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恒隆地產有限公司

HANG LUNG PROPERTIES LIMITED

(Incorporated in Hong Kong with limited liability)
(Stock Code: 00101)

2026 INTERIM RESULTS

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FINANCIAL HIGHLIGHTS

in HK\$ Million (unless otherwise stated)

RESULTS

For the six months ended June 30

	2026				2025			
	Property Leasing	Hotels	Property Sales	Total	Property Leasing	Hotels	Property Sales	Total
Revenue	4,923	147	1,043	6,113	4,678	129	161	4,968
- Chinese Mainland	3,442	147	28	3,617	3,190	129	10	3,329
- Hong Kong	1,481	-	1,015	2,496	1,488	-	151	1,639
Operating profit/(loss)	3,471	(29)	(187)	3,255	3,346	(34)	(57)	3,255
- Chinese Mainland	2,328	(29)	(157)	2,142	2,176	(34)	(26)	2,116
- Hong Kong	1,143	-	(30)	1,113	1,170	-	(31)	1,139
Underlying net profit/(loss) attributable to shareholders	1,673	(53)	(184)	1,436	1,674	(57)	(30)	1,587
Net decrease in fair value of properties attributable to shareholders	(678)	-	-	(678)	(675)	-	-	(675)
Net profit/(loss) attributable to shareholders	995	(53)	(184)	758	999	(57)	(30)	912
	At June 30, 2026				At December 31, 2025			
Shareholders' equity	138,564				134,729			
Net assets attributable to shareholders per share (HK\$)	\$26.6				\$26.6			
Earnings and Dividends (HK\$)								
	2026				2025			
Earnings per share								
- Based on underlying net profit attributable to shareholders	\$0.28				\$0.33			
- Based on net profit attributable to shareholders	\$0.15				\$0.19			
Interim dividend per share	\$0.12				\$0.12			
Financial Ratios								
	At June 30, 2026				At December 31, 2025			
Net debt to equity ratio	31.6%				32.7%			
Debt to equity ratio	35.9%				37.1%			

REVIEW OF OPERATIONS

RESULTS HIGHLIGHTS

In the first half of 2026, government stimulus measures and low interest environment improved consumer sentiment in the Chinese Mainland, while a strengthening Renminbi (“RMB”) contributed to a rebound in tourism and retail activity in Hong Kong. Hang Lung Properties Limited (the “Company”) and its subsidiaries (collectively known as “Hang Lung Properties”) maintained strong occupancy and operational discipline, demonstrating resilience amid market challenges. Core property leasing revenue grew in the Chinese Mainland and remained steady in Hong Kong.

In the Chinese Mainland, revenue from our malls achieved growth of 6% in RMB terms, with overall occupancy level achieving 96% by the end of June. During the reporting period, we continued to actively optimize our tenant mix by replacing underperforming brands with new market entrants and exclusive offerings, strengthening our retail proposition. This was complemented by a broad range of city-specific experiential activities which enhanced customer engagement, sustained footfall, and supported tenant sales, reinforcing our properties as community-centric destinations.

In Hong Kong, proactive leasing and tenant retention strategies supported stable occupancy across our retail and office portfolios, resulting in occupancy rates of approximately 95% and 90%, respectively. Enhancements to our Central Business and Tourist District Portfolio helped maintain retail occupancy and improve offerings. For office, Hong Kong Island Portfolio occupancy was driven by higher leasing in Standard Chartered Bank Building, including the flexible coworking space NET•WORK, as well as 228 Electric Road. The residential and serviced apartments segment benefited from the government’s talent admission scheme, with revenue and occupancy increasing 7% and nine points and year-on-year, respectively.

Hang Lung Properties recorded total revenue of HK\$6,113 million in the first half of 2026 (2025: HK\$4,968 million). Overall operating profit maintained at HK\$3,255 million (2025: HK\$3,255 million). Revenue and operating profit from property leasing amounted to HK\$4,923 million (2025: HK\$4,678 million) and HK\$3,471 million (2025: HK\$3,346 million), respectively. Hotel revenue recorded HK\$147 million (2025: HK\$129 million), and property sales revenue reached HK\$1,043 million (2025: HK\$161 million).

In Hang Lung's 66th anniversary year, Hang Lung Properties embarked on our next phase of growth under the theme "66 and beyond," reaffirming our commitment to creating compelling spaces that enrich lives. This milestone was celebrated with the opening of Westlake 66 in Hangzhou, alongside a series of nationwide initiatives across our retail, office, and hotel portfolios to enhance customer and community engagement, strengthening the long-term positioning of our assets.

CONSOLIDATED RESULTS

For the six months ended June 30, 2026, Hang Lung Properties recorded total revenue of HK\$6,113 million, an increase of 23% year-on-year, primarily driven by a 548% rise in property sales to HK\$1,043 million. Overall operating profit maintained at HK\$3,255 million. Property leasing showed steady growth, with revenue and operating profit climbing 5% to HK\$4,923 million and 4% to HK\$3,471 million, respectively, supported by improvements in the Chinese Mainland mall leasing market. Hotel revenue rose 14% to HK\$147 million, underpinned by stronger domestic and inbound travel demand, while the operating loss after depreciation narrowed 15% to HK\$29 million.

Underlying net profit attributable to shareholders decreased 10% to HK\$1,436 million, primarily due to higher operating loss from property sales in the Chinese Mainland after a non-cash inventory provision and increased finance costs from reduced interest capitalization, which offset the improvement in property leasing performance. The underlying earnings per share amounted to HK\$0.28.

Including a net revaluation loss on properties attributable to shareholders of HK\$678 million (2025: HK\$675 million), Hang Lung Properties reported a net profit attributable to shareholders of HK\$758 million (2025: HK\$912 million). The corresponding earnings per share was HK\$0.15 (2025: HK\$0.19).

Revenue and Operating Profit for the Six Months Ended June 30

	Revenue			Operating Profit/(Loss)		
	2026	2025	Change	2026	2025	Change
	HK\$ Million	HK\$ Million		HK\$ Million	HK\$ Million	
Property Leasing	4,923	4,678	5%	3,471	3,346	4%
Chinese Mainland	3,442	3,190	8%	2,328	2,176	7%
Hong Kong	1,481	1,488	-	1,143	1,170	-2%
Hotels (Chinese Mainland)	147	129	14%	(29)	(34)	15%
Property Sales	1,043	161	548%	(187)	(57)	-228%
Chinese Mainland	28	10	180%	(157)	(26)	-504%
Hong Kong	1,015	151	572%	(30)	(31)	3%
Total	6,113	4,968	23%	3,255	3,255	-

DIVIDEND

The Board of Directors (the “Board”) of the Company has declared an interim dividend of HK12 cents per share for 2026 (2025: HK12 cents) to be paid in cash on September 25, 2026, to shareholders whose names are listed on the register of members of the Company on August 14, 2026.

PROPERTY LEASING

For the six months ended June 30, 2026, overall rental revenue increased 5% to HK\$4,923 million. Rental revenue of the Chinese Mainland portfolio rose 3% in RMB terms and 8% in HKD terms, reflecting the year-on-year RMB appreciation. Rental revenue of the Hong Kong portfolio remained stable.

The Chinese Mainland’s high-end retail market continued a selective yet resilient recovery, supported by affluent local consumers and a growing preference for quality, craftsmanship, and emotional resonance. To capture this demand, we strengthened our tenant mix and worked closely with tenants to expand store formats and increase immersive retail experiences, including curated IP collaborations and first-to-market offerings, while advancing our promotional strategies to better reflect localized narratives. This led to a stronger presence of food and beverage, wellness, beauty and lifestyle offerings, supporting stronger footfall and, consequently, tenant sales. As a result, overall rental revenue from our mall portfolio grew 6% while tenant sales

climbed 17% year-on-year in RMB terms. Overall occupancy level at the end of the period edged up two points to 96%.

The Chinese Mainland's office market remains oversupplied, with vacancies high and rents under pressure. Compared to the first half of 2025, our office portfolio reported a 12% decline in revenue. However, the pace of decline has begun to moderate, driven by flight-to-quality demand in core business districts, particularly from the technology, finance, and consumption sectors, with occupancy rising one point to 81% at the end of the period.

In Hong Kong, the retail market appeared to be entering an early phase of stabilization in the first half of 2026. Northbound spending by local residents eased slightly, while a rebound in the residential property prices lifted consumer confidence. Visitor arrivals continued to grow, underpinned by the city's mega event economy. During the reporting period, as part of the retail mix upgrade, the expiration of certain anchor tenant leases in Causeway Bay and renovation works by incoming tenants in some vacant spaces caused a slight decrease in overall rental revenue of 2%, while tenant sales grew 3%. This transitional period provided an opportunity for short-term pop-up activations, supporting continued customer engagement. Occupancy stayed high at 95%.

The Hong Kong office market also demonstrated signs of bottoming out, underpinned by flight-to-quality demand, capital inflows, and a more active capital market. Demand remained concentrated in core business districts, driven primarily by financial institutions and professional services firms, while non-core locations remained under pressure. Our office portfolio delivered a steady performance, with overall rental revenue edged up 1% and occupancy rose three points to 90%. This reflects the resilience of leasing demand in prime locations amid a steadily improving office market.

During Hang Lung's 66th anniversary year, we opened Westlake 66 in Hangzhou—a significant addition to our Chinese Mainland portfolio, located in a prime area of the Yangtze River Delta. Beyond physical expansion, we launched portfolio-wide initiatives through a variety of marketing campaigns and experiential activations, and customer relationship management ("CRM") programs to deepen customer connections, increase engagement and loyalty, and support long-term assets value.

Chinese Mainland¹
Property Leasing – Chinese Mainland Portfolio for the Six Months Ended June 30

	Revenue (RMB Million)		
	2026	2025	Change
Malls	2,567	2,412	6%
Offices	464	528	-12%
Serviced Apartments	4	1	300%
Total	3,035	2,941	3%
<i>Total in HK\$ Million equivalent</i>	3,442	3,190	8%

Overall rental revenue and operating profit in RMB terms increased by 3% and 2%, respectively. Supported by our strategic initiatives and rising consumer confidence in the Chinese Mainland, our mall portfolio consistently achieved high occupancy and strong rental revenue growth. Meanwhile, our premium office portfolio experienced a 12% decline in revenue, mainly due to excess supply in highly competitive markets.

● *Malls*

Total revenue of our mall portfolio reached a record high of RMB2,567 million in the first half of 2026, representing a 6% year-on-year increase. Growth across most malls was partly offset by declines at Riverside 66 in Tianjin, Heartland 66 in Wuhan and Forum 66 in Shenyang, reflecting strong regional competition.

¹ Percentage changes pertaining to the Chinese Mainland portfolio are expressed in RMB terms unless otherwise specified.

Property Leasing – Chinese Mainland Mall Portfolio for the Six Months Ended June 30

Name of Mall and City	Revenue			Period-end Occupancy Rate		
	(RMB Million)			June	December	June
	2026	2025	Change	2026	2025	2025
Plaza 66, Shanghai	887	822	8%	98%	96%	98%
Grand Gateway 66, Shanghai	604	597	1%	98%	100%	99%
Center 66, Wuxi	269	245	10%	100%	100%	96%
Olympia 66, Dalian	177	159	11%	97%	95%	94%
Spring City 66, Kunming	172	162	6%	99%	99%	99%
Parc 66, Jinan	165	159	4%	96%	97%	94%
Palace 66, Shenyang	91	83	10%	98%	98%	96%
Riverside 66, Tianjin	80	82	-2%	96%	94%	94%
Heartland 66, Wuhan	62	76	-18%	92%	90%	88%
Westlake 66, Hangzhou [#]	37	-	N/A	89%	N/A	N/A
Forum 66, Shenyang	23	27	-15%	88%	89%	86%
Total	2,567	2,412	6%			

[#] Opened on April 28, 2026

Our flagship **Plaza 66** mall in Shanghai maintained a robust occupancy rate of 98%. Revenue and tenant sales rose 8% and 24%, respectively, supported by flagship-led brand experiences and rising demand for gold products. To mark Plaza 66’s silver jubilee, “Echoing Variation: Celebrating the 25th anniversary,” which combined music and shared memories, deepened high-tier customer engagement and attracted new members to HOUSE 66—our CRM program, reinforcing the mall’s leadership in Shanghai and across the Chinese Mainland.

Also in Shanghai, the **Grand Gateway 66** mall recorded revenue and tenant sales growth of 1% and 24%, respectively. Occupancy remained high at 98% at period end. Ongoing tenant mix continued to support performance, and we further broadened the personal care and beauty offering to create more customer touchpoints and deepen engagement. Together with tailored marketing initiatives such as the “LOVE OUT LOUD” for the 520 festival, these efforts helped generate strong customer interest through immersive experiences, limited-time offers and exclusive collections.

The **Center 66** mall in Wuxi achieved revenue growth of 10%, supported by our ongoing efforts to refresh the tenant mix, particularly in the food and beverage and lifestyle categories, and to strengthen CRM engagement, which helped offset softer sales in high-end retail. Tenant sales rose 7%, and the mall remained fully occupied at period end. During the period, the mall

launched the “Wonderlost in Spring” campaign, transforming the mall into an immersive destination through curated installations, live performances, and interactive activities that drove footfall and customer engagement.

Olympia 66 in Dalian delivered strong results, with revenue and tenant sales both rising 11%, and occupancy increasing three points to 97% at period end. The mall introduced the Wuzhen Theatre Festival Parade as a key cultural activation, combining captivating performances, street-style parades, creative installations, and exclusive brand showcases. The campaign increased mall traffic and enriched customer engagement, reinforcing Olympia 66’s role as a premium lifestyle hub in northeastern China.

The **Spring City 66** mall in Kunming delivered a solid performance, with revenue rising 6%, tenant sales increasing 12%, and occupancy remaining high at 99% at period end. The mall strengthened its non-luxury segment by upgrading brands to exclusive flagship store formats. Community engagement was further enhanced through a series of lifestyle events aligned with the revitalized Shangyi Street as an open-air extension of the mall, broadening Spring City 66’s appeal to a wider audience of residents and visitors.

Revenue and tenant sales of **Parc 66** in Jinan rose 4% and 13%, respectively, while the occupancy rate increased two points to 96%. Parc 66’s “Sweet Sips Market” campaign combined cultural products, leisure dining, fragrance experiences, and immersive settings to create a premium holiday destination that entices young consumers, reinforcing the mall’s positioning as a relaxed, experience-led lifestyle hub.

Revenue and tenant sales of **Palace 66** in Shenyang increased 10% and 23%, respectively. Occupancy rate rose two points to 98% at period end. The mall further enriched its outdoor athleisure component, significantly driving tenant sales and establishing Palace 66 as the city’s flagship destination for that segment. During the Golden Week of May, the mall introduced “Gourmet Lab” at Tonghang Alley, the city’s first barbecue-themed street activation featuring live performances and experimental dining. Renovated spaces, fresh food and beverage concepts, and tenant collaborations further enhanced foot traffic and engagement with younger visitors.

Riverside 66 in Tianjin recorded 2% slight decline in revenue, while tenant sales rose 1% and occupancy edged up two points to 96%. The mall sustained engagement through its “Sweet Encounters” campaign along the historic pedestrian street, featuring dessert-themed art installations and interactive experiences. Centered on the iconic “Century Wall,” the activation combined playful visual elements with classical architecture, reinforcing the mall’s cultural

positioning and connection with the local community.

The **Heartland 66** mall in Wuhan faced intense promotional competition, with revenue and tenant sales declining 18% and 13%, respectively. To mitigate this, the mall strengthened its tenant mix by introducing Michelin-starred restaurants and intensified its marketing efforts to deepen customer loyalty. A new Korean-themed zone, 24KR, opened in early June with more than 100 Korean brands spanning fashion, beauty, and lifestyle—most of which are national or regional debuts—as well as a dance studio. Together with the newly launched FunVille food village, the mall's B1 level has been transformed into a trendy, youth-focused destination. Sports facilities such as a climbing playground and a basketball court further enrich the lifestyle offering. Footfall increased and occupancy improved by four points to 92% at period end.

Westlake 66 in Hangzhou, Hang Lung's 11th Chinese Mainland project, opened on April 28, 2026, becoming Hangzhou's newest hub for commerce, culture and community, while offering meticulously designed lifestyle experiences for a new generation of consumers. Strong demand for the prime location supported a highly curated 105,900-square-meter retail mix with around one-third of tenants comprising first-to-market brands. More stores are scheduled to open in phases, with occupancy and tenant sales expected to build steadily throughout 2026. To date, the mall has welcomed over 3 million visitors. Average daily footfall during the Golden Week of May reached 120,000, and weekend traffic has remained consistently strong. The mall generated revenue of RMB37 million during the reporting period, while occupancy reached 89% at period end.

Revenue and tenant sales at the **Forum 66** mall in Shenyang fell 15% and 5%, respectively, while occupancy rose two points to 88% at the end of the period. The mall is undergoing a strategic repositioning, with plans to strengthen its contemporary lifestyle and food-and-beverage mix to drive footfall and improve the overall shopping experience.

● *Offices*

In the first half of 2026, total office revenue dropped 12% to RMB464 million, primarily due to lower occupancy and negative rental reversions. The leasing demand was led by occupiers in the technology, finance and consumer sectors seeking quality space in core districts. However, the markets across various cities remain oversupplied, with high vacancies and rental pressure. Despite these headwinds, management maintained rigorous property service standards and preserved quality in a challenging operating environment.

Property Leasing – Chinese Mainland Office Portfolio for the Six Months Ended June 30

Name of Office and City	Revenue			Period-end Occupancy Rate		
	(RMB Million)			June	December	June
	2026	2025	Change	2026	2025	2025
Plaza 66, Shanghai	240	289	-17%	83%	82%	82%
Spring City 66, Kunming	64	67	-4%	90%	86%	84%
Forum 66, Shenyang	56	60	-7%	85%	86%	89%
Center 66, Wuxi	52	60	-13%	78%	78%	83%
Heartland 66, Wuhan	46	52	-12%	72%	65%	63%
Westlake 66, Hangzhou	6	-	N/A	[^] 47%	N/A	N/A
Total	464	528	-12%			

[^] Refers to the occupancy rate of two out of five office towers which were completed and delivered to tenants.

Our two Grade A office towers at **Plaza 66** in Shanghai recorded a 17% decline in revenue, mainly due to reduced unit rents amid continued market weakness and excess supply. The occupancy rate rose one point to 83% by the end of the period despite heightened rental and occupancy challenges in Shanghai's Grade A office sector. In a competitive operating environment, we remained focused on leveraging our prime location and operational excellence to preserve Plaza 66's standing as one of Shanghai's most prestigious office addresses.

The office tower at **Spring City 66** in Kunming recorded a 4% decline in revenue. We maintained our market leadership by leveraging our prime location, offering modular offices with high-standard fit-outs and furnishings, and providing outstanding amenities and services. As a result of these efforts, occupancy increased six points to 90% at the end of the period.

Revenue of the office tower at **Forum 66** in Shenyang decreased 7% due to weak demand and new office supply. The occupancy rate dropped four points to 85% at the end of the period. Amid these market pressures, we remain focused on driving active tenant engagement and upholding our premium property management standards.

For our two office towers at **Center 66** in Wuxi, revenue decreased 13% and the occupancy rate dropped five points to 78% at the end of the period. Despite the competitive market environment, we continue to set the benchmark for premier office space in Wuxi, benefiting from our exclusive services, flexible multifunctional workspace (HANGOUT), and an upcoming hospitality expansion with the opening of Xi Zhe Wuxi, Curio Collection by Hilton.

For the office tower at **Heartland 66** in Wuhan, revenue declined 12% due to negative rental reversions and lower average occupancy amid intense competition. Occupancy rose nine points to 72% at period end, supported by a new lease with an anchor tenant starting in mid-June. HANGOUT, our flexible multifunctional workspace, will continue to offer flexible layouts that meet tenants' evolving business needs while fostering collaboration.

Westlake 66 in Hangzhou has five office towers, Tower E is fully occupied at period end, while Tower B began phased occupancy in March 2026. The two office towers generated RMB6 million revenue during the period and achieved aggregate occupancy of 47% at period end.

Hong Kong

Hong Kong's retail market exhibited early signs of stabilization in the first half of 2026, supported by improving consumer sentiment and increased visitor arrivals. The office market appears to be bottoming out, with demand concentrated in core business districts, while non-core locations remain under pressure.

Overall revenue remained stable at HK\$1,481 million and operating profits receded 2% to HK\$1,143 million; however, diversified leasing strategies and the optimization of our tenant mix helped maintain a high-level occupancy. The rental margin dropped two points to 77%.

Property Leasing – Hong Kong Portfolio for the Six Months Ended June 30

	Revenue			Period-end Occupancy Rate		
	(HK\$ Million)			June	December	June
	2026	2025	Change	2026	2025	2025
Retail	854	874	-2%	95%	95%	94%
Offices	507	502	1%	90%	90%	87%
Residential & Serviced Apartments	120	112	7%	91%	91%	82%
Total	1,481	1,488	-			

● Retail

Revenue from our Hong Kong retail portfolio declined 2% to HK\$854 million, primarily due to the transitional impact of trade reshuffling in the Central Business and Tourist District Portfolio. Tenant sales increased 3% and the overall occupancy rose one point to 95%.

Revenue of our **Central Business and Tourist District Portfolio** fell 5% year-on-year, mainly due to the expiry of certain anchor tenant leases in Causeway Bay and renovation works undertaken by new tenants in part of the vacated space during the period. Occupancy dropped to 89% at period end. As part of the transformation initiative of Paterson Street in Causeway Bay and Hang Lung's 66th anniversary celebration, Fashion Walk launched "Paterson Vibe" in May, cross-platform urban cultural experiences and limited-time activations combining fashion, art, music, and style—which boosted the footfall of local consumers, tourists, and lifestyle audiences. It strengthened tenant collaboration and synergy, consolidating Paterson Street's overall brand image as one of Hong Kong's leading urban subculture and lifestyle destinations.

As northbound spending by local residents moderated slightly, the overall revenue of our **Community Mall Portfolio** remained stable year-on-year. Occupancy increased to 98% at the end of the period. The new pedestrian bridge linking Amoy Plaza in Kowloon Bay and East Kowloon Cultural Centre commenced full operation in July 2026. As the East Kowloon Cultural Centre is connected to the MTR station, the bridge enhances accessibility and is expected to increase footfall to Amoy Plaza and support business performance.

- *Offices*

Revenue grew 1% to HK\$507 million, resulting from proactive measures such as offering fitted offices and subdividing premises to cater to tenant needs. At period end, occupancy remained at a relatively high level of 90%.

Our **Hong Kong Island Portfolio** revenue rose 3%, accompanied by an increase in occupancy of five points to 88%. Our dynamic and flexible office space, NET•WORK, strategically located within Central's iconic Standard Chartered Bank Building, achieved an occupancy rate of 80% at the end of the period, representing a significant increase of 16 points year-on-year.

Revenue of our **Kowloon Portfolio** dropped 3% due to negative rental reversions as semi-retail operators remained cost-conscious and rental corrections persisted, while occupancy remained at 92%.

- *Residential & Serviced Apartments*

Benefiting from a combination of the talent admission scheme introduced by the Hong Kong government, an expanded customer base and the offering of flexible terms in serviced apartments, our residential and serviced apartments segment recorded a 7% increase in revenue.

HOTELS

Hotel operations were bolstered by expanded visa-free policies and restored flight capacity, with demand supported by inbound premium leisure and international visitors. Despite elevated fuel costs arising from geopolitical tensions in the Middle East, travel demand remained resilient, while hotel performance stayed solid.

(for the six months ended June 30)

	Revenue (RMB Million)			Average Occupancy Rate	
	2026	2025	Change	2026	2025
Grand Hyatt Kunming	68	57	19%	72%	59%
Conrad Shenyang	61	62	-2%	72%	70%
Total	129	119	8%		
<i>Total in HK\$ Million equivalent</i>	<i>147</i>	<i>129</i>	<i>14%</i>		

Grand Hyatt Kunming recorded a revenue growth of 19%, with positive momentum sustained in the first half of 2026, driven by both higher occupancy and average daily rate.

Revenue for **Conrad Shenyang** dropped 2% year-on-year. The occupancy rate increased two points, on the back of domestic travel demand, while a decline in food and beverage revenue offset the effect from higher occupancy.

PROPERTY SALES

During the reporting period, revenue of HK\$1,043 million (2025: HK\$161 million) was recognized for the sale of 83 residential units at The Aperture and one house at Blue Pool Road in Hong Kong, two units at Heartland Residences in Wuhan and two units at Grand Hyatt Residences Kunming.

Due to challenging market conditions in the Chinese Mainland, a non-cash inventory provision of RMB108 million (or HK\$124 million) was recognized during the reporting period.

With gross losses from property sales in the Chinese Mainland and Hong Kong, together with related selling and marketing expenses, a non-cash inventory provision and other operating expenditures, an operating loss from property sales of HK\$187 million was recorded in the first half of 2026.

The contracted property sales yet to be recognized as of June 30, 2026 amounted to HK\$1,317 million, comprising the sale of 22 residential units at The Aperture and one house at Blue Pool Road in Hong Kong, and 74 units at Center Residences in Wuxi. Revenue from all contracted units will be recognized upon completion of each respective sale.

DISPOSAL OF INVESTMENT PROPERTIES

During the reporting period, the following properties were disposed of for an aggregate consideration of HK\$271 million.

- a) In January 2026, we completed the disposal of a subsidiary holding one house at Blue Pool Road in Hong Kong to an independent third party. As the sale and purchase agreement had already been signed in November 2025, the property was valued with reference to the agreed selling price as at December 31, 2025; therefore, no gain or loss on disposal was recognized during the reporting period; and
- b) In June 2026, we completed the disposal of one unit at Summit at The Peak on Hong Kong Island to an independent third party and recognized a gain on disposal of HK\$8 million in Other Net Income during the reporting period.

Also in June 2026, we entered into sale and purchase agreements with independent third parties for the disposal of two units at Summit and four car parking spaces at AquaMarine in Hong Kong. These transactions are expected to complete in the second half of 2026.

PROPERTY REVALUATION

As of June 30, 2026, the total value of our investment properties and those under development amounted to HK\$200,538 million, including the Chinese Mainland portfolio of HK\$138,531 million and the Hong Kong portfolio of HK\$62,007 million. These properties were appraised by Savills Valuation and Professional Services Limited, an independent valuer, as of June 30, 2026.

A revaluation loss of HK\$503 million was recorded (2025: loss of HK\$201 million).

The Chinese Mainland portfolio recorded a revaluation loss of HK\$365 million (2025: loss of HK\$32 million), representing less than 1% of the portfolio value as of December 31, 2025.

The Hong Kong portfolio had a revaluation loss of HK\$138 million (2025: loss of HK\$169 million), accounting for less than 1% of the portfolio value as of December 31, 2025.

A net revaluation loss after tax and non-controlling interests of HK\$678 million was reported (2025: net revaluation loss of HK\$675 million).

PROPERTY DEVELOPMENT

As of June 30, 2026, the aggregated values of our subsidiaries' projects under development for leasing and sales were HK\$7,636 million and HK\$8,073 million, respectively. The projects under development held by subsidiaries and joint ventures are located in Wuxi, Hangzhou, Shanghai, Shenyang and Hong Kong.

Chinese Mainland

Center Residences in Wuxi and **Xi Zhe Wuxi, Curio Collection by Hilton** form the Phase Two development of Center 66. The residences, currently available for sale, are scheduled for completion and handover in phases starting in the fourth quarter of 2026. The lifestyle hotel, featuring 105 rooms across a seven-story new-build tower and a three-story heritage building, will commence operation in the third quarter of 2026.

Westlake 66 in Hangzhou is a mixed-use development comprising a retail podium, five Grade A office towers, and the first Mandarin Oriental in Zhejiang Province, **Mandarin Oriental Hangzhou**. The project also features an in-mall exhibition hall of Song and Yuan dynasty relics, two historic buildings, and "The Oasis"—a landscaped area of over 10,000 square meters linking the office towers, shopping mall, and hotel through an elevated, open-air corridor. Office Tower E is fully occupied, while Tower B began phased occupancy in March 2026. The mall opened on April 28, 2026, while the 194-key luxury hotel is scheduled to open in the first quarter of 2027.

The **Westlake 66 Expansion Project** aims to strengthen the Westlake 66 mall's competitive edge by enhancing its scale, street frontage, accessibility, and visibility. In July 2025, we entered into a lease agreement with the landlord of Hangzhou Department Store, located at 546 Yan'an Road in Hangzhou, adjacent to Westlake 66. The 20-year lease will commence on April 1, 2028. Upon completion of renovation works and phased openings from 2029 onward, the aggregate retail area of the Westlake 66 complex will increase by nearly 40% to 150,000 square meters.

As part of the ongoing enhancement efforts in Jing'an District, Shanghai, we have initiated the **Plaza 66 Pavilion Extension**. The project, which is expected to strengthen the mall's presence in the city and create a more compelling customer experience, will add around 4,300 square meters of leasable space, including above-ground and basement levels, through a three-story standalone retail and dining podium with a basement connection to Plaza 66. The operation permit was obtained in June 2026 and tenant handover commenced progressively thereafter. The project is targeted to open in the second half of 2026.

The remaining mixed-use development at **Forum 66** in Shenyang, with a site area of 44,000 square meters, has been temporarily designated for the development of an urban park to enhance community well-being while market conditions are being monitored. The space is intended to provide a vibrant gathering area for families and visitors, energizing the surrounding area and generating foot traffic.

Joint Ventures in the Chinese Mainland

On December 9, 2025, we entered into a partnership with Wuxi Liangxi City Development Group Co., Ltd. (無錫市梁溪城市發展集團有限公司)—a state-owned enterprise under the Liangxi District government in Wuxi—to obtain a 20-year operating lease for a landmark commercial redevelopment project adjacent to Center 66 (the “**Center 66 Expansion Project**”). A joint venture company, in which Hang Lung Properties holds a 60% equity interest, was established in January 2026. The property, formerly known as the Wuxi New World Department Store, is located at 319–339, 341 Zhongshan Road, Wuxi. The redevelopment will increase the total retail area of the Center 66 complex by 38% to approximately 169,000 square meters. Featuring experiential retail concepts, enhanced community engagement, and seamless integration with Center 66, the upgraded complex will introduce more than 80 curated brands across dining, fashion, and lifestyle categories. The development scheme is currently in the planning stage.

On December 12, 2025, we successfully secured the **No. 1038 West Nanjing Road Commercial Project**—formerly Westgate Mall—through a partnership with Shanghai Xinnanxi (Group) Co., Ltd. (上海新南西（集團）有限公司) (formerly known as Shanghai Join Buy Group Co., Ltd. (上海九百（集團）有限公司)) and Shanghai Join Buy Co., Ltd. (上海九百股份有限公司), both of which are state-owned enterprises under the Jing'an District government in Shanghai. A joint venture company, in which Hang Lung Properties holds a 60% equity interest, was established in July 2026. The 20-year lease project will add approximately 96,000 square meters to Hang Lung's portfolio on West Nanjing Road, representing a 44% increase in the total gross floor area to approximately 312,000 square meters. The property will be transformed into a

dynamic mixed-use complex featuring integrated retail, hospitality, and office spaces. The strategic initiative will significantly enhance the scale and synergy of our Shanghai portfolio, foster a vibrant local community, enrich the cultural atmosphere, and strengthen West Nanjing Road's position as a premier lifestyle destination in the Chinese Mainland.

Hong Kong

The land site at 37 Shouson Hill Road in the Southern District of Hong Kong Island will be redeveloped into luxury houses. The site formation plan was approved in September 2025, and after the lease modification and land premium were agreed with the government in July 2026, the project will be better positioned to offer a broader mix of layouts to meet the diverse needs of the ultra-luxury residential market.

The redevelopment project at 8–12A Wilson Road in Jardine's Lookout on Hong Kong Island, with an expected gross floor area of approximately 25,800 square feet, will consist of detached luxury houses with spacious gardens overlooking the eastern Mid-Levels and the Central skyline. The development scheme was approved by the government in May 2025 and demolition work was completed in March 2026.

FINANCING MANAGEMENT

We maintain an appropriate capital structure with multiple financing channels to ensure that financial resources are always available to meet operational needs and support corporate expansions. Adequate standby banking facilities are in place to cushion Hang Lung Properties from any unforeseen external economic shocks.

All financial risk management, including debt refinancing, foreign exchange exposure, and interest rate volatility, is centrally managed and controlled at the corporate level. Interest rate and foreign currency swaps are used as appropriate, solely for risk management and hedging activities. Funding needs are closely monitored and regularly reviewed to allow for a fair degree of financial flexibility and liquidity while optimizing the cost of funds. We also maintain various sources of debt financing channels to mitigate concentration risks and diversify the funding channels.

For debt portfolio management, we prioritize mitigating foreign exchange, interest rate, and refinancing risks through a balanced mix of HKD/RMB borrowings, a balanced combination of fixed/floating-rate debts, a staggered debt repayment profile, and diversified sources of funding.

● *Cash Management*

Total cash and bank balances at the reporting date by currency:

	At June 30, 2026		At December 31, 2025	
	HK\$ Million	% of Total	HK\$ Million	% of Total
Denominated in:				
HKD	2,909	45%	3,760	59%
RMB	3,595	55%	2,574	41%
USD	1	-	1	-
Total cash and bank balances	6,505	100%	6,335	100%

All deposits are placed with banks that carry a strong credit rating, with thresholds set for concentration management and routine monitoring of counterparty risk.

● *Debt Portfolio*

At the balance sheet date, total borrowings amounted to HK\$53,558 million (December 31, 2025: HK\$53,589 million), of which 49% was denominated in RMB, which acts as a natural hedge to net investments in the Chinese Mainland.

Our fixed-rate borrowings primarily consist of bonds, fixed-rate bank loans, and floating-rate bank loans converted into fixed-rate loans through interest rate swaps. Fixed-rate borrowings accounted for 40% of total borrowings as of June 30, 2026. After excluding the onshore floating-rate debts, the fixed-rate borrowings would comprise 61% of total offshore borrowings as of June 30, 2026 (December 31, 2025: 61%).

The composition of our debt portfolio can be categorized as follows:

(i) by currency (after currency swap):

	At June 30, 2026		At December 31, 2025	
	HK\$ Million	% of Total	HK\$ Million	% of Total
Denominated in:				
HKD	27,137	<i>51%</i>	28,350	<i>53%</i>
RMB	26,421	<i>49%</i>	25,239	<i>47%</i>
Total borrowings	53,558	<i>100%</i>	53,589	<i>100%</i>

(ii) by fixed or floating interest (after interest rate swap):

	At June 30, 2026		At December 31, 2025	
	HK\$ Million	% of Total	HK\$ Million	% of Total
Fixed	21,618	<i>40%</i>	22,418	<i>42%</i>
Floating	31,940	<i>60%</i>	31,171	<i>58%</i>
Total borrowings	53,558	<i>100%</i>	53,589	<i>100%</i>

● *Gearing Ratios*

At the balance sheet date, the net debt balance amounted to HK\$47,053 million (December 31, 2025: HK\$47,254 million). The net debt to equity ratio was 31.6% (December 31, 2025: 32.7%), and the debt to equity ratio was 35.9% (December 31, 2025: 37.1%).

● *Maturity Profile and Refinancing*

At the balance sheet date, the average tenure of our debt portfolio was maintained at 3.0 years (December 31, 2025: 2.9 years). The maturity profile staggered over more than 10 years. Around 69% of our outstanding debts would be repayable after two years (December 31, 2025: 60%).

	At June 30, 2026		At December 31, 2025	
	HK\$ Million	% of Total	HK\$ Million	% of Total
Repayable:				
Within 1 year	5,714	<i>11%</i>	4,913	<i>9%</i>
After 1 but within 2 years	10,964	<i>20%</i>	16,370	<i>31%</i>
After 2 but within 5 years	33,096	<i>62%</i>	28,500	<i>53%</i>
Over 5 years	3,784	<i>7%</i>	3,806	<i>7%</i>
Total borrowings	53,558	<i>100%</i>	53,589	<i>100%</i>

As of June 30, 2026, the total undrawn committed banking facilities amounted to HK\$17,976 million (December 31, 2025: HK\$21,404 million). The available balances of the US\$4 billion (December 31, 2025: US\$4 billion) medium-term note program amounted to US\$2,977 million, equivalent to HK\$23,342 million (December 31, 2025: HK\$21,731 million).

● *Net Finance Costs and Interest Cover*

For the period ended June 30, 2026, gross finance costs further decreased 5% to HK\$942 million (2025: HK\$988 million), while the average effective cost of borrowing fell to 3.7% (2025: 3.9%). This was mainly driven by the lower borrowing costs of facilities obtained in the market, alongside an increased proportion of lower-cost RMB-denominated (CNH/CNY) borrowings, which offset and outweighed the higher interest from the increase in borrowings deployed for capital expenditure.

The net amount charged to the statement of profit or loss (after excluding capitalized amounts) increased 11% to HK\$553 million (2025: HK\$497 million), as certain Chinese Mainland projects ceased capitalizing interests upon completion, outweighing the lower borrowing costs.

Interest cover improved to 3.2 times for the six months of 2026 (2025: 3.1 times).

● *Foreign Exchange Management*

The primary exchange rate risk we face is RMB fluctuations. This exposure is mainly derived from the currency translation risk arising from the net assets of our subsidiaries in the Chinese Mainland.

We practice the strict discipline of not speculating on RMB/HKD exchange rate movements and maintain an appropriate level of RMB-denominated resources to meet capital requirements in the

Chinese Mainland, including cash inflows from local operations and RMB-denominated borrowings. Regular business reviews are carried out to assess the level of funding needed for our projects in the Chinese Mainland, taking into account factors such as regulatory updates, project development timelines, and the macroeconomic environment. Appropriate modifications to our funding plan will be conducted as necessary.

As of June 30, 2026, net assets denominated in RMB accounted for approximately 70% of our total net assets. The RMB appreciated against the HKD by 4.0% compared with December 31, 2025. The translation of these net assets from RMB into HKD at the exchange rate as of the reporting date resulted in a translation gain of HK\$4,098 million (2025: gain of HK\$1,446 million), recognized in other comprehensive income.

CHARGE OF ASSETS

None of Hang Lung Properties' assets was charged to third parties as of June 30, 2026, and December 31, 2025.

CAPITAL COMMITMENTS

As of June 30, 2026, our capital commitments in respect of investment properties and property, plant and equipment amounted to HK\$3,947 million (December 31, 2025: HK\$6,706 million).

The capital commitments in relation to capital injections into new joint venture projects were RMB768 million (or HK\$884 million) (December 31, 2025: RMB790 million (or HK\$875 million)).

In relation to the Westlake 66 Expansion Project, subject to the fulfillment of certain conditions of the lease, the estimated total fixed lease payments for the 20-year lease with effect from April 1, 2028, will amount to approximately RMB3.2 billion (or HK\$3.7 billion) (December 31, 2025: RMB3.2 billion (or HK\$3.5 billion)).

CONTINGENT LIABILITIES

As of June 30, 2026, our material contingent liabilities were as follows:

- a) As of June 30, 2026, an amount of RMB211 million (or HK\$243 million) (December 31, 2025: RMB120 million (or HK\$132 million)) was given to banks with respect to mortgage loans procured by the buyers of property units in Center Residences, Wuxi. Such guarantees will be released by banks upon the issuance of real estate ownership certificates to the buyers and upon completion of the registration of the relevant mortgage properties.
- b) In relation to the Westlake 66 Expansion Project, an irrevocable and unconditional guarantee of RMB764 million (or HK\$880 million) (December 31, 2025: RMB764 million (or HK\$846 million)) was issued by the Company in favor of the lessor to secure the subsidiary's lease payment commitment or obligation as the lessee.

SUSTAINABILITY

In the first half of 2026, we refreshed our 2030 Sustainability Goals and Targets across four priorities: Climate Resilience, Resource Management, Wellbeing, and Sustainable Transactions. We remain committed to reducing emissions and achieving net zero by 2050, in line with the Science Based Targets initiative (SBTi) Buildings Criteria.

Hang Lung's sustainability performance has earned recognition from leading ESG ratings and indices, including a GRESB 5-star rating for Standing Investments, an MSCI ESG rating of AA, and a Sustainalytics "Low Risk" rating. We were also included in S&P Global's Sustainability Yearbook, ranking in the global top 10% with a CSA score of 83, and achieved an AA+ rating in the 2025/26 Hang Seng Corporate Sustainability Index Series, CDP A List recognition for Climate Change and Water, and continued inclusion in the FTSE4Good Index Series.

Integrating sustainability, heritage, and community at Westlake 66

On April 28, 2026, Hang Lung celebrated the opening of Westlake 66, a 390,200-square-meter mixed-use development in Hangzhou. The project reflects our commitment to placemaking through the thoughtful integration of commercial, cultural, historical, and natural elements. "The Oasis," a 10,000+ square-meter landscaped urban sanctuary, connects the office towers, retail spaces, and hotel through an elevated open-air corridor, enhancing connectivity and wellbeing.

Westlake 66 also celebrates and preserves Hangzhou's cultural heritage by showcasing relics from the Song and Yuan dynasties in a dedicated exhibition space. Two historic buildings at 5 Yesutang Lane and 1 Jingqingli have also been carefully restored and will open later this year, creating a meaningful link between the city's past and present.

The project also demonstrates Hang Lung's leadership in sustainable development through the adoption of innovative low-carbon emissions materials. It is the first commercial development in the Chinese Mainland and Hong Kong to utilize low-carbon concrete bricks. In addition, low-carbon emissions steel was used for more than 80% of the reinforcing bars in a key connecting tunnel, reducing embodied carbon emissions by approximately 45% compared with conventional materials.

Westlake 66 has secured multiple certifications and pre-certifications under leading sustainability standards, including China Green Building Design Label, WELL, LEED, and BREEAM, reflecting a comprehensive approach to environmental performance, occupant wellbeing, and long-term resilience.

10 Chinese Mainland properties are now powered by renewable electricity

Hang Lung is a leader in renewable energy procurement through power purchase agreements (PPAs) in the Chinese Mainland. We received the "Best Newcomer" award at the RE100 Leadership Awards in 2025, organized by the Climate Group, and were the only real estate company featured as a case study in RE100's China Guidebook, published in May 2026. On January 1, Heartland 66 became the first commercial complex in Hubei Province to be powered by renewable electricity, while Westlake 66 became Zhejiang Province's first commercial property to be powered by renewable electricity in May. In total, 10 of Hang Lung's 11 Chinese Mainland properties now procure renewable electricity through PPAs, delivering value to both Hang Lung and our tenants.

Driving cooling decarbonization through lifecycle refrigerant management

Hang Lung, in collaboration with LVMH Group, co-sponsored a research paper published by the Carbon Containment Lab in January 2026, titled *Bending the Curve: Cost-effective cooling emission reduction pathways for commercial real estate in China and the U.S.* The report highlights practical, no-regret measures to reduce emissions from air conditioning and refrigeration. Building on these insights, we held workshops in the Chinese Mainland in June for internal and external stakeholders to exchange insights, identify implementation opportunities, and

foster collaboration to address cooling-related emissions across our portfolio.

Celebrating sustainability achievements with tenants

Hang Lung continued to strengthen tenant engagement through the Changemakers: Tenant Partnerships on Sustainability Program (“Changemakers Program”), which brings together office, retail, and hospitality tenants to reduce energy use and waste, promote circularity, and enhance community wellbeing. The program supports tenant capacity-building through initiatives such as training workshops and energy audits across our portfolio, as well as food waste management advisory services for food and beverage tenants in Hong Kong.

In the first half of 2026, more than 220 tenants partnered with Hang Lung on sustainability initiatives at 20 properties in Hong Kong and the Chinese Mainland, representing a diverse mix of sectors, including office, retail, and hospitality. These partnerships cover approximately 24% of the leased floor area at participating properties.

In June, we hosted the Changemakers Tenant Sustainability Awards in Shenyang, Shanghai, and Hong Kong to recognize tenants’ sustainability achievements and inspire broader adoption of best practices. The ceremonies included award presentations to acknowledge tenants’ efforts, as well as practical knowledge-sharing sessions. The Hong Kong and Shanghai events also featured gala events with interactive experiences for participants.

Refreshed community investment strategy

Hang Lung continues to strengthen its community investment strategy through the theme “Connected Futures”, creating sustainable value through meaningful connections. The Company is rolling out programs across Hong Kong and nine Chinese Mainland cities, expanding reach and deepening engagement.

Guided by our long-held vision to create compelling spaces that enrich lives, we focus on three pillars: Cultural Connections (promoting identity and creativity across generations), Vibrant Wellbeing (supporting physical, mental, and community health), and Inspiring Youth, (empowering young people to realize their potential).

- **Cultural Connections:** Hang Lung supported the inaugural Hong Kong Comic Con, where 40 emerging artists engaged with global and local creators, facilitating industry exposure and creative collaboration.

- **Vibrant Wellbeing:** In partnership with Hong Kong Christian Service, Hang Lung expanded our dementia support program by introducing mall-based Carer Cafés and community testing initiatives, serving over 2,500 individuals.
- **Inspiring Youth:** Through the “Well Being · Start-Up 2.0” initiative, two participating entrepreneurs renewed leases within our malls, indicating progress toward sustained, community-rooted business operations.

We continue to enhance our approach to social impact measurement by tracking both reach and outcomes, improving accountability and refining our programs. We aim to create at least HK\$40 million in social value by 2030, reinforcing our commitment to delivering measurable, long-term community impact.

OUTLOOK

Ongoing conflicts in the Middle East and geopolitical tensions impose challenges to business conditions in the second half of 2026. Cash flow visibility, disciplined execution and the resilience of recurring rental income remain increasingly important.

In the Chinese Mainland, economic growth is likely to be moderate, supported by policy measures aimed at shoring up domestic demand and consumption. The retail leasing market is expected to remain competitive as consumer spending stays selective and value-conscious, with stronger demand for experience-led, lifestyle-oriented and emotionally engaging offerings. To capture these trends, we will continue refining our tenant mix and rolling out targeted marketing and placemaking initiatives to support footfall and enhance sales conversions across our portfolio.

The Westlake 66 mall in Hangzhou, which opened on April 28, 2026, is projected to become a stronger contributor to recurring income as the complex moves toward full operation. More high-quality tenants are expected to complete fit-outs and commence business in the second half of the year, while targeted CRM initiatives will be introduced to deepen loyalty and engagement with customers. The office towers have also been delivered in stages, aligned with tenant absorption and the pace of operational ramp-up, allowing the asset to come on stream in a measured manner. In Shanghai, the upcoming opening of the Plaza 66 Pavilion Extension will further enrich the retail and dining mix of one of our flagship assets, strengthening its market presence and competitiveness on West Nanjing Road. This year also marks the silver jubilee of Plaza 66, and its luxury positioning will be further reinforced by ongoing rooftop and VIC lounge enhancement works.

In Wuxi, the opening of Xi Zhe Wuxi, Curio Collection by Hilton in the third quarter of 2026 is expected to create synergies with other components of the Center 66 complex and enhance the project's premium positioning.

In Hong Kong, retail performance should improve over time on the back of higher visitor arrivals, high-profile mega events, a more experience-led tenant mix and stabilizing consumer sentiment. However, inflation risks from fluctuating oil prices could still dampen sentiment and add uncertainty to the recovery. Office leasing is likely to stay competitive amid ample supply and cautious demand, although improved liquidity for larger office assets may help support rental reversions.

For property sales, we will continue to focus on disciplined pricing, phased launches, and premium product quality in both the Chinese Mainland and Hong Kong, while remaining sensitive to policy shifts and buyer sentiment. The Hong Kong property market is recovering at a healthy pace, and our premium-quality products remain well received by discerning buyers.

As Hang Lung celebrates the 66th anniversary under the theme “66 and beyond,” we remain committed to long-term growth through our V.3 strategy and customer-centric development, creating compelling spaces where commerce, culture and lifestyle converge, and enriching the communities we serve for generations to come.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS **FOR THE SIX MONTHS ENDED JUNE 30, 2026 (UNAUDITED)**

	Note			<i>For information purpose only</i>	
		2026 HK\$ Million	2025 HK\$ Million	2026 RMB Million	2025 RMB Million
Revenue	2(a)	6,113	4,968	5,381	4,598
Direct costs and operating expenses		(2,858)	(1,713)	(2,513)	(1,585)
		3,255	3,255	2,868	3,013
Other net income	3	16	45	14	41
Administrative expenses		(314)	(309)	(275)	(288)
Profit from operations before changes in fair value of properties		2,957	2,991	2,607	2,766
Decrease in fair value of properties		(503)	(201)	(437)	(184)
Profit from operations after changes in fair value of properties		2,454	2,790	2,170	2,582
Interest income		14	20	12	18
Finance costs		(553)	(497)	(485)	(462)
Net interest expense	4	(539)	(477)	(473)	(444)
Share of losses of joint ventures		(4)	(3)	(3)	(3)
Profit before taxation	5	1,911	2,310	1,694	2,135
Taxation	6	(880)	(1,063)	(774)	(979)
Profit for the period	2(b)	1,031	1,247	920	1,156
Attributable to:					
Shareholders		758	912	679	849
Non-controlling interests		273	335	241	307
Profit for the period		1,031	1,247	920	1,156
Earnings per share	8(a)				
Basic		HK\$0.15	HK\$0.19	RMB0.13	RMB0.18
Diluted		HK\$0.15	HK\$0.19	RMB0.13	RMB0.18

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2026 (UNAUDITED)**

	2026 HK\$ Million	2025 HK\$ Million	<i>For information purpose only</i>	
			2026 RMB Million	2025 RMB Million
Profit for the period	1,031	1,247	920	1,156
Other comprehensive income				
Items that are or may be reclassified subsequently to profit or loss:				
Movement in exchange reserve:				
Exchange difference arising from translation to presentation currency	4,397	1,656	(1,368)	(1,184)
Loss on net investment hedge	(299)	(210)	-	-
Movement in hedging reserve:				
Effective portion of changes in fair value	60	(145)	53	(136)
Net amount transferred to profit or loss	17	(6)	15	(5)
Deferred tax	(12)	24	(11)	22
Item that will not be reclassified to profit or loss:				
Net change in fair value of equity investments	1	-	1	-
Other comprehensive income for the period, net of tax	4,164	1,319	(1,310)	(1,303)
Total comprehensive income for the period	5,195	2,566	(390)	(147)
Attributable to:				
Shareholders	4,512	2,076	(645)	(464)
Non-controlling interests	683	490	255	317
Total comprehensive income for the period	5,195	2,566	(390)	(147)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT JUNE 30, 2026

		(Unaudited) June 30, 2026	(Audited) December 31, 2025	<i>For information purpose only</i>	
	Note	HK\$ Million	HK\$ Million	June 30, 2026 RMB Million	December 31, 2025 RMB Million
Non-current assets					
Investment properties	9	192,902	167,897	167,468	151,372
Investment properties under development	9	7,636	27,359	6,632	24,711
Property, plant and equipment		3,060	3,055	2,658	2,759
Interests in joint ventures		1,078	1,076	935	967
Other assets		73	73	63	66
Deferred tax assets		141	153	122	138
		204,890	199,613	177,878	180,013
Current assets					
Cash and deposits with banks		6,505	6,335	5,646	5,705
Trade and other receivables	10	2,737	2,692	2,376	2,429
Properties for sale		13,833	14,272	12,007	12,860
		23,075	23,299	20,029	20,994
Current liabilities					
Bank loans and other borrowings		5,714	4,913	4,958	4,429
Trade and other payables	11	9,854	10,167	8,555	9,169
Lease liabilities		28	26	24	23
Current tax payable		370	318	321	287
		15,966	15,424	13,858	13,908
Net current assets		7,109	7,875	6,171	7,086
Total assets less current liabilities		211,999	207,488	184,049	187,099
Non-current liabilities					
Bank loans and other borrowings		47,844	48,676	41,516	43,811
Lease liabilities		256	254	222	229
Deferred tax liabilities		14,915	14,092	12,954	12,726
		63,015	63,022	54,692	56,766
NET ASSETS		148,984	144,466	129,357	130,333
Capital and reserves					
Share capital		45,164	43,837	42,193	41,045
Reserves		93,400	90,892	78,113	80,492
Shareholders' equity		138,564	134,729	120,306	121,537
Non-controlling interests		10,420	9,737	9,051	8,796
TOTAL EQUITY		148,984	144,466	129,357	130,333

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The interim results set out in the announcement do not constitute the interim report for the six months ended June 30, 2026 of Hang Lung Properties Limited (the “Company”) and its subsidiaries (collectively the “Group”) but are extracted from the report.

The unaudited interim financial report has been prepared in accordance with Hong Kong Accounting Standard (HKAS) 34, Interim Financial Reporting, issued by the Hong Kong Institute of Certified Public Accountants (HKICPA) and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The preparation of interim financial report in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

The HKICPA has issued certain amendments to HKFRS Accounting Standards that are first effective for the current accounting period of the Group. These developments have no material effect on how the Group’s results and financial position for the current or prior periods have been prepared or presented in the announcement. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements.

The presentation currency of these consolidated financial statements is Hong Kong dollar. In view of the Group’s significant business operations in the Chinese Mainland, management has included additional financial information prepared in Renminbi in the consolidated financial statements. Such supplementary information is prepared on the same basis as 2025 as if the presentation currency is Renminbi.

1. BASIS OF PREPARATION (Continued)

The financial information relating to the financial year ended December 31, 2025 included in this announcement of interim results as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended December 31, 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance.

2. REVENUE AND SEGMENT INFORMATION

The Group manages businesses according to the nature of services and products provided. Management has determined property leasing, hotels and property sales to be the reportable operating segments for the measurement of performance and the allocation of resources.

Segment assets principally comprise all non-current assets and current assets directly attributable to each segment with the exception of interests in joint ventures, other assets, deferred tax assets and cash and deposits with banks.

(a) Disaggregation of revenue

For the six months ended June 30, 2026

HK\$ Million	Revenue from contracts with customers			Leases	Total
	recognized at a point in time	recognized over time	Subtotal		
Rental income	-	-	-	4,316	4,316
Hotel revenue	49	98	147	-	147
Sales of completed properties	1,043	-	1,043	-	1,043
Building management fees and other income from property leasing	-	607	607	-	607
	1,092	705	1,797	4,316	6,113

For the six months ended June 30, 2025

HK\$ Million	Revenue from contracts with customers			Leases	Total
	recognized at a point in time	recognized over time	Subtotal		
Rental income	-	-	-	4,110	4,110
Hotel revenue	48	81	129	-	129
Sales of completed properties	161	-	161	-	161
Building management fees and other income from property leasing	-	568	568	-	568
	209	649	858	4,110	4,968

2. REVENUE AND SEGMENT INFORMATION (Continued)

(b) Revenue and results by segments

HK\$ Million	2026				2025			
	Property Leasing	Hotels	Property Sales	Total	Property Leasing	Hotels	Property Sales	Total
Revenue								
- Chinese Mainland	3,442	147	28	3,617	3,190	129	10	3,329
- Hong Kong	1,481	-	1,015	2,496	1,488	-	151	1,639
	4,923	147	1,043	6,113	4,678	129	161	4,968
Profit/(loss) from operations before changes in fair value of properties								
- Chinese Mainland	2,116	(29)	(157)	1,930	1,988	(34)	(26)	1,928
- Hong Kong	1,049	-	(22)	1,027	1,067	-	(4)	1,063
	3,165	(29)	(179)	2,957	3,055	(34)	(30)	2,991
Decrease in fair value of properties	(503)	-	-	(503)	(201)	-	-	(201)
- Chinese Mainland	(365)	-	-	(365)	(32)	-	-	(32)
- Hong Kong	(138)	-	-	(138)	(169)	-	-	(169)
Net interest expense	(515)	(24)	-	(539)	(454)	(23)	-	(477)
- Interest income	13	1	-	14	19	1	-	20
- Finance costs	(528)	(25)	-	(553)	(473)	(24)	-	(497)
Share of losses of joint ventures	(4)	-	-	(4)	(3)	-	-	(3)
Profit/(loss) before taxation	2,143	(53)	(179)	1,911	2,397	(57)	(30)	2,310
Taxation	(875)	-	(5)	(880)	(1,063)	-	-	(1,063)
Profit/(loss) for the period	1,268	(53)	(184)	1,031	1,334	(57)	(30)	1,247
Net profit/(loss) attributable to shareholders	995	(53)	(184)	758	999	(57)	(30)	912

Certain comparative figures have been reclassified to conform with information provided to the Group's most senior executive management.

2. REVENUE AND SEGMENT INFORMATION (Continued)

(c) Total segment assets

HK\$ Million	June 30, 2026				December 31, 2025			
	Property Leasing	Hotels	Property Sales	Total	Property Leasing	Hotels	Property Sales	Total
Chinese Mainland	140,789	2,824	7,826	151,439	135,189	2,794	7,430	145,413
Hong Kong	62,281	-	6,448	68,729	62,681	-	7,181	69,862
	203,070	2,824	14,274	220,168	197,870	2,794	14,611	215,275
Interests in joint ventures				1,078				1,076
Other assets				73				73
Deferred tax assets				141				153
Cash and deposits with banks				6,505				6,335
				227,965				222,912

3. OTHER NET INCOME

HK\$ Million	2026	2025
Gain on disposal of investment properties	8	27
Net exchange gain/(loss)	1	(2)
Government grants	-	15
Others	7	5
	16	45

4. NET INTEREST EXPENSE

HK\$ Million	2026	2025
Interest income on bank deposits	14	20
Interest expense on bank loans and other borrowings	875	922
Interest on lease liabilities	7	6
Other borrowing costs	60	60
Total borrowing costs	942	988
Less: Borrowing costs capitalized	(389)	(491)
Finance costs	553	497
Net interest expense	(539)	(477)

5. PROFIT BEFORE TAXATION

HK\$ Million	2026	2025
Profit before taxation is arrived at after charging:		
Cost of properties sold	946	164
Provision for properties for sale	124	-
Staff costs (Note)	757	738
Depreciation	76	76

Note: The staff costs included employee share-based payments of HK\$19 million (2025: HK\$31 million). If the amounts not recognized in the statement of profit or loss, including amounts capitalized, were accounted for, staff costs would have been HK\$905 million (2025: HK\$895 million).

6. TAXATION IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Provision for Hong Kong Profits Tax is calculated at 16.5% (2025: 16.5%) of the estimated assessable profits for the period. Chinese Mainland Income Tax represents Chinese Mainland Corporate Income Tax calculated at 25% (2025: 25%) and Chinese Mainland withholding tax calculated at the applicable rates. The withholding tax rate applicable to Hong Kong companies in respect of dividend distributions from foreign investment enterprises in the Chinese Mainland was 5% (2025: 5%).

LAT is levied on properties in the Chinese Mainland developed by the Group for sale, at progressive rates ranging from 30% to 60% (2025: 30% to 60%) on the appreciation of land value, which under the applicable regulations is calculated based on the revenue from sale of properties less deductible expenditure including lease charges of land use rights, borrowing costs and property development expenditure.

HK\$ Million	2026	2025
Current tax		
Hong Kong Profits Tax	120	126
Chinese Mainland Income Tax	466	441
Chinese Mainland Land Appreciation Tax ("LAT")	1	-
Total current tax	587	567
Deferred tax		
Changes in fair value of properties	159	381
Other origination and reversal of temporary differences	134	115
Total deferred tax	293	496
Total income tax expense	880	1,063

7. DIVIDENDS

(a) Interim dividend

HK\$ Million	2026	2025
Declared after the end of the reporting period:		
HK12 cents (2025: HK12 cents) per share	624	600

The dividend declared after the end of the reporting period has not been recognized as a liability at the end of the reporting period.

(b) Final dividend approved and paid during the six months ended June 30, 2026

HK\$ Million	2026	2025
2025 final dividend of HK40 cents		
(2024: HK40 cents) per share	2,023	1,913

Included in 2025 final dividend paid during the period, HK\$1,327 million was settled through scrip dividend pursuant to the Scrip Dividend Arrangement announced by the Company on January 30, 2026.

8. EARNINGS PER SHARE

(a) The calculation of basic and diluted earnings per share is based on the following data:

HK\$ Million	2026	2025
Net profit attributable to shareholders	758	912
	Number of shares	
	2026	2025
Weighted average number of shares used in calculating basic earnings per share	5,069,591,068	4,801,775,210
Effect of dilutive potential ordinary shares — share options	1,978,731	205,550
Weighted average number of shares used in calculating diluted earnings per share	5,071,569,799	4,801,980,760

(b) The underlying net profit attributable to shareholders, which excluded changes in fair value of properties net of related income tax and non-controlling interests, is calculated as follows:

HK\$ Million	2026	2025
Net profit attributable to shareholders	758	912
Effect of changes in fair value of properties	503	201
Effect of income tax for changes in fair value of properties	159	381
Effect of changes in fair value of investment properties of joint ventures	22	20
	684	602
Non-controlling interests	(6)	73
	678	675
Underlying net profit attributable to shareholders	1,436	1,587

The earnings per share based on underlying net profit attributable to shareholders was:

	2026	2025
Basic	HK\$0.28	HK\$0.33
Diluted	HK\$0.28	HK\$0.33

9. INVESTMENT PROPERTIES AND INVESTMENT PROPERTIES UNDER DEVELOPMENT

(a) Additions

During the six months ended June 30, 2026, additions to investment properties and investment properties under development amounted to HK\$737 million (2025: HK\$1,038 million).

(b) Valuation

The investment properties and investment properties under development of the Group were revalued as of June 30, 2026 by Savills Valuation and Professional Services Limited, on a market value basis.

10. TRADE AND OTHER RECEIVABLES

- (a) Included in trade and other receivables are trade receivables (based on the due date) with the following aging analysis:

HK\$ Million	June 30, 2026	December 31, 2025
Not past due or less than 1 month past due	227	163
1 – 3 months past due	15	10
More than 3 months past due	3	3
	245	176

- (b) The Group maintains a defined credit policy including stringent credit evaluation on and payment of a rental deposit from tenants. In addition to the payment of rental deposits, tenants are required to pay monthly rents in respect of leased properties in advance. Receivables are regularly reviewed and closely monitored to minimize any associated credit risk.

Provision for expected credit losses was assessed and adequately made on a tenant-by-tenant basis, based on the historical default experience and forward-looking information that may impact the tenants' ability to repay the outstanding balances.

11. TRADE AND OTHER PAYABLES

(a) Included in trade and other payables are trade creditors with the following aging analysis:

HK\$ Million	June 30, 2026	December 31, 2025
Due within 3 months	798	1,156
Due after 3 months	2,598	2,856
	3,396	4,012

(b) Included in trade and other payables is an amount of HK\$601 million (December 31, 2025: HK\$601 million) due to a fellow subsidiary, which is the joint developer of a project in which the Group and the fellow subsidiary hold respective interests of 66.67% and 33.33%. The amount represents the contribution by the fellow subsidiary in proportion to its interest to finance the project, and is unsecured, non-interest bearing and has no fixed terms of repayment.

OTHER INFORMATION

Employees

As of June 30, 2026, the number of employees was 4,548 (comprising 907 Hong Kong employees and 3,641 Chinese Mainland-based employees). We provide competitive remuneration packages for all employees including discretionary bonuses payable based on individual performance. We regularly review remuneration packages to ensure that they comply with relevant regulatory requirements and market conditions. The Company also has a share option scheme and provides professional and high-quality training for employees.

Purchase, Sale or Redemption of Listed Securities

During the six months ended June 30, 2026, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of its listed securities.

During the six months ended June 30, 2026 and as of June 30, 2026, the Company did not have any treasury shares (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited).

Compliance with Corporate Governance Code

During the six months ended June 30, 2026, the Company did not only comply with, but in certain areas also exceeded, the requirements of the code provisions set out in the Corporate Governance Code as stated in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Review of Interim Results

The interim results for the six months ended June 30, 2026 have been reviewed by the Company's Audit Committee and auditor, KPMG.

Book Close Date**For ascertaining shareholders' entitlement to interim dividend**

Book close date	August 14, 2026
Latest time to lodge transfers	4:30 p.m. on August 13, 2026
Record date	August 14, 2026
Interim dividend payment date	September 25, 2026

For the purpose of ascertaining shareholders' entitlement to interim dividend, the register of members of the Company will be closed on Friday, August 14, 2026, on which no share transfers will be effected. In order to qualify for interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Thursday, August 13, 2026.

On Behalf of the Board

Adriel Chan

Chair

Hong Kong, July 31, 2026

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

Executive Directors: Mr. Adriel CHAN, Mr. Weber W.P. LO and Mr. Kenneth K.K. CHIU

Non-executive Director: Mr. Andrew WEIR

Independent Non-Executive Directors: Mr. Philip N.L. CHEN, Dr. Andrew K.C. CHAN, Ms. Anita Y.M. FUNG, Ms. Holly T.F. LI and Ms. X.B. WANG

GLOSSARY

Financial Terms

Finance costs: Total of interest expense on total borrowings and other borrowing costs, net of amount capitalized

Total borrowings: Total of bank loans and other borrowings, net of unamortized other borrowing costs

Net debt: Total borrowings net of cash and deposits with banks

Net profit attributable to shareholders: Profit for the period (after tax) less amounts attributable to non-controlling interests

Underlying net profit attributable to shareholders: Net profit attributable to shareholders excluding changes in fair value of properties net of related income tax and non-controlling interests

Financial Ratios

$$\text{Basic earnings per share} = \frac{\text{Net profit attributable to shareholders}}{\text{Weighted average number of shares in issue during the period}}$$

$$\text{Debt to equity} = \frac{\text{Total borrowings}}{\text{Total equity}}$$

$$\text{Net assets attributable to shareholders per share} = \frac{\text{Shareholders' equity}}{\text{Number of shares issued at the end of the reporting period}}$$

$$\text{Net debt to equity} = \frac{\text{Net debt}}{\text{Total equity}}$$

$$\text{Interest cover} = \frac{\text{Profit from operations before changes in fair value of properties}}{\text{Finance costs before capitalization less interest income}}$$