LOGAN
龙光集团

Logan Group Company Limited
龍光集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 3380 and Debt Stock Codes: 40754, 40527, 40508, 40411)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

INTERIM RESULTS HIGHLIGHTS

- Contracted sales amounted to RMB3.98 billion.
- Revenue amounted to RMB3.40 billion.
- Net loss for the six months ended 30 June 2025 amounted to RMB1.96 billion. The continuing loss is mainly due to (i) the gross profit margin remaining at a low level due to the continuing downturn of the real estate industry; and (ii) provision for impairment of inventories.

INTERIM RESULTS

The board of directors (the "**Board**") of Logan Group Company Limited (the "**Company**" or "**Logan Group**") hereby announces the unaudited interim results of the Company and its subsidiaries (the "**Group**") for the six-month period ended 30 June 2025 (the "**Period**"), together with the comparative figures for the 2024 interim period. These interim results have also been reviewed by the Audit Committee of the Company.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
		(Unaudited)	(Unaudited)
	Notes	***RMB'000***	*RMB'000*
Revenue	*4*	**3,401,041**	14,053,364
Cost of sales		**(4,767,682)**	(15,727,236)
Gross loss		**(1,366,641)**	(1,673,872)
Other income and gains	*4*	**722,378**	85,991
Other expenses		**(28,378)**	(52,820)
Selling and marketing expenses		**(167,452)**	(394,503)
Administrative expenses		**(252,497)**	(367,662)
Fair value losses on investment properties, net		**(241,055)**	(36,799)
Fair value gains on derivative financial instruments		**—**	4,465
Share of (losses)/profits of associates and joint ventures, net		**(30,451)**	94,368
Loss from operations		**(1,364,096)**	(2,340,832)
Finance costs	*5*	**(193,831)**	(1,126,364)
Loss before tax	*6*	**(1,557,927)**	(3,467,196)
Income tax (expense)/credit	*7*	**(401,755)**	1,667,081
Loss for the period		**(1,959,682)**	(1,800,115)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
		(Unaudited)	(Unaudited)
	Notes	***RMB'000***	*RMB'000*
Attributable to:			
— Owners of the parent		**(1,782,215)**	(1,536,487)
— Non-controlling interests		**(177,467)**	(263,628)
		(1,959,682)	(1,800,115)
Loss per share attributable to ordinary equity holders of the parent (RMB cents)	*8*		
— Basic		**(32.24)**	(27.80)
— Diluted		**(32.24)**	(27.80)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Loss for the period	**(1,959,682)**	(1,800,115)
Other comprehensive income/(expense)		
Other comprehensive income/(expense) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**670,507**	(196,348)
Total comprehensive expense for the period	**(1,289,175)**	(1,996,463)
Attributable to:		
Owners of the parent	**(1,111,708)**	(1,732,835)
Non-controlling interests	**(177,467)**	(263,628)
	(1,289,175)	(1,996,463)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

	Notes	**30 June 2025 (Unaudited) *RMB'000***	31 December 2024 (Audited) *RMB'000*
Non-current assets			
Investment properties	*9*	**38,557,745**	39,149,624
Other property, plant and equipment		**239,452**	260,612
Deferred tax assets		**811,311**	868,759
Investments in associates		**3,427,876**	3,437,966
Investments in joint ventures		**10,950,041**	11,142,819
Total non-current assets		**53,986,425**	54,859,780
Current assets			
Inventories		**118,539,572**	121,795,178
Trade and other receivables, prepayments and other assets	*10*	**23,103,502**	24,463,237
Tax recoverable		**2,633,684**	2,813,940
Assets under cross-border guarantee arrangements		**—**	—
Cash and bank balances		**8,952,613**	8,653,773
Total current assets		**153,229,371**	157,726,128
Current liabilities			
Trade and other payables	*11*	**61,951,780**	63,383,299
Contract liabilities		**5,708,956**	7,000,342
Liabilities under cross-border guarantee arrangements		**806,436**	818,896
Bank and other loans		**50,444,999**	49,798,737
Senior notes		**17,576,747**	17,926,284
Other current liabilities		**8,283,707**	16,611,845
Tax payable		**2,760,139**	2,221,347
Total current liabilities		**147,532,764**	157,760,750

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

30 June 2025

	30 June 2025 (Unaudited) ***RMB'000***	31 December 2024 (Audited) *RMB'000*
Net current assets/(liabilities)	**5,696,607**	(34,622)
Total assets less current liabilities	**59,683,032**	54,825,158
Non-current liabilities		
Bank and other loans	**11,391,637**	13,476,030
Corporate bonds	**17,013,442**	8,790,285
Deferred tax liabilities	**7,759,229**	7,753,672
Total non-current liabilities	**36,164,308**	30,019,987
Net assets	**23,518,724**	24,805,171
Equity		
Equity attributable to owners of the parent		
Share capital	**450,227**	450,227
Perpetual capital securities	**2,363,346**	2,363,346
Reserves	**16,312,140**	17,423,848
	19,125,713	20,237,421
Non-controlling interests	**4,393,011**	4,567,750
Total equity	**23,518,724**	24,805,171

NOTES

For the six months ended 30 June 2025

1. BASIS OF PRESENTATION

Since 7 August 2022, the Group had suspended the payment of interest of all its offshore USD denominated senior notes (the "**USD Senior Notes**") and HKD denominated equity-linked securities (the "**HKD ELS**"). In addition, since 25 August 2022 and up to the approved date of the interim financial information, the Group suspended the repayment of the principal amount of US$300 million of senior notes due 2022 issued on 25 February 2019, the principal amount of US$450 million of senior notes due 2023 issued on 23 May 2017, the principal amount of US$400 million of senior notes due 2023 issued on 16 July 2019, the principal amount of US$100 million of senior notes due 2024 issued on 9 September 2019 and the principal amount of US$180 million of senior notes due 2024 issued on 17 January 2020, the principal amount of US$100 million of senior notes due 2024 issued on 17 September 2020 and the principal amount of US$60 million of senior notes due 2024 issued on 5 August 2021 and the principal amount of US$300 million of senior notes due 2025 issued on 14 January 2020. As of 30 June 2025, the outstanding principal of the USD Senior Notes and HKD ELS amounted to US$3,619 million (RMB25,680 million). On 6 January 2025, the Group made significant progress and announced the holistic restructuring proposal in respect of the offshore debt, and has reached an agreement with certain offshore creditors. On 10 January 2025, a holistic creditor support agreement, to which the terms were appended, was signed by the Group and the AHG. As at 27 February 2025, consenting creditors holding more than 80.8% of the aggregate principal amount of part of the Group's offshore debt amounting to US$6,207 million have acceded to the holistic creditor support agreement.

As of 30 June 2025, the total current assets of the Group amounted to RMB153,229 million, of which cash and cash equivalents amounted to RMB8,953 million. The total current liabilities of the Group amounted to RMB147,533 million. In view of the ongoing sluggishness of the current property market, coupled with the limited source of financing from the capital market, the Group may take longer time than expected to realise cash from the sale of its properties and/or have the cash from external financing to meet its loan repayment obligations. In addition, the Group is involved in different litigation and arbitration disputes for various reasons. In view of the aforesaid, the Group has given careful consideration to the future liquidity and business performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial sources to continue as a going concern. The following plans and measures are formulated to mitigate the liquidity pressure and to improve the financial position of the Group:

(a) The Group is actively negotiating with financial institutions currently in business relationship and holders of senior notes and secured debt on the renewal or restructuring of certain borrowings, senior notes and secured debt.

(b) The Group will continue to implement measures to accelerate the pre-sale and sale of its properties under development and completed properties, and to speed up the collection of sales proceeds and other receivables.

1. BASIS OF PRESENTATION (CONTINUED)

(c) The Group will continue to dispose of its assets when needed.

(d) The Group will continue to take active measures to control administrative costs.

The Group has reviewed the Group's cash flow projections prepared by the management, which cover a period of not less than fifteen months from 30 June 2025. They are of the opinion that, taking into account the above mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations or financial obligations upon agreement of the holistic liability management solution as and when they fall due in the foreseeable future.

Accordingly, the Group is satisfied that it is appropriate to prepare the condensed consolidated interim financial information on a going concern basis. Notwithstanding the above, significant uncertainties exist as to whether the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the following:

(a) the successful renewal or restructuring of its debts including borrowings, senior notes and borrowings subject to guarantees, as and when needed, and the implementation of Holistic Liability Management Solution (as defined in the announcement of the Group dated 7 August 2022);

(b) the successful and timely implementation of the plans to accelerate the pre-sale and sale of properties under development and completed properties, speed up the collection of outstanding sales proceeds and other receivables, and control costs and control capital expenditure so as to generate adequate net cash inflows; and

(c) the successful disposal of assets, as and when needed.

Should the Group be unable to achieve the above-mentioned plans and measures and operate as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which may arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these condensed consolidated interim financial information.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

The interim condensed consolidated financial information of the Group for the six months ended 30 June 2025 (the "**interim financial information**") has been prepared in accordance with Hong Kong Accounting Standard 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The interim financial information does not include all the information and disclosures required in the annual financial statements prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). Accordingly, this interim financial report should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

The interim financial information has been prepared in accordance with the accounting policies adopted in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the Amendments to HKAS 21 "Lack of Exchangeability" which are effective as of 1 January 2025.

The amendments to HKAS 21 specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. Besides, the amendments also require an entity to disclose additional information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments did not have a material impact on the interim financial information.

The Group has not early adopted the following new and amended HKFRS Accounting Standards which have been issued but are not yet effective:

Amendments to HKFRS 10 and HKAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
HKFRS 18	*Presentation and Disclosure in Financial Statements*[2]
HKFRS 19	*Subsidiaries without Public Accountability: Disclosures*[2]
Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[1]
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*[1]
Annual Improvements to HKFRS Accounting Standards — Volume 11	*Amendments to HKFRS1, HKFRS 2, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7*[1]

1 Effective for annual periods beginning on or after 1 January 2026
2 Effective for annual periods beginning on or after 1 January 2027
3 No mandatory effective date yet determined but available for adoption

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

HKFRS 18 will replace HKAS 1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the consolidated statements of profit or loss and providing management-defined performance measures within the financial statements. Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. The Group expects to apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with HKFRS 18.

Except for the abovementioned changes in presentation and disclosure, these pronouncements are not expected to have a material impact on the results or the financial position of the Group.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments as follows:

(a) the property development segment comprised of (i) develops and sells residential and commercial properties, retail shops and office units; (ii) engages in construction of office premises and residential buildings; (iii) provides decoration services for external customers; and (iv) provides interior decoration services to property buyers; and

(b) the property operation segment which is the lease of office units, commercial centers, retail shops and hotels to generate rental income and to gain from the appreciation in the properties' values in the long term.

The Group's revenue from external customers from each operating segment is set out in Note 3 below.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before tax. The adjusted profit or loss before tax is measured consistently with the Group's profit or loss before tax except that depreciation, other income and gains, other expenses, finance costs, share of profits or losses of joint ventures and associates, fair value gains or losses on investment properties and derivative financial instruments and unallocated head office and corporate income and expenses are excluded from such measurement. Segment assets and liabilities are not reported to the Group's chief operating decision maker regularly.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

3. OPERATING SEGMENT INFORMATION (CONTINUED)

Information regarding the reportable segments is presented below.

	Property development (Unaudited) *RMB'000*	**Property operation (Unaudited)** *RMB'000*	**Total (Unaudited)** *RMB'000*
For the six months ended 30 June 2025			
Revenue from external customers	**3,267,095**	**133,946**	**3,401,041**
Inter-segment revenue	**—**	**4,182**	**4,182**
Reportable segment revenue	**3,267,095**	**138,128**	**3,405,223**
Reportable segment (losses)/profit	**(1,847,672)**	**118,278**	**(1,729,394)**

	Property development (Unaudited) *RMB'000*	Property operation (Unaudited) *RMB'000*	Total (Unaudited) *RMB'000*
For the six months ended 30 June 2024			
Revenue from external customers	13,875,253	178,111	14,053,364
Inter-segment revenue	—	3,182	3,182
Reportable segment revenue	13,875,253	181,293	14,056,546
Reportable segment (losses)/profit	(2,478,911)	123,411	(2,355,500)

3. OPERATING SEGMENT INFORMATION (CONTINUED)

Reconciliation of reportable segment revenue and profit or loss

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Revenue		
Reportable segment revenue	**3,405,223**	14,056,546
Elimination of inter-segment revenue	**(4,182)**	(3,182)
Consolidated revenue	**3,401,041**	14,053,364
Loss		
Reportable segment losses	**(1,729,394)**	(2,355,500)
Elimination of inter-segment losses	**—**	3,522
Reportable segment losses derived from the Group's external customers	**(1,729,394)**	(2,351,978)
Other income and gains	**722,378**	85,991
Other expenses	**(28,378)**	(52,820)
Depreciation	**(20,630)**	(24,101)
Finance costs	**(193,831)**	(1,126,364)
Share of (losses)/profits of associates and joint ventures, net	**(30,451)**	94,368
Fair value losses on investment properties, net	**(241,055)**	(36,799)
Fair value gains on derivative financial instruments	**—**	4,465
Unallocated head office and corporate expenses	**(36,566)**	(59,958)
Consolidated loss before tax	**(1,557,927)**	(3,467,196)

Geographical information

Geographical information is not presented since over 90% of the Group's revenue from external customers was generated in the People's Republic of China (the "**PRC**" or "**Mainland China**") and over 90% of the segment assets of the Group are located in Mainland China. Accordingly, in the opinion of the directors, the presentation of geographical information would provide no additional useful information to the users of the interim financial information.

4. REVENUE, OTHER INCOME AND GAINS

An analysis of the Group's revenue is as follows:

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
		(Represented)
	RMB'000	*RMB'000*
Revenue from contracts with customers		
Property development	**3,268,487**	13,982,347
Revenue from other source		
Gross rental income from investment property operating leases:		
Other lease payments, including fixed payments	**135,029**	181,689
	3,403,516	14,164,036
Less: sales related taxes	**(2,475)**	(110,672)
	3,401,041	14,053,364

Revenue from contracts with customers

Disaggregated revenue information

	Six months ended 30 June	
	2025	2024
	Property development	Property development
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Timing of revenue recognition:		
Goods transferred at a point in time	**3,154,997**	13,490,874
Goods and services transferred over time	**112,098**	384,379
Total revenue from contracts with customers	**3,267,095**	13,875,253

4. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

Other income and gains

An analysis of the Group's other income and gains is as follows:

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Bank interest income	**51,885**	64,797
Interest income on amounts due from associates and joint ventures	**—**	2,396
Forfeiture income on deposits received	**8,562**	9,267
Gain on disposal of a subsidiary	**84**	—
Waived of interest payable	**567,148**	—
Foreign exchange differences, net	**86,147**	4
Gain on disposal of items of property, plant and equipment	**131**	—
Others	**8,421**	9,527
	722,378	85,991

5. FINANCE COSTS

An analysis of finance costs is as follows:

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Interest on bank and borrowings	**586,197**	2,021,771
Interest on senior notes	**681,906**	681,784
Interest on corporate bonds	**—**	414,627
	1,268,103	3,118,182
Less: Interest capitalised	**(1,074,272)**	(1,991,818)
	193,831	1,126,364

6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Cost of properties sold	**3,890,341**	12,872,907
Cost of services provided	**7,341**	44,541
Depreciation of other property, plant and equipment	**21,943**	26,905
Less: Amount capitalised	**(1,313)**	(2,804)
	20,630	24,101
(Gain)/loss on disposal of items of other property, plant and equipment	**(131)**	280
Write-down of inventories to net realisable value*	**870,000**	2,809,788
Foreign exchange differences, net	**(86,147)**	(4)

* Item is included in "Cost of Sales" in the condensed consolidated statement of profit or loss.

7. INCOME TAX

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the six months ended 30 June 2025. Taxes on profits assessable in the PRC have been calculated at the rates of tax prevailing in the cities in which the Group's subsidiaries operate.

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Current (credit)/charge for the period:		
PRC corporate income tax	**(55,066)**	(1,692,359)
PRC land appreciation tax	**401,407**	(320,586)
	346,341	(2,012,945)
Deferred	**55,414**	345,864
Total tax charge/(credit) for the period	**401,755**	(1,667,081)

8. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amount for the six months ended 30 June 2025 is based on the loss for the period attributable to owners of the parent, as adjusted for the distribution related to perpetual capital securities, and the weighted average number of ordinary shares in issue less the weighted average number of shares held under the share award scheme during the period.

The calculation of the diluted loss per share amount for the six months ended 30 June 2025 is based on the loss for the period attributable to owners of the parent, adjusted for the distribution related to perpetual capital securities. The weighted average number of ordinary shares used in the calculation is the weighted average number of ordinary shares in issue less the weighted average number of shares held under the share award scheme during the period, as used in the basic loss per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all the dilutive potential ordinary shares into ordinary shares.

The calculations of the basic and diluted loss per share are based on:

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Loss		
Loss attributable to owners of the parent	**(1,782,215)**	(1,536,487)
Distribution related to perpetual capital securities	**—**	—
Loss used in the basic and diluted loss per share calculations	**(1,782,215)**	(1,536,487)

	Number of shares	
	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	'000	*'000*
Shares		
Weighted average number of ordinary shares in issue less the weighted average number of shares held under the share award scheme during the period, used in the basic loss per share calculation	**5,527,178**	5,527,178
Effect of dilution — weighted average number of ordinary shares:		
Share options	**—**	—
Weighted average number of ordinary shares in issue during the period, used in the diluted loss per share calculation	**5,527,178**	5,527,178

No adjustment for dilution has been made to the basic loss per share presented for the six months ended 30 June 2025 and 2024 as the Company's share options has anti-dilutive effect on the basic loss per share presented.

9. INVESTMENT PROPERTIES

The Group's investment properties and investment properties under construction were revalued on 30 June 2025 based on valuations performed by APAC Asset Valuation and Consulting Limited, independent professionally qualified valuer, or the Group's internal assessment.

The valuations of completed investment properties were based on either the direct comparison method by reference to comparable market transactions, which is positively correlated to the market unit sale rate; or the income approach by capitalisation of net rental income derived from the existing tenancies with allowance for the reversionary rental income potential of the properties, which is positively correlated to the market rental growth rate, yearly unit rental income and occupancy rate and negatively correlated to risk-adjusted discount rate and capitalisation rate.

The valuations of investment properties under construction were based on the residual approach, and have taken into account the expended construction costs and future costs that will be expended to complete the development to reflect the quality of the completed development on the basis that the properties will be developed and completed in accordance with the Group's latest development plan. The valuations of investment properties under construction are positively correlated to the development profit and negatively correlated to the risk-adjusted discount rate.

During the period, the net decrease in fair value of investment properties and investment properties under construction amounted to RMB241,055,000 (six months ended 30 June 2024: net decrease in fair value of RMB36,799,000), additions in investment properties and investment properties under construction amounted to Nil (six months ended 30 June 2024: RMB74,106,000) and transfer from investment properties to completed properties for sales amounted to RMB350,824,000 (six months ended 30 June 2024: RMB453,254,000).

10. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND OTHER ASSETS

The Group's trade receivables arise from the sale of properties, leasing of investment properties and provision of development management services.

Consideration in respect of sale of properties is payable by the purchasers in accordance with the terms of the related sale and purchase agreements. Consideration in respect of provision of development management services is payable by the customers in accordance with the terms of the related development management agreements. The Group normally requires its customers to make payment of monthly/quarterly charges in advance in relation to the leasing of investment properties.

Since the Group's trade receivables are related to a number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. All trade receivables are non-interest-bearing.

10. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND OTHER ASSETS (CONTINUED)

An ageing analysis of the trade receivables as at the end of the reporting period, based on the revenue recognition date or invoice date and net of loss allowance, is as follows:

	30 June 2025 (Unaudited) ***RMB'000***	31 December 2024 (Audited) *RMB'000*
Within 30 days	**73,262**	52,587
31 to 90 days	**146,718**	140,999
91 to 180 days	**155,748**	172,342
181 to 365 days	**740,235**	770,550
	1,115,963	1,136,478

11. TRADE AND OTHER PAYABLES

Included in the balance as at 30 June 2025 is an aggregate trade payables balance of RMB23,658,899,000 (year ended 31 December 2024: RMB23,277,191,000). An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2025 (Unaudited) ***RMB'000***	31 December 2024 (Audited) *RMB'000*
Within to 30 days	**6,985,802**	6,756,602
31 to 90 days	**4,277,335**	4,923,728
91 to 180 days	**2,864,975**	1,962,784
181 to 365 days	**2,226,734**	2,475,699
Over 365 days	**7,304,053**	7,158,378
	23,658,899	23,277,191

The trade payables are non-interest-bearing.

12. DIVIDEND

The Board did not recommend the payment of interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

13. COMPARATIVE INFORMATION

Certain comparative figures have been reclassified to conform with the current period's presentation.

EXTRACT OF INDEPENDENT REVIEW REPORT

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the interim financial information. The events and conditions stated in Note 1 indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the board of directors (the "**Board**") of the Company, I hereby present the interim results of the Group for the six months ended 30 June 2025.

Business Review

In the first half of 2025, China's real estate industry was still in an adjustment cycle, with continuous decline in China's real estate investment and the sale of commercial properties in the first half of 2025. Despite the continuous introduction of various favorable policies, the recovery of the industry confidence remains slow. Faced with severe challenges of the industry, the Group has proactively responded to the challenges and overcame pressures and difficulties by strengthening sales execution and capital recovery measures to ensure stable production and operation and successful delivery of projects.

In relation to the offshore holistic debt restructuring, the Group and its financial advisors have maintained active communication with all creditors and treats all creditors adhering to the principle of fairness. On 10 January 2025, the Company has reached an agreement with the ad hoc group of holders of the existing notes and entered into the creditor support agreement (the "**Holistic CSA**") in relation to the holistic restructuring proposal for offshore debt. This marks a significant milestone in relation to the holistic debt restructuring of the Group. As of 27 February 2025, consenting creditors holding more than 80.8% of the aggregate principal amount of part of the Group's offshore debt (such aggregate principal amount amounting to US$6,207 million, which includes the existing notes, the equity-linked securities (ELS), the existing loans, and the structured finance and guaranteed debts) had acceded to the Holistic CSA. Over the past few months, the Company has been pushing forward the holistic restructuring proposal, including but not limited to preparing the requisite legal documentation for the holistic restructuring proposal, providing creditors and their advisors with updates on the Company's projects and assets and addressing bilateral bank loans and perpetual securities. The Company and its advisors are actively working towards finalizing the restructuring proposal and documents. Further announcement(s) will be made by the Company to inform all stakeholders of any material progress relating to the holistic restructuring proposal for offshore debt as and when appropriate.

As for the onshore bond restructuring, as of the date of this announcement, the restructuring proposal for 21 onshore corporate bonds and asset-backed securities (ABS) issued by the Group's subsidiary, Shenzhen Logan Holdings Co., Limited* (深圳市龍光控股有限公司), has been approved at the relevant meetings of bondholders. This signifies a crucial breakthrough in Logan's onshore bond restructuring, representing a landmark achievement for stabilizing the Group's operations and resolving debt risks.

Future Prospects

On 5 March 2025, the Central Government Work Report emphasized the need to continue making strong efforts to stabilize and reverse the decline in the real estate market. It called for customized policies for each city to reduce restrictive measures, accelerating urban village and dilapidated housing redevelopment, and fully unleashing the potential demand for rigid and improved housing. On 25 April 2025, the meeting of the Political Bureau of the Central Committee of the CPC also proposed expediting the establishment of a new model for real estate development, increasing the supply of high-quality housing, optimizing policies for the purchase of existing commercial housing, and continuing to consolidate the stable trend in the real estate market. However, the full effect of these policies will take time to manifest. The Group will continue to focus on both business operations and debt management. On one hand, the Group will persist in taking proactive measures to "ensure quality project deliveries and stabilize operations", upholding its commitments to ensure project deliveries and control risks. On the other hand, the Group will continue to communicate with its onshore and offshore creditors involved in debt restructurings, striving to complete the onshore and offshore debt restructurings as soon as practicable.

Acknowledgements

On behalf of the Board, I would like to take this opportunity to express my heartfelt gratitude to all the Group's shareholders, investors, partners, customers and the community for their support and trust. I would also like to extend my thanks to all employees for their dedication and commitment in navigating industry challenges together.

Kei Hoi Pang
Chairman
Hong Kong
27 August 2025

* *For identification purposes only*

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overall Review

For the six-month period ended 30 June 2025, the revenue of the Group was RMB3,401.0 million. Loss for the Period amounted to RMB1,959.7 million.

Contracted sales

In the first half of 2025, the Group attained contracted sales of approximately RMB3,975.2 million. For the contracted sales in the first half of 2025, Greater Bay Area, Yangtze River Delta Region, Southwest Region and other regions accounted for approximately 53.5%, 17.4%, 4.2% and 24.9%, respectively.

	Contracted sales in the first half of 2025				
Region	**Amount** *(RMB million)*	**Percentage**	**GFA[1]** *(sq.m.)*	**Percentage**	**ASP[1]** *(RMB/ sq.m.)*
Greater Bay Area	2,125	53.5%	59,914	24.5%	34,905
Yangtze River Delta Region	693	17.4%	41,515	17.0%	15,855
Southwest Region	167	4.2%	14,669	6.0%	11,214
Other regions	990	24.9%	128,818	52.5%	7,417
Total	3,975	100.0%	244,916	100.0%	15,799

Note:

1. Excluding car parking spaces

Newly commenced projects

In the first half of 2025, the Group had newly commenced projects with a total planned GFA of approximately 0.32 million sq.m..

Completed projects

In the first half of 2025, the Group had completed projects with a total planned GFA of approximately 0.58 million sq.m..

Developing projects

As at 30 June 2025, the Group had developing projects with a total planned GFA of approximately 7.37 million sq.m..

Land Reserves

For the six months ended 30 June 2025, the Group did not acquire any new projects through public tendering, auction or listing.

As at 30 June 2025, the total GFA of the land reserves of the Group amounted to approximately 23,395,607 sq.m., in which Greater Bay Area and Yangtze River Delta Region accounted for about 76%, if calculated by land value.

Land reserves as at 30 June 2025

	GFA *(sq.m.)*	**Percentage**
Greater Bay Area	11,785,995	50.4%
Yangtze River Delta Region	1,590,168	6.8%
Southwest Region	5,831,049	24.9%
Other Regions	4,188,395	17.9%
Total	23,395,607	100.0%

FINANCIAL REVIEW

Performance Highlights

	For the six-month period ended 30 June		
	2025	2024	Changes
	RMB'000	*RMB'000*	*%*
Revenue	**3,401,041**	14,053,364	(75.8)
Among which: Property development	**3,267,095**	13,875,253	(76.5)
Property operation income	**133,946**	178,111	(24.8)
Gross loss	**(1,366,641)**	(1,673,872)	(18.4)
Loss for the period			
— Attributable to equity shareholders	**(1,782,215)**	(1,536,487)	16.0
— Attributable to non-controlling shareholders	**(177,467)**	(263,628)	(32.7)
— Total	**(1,959,682)**	(1,800,115)	8.9

	30 June 2025	31 December 2024	Changes
	RMB'000	*RMB'000*	*%*
Total assets	**207,215,796**	212,585,908	(2.5)
Cash and bank balances	**8,952,613**	8,653,773	3.5
Total equity	**23,518,724**	24,805,171	(5.2)
Total equity attributable to equity shareholders	**19,125,713**	20,237,421	(5.5)

(I) Revenue

Revenue of the Group for the six-month period ended 30 June 2025 amounted to approximately RMB3,401.0 million, representing a decrease of approximately RMB10,652.3 million, or decreased by approximately 75.8%, as compared with the corresponding period of 2024. Revenue from property development for the six-month period ended 30 June 2025 amounted to approximately RMB3,267.1 million, representing a decrease of approximately 76.5% as compared to RMB13,875.3 million in the corresponding period of 2024. Yangtze River Delta Region, Greater Bay Area, Southwest Region and other regions contributed to the revenue from property development in the first half of 2025, accounting for 44.0%, 23.1%, 20.7% and 12.2%, respectively.

	Revenue from property development as at 30 June 2025	
	Amount *(RMB million)*	**Percentage**
Yangtze River Delta	1,437	44.0%
Greater Bay Area	754	23.1%
Southwest Region	677	20.7%
Other regions	399	12.2%
Total	3,267	100%

(II) Cost of sales

The cost of sales of the Group for the six-month period ended 30 June 2025 decreased by approximately RMB10,959.6 million to RMB4,767.7 million, or decreased by approximately 69.7%, as compared with the corresponding period of 2024, primarily due to the decrease in the delivery areas as compared with the corresponding period of 2024. Key components of costs are as follows:

	For the six-month period ended 30 June		
	2025	2024	Changes
	RMB'000	*RMB'000*	%
Costs	**4,767,682**	15,727,236	(69.7)
— Property development	**4,760,341**	15,688,885	(69.7)
— Property operation	**7,341**	38,351	(80.9)

(III) Selling and marketing expenses and administrative expenses

The selling and marketing expenses of the Group for the six-month period ended 30 June 2025 amounted to approximately RMB167.5 million (the corresponding period of 2024 was approximately RMB394.5 million). The relevant selling and marketing expenses decreased by approximately 57.6% as compared with the corresponding period of 2024.

The administrative expenses of the Group for the six-month period ended 30 June 2025 amounted to approximately RMB252.5 million (the corresponding period of 2024 was approximately RMB367.7 million), representing a decrease of approximately 31.3% as compared with the corresponding period of 2024. The decrease was primarily due to the decrease in staff costs.

(IV) Finance costs

The net finance costs of the Group for the six-month period ended 30 June 2025 decreased to approximately RMB193.8 million (the corresponding period of 2024 was approximately RMB1,126.4 million).

(V) Tax

Taxes of the Group for the six-month period ended 30 June 2025 mainly included corporate income tax ("**CIT**") and land appreciation tax ("**LAT**"). Taking into account the impact of the relevant changes in deferred tax, the net LAT represented RMB401.4 million, while the net CIT represented RMB0.3 million.

(VI) Liquidity and financial resources

As at 30 June 2025, total assets of the Group amounted to approximately RMB207,215.8 million (31 December 2024: approximately RMB212,585.9 million), of which current assets amounted to approximately RMB153,229.4 million (31 December 2024: approximately RMB157,726.1 million). Total liabilities amounted to approximately RMB183,697.1 million (31 December 2024: approximately RMB187,780.7 million), of which current liabilities amounted to approximately RMB147,532.8 million (31 December 2024: approximately RMB157,760.8 million). Total equity amounted to approximately RMB23,518.7 million (31 December 2024: approximately RMB24,805.2million), of which total equity attributable to equity shareholders amounted to RMB19,125.7 million (31 December 2024: approximately RMB20,237.4 million).

As at 30 June 2025, certain of the Group's bank and other loans are secured by the Group's equity interests in certain subsidiaries, bank deposits, land and buildings, investment properties, properties held for development for sale, properties under development for sale and completed properties for sale and other receivables.

CORPORATE GOVERNANCE AND EMPLOYEE MOTIVATION

The Company has been committed to utilising modern corporate governance systems. The Company has established a professional management team to enhance the level of corporate governance of the Group. Through an employee incentive mechanism, benefits of the management team are fully in line with that of the Company, so as to create the greatest value for shareholders of the Company.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the six months ended 30 June 2025.

As at 30 June 2025, the Company did not hold any treasury shares.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Board is committed to achieving high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders and enhance corporate value. The Company's corporate governance practices are based on the principles and code provisions of the Corporate Governance Code (the "**CG Code**") contained in Part 2 of Appendix C1 of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Company has applied the principles and complied with all the applicable code provisions as set out in the CG Code throughout the six months ended 30 June 2025.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The audit committee of the Company has reviewed, with no disagreement, with the Company's management, the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the review of the 2025 interim results announcement and the unaudited interim financial information of the Group for the six months ended 30 June 2025.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules. Having made specific enquiries, the Company confirmed that all the directors have complied with the required standard set out in the Model Code during the six months ended 30 June 2025.

INTERIM DIVIDEND

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

PUBLICATION OF INTERIM REPORT

The 2025 interim report of the Company containing all the applicable information required by the Listing Rules will be published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.logangroup.com) in due course.

By Order of the Board
Logan Group Company Limited
Kei Hoi Pang
Chairman

Hong Kong, 27 August 2025

As at the date of this announcement, the executive directors of the Company are Mr. Kei Hoi Pang, Mr. Lai Zhuobin, Ms. Huang Xiangling, Mr. Chen Yong and Mr. Zhou Ji; and the independent non-executive directors of the Company are Mr. Zhang Huaqiao, Ms. Liu Ka Ying, Rebecca, Mr. Cai Suisheng and Dr. Liu Yongping.