfort in stations while reducing our carbon footprint.

Enhancing Station Facilities

Our programme to install automatic platform gates ("APGs") along the East Rail line was completed by the end of May 2025, about six months ahead of schedule. In all, approximately 1,600 APGs were installed across 13 stations.

Operations Performance in the first half of 2025

Service Performance Item	Performance Requirement	Customer Service Pledge Target	Actual Performance
Train service delivery			
– Island Line and South Island Line	99.0%	99.5%	99.9%
– Kwun Tong Line, Tsuen Wan Line and Tseung Kwan O Line	99.0%	99.5%	99.8%
– Tung Chung Line, Disneyland Resort Line and Airport Express	99.0%	99.5%	99.9%
– East Rail Line	99.0%	99.5%	99.8%
– Tuen Ma Line	99.0%	99.5%	99.9%
– Light Rail	99.0%	99.5%	99.9%
Passenger journeys on-time			
– Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line and Disneyland Resort Line	99.0%	99.5%	99.9%
– Airport Express	98.5%	99.0%	99.9%
– East Rail Line	98.5%	99.0%	99.9%
– Tuen Ma Line	98.5%	99.0%	99.9%
Train punctuality			
– Island Line and South Island Line	98.5%	99.0%	99.8%
– Kwun Tong Line, Tsuen Wan Line and Tseung Kwan O Line	98.5%	99.0%	99.8%
– Tung Chung Line, Disneyland Resort Line and Airport Express	98.5%	99.0%	99.9%
– East Rail Line	98.5%	99.0%	99.8%
– Tuen Ma Line	98.5%	99.0%	99.9%
– Light Rail	98.5%	99.0%	99.9%
Train reliability: train car-km per train failure causing delays ≥ 5 minutes			
– Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express	N/A	1,000,000	3,546,641
– East Rail Line and Tuen Ma Line	N/A	1,000,000	6,804,753
Ticket reliability: smart ticket transactions per ticket failure			
– Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line, Airport Express, East Rail Line and Tuen Ma Line	N/A	18,000	49,501
Add value machine reliability			
– Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express	98.5%	99.0%	99.9%
– East Rail Line	98.5%	99.0%	99.9%
– Tuen Ma Line	98.5%	99.0%	99.9%
Ticket machine reliability			
– Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express	98.0%	99.0%	99.8%
– East Rail Line	98.0%	99.0%	99.9%
– Tuen Ma Line	98.0%	99.0%	99.9%
– Light Rail	N/A	99.0%	99.9%
Ticket gate reliability			
– Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express	98.0%	99.0%	99.9%
– East Rail Line	98.0%	99.0%	99.9%
– Tuen Ma Line	98.0%	99.0%	99.9%
Light Rail platform Octopus processor reliability	N/A	99.0%	99.9%
Escalator reliability			
– Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express	98.5%	99.0%	99.9%
– East Rail Line	98.5%	99.0%	99.9%
– Tuen Ma Line	98.5%	99.0%	99.9%
Passenger lift reliability			
– Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express	99.0%	99.5%	99.9%
– East Rail Line	99.0%	99.5%	99.9%
– Tuen Ma Line	99.0%	99.5%	99.9%
Temperature and ventilation			
– Trains, except Light Rail: to maintain a cool, pleasant and comfortable train environment generally at or below 26°C	N/A	97.5%	99.9%
– Light Rail: on-train air-conditioning failures per month	N/A	<3	0
– Stations: to maintain a cool, pleasant and comfortable environment generally at or below 27°C for platforms and 29°C for station concourses, except on very hot days	N/A	94.0%	99.9%
Cleanliness			
– Train compartment: cleaned daily	N/A	99.0%	100%
– Train exterior: washed every two days (on average)	N/A	99.0%	100%
Northwest transit service area bus service			
– Service Delivery	N/A	99.0%	99.9%
– Cleanliness: washed daily	N/A	99.0%	100%
Passenger enquiry response time within six working days	N/A	99.0%	100%

Smart Mobility, Operations and Maintenance

At MTR, we constantly strive to innovate the passenger journey with smart technologies that provide greater convenience and an even higher-quality customer experience at multiple touchpoints. In March 2025, we upgraded our MTR Mobile app to include more personalised, real-time information, enhanced the app's "Trip Planner", "Next Train" and "Traffic News" features, and improved the accuracy of journey time estimations. In May, we launched the "e-City Saver" on MTR Mobile, enabling members to purchase the City Saver as a QR code ticket and skip the queues for physical tickets at Customer Service Centres, among numerous other benefits.

We are actively integrating advanced technologies, including AI and deep learning, to strengthen our operational resilience and play a leading role in shaping smart mobility solutions as well as smart operations and maintenance. Some of our award-winning projects included the "Hypersonic Acoustic and Vibration Fusion Sensor", "Automatic Tunnel Inspections System" and "Metro Maestro", the latter of which is a smart mobility solution that uses machine learning and big data analytics to reveal ridership patterns, predict passenger flow and assist with crowd management. During the period under review, we also continued to explore innovative applications for low-altitude drone technology, including railway operations and maintenance.

HONG KONG TRANSPORT SERVICES STATION COMMERCIAL BUSINESSES

HIGHLIGHTS

- Station retail revenue increased mainly due to higher rentals from Duty Free shops
- Advertising revenue affected by economic uncertainties and changing consumer patterns among locals and tourists



HK\$ million	Six months ended 30 June		
	2025	2024	Inc./ (Dec.) %
Hong Kong Station Commercial Businesses			
Station Retail Rental Revenue	1,834	1,787	2.6
Advertising Revenue	451	496	(9.1)
Telecommunication Income	272	296	(8.1)
Other Station Commercial Income	64	59	8.5
Total Revenue	2,621	2,638	(0.6)
EBITDA	2,244	2,328	(3.6)
EBIT	1,798	1,897	(5.2)
EBITDA Margin (in %)	85.6%	88.2%	(2.6)% pts.
EBIT Margin (in %)	68.6%	71.9%	(3.3)% pts.

In the first half of 2025, total revenue from all Hong Kong station commercial activities decreased by 0.6% year on year to HK\$2,621 million. This was mainly due to declines in advertising and telecommunication revenue, which were partially offset by higher rental revenue from station retail business.

Station Retail

Station retail rental revenue over the first six months of 2025 increased by 2.6% to HK\$1,834 million. This was primarily attributed to higher rentals from Duty Free shops. As at 30 June 2025, the total number of retail shops in our stations was 1,585, covering 71,386 square metres of station retail area. Rental reversion and average occupancy rates for our station kiosks were -7.0% and 98.6%, respectively.

The Hong Kong retail market remained soft during the period under review, characterised once again by low consumer sentiment and changing shopping behaviours, especially the growing popularity of cross-boundary spending by Hong Kong residents and shifting purchasing habits by Mainland tourists. To drive spending at station shops, we held a variety of sales promotion campaigns through the MTR Mobile app. We also introduced more pop-up stores carrying enticing new brands and products to drive foot traffic. In the meantime, we continued to offer flexible and/ or shorter-term leases to build tenant relationships and regularly reviewed our tenant mix to ensure that our retail offerings are in line with consumer expectations.

As at 30 June 2025, the lease expiry profile of our station kiosks (including Duty Free shops) by area occupied was such that approximately 23% will expire in the second half of 2025, 28% in 2026, 36% in 2027, and 13% in 2028 and beyond.

In terms of trade mix, food and beverage accounted for approximately 37% of the leased area of our station kiosks (excluding Duty Free shops), followed by cake shops at 13%, convenience stores at 13%, passenger services at 10% and others at 27% as at 30 June 2025.

Advertising

Revenue from advertising decreased by 9.1% to HK\$451 million in the first half of 2025. This was mainly due to economic uncertainties and low consumer sentiment impacting advertiser spending. In this challenging environment, we continue to adapt our offerings away from traditional media and towards more targeted, results-driven digital strategies to meet the evolving preferences of local advertisers. We also launched personalised ads and extended our digital portrait and digital landscape networks during the period under review. As at 30 June 2025, the total number of advertising units in MTR stations and trains was 42,625.

Telecommunications

Revenue from our telecommunications business decreased by 8.1% to HK\$272 million over the first six months of 2025, mainly due to lower income from bandwidth service and common systems. All MTR stations now offer 5G service, and a new commercial system supporting more 5G services and providing faster data throughput is now available in 10 stations, with 14 more stations expected to host the system in future. We continue to operate our Tseung Kwan O data centre business while exploring other data centre business opportunities.

PROPERTY BUSINESSES

HIGHLIGHTS

- Property development profit recognised mainly from Ho Man Tin Station packages 1 and 2 and THE SOUTHSIDE packages 3 and 5
- Property rental revenue affected by the challenging retail environment in Hong Kong



Property Rental and Management

HK\$ million	Six months ended 30 June		Inc./ (Dec.) %
	2025	2024	
Hong Kong Property Rental and Property Management Businesses			
Revenue from Property Rental	2,500	2,545	(1.8)
Revenue from Property Management	157	143	9.8
Total Revenue	2,657	2,688	(1.2)
EBITDA	2,101	2,163	(2.9)
EBIT	2,084	2,154	(3.2)
EBITDA Margin (in %)	79.1%	80.5%	(1.4)% pts.
EBIT Margin (in %)	78.4%	80.1%	(1.7)% pts.

Property rental

Property rental revenue decreased by 1.8% to HK\$2,500 million in the first half of 2025, mainly due to the continued impact of negative rental reversion driven by on-going northbound spending and shifting consumption patterns. MTR shopping malls in Hong Kong recorded a rental reversion of -7.8% and an average occupancy rate of 99%. The Company's 18 floors in Two International Finance Centre were 98% let on average.

Hong Kong's retail environment remained challenging over the first six months of the year as many residents continued to travel to Mainland China on weekends and holidays. However, MTR shopping mall tenants still benefit to a degree from being located in convenient,

high-traffic areas around major transport hubs. We also continued to launch promotional activities and leveraged the MTR Mobile app and MTR Points Loyalty Scheme to drive traffic and sales at our shopping malls during the period under review.

As at 30 June 2025, our attributable share of investment properties in Hong Kong was 315,882 square metres of lettable floor area of retail properties, 39,451 square metres of lettable floor area of office space and 19,206 square metres of property for other use.

As at 30 June 2025, the lease expiry profile of our shopping malls by area occupied was such that approximately 10% will expire in the second half of 2025, 36% in 2026, 29% in 2027, and 25% in 2028 and beyond.

Property Development Packages Awarded and in Progress

Location	Developers	Type	Gross floor area (sq. m.)	Tender award date	Expected completion date
Ho Man Tin Station					
ONMANTIN	Great Eagle Group	Residential	69,000	December 2016	By phases in 2025
IN ONE	Chinachem Group	Residential	59,400	October 2018	By phases from 2024 to 2025
LOHAS Park Station					
SEASONS PLACE/ PARK SEASONS/ GRAND SEASONS	Wheelock and Company Limited	Residential	89,290	February 2020	By phases in 2025
Package 13	Sino Land Company Limited, Kerry Properties Limited, K. Wah International Holdings Limited and China Merchants Land Limited	Residential	143,694	October 2020	By phases in 2026
Tai Wai Station					
THE PAVILIA FARM	New World Development Company Limited	Residential	190,480	October 2014	Phases I and II completed in 2022 Phase III to be confirmed Completed in 2022
		Retail	60,620*		
Tin Wing Stop					
YOHO WEST	Sun Hung Kai Properties Limited	Residential Retail	91,051 205	February 2015	By phases from 2024 to 2025
Wong Chuk Hang Station (THE SOUTHSIDE)					
Blue Coast/Blue Coast II	CK Asset Holdings Limited	Residential Retail	92,900 47,000	August 2018	Completed in 2025 Completed in 2023
Deep Water Pavilia/ Deep Water Pavilia II	New World Development Company Limited, Empire Development Hong Kong (BVI) Limited, CSI Properties Limited and Lai Sun Development Company Limited	Residential	59,100	January 2021	2026
Package 6	Wheelock Properties Limited	Residential	46,800	April 2021	2028
Yau Tong Ventilation Building					
Yau Tong Ventilation Building	Sino Land Company Limited and CSI Properties Limited	Residential	30,225	May 2018	2026
Pak Shing Kok Ventilation Building					
Pak Shing Kok Ventilation Building	New World Development Company Limited and China Merchants Land Limited	Residential	27,006	April 2022	2031
Tung Chung Traction Substation					
Tung Chung Traction Substation	Chinachem Group	Residential	87,288	July 2022	2031
Tung Chung East Station					
Package 1	Nan Fung Group Holdings Limited	Residential	30,000	December 2024	2031
Kam Sheung Road Station*					
GRAND MAYFAIR	Sino Land Company Limited, China Overseas Land & Investment Limited and K. Wah International Holdings Limited	Residential	114,896	May 2017	By phases from 2024 to 2025

as a development agent for the relevant subsidiaries of KCRC

* excluding a bicycle park with cycle track

Property Development Packages to be Awarded⁽¹⁾

Location	Type	Gross floor area (sq. m.)	Period of package tenders	Expected completion date
Oyster Bay	Residential Retail Kindergarten	826,000 30,000 4,500	To be confirmed	To be confirmed
Tung Chung East Station	Mixed-use Development	598,400	2025 – 2029	2032 – 2036
Tuen Mun A16 Station ⁽²⁾	Mixed-use Development	397,700	2025 – 2030	To be confirmed
Kwu Tung Station ⁽²⁾	Mixed-use Development	303,300	To be confirmed	To be confirmed
Hung Shui Kiu Station ⁽²⁾	Mixed-use Development	574,100	To be confirmed	To be confirmed

Notes:

1 Property development packages for which we are acting as development agent for the relevant subsidiaries of KCRC are not included.

2 These property development packages are subject to review in accordance with land grant conditions and completion of statutory processes.

THE FIRST HALF IN REVIEW

In terms of trade mix, food and beverage accounted for approximately 31% of the leased area of our shopping malls, followed by fashion, beauty and accessories at 21%, services at 20%, leisure and entertainment at 19%, and department stores and supermarkets at 9% as at 30 June 2025.

Property management

Property management revenue in Hong Kong increased by 9.8% to HK\$157 million over the first six months of the year, which was mainly due to the incremental income from new intake of managed units. As at 30 June 2025, MTR managed over 128,000 residential units and over 920,000 square metres of commercial and office space.

Property Development and Tendering

Hong Kong property development profit (post-tax) for the first half of 2025 was HK\$5,530 million, which was mainly due to profit recognition from Ho Man Tin Station packages 1 and 2 as well as THE SOUTHSIDE packages 3 and 5.

Pre-sales and Sales Activities

Pre-sales and sales activities continued over the first six months of the year. For Ho Man Tin Station packages, ONMANTIN and IN ONE were 72% and 70% sold, respectively, as at 30 June 2025. Located at Tai Wai Station, THE PAVILIA FARM I and THE PAVILIA FARM II were 98% sold as at 30 June 2025.

For LOHAS Park packages, VILLA GARDA I, VILLA GARDA II and VILLA GARDA III (Package 11) were 45% sold as at 30 June 2025. Pre-sales for GRAND SEASONS (Package 12 Phase XIIC) launched in January 2025 and were 34% sold as at 30 June 2025. Pre-sales continued for SEASONS PLACE and PARK SEASONS (Package 12 phases XIIA and XIIB) and were 76% sold as at 30 June 2025.

At THE SOUTHSIDE, pre-sales for Deep Water Pavilia (Package 5 Phase 5A) launched in May 2025 and were 78% sold as at 30 June 2025. Pre-sales continued for Blue Coast and Blue Coast II (Package 3 phases 3B and 3C) and were 75% sold as at 30 June 2025. SOUTHLAND (Package 1), La Marina (Package 2) and LA MONTAGNE (Package 4 Phase 4A) were 96%, 96% and 63% sold, respectively, as at 30 June 2025.

Located at Tin Wing Stop, YOHO WEST (Phase 1) was 87% sold as at 30 June 2025. Pre-sales for YOHO WEST PARKSIDE (Phase 2) launched in February 2025 and were 97% sold as at 30 June 2025. Meanwhile, we obtained pre-sale consent for LOHAS Park Package 13 (Phase XIIIA and XIIB) and the Yau Tong Ventilation Building property development in November 2024 and February 2025, respectively. The application for pre-sale consent for THE SOUTHSIDE Package 6 is in progress.

For West Rail properties, where we act as agent for relevant subsidiaries of KCRC, sales activities continued for the Cullinan West Development (Nam Cheong Station Package). As at 30 June 2025, The YOHO Hub and The YOHO Hub II (Yuen Long Station Package) were 63% sold. Sales for GRAND MAYFAIR I and II (Kam Sheung Road Station Package 1) continued, with 86% of units sold as at 30 June 2025.

Property Tendering

We monitor market conditions closely and conduct reviews of our property tendering programme accordingly. We anticipate tendering Tung Chung East Station Package 2 and Tuen Mun A16 Station Package 1 in the coming 12 months or so.

Expanding the Property Portfolio

As at 30 June 2025, the Company had 10 residential property projects that are expected to deliver approximately 9,000 more units to the housing market in the coming years. We also continue to explore the potential for development in other areas along our existing and future railway lines. During the year, we continued working on development sites for railway expansion projects such as Oyster Bay Station, the Tung Chung East Station site on the Tung Chung Line Extension and the A16 Station site on the Tuen Mun South Extension as well as the sites at Kwu Tung and Hung Shui Kiu stations and the Northern Link project. We are also conducting a study on developing the waterfront and former pier sites located to the south of Hung Hom Station into a new harbourfront landmark as well as a study on the Pak Shek Kok Station property development.

HONG KONG NETWORK EXPANSION

HIGHLIGHTS

- Entered into the Northern Link (Part 1) Project Agreement with Government on 8 July 2025
- Continued to advance works on several important new railway and station projects designed to enhance links between major population centres



MTR continues to “Go Beyond Boundaries” in developing the railway infrastructure needed to support Hong Kong’s future growth. In the first half of 2025, we continued to invest resources into new projects that will connect existing and future communities with world-class mass transit services and provide growth opportunities benefitting the Company and its shareholders. Construction of many new railway projects is now in full swing. We are proactively managing project-specific challenges, including building new tracks and stations on operating lines. The projects team has to optimise the “Golden Two Hours” during non-traffic hours and coordinate closely with the operations and maintenance team to avoid train service disruptions. To progress multiple projects on existing railway sections, the projects team initiated preparations early with prudent planning, careful risk management and well-organised working procedures. Innovative technologies and flexible work plans tailored to each project have been introduced to minimise risks to the existing rail service and to enhance construction efficiency and quality. Backed by deep expertise in project design, construction and management, and supported by innovative technologies and new construction methods, our dedicated teams are committed to delivering a more connected and accessible future for Hong Kong.

Projects in Progress

Tung Chung Line Extension

In February 2023, MTR signed the Project Agreement with Government for the financing, design, construction, operation and maintenance of the Tung Chung Line Extension, a major project that will serve new town extensions in the Tung Chung East new reclamation area

and Tung Chung West, enhance connectivity in Lantau North, and support sustainable, long-term population and economic growth. It is being funded by the financial contribution from the R+P Model and the Company’s internal resources. In the first half of 2025, we commenced westbound tunnel construction works using the tunnel boring machine “Xihe” and plan to commence eastbound tunnel construction works by the end of 2025. The Tung Chung Line Extension is expected to be completed in 2029.

Oyster Bay Station

In September 2022, MTR entered into a Project Agreement with Government for the financing, design, construction, operation and maintenance of Oyster Bay Station, a project located at Siu Ho Wan between Sunny Bay and Tung Chung stations that is designed to enhance connectivity in Lantau North and cater to the future population of Oyster Bay. In the first half of 2025, 50% of the bored piling works had been completed at Siu Ho Wan Depot. Piling and foundation works on remaining areas for Oyster Bay Station will continue during the year. The station is expected to be completed in 2030.

Tuen Mun South Extension

In September 2023, MTR signed the Project Agreement with Government for the financing, design, construction, operation and maintenance of the Tuen Mun South Extension. This project involves extending the Tuen Ma Line southward by approximately 2.4 km from Tuen Mun Station by way of a viaduct as well as building an intermediate station at Area 16 and a new terminal station at Tuen Mun South near the Tuen Mun Ferry Terminal. Foundation construction for Tuen Mun South Station, A16 Station and the viaduct sections has commenced.

Regarding the reprovision of the new Tuen Mun Swimming Pool, critical works have already approached the final stage to facilitate handover to Government by the end of 2025. Only after this can the construction of the A16 Station fully commence. The overall project, which is being funded by financial contributions from the R+P Model and the Company's internal resources, is expected to be completed in 2030.

Kwu Tung Station on the East Rail Line

In September 2023, the Company signed the Project Agreement with Government for the financing, design, construction, operation and maintenance of Kwu Tung Station on the East Rail Line, a new station to be situated in the town centre of the future Kwu Tung North New Development Area between Lok Ma Chau and Sheung Shui stations on the East Rail Line. The project is being funded by financial contributions from the R+P Model and the Company's internal resources. The first half of 2025 saw significant progress on station civil works with the completion of the underground structure to ground-floor level in June 2025. Works on the station structure are in full swing, and the station is set to be topped out in the fourth quarter of this year. Installation of the platform screen doors has also begun. The project's target date for completion remains 2027, at which time it will become the Hong Kong MTR network's 100th heavy rail station and the first to be commissioned in this wave of new railway projects.

Hung Shui Kiu Station

In September 2024, the Company signed the Project Agreement with Government for the financing, design, construction, operation and maintenance of Hung Shui Kiu Station, a new station to be located on the Tuen Ma Line between Tin Shui Wai and Siu Hong stations that will serve the future Hung Shui Kiu/ Ha Tsuen New Development Area in the western part of the Northern Metropolis. Detailed design works have commenced, and the parapet wall of the Tuen Ma Line viaduct section along the new station location was removed in May 2025 in preparation for the start of main works for station construction. The project is being funded by the financial contribution from the R+P Model and the Company's internal resources and is expected to be completed in 2030.

Northern Link

On 8 July 2025, the Company signed the Northern Link (Part 1) Project Agreement with Government for the financing and construction of parts of the Northern Link Main Line ("Main Line") and commencement of detailed planning and design for the Northern Link Spur Line ("Spur Line").

The 10.7-km Main Line comprises two terminal and interchange stations at Kwu Tung and Kam Sheung Road, connecting to the East Rail Line and Tuen Ma Line, respectively, as well as three intermediate stations at San Tin, Ngau Tam Mei and Au Tau. In April 2025, the Chief Executive in Council authorised the railway scheme of the Main Line under the Railways Ordinance. The 6.2-km Spur Line connects by the interchange San Tin Station to Huanggang Port in Shenzhen via Chau Tau and The Loop stations. The commissioning of both lines is targeted for no later than 2034. The construction works of the Part 1 Project Agreement will be funded by financial contributions from the R+P Model and the Company's internal resources.

Supporting New Railway Projects

Following the signing of the Northern Link (Part 1) Project Agreement in July 2025, the Company and Government have been actively engaged in discussions to finalise the signing of the (Part 2) Project Agreement, which will cover the financing and construction of the remaining works of the Main Line and Spur Line as well as the operation and maintenance of both lines. The Company is committed to optimising synergy and cost efficiency and to accomplishing the simultaneous commissioning of the Main Line and Spur Line no later than 2034. Government has announced its intention to proceed with MTR using the ownership approach, and different funding models, including the R+P Model, may be deployed to ensure commercial returns on the Company's investments. The Company is proactively studying a range of financing approaches in order to determine the optimal means of delivering the next stage of Hong Kong's railway growth story.

We continue to provide support to Government on the South Island Line (West), Pak Shek Kok Station on the East Rail Line and numerous other railway initiatives, including the Central Rail Link, Tseung Kwan O Line Southern Extension, Northern Link Eastern Extension and Northeast New Territories Line, all of which are part of the "Hong Kong Major Transport Infrastructure Development Blueprint" that was announced by Government in 2023. In addition, we are closely monitoring the progress of the Hong Kong-Shenzhen Western Rail Link as well as smart and green mass transit system initiatives in areas such as East Kowloon, Kai Tak, and the Hung Shui Kiu/ Ha Tsuen and Yuen Long South New Development Areas, providing full support where required. We will consider investing in these initiatives if investment returns are commercially justified.

MAINLAND CHINA AND INTERNATIONAL BUSINESSES

HIGHLIGHTS

- Continued to progress station commercial business in Chengdu, Zhengzhou and Xi'an
- Works continued on southwest section of Sydney Metro M1 Metro North West & Bankstown Line, other sections of Shenzhen Metro Line 13 and middle section of Beijing Metro Line 17



Our Mainland China and international businesses represent a growth pillar for the Company, helping diversify our revenue streams geographically while promoting the MTR and Hong Kong brands in markets

around the world. Over the first six months of 2025, MTR, its subsidiaries, associates and joint ventures served approximately 1.2 billion passengers in Mainland China, Europe and Australia.

Mainland China and International Businesses

Six months ended 30 June HK\$ million	Mainland China and Macao Railway, Property Rental and Property Management Businesses			International Railway Businesses			Total		
	2025	2024	Inc./ (Dec.) %	2025	2024	Inc./ (Dec.) %	2025	2024	Inc./ (Dec.) %
Recurrent Businesses									
Subsidiaries									
Revenue	514	937	(45.1)	9,669	11,492	(15.9)	10,183	12,429	(18.1)
EBITDA	40	14	185.7	636	695	(8.5)	676	709	(4.7)
EBIT	(161)	(114)	(41.2)	570	600	(5.0)	409	486	(15.8)
EBITDA Margin (in %)	7.8%	1.5%	6.3% pts.	6.6%	6.0%	0.6% pt.	6.6%	5.7%	0.9% pt.
EBIT Margin (in %)	(31.3)%	(12.2)%	(19.1)% pts.	5.9%	5.2%	0.7% pt.	4.0%	3.9%	0.1% pt.
Recurrent Business (Loss)/Profit (Net of Non-controlling Interests)	(173)	(132)	(31.1)	329	368	(10.6)	156	236	(33.9)
Associates and Joint Ventures									
Share of Profit	377	401	(6.0)	12	47	(74.5)	389	448	(13.2)
Total Recurrent Business Profit (before Business Development Expenses)	204	269	(24.2)	341	415	(17.8)	545	684	(20.3)
Profit Attributable to Shareholders of the Company for the Period									
– Arising from Recurrent Businesses (before Business Development Expenses)							545	684	(20.3)
– Business Development Expenses							(127)	(142)	10.6
– Arising from Recurrent Businesses (after Business Development Expenses)							418	542	(22.9)
– Arising from Mainland China Property Development							12	18	(33.3)
– Arising from Underlying Businesses							430	560	(23.2)

Excluding Mainland China property development, our railway, property rental and management subsidiaries (after business development expenses), together with our associates and joint ventures outside of Hong Kong, contributed a net after-tax profit of HK\$418 million in the first half of 2025 on an attributable basis compared with the net after-tax profit of HK\$542 million that was recorded over the same period last year.

In our Mainland China businesses, total recurrent business profit from our railway, property rental and property management subsidiaries, associates and joint ventures decreased to HK\$204 million in the first half of 2025. This was due in part to the operating losses arising from the opening of the initial section of Shenzhen Metro Line 13 Phase 1 in end-2024 and a lower contribution from our Hangzhou railway business.

In our international businesses, total recurrent business profit from our railway subsidiaries, associates and joint ventures decreased to HK\$341 million in the first half of 2025. This was mainly due to having a lower contribution from the South Western Railway and no contribution from MTRX during the period under review following the disposal of the business in May last year.

Railway Businesses in Mainland China

Beijing

In Beijing, our associate operates Beijing Metro Line 4, the Daxing Line, Beijing Metro Line 14, Beijing Metro Line 16, and the Southern and Northern sections of Beijing Metro Line 17. All lines achieved stable operations with average on-time performance exceeding 99.9% in the first half of 2025. The middle section of Beijing Metro Line 17 is under construction and scheduled to be opened by the end of 2025.

Shenzhen

Shenzhen Metro Line 4

Shenzhen Metro Line 4 ("SZL4"), including the SZL4 North Extension, is operated by our wholly owned subsidiary. The line maintained stable operations during the first half of the year with average on-time performance of 99.9% and a gradual increase in patronage.

As previously stated, there has been no increase in fares for SZL4 since we began operating the line in 2010. We expect that the mechanism and procedures for fare adjustments will take time to implement and that patronage will remain at a lower level for longer than

expected. If a suitable fare increase and adjustment mechanism are not implemented soon, the long-term financial viability of this line will be impacted.

Shenzhen Metro Line 13

The initial section of Shenzhen Metro Line 13 ("SZL13") Phase 1 opened in December 2024 and achieved stable operations with on-time performance of 99.9% over the first six months of 2025. Other sections of SZL13 remain under construction as planned.

Hangzhou

Hangzhou Metro Line 1 and Its Extensions

In Hangzhou, Hangzhou Metro Line 1 ("HZL1"), the Xiasha Extension and Airport Extension achieved stable operations during the period under review with average on-time performance of 99.9%.

As we have previously reported, HZL1 has been loss-making in recent years due to slow growth in patronage and the pandemic. As there is no patronage protection mechanism under this concession agreement, the line's long-term financial viability will be impacted if patronage remains at a lower level over a further period of time, especially when compounded by the lower average fare resulting from the expanded network.

Hangzhou Metro Line 5

Hangzhou Metro Line 5 achieved stable operations during the first six months of the year with average on-time performance of 99.9% and a gradual increase in patronage.

Property Businesses in Mainland China

MTR is also involved in the development and management of commercial and residential properties in Mainland China. The Company continues to study possible strategic options for its malls in the country due to challenging retail and property market conditions. Following our exit from Ginza Mall in Beijing in May 2024, we continue to evaluate strategic options for TIA Mall in Shenzhen and the shopping mall at Tianjin's Beiyunhe Station, where preparations remain underway for an opening targeted after 2026.

Our transit-oriented development ("TOD") project at Hangzhou West Station continued during the period under review. Meanwhile, we continue to provide TOD consultancy services for the Shenzhen Xili Station Comprehensive Transportation Hub and Beijing Sub-Centre Station Comprehensive Transportation Hub.

Other Businesses in Mainland China

Our station commercial businesses in Chengdu, Zhengzhou and Xi'an continued to progress and now cover over 700 station shops; meanwhile, we are exploring further opportunities to extend the business to other Mainland cities.

On 10 July 2025, our wholly owned subsidiary, MTR (Beijing) Investment Co., Ltd., entered into an agreement with the existing shareholders to invest in CRRC Guangdong Co., Ltd., marking our first investment in the railway equipment industry in Guangdong Province.

International Railway Businesses

Australia

The Melbourne metropolitan rail network achieved stable operations during the period under review. Our concession for this service currently runs to November 2027. We continue to support our client, the Victoria State Government, on various network improvement initiatives. These include the new 9-km Metro Tunnel, scheduled to open this year, which will provide a new railway connection through Melbourne's central business district and boost capacity by more than half a million passengers a week.

The Sydney Metro M1 Metro North West & Bankstown Line achieved stable operations over the first six months of the year. Works for the line's southwest section are on-going in preparation for opening in 2026.

Sweden

Stockholm Metro (Stockholms tunnelbana) achieved stable operations over the first half of the year. The service contract for this service will end in November 2025.

United Kingdom

In the United Kingdom, we completed the handover of operations for the Elizabeth line and South Western Railway to the next operators in May 2025.

Growth Outside of Hong Kong

Our bid for the Sydney Metro West project was submitted in late 2024, and the result is expected in the second half of 2025. Elsewhere, we continue to seek growth opportunities in Mainland China and overseas, including Belt and Road countries.

OTHER BUSINESSES

Ngong Ping 360

Revenue from Ngong Ping 360 increased by 0.8% to HK\$241 million in the first half of 2025 with visitation of 0.75 million. The attraction continued to drive patronage and spending through a variety of marketing initiatives, including seasonal promotions and a collaboration with the popular Hong Kong film "Four Trails". Eleven new Crystal+ cabins were tested, commissioned and added to the Ngong Ping 360 fleet, bringing the total of these premium cabins in service to 21.

Octopus

Our share of profit from Octopus Holdings Limited ("OHL") decreased by 5.8% to HK\$212 million in the first half of the year. OHL sustained strong transaction volumes during this period despite economic headwinds and robust outbound spending. As at 30 June 2025, Octopus was accepted at over 190,000 points in Hong Kong and 34 million globally, including in Mainland China, Thailand and South Korea, as Octopus intensified its efforts in key travel corridors. There are approximately 33 million Octopus cards and products in circulation with average daily transaction volume and value of 15.8 million and HK\$335 million, respectively. Notably, there has been robust growth in the adoption of the digital versions of Octopus, particularly among Gen Z, which accounts for one third of Octopus App users.

MTR Academy

In the first six months of the year, the MTR Academy jointly organised the "Belt and Road Advanced Professional Development Programme in Railway Transport" programme with The Hong Kong Polytechnic University and Beijing Jiaotong University, attracting 44 senior railway executives and scholars from 13 countries and regions. It also continued to collaborate with local universities on instilling railway elements for undergraduates.

MTR Lab

In May 2025, MTR Lab completed its first investment in AI retail technology by investing in Whale, a Singapore-based AI-native company providing digital retail and marketing solutions. MTR Lab also formed a pair of strategic partnerships in the first half of the year: one with TusStar, one of the largest technology incubators in Mainland China, to collaborate on startup scouting in verticals such as smart city, smart mobility and sustainability; and another with CROSSBIE JAPAN K.K., a cross-border innovation accelerator based in Yokohama, Japan, to bolster MTR Lab's local deal-sourcing capabilities in Japan.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

At MTR, we take our responsibility to be a good corporate citizen seriously. Our robust Environmental, Social and Governance (“ESG”) framework helps guide our operations in 10 focus areas spanning three core environmental and social objectives: Greenhouse Gas Emissions Reduction, Social Inclusion, and Advancement & Opportunities. For 2025, we have set a total of 45 key performance indicators to gauge the effectiveness of our efforts.

Environmental Aspects

Our programme to reduce our carbon emissions by introducing electric vehicles continued as 10 electric buses are now in passenger service. Twenty-five more will gradually be delivered to replace retiring diesel buses between 2025 and 2026. Overall, we continue to make progress towards achieving our approved 2030 science-based target for carbon emissions reduction.

Social Aspects

MTR Volunteering Month 2025, themed “Love Across Generations, Together for 20 Years”, took place between March and April to celebrate the 20th anniversary of the “More Time Reaching Community” Scheme. In the first half of 2025, 178 volunteering projects were organised under the Scheme, supported by a headcount of 2,334 participating volunteers.

In the first half of the year, we celebrated the completion of the first cohort of our “EmpowerZ Youth Placement Pilot Programme for Diverse Talents”, an initiative developed to provide job opportunities, tailored training and mentorship for applicants from ethnically diverse backgrounds and/ or those with disabilities. Meanwhile, our “Train’ for Life’s Journey 2.0” programme continues to engage over 1,000 students this year. Participants have proposed innovative solutions to social inclusion topics through bootcamps and a social innovation challenge.

We also continued our “Art in MTR” programme, promoting public appreciation of the arts by hosting exhibitions and performances in our stations. Highlights included “My Boy: A Nostalgic Journey Exhibition” at the Hong Kong Station Living Art Stage in March 2025, featuring the works of comic legend Wong Sze Ma as well as “My Boy” artworks created by local artists to reimagine the famous comic’s characters. Another highlight was the “THE COMMEOWNITY” Feline Store Managers Heartening Photography Exhibition” at Central Station in March 2025, which displayed inspiring interactions between the city’s

well-known “feline store managers” and shop owners, locals and visitors, all captured by photographers and exhibited in four themed zones. We also joined hands with dayday330 to promote mental well-being and encourage passengers to relish quiet moments and share therapeutic experiences during their journeys.

Governance

MTR strives to practise strong corporate governance in order to ensure that the Company operates ethically, transparently, and in the interests of shareholders and stakeholders. Our comprehensive enterprise risk management framework is designed to protect the health and safety of members of the public and our staff while also helping us manage strategic, operational, financial, compliance and reputational risks. Top risks such as emerging and ESG-related risks are regularly reviewed to help us respond to constantly evolving business and operating environments. In addition, our “three lines of defence” framework helps ensure proactive, effective risk management.

HUMAN RESOURCES

As at 30 June 2025, MTR and its subsidiaries employed 18,641 people in Hong Kong and 12,159 people outside of Hong Kong. Our associates and joint ventures employed an additional 16,029 people in Hong Kong and worldwide. In Hong Kong, the voluntary staff turnover rate remained stable at 5.1%.

MTR strives to be an employer of choice by enhancing its employer brand, offering competitive pay and benefits, and providing short- and long-term incentive schemes under the Company’s total reward framework. To engage and attract talent, especially the new generation of workforce, we refreshed our employer brand with new recruitment visuals and adopted innovative recruitment marketing strategies. Our graduate development programmes and revamped railway technical trainee and summer internship programmes offer a wide range of career choices for youth. We also actively listen to our employees and maintain two-way communication with them through various channels, and we strive to foster a caring workplace by implementing various well-being initiatives and family-friendly practices and promoting work-life balance under the Wellness Connect platform. Our comprehensive learning and development programmes provide employees with career advancement and growth opportunities and strengthen their future-oriented skills to adopt new ways of working.

FINANCIAL PERFORMANCE

In addition to the above brief report of the Group's results and operations, this section discusses and analyses such results in more details.

CONSOLIDATED PROFIT OR LOSS

HK\$ million	Six months ended 30 June		Favourable/ (Unfavourable) Change	
	2025	2024	HK\$ million	%
Total Revenue	27,360	29,271	(1,911)	(6.5)
Recurrent Business Profit				
EBIT ^ε				
Hong Kong Transport Services				
– Hong Kong Transport Operations	98	415	(317)	(76.4)
– Hong Kong Station Commercial Businesses	1,798	1,897	(99)	(5.2)
Total Hong Kong Transport Services	1,896	2,312	(416)	(18.0)
Hong Kong Property Rental and Management Businesses	2,084	2,154	(70)	(3.2)
Mainland China and International Railway, Property Rental and Management Subsidiaries	409	486	(77)	(15.8)
Other Businesses, Project Study and Business Development Expenses	(188)	(178)	(10)	(5.6)
Share of Profit of Associates and Joint Ventures	601	673	(72)	(10.7)
Total Recurrent EBIT	4,802	5,447	(645)	(11.8)
Interest and Finance Charges	(633)	(517)	(116)	(22.4)
Income Tax	(665)	(806)	141	17.5
Non-controlling Interests	(89)	(100)	11	11.0
Recurrent Business Profit Attributable to Shareholders and Perpetual Capital Securities Holders	3,415	4,024	(609)	(15.1)
Perpetual Capital Securities	(24)	–	(24)	n/m
Recurrent Business Profit	3,391	4,024	(633)	(15.7)
Property Development Profit (Post-tax)				
Hong Kong	5,530	1,722	3,808	221.1
Mainland China	12	18	(6)	(33.3)
Property Development Profit (Post-tax)	5,542	1,740	3,802	218.5
Underlying Business Profit	8,933	5,764	3,169	55.0
(Loss)/Gain from Fair Value Measurement of Investment Properties (Post-tax)				
Loss from Fair Value Remeasurement on Investment Properties	(2,702)	(810)	(1,892)	(233.6)
Gain from Fair Value Measurement of Investment Properties on Initial Recognition from Property Development	1,478	1,090	388	35.6
(Loss)/Gain from Fair Value Measurement of Investment Properties (Post-tax)	(1,224)	280	(1,504)	n/m
Net Profit Attributable to Shareholders of the Company	7,709	6,044	1,665	27.5
Total Recurrent EBIT Margin [#] (in %)	15.4%	16.3%		(0.9)% pt
Total Recurrent EBIT Margin [#] (excluding Mainland China and International Subsidiaries) (in %)	22.1%	25.5%		(3.4)% pts

ε : EBIT represents profit before interest, finance charges and taxation

: Excluding share of profit of associates and joint ventures

n/m : not meaningful

For the six months ended 30 June 2025, improvements in Hong Kong patronage drove solid results for the Group's operating revenue, while our property development

business recorded profits mainly from Ho Ma Tin Station packages 1 and 2, and THE SOUTHSIDE packages 3 and 5.

Total Revenue

The Group's total revenue excluding our Mainland China and international railway, property rental and management subsidiaries for the six months ended 30 June 2025 was HK\$17,163 million, a 1.9% increase compared to the same period in 2024. This was mainly attributable to increased revenue in our Hong Kong transport operations ("HKTO"), which was driven by higher patronage in Cross-boundary and HSR services. Taking into account the decrease in revenue contributions from our Mainland China and international railway, property rental and management subsidiaries, which was mainly due to (i) reduced project revenue from our Melbourne operations, and (ii) decreased revenue from Sweden following the early termination of the Stockholms pendeltåg and Mälartåg concessions in the first half of 2024, total revenue decreased by 6.5% to HK\$27,360 million for the six months ended 30 June 2025 compared to the same period in 2024.

Recurrent Business Profit

The Group recorded recurrent business profit attributable to shareholders and perpetual capital securities holders of HK\$3,415 million for the six months ended 30 June 2025, compared to HK\$4,024 million over the same period last year. The decrease of HK\$609 million or 15.1%, was mainly due to lower EBIT from HKTO as a result of increased operating expenses which included a number of cost changes arising through either one-off or timing effects. After taking into account the profit attributable to perpetual capital securities holders of HK\$24 million, recurrent business profit attributable to shareholders of the Company for the six months ended 30 June 2025 was HK\$3,391 million, a decrease of HK\$633 million or 15.7%.

Total Recurrent EBIT by Businesses

The Group's total recurrent EBIT (including share of profit of associates and joint ventures as well as project study and business development expenses) for the six-month period was HK\$4,802 million in 2025, a decrease of HK\$645 million or 11.8% compared to the same period in 2024. Contributions from our respective businesses were as follows:

Hong Kong Transport Operations: EBIT decreased by HK\$317 million or 76.4% to HK\$98 million for the six months ended 30 June 2025. This was mainly due to (i) increased operating expenses from higher staff costs, inflation and railway support and maintenance expenses; (ii) higher depreciation; and (iii) higher variable annual payment to KCRC in line with increased revenue. These adverse impacts were partly offset by higher patronage on our Cross-boundary and HSR services which benefitted from enhanced cross-boundary transportation capacity and more frequent two-way flow of travellers between Hong Kong and Mainland China.

Hong Kong Station Commercial Businesses: EBIT

decreased by HK\$99 million or 5.2% to HK\$1,798 million for the six months ended 30 June 2025, mainly due to (i) lower revenue contribution from advertising business resulting from lower market sentiment, and lower telecommunication revenue; (ii) overall negative rental reversions of 7.0% on renewals and new lets for other station kiosks, (iii) the refund of Government rent in the first half of 2024 not being repeated in the same period of 2025; and (iv) higher variable annual payment to KCRC owing to a higher level of revenue subject to variable annual payment. The drop of EBIT was partly offset by higher rental income from Duty Free shops.

Hong Kong Property Rental and Management

Businesses: EBIT decreased by HK\$70 million or 3.2% to HK\$2,084 million for the six months ended 30 June 2025. This was mainly due to (i) the overall negative rental reversion of 7.8% on renewals and new lets for shopping malls due to continued northbound spending and shift in consumption patterns; and (ii) lower rental income from the Company's 18 floors in Two International Finance Centre.

Mainland China and International Railway, Property Rental and Management Subsidiaries: For the six months ended 30 June 2025, EBIT recorded a decrease of HK\$77 million, or 15.8%, to HK\$409 million. This was mainly due to the operating losses arising from the commencement of the initial section of Shenzhen Metro Line 13 which opened in December 2024.

Other Businesses, Project Study and Business Development Expenses: EBIT loss was HK\$188 million for the six months ended 30 June 2025, similar to the same period in 2024.

Share of Profit of Associates and Joint Ventures: Share of profit of associates and joint ventures decreased by HK\$72 million or 10.7%, to HK\$601 million for the six months ended 30 June 2025. This was mainly due to the soft performance of Hangzhou Line 5.

Total Recurrent EBIT Margin

In the first half of 2025, total recurrent EBIT margin remained resilient, dropping slightly by 0.9% point to 15.4%, compared to the same period in 2024. This was mainly due to increasing operating costs for our Hong Kong businesses.

Interest and Finance Charges

Interest and finance charges for recurrent businesses were HK\$633 million for the six months ended 30 June 2025, representing a 22.4% increase compared to the same period in 2024. This was mainly due to increased loan drawdowns from fundraising activities. A detailed review of the Group's financing activities is featured in the ensuing section.

Income Tax

Income tax expenses for recurrent businesses decreased by HK\$141 million or 17.5%, to HK\$665 million for the six months ended 30 June 2025, which was mainly due to decrease in Hong Kong recurrent business profit.

On 6 August 2024, the Inland Revenue Board of Review issued its decision ("the Board of Review Decision") and disagreed with the deduction claims of the fixed annual payments and variable annual payments for the years of assessment from 2011/2012 to 2017/2018. It confirmed the relevant profits tax assessment/additional profits tax assessments in respect of the fixed annual payments and variable annual payments being non-tax deductible. On 4 September 2024, the Company lodged an application to the Court of First Instance of the High Court of the Hong Kong Special Administrative Region ("the Court of First Instance") for leave to appeal against the Board of Review Decision. On 27 May 2025, the Court of First Instance handed down its decision and granted leave for the Company to appeal against the Board of Review Decision. The Company has conferred with external legal counsel and its tax advisor and the advice obtained is that the Company continues to have strong legal grounds to support its position. As such, the Company has proceeded with its appeal against the Board of Review Decision and no additional tax provision has been made. The hearing of the appeal before the Court of First Instance is scheduled to be held in early 2027. Further details are set out in note 8B "Income Tax" to this interim financial report.

Property Development Profit (Post-tax)

The Group's property development profit (post-tax) was HK\$5,542 million for the six months ended 30 June 2025,

representing an increase of HK\$3,802 million over the same period in 2024. The profit was mainly derived from Ho Man Tin Station packages 1 and 2, and THE SOUTHSIDE packages 3 and 5.

Underlying Business Profit

Underlying business profit increased by HK\$3,169 million or 55.0% to HK\$8,933 million for the six months ended 30 June 2025, as the result of an increase of HK\$3,802 million in property development profit that was offset by a decrease of HK\$633 million in recurrent business profit.

(Loss)/Gain from Fair Value Measurement of Investment Properties (Post-tax)

Loss from fair value measurement of investment properties was HK\$1,224 million for the six months ended 30 June 2025. This comprised (i) a loss of HK\$2,702 million from investment property fair value remeasurement, net of (ii) recognition of the remaining valuation gain from our sharing-in-kind investment property (i.e., THE SOUTHSIDE shopping mall) of HK\$1,478 million.

Net Profit Attributable to Shareholders of the Company

Taking into account the Group's recurrent businesses, property development businesses and fair value measurement of investment properties, the Group reported a net profit attributable to shareholders of the Company of HK\$7,709 million for the six months ended 30 June 2025, an increase of HK\$1,665 million or 27.5% over the HK\$6,044 million recorded for the same period in 2024.

CONSOLIDATED FINANCIAL POSITION

HK\$ million	At 30 June 2025	At 31 December 2024	Inc./ (Dec.)	
			HK\$ million	%
Fixed Assets	241,997	243,190	(1,193)	(0.5)
Railway Construction in Progress	15,287	11,375	3,912	34.4
Property Development in Progress	42,628	42,300	328	0.8
Interests in Associates and Joint Ventures	13,590	13,039	551	4.2
Investments in Securities	6,693	1,952	4,741	242.9
Debtors and Other Receivables	11,506	15,780	(4,274)	(27.1)
Cash, Bank Balances and Deposits	56,796	27,886	28,910	103.7
Other Assets	14,100	11,977	2,123	17.7
Total Assets	402,597	367,499	35,098	9.6
Total Loans and Other Obligations	92,173	77,568	14,605	18.8
Creditors and Other Liabilities	73,345	77,663	(4,318)	(5.6)
Obligations Under Service Concession	9,924	9,969	(45)	(0.5)
Deferred Tax Liabilities	15,948	16,166	(218)	(1.3)
Total Liabilities	191,390	181,366	10,024	5.5
Net Assets	211,207	186,133	25,074	13.5
Represented by:				
Total Equity Attributable to Shareholders of the Company	186,976	185,625	1,351	0.7
Perpetual Capital Securities	23,574	–	23,574	n/m
Non-controlling Interests	657	508	149	29.3
Total Equity	211,207	186,133	25,074	13.5

n/m : not meaningful

The Group's total assets increased by 9.6% to HK\$402,597 million. This was mainly due to the increases in (i) cash, bank balances and deposits after the issuance of perpetual capital securities in June 2025, (ii) investments in securities due to the subscription of bank medium-term notes, and (iii) railway construction in progress for Tung Chung Line Extension, Tuen Mun South Extension and Kwu Tung Station, partly offset by the decrease in debtors and other receivables relating to the decrease in property development receivables upon settlement.

Total liabilities increased by 5.5% to HK\$191,390 million, mainly due to net drawdown of loans. That was partly offset by decrease in deferred income from various property development projects as the related income was recognised in the consolidated profit or loss in the first half of 2025.

As a result, the Group's net assets increased by HK\$25,074 million or 13.5% to HK\$211,207 million.

CONSOLIDATED CASH FLOWS

HK\$ million	Six months ended 30 June	
	2025	2024
Net Cash Generated from Operating Activities	6,481	8,179
Net Receipts/(Payments) from Property Development	9,127	(21)
Capital Expenditure	(8,632)	(7,571)
Variable Annual Payment	(3,025)	(2,355)
Other Net Cash (Outflow)/Inflow from Investing Activities	(4,388)	417
Net Cash Used in Investing Activities	(6,918)	(9,530)
Net Drawdown of Debts, Net of Lease Rental and Interest Payments	10,913	10,680
Issuance of Perpetual Capital Securities	23,550	–
Dividends Paid to Shareholders of the Company	(5,541)	–
Other Net Cash Outflow from Financing Activities	(78)	(221)
Net Cash Generated from Financing Activities	28,844	10,459
Effect of Exchange Rate Changes	503	(217)
Net Increase in Cash, Bank Balances and Deposits	28,910	8,891
Cash, Bank Balances and Deposits as at 1 January	27,886	22,375
Cash, Bank Balances and Deposits as at 30 June	56,796	31,266

Net Cash Generated from Operating Activities

Net cash generated from operating activities decreased by HK\$1,698 million to HK\$6,481 million for the six months ended 30 June 2025, from HK\$8,179 million for the same period in 2024, resulting mainly from lower recurrent business profit due to sluggish economic environment.

Net Receipts from Property Development

Net receipts from property development were HK\$9,127 million, comprising (i) cash receipts of HK\$10,421 million mainly for various LOHAS Park packages, THE SOUTHSIDE packages and Ho Man Tin Station packages, which were partly offset by (ii) cash payments of HK\$1,294 million mainly for Oyster Bay project.

Capital Expenditure

For the six months ended 30 June 2025, capital expenditure amounted to HK\$8,632 million. This comprised (i) HK\$4,560 million for investments in additional assets such as station renovation works, new trains and signalling systems for existing Hong Kong railways and related operations, (ii) HK\$3,838 million for Hong Kong railway extension projects, (iii) HK\$127 million for investment properties additions and fitting out works, and (iv) HK\$107 million for Mainland China and overseas subsidiaries such as Shenzhen Metro Line 13.

Net Drawdown of Debts, Net of Lease Rental and Net Interest Payments

For the six months ended 30 June 2025, net drawdown of debts, net of lease rental and net interest payments of HK\$10,913 million comprised (i) proceeds of HK\$57,427 million from loans and capital market instruments; offset by (ii) repayment of HK\$45,598 million mainly relating to loans; and (iii) net interest payment of HK\$916 million.

Dividends Paid to Shareholders of the Company

The Group paid dividends of HK\$5,541 million for the six months ended 30 June 2025 (2024: HK\$nil) in cash, being the 2024 final dividend of HK\$0.89 per share.

FINANCING ACTIVITIES

Hong Kong's real GDP grew by 3.1% during the first quarter of 2025 compared to the preceding quarter underpinned by international trade flows and improving inbound tourism. Hong Kong's fiscal policy and robust financial system were contributors to Hong Kong maintaining its AA+/Aa3 credit rating with reputable ratings agencies that either upgraded or affirmed Hong Kong's outlook as "stable" during May 2025.

Noting that the U.S. Federal Open Market Committee of the Federal Reserve maintained their target federal funds rate at 4.25 – 4.50% throughout the first half of 2025,

Hong Kong interbank interest rates decreased during June 2025 and the interest rate differential between the Hong Kong dollar and the US dollar widen in accordance with the longstanding linked exchange rate system between the two currencies.

As monetary and financial markets continued to operate in an orderly manner in Hong Kong amidst volatile and unpredictable global events during the first half of 2025, the Company arranged HK\$52.9 billion in new financing, including HK\$1.9 billion from privately placed MTN issuances with maturities of 2 to 3 years, a three-tranche USD public bond equivalent to HK\$23.5 billion, a dual-tranche USD public perpetual capital securities equivalent to HK\$23.5 billion, in addition to HK\$4.0 billion in bank credit facilities. Approximately HK\$0.8 billion of the new financing was arranged under the Company's Sustainable Finance Framework, with proceeds earmarked for eligible investments.

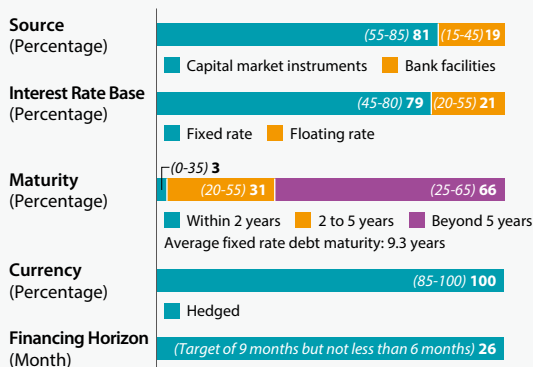
The Company's inaugural issuance of perpetual capital securities adds hybrid capital to our capital structure which is eligible for equity treatment in the Group's accounts. The Group's consolidated gross debt position at the end of June 2025 was HK\$92.2 billion, with a cash and deposit balance of HK\$56.8 billion, bank medium-term notes held of HK\$5.7 billion and undrawn committed facilities of over HK\$26.2 billion.

The Company takes into consideration our forward-looking capital expenditure needs and prevailing market conditions in determining external fund raising, whereby the weighted average cost of the Group's interest-bearing borrowings over the first six months was 3.7% p.a., compared with 3.8% p.a. for the same period in 2024.

Preferred Financing Model and Debt Profile

The Preferred Financing Model exemplifies the Company's approach to debt management and helps ensure a prudent and well-balanced debt portfolio

(Preferred Financing Model) vs. **Actual Debt Profile** as at 30 June 2025



Net Debt-to-equity Ratio and Interest Coverage

The Group's gearing ratio, as measured by net debt-to-equity ratio, was 27.5% as at 30 June 2024, 31.6% as at 31 December 2024 and 18.8% as at 30 June 2025. The decrease is mainly due to the increase in equity due to the issuance of perpetual capital securities. The Group's interest cover for the six months ended 30 June 2025 was 12.5 times compared to 11.6 times during the same period in 2024.

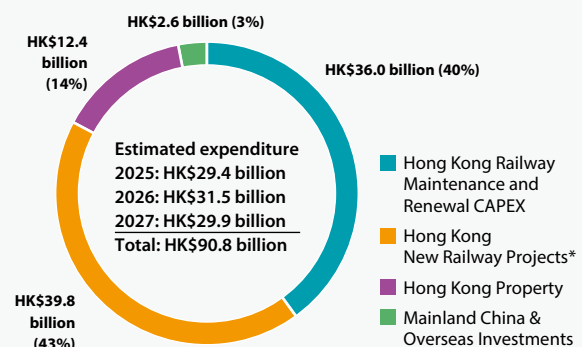
Capital Expenditure and Investment

The Group's capital expenditure and investment can be categorised into the following: Hong Kong railway projects (further classified into maintenance work for existing railways and new projects), Hong Kong property investments and development, and Mainland China and overseas investments. Total spending from 2025 – 2027 is estimated at around HK\$90.8 billion, of which HK\$5.7 billion is in relation to the project cost under the project agreement signed for the Northern Link Project – Part 1.

Capital expenditure on Hong Kong railway projects will continue to constitute a significant portion of capital expenditure in 2025 – 2027, following the signing of project agreements for the Oyster Bay project, the Tung Chung Line Extension, the Tuen Mun South Extension, the Kwu Tung Station, the Hung Shui Kiu Station and the Northern Link Project – Part 1. The capital works expenditure and funding terms of any other projects can only be ascertained after entering into the relevant project agreements with Government.

The Group believes that based on its cash, bank balances and deposits of HK\$56.8 billion, bank medium-term notes of HK\$5.7 billion, total available committed banking facilities of more than HK\$26.2 billion as at 30 June 2025 and its ready access to both the loan and debt capital markets, it will have sufficient financing capacity to fund its capital expenditure and investment programme.

Capital Expenditure and Investment (2025 – 2027)



* Including HK\$5.7 billion for 2025 – 2027 in relation to the project cost under the project agreement signed for the Northern Link Project – Part 1