恒隆集團
HANG LUNG GROUP

恒隆集團有限公司

HANG LUNG GROUP LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00010)

2026 INTERIM RESULTS

恒隆集團
HANG LUNG GROUP

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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	**5,151**	**147**	**1,043**	**6,341**	4,912	129	161	5,202
- Chinese Mainland	**3,610**	**147**	**28**	**3,785**	3,363	129	10	3,502
- Hong Kong	**1,541**	**-**	**1,015**	**2,556**	1,549	-	151	1,700
Operating profit/(loss)	**3,623**	**(29)**	**(187)**	**3,407**	3,499	(34)	(57)	3,408
- Chinese Mainland	**2,434**	**(29)**	**(157)**	**2,248**	2,284	(34)	(26)	2,224
- Hong Kong	**1,189**	**-**	**(30)**	**1,159**	1,215	-	(31)	1,184
Underlying net profit/(loss) attributable to shareholders	**1,285**	**(42)**	**(120)**	**1,123**	1,259	(49)	(19)	1,191
Net decrease in fair value of properties attributable to shareholders	**(377)**	**-**	**-**	**(377)**	(494)	-	-	(494)
Net profit/(loss) attributable to shareholders	**908**	**(42)**	**(120)**	**746**	765	(49)	(19)	697

	At June 30, 2026	At December 31, 2025
Shareholders' equity	**102,299**	98,881
Net assets attributable to shareholders per share (HK$)	**$75.1**	$72.6

Earnings and Dividends (HK$)

	2026	2025
Earnings per share		
- Based on underlying net profit attributable to shareholders	**$0.82**	$0.87
- Based on net profit attributable to shareholders	**$0.55**	$0.51
Interim dividend per share	**$0.21**	$0.21

Financial Ratios

	At June 30, 2026	At December 31, 2025
Net debt to equity ratio	**30.5%**	30.9%
Debt to equity ratio	**34.9%**	35.3%

REVIEW OF OPERATIONS

RESULTS HIGHLIGHTS

For the six months ended June 30, 2026, consumer sentiment in the Chinese Mainland showed improvement, underpinned by government stimulus measures and a low-interest-rate environment. In Hong Kong, the stronger Renminbi ("RMB") helped revive tourism flows and retail momentum. Hang Lung Group Limited (the "Company") and its subsidiaries (collectively known as "the Group") maintained high occupancy and disciplined execution, underscoring the Group's resilience amid market challenges. Core leasing revenue delivered growth in the Chinese Mainland, while performance in Hong Kong remained stable.

In the Chinese Mainland, our mall portfolio generated revenue growth of 6% in RMB terms, with overall occupancy level achieving 96% by the end of June. We continued to upgrade our tenant composition by exiting underperforming brands and introducing new and exclusive offerings, strengthening overall retail competitiveness throughout the reporting period. These efforts were complemented by a wide range of city-specific experiential initiatives, that deepened customer engagement, sustained foot traffic, and boosted tenant sales, reinforcing our malls as key community hubs.

In Hong Kong, active leasing initiatives and tenant retention efforts helped maintain stable occupancy across both our retail and office portfolios, with occupancy rates of approximately 95% and 91%, respectively. Upgrades to our Central Business and Tourist District Portfolio contributed to steady retail occupancy and enhanced the overall tenant offering. For the office segment, occupancy of our Hong Kong Island Portfolio was underpinned by increased leasing activity at Standard Chartered Bank Building, including our flexible coworking space NET•WORK, as well as at 228 Electric Road. Benefiting from the government's talent admission scheme, revenue and occupancy of the residential and serviced apartments segment rose 7% and nine points year-on-year, respectively.

The Group recorded total revenue of HK$6,341 million in the first half of 2026 (2025: HK$5,202 million). Overall operating profit was HK$3,407 million (2025: HK$3,408 million). Revenue and operating profit from property leasing reached HK$5,151 million (2025: HK$4,912 million) and HK$3,623 million (2025: HK$3,499 million), respectively. Hotel revenue reported HK$147 million (2025: HK$129 million), and property sales revenue recorded HK$1,043 million (2025: HK$161 million).

Marking Hang Lung's 66th anniversary, the Group commenced a new stage of growth under the theme "66 and beyond," reaffirming our dedication to creating exceptional spaces that enrich communities. This milestone was highlighted by the launch of Westlake 66 in Hangzhou, together with a series of nationwide initiatives across our retail, office, and hotel portfolios, aimed at strengthening customer and community engagement and reinforcing the long-term competitiveness of our portfolio.

CONSOLIDATED RESULTS

Overall revenue of the Group for the six months ended June 30, 2026 increased 22% year-on-year to HK$6,341 million, primarily driven by a 548% rise in property sales, which amounted to HK$1,043 million. Overall operating profit maintained at HK$3,407 million. The mall leasing market in the Chinese Mainland improved, with property leasing achieved steady growth, with revenue and operating profit increased 5% to HK$5,151 million and 4% to HK$3,623 million, respectively. Hotel revenue advanced 14% to HK$147 million on the back of stronger domestic and inbound travel demand, while the operating loss after depreciation narrowed 15% to HK$29 million.

Underlying net profit attributable to shareholders dropped 6% to HK$1,123 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 was HK$0.82.

The Group reported a net profit attributable to shareholders of HK$746 million (2025: HK$697 million) when including a net revaluation loss on properties attributable to shareholders of HK$377 million (2025: HK$494 million). The corresponding earnings per share amounted to HK$0.55 (2025: HK$0.51).

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	**5,151**	4,912	5%	**3,623**	3,499	4%
Chinese Mainland	**3,610**	3,363	7%	**2,434**	2,284	7%
Hong Kong	**1,541**	1,549	-1%	**1,189**	1,215	-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	**6,341**	5,202	22%	**3,407**	3,408	-

DIVIDEND

The Board of Directors (the "Board") of the Company has declared an interim dividend of HK21 cents per share for 2026 (2025: HK21 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

Overall rental revenue increased 5% to HK$5,151 million for the first half of 2026. Rental revenue of the Chinese Mainland portfolio rose 3% in RMB terms and 7% in HKD terms, reflecting the year-on-year RMB appreciation. Rental revenue of the Hong Kong portfolio dropped 1%.

On the back of stable demand from affluent consumers and a growing emphasis on quality, craftsmanship, and experiential value, the high-end retail market in the Chinese Mainland continued its gradual and selective recovery. To capture these trends, we further refined our tenant mix and worked in close partnership with tenants to expand store formats and introduce more immersive retail concepts, including curated IP collaborations and first-to-market offerings, as well as additional marketing initiatives tailored to local narratives. This drove a stronger presence of food and beverage, wellness, beauty, and lifestyle offerings, which helped sustain customer traffic and support 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 elevated vacancy levels and ongoing pressure on rental rates. Compared with the first half of 2025, revenue from our office portfolio decreased 11%, while occupancy stayed at 81% at the end of the period. Nevertheless, the rate of decline has started to ease, supported by flight-to-quality demand in prime business districts, particularly from the technology, financial, and consumption-related sectors.

During the first half of 2026, Hong Kong's retail sector demonstrated initial signs of stabilization. Northbound spending by local residents moderated slightly, while improved performance in residential property prices lifted consumer confidence. Visitor arrivals continued to grow, driven by the city's mega event initiatives. 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 recorded modest growth of 3%. This transitional phase enabled the introduction of short-term pop-up concepts, keeping customer engagement strong. Occupancy remained high at 95%.

Supported by flight-to-quality demand, capital inflows, and a more active capital market, the Hong Kong office market also began to exhibit early signs of stabilization. Leasing demand remained focused on core business districts, led mainly by financial institutions and professional services firms, while non-core locations faced persistent headwinds. Our office portfolio recorded a stable performance, with overall rental revenue rising 1% and occupancy increasing by three points to 91%, reflecting resilient leasing demand in prime locations and gradually improving market conditions.

During Hang Lung's 66th anniversary year, we achieved a significant expansion of our Chinese Mainland footprint with the opening of Westlake 66 in Hangzhou, strategically located in the core location of the Yangtze River Delta. We also implemented a series of portfolio-wide initiatives, including targeted marketing campaigns, experiential programming, and customer relationship management ("CRM") programs to strengthen customer engagement, enhance loyalty, and bolster the long-term value of our assets.

Chinese Mainland[1]

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	**566**	638	-11%
Residential & Serviced Apartments	**50**	50	-
Total	**3,183**	3,100	3%
Total in HK$ Million equivalent	***3,610***	*3,363*	*7%*

For the six months ended June 30, 2026, overall rental revenue and operating profit in RMB terms increased 3% and 2%, respectively. Buoyed by our strategic initiatives and rising consumer confidence in the Chinese Mainland, our mall portfolio sustained high occupancy and recorded robust rental revenue growth. Revenue from our premium office portfolio, however, fell 11%, mainly due to excess supply in highly competitive markets.

- *Malls*

In the first half of 2026, total revenue from our mall portfolio reached RMB2,567 million, representing a year-on-year increase of 6% and marking a record high. Strong performance across most malls was partly dampened by declines at Riverside 66 in Tianjin, Heartland 66 in Wuhan and Forum 66 in Shenyang amid intensified 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 (RMB Million)			Period-end Occupancy Rate		
	2026	2025	Change	**June 2026**	December 2025	June 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

Revenue and tenant sales of our flagship **Plaza 66** mall in Shanghai rose 8% and 24%, respectively, supported by flagship-driven retail experiences and robust demand for gold products. Occupancy rate remained high at 98%. In celebration of Plaza 66's silver jubilee, the "Echoing Variation: Celebrating the 25th anniversary" campaign, combining music and collective memories of the mall, intensified engagement with high-value customers and expanded the membership base of HOUSE 66, our CRM program, further strengthening the mall's leading position in Shanghai and the Chinese Mainland.

The **Grand Gateway 66** mall, also in Shanghai, delivered a 1% and 24% growth in revenue and tenant sales, respectively, with occupancy staying strong at 98% at period end. Continued refinement of the tenant mix contributed to the solid performance, including further expansions of personal care and beauty offerings to enrich customer engagement and diversify touchpoints. Tailored campaigns, such as the "LOVE OUT LOUD" for the 520 festival, further stimulated customer interest through immersive experiences, limited-time promotions, and exclusive collections.

Revenue of the **Center 66** mall in Wuxi increased 10%, supported by continued tenant mix enhancement, particularly in the food and beverage and lifestyle segments, alongside strengthened CRM engagement, which helped mitigate softer performance in the high-end retail segment.

Tenant sales rose 7%, and the mall maintained full occupancy at period end. The "Wonderlost in Spring" campaign transformed the mall into an immersive destination through curated installations, live performances, and interactive activities, driving footfall and customer interest.

Olympia 66 in Dalian achieved solid results, with revenue and tenant sales both rising 11%, and occupancy increasing three points to 97% at period end. The introduction of the Wuzhen Theatre Festival Parade served as a key cultural initiative, featuring captivating performances, street-style parades, creative installations, and exclusive brand showcases. The campaign generated higher footfall and heightened customer engagement, further reinforcing Olympia 66's positioning as a premier lifestyle hub in northeastern China.

Revenue and tenant sales of the **Spring City 66** mall in Kunming grew 6% and 12%, respectively, with occupancy remaining high at 99% at period end. The mall enhanced its non-luxury offering by upgrading selected brands to exclusive flagship formats. A series of lifestyle-focused events, aligned with the revitalization of Shangyi Street as an open-air extension of the mall, further reinforced its role as a community destination and expanded its appeal to a wider audience.

Revenue and tenant sales of **Parc 66** in Jinan rose 4% and 13%, respectively, with occupancy rate improving two points to 96%. The "Sweet Sips Market" initiative integrated cultural concepts, lifestyle dining, fragrance experiences, and immersive settings, establishing a high-quality holiday destination that resonated with younger audiences and strengthened the mall's positioning as a relaxed, experience-driven lifestyle hub.

Palace 66 in Shenyang achieved revenue and tenant sales growth of 10% and 23%, respectively. Occupancy rate climbed two points to 98% at the end of the period. The mall further enhanced its outdoor athleisure offering, significantly boosting tenant sales and establishing itself as the city's leading destination for this segment. Over the Golden Week of May, "Gourmet Lab" at Tonghang Alley was launched, introducing a barbecue-themed street activation featuring live entertainment and experiential dining concepts. Refurbished spaces, new food and beverage offerings, and tenant collaborations further supported foot traffic and broadened Palace 66's appeal among younger customers.

Riverside 66 in Tianjin recorded 2% decline in revenue, with tenant sales rising 1% and occupancy edging up two points to 96%. Customer engagement was maintained through the "Sweet Encounters" campaign, staged along the historic pedestrian street with dessert-themed art installations and interactive experiences. Anchored by the iconic "Century Wall," the campaign integrated contemporary visual elements with heritage architecture, further enhancing the mall's cultural vibrancy and connection with the local community.

Amid intense promotional competition, revenue and tenant sales of the **Heartland 66** mall declined 18% and 13%, respectively. In response, the mall enhanced its tenant mix by introducing Michelin-starred restaurants and stepped up its marketing initiatives to lift customer loyalty. In early June, the mall debuted its 24KR Korean-themed zone, offering over 100 Korean brands spanning fashion, beauty, and lifestyle—most entering the local market for the first time alongside a dance studio. Together with the newly opened FunVille food village, the B1 level was repositioned as a vibrant, youth-oriented destination. The addition of sports amenities, including a climbing playground and a basketball court, further enriched the mall's lifestyle proposition. Footfall increased and occupancy rose four points to 92% at period end.

Opened on April 28, 2026, **Westlake 66** in Hangzhou, Hang Lung's 11th Chinese Mainland project, is emerging as a new landmark for commerce, culture, and community, delivering thoughtfully curated lifestyle experiences for a new generation of consumers. Benefiting from its prime location, the mall features a highly curated retail offering spanning 105,900 square meters with approximately one-third of tenants representing first-to-market brands. Tenant openings will continue in phases, with occupancy and tenant sales expected to increase progressively throughout 2026. To date, the mall has welcomed over 3 million visitors. Average daily footfall reached 120,000 during the Golden Week of May, while weekend traffic has remained robust. The mall recorded a revenue of RMB37 million during the reporting period, and occupancy reached 89% at period end.

Revenue and tenant sales at the **Forum 66** mall in Shenyang decreased 15% and 5%, respectively, while occupancy improved two points to 88% at period end. A strategic repositioning is underway to strengthen the mall's lifestyle and food-and-beverage mix, aiming to boost traffic and elevate the shopping experience.

- *Offices*

Total office revenue dropped 11% to RMB566 million for the six months ended June 30, 2026, primarily reflecting lower occupancy and negative rental reversions. Leasing demand was mostly driven by tenants from the technology, finance, and consumer sectors seeking quality space in core districts. Notwithstanding this activity, market conditions remained challenging, with persistent oversupply, high vacancy levels, and continued rental pressure across cities. Amid this environment, management continued to maintain high service standards and preserve asset quality.

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

Name of Office and City	Revenue (RMB Million)			Period-end Occupancy Rate		
	2026	2025	Change	**June 2026**	December 2025	June 2025
Plaza 66, Shanghai	**240**	289	-17%	**83%**	82%	82%
Grand Gateway 66, Shanghai	**102**	110	-7%	**85%**	89%	87%
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	**566**	638	-11%			

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

Revenue from our two Grade A office towers at **Plaza 66** in Shanghai receded 17%, mainly due to lower unit rents amid persistent market weakness and excess supply. Despite continued pressure on both rents and occupancy in Shanghai's Grade A office sector, occupancy increased by one point to 83% at the end of the period. In a competitive operating environment, we continued to capitalize on our prime location and operational strengths to maintain Plaza 66's position as a premier office destination in Shanghai.

Revenue of the office tower at **Grand Gateway 66** in Shanghai declined 7%, with occupancy rate dropping two points to 85% due to negative rental reversions against a backdrop of subdued market sentiment and rising vacancy rates.

The office tower at **Spring City 66** in Kunming recorded a 4% fall in revenue. We sustained our market-leading position by capitalizing on our prime location, offering modular offices with high-standard fit-outs and furnishings, and delivering premium facilities and services. With these efforts, occupancy improved six points to 90% at period end.

Reflecting weak demand and new office supply, revenue of the office tower at **Forum 66** in Shenyang declined 7%, with occupancy rate dropped four points to 85% at period end. Amid ongoing market headwinds, we continued to focus on strengthening tenant engagement while maintaining our rigorous standards of property management.

Revenue and occupancy of our two office towers at **Center 66** in Wuxi decreased 13% and five points to 78% at the end of the period, respectively. In a highly competitive market, we continued to reinforce our position as a leading office destination in Wuxi, supported by our exclusive services, flexible multifunctional workspace (HANGOUT), and the forthcoming hospitality expansion with the opening of Xi Zhe Wuxi, Curio Collection by Hilton.

The office tower at **Heartland 66** in Wuhan recorded a decline in revenue of 12%, primarily due to negative rental reversions and reduced average occupancy in a crowded market environment. Following the commencement of a new lease with an anchor tenant starting in mid-June, occupancy rose nine points to 72% at period end. Our flexible multifunctional workspace, HANGOUT, will continue to deliver flexible layouts that support tenants' evolving business needs while enhancing collaboration.

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

- *Residential & Serviced Apartments*

Revenue from the residential towers at Grand Gateway 66 in Shanghai receded 6% during the reporting period but recorded two-point increase in occupancy.

Hong Kong

In the first half of 2026, Hong Kong's retail sector showed early signs of stabilization, supported by improving consumer sentiment and a pick-up in visitor arrivals. The office market also exhibited indications of bottoming out, with demand concentrated in core business districts, while non-core locations remained challenged.

Overall revenue slightly dropped 1% to HK$1,541 million and operating profits receded 2% to HK$1,189 million. Nevertheless, diversified leasing strategies and ongoing tenant mix optimization supported a consistently high occupancy level. The rental margin declined one point to 77%.

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

	Revenue (HK$ Million)			Period-end Occupancy Rate		
	2026	2025	Change	**June 2026**	December 2025	June 2025
Retail	**864**	884	-2%	**95%**	95%	93%
Offices and Industrial/Office	**557**	553	1%	**91%**	90%	88%
Residential & Serviced Apartments	**120**	112	7%	**91%**	91%	82%
Total	**1,541**	1,549	-1%			

- *Retail*

Our Hong Kong retail portfolio recorded a decline in revenue of 2% to HK$864 million, primarily driven by the transitional impact of trade reshuffling in the Central Business and Tourist District Portfolio. Tenant sales increased 3% and the overall occupancy increased two points to 95%.

Revenue of our **Central Business and Tourist District Portfolio** declined 5% year-on-year, mainly due to the expiry of certain anchor tenant leases in Causeway Bay and renovation works undertaken by incoming tenants in part of the vacated space during the period. Occupancy fell to 89% at period end. To support the transformation of Paterson Street and commemorate Hang Lung's 66th anniversary, Fashion Walk introduced "Paterson Vibe" in May, featuring cross-platform urban cultural experiences and limited-time activations combining fashion, art, music, and style. The initiative drove higher footfall among local consumers, tourists, and lifestyle audiences, while enhancing tenant collaboration and synergy, reinforcing Paterson Street's market positioning as a leading urban subculture and lifestyle destination.

Overall revenue of our **Community Mall Portfolio** remained stable year-on-year, with a slight moderation in northbound spending by local residents. Occupancy grew to 98% at the end of the period. The new pedestrian bridge connecting Amoy Plaza in Kowloon Bay with East Kowloon Cultural Centre commenced full operation in July 2026. Linking the East Kowloon Cultural Centre to the MTR station, the bridge strengthened the accessibility and is expected to drive incremental footfall and support trading performance at Amoy Plaza.

- *Offices and Industrial/Office*

Revenue increased 1% to HK$557 million, attributable to proactive measures, including the introduction of fitted office space and the subdivision of premises to cater to evolving tenant needs. Occupancy remained at a relatively high level of 91% at period end.

Revenue of our **Hong Kong Island Portfolio** rose 3%, with occupancy climbing five points to 88%. NET•WORK, our dynamic and flexible office platform strategically located within Central's iconic Standard Chartered Bank Building, achieved an occupancy rate of 80% at period end, marking a notable increase of 16 points year-on-year.

Our **Kowloon Portfolio** recorded a 3% decline in revenue, reflecting negative rental reversions amid continued cost discipline by semi-retail tenants and ongoing rental adjustments, while occupancy rose two points to 93%.

- *Residential & Serviced Apartments*

Our residential and serviced apartments segment delivered a 7% increase in revenue, underpinned by the talent admission scheme introduced by the Hong Kong government, a growing customer base, and the provision of flexible terms for serviced apartments.

HOTELS

Benefiting from expanded visa-free policies and recovering flight capacity, hotel operations saw demand from inbound premium leisure and international visitors. Despite higher fuel costs stemming 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%		
Total in HK$ Million equivalent	***147***	*129*	*14%*		

With positive momentum sustained in the first half of 2026, revenue of **Grand Hyatt Kunming** climbed 19%, driven by increases in both occupancy and average daily rate.

Conrad Shenyang reported 2% drop in revenue year-on-year. Occupancy grew two points, supported by domestic travel demand, while a reduction in food and beverage revenue offset the effect of higher occupancy.

PROPERTY SALES

In the first half of 2026, 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.

As of June 30, 2026, the contracted property sales yet to be recognized 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 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$208,349 million, including the Chinese Mainland portfolio of HK$144,504 million and the Hong Kong portfolio of HK$63,845 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$567 million was recorded (2025: loss of HK$269 million).

The Chinese Mainland portfolio recorded a revaluation loss of HK$463 million (2025: loss of HK$93 million), representing less than 1% of the portfolio value as of December 31, 2025.

The Hong Kong portfolio had a revaluation loss of HK$104 million (2025: loss of HK$176 million), representing less than 1% of the portfolio value as of December 31, 2025.

A net revaluation loss after tax and non-controlling interests of HK$377 million was reported (2025: net revaluation loss of HK$494 million).

PROPERTY DEVELOPMENT

The aggregated values of our subsidiaries' projects under development for leasing and sales as of June 30, 2026 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.

Kimpton Xujiahui Shanghai, a luxury boutique brand under InterContinental Hotels Group, forms part of Grand Gateway 66's ongoing revitalization project. The hotel, with 149 rooms, is scheduled to open in the second half of 2027, and renovation work is currently underway.

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 the Group 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 the Group 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 following the lease modification and land premium 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 the Group 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	**2,949**	*42%*	3,811	*56%*
RMB	**4,080**	*58%*	2,980	*44%*
USD	**1**	-	1	-
Total cash and bank balances	**7,030**	*100%*	6,792	*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$55,619 million (December 31, 2025: HK$54,837 million), of which 48% 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 39% of total borrowings as of June 30, 2026. After excluding the onshore floating-rate debts, the fixed-rate borrowings would comprise 57% of total offshore borrowings as of June 30, 2026 (December 31, 2025: 59%).

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	**29,198**	*52%*	29,598	*54%*
RMB	**26,421**	*48%*	25,239	*46%*
Total borrowings	**55,619**	*100%*	54,837	*100%*

(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**	*39%*	22,418	*41%*
Floating	**34,001**	*61%*	32,419	*59%*
Total borrowings	**55,619**	*100%*	54,837	*100%*

- *Gearing Ratios*

At the balance sheet date, the net debt balance amounted to HK$48,589 million (December 31, 2025: HK$48,045 million). The net debt to equity ratio was 30.5% (December 31, 2025: 30.9%), and the debt to equity ratio was 34.9% (December 31, 2025: 35.3%).

- *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**	*10%*	4,913	*9%*
After 1 but within 2 years	**11,462**	*21%*	16,868	*31%*
After 2 but within 5 years	**34,659**	*62%*	29,250	*53%*
Over 5 years	**3,784**	*7%*	3,806	*7%*
Total borrowings	**55,619**	*100%*	54,837	*100%*

As of June 30, 2026, the total undrawn committed banking facilities amounted to HK$18,501 million (December 31, 2025: HK$22,739 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 3% to HK$968 million (2025: HK$1,002 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 13% to HK$578 million (2025: HK$511 million), as certain Chinese Mainland projects ceased capitalizing interests upon completion, outweighing the lower borrowing costs.

Interest cover for the six months of 2026 improved to 3.3 times (2025: 3.2 times).

- *Foreign Exchange Management*

RMB fluctuations remain our principal exchange rate risk. Our exposure is primarily determined by the currency translation risk from our subsidiaries' net assets in the Chinese Mainland.

We refrain from speculating on the movement of RMB/HKD. Considering the cash inflows from local operations and RMB borrowings, we maintain an appropriate level of RMB resources to meet our capital needs in the Chinese Mainland. We regularly conduct business reviews to assess the funding requirements for our Chinese Mainland projects, guided by regulatory restrictions, project development schedules, and market conditions. Our funding plan is modified to accommodate any changes in circumstances.

As of June 30, 2026, net assets denominated in RMB accounted for approximately 69% 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$4,311 million (2025: gain of HK$1,529 million), recognized in other comprehensive income.

CHARGE OF ASSETS

None of the Group's 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$4,409 million (December 31, 2025: HK$7,223 million).

The capital commitments in relation to capital injection to new joint ventures 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, 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.

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.

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 uncertainties are expected to weigh on business environment in the second half of 2026. Cash flow visibility, disciplined operational execution, and stable recurring rental income remain increasingly essential.

In the Chinese Mainland, economic growth is anticipated to be moderate, underpinned by policy support to reinforce 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 further optimize our tenant mix and implement targeted marketing and placemaking initiatives to enhance footfall and sales conversions across our portfolio.

Opened on April 28, 2026, Westlake 66 is set to contribute progressively to recurring income as operations scale up. In the second half of the year, a number of high-quality tenants are due to complete fit-outs and commence operations, complemented by targeted CRM initiatives to enhance customer loyalty and engagement. The office towers have also been delivered in phases, aligned with tenant absorption and operational ramp-up, allowing the asset to come on stream in a measured manner. The forthcoming opening of the Plaza 66 Pavilion Extension in Shanghai will further strengthen the retail and dining mix of this flagship asset, reinforcing its status and competitiveness on West Nanjing Road. Marking its silver jubilee this year, Plaza 66 continues to enhance its luxury appeal, supported by ongoing improvement works to its rooftop and VIC lounge. In Wuxi, the opening of Xi Zhe Wuxi, Curio Collection by Hilton in the third quarter of

2026 is expected to generate integrated benefits with Center 66 and further elevate the project's premium positioning.

In Hong Kong, retail performance is projected to strengthen over time, supported by rising visitor arrivals, high-profile mega events, a more experience-oriented tenant mix, and stabilizing consumer sentiment. Notwithstanding this, inflationary pressures driven by oil price volatility may temper sentiment and introduce uncertainties to the recovery trajectory. Amid ample supply and cautious demand, office leasing is likely to remain competitive, although enhanced liquidity for larger office assets may help moderate rental reversions.

Our property sales strategy will continue to emphasize disciplined pricing, phased launches, and premium product quality across the Chinese Mainland and Hong Kong, while staying attuned to policy changes and buyer sentiment. The Hong Kong property market is recovering steadily, with our premium products continuing to attract strong interest from discerning buyers.

Marking our 66th anniversary under the theme "66 and beyond," we reaffirm our commitment to sustainable growth through our V.3 strategy and customer-centric development, creating distinctive spaces where commerce, culture, and lifestyle converge, and delivering lasting value for the communities we serve.

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

	Note	2026 HK$ Million	2025 HK$ Million	*For information purpose only* 2026 RMB Million	*For information purpose only* 2025 RMB Million
Revenue	2(a)	**6,341**	5,202	**5,586**	4,813
Direct costs and operating expenses		**(2,934)**	(1,794)	**(2,584)**	(1,660)
		3,407	3,408	**3,002**	3,153
Other net income	3	**13**	41	**12**	38
Administrative expenses		**(325)**	(320)	**(287)**	(299)
Profit from operations before changes in fair value of properties		**3,095**	3,129	**2,727**	2,892
Decrease in fair value of properties		**(567)**	(269)	**(493)**	(247)
Profit from operations after changes in fair value of properties		**2,528**	2,860	**2,234**	2,645
Interest income		**19**	24	**17**	22
Finance costs		**(578)**	(511)	**(507)**	(475)
Net interest expense	4	**(559)**	(487)	**(490)**	(453)
Share of profits of joint ventures		**173**	23	**150**	22
Profit before taxation	5	**2,142**	2,396	**1,894**	2,214
Taxation	6	**(894)**	(1,088)	**(786)**	(1,001)
Profit for the period	2(b)	**1,248**	1,308	**1,108**	1,213
Attributable to:					
Shareholders		**746**	697	**662**	648
Non-controlling interests		**502**	611	**446**	565
Profit for the period		**1,248**	1,308	**1,108**	1,213
Earnings per share	8(a)				
Basic		**HK$0.55**	HK$0.51	**RMB0.49**	RMB0.48
Diluted		**HK$0.55**	HK$0.51	**RMB0.49**	RMB0.48

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

			For information purpose only	
	2026 HK$ Million	2025 HK$ Million	**2026 RMB Million**	2025 RMB Million
Profit for the period	**1,248**	1,308	**1,108**	1,213
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	**4,610**	1,739	**(1,541)**	(1,365)
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	**4,377**	1,402	**(1,483)**	(1,484)
Total comprehensive income for the period	**5,625**	2,710	**(375)**	(271)
Attributable to:				
Shareholders	**3,434**	1,535	**(360)**	(361)
Non-controlling interests	**2,191**	1,175	**(15)**	90
Total comprehensive income for the period	**5,625**	2,710	**(375)**	(271)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT JUNE 30, 2026

	Note	(Unaudited) June 30, 2026 HK$ Million	(Audited) December 31, 2025 HK$ Million	*For information purpose only* June 30, 2026 RMB Million	December 31, 2025 RMB Million
Non-current assets					
Investment properties	9	**200,713**	175,536	**174,250**	158,263
Investment properties under development	9	**7,636**	27,359	**6,632**	24,711
Property, plant and equipment		**3,646**	3,567	**3,167**	3,222
Interests in joint ventures		**4,474**	4,377	**3,881**	3,934
Other assets		**1,431**	1,431	**1,241**	1,286
Deferred tax assets		**144**	157	**125**	142
		218,044	212,427	**189,296**	191,558
Current assets					
Cash and deposits with banks		**7,030**	6,792	**6,102**	6,117
Trade and other receivables	10	**2,791**	2,720	**2,423**	2,454
Properties for sale		**13,854**	14,293	**12,025**	12,880
		23,675	23,805	**20,550**	21,451
Current liabilities					
Bank loans and other borrowings		**5,714**	4,913	**4,958**	4,429
Trade and other payables	11	**9,787**	10,064	**8,497**	9,078
Lease liabilities		**28**	26	**24**	23
Current tax payable		**387**	335	**336**	302
		15,916	15,338	**13,815**	13,832
Net current assets		**7,759**	8,467	**6,735**	7,619
Total assets less current liabilities		**225,803**	220,894	**196,031**	199,177
Non-current liabilities					
Bank loans and other borrowings		**49,905**	49,924	**43,304**	44,932
Lease liabilities		**256**	254	**222**	229
Deferred tax liabilities		**16,312**	15,449	**14,167**	13,951
		66,473	65,627	**57,693**	59,112
NET ASSETS		**159,330**	155,267	**138,338**	140,065
Capital and reserves					
Share capital		**4,065**	4,065	**3,164**	3,164
Reserves		**98,234**	94,816	**85,654**	86,026
Shareholders' equity		**102,299**	98,881	**88,818**	89,190
Non-controlling interests		**57,031**	56,386	**49,520**	50,875
TOTAL EQUITY		**159,330**	155,267	**138,338**	140,065

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 Group 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	**-**	**-**	**-**	**4,500**	**4,500**
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	**-**	**651**	**651**	**-**	**651**
	1,092	**749**	**1,841**	**4,500**	**6,341**

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	-	-	-	4,302	4,302
Hotel revenue	48	81	129	-	129
Sales of completed properties	161	-	161	-	161
Building management fees and other income from property leasing	-	610	610	-	610
	209	691	900	4,302	5,202

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	**3,610**	**147**	**28**	**3,785**	3,363	129	10	3,502
- Hong Kong	**1,541**	**-**	**1,015**	**2,556**	1,549	-	151	1,700
	5,151	**147**	**1,043**	**6,341**	4,912	129	161	5,202
Profit/(loss) from operations before changes in fair value of properties								
- Chinese Mainland	**2,214**	**(29)**	**(157)**	**2,028**	2,088	(34)	(26)	2,028
- Hong Kong	**1,089**	**-**	**(22)**	**1,067**	1,105	-	(4)	1,101
	3,303	**(29)**	**(179)**	**3,095**	3,193	(34)	(30)	3,129
Decrease in fair value of properties	**(567)**	**-**	**-**	**(567)**	(269)	-	-	(269)
- Chinese Mainland	**(463)**	**-**	**-**	**(463)**	(93)	-	-	(93)
- Hong Kong	**(104)**	**-**	**-**	**(104)**	(176)	-	-	(176)
Net interest expense	**(535)**	**(24)**	**-**	**(559)**	(464)	(23)	-	(487)
- Interest income	**18**	**1**	**-**	**19**	23	1	-	24
- Finance costs	**(553)**	**(25)**	**-**	**(578)**	(487)	(24)	-	(511)
Share of profit/(loss) of joint ventures	**181**	**(8)**	**-**	**173**	36	(13)	-	23
Profit/(loss) before taxation	**2,382**	**(61)**	**(179)**	**2,142**	2,496	(70)	(30)	2,396
Taxation	**(889)**	**-**	**(5)**	**(894)**	(1,088)	-	-	(1,088)
Profit/(loss) for the period	**1,493**	**(61)**	**(184)**	**1,248**	1,408	(70)	(30)	1,308
Net profit/(loss) attributable to shareholders	**908**	**(42)**	**(120)**	**746**	765	(49)	(19)	697

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	**146,794**	**3,405**	**7,830**	**158,029**	141,056	3,299	7,434	151,789
Hong Kong	**64,146**	**-**	**6,465**	**70,611**	64,488	-	7,198	71,686
	210,940	**3,405**	**14,295**	**228,640**	205,544	3,299	14,632	223,475
Interests in joint ventures				**4,474**				4,377
Other assets				**1,431**				1,431
Deferred tax assets				**144**				157
Cash and deposits with banks				**7,030**				6,792
				241,719				236,232

3. OTHER NET INCOME

HK$ Million	**2026**	2025
Gain on disposal of investment properties	**8**	27
Net exchange gain/(loss)	**2**	(2)
Government grants	**-**	15
Others	**3**	1
	13	41

4. NET INTEREST EXPENSE

HK$ Million	**2026**	2025
Interest income on bank deposits	**19**	24
Interest expense on bank loans and other borrowings	**898**	932
Interest on lease liabilities	**7**	6
Other borrowing costs	**63**	64
Total borrowing costs	**968**	1,002
Less: Borrowing costs capitalized	**(390)**	(491)
Finance costs	**578**	511
Net interest expense	**(559)**	(487)

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)	**772**	757
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$912 million (2025: HK$902 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	**125**	130
Chinese Mainland Income Tax	**491**	468
Chinese Mainland Land Appreciation Tax (“LAT”)	**1**	-
Total current tax	**617**	598
Deferred tax		
Changes in fair value of properties	**134**	366
Other origination and reversal of temporary differences	**143**	124
Total deferred tax	**277**	490
Total income tax expense	**894**	1,088

7. DIVIDENDS

(a) Interim dividend

HK$ Million	**2026**	2025
Declared after the end of the reporting period:		
HK21 cents (2025: HK21 cents) per share	**286**	286

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 HK65 cents		
(2024: HK65 cents) per share	**885**	885

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	**746**	697

	Number of shares	
	2026	2025
Weighted average number of shares used in calculating basic and diluted earnings per share (Note)	**1,361,618,242**	1,361,618,242

Note: Diluted earnings per share was the same as the basic earnings per share for the periods as there were no dilutive potential ordinary shares in existence during both periods.

8. EARNINGS PER SHARE (Continued)

(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	**746**	697
Effect of changes in fair value of properties	**567**	269
Effect of income tax for changes in fair value of properties	**134**	366
Effect of changes in fair value of investment properties of joint ventures	**(95)**	44
	606	679
Non-controlling interests	**(229)**	(185)
	377	494
Underlying net profit attributable to shareholders	**1,123**	1,191

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

	2026	2025
Basic	**HK$0.82**	HK$0.87
Diluted	**HK$0.82**	HK$0.87

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$740 million (2025: HK$1,045 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	**229**	166
1 – 3 months past due	**16**	10
More than 3 months past due	**3**	3
	248	179

(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

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	**822**	1,175
Due after 3 months	**2,627**	2,874
	3,449	4,049

OTHER INFORMATION

Employees

As of June 30, 2026, the number of employees was 4,616 (comprising 907 Hong Kong employees and 3,709 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 Group 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 Directors: Mr. Gerald L. CHAN, Mr. George K.K. CHANG and Mr. Roy Y.C. CHEN
Independent Non-Executive Directors: Mr. Simon S.O. IP, Prof. P.W. LIU, Mr. Martin C.K. LIAO and Ms. May S.B. TAN

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

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

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

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

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

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