Hysan Development Company Limited
希慎興業有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code：00014)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

- **Turnover stable, while Recurring Underlying Profit grew 1.7% year-on-year. Underlying Profit increased 7.4%, supported by fair value gains on Bamboo Grove units sold.**
- **Retail turnover increased by 1.4%. Rejuvenated portfolio continued to drive rental improvement, while tenant sales recorded high-teens growth in the first half.**
- **Office turnover and occupancy remained stable, with negative rental reversions continuing but showing early signs of improvement.**
- **Hong Kong's residential market saw further strengthening, driving stronger leasing and sales momentum for the Group during the period.**
- **The Lee Gardens connectivity project and Lee Garden Eight development are on schedule to complete by the second half of 2026. Lee Garden Eight pre-leasing continuing good progress on securing strategic office and retail anchors.**
- **HK$8 billion five-year capital recycling programme launched in 2025, with HK$4.5 billion collected as of June 2026, further strengthening the balance sheet and driving meaningful deleveraging.**
- **The Group maintained its first interim dividend of HK27 cents per share.**

RESULTS

		Notes	Six months ended 30 June 2026	2025	Change
Turnover	*HK$ million*	*1*	**1,728**	1,730	-0.1%
Recurring Underlying Profit	*HK$ million*	*2*	**1,049**	1,031	+1.7%
Underlying Profit	*HK$ million*	*3*	**1,107**	1,031	+7.4%
Reported Profit	*HK$ million*	*4*	**73**	75	-2.7%
Basic Earnings per Share	*HK cent*		**7**	7	-
First Interim Dividend per Share	*HK cent*		**27**	27	-

			As at 30 June 2026	As at 31 December 2025	
Shareholders' Funds	*HK$ million*	*5*	**65,289**	65,456	-0.3%
Net Asset Value per Share	*HK$*	*6*	**63.6**	63.7	-0.2%

n/m: not meaningful

Notes:

1. ***Turnover*** *comprises gross rental income from leasing of investment properties located in Hong Kong and Chinese Mainland and management fee income from the provision of property management services for the period.*
2. ***Recurring Underlying Profit****, a non-HKFRS Accounting Standards measure, is a performance indicator of the core property investment business of Hysan Development Company Limited (the "Company" or "Hysan") and its subsidiaries (the "Group") and is arrived at by excluding from Underlying Profit items that are non-recurring in nature.*
3. ***Underlying Profit,*** *a non-HKFRS Accounting Standards measure, is arrived at by adding (i) Reported Profit excluding unrealised fair value change of investment properties and items not generated from the Group's core property investment business; and (ii) Profit attributable to holders of perpetual capital securities.*
4. ***Reported Profit*** *is the profit attributable to owners of the Company. It is prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance.*
5. ***Shareholders' Funds*** *are the equity attributable to owners of the Company.*
6. ***Net Asset Value per Share*** *represents Shareholders' Funds divided by the number of issued shares at period/year-end.*

CHAIRMAN'S STATEMENT

Hong Kong's economy was resilient in the first half of 2026, supported by steady activity across key sectors, recovery in tourism and more buoyant asset markets. Overall market sentiment showed improvements despite uncertainties in the global environment, shifts in consumer behaviour, and a persistently challenging office rental market.

Against this backdrop, Hysan remained focused on deepening tenant and customer engagement, leveraging the unique strengths of the Lee Gardens area, maintaining prudent financial discipline and advancing our Core and Pillars strategy. The progress achieved during the first half of the year underscores the enduring relevance of our Community Business Model.

Lee Gardens Rejuvenation: Bringing Harvest Phase to Full Realisation

Our Lee Gardens rejuvenation journey underwent a large-scale harvest phase during the period. In recent years, we have invested in asset enhancement, content curation and experiential offerings. The result of these efforts has since become increasingly visible across our Lee Gardens portfolio, consolidating the precinct's reputation as a compelling destination in Hong Kong.

Our positioning as the "home of luxury" continued to gain depth in the first half of 2026 with the phased completion of the renovated and expanded flagship maisons of luxury brands such as Hermès, Dior, Cartier, Chanel, Louis Vuitton, Van Cleef & Arpels, and Tiffany & Co. with its iconic Blue Box Café. These renovations represent more than individual store upgrades. They are a reflection of the confidence that leading global brands have in the long-term appeal of Lee Gardens and the rich experience offered by the precinct to local customers and tourists. At the same time, Hysan Place continued to evolve as a "trendsetter", introducing new retail and food and beverage concepts, pop-ups, events and offerings that resonate with today's consumers.

Lee Garden Eight: A New Hub where Work, Life and Community Come Together

Lee Garden Eight marks a key component of the rejuvenated Lee Gardens as a vibrant melting pot of work, play and life. On target for completion in the fourth quarter of 2026, this one-million-square-foot premium commercial development, designed in partnership with the world-renowned architectural firm Foster + Partners, will expand our Lee Gardens leasable portfolio by approximately 30%, with quality tenants secured for both retail and office segments.

The project is designed around people, supporting productivity, wellbeing, collaboration and community. Its 60,000-square-foot Lifestyle Park, 20,000-square-foot performing arts and cultural facilities, sustainability features and high-quality building specifications will heighten the competitiveness of the wider Lee Gardens and bring new experiences to the community.

Integrated Pedestrian Walkway System: Connectivity as a Catalyst for Growth

Connectivity is fundamental to our vision for Lee Gardens as a walkable neighbourhood where people can navigate with comfort. Progressing alongside Lee Garden Eight, the integrated pedestrian walkway system will connect the Lee Gardens area to Causeway Bay MTR station and create an all-weather elevated network that adds a second "street level", extending our retail space and experience to customers and commuters.

During the period, we marked an important milestone with the completion of the footbridge linking Lee Garden Three and Lee Garden Five, one of five new footbridges planned to be fully operational by the end of 2026.

Strategic Pillars: Support for Business and Geographic Diversification

Our strategic pillars continue to support business and geographic diversification. An extension of the Lee Gardens brand into the Chinese Mainland, Lee Gardens Shanghai brings together high-quality office tenants, retail offerings and lifestyle elements to create a rich business and social scene.

Our flex office business venture in partnership with the world's leading flex operator, IWG, continued to grow steadily across the Greater Bay Area and address structural changes in the region's office sector. Our healthcare investment through New Frontier Group supports our exposure to a sector aligned with long-term demographic and wellness trends. These strategic pillars are broadening our growth base while maintaining disciplined capital allocation.

Retail Portfolio: Turning Retail into Stories

Retail today is increasingly about memories, purpose and meaning. Customers are drawn to places that are engaging and resonate with their aspirations, tell stories they can relate to and want to be part of, and create moments worth sharing. For Lee Gardens, this reinforces our role as larger than a shopping destination: a place where brands and customers can build lasting emotional ties beyond the point of purchase.

In the first half of 2026, our retail portfolio recorded 17% growth in tenant sales and 8% growth in foot traffic, leading retail sales recovery in the Hong Kong market. Behind these numbers is a deeper shift: consumers are responding to retail environments that feel relevant, authentic and culturally alive.

We will continue to curate Lee Gardens as a living stage for brand storytelling and lifestyle discovery. Through luxury flagships, trendy brands, dining concepts, pop-ups, cultural programmes and tenant collaborations, we aim to keep refreshing the customer journey and ensure Lee Gardens remains emotionally engaging, commercially resilient and relevant to different generations.

Office Portfolio: Defending Occupancy with Quality and Flexibility

Hong Kong's office market remained competitive during the period, as companies continued to be cautious when evaluating their space requirements. Lee Gardens in Causeway Bay, as an attractive alternative for companies traditionally located in Central, offers strong connectivity, premium building specifications, professional property management, advanced sustainability features and diverse retail elements within the precinct. For companies seeking a workplace that supports brand presence and talent attraction, Lee Gardens offers a compelling proposition at the heart of one of Hong Kong's most dynamic districts.

This positioning has helped our office business remain resilient in the first half of the year and defend occupancy despite challenging market conditions. We continued to respond proactively to evolving workplace needs with enhanced offerings of fully furnished office space for immediate use, and combining quality traditional office space with flexible solutions, supported by our long-term partnership with the world's leading flex operator, IWG. As companies look beyond conventional locations and seek greater agility in how they use space, our platform spanning Hong Kong and the Greater Bay Area will continue to fuel our growth in a way that complements our traditional office portfolio.

Residential Portfolio: Turning Quality and Trust into Lasting Value
On the residential front, we are encouraged by the satisfactory sales performance of Bamboo Grove. The as-is sale of the two blocks reflects the market's trust in the Hysan brand, as well as recognition of the asset's inherent quality and the value created through our disciplined asset management over time. Our joint-venture residential projects, VILLA LUCCA and One Victoria Cove, continued to make steady progress during the period, further supporting our residential portfolio strategy.

Capital Recycling: Unlocking Value with Strategic Intent
Our capital recycling programme reflects Hysan's disciplined stewardship of capital and our commitment to unlocking value at the right time. Launched with clear strategic intent, the programme has made solid progress towards our HK$8 billion capital recycling target, with over 50% achieved in the first year since launch. By capitalising on positive market sentiment in the luxury residential sector, we have strengthened our balance sheet and reinforced our capacity to invest for sustainable growth.

Building for the Long-Term with Discipline and Confidence
The market is expected to remain dynamic in the second half of 2026. Global uncertainty, regional competition, changing consumer behaviour and office market pressures will continue to require vigilance and strong management. Our management team continues to demonstrate disciplined approach through effective and efficient execution as well as prudent time and cost control. With Lee Gardens rejuvenation nearing full realisation and Lee Garden Eight approaching completion, we are looking ahead to the next phase of growth with confidence and focus.

On behalf of the Board, I would like to extend my heartfelt appreciation to our staff for their dedication, professionalism and contributions. Their efforts have enabled Hysan to continue moving forward with purpose in an evolving environment. Together, we will continue to shape Lee Gardens as a place for all, one that brings people, businesses and communities together, while contributing to Hong Kong's sustainable development for generations to come.

Lee Irene Yun-Lien
Chairman

Hong Kong, 13 August 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

Review of Results

	Six months ended 30 June		
In HK$ million	**2026**	2025	Change
Turnover	**1,728**	1,730	-0.1%
- *Retail*	***874***	*862*	*+1.4%*
- *Office*	***754***	*750*	*+0.5%*
- *Residential*	***100***	*118*	*-15.3%*
Recurring Underlying Profit	**1,049**	1,031	+1.7%
Underlying Profit	**1,107**	1,031	+7.4%

Turnover was broadly stable year-on-year.

Our Hong Kong retail portfolio delivered strong growth in traffic and tenant sales, outperforming the overall market. New and expanded luxury flagships, together with a diverse selection of exciting, curated tenants and events, continue to enhance rental income. During the period, approximately 3% of our retail area was closed for the major enhancement works under the Lee Gardens connectivity project.

Our Hong Kong office portfolio remained under pressure, with negative rental reversions as the market continued to absorb oversupply, while the ramp-up of Lee Gardens Shanghai supported improvement in office revenue.

Residential rental income was lower following the sale of residential units in two blocks at Bamboo Grove.

Recurring Underlying Profit increased by 1.7% year-on-year, driven by disciplined cost-control measures and reduced finance costs following capital recycling and debt reduction.

Underlying Profit increased by 7.4% year-on-year, contributed by the realised gain on the sale of residential units in two blocks within Bamboo Grove.

The Board of Directors has declared a first interim dividend of HK27 cents per share (2025: HK27 cents) which will be payable in cash.

The reconciliation of Recurring Underlying Profit, Underlying Profit and Reported Profit is as follows:

	Six months ended 30 June	
	2026	2025
	HK$ million	HK$ million
Reported profit	**73**	75
Change in fair value of properties	**771**	673
Investment properties	**920**	964
Less: Effect of other non-controlling interests	**(156)**	(291)
Share of associates (net of tax)	**7**	-
Impairment loss of a joint venture	**-**	30
Other gains and losses	**1**	(1)
Profit attributable to perpetual capital securities holders	**262**	254
Underlying Profit	**1,107**	1,031
Fair value gain on disposed investment properties	**(58)**	-
Recurring Underlying Profit	**1,049**	1,031

Review of Operations

Retail

Turnover in the Group's retail portfolio increased by 1.4% to HK$874 million (2025: HK$862 million).

	Six months ended 30 June		
In HK$ million	**2026**	2025	Change
Retail	**874**	862	+1.4%
- *Hong Kong*	***861***	*851*	*+1.2%*
- *Chinese Mainland*	***13***	*11*	*+18.2%*

Hong Kong Portfolio

Turnover increased by 1.2% to HK$861 million (2025: HK$851 million). This included turnover rent of HK$66 million (2025: HK$61 million).

Retail occupancy was 96% as at 30 June 2026 (31 December 2025: 95%). Overall rental reversion rate on renewals, rent reviews and new lettings remained positive during the first half of 2026.

During the period, Hong Kong's retail market gained momentum, supported by sustained retail sales growth, improved inbound tourism and stronger consumer sentiment. While the recovery varied across segments, these trends reflect evolving consumer preferences and underscore the importance of a customer-centric approach to retail curation.

Building on this progress, we further refined our retail portfolio at the Lee Gardens precinct, reinforcing its luxury positioning with new flagship maisons and enhanced customer experiences. New luxury highlights during the period included the renovated and expanded flagship maisons of Louis Vuitton and Van Cleef & Arpels, as well as Tiffany & Co. with its exclusive Blue Box Café. These additions further affirm Lee Gardens' status as home of luxury.

To diversify the retail mix, we continued to introduce trendsetting brands and quality dining offerings to cater for a broader range of consumer and lifestyle preferences. This strategy complements the precinct's luxury elements and broadens its appeal to different customer segments.

With significant progress made on Lee Gardens rejuvenation, we completed the façade enhancement works at Hysan Place and introduced a new mega screen at one of the busiest street frontages. These enhancements enabled us to create stronger market buzz and engagement for our pop-ups and events.

Construction of Lee Garden Eight and the integrated pedestrian walkway system proceeded on schedule, which when completed are expected to usher in a new chapter for the Lee Gardens area with heightened connectivity, greater accessibility and an improved overall customer experience.

Chinese Mainland Portfolio

During the period, Lee Gardens Shanghai recorded an occupancy rate of 67% (31 December 2025: 72%) with 70% of retail space committed to date, generated rental income of HK$13 million (2025: HK$11 million).

The introduction of new experiential concepts at Lee Gardens Shanghai, including a live performance venue and curated mix of hobby-focused retailers, was well received in the market. The strategic tenant mix reinforces Lee Gardens Shanghai's positioning as a dynamic business-social hub that seamlessly complements its office ecosystem.

Marketing Initiatives and Loyalty Programmes

During the first half of 2026, we continued to enrich the Lee Gardens area with large-scale experiential activities and marketing programmes. Both have strengthened our precinct's image as a premier lifestyle and cultural destination.

Notable headline events included our culturally immersive Chinese New Year street festival, based on a Canto movie theme, and the Doraemon activation event during Easter. Each drove strong engagement, footfall and high social visibility, and resonated strongly with audiences, particularly Gen Z, families and tourists. Another noteworthy event was the "Ascendant: The Sculptural Legacy of Yuyu Yang" exhibition and related cultural programming during Art Month in March. As a result of these events, we have deepened our engagement with the community and demonstrated our commitment to integrating art and culture for a more meaningful retail experience.

Brand-led dining experiences were another highlight of the period. The expansion of Louis Vuitton's flagship maison, featuring the Louis Vuitton x Bar Leone bar activation, and the opening of Tiffany & Co.'s exclusive Blue Box Café with Blue Book High Jewellery event, were highly visible and appealing experiences for customers. Through these additions to its luxury maison portfolio, Lee Gardens solidified its position as a premier retail destination in Hong Kong.

Alongside these offline activities, we made use of online channels such as RED and WeChat to broaden our engagement with the community and visitors. This included storytelling with the Lee Gardens characters as well as introductions to new F&B outlets and shopping guides for tourists. A more user-friendly WeChat interface implemented during the period has been especially helpful for streamlining registration and navigation, accessing shopping information and promotions, and enhancing the overall customer experience.

We also advanced our dual-engine customer relationship management strategy during the period by heightening engagement, expanding our membership reach and integrating our Club Avenue and hy! membership programmes.

Club Avenue continued deepening its partnerships with tenants and strategic brand partners to increase member acquisition, while also developing one-of-a-kind experiences to attract high-net-worth customers. To increase hy! membership, more emphasis was placed on community-focused initiatives that instilled a sense of belonging, as well as through member-to-member interactions and collaborations with local partners. By strengthening ties with the community and offering more shared experiences, hy! aims to increase visit frequency and encourage high-potential members to join Club Avenue tiers, with the objective of creating an integrated customer journey across the two membership programmes.

Building on this momentum, we will continue to scale our signature experiential campaigns, including street activations and outdoor activities to energise the Lee Gardens area and capture more footfall. We will carry on our collaborations with retail tenants and third-party partners to support initiatives that fortify Lee Gardens' reputation as the city's must-visit place for all.

Office
In the first six months of 2026, turnover of the Group's office portfolio experienced an increase of 0.5% to HK$754 million (2025: HK$750 million).

	Six months ended 30 June		
In HK$ million	**2026**	2025	Change
Office	**754**	750	+0.5%
- *Hong Kong*	***694***	*703*	*-1.3%*
- *Chinese Mainland*	***60***	*47*	*+27.7%*

Hong Kong Portfolio
During the first half of 2026, turnover decreased by 1.3% to HK$694 million, compared with HK$703 million in 2025. This includes a turnover rent of HK$4 million (2025: HK$5 million).

Hong Kong's office market entered an early recovery stage during the period. This was evident in the increased leasing momentum that occurred in an expanding financial sector, a revived initial public offering pipeline, and renewed demand from Chinese Mainland corporates. Transaction volumes and investment activity also picked up, reflecting the stronger market sentiment and capital deployment that prevailed during the first half of the year. Against this backdrop, Hysan's office portfolio proved relatively resilient due to its prime location, curated tenant mix and the ongoing "flight-to-quality" trend.

The average rental reversion rate on renewals, rent reviews and new lettings for Hysan's Lee Gardens portfolio remained negative. Nevertheless, occupancy stood at 93% as at 30 June 2026 (31 December 2025: 94%).

Lee Garden Eight is progressing positively, with encouraging market interest and active negotiations following extensive market outreach and show suite tours. The project stands out for its differentiated ESG features, integrated green spaces and connectivity within the Lee Gardens precinct, all of which underpin Lee Garden Eight's positioning as a next-generation workspace. We believe these qualities will support gradual absorption and a rental premium relative to competing decentralised stock.

As at 30 June 2026, the Banking, Finance and Wealth Management sector continued to occupy the largest share 20.7% (31 December 2025: 21.2%) of our tenant portfolio by floor area. The Co-work sector and Professional & Consulting sector were second and third, respectively.

Chinese Mainland Portfolio

Turnover of the Chinese Mainland's office portfolio increased to HK$60 million (2025: HK$47 million), driven by the improvement in occupancy to 83% (31 December 2025: 72%). Despite ongoing oversupply and intensifying competition in Shanghai's Grade A office leasing market, we have been upholding high property management standards and reinforcing our high-quality tenant base.

Our proactive leasing efforts continued to drive new tenancy signings and occupancy growth during the period. Offering fitted offices and subdivided premises that better serve tenant needs also enabled us to raise unit rents moderately and accelerate our leasing pace.

Residential

Hong Kong's luxury residential leasing market showed steady growth in the first half of 2026, driven by an influx of foreign talent, including expatriates relocating to Hong Kong and individuals arriving under various talent admission schemes.

Hysan's residential leasing portfolio turnover was HK$100 million (2025: HK$118 million). Occupancy was 90% as at 30 June 2026 (31 December 2025: 87%). The average rental reversion in the sector was positive for renewals, rent reviews and new lettings.

The Group's capital recycling programme currently encompasses the phased disposal of two blocks of Bamboo Grove, which comprises 124 apartments. It was well received amid favourable market sentiment. As at 30 June 2026, a total of 116 units had been contracted.

Core Expansion & Strategic Pillars

Commercial Property Development – Lee Garden Eight

Superstructure works for Lee Garden Eight, a strategic joint venture with Chinachem Group at Caroline Hill Road, is on schedule for completion in the fourth quarter of 2026 – an important milestone in our long-term growth plans. Once completed, it will reinforce the Lee Gardens precinct's reputation as one of Hong Kong's most unique and attractive destinations.

In recognition of its excellence in sustainable design as a next-generation workplace and retail development, Lee Garden Eight won the "Outstanding MiMEP Project (Design) Award" at the MiC/MiMEP Achievement Award 2025.

The project also achieved the "5-Star Award for Best Commercial Renovation/Redevelopment Hong Kong" in the Development category of the prestigious Asia Pacific Property Awards 2026, which is part of the International Property Awards. As a key component of our Lee Gardens rejuvenation project, Lee Garden Eight has contributed to revitalising this century-old commercial district into a vibrant destination integrating community, sustainability and Hong Kong's unique cultural identity.

With the Lee Garden Eight project, Hysan was named one of "Hong Kong's Top 10 Developers" once again at the Hubexo Asia Awards 2026. All these recognitions underscore the success of our vision to create an urban oasis and vibrant community in which to live, work and thrive.

Lee Garden Eight is included under "investment properties" in our condensed consolidated statement of financial position.

Residential Property Development – VILLA LUCCA and One Victoria Cove

VILLA LUCCA, our joint-venture luxury residential development in Tai Po, comprises 262 garden houses and apartments. As at 30 June 2026, a total of 187 units of the VILLA LUCCA project had been contracted.

Hong Kong's luxury residential market has entered a recovery phase, with transaction volumes rebounding and sentiment improving amid easing interest rates, supportive policy measures and renewed demand from Chinese Mainland buyers. During the period, VILLA LUCCA remained resilient, with steady pricing and a strategy of tightened discounts and enhanced product offerings.

In the mass residential market, Hysan owns a 25% stake in a joint venture to develop One Victoria Cove, a comprehensive mixed-use redevelopment project in Hung Hom under the Urban Renewal Authority's pioneering district-based redevelopment model. The project integrates residential towers comprising 1,296 residential units and a commercial podium with a retail mall and extensive carparking that will help to activate the Victoria Cove Area. As at 30 June 2026, a total of 654 units of the One Victoria Cove project had been contracted. Hysan oversees the design and operation of the retail portion of this project.

The Victoria Cove vision, as outlined in the Urban Renewal Authority's public commentary, frames renewal through a Cove–Waterfront–Inland approach that seeks to knit inland neighbourhoods to reconnect with a continuous, high-quality public Hung Hom waterfront.

By participating in this initiative, One Victoria Cove will establish a new benchmark for future urban renewal strategies and contribute to extending our expertise to other areas in Hong Kong. Superstructure construction is progressing on schedule, with estimated material completion in the third quarter of 2027. The retail podium is expected to open around the end of 2027 to early 2028. The residential units are currently on pre-sale.

The VILLA LUCCA Project and One Victoria Cove Project are included under "investment in joint ventures" in our condensed consolidated statement of financial position.

Shanghai Investment Property – Grand Gateway 66
The investment property, in which Hysan owns a 26% stake, demonstrated resilient performance during the period. The investment is included in "investments in associates" under our condensed consolidated statement of financial position.

Greater Bay Area Flex – Joint Venture with IWG plc
All IWG flexible workspace brands in Hong Kong and the Greater Bay Area are operated exclusively under a Hysan-IWG joint venture.

Demand for flexible working space continued to be supported during the period, as reflected in the joint venture's strong and stable occupancy and business performance. Leveraging our partnership with IWG, the world's leading flexible workspace platform, we are optimistic about the growth prospects of the Greater Bay Area Flex business.

In the first half of 2026, nine new locations were signed. The joint venture currently operates 54 centres across the Greater Bay Area. We are confident that our expanding network is well-positioned to capture demand for flexible working spaces in various cities across the Greater Bay Area.

The investment is included under "investments in joint ventures" in our condensed consolidated statement of financial position.

Medical and Health – New Frontier Group
New Frontier Group is a leading private healthcare services provider based in the Chinese Mainland. It operates an integrated healthcare ecosystem, including premium hospitals and clinics, rehabilitation services, home healthcare services, health insurance services and life sciences.

In the first half of 2026, New Frontier Group continued its business development with the support of favourable government policies and its nationwide healthcare network. As at 30 June 2026, New Frontier Group operated over 30 premium and rehabilitation hospitals in the Chinese Mainland, offering diversified healthcare services and specialist care across multiple disciplines. In addition to its hospital and clinic network, home healthcare services are now available in more than 40 cities, further extending the reach of its care delivery.

New Frontier Group is also strengthening its growth platform by pursuing emerging opportunities, including integrated oncology centres, health insurance, international medical services and frontier scientific research.

Hysan's minority stake investment in New Frontier Group provides strategic exposure to the Chinese Mainland's fast-growing healthcare sector.

The investment is included as part of the "other financial investments" in our condensed consolidated statement of financial position.

Capital Recycling Programme

In 2025, the Group initiated a HK$8 billion capital recycling programme through the strategic sale of non-core assets over a 5-year period. The programme aligns with our disciplined capital allocation strategy, strengthens our financial position, and positions us to deliver sustainable shareholder return.

The targeted assets primarily comprise two blocks within Bamboo Grove, together with built-to-sell units from the VILLA LUCCA and the One Victoria Cove residential projects. Capitalising on improving market sentiment in the residential sector, the Group has made good progress towards this target.

As at 30 June 2026, the Group had collected HK$4.5 billion, representing 56% of its HK$8 billion target. In addition, a further HK$0.6 billion in sales proceeds had been contracted and is expected to complete by end of 2026. Looking ahead, the Group will continue to prioritise deleveraging and redeploying capital toward strategic priorities.

Financial Review

Operating Costs
The Group's operating costs are generally classified as property expenses (direct costs and front-line staff wages and benefits) and administrative expenses (indirect costs largely representing payroll related costs of management and head office staff). The Group's gross profit margin was 82.5% (2025: 82.4%).

	Six months ended 30 June		
In HK$ million	**2026**	2025	Change
Operating costs	**440**	447	-1.6%
- *Hong Kong*	***408***	*418*	*-2.4%*
- *Chinese Mainland*	***32***	*29*	*+10.3%*

Finance Costs
Finance costs decreased to HK$244 million, compared to HK$289 million in the first half of 2025, contributed by the lower interest cost and debt reduction during the period. The effective interest rate for the period was 3.5%, as compared to 3.8% in the same period in 2025.

Revaluation of Investment Properties
As at 30 June 2026, the investment properties of the Group were valued at HK$96,031 million (31 December 2025: HK$96,157 million).

The valuation of investment properties was carried out by Knight Frank Petty Limited, an independent professional valuer, based on open market value. A fair value loss on investment properties (after considering capital expenditure spent on the Group's investment properties) of HK$920 million (2025: HK$964 million) was recognised in the condensed consolidated statement of profit or loss for the period. This loss mainly reflects continued pressure on office rentals, as oversupply in the wider Hong Kong market is still being absorbed.

Investments in Associates and Joint Ventures
The Group's investments in associates are mainly represented by its interest in Shanghai Grand Gateway 66, a retail, office and residential complex in Shanghai, China. The share of results of associates decreased to HK$113 million (2025: HK$115 million).

The Group's investments in joint ventures mainly comprise interests in VILLA LUCCA, One Victoria Cove and the IWG Flex business. The share of profit from joint ventures was HK$31 million, compared with a share of loss of HK$7 million in 2025. The profit mainly reflects improved sales prices at VILLA LUCCA during the period.

Other Financial Investments
The Group extended its geographical and business reach through certain strategic minority stake investments. Investment in New Frontier Group was one of the key initiatives which provides strategic exposure for the Group in the fast-growing healthcare sector in the Chinese Mainland. As at 30 June 2026, other financial investments totalled HK$1,698 million (31 December 2025: HK$1,652 million).

Cash and Bank Deposits
As at 30 June 2026, the Group's time deposits, cash, and cash equivalents totalled HK$3,941 million (31 December 2025: HK$3,831 million). The increase mainly represents cash from the Group's capital recycling initiatives.

The interest income decreased to HK$62 million (2025: HK$92 million), mainly due to lower deposit rates.

Capital Expenditure
Total cash outlay on capital expenditure increased to HK$1,697 million during the six-month period (2025: HK$1,069 million). This was mainly related to the Lee Garden Eight development and the Lee Gardens connectivity project.

Treasury Policy

Capital Management
The Group strives to diversify its funding sources and maintain an appropriate debt maturity profile aligned with its overall use of funds. This approach ensures healthy liquidity, a strong financial position, and an optimised capital structure to support sustainable growth. Additionally, the Group aims to secure competitive borrowing margins relative to market conditions while implementing effective hedging and forex management strategies.

Funding Sources
The Group's total Gross Debt[1] as at 30 June 2026 decreased to HK$27,483 million (31 December 2025: HK$28,737 million), driven by the substantial progress of the capital recycling programme. The proceeds supported deleveraging and strengthened the Group's balance sheet.

As at 30 June 2026, bank loans accounted for approximately 51% of the Group's total Gross Debt with the remaining 49% from capital market financing (31 December 2025: 51%:49%).

[1] The Gross Debt represents the contractual principal payment obligations as at 30 June 2026. However, in accordance with the Group's accounting policies, the debt is measured at amortised costs, using the effective interest method. As disclosed in the Group's condensed consolidated statement of financial position as at 30 June 2026, the book value of the outstanding debt of the Group was HK$27,392 million (31 December 2025: HK$28,524 million).

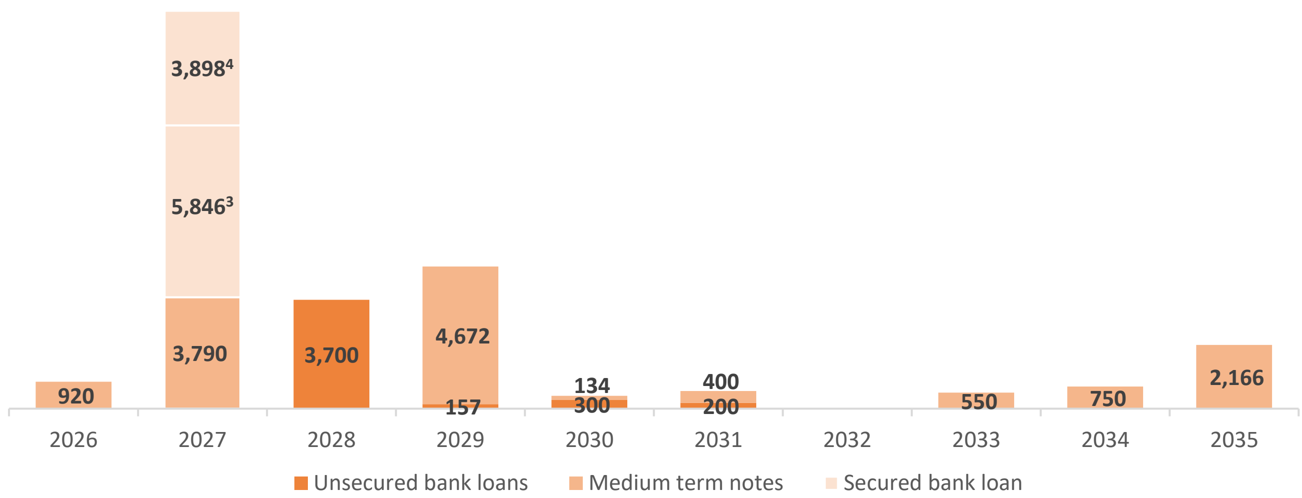
The following table shows the Group's source of debt financing as at 30 June 2026 (in HK$ million):

	Available	Drawn	Undrawn
Secured bank loan[2]	11,951	9,744	2,207
Unsecured term loans	4,200	4,200	-
Committed revolving loans	8,529	157	8,372
Capital market issuances	13,382	13,382	-
Total committed facilities	**38,062**	**27,483**	**10,579**
Uncommitted revolving loans	1,876	-	1,876
Total source of debt financing	**39,938**	**27,483**	**12,455**

Maturity Profile

The Group maintains a well-staggered debt maturity profile over the next 9 years to align with the nature of our assets and operations. As at 30 June 2026, the average maturity of debt portfolio was 2.4 years (31 December 2025: 2.8 years).

The following shows the debt maturity profile of the Group at 2026 interim period-end (in HK$ million):



---

[2] Secured bank loan represent the contractual principal payment obligations of the project financing of Lee Garden Eight project.

[3] 60% secured bank loan of Lee Garden Eight project (guaranteed by Hysan).

[4] 40% secured bank loan of Lee Garden Eight project (guaranteed by Chinachem Group).

Gearing Ratio and Net Interest Coverage
The Group's gearing ratio, as measured by Net Debt to Equity[5], was 30.9% at interim period-end 2026 (31 December 2025: 32.4%). The Group's Net Interest Coverage[6] was 7.4 times for interim period of 2026 (2025: 7.5 times).

Credit Ratings
The Group maintains active dialogue with credit rating agencies and aims to maintain its investment-grade credit ratings. As of 30 June 2026, the Group's credit ratings were Baa2 from Moody's and BBB from Fitch with stable outlooks.

Liquidity Management
As of 30 June 2026, the Group had cash and bank deposits totalling HK$3,941 million (31 December 2025: HK$3,831 million) and investment-grade debt securities of HK$333 million (31 December 2025: HK$579 million).

The Group also maintained undrawn committed facilities provided by banks as an additional liquidity buffer.

Substantial cash balances and undrawn banking facilities provide the Group with sufficient financial resources to meet its ongoing commitments and working capital needs.

Interest Rate Management
Interest expense represents a key cost driver for the Group. The Group closely monitors its interest rate exposure and adopts an appropriate hedging strategy based on market conditions. The fixed-rate debt ratio (after accounting for interest rate swaps) as of 30 June 2026 was 53% (31 December 2025: 54%). The effective interest rate decreased to 3.5% as at 30 June 2026, down from 3.7% at year-end 2025, primarily reflecting a lower HIBOR.

Foreign Exchange Management
The Group maintains a prudent approach to currency exposure and does not speculate on currency movements for asset and liability management. It dynamically monitors and manages its foreign currency exposure, primarily in USD and RMB, applying systematic measures to mitigate foreign exchange risk.

Securities Repurchase
The Group regularly reviews its capital structure and liquidity requirements, and considers the refinancing, tendering, redemption, or repurchase of its issued securities as part of its ongoing capital management strategy. This approach aims to optimise funding costs, strengthen the balance sheet, and maintain a prudent capital structure.

During the interim period of 2026, the Group repurchased and cancelled part of the 4.85% Senior Guaranteed Perpetual Capital Securities in an aggregate principal amount of US$16 million with a cash consideration of US$12 million in the open market, representing approximately 3.2% of the principal amount of such securities. Following the cancellation, US$424 million in principal amount of such securities remained in issue.

[5] Net Debt to Equity is defined as borrowings less time deposits, cash and cash equivalents divided by total equity.
[6] Net Interest Coverage is defined as gross profit less administrative expenses before depreciation divided by net interest expenses after interest capitalisation.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026 (unaudited)

	Notes	Six months ended 30 June **2026** HK$ million	2025 HK$ million
Turnover	4	**1,728**	1,730
Property expenses		**(302)**	(304)
Gross profit		**1,426**	1,426
Investment income		**66**	113
Other gains and losses		**(1)**	1
Administrative expenses		**(138)**	(143)
Finance costs	6	**(244)**	(289)
Change in fair value of investment properties		**(920)**	(964)
Fair value gain on disposed investment properties		**58**	-
Share of results (include impairment loss) of:			
associates		**113**	115
joint ventures		**31**	(7)
Profit before taxation		**391**	252
Taxation	7	**(156)**	(155)
Profit for the period	8	**235**	97
Profit (loss) for the period attributable to:			
Owners of the Company		**73**	75
Perpetual capital securities holders		**262**	254
Other non-controlling interests		**(100)**	(232)
		235	97
Earnings per share (expressed in HK cents)	9		
Basic		**7**	7
Diluted		**7**	7

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026 (unaudited)

	Six months ended 30 June	
	2026	2025
	HK$ million	HK$ million
Profit for the period	**235**	97
Other comprehensive income (expenses)		
Items that will not be reclassified subsequently to profit or loss:		
Losses on revaluation of properties held for own use (net of tax)	**(8)**	-
Change in fair value of equity instruments at fair value through other comprehensive income ("FVTOCI")	**41**	(80)
	33	(80)
Items that may be reclassified subsequently to profit or loss:		
Exchange difference on translation of subsidiaries	**86**	116
Net adjustments to hedging reserve	**226**	(175)
Share of translation reserve of an associate	**223**	86
	535	27
Other comprehensive income (expenses) for the period (net of tax)	**568**	(53)
Total comprehensive income for the period	**803**	44
Total comprehensive income (expenses) attributable to:		
Owners of the Company	**641**	22
Perpetual capital securities holders	**262**	254
Other non-controlling interests	**(100)**	(232)
	803	44

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026 (unaudited)

	Notes	**As at 30 June 2026 HK$ million**	As at 31 December 2025 HK$ million *(audited)*
Non-current assets			
Investment properties		**96,031**	96,157
Property, plant and equipment		**867**	905
Investments in associates		**5,810**	5,474
Loans to associates		**8**	8
Investments in joint ventures		**370**	364
Loans to joint ventures		**3,036**	3,445
Other financial investments		**1,698**	1,652
Debt securities		**121**	159
Deferred tax assets		**100**	100
Other financial assets		**22**	10
Other receivables	11	**955**	945
		109,018	109,219
Current assets			
Accounts and other receivables	11	**415**	341
Debt securities		**212**	420
Other financial assets		**38**	-
Time deposits		**1,085**	-
Cash and cash equivalents		**2,856**	3,831
		4,606	4,592
Investment properties held for sale		**665**	1,611
		5,271	6,203
Current liabilities			
Accounts payable and accruals	12	**1,252**	1,701
Deposits from tenants		**295**	295
Amounts due to non-controlling interests		**182**	182
Borrowings		**14,440**	1,903
Other financial liabilities		**69**	4
Taxation payable		**120**	49
		16,358	4,134
Net current (liabilities) assets		**(11,087)**	2,069
Total assets less current liabilities		**97,931**	111,288
Non-current liabilities			
Amounts due to non-controlling interests		**6,926**	5,907
Borrowings		**12,952**	26,621
Other financial liabilities		**255**	563
Deposits from tenants		**615**	597
Deferred tax liabilities		**1,411**	1,386
		22,159	35,074
Net assets		**75,772**	76,214

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - continued

As at 30 June 2026 (unaudited)

	Notes	**As at 30 June 2026 HK$ million**	As at 31 December 2025 HK$ million *(audited)*
Capital and reserves			
Share capital		**7,723**	7,723
Reserves		**57,566**	57,733
Equity attributable to owners of the Company		**65,289**	65,456
Perpetual capital securities		**9,281**	9,404
Other non-controlling interests		**1,202**	1,354
Total equity		**75,772**	76,214

Notes:

1. Independent Review

The interim results for the six months ended 30 June 2026 are unaudited, but have been reviewed in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), by Deloitte Touche Tohmatsu, whose report on review of condensed consolidated financial statements is included in the interim report to be sent to shareholders. The interim results have also been reviewed by the Group’s Audit and Risk Management Committee.

2. Basis of Preparation

The unaudited condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by HKICPA as well as the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The financial information relating to the year ended 31 December 2025 that is included in this result announcement as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to those statutory financial statements is as follows:

- The Company has delivered the financial statements for the year ended 31 December 2025 to the Companies Registry as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622).

- 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 (3) of the Hong Kong Companies Ordinance (Cap. 622).

3. Principal Accounting Policies

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at revalued amounts or fair values, as appropriate.

The accounting policies and methods of computation used in the unaudited condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2025.

The application of all the amendments to Hong Kong Financial Reporting Standard ("HKFRS") Accounting Standards issued by the HKICPA are disclosed below.

Application of new and amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the Amendments to References to the Conceptual Framework in HKFRS Accounting Standards that are relevant to its operations and effective for the Group’s financial year beginning on 1 January 2026. The applications of the Amendments to References to the Conceptual Framework in HKFRS Accounting Standards has no material impact on the condensed consolidated financial statements in the current and prior periods.

4. Turnover

Turnover represents gross rental income from leasing of investment properties and management fee income from provision of property management services for the period.

The Group’s principal activities are property investment, management and development, and its turnover and results are principally derived from investment properties located in Hong Kong and Chinese Mainland.

Contracts for property management services have various contractual periods for which the Group bills fixed amount of each month of service period. Substantially all of the revenue from provision of property management services is recognised at the amount to which the Group has right to invoice which reflects the progress towards complete satisfaction of performance obligations satisfied over time. The categories for disaggregation of revenue from provision of property management services recognised over time in Hong Kong and Chinese Mainland are consistent with the segment disclosure under note 5.

5. Segment Information

Based on the internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to segments and to assess their performance, the Group's operating and reportable segments are as follows:

Retail segment – leasing of space and related facilities to a variety of retail and leisure operators

Office segment – leasing of high-quality office space and related facilities

Residential segment – leasing of luxury residential properties and related facilities

Property development segment – development of properties for sale or leasing

Segment turnover and results

The following is an analysis of the Group's turnover and results by operating and reportable segment.

	Retail	Office	Residential	Property Development	Consolidated
	HK$ million	HK$ million	HK$ million	HK$ million	HK$ million
For the six months ended 30 June 2026 (unaudited)					
Turnover					
Leasing of investment properties	**785**	**633**	**88**	**-**	**1,506**
Provision of property management services	**89**	**121**	**12**	**-**	**222**
Segment revenue	**874**	**754**	**100**	**-**	**1,728**
Property expenses	**(148)**	**(123)**	**(31)**	**-**	**(302)**
Segment gross profit	**726**	**631**	**69**	**-**	**1,426**
Share of results of a joint venture	**-**	**-**	**-**	**25**	**25**
Segment profit	**726**	**631**	**69**	**25**	**1,451**
Investment income					**66**
Other gains and losses					**(1)**
Administrative expenses					**(138)**
Finance costs					**(244)**
Change in fair value of investment properties					**(920)**
Fair value gain on disposed investment properties					**58**
Share of results of:					
associates					**113**
a joint venture					**6**
Profit before taxation					**391**

	Retail HK$ million	Office HK$ million	Residential HK$ million	Property Development HK$ million	Consolidated HK$ million
For the six months ended 30 June 2025 (unaudited)					
Turnover					
Leasing of investment properties	773	637	104	-	1,514
Provision of property management services	89	113	14	-	216
Segment revenue	862	750	118	-	1,730
Property expenses	(139)	(130)	(35)	-	(304)
Segment gross profit	723	620	83	-	1,426
Share of results of a joint venture	-	-	-	13	13
Segment profit	723	620	83	13	1,439
Investment income					113
Other gains and losses					1
Administrative expenses					(143)
Finance costs					(289)
Change in fair value of investment properties					(964)
Impairment loss of a joint venture					(30)
Share of results of:					
associates					115
a joint venture					10
Profit before taxation					252

All the segment turnover reported above is from external customers.

Segment profit represents the profit earned by each segment including share of results of a joint venture for investment in residential project. Segment profit is reported without allocation of items not specifically attributed to individual reportable segments including investment income, other gains and losses, administrative expenses (including central administration costs and directors' emoluments), finance costs, change in fair value of investment properties, fair value gain on disposed investment properties, impairment loss of a joint venture and share of results of associates and a joint venture. This is the measure reported to the chief operating decision maker of the Group for the purpose of resource allocation and performance assessment.

Included in the above are the turnover, property expenses and administrative expenses attributable to Lee Gardens Shanghai located in Chinese Mainland amounting to HK$73 million (2025: HK$58 million), HK$31 million (2025: HK$27 million), and HK$1 million (2025: HK$2 million) respectively.

Segment assets

The following is an analysis of the Group's assets by operating and reportable segment.

	Retail HK$ million	Office HK$ million	Residential HK$ million	Property Development HK$ million	Consolidated HK$ million
As at 30 June 2026 (unaudited)					
Segment assets	**32,694**	**32,446**	**7,575**	**26,396**	**99,111**
Investments in and loans to associates					**5,818**
Investment in a joint venture					**370**
Other financial investments					**1,698**
Investment properties held for sale					**665**
Other assets					**6,627**
Consolidated assets					**114,289**

	Retail HK$ million	Office HK$ million	Residential HK$ million	Property Development HK$ million	Consolidated HK$ million
As at 31 December 2025 (audited)					
Segment assets	32,691	33,092	8,134	25,725	99,642
Investments in and loans to associates					5,482
Investment in a joint venture					364
Other financial investments					1,652
Investment properties held for sale					1,611
Other assets					6,671
Consolidated assets					115,422

Segment assets represented the investment properties and accounts receivable of each segment and investments in and loans to joint ventures engaged in property development business.

Unallocated assets include investments in and loans to associates, investment in a joint venture, other financial investments, investment properties held for sale and other assets which include property, plant and equipment, debt securities, other financial assets, deferred tax assets, other receivables, time deposits and cash and cash equivalents.

This is the measure reported to the chief operating decision maker of the Group for the purpose of monitoring segment performances and allocating resources between segments. The investment properties are included in segment assets at their fair values whilst the change in fair value of investment properties is not included in segment profit.

Included in the property development segment is an investment property under development, which will be transferred to other segments upon completion of the development.

Included in the retail and office segment is an investment property located in Chinese Mainland of HK$632 million (31 December 2025: HK$636 million) and HK$2,627 million (31 December 2025: HK$2,697 million) respectively.

No segment liabilities analysis is presented as the Group's liabilities are monitored on a group basis.

6. Finance costs

	Six months ended 30 June	
	2026	2025
	HK$ million	HK$ million
Finance costs comprise:		
Interest on bank loans	**269**	300
Interest on fixed rate notes	**242**	267
Imputed interest on amounts due to non-controlling interests	**24**	23
Total interest expenses	**535**	590
Other finance costs	**30**	30
Less: amounts capitalised (Note)	**(357)**	(367)
	208	253
Net exchange losses on borrowings	**103**	127
Reclassification of net gains from hedging reserve on financial instruments designated as cash flow hedges	**(67)**	(91)
	244	289

Note:
During the period, interest expenses have been capitalised to investment properties under development at an average capitalisation rate of 3.1% (2025: 3.4%) per annum.

7. Taxation

	Six months ended 30 June	
	2026	2025
	HK$ million	HK$ million
Current tax		
Hong Kong Profits Tax		
- current period	**129**	127
Deferred tax	**27**	28
	156	155

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods.

8. Profit for the Period

	Six months ended 30 June	
	2026	2025
	HK$ million	HK$ million
Profit for the period has been arrived at after charging (crediting):		
Depreciation of property, plant and equipment	**21**	22
Gross rental income from investment properties including rentals received with reference to turnover of tenants of HK$70 million (2025: HK$66 million)	**(1,506)**	(1,514)
Interest income (included in investment income)	**(62)**	(92)
Staff costs (including directors' emoluments)	**157**	164
Share of income tax of associates (included in share of results of associates)	**51**	52

9. Earnings Per Share

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	Earnings	
	Six months ended 30 June	
	2026	2025
	HK$ million	HK$ million
Earnings for the purposes of basic and diluted earnings per share:		
Profit for the period attributable to owners of the Company	**73**	75

	Number of shares	
	Six months ended 30 June	
	2026	2025
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	**1,027,008,223**	1,027,008,223
Effect of dilutive potential ordinary shares:		
Share options issued by the Company	**-**	-
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	**1,027,008,223**	1,027,008,223

The computation of diluted earnings per share does not assume the exercise of all (2025: all) of the Company's outstanding share options as the exercise prices of those options were higher than the average market price for shares.

10. Dividends

(a) Dividends recognised as distribution during the period:

	Six months ended 30 June	
	2026	2025
	HK$ million	HK$ million
2025 second interim dividend paid – HK81 cents per share	**832**	-
2024 second interim dividend paid – HK81 cents per share	**-**	832
	832	832

(b) Dividends declared after the end of the reporting period:

	Six months ended 30 June	
	2026	2025
	HK$ million	HK$ million
First interim dividend declared - HK27 cents per share (2025: HK27 cents per share)	**277**	277

The first interim dividend for 2026 is not recognised as a liability as at 30 June 2026 because it has been declared after the end of the reporting period. It will be payable in cash.

11. Accounts and Other Receivables

	As at 30 June 2026 HK$ million	As at 31 December 2025 HK$ million
Accounts receivable	**44**	40
Interest receivable	**51**	44
Prepayments in respect of investment properties	**640**	606
Other receivables and prepayments	**635**	596
Total	**1,370**	1,286
Analysed for reporting purposes as:		
Current assets	**415**	341
Non-current assets	**955**	945
	1,370	1,286

The following is an ageing analysis of accounts receivable (net of allowance for credit losses) at the end of the reporting period. Accounts receivable mainly includes rents from leasing of investment properties, which are normally received in advance.

	As at 30 June 2026 HK$ million	As at 31 December 2025 HK$ million
Less than 30 days	**21**	15
31-90 days	**9**	13
Over 90 days	**14**	12
	44	40

12. Accounts Payable and Accruals

	As at 30 June 2026 HK$ million	As at 31 December 2025 HK$ million
Accounts payable	**408**	650
Interest payable	**58**	77
Other payables	**786**	974
	1,252	1,701

As at 30 June 2026, accounts payable of the Group with carrying amount of HK$174 million (31 December 2025: HK$179 million) were aged less than 90 days.

13. Event after the reporting period

On 3 July 2026, the Group has entered into the sale and purchase agreements to sell certain investment properties to its related parties at consideration in aggregate to HK$126 million.

ADDITIONAL INFORMATION

Corporate Governance
The Board and management of the Company are committed to maintaining high standards of corporate governance.

During the six months ended 30 June 2026 (the "Review Period"), the Group fully complied with the code provisions of the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Listing Rules.

In addition to complying with applicable statutory requirements, the Company continually reviews and enhances the corporate governance practices of the Company in the light of local and international best practices. The Board has also adopted a Code of Corporate Governance to provide guidance on the application of corporate governance principles within the Company.

Further information on the Company's corporate governance practices is available on our website at www.hysan.com.hk/governance.

Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code")
The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. All Directors have confirmed, following specific enquiries by the Company, that they have complied with the required standards set out in the Model Code throughout the Review Period.

Purchase, Sale or Redemption of the Company's Listed Securities
During the Review Period, the Group repurchased and cancelled part of the 4.85% Senior Guaranteed Perpetual Capital Securities (the "Securities") in an aggregate principal amount of US$16 million (the "Further Repurchased Securities") with a cash consideration of US$12 million in the open market, representing approximately 3.20% of the initial aggregate principal amount of the Securities. The Securities were issued in 2020 and are listed on the Stock Exchange. Together with the Further Repurchased Securities, the Group has repurchased US$76 million in aggregate principal amount of the outstanding Securities in the open market, representing approximately 15.17% of the initial aggregate principal amount of the Securities.

Save as disclosed above, there was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's listed securities during the Review Period.

Human Resources Practices
The Group aims to attract, retain and develop high-calibre individuals who are committed to attaining our objectives and achieving our corporate culture and core values. The total number of employees of the Group as at 30 June 2026 was 497. The Group's human resources practices are aligned with our corporate objectives in order to maximise shareholder value and achieve sustainable growth. Details on our human resources practices, training and development programmes are set out in the "Sustainability Report 2025".

Closure of Register of Members

The first interim dividend will be payable in cash to the shareholders of the Company (the "Shareholders") whose names appear on the register of members (the "Register of Members") as at Friday, 28 August 2026 and the payment date will be on or about Friday, 11 September 2026. The Register of Members will be closed on Friday, 28 August 2026, for the purpose of determining Shareholders' entitlement to the first interim dividend, on which date no transfer of shares will be registered. The ex-dividend date will be Wednesday, 26 August 2026. In order to qualify for the first interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:00 p.m. on Thursday, 27 August 2026.

By Order of the Board
Lee Irene Yun-Lien
Chairman

Hong Kong, 13 August 2026

*As at the date of this announcement, the Board comprises: Lee Irene Yun-Lien (Chairman), Lui Kon Wai (Executive Director and Chief Operating Officer), Chung Cordelia**, Churchouse Frederick Peter**, Wong Ching Ying Belinda**, Young Elaine Carole**, Zhang Yong**, Lee Anthony Hsien Pin* (Lee Irene Yun-Lien as his alternate), Lee Chien* and Lee Tze Hau Michael*.*

* *Non-Executive Directors*
** *Independent Non-Executive Directors*

This interim results announcement is published on the websites of the Company (www.hysan.com.hk) and the Stock Exchange (www.hkexnews.hk). The Interim Report 2026 containing all the information required by the Listing Rules will be despatched to Shareholders and made available on the above websites around the end of August 2026.