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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: 40527, 40508)

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

INTERIM RESULTS HIGHLIGHTS

- Attributable contracted sales amounted to RMB2.48 billion.
- Recognised revenue amounted to RMB1.50 billion.
- Net loss for the six months ended 30 June 2026 amounted to RMB0.77 billion. The continuing loss is mainly attributable to (i) the gross profit margin remaining at a low level due to the continuing downturn of the real estate industry; and (ii) the impairment provision made for 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 2026, together with the comparative figures for the 2025 interim period. These interim results have also been reviewed by the Audit Committee of the Company (the "**Audit Committee**").

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
		(Unaudited)	(Unaudited)
	Notes	***RMB'000***	*RMB'000*
Revenue	*4*	**1,503,506**	3,401,041
Cost of sales		**(1,717,186)**	(4,767,682)
Gross loss		**(213,680)**	(1,366,641)
Other income and gains	*4*	**60,922**	722,378
Other expenses		**(43,411)**	(28,378)
Selling and marketing expenses		**(216,082)**	(167,452)
Administrative expenses		**(258,036)**	(252,497)
Fair value losses on investment properties, net		**(10,299)**	(241,055)
Share of losses of associates and joint ventures, net		**(33,387)**	(30,451)
Loss from operations		**(713,973)**	(1,364,096)
Finance costs	*5*	**(136,142)**	(193,831)
Loss before tax	*6*	**(850,115)**	(1,557,927)
Income tax credit/(expense)	*7*	**76,592**	(401,755)
Loss for the period		**(773,523)**	(1,959,682)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)
For the six months ended 30 June 2026

	Note	Six months ended 30 June **2026** (Unaudited) *RMB'000*	2025 (Unaudited) *RMB'000*
Attributable to:			
— Owners of the parent		**(676,105)**	(1,782,215)
— Non-controlling interests		**(97,418)**	(177,467)
		(773,523)	(1,959,682)
Loss per share attributable to ordinary equity holders of the parent (RMB cents)	*8*		
— Basic		**(12.22)**	(32.24)
— Diluted		**(12.22)**	(32.24)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Loss for the period	**(773,523)**	(1,959,682)
Other comprehensive income		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**1,531,425**	670,507
Total comprehensive income/(expense) for the period	**757,902**	(1,289,175)
Attributable to:		
Owners of the parent	**855,320**	(1,111,708)
Non-controlling interests	**(97,418)**	(177,467)
	757,902	(1,289,175)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	**30 June 2026 (Unaudited)** ***RMB'000***	31 December 2025 (Audited) *RMB'000*
Non-current assets			
Investment properties	*9*	**29,583,036**	29,592,472
Other property, plant and equipment		**236,744**	243,546
Deferred tax assets		**722,330**	723,174
Investments in associates		**2,605,957**	2,625,508
Investments in joint ventures		**10,303,740**	10,623,251
Total non-current assets		**43,451,807**	43,807,951
Current assets			
Inventories		**111,752,450**	112,251,201
Trade and other receivables, prepayments and other assets	*10*	**19,917,613**	21,538,051
Tax recoverable		**2,501,858**	2,466,322
Cash and bank balances		**7,161,795**	7,974,883
Total current assets		**141,333,716**	144,230,457
Current liabilities			
Trade and other payables	*11*	**55,497,275**	57,236,809
Contract liabilities		**3,877,266**	3,928,264
Liabilities under cross-border guarantee arrangements		**768,058**	798,716
Bank and other loans		**52,787,283**	53,279,368
Senior notes		**22,524,814**	23,419,157
Other current liabilities		**2,063,068**	2,143,950
Tax payable		**3,002,035**	3,045,703
Total current liabilities		**140,519,799**	143,851,967

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
30 June 2026

	30 June 2026 (Unaudited) *RMB'000*	31 December 2025 (Audited) *RMB'000*
Net current assets	**813,917**	378,490
Total assets less current liabilities	**44,265,724**	44,186,441
Non-current liabilities		
Bank and other loans	**7,385,791**	8,011,483
Corporate bonds	**6,795,052**	6,795,052
Deferred tax liabilities	**6,857,739**	6,913,766
Other non-current liabilities	**1,865,503**	1,865,503
Total non-current liabilities	**22,904,085**	23,585,804
Net assets	**21,361,639**	20,600,637
Equity		
Equity attributable to owners of the parent		
Share capital	**450,227**	450,227
Perpetual capital securities	**2,363,346**	2,363,346
Reserves	**14,496,115**	13,637,969
	17,309,688	16,451,542
Non-controlling interests	**4,051,951**	4,149,095
Total equity	**21,361,639**	20,600,637

NOTES

For the six months ended 30 June 2026

1. BASIS OF PRESENTATION

In relation to the offshore debt restructuring, the Group convened a meeting of scheme creditors on 24 July 2026 at 8:00 p.m. (Hong Kong time), at which the overall restructuring proposal was approved with the requisite statutory majority of scheme creditors. The Cayman Islands Court and the Hong Kong High Court have each made orders sanctioning the scheme (the "**Sanction Orders**"). The Sanction Orders were filed for registration with the Cayman Islands Registrar of Companies and the Hong Kong Companies Registry on 7 August 2026 and 21 August 2026, respectively. The restructuring scheme has become effective on 21 August 2026.

As of 30 June 2026, the total value of current assets of the Group amounted to RMB141,334 million, of which cash and cash equivalents amounted to RMB7,162 million. The total value of current liabilities of the Group amounted to RMB140,520 million. In view of the continuous downturn of the 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 onshore creditors on the restructuring of certain borrowings.

(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 2026. 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 restructuring of its debts (including loans from onshore creditors), as and when needed, and the implementation of the holistic liability management solution;

(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 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, providing for provisions that may be further incurred, 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 2026 (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 information should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

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 2025.

In the current period, the Group has applied the following amendments to HKFRS Accounting Standards as issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2026 for the preparation of the Group's interim financial information:

Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*
Amendments to HKFRS Accounting Standards	*Annual Improvements to HKFRS Accounting Standards — Volume 11*

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

HKFRS 18	*Presentation and Disclosure in Financial Statements*[1]
HKFRS 19	*Subsidiaries without Public Accountability: Disclosures*[1]
Amendments to HKAS 21	*Translation to a Hyperinflationary Presentation Currency*[1]
Amendments to HKFRS 10 and HKAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[2]

1 Effective for annual periods beginning on or after 1 January 2027
2 Effective for annual periods beginning on or after a date to be determined

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

HKFRS 18 "Presentation and Disclosure in Financial Statements"

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 consolidated financial statements, HKFRS 18 introduces significant changes to the presentation of financial statements, with a focus on information about financial performance present in the statement of profit or loss, which will affect how the Group present and disclose financial performance in the financial statements. The key changes introduced in HKFRS 18 relate to (i) the structure of the statement of profit or loss, (ii) required disclosures for management-defined performance measures (which are referred to alternative or non-GAAP performance measures), and (iii) enhanced requirements for aggregation and disaggregation of information.

The directors of the Company are currently assessing the impact of applying HKFRS 18 on the presentation and the disclosures of the consolidated financial statements.

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 changes on investment properties and derivative financial instruments and head office and corporate expenses are excluded from such measurement. Segment assets and liabilities are not reported to the Group's chief operating decision maker regularly.

Inter-segment 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 2026			
Revenue from external customers	**1,397,769**	**105,737**	**1,503,506**
Inter-segment revenue	**—**	**32,368**	**32,368**
Reportable segment revenue	**1,397,769**	**138,105**	**1,535,874**
Reportable segment (losses)/profit	**(717,400)**	**83,632**	**(633,768)**

	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)

3. OPERATING SEGMENT INFORMATION (CONTINUED)

Reconciliation of reportable segment revenue and profit or loss

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Revenue		
Reportable segment revenue	**1,535,874**	3,405,223
Elimination of inter-segment revenue	**(32,368)**	(4,182)
Consolidated revenue	**1,503,506**	3,401,041
Loss		
Reportable segment losses	**(633,768)**	(1,729,394)
Elimination of inter-segment losses	**—**	—
Reportable segment losses derived from the Group's external customers	**(633,768)**	(1,729,394)
Other income and gains	**60,922**	722,378
Other expenses	**(43,411)**	(28,378)
Depreciation	**(18,601)**	(20,630)
Finance costs	**(136,142)**	(193,831)
Share of losses of associates and joint ventures, net	**(33,387)**	(30,451)
Fair value losses on investment properties, net	**(10,299)**	(241,055)
Unallocated head office and corporate expenses	**(35,429)**	(36,566)
Consolidated loss before tax	**(850,115)**	(1,557,927)

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	
	2026	2025
	(Unaudited)	(Unaudited)
		(Represented)
	RMB'000	*RMB'000*
Revenue from contracts with customers		
Property development	**1,414,688**	3,268,487
Revenue from other source		
Gross rental income from investment property operating leases:		
Other lease payments, including fixed payments	**114,352**	135,029
	1,529,040	3,403,516
Less: sales related taxes	**(25,534)**	(2,475)
	1,503,506	3,401,041

Revenue from contracts with customers

Disaggregated revenue information

	Six months ended 30 June	
	2026	2025
	Property development	Property development
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Timing of revenue recognition:		
At a point in time	**1,397,769**	3,154,997
Over time	**—**	112,098
Total revenue from contracts with customers	**1,397,769**	3,267,095

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	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Bank interest income	**45,313**	51,885
Forfeiture income on deposits received	**3,855**	8,562
Gain on disposal of a subsidiary	**—**	84
Gain on disposal of a joint venture	**4,274**	—
Waived of interest payable	**—**	567,148
Foreign exchange differences, net	**7,839**	86,147
Gain on disposal of items of property, plant and equipment	**—**	131
Others	**(359)**	8,421
	60,922	722,378

5. FINANCE COSTS

An analysis of finance costs is as follows:

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Interest on bank and other borrowings	**664,500**	586,197
Interest on senior notes	**682,685**	681,906
	1,347,185	1,268,103
Less: Interest capitalised	**(1,211,043)**	(1,074,272)
	136,142	193,831

6. LOSS BEFORE TAX

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

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Cost of properties sold	**1,581,505**	3,897,682
Depreciation of other property, plant and equipment	**19,464**	21,943
Less: Amount capitalised	**(863)**	(1,313)
	18,601	20,630
Gain on disposal of items of other property, plant and equipment	**—**	(131)
Write-down of inventories to net realisable value*	**135,681**	870,000
Foreign exchange differences, net	**(7,839)**	(86,147)

* 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 2026 and 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	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Current (credit)/charge for the period:		
PRC corporate income tax	**(42,270)**	(55,066)
PRC land appreciation tax	**(31,630)**	401,407
	(73,900)	346,341
Deferred	**(2,692)**	55,414
Total tax (credit)/charge for the period	**(76,592)**	401,755

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

The calculation of the basic loss per share for the six months ended 30 June 2026 is based on the loss for the period attributable to owners of the parent, adjusted for the distribution related to perpetual capital securities, and the weighted average number of ordinary shares outstanding less the weighted average number of shares held under the share award scheme during the period.

The calculation of the diluted loss per share for the six months ended 30 June 2026 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 outstanding 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	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Loss		
Loss attributable to owners of the parent	**(676,105)**	(1,782,215)
Distribution related to perpetual capital securities	**—**	—
Loss used in the basic and diluted loss per share calculations	**(676,105)**	(1,782,215)

	Number of shares Six months ended 30 June	
	2026	2025
	(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	**5,532,652**	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	**5,532,652**	5,527,178

No adjustment for dilution has been made to the basic loss per share presented for the six months ended 30 June 2026 and 2025 as the Company's share options has anti-dilutive effect on the basic loss per share presented.

9. INVESTMENT PROPERTIES

The Group's completed investment properties and investment properties under development were revalued on 30 June 2026 based on valuations performed by independent professional qualified valuers, 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 RMB10,299,000 (six months ended 30 June 2025: net decrease in fair value of RMB241,055,000), additions in investment properties and investment properties under construction amounted to Nil (six months ended 30 June 2025: Nil) and transfer from investment properties to completed properties for sales amounted to Nil (six months ended 30 June 2025: RMB350,824,000).

10. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND OTHER ASSETS

The Group's trade receivables mainly arise from the sale of properties and leasing of investment properties.

Consideration in respect of sale of properties is payable by the purchasers in accordance with the terms of the related sale and purchase 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 invoice date and net of loss allowance, is as follows:

	30 June 2026 (Unaudited) ***RMB'000***	31 December 2025 (Audited) *RMB'000*
Within 30 days	**67,653**	99,433
31 to 90 days	**125,883**	163,655
91 to 180 days	**147,634**	196,337
181 to 365 days	**615,194**	770,782
	956,364	1,230,207

11. TRADE AND OTHER PAYABLES

Included in the balance as at 30 June 2026 is an aggregate trade payables balance of RMB18,568,737,000 (31 December 2025: RMB20,146,418,000). 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 2026 (Unaudited) ***RMB'000***	31 December 2025 (Audited) *RMB'000*
Within to 30 days	**1,468,767**	2,027,903
31 to 90 days	**1,082,431**	4,378,075
91 to 180 days	**1,652,808**	2,397,531
181 to 365 days	**4,935,327**	1,577,393
Over 365 days	**9,429,404**	9,765,516
	18,568,737	20,146,418

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 2026 (six months ended 30 June 2025: 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 2026.

Business Review

In the first half of 2026, China's real estate industry remained in an adjustment cycle, with real estate development investment declining by 18.0% year-on-year to RMB3,807.4 billion; among which, residential investment amounted to RMB2,930.0 billion, representing a year-on-year decrease of 17.8%. The sales area of commercial properties reached 401.4 million square metres, down 11.6% year-on-year, of which residential sales area decreased by 12.4%. Sales value of commercial properties amounted to RMB3,794.5 billion, representing a decrease of 13.6%, of which residential sales value decreased by 13.7%.

Despite the continuous introduction of various favourable property policies at both the central and local levels, the recovery of industry confidence remained slow. Faced with severe challenges in the industry, the Group proactively responded to the challenges and overcame pressures and difficulties by strengthening project sales and capital recovery measures to ensure stable production and operation and the successful delivery of projects. In the first half of 2026, the Group completed the delivery of 6 project batches as planned, honouring its corporate commitments with concrete actions and demonstrating its sense of responsibility amidst industry adversity.

In relation to the offshore debt restructuring, the Group has achieved significant progress and substantial results. Pursuant to the order of the Grand Court of the Cayman Islands dated 28 May 2026 and the order of the Court of First Instance of the High Court of the Hong Kong Special Administrative Region (together with the Cayman Court, the "**Courts**") dated 26 June 2026, the Group convened a meeting of scheme creditors on 24 July 2026, at which the overall restructuring proposal was approved with the requisite statutory majority of scheme creditors. The petitions for sanction of the scheme by courts were heard before the Cayman Islands Court on 4 August 2026 and the Hong Kong High Court on 13 August 2026, respectively. The Cayman Islands Court and the Hong Kong High Court each made orders sanctioning the scheme (the "**Sanction Orders**"), respectively. The Sanction Orders were filed for registration with the Cayman Islands Registrar of Companies and the Hong Kong Companies Registry on 7 August 2026 and 21 August 2026, respectively. The restructuring scheme became effective on 21 August 2026.

As for the onshore bond restructuring, following the approval of the relevant meetings of bondholders, the restructuring 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) is in the process of specific implementation in accordance with the prescribed steps under the restructuring proposal. During the reporting period, the public bonds with a cumulative face value of RMB13.66 billion had been cancelled, which exceeded 62% of the total principal of the 21 onshore public bonds as of 10 July 2025, marking significant progress in onshore debt restructuring efforts. The Group will accelerate the implementation of subsequent options including secondary cash repurchase and equity option-based mechanisms, so as to mitigate onshore debt risks.

Future Prospects

The Group will continue to focus on both business operations and debt management. On the one hand, the Group will persist in taking proactive measures to "stabilize operations and ensure quality project deliveries", upholding its commitments to ensuring stable operations and controlling risks. On the other hand, the Group will exert its best efforts to complete the onshore and offshore debt restructurings as soon as practicable in order to restore capital structure, and steadily resume normal production and business operations.

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
26 August 2026

* *For identification purposes only*

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overall Review

For the six-month period ended 30 June 2026, the revenue of the Group was RMB1,503.5 million. Loss for the six-month period ended 30 June 2026 amounted to RMB773.5 million.

Contracted sales

In the first half of 2026, the Group attained contracted sales of approximately RMB3,180.0 million. For the contracted sales in the first half of 2026, Greater Bay Area, Yangtze River Delta Region, Southwest Region and other regions accounted for approximately 49.4%, 18.0%, 2.6% and 30.0%, respectively.

	Contracted sales in the first half of 2026				
Region	**Amount** *(RMB million)*	**Percentage**	**GFA[1]** *(sq.m.)*	**Percentage**	**ASP[1]** *(RMB/ sq.m.)*
Greater Bay Area	1,572	49.4%	96,464	39.2%	16,076
Yangtze River Delta Region	572	18.0%	29,776	12.1%	19,004
Southwest Region	84	2.6%	6,601	2.7%	11,420
Other regions	952	30.0%	113,094	46.0%	8,007
Total	3,180	100.0%	245,935	100.0%	12,595

Note:

1. Excluding car parking spaces

Newly commenced projects

In the first half of 2026, the Group had newly commenced projects with a total planned GFA of approximately 0.02 million sq.m..

Completed projects

In the first half of 2026, the Group had completed projects with a total planned GFA of approximately 0.13 million sq.m..

Developing projects

As at 30 June 2026, the Group had developing projects with a total planned GFA of approximately 6.66 million sq.m..

Land Reserves

For the six months ended 30 June 2026, the Group did not acquire any new projects through public tendering, auction or listing.

As at 30 June 2026, the total GFA of the land reserves of the Group amounted to approximately 22,442,829 sq.m., in which Greater Bay Area and Yangtze River Delta Region accounted for about 75%, if calculated by land value.

Land reserves as at 30 June 2026

	GFA *(sq.m.)*	**Percentage**
Greater Bay Area	11,623,261	51.8%
Yangtze River Delta Region	1,372,511	6.1%
Southwest Region	5,321,342	23.7%
Other Regions	4,125,715	18.4%
Total	22,442,829	100.0%

FINANCIAL REVIEW

Performance Highlights

	For the six-month period ended 30 June		
	2026	2025	Changes
	RMB'000	*RMB'000*	*%*
Revenue	**1,503,506**	3,401,041	−55.8
Among which: Property development	**1,397,769**	3,267,095	−57.2
Property operation income	**105,737**	133,946	−21.2
Gross loss	**(213,680)**	(1,366,641)	−84.4
Loss for the period			
— Attributable to equity shareholders	**(676,105)**	(1,782,215)	−62.1
— Attributable to non-controlling shareholders	**(97,418)**	(177,467)	−45.1
— Total	**(773,523)**	(1,959,682)	−60.5

	30 June 2026	31 December 2025	Changes
	RMB'000	*RMB'000*	*%*
Total assets	**184,785,523**	188,038,408	−1.7
Cash and bank balances	**7,161,795**	7,974,883	−10.2
Total equity	**21,361,639**	20,600,637	3.7
Total equity attributable to equity shareholders	**17,309,688**	16,451,542	5.2

(I) Revenue

Revenue of the Group for the six-month period ended 30 June 2026 amounted to approximately RMB1,503.5 million, representing a decrease of approximately RMB1,897.5 million, or decreased by approximately 55.8%, as compared with the corresponding period of 2025. Revenue from property development for the six-month period ended 30 June 2026 amounted to approximately RMB1,397.8 million, representing a decrease of approximately 57.2% as compared to RMB3,267.0 million in the corresponding period of 2025. Yangtze River Delta Region, Greater Bay Area, Southwest Region and other regions contributed to the revenue from property development in the first half of 2026, accounting for 43.4%, 30.3%, 18.6% and 7.7%, respectively.

	Revenue from property development as at 30 June 2026	
	Amount *(RMB million)*	**Percentage**
Yangtze River Delta	606	43.4%
Greater Bay Area	424	30.3%
Southwest Region	260	18.6%
Other regions	108	7.7%
Total	1,398	100.0%

(II) Cost of sales

The cost of sales of the Group for the six-month period ended 30 June 2026 decreased by approximately RMB3,050.5 million to RMB1,717.2 million, or decreased by approximately 64.0%, as compared with the corresponding period of 2025, primarily due to the decrease in the delivery areas as compared with the corresponding period of 2025. Key components of costs are as follows:

	For the six-month period ended 30 June		
	2026	2025	Changes
	RMB'000	*RMB'000*	%
Costs	**1,717,186**	4,767,682	−64.0
— Property development	**1,704,885**	4,760,341	−64.2
— Property operation	**12,301**	7,341	67.6

(III) Selling and marketing expenses and administrative expenses

The selling and marketing expenses of the Group for the six-month period ended 30 June 2026 amounted to approximately RMB216.1 million (the corresponding period of 2025 was approximately RMB167.5 million). The relevant selling and marketing expenses increased by approximately 29.0% as compared with the corresponding period of 2025.

The administrative expenses of the Group for the six-month period ended 30 June 2026 amounted to approximately RMB258.0 million (the corresponding period of 2025 was approximately RMB252.5 million), representing an increase of approximately 2.2% as compared with the corresponding period of 2025. The increase was primarily due to the increase in professional fees.

(IV) Finance costs

The net finance costs of the Group for the six-month period ended 30 June 2026 decreased to approximately RMB136.1 million (the corresponding period of 2025 was approximately RMB193.8 million).

(V) Tax

Taxes of the Group for the six-month period ended 30 June 2026 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 CIT and LAT amounted to a reversal of approximately RMB42.3 million and RMB31.6 million, respectively (the corresponding period of 2025 were a reversal of approximately RMB55.1 million and a provision of approximately RMB401.4 million).

(VI) Liquidity and financial resources

As at 30 June 2026, total assets of the Group amounted to approximately RMB184,785.5 million (31 December 2025: approximately RMB188,038.4 million), of which current assets amounted to approximately RMB141,333.7 million (31 December 2025: approximately RMB144,230.5 million). Total liabilities amounted to approximately RMB163,423.9 million (31 December 2025: approximately RMB167,437.8 million), of which current liabilities amounted to approximately RMB140,519.8 million (31 December 2025: approximately RMB143,852.0 million). Total equity amounted to approximately RMB21,361.6 million (31 December 2025: approximately RMB20,600.6 million), of which total equity attributable to equity shareholders amounted to RMB17,309.7 million (31 December 2025: approximately RMB16,451.5 million).

As at 30 June 2026, 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 2026.

As at 30 June 2026, 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 2026.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Audit Committee 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 2026 interim results announcement and the unaudited interim financial information of the Group for the six months ended 30 June 2026.

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 2026.

INTERIM DIVIDEND

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

PUBLICATION OF INTERIM REPORT

The 2026 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, 26 August 2026

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.