

VISION

To be the premier property company in its market of choice.

MISSION

Provide our stakeholders with sustainable and outstanding returns from a property portfolio which is strategically planned and managed by passionate, responsible and forward-looking professionals.

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Summary

- **Turnover and Recurring Underlying Profit rose year-on-year by 2.2% and 1.2%, respectively.**
- **Retail turnover grew 2.1%, driven by a rejuvenated portfolio and next-generation luxury flagships, attracting premium tenants and boosting sales.**
- **Office turnover grew 0.8%. The Hong Kong office portfolio remained resilient in a challenging market, with occupancy increasing from 90% to 92%, mitigating negative rental reversions.**
- **The Lee Gardens area connectivity project is on track. It will transform the Lee Gardens precinct into an all-weather covered walkable neighbourhood, from Lee Garden Eight to the Causeway Bay MTR.**
- **Launched a HK\$8 billion capital recycling program over five years through partial sales of Bamboo Grove and unit sales from VILLA LUCCA and To Kwa Wan project.**
- **The Group maintained its first interim dividend of HK27 cents per share.**

Results

			Six months ended 30 June			
			Notes	2025	2024	Change
Turnover	HK\$ million	1		1,730	1,693	+2.2%
Recurring Underlying Profit	HK\$ million	2		1,031	1,019	+1.2%
Underlying Profit	HK\$ million	3		1,031	1,019	+1.2%
Reported Profit	HK\$ million	4		75	427	n/m
Basic Earnings per Share	HK cent			7	42	n/m
First Interim Dividend per Share	HK cent			27	27	±0%
				As at 30 June 2025	As at 31 December 2024	
Shareholders' Funds	HK\$ million	5		65,181	65,993	−1.2%
Net Asset Value per Share	HK\$	6		63.5	64.3	−1.2%

n/m: not meaningful

Notes:

1. **Turnover** comprises gross rental income from leasing of investment properties located in Hong Kong and 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 in the first half of 2025 was marked by challenges across the retail and property sectors, with generally difficult conditions. Despite external headwinds and internal uncertainties, Hysan demonstrated resilience by outperforming the market in a demanding landscape.

I am pleased to report that Hysan delivered a solid performance in the first half of 2025, underscoring the strengths of our core portfolio and strategic pillars. Our results this period reflect our focus on sustainable growth and value creation.

A Legacy of Excellence, A Vision for the Future

Hysan has been at the forefront of Hong Kong's development for over a century. Our legacy is built not only on tradition but also on continual reinvention. It reflects our commitment to anticipating society's constantly changing needs and responding to generational shifts – from baby boomers to Generation Alpha. Our holistic reimagination of the Lee Gardens precinct, in particular, is a testament to Hysan's forward-looking vision and the continuation of our century-old legacy.

Harvesting Transformation, Cultivating Growth

Hysan's long-term growth is guided by our Core and Pillars strategy. The "Core" is focused on reinforcing and expanding the Lee Gardens precinct to maintain its position as a vibrant commercial and cultural destination hub. By investing in continuous dynamic curation which includes placemaking, unique experience offerings and asset enhancement, we are committed to meeting the evolving needs of the community. The "Pillars" underpin our diversified growth model, which complements asset-heavy developments with asset-light investments for our comprehensive business model. Our strategy of diversification, which is executed according to prudent financial principles, was reflected in the financial contributions that have begun to materialise.

Lee Gardens Rejuvenation Delivers Promising Results

We have now entered the "harvest phase" of our ongoing transformation journey. The unveiling of the new Lee Gardens in 2024 marked a significant milestone in this journey, with more than 10 newly renovated and expanded flagship maisons for luxury brands, including the reopened Hermès, Dior and Cartier maisons for new in-store experiences.

This positive momentum continued into the first half of 2025, as we welcomed the renovated Chanel maison at Lee Garden One. The development of other luxury flagships across our Lee Gardens portfolio made good progress, and our precinct was further enhanced by the addition of curated lifestyle brands alongside a vibrant mix of new and renowned food and beverage outlets. We look forward to unveiling more flagships and new retail concepts in the second half of 2025, cementing Lee Gardens' leadership as the city's premier luxury destination.

Lee Garden Eight – A Masterpiece of Sustainable Development

Our flagship Lee Garden Eight project, a one-million-square-foot premium commercial development, is on track for completion in 2026. The project will expand our Lee Gardens leasable portfolio by approximately 30% and will establish new benchmarks for sustainability and connectivity.

Designed in partnership with the world-renowned architectural firm, Foster + Partners, Lee Garden Eight is distinguished by the largest commercial floor plate on Hong Kong Island, complemented by a green indoor-outdoor concept. Serving as a focal point for community interaction, the 60,000-square-foot open green space will embody our vision of a next-generation workplace and retail centrepiece that promotes a sense of community.

Connectivity is central to this vision. Scheduled for completion in 2026, an integrated pedestrian walkway system will seamlessly connect the Lee Gardens area to Causeway Bay MTR station within minutes, transforming the Lee Gardens precinct into a walkable neighbourhood. By blending work, leisure, living and entertainment, the Lee Gardens area will set a new standard for placemaking in Hong Kong. It also exemplifies Hysan's ongoing commitment to creating a human-centric community.

Strategic Pillars – Support for Business, Geographic Growth and Diversification

Our strategic pillars contribute to both business and geographic diversification. At Lee Gardens Shanghai we have secured high quality tenancies, despite the challenging operating environment, solidifying an office tenant mix that spans reputable financial institutions and multinational corporations. The project also offers a diversified retail mix to create enhanced experience for tenants and visitors.

The performance of our flex office business in our joint venture with the world's leading flex operator, IWG, continued to yield steady growth across the Greater Bay Area. New Frontier Group, our healthcare investment, also maintained steady business growth momentum.

Shaping Retail Excellence through our Unique Portfolio

The retail sector continued to face challenges in the first half of 2025. These included shifts in spending patterns and northbound shopping attractions that constrained domestic consumption. In response, the Government introduced policies promoting mega events and tourism that have helped to attract visitors and stimulate consumption. We anticipate a gradual rebound in tourist arrivals, driven by Hong Kong's efforts to reinforce its reputation as Asia's premier events hub. We also expect the resulting uptick in southbound travel from mainland China as well as tourists from Asian countries to inject new vitality into the retail and tourism sectors. With our unique portfolio, Hysan is well-positioned to capitalise on these opportunities.

Hysan Place is being upgraded, renovated and reimagined to meet the evolving needs of Hong Kong's youth and international visitors. During the first half of 2025, we unveiled an exciting array of new retail and food and beverage concepts, alongside a series of high-profile pop-up stores and engaging events. These initiatives further solidified Hysan Place's position as a trendsetting destination in Hong Kong.

Navigating the Competitive Office Market with Resilience

Lee Gardens successfully maintained a stable occupancy rate for its office portfolio during the period by leveraging a number of key strengths. Our properties in the portfolio are located in a prime and highly accessible area, offer premium building specifications with advanced green and sustainable features, and are supported by high standard property management services. They are also complemented by a wide range of retail, lifestyle and dining offerings, making Lee Gardens a favoured office destination in the heart of commercial Hong Kong.

During the period, we continued to broaden our office tenant base, driven by stable demand from a wide range of sectors. Our balanced office portfolio, which combines traditional office space with flexible co-working solutions, offers both stability and agility, ensuring we remain responsive to the changing needs of businesses and tenants.

Confidence in the Future

While we remain committed to pursuing sustainable growth and value creation, we recognise that the outlook for the remainder of 2025 is shaped by considerable uncertainties in the global economic environment. We are mindful of these complex market conditions, which require ongoing vigilance and prudent risk management.

Nonetheless, we maintain confidence in Hong Kong's enduring position as a leading global financial centre and its vital role as an important hub of activities within the Greater Bay Area. Our continued investment in the Lee Gardens precinct and our diversified growth strategy ensure that we are well-prepared to capitalise on emerging opportunities.

Hysan's forward-looking vision is transforming the Lee Gardens neighbourhood with an emphasis on inclusivity and sustainability. Our strategic direction is a continuation of Hysan's century-old legacy built on trust, harmony and shared values. Our strategy has played a pivotal role in the growth of Causeway Bay as a vibrant hub, with the Lee Gardens area serving as a beacon of distinctive offerings and cultural vitality. Together, these have contributed to Hong Kong's ongoing development as an international city.

With the positive outlook for our rejuvenated Lee Gardens, we are confident in Hysan's ability to continue delivering a robust business performance. Our vision, transformation initiatives, and proven track record serve as a strong foundation for long-term growth.

We will remain steadfast in our commitment to financial discipline and risk management. Our strong and disciplined execution of our Core and Pillars strategy will continue to deliver sustainable, long-term value for our stakeholders. With optimism, determination and a strong competitive edge, we will continue to shape the future of Lee Gardens and contribute to Hong Kong's sustainable development.

On behalf of the Board, I would like to extend my heartfelt appreciation to all our staff for their unwavering commitment and dedication. Their expertise and hard work have been instrumental to our continued growth and contribute to the development of our community. Together, we look forward to embracing new opportunities and achieving further milestones in the years ahead.

Lee Irene Yun-Lien

Chairman

Hong Kong, 14 August 2025

Management's Discussion and Analysis

Review of Results

In HK\$ million	Six months ended 30 June		
	2025	2024	Change
Turnover	1,730	1,693	+2.2%
– Retail	862	844	+2.1%
– Office	750	744	+0.8%
– Residential	118	105	+12.4%
Recurring Underlying Profit	1,031	1,019	+1.2%
Underlying Profit	1,031	1,019	+1.2%

Turnover and Recurring Underlying Profit grew by 2.2% and 1.2% year-on-year, supported by solid performance across core business segments. Hong Kong retail remained resilient, with turnover growth driven by portfolio enhancements and stronger sales. Office occupancy improved from 90% to 92%, helping to cushion the impact of negative rental reversions. The strong ramp-up of Lee Gardens Shanghai and occupancy pick-up at Bamboo Grove since last year also contributed to overall revenue and profit growth during the period.

During the period, on average approximately 4% of our retail area were closed for the major enhancement works of Lee Gardens rejuvenation project. The corresponding impact has been reflected in our retail turnover.

The Board of Directors has declared a first interim dividend of HK27 cents per share (2024: 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	
	2025 HK\$ million	2024 HK\$ million
Reported profit	75	427
Change in fair value of properties	673	209
Investment properties	964	197
Less: Effect of other non-controlling interests	(291)	4
Share of associates (net of tax)	–	8
Impairment loss of a joint venture	30	170
Other gains and losses	(1)	(1)
Profit attributable to perpetual capital securities holders	254	214
Recurring Underlying Profit / Underlying Profit	1,031	1,019

Review of Operations

Retail

Turnover in the Group's retail portfolio increased by 2.1% to HK\$862 million (2024: HK\$844 million).

In HK\$ million	Six months ended 30 June		
	2025	2024	Change
Retail	862	844	+2.1%
– Hong Kong	851	844	+0.8%
– Mainland	11	–	n/m

n/m: not meaningful

Hong Kong Portfolio

Turnover increased by 0.8% to HK\$851 million (2024: HK\$844 million). This included turnover rent of HK\$61 million (2024: HK\$72 million).

Retail occupancy was at 94% as at 30 June 2025 (31 December 2024: 92%). The rental reversion rate on renewals, rent reviews and new lettings was predominantly positive during the first half of 2025.

During the period, Hong Kong's retail market remained under pressure in terms of both retail sales value and volume. Consumer behaviour was affected by the strong Hong Kong dollar and the trend of northbound consumption, while visitor spending in Hong Kong became more cautious despite improving tourist arrivals. To counter this trend, the HKSAR Government has been promoting mega-events and world-class concerts to attract more international visitors and tourist spending. Towards the end of the second quarter of 2025, positive retail sales figures were recorded for the first time in 14 months.

At Hysan, we have been addressing the evolving demands of consumers by refreshing our brand mix with a variety of exciting and innovative new offerings. This is reflected in the curated in-store experiences developed in collaboration with our expanded maison flagships for luxury brands, the strategic addition of a vibrant mix of new and renowned F&B outlets, and the introduction of 30 new lifestyle brands along with a series of high-profile pop-up stores and events at Hysan Place.

Progress on the Lee Gardens rejuvenation project, as well as the construction of Lee Garden Eight and the integrated pedestrian walkway system, all continued to attract strong interest among retailers during the period. Together, these initiatives underscore Hysan's commitment to shaping a distinctive retail environment that integrates innovation, sustainability and mobility to meet the evolving needs of both local consumers and tourists.

Mainland Portfolio

Our retail portfolio in the Mainland achieved an occupancy of 64% as at 30 June 2025 (31 December 2024: 41%).

Lee Gardens Shanghai, positioned as a mixed-use business and social hub in central Jing'An, serves professionals and consumers from surrounding offices and the local community. Supported by the economic stimulus measures of the Shanghai Municipal People's Government, the commercial market showed renewed signs of vitality. The tenant portfolio of Lee Gardens Shanghai is expected to continue to diversify.

Marketing Initiatives and Loyalty Programmes

During the first half of 2025, we launched a series of innovative, high-impact marketing initiatives at Lee Gardens, strategically leveraging emerging consumer trends and digital engagement to increase tenant performance and attract a more diverse customer base.

Notable headline events included our culturally immersive Chinese New Year street festival and exclusive pop-ups in collaboration with global stars such as Korean artist Jisoo and the sensational drama series, Squid Game. These events generated a robust increase in traffic and sales and gained widespread media exposure.

Among our signature initiatives were the "Celebrate Every Bite" dining campaign promoting authentic global flavours and the "Threads of Beauty" campaign celebrating self-love with a diverse range of cosmetic brands. Through tailored collaborations with our tenants, these campaigns successfully converted online interactions into physical traffic and sales.

Another successful event, the "hy! Chill Fest", was developed in partnership with ComplexCon, an annual global festival of pop culture. A prominent feature of the event was the 7-metre-tall signature installation by ComplexCon's Global Artistic Director, Daniel Arsham, in the atrium of Hysan Place. It was accompanied by an exhibition of prestigious sneakers, pop-up stores and more than 20 tenant collaborations. The festival reinforced Hysan Place's position as a premier destination for fashion enthusiasts and cultural tastemakers in Hong Kong and exemplified our commitment to blending art and culture with retail.

Ongoing enhancements to our customer relationship management programme during the period strengthened our ability to deliver exceptional personalised experiences to our most valued customers. These have contributed to sustained growth in average spending and our Club Avenue member engagement rate.

Our distinctive and proactive marketing strategies continued to drive resilient performance, reinforcing Lee Gardens' reputation as a trendsetting hub with premier lifestyle and gastronomy offerings. As a result, Lee Gardens is well positioned to capture future opportunities as market sentiment improves.

Office

In the first six months of 2025, turnover of the Group's office portfolio experienced an increase of 0.8% to HK\$750 million (2024: HK\$744 million).

In HK\$ million	Six months ended 30 June		
	2025	2024	Change
Office	750	744	+0.8%
– Hong Kong	703	720	–2.4%
– Mainland	47	24	n/m

n/m: not meaningful

Hong Kong Portfolio

During the first half of 2025, turnover decreased by 2.4% to HK\$703 million, compared with HK\$720 million in 2024. This includes a turnover rent of HK\$5 million (2024: HK\$4 million).

Given the prevailing global economic uncertainties, Hong Kong's office market remained challenging in the first half of 2025. In response, businesses continued to be cost-sensitive with higher requirements for their work environments. Market sentiment improved towards the end of the second quarter of 2025 with leasing activities picking up. At the same time most landlords became more flexible, offering incentives when competing for anchor tenants.

The average rental reversion rate on renewals, rent reviews and new lettings for Hysan's Lee Gardens portfolio remained negative. Nevertheless, occupancy was maintained at a stable rate of 92% as at 30 June 2025 (31 December 2024: 90%). The show suite of Lee Garden Eight received positive feedback with pre-marketing of Lee Garden Eight continues.

As at 30 June 2025, the Banking, Finance and Wealth Management sector continued to occupy the largest share 21.3% (31 December 2024: 22.0%) of our tenant portfolio by floor area. The Professional and Consulting sectors and Co-work sector were second and third, respectively.

Mainland Portfolio

Turnover of Mainland's office portfolio increased to HK\$47 million (2024: HK\$24 million), contributed by the improvement in occupancy to 68% (31 December 2024: 66%). Despite facing intense competition in Mainland China's office leasing market, we have been actively pursuing and securing new tenancies.

Residential

Hong Kong's luxury residential leasing market made a steady recovery in the first half of 2025, as increasing numbers of expatriates relocated to Hong Kong. Many of these new arrivals were from the expanding pool of executives, professionals and graduates entering Hong Kong through various talent schemes. Since most are from diverse sectors, the finance sector was no longer the main source of new talent in Hong Kong.

Hysan's residential leasing portfolio turnover saw a 12.4% increase to HK\$118 million (2024: HK\$105 million). Occupancy was at 70% as at 30 June 2025 (31 December 2024: 73%). The average rental reversion in the sector was positive for renewals, rent reviews and new lettings.

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, made satisfactory progress during the period. The project is on schedule for completion in 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 our commitment to excellence and sustainable design for a next-generation workplace and retail centrepiece, Lee Garden Eight won “Best Mixed-Use Development (Hong Kong)” and “Best Sustainable Commercial Development (Hong Kong)” in the prestigious Asia Pacific Property Awards 2025-2026, which is part of the International Property Awards. The project also earned numerous design awards from various professional institutions, including a Merit Award for “Excellence in Master Landscape Planning/Study” in the Hong Kong Institute of Landscape Architects Award 2024, and a Merit Award for “Excellence in Projects (Sustainability)” in the Hong Kong Institute of Surveyors QS Awards 2024.

With the Lee Garden Eight project, Hysan was named one of Hong Kong’s Top 10 Developers at Hubexo Asia Awards 2025. All of these recognitions are testament to our vision of creating an urban oasis and a 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 in Tai Po and To Kwa Wan Residential Project

VILLA LUCCA, our joint-venture luxury residential development in Tai Po, comprises 262 garden houses and apartments. As at 30 June 2025, a total of 140 units of the project had been contracted.

Market sentiment in Hong Kong’s luxury residential sector improved slightly in the first half of 2025, driven by competitive pricing among new project launches. During the period, 25 units of VILLA LUCCA were sold and leased owing to relaxed mortgage loan-to-value ratios and declining interest rates. We will continue to adopt aggressive sales strategies to maintain stable sales volume.

With regard to the mass residential market, Hysan owns a 25% stake in a joint venture to develop the Urban Renewal Authority (“URA”)’s residential project at Bailey Street/Wing Kwong Street in Kowloon’s To Kwa Wan district. This quality site will be redeveloped into three 24-storey buildings covering a total area of over 700,000 square feet. Hysan will oversee the design and operation of the retail portion of this project.

The project, which forms a parcel of the Kowloon City Action Area 1 redevelopment district, is based on the URA’s pioneering District-based Redevelopment New Community urban renewal model. Currently, superstructure works are in full swing, while concreting of the commercial podium will be completed by the third quarter of 2025. An occupation permit for the whole development is targeted for the second quarter of 2027.

The VILLA LUCCA Project and To Kwa Wan Residential Project are included under “investments in joint ventures” in our condensed consolidated statement of financial position.

Shanghai Investment Property – Grand Gateway 66

This 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 show resilience during the period, as demonstrated by the joint venture’s strong and stable occupancy rate and business performance. Through our partnership with IWG, the world’s leading flexible workspace platform, we are optimistic about the prospects of the Greater Bay Area Flex business.

Five new locations were signed in the first half of 2025. The joint venture currently operates 40 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 Mainland. It operates a system of acute hospitals, an online hospital, rehabilitation and geriatric hospitals, oncology centres, ambulatory centres, outpatient clinics, a home health network, training centres and health insurance services across the country.

As at 30 June 2025, New Frontier Group operated 33 hospitals, including 11 international hospitals and 22 rehabilitation hospitals. The business has been recording steady growth momentum, with a new hospital opened in Ningbo in the first half of this year. Moreover, the acquired oncology medical group in Hong Kong has been providing an integrated, full-cycle treatment solution in the Greater Bay Area’s healthcare network.

Hysan’s minority stake investment in New Frontier Group gives us strategic exposure to the Mainland’s fast-growing healthcare sector, where demand for premium healthcare services is on the rise.

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

Capital Recycling Plan

The Group has initiated a HK\$8 billion capital recycling programme spanning the next five years through the strategic divestment of non-core assets. The programme currently encompasses the phased disposal of two blocks within the Bamboo Grove, together with built-to-sell units from the VILLA LUCCA and the To Kwa Wan residential development to capitalise on the renewed confidence in the residential market. This initiative is designed to achieve three principal objectives: optimising the Group’s capital structure through deleveraging, unlocking value from mature residential assets, and redeploying capital toward strategic priorities. The programme aligns with our disciplined capital allocation strategy, strengthens our financial position, and positions us to create greater sustainable value.

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 operating costs to turnover ratio slightly increased compared to last year, at 25.8% (2024: 25.0%).

In HK\$ million	Six months ended 30 June		
	2025	2024	Change
Operating costs	447	423	+5.7%
– Hong Kong	418	400	+4.5%
– Mainland	29	23	n/m

n/m: not meaningful

Finance Costs

Finance costs increased to HK\$289 million, compared to HK\$213 million in the first half of 2024, contributed by the increase in borrowings during the period. The effective interest rate for the period was 3.8%, as compared to 4.4% in the same period 2024.

Revaluation of Investment Properties

As at 30 June 2025, the investment properties of the Group were valued at HK\$96,893 million, an increase of 0.4% from HK\$96,547 million as at 31 December 2024.

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\$964 million (2024: HK\$197 million) was recognised in the condensed consolidated statement of profit or loss for the period. This loss mainly reflects heightened market risk in the office sector weakened by continued global economic uncertainties.

Investments in Associates and Joint Ventures

The Group's investments in associates are substantially 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\$115 million (2024: HK\$117 million).

The Group's investment in joint venture represents interests in VILLA LUCCA in Tai Po, the To Kwa Wan residential project and the IWG Flex business. The share of losses in joint ventures was HK\$7 million, compared to share of loss of HK\$197 million in 2024. The loss mainly reflects impairment loss on properties held for development for sale in VILLA LUCCA in Tai Po.

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 Mainland. As at 30 June 2025, other financial investments totalled HK\$1,582 million (31 December 2024: HK\$1,657 million).

Bank Deposits

In addition to placing surplus funds as time deposits in banks with strong credit ratings, the Group also invested in investment grade debt securities.

The interest income decreased to HK\$92 million (2024: HK\$95 million), due to a decrease in the bank deposits placed.

Capital Expenditure

Total cash outlay of capital expenditure increased to HK\$1,069 million during the interim period (2024: HK\$645 million). The capital expenditure during the period was mainly related to Caroline Hill Road project and enhancement works in Lee Gardens area. The Group is committed to enhancing the asset value of its investment property portfolio through continuous enhancement and redevelopment.

Treasury Policy

Capital Structure Management

To ensure healthy liquidity, a strong financial position, and an optimised capital structure that supports its financing needs and sustainable growth, the Group strives to diversify funding sources and maintain an appropriate debt maturity profile aligned with the overall use of funds. The Group also aims to secure reasonable borrowing margins relative to market conditions and implement effective hedging and forex management strategies.

Funding Sources

The Group's total Gross Debt¹ level as at 30 June 2025 increased to HK\$28,796 million (31 December 2024: HK\$26,717 million), primarily driven by capital expenditure on strategic projects.

As at 30 June 2025, bank loans accounted for approximately 50% of the Group's total Gross Debt with the remaining 50% from capital market financing (31 December 2024: 42%:58%).

The following table shows the Group's source of debts financing as at 30 June 2025 (in HK\$ million):

	Available	Drawn	Undrawn
Secured term loans ²	12,951	9,929	3,022
Unsecured term loans	4,400	4,200	200
Committed revolving loans	8,700	–	8,700
Capital market issuances	14,516	14,516	–
Total committed facilities	40,567	28,645	11,922
Uncommitted revolving loans	2,699	151	2,548
Total source of debts financing	43,266	28,796	14,470

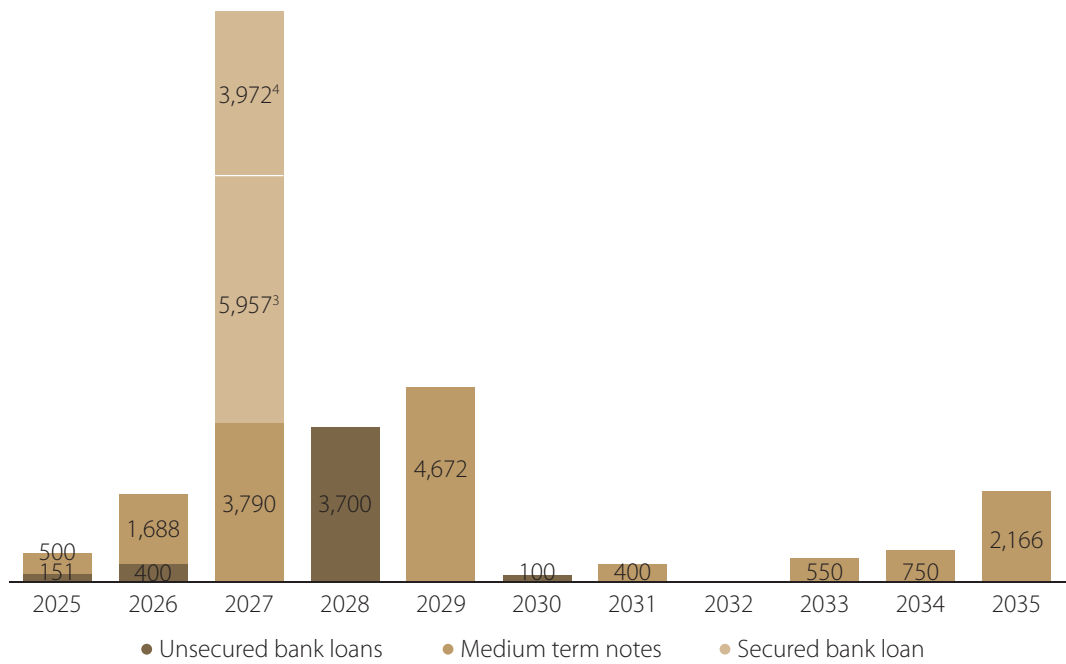
¹ The Gross Debt represents the contractual principal payment obligations as at 30 June 2025. However, in accordance with the Group's accounting policies, the debt is measured at amortised costs, using the effective interest method. As disclosed in the Group's condensed consolidated statement of financial position as at 30 June 2025, the book value of the outstanding debt of the Group was HK\$28,641 million (31 December 2024: HK\$26,514 million).

² Secured term loans represent the contractual principal payment obligations of the project financing of Caroline Hill Road project.

Maturity Profile

The Group maintains a well-staggered debts maturity profile in the coming 10 years to match with the nature of our assets and operations. As at 30 June 2025, the average maturity of debt portfolio was 3.2 years (31 December 2024: 3.4 years).

The following shows the debts maturity profile of the Group at 2025 interim period-end (in HK\$ million):



Gearing Ratio and Net Interest Coverage

The Group’s gearing ratio, as measured by Net Debt to Equity⁵, was 32.9% at interim period-end 2025 (31 December 2024: 31.4%). The Group’s Net Interest Coverage⁶ was 7.5 times for interim period of 2025 (2024: 10.8 times).

³ 60% secured term loans of Caroline Hill Road project (guaranteed by Hysan).
⁴ 40% secured term loans of Caroline Hill Road project (guaranteed by Chinachem Group).
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.

Credit Ratings

The Group maintains active dialogue with credit rating agencies and aims to maintain its investment-grade credit ratings. As of 30 June 2025, the Group's credit ratings were Baa2 from Moody's and BBB from Fitch.

Liquidity Management

As of 30 June 2025, the Group had cash and bank deposits totalling HK\$3,348 million (31 December 2024: HK\$2,211 million) and investment-grade debt securities of HK\$584 million (31 December 2024: HK\$896 million).

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

Interest Rate Management

Interest expenses represent one of the key cost drivers for the Group's business. 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 2025 was 56% (31 December 2024: 61%). The effective interest rate decreased to 3.8% at interim period-end 2025 from 4.3% at year-end 2024 which was mainly due to the decrease of HIBOR.

Foreign Exchange Management

The Group aims to maintain prudent currency exposure and does not speculate on currency movements for asset and liability management. It monitors and dynamically manages its foreign currency exposure, including USD and RMB, as appropriate by applying systematic measures to mitigate foreign currency risk.

Majority of guaranteed perpetual capital securities were hedged via cross-currency swaps to convert into HKD to minimise the foreign exchange uncertainty and lower their effective rate of distribution.

Capital Management

During the interim period of 2025, the Group issued US\$750 million subordinated guaranteed perpetual capital securities, aiming to refinance similar instrument callable in 2025. Concurrently, the Group repurchased subordinated guaranteed perpetual capital securities with principal amount of HK\$5,363 million (2024: HK\$777 million) with cash consideration of HK\$5,365 million (2024: HK\$728 million).

Report on Review of Condensed Consolidated Financial Statements



TO THE BOARD OF DIRECTORS OF HYSAN DEVELOPMENT COMPANY LIMITED

希慎興業有限公司

(Incorporated in Hong Kong with limited liability)

Introduction

We have reviewed the condensed consolidated financial statements of Hysan Development Company Limited (the "Company") and its subsidiaries set out on pages 18 to 45, which comprise the condensed consolidated statement of financial position as of 30 June 2025 and the related condensed consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review 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 HKICPA. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

14 August 2025

Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2025 (Unaudited)

		Six months ended 30 June	
	Notes	2025 HK\$ million	2024 HK\$ million
Turnover	3	1,730	1,693
Property expenses		(304)	(286)
Gross profit		1,426	1,407
Investment income		113	94
Other gains and losses		1	1
Administrative expenses		(143)	(137)
Finance costs	5	(289)	(213)
Change in fair value of investment properties		(964)	(197)
Share of results (include impairment loss) of:			
associates		115	117
joint ventures		(7)	(197)
Profit before taxation		252	875
Taxation	6	(155)	(158)
Profit for the period	7	97	717
Profit (loss) for the period attributable to:			
Owners of the Company		75	427
Perpetual capital securities holders		254	214
Other non-controlling interests		(232)	76
		97	717
Earnings per share (expressed in HK cents)			
Basic	8	7	42
Diluted	8	7	42

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025 (Unaudited)

	Six months ended 30 June	
	2025 HK\$ million	2024 HK\$ million
Profit for the period	97	717
Other comprehensive (expenses) income		
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
Losses on revaluation of properties held for own use (net of tax)	–	(12)
Change in fair value of equity instruments at fair value through other comprehensive income ("FVTOCI")	(80)	69
	(80)	57
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange difference on translation of subsidiaries	116	(91)
Net adjustments to hedging reserve	(175)	24
Share of translation reserve of an associate	86	(39)
	27	(106)
Other comprehensive expenses for the period (net of tax)	(53)	(49)
Total comprehensive income for the period	44	668
Total comprehensive income (expenses) attributable to:		
Owners of the Company	22	378
Perpetual capital securities holders	254	214
Other non-controlling interests	(232)	76
	44	668

Condensed Consolidated Statement of Financial Position

As at 30 June 2025 (Unaudited)

	Notes	As at 30 June 2025 HK\$ million	As at 31 December 2024 HK\$ million (audited)
Non-current assets			
Investment properties	10	96,893	96,547
Property, plant and equipment		847	829
Investments in associates		5,548	5,347
Loans to associates		8	8
Investments in joint ventures		352	342
Loans to joint ventures		4,469	4,324
Other financial investments		1,582	1,657
Debt securities		333	578
Deferred tax assets		100	100
Other financial assets		24	135
Other receivables	11	1,385	1,315
		111,541	111,182
Current assets			
Accounts and other receivables	11	314	375
Debt securities		251	318
Other financial assets		–	3
Time deposits		901	647
Cash and cash equivalents		2,447	1,564
		3,913	2,907
Current liabilities			
Accounts payable and accruals	12	1,070	1,428
Deposits from tenants		293	306
Amounts due to non-controlling interests	13	192	189
Borrowings	14	1,444	2,872
Other financial liabilities		1	–
Taxation payable		149	67
		3,149	4,862
Net current assets (liabilities)		764	(1,955)
Total assets less current liabilities		112,305	109,227

Condensed Consolidated Statement of Financial Position *continued*

As at 30 June 2025 (Unaudited)

	Notes	As at 30 June 2025 HK\$ million	As at 31 December 2024 HK\$ million (audited)
Non-current liabilities			
Amounts due to non-controlling interests	13	5,817	5,686
Borrowings	14	27,197	23,642
Other financial liabilities		556	587
Deposits from tenants		574	566
Deferred tax liabilities		1,345	1,317
		35,489	31,798
Net assets		76,816	77,429
Capital and reserves			
Share capital		7,723	7,723
Reserves		57,458	58,270
Equity attributable to owners of the Company		65,181	65,993
Perpetual capital securities	15	9,918	9,437
Other non-controlling interests		1,717	1,999
Total equity		76,816	77,429

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025 (Unaudited)

	Attributable to owners of the Company		
	Share capital HK\$ million	Share options reserve HK\$ million	General reserve HK\$ million
As at 1 January 2025 (audited)	7,723	40	96
Profit (loss) for the period	-	-	-
Exchange difference on translation of subsidiaries	-	-	-
Net losses arising from hedging instruments	-	-	-
Reclassification adjustments for net gains included in profit or loss	-	-	-
Change in fair value of equity instruments at FVTOCI	-	-	-
Share of translation reserve of an associate	-	-	-
Total comprehensive (expenses) income for the period	-	-	-
Recognition of equity-settled share-based payments	-	2	-
Vesting of equity-settled share-based payments	-	(2)	-
Repurchase of own shares	-	-	-
Dividends paid during the period (note 9)	-	-	-
Distribution paid to perpetual capital securities holders	-	-	-
Issue of perpetual capital securities (note 15)	-	-	-
Repurchase of perpetual capital securities (note 15)	-	-	-
As at 30 June 2025 (unaudited)	7,723	40	96
As at 1 January 2024 (audited)	7,723	39	96
Profit for the period	-	-	-
Exchange difference on translation of subsidiaries	-	-	-
Net gains arising from hedging instruments	-	-	-
Reclassification adjustments for net gains included in profit or loss	-	-	-
Losses on revaluation of properties held for own use (Note a)	-	-	-
Change in fair value of equity instruments at FVTOCI	-	-	-
Share of translation reserve of an associate	-	-	-
Total comprehensive income (expenses) for the period	-	-	-
Recognition of equity-settled share-based payments	-	2	-
Dividends paid during the period (note 9)	-	-	-
Distribution paid to perpetual capital securities holders	-	-	-
Repurchase of perpetual capital securities (note 15)	-	-	-
As at 30 June 2024 (unaudited)	7,723	41	96

Note:

- (a) The Group's leasehold land and buildings classified as property, plant and equipment were revalued as at 30 June 2025 and 2024 by Knight Frank Petty Limited, an independent qualified professional valuer, on market value basis. The valuation was derived from the basis of capitalisation of net income with due allowance for the reversionary income potential. During the period, no change in revaluation (2024: loss of HK\$12 million) have been recognised and accumulated in properties revaluation reserve.

Attributable to owners of the Company								
Investments revaluation reserve HK\$ million	Hedging reserve HK\$ million	Properties revaluation reserve HK\$ million	Translation reserve HK\$ million	Retained profits HK\$ million	Total HK\$ million	Perpetual capital securities HK\$ million	Other non- controlling interests HK\$ million	Total HK\$ million
125	(426)	437	(728)	58,726	65,993	9,437	1,999	77,429
-	-	-	-	75	75	254	(232)	97
-	-	-	116	-	116	-	-	116
-	(84)	-	-	-	(84)	-	-	(84)
-	(91)	-	-	-	(91)	-	-	(91)
(80)	-	-	-	-	(80)	-	-	(80)
-	-	-	86	-	86	-	-	86
(80)	(175)	-	202	75	22	254	(232)	44
-	-	-	-	-	2	-	-	2
-	-	-	-	2	-	-	-	-
-	-	-	-	(2)	(2)	-	-	(2)
-	-	-	-	(832)	(832)	-	(50)	(882)
-	-	-	-	-	-	(210)	-	(210)
-	-	-	-	-	-	5,800	-	5,800
-	-	-	-	(2)	(2)	(5,363)	-	(5,365)
45	(601)	437	(526)	57,967	65,181	9,918	1,717	76,816
20	(401)	447	(489)	59,747	67,182	10,224	2,285	79,691
-	-	-	-	427	427	214	76	717
-	-	-	(91)	-	(91)	-	-	(91)
-	27	-	-	-	27	-	-	27
-	(3)	-	-	-	(3)	-	-	(3)
-	-	(12)	-	-	(12)	-	-	(12)
69	-	-	-	-	69	-	-	69
-	-	-	(39)	-	(39)	-	-	(39)
69	24	(12)	(130)	427	378	214	76	668
-	-	-	-	-	2	-	-	2
-	-	-	-	(832)	(832)	-	(52)	(884)
-	-	-	-	-	-	(224)	-	(224)
-	-	-	-	49	49	(777)	-	(728)
89	(377)	435	(619)	59,391	66,779	9,437	2,309	78,525

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025 (Unaudited)

	Six months ended 30 June	
	2025 HK\$ million	2024 HK\$ million
Net cash from operating activities	1,142	1,070
Investing activities		
Payments in respect of investment properties	(1,069)	(645)
Purchases of property, plant and equipment	(12)	(25)
Interest received	65	65
Proceeds upon maturity of debt securities	319	94
Proceeds upon maturity of time deposits with original maturity over three months	2,009	1,630
Additions to time deposits with original maturity over three months	(2,263)	(1,710)
Payments in respect of other financial investments	(5)	(7)
Net advances to joint ventures	(139)	(250)
Net cash used in investing activities	(1,095)	(848)
Financing activities		
Payment for finance costs	(548)	(499)
Advance from non-controlling interest	3	230
New bank loans	5,641	3,956
Repayment of fixed rate notes	(1,000)	(150)
Repayment of bank loans	(2,602)	(2,801)
Issue of perpetual capital securities	5,800	–
Repurchase of perpetual capital securities	(5,365)	(728)
Payment of repurchase of own shares	(2)	–
Dividends paid	(832)	(832)
Distribution paid to perpetual capital securities holders	(210)	(224)
Dividends paid to non-controlling interests of a subsidiary	(50)	(52)
Net cash from (used in) financing activities	835	(1,100)
Net increase (decrease) in cash and cash equivalents	882	(878)
Cash and cash equivalents as at 1 January	1,564	2,583
Effect of foreign exchange rate changes	1	1
Cash and cash equivalents as at 30 June	2,447	1,706

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025 (Unaudited)

1. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements for the six months ended 30 June 2025 have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") as well as the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The financial information relating to the year ended 31 December 2024 that is included in these condensed consolidated financial statements 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 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.
- The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

2. 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 2025 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2024.

The application of all the amendments to HKFRS Accounting Standards issued by the HKICPA are disclosed below.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to a HKFRS Accounting Standard issued by the HKICPA, for the first time, which are mandatorily effective for the annual periods beginning on 1 January 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS21	Lack of Exchangeability
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The application of the amendments to a HKFRS Accounting Standard in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. 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 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 reflect 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 Mainland are consistent with the segment disclosure under note 4.

4. 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

4. SEGMENT INFORMATION *continued*

Segment turnover and results

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

	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

4. SEGMENT INFORMATION *continued*

Segment turnover and results *continued*

	Retail HK\$ million	Office HK\$ million	Residential HK\$ million	Property development HK\$ million	Consolidated HK\$ million
For the six months ended					
30 June 2024 (unaudited)					
Turnover					
Leasing of investment properties	759	635	92	–	1,486
Provision of property management services	85	109	13	–	207
Segment revenue	844	744	105	–	1,693
Property expenses	(132)	(123)	(31)	–	(286)
Segment gross profit	712	621	74	–	1,407
Share of results of a joint venture	–	–	–	(30)	(30)
Segment profit (loss)	712	621	74	(30)	1,377
Investment income					94
Other gains and losses					1
Administrative expenses					(137)
Finance costs					(213)
Change in fair value of investment properties					(197)
Impairment loss of a joint venture					(170)
Share of results of:					
associates					117
a joint venture					3
Profit before taxation					875

4. SEGMENT INFORMATION *continued*

Segment turnover and results *continued*

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 Tai Po 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, change in fair value of other financial investments, 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 Mainland amounting to HK\$58 million (2024: HK\$24 million), HK\$27 million (2024: HK\$22 million), and HK\$2 million (2024: HK\$1 million) respectively.

4. SEGMENT INFORMATION *continued*

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 2025 (unaudited)					
Segment assets	33,242	33,847	8,665	25,661	101,415
Investments in and loans to associates					5,556
Investment in a joint venture					350
Other financial investments					1,582
Other assets					6,551
Consolidated assets					115,454
As at 31 December 2024 (audited)					
Segment assets	32,986	34,265	8,667	25,006	100,924
Investments in and loans to associates					5,355
Investment in a joint venture					340
Other financial investments					1,657
Other assets					5,813
Consolidated assets					114,089

4. SEGMENT INFORMATION *continued*

Segment assets *continued*

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 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 results.

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 Mainland of HK\$656 million (31 December 2024: HK\$644 million) and HK\$2,742 million (31 December 2024: HK\$2,744 million) respectively.

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

5. FINANCE COSTS

	Six months ended 30 June	
	2025 HK\$ million	2024 HK\$ million
Finance costs comprise:		
Interest on bank loans	300	299
Interest on fixed rate notes	267	286
Imputed interest on amounts due to non-controlling interests	23	23
Total interest expenses	590	608
Other finance costs	30	22
Less: amounts capitalised (Note)	(367)	(395)
	253	235
Net exchange losses (gains) on borrowings	127	(20)
Reclassification of net gains from hedging reserve on financial instruments designated as cash flow hedges	(91)	(3)
Medium Term Note Programme expenses	–	1
	289	213

Note:

During the period, interest expenses have been capitalised to investment properties at an average capitalisation rate of 3.4% (2024: 4.0%) per annum.

6. TAXATION

	Six months ended 30 June	
	2025 HK\$ million	2024 HK\$ million
Current tax		
Hong Kong Profits Tax		
– current period	127	121
Deferred tax	28	37
	155	158

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

7. PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2025 HK\$ million	2024 HK\$ million
Profit for the period has been arrived at after charging (crediting):		
Depreciation of property, plant and equipment	22	17
Gross rental income from investment properties including rentals received with reference to turnover of tenants of HK\$66 million (2024: HK\$76 million)	(1,514)	(1,486)
Interest income (included in investment income)	(92)	(95)
Staff costs (including directors' emoluments)	164	164
Share of income tax of associates (included in share of results of associates)	52	51

8. 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	
	2025	2024
	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	75	427
	Number of shares	
	Six months ended 30 June	
	2025	2024
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 (2024: all) of the Company's outstanding share options as the exercise prices of those options were higher than the average market price for shares.

9. DIVIDENDS

(a) Dividends recognised as distribution during the period:

	Six months ended 30 June	
	2025 HK\$ million	2024 HK\$ million
2024 second interim dividend paid – HK81 cents per share	832	–
2023 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	
	2025 HK\$ million	2024 HK\$ million
First interim dividend declared – HK27 cents per share (2024: HK27 cents per share)	277	277

The first interim dividend for 2025 is not recognised as a liability as at 30 June 2025 because it has been declared after the end of the reporting period. It will be payable in cash.

10. INVESTMENT PROPERTIES

	Fair value HK\$ million
As at 1 January 2025	96,547
Additions	1,217
Transfer to property, plant and equipment, net	(26)
Change in fair value recognised in profit or loss – unrealised	(964)
Exchange difference	119
As at 30 June 2025	96,893

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

10. INVESTMENT PROPERTIES *continued*

The fair value of the Group's investment properties as at 30 June 2025 and 31 December 2024 and as at the date of transfer to property, plant and equipment from investment properties has been arrived at on the basis of a valuation carried out on those dates by Knight Frank Petty Limited, an independent qualified professional valuer not connected with the Group. The Group's investment properties have been valued individually, on market value basis, which conforms to The Hong Kong Institute of Surveyors Valuation Standards. In estimating the fair value of the investment properties, the management of the Group has considered the highest and best use of the investment properties at their current use.

There has been no change to the valuation technique during the period for completed properties and properties under development in Hong Kong and Mainland.

Investment properties in Hong Kong

The value of the completed investment properties is derived from the basis of capitalisation of net income with due allowance for the reversionary income potential but without allowances for any expenses or taxation which may be incurred in effecting a sale, and where appropriate, cross reference by sale comparables.

For investment properties under development, residual method of valuation was adopted. The value is based on the development potential of the properties as if they were completed in accordance with the existing development proposal at the date of valuation. The value has also taken into consideration all costs of development and allowance of profit required for the development, which duly reflected the risks associated with the development.

As at 30 June 2025, the aggregate fair value of certain investment properties in Hong Kong pledged as securities for the Group's borrowings amounted to HK\$21,190 million (31 December 2024: HK\$20,680 million).

Investment properties in Mainland

Income capitalisation approach – discounted cash flow ("DCF") analysis was adopted for the valuation of such completed investment properties in Mainland. The DCF analysis is based on prospective periodic net cash flow to operating properties, which is typically estimated as gross income less vacancy and operating expenses and other outgoings. The series of periodic net operating cash flow, along with an estimate of the reversionary or terminal value anticipated at the end of the projection period, is then discounted at the discount rate, being the cost of capital or the rate of required return, into present value. A 10-year investment horizon has been undertaken for the DCF analysis and the net income in the year eleven is capitalised at an appropriate yield.

11. ACCOUNTS AND OTHER RECEIVABLES

	As at 30 June 2025 HK\$ million	As at 31 December 2024 HK\$ million
Accounts receivable	51	51
Interest receivable	43	43
Prepayments in respect of investment properties	1,014	943
Other receivables and prepayments	591	653
Total	1,699	1,690
Analysed for reporting purposes as:		
Current assets	314	375
Non-current assets	1,385	1,315
	1,699	1,690

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 2025 HK\$ million	As at 31 December 2024 HK\$ million
Less than 30 days	25	23
31–90 days	13	14
Over 90 days	13	14
	51	51

12. ACCOUNTS PAYABLE AND ACCRUALS

	As at 30 June 2025 HK\$ million	As at 31 December 2024 HK\$ million
Accounts payable	254	534
Interest payable	57	146
Other payables	759	748
	1,070	1,428

As at 30 June 2025, accounts payable of the Group with carrying amount of HK\$157 million (31 December 2024: HK\$208 million) were aged less than 90 days.

13. AMOUNTS DUE TO NON-CONTROLLING INTERESTS

	As at 30 June 2025 HK\$ million	As at 31 December 2024 HK\$ million
Current (Note a)	192	189
Non-current (Note b)	5,817	5,686
	6,009	5,875

Notes:

- (a) The balances are unsecured, interest-free and repayable on demand.
- (b) The balance is unsecured, interest-free and for the development of a commercial site at Caroline Hill Road, Causeway Bay, Hong Kong.

14. BORROWINGS

The analysis of the carrying amounts of borrowings is as follows:

	Current		Non-Current	
	As at 30 June 2025 HK\$ million	As at 31 December 2024 HK\$ million	As at 30 June 2025 HK\$ million	As at 31 December 2024 HK\$ million
Secured bank loans	–	–	9,899	8,772
Unsecured bank loans	151	1,373	4,130	1,042
Unsecured fixed rate notes	1,293	1,499	13,168	13,828
	1,444	2,872	27,197	23,642

15. PERPETUAL CAPITAL SECURITIES

In 2020, the Group through a wholly owned subsidiary of the Company (the “Issuer”) issued US\$850 million (equivalent to approximately HK\$6,604 million) 4.10% subordinated guaranteed perpetual capital securities (the “2020 Subordinated Securities”), which are unconditionally and irrevocably guaranteed by the Company. Further, the Issuer issued US\$500 million (equivalent to approximately HK\$3,875 million) 4.85% senior perpetual capital securities (the “Senior Securities”), which are unconditionally and irrevocably guaranteed by the Company. The proceeds of the capital securities are for general corporate purpose and the capital securities are listed on Hong Kong Stock Exchange.

In 2025, the Group through the Issuer issued US\$750 million (equivalent to approximately HK\$5,800 million) 7.20% subordinated guaranteed perpetual capital securities (the “2025 Subordinated Securities”), which are unconditionally and irrevocably guaranteed by the Company. The proceeds of the capital securities are for general corporate purposes and refinancing of existing indebtedness. The capital securities are listed on Hong Kong Stock Exchange.

Distribution on the 2020 Subordinated Securities, Senior Securities and 2025 Subordinated Securities (collectively the “Securities”) are payable semi-annually in-arrear each year and can be deferred at the sole discretion of the Issuer, if the Issuer and the Company do not declare or pay dividends or repurchase, redeem, cancel, reduce or otherwise acquire any securities of lower or equal rank. The Securities have no fixed maturity and are redeemable at the Issuer’s option on or after 3 June 2025, 25 August 2023 and 11 September 2030 respectively, at their principal amounts together with any distribution accrued to such date.

The Securities are classified as equity and initially recognised at the proceeds received in the condensed consolidated financial statements of the Group.

During the period ended 30 June 2025, the Group had repurchased perpetual capital securities with principal amount of HK\$5,363 million (2024: HK\$777 million) with cash consideration of HK\$5,365 million (2024: HK\$728 million).

16. COMMITMENTS

As at 30 June 2025 and 31 December 2024, the Group had the following commitments in respect of its investment properties and property, plant and equipment:

	As at 30 June 2025 HK\$ million	As at 31 December 2024 HK\$ million
Capital commitment:		
Contracted but not provided for investment properties and property, plant and equipment	4,357	3,974

17. RELATED PARTY TRANSACTIONS AND BALANCES

(a) Transactions and balances with related parties

During the period, the Group has transaction with related party including imputed interest expense on interest-free amounts due to non-controlling interests as disclosed in notes 5 and 13. The imputed interest expense arising from the amounts due to non-controlling interests during the period has been fully capitalised into investment properties under development. The interest income on loans to joint ventures during the period is amounted to HK\$23 million (2024: HK\$18 million). At the end of the reporting period, the Group has several balances with related parties including loans to joint ventures and loans to associates as disclosed in the condensed consolidated statement of financial position. The Group has also granted guarantees to banks for facilities granted to a joint venture. The non-controlling interest of a subsidiary has granted guarantee to banks in relation to the Group's secured bank loan as disclosed in note 14.

17. RELATED PARTY TRANSACTIONS AND BALANCES *continued*

(a) Transactions and balances with related parties *continued*

In addition, the Group has the following transactions with other related parties during the period and has the following balances with them at the end of the reporting period:

	Gross rental income received from		Amounts due to non-controlling interests	
	Six months ended 30 June 2025 HK\$ million	Six months ended 30 June 2024 HK\$ million	As at 30 June 2025 HK\$ million	As at 31 December 2024 HK\$ million
Related companies controlled by the Directors of the Company (Note a)	–	18	–	–
Non-controlling shareholder of subsidiaries (Note b(i) & (ii))	41	14	6,009	5,875
Joint venture and associate (Note c)	47	37	–	–

Notes:

- (a) The sum of transactions represents the aggregate gross rental income received from related companies where Jebson Hans Michael, the Director of the Company, have controlling interests over these related companies.

On 16 May 2023, Jebson Hans Michael retired from his director role of the Company and remained as a connected person of Hysan at issuer level for 12 months thereafter.

- (b) (i) The sum of transactions represents the aggregate gross rental income received from Hang Seng Bank Limited ("Hang Seng"), the intermediate holding company of Imenson Limited ("Imenson"), and The Hongkong and Shanghai Banking Corporation Limited, the holding company of Hang Seng. Imenson is a non-controlling shareholder with significant influence over Barrowgate.

From 17 May 2024 onwards, the sum of transactions includes the aggregate gross rental income received from Jebson and Company Limited, the holding company of Jebson Capital Limited. Jebson Capital Limited is a non-controlling shareholder with significant influence over Barrowgate.

- (ii) The balance represents outstanding loans advanced to Patchway Holding Limited ("Patchway") by Coastday Limited and Barrowgate by Imenson and Jebson Capital Limited, as shareholder loans in proportion to its shareholding in Patchway and Barrowgate respectively. The amounts advanced to Barrowgate are unsecured, interest-free and repayable on demand. The amount advanced to Patchway is unsecured, interest-free and for the development of a commercial site at Caroline Hill Road, Causeway Bay, Hong Kong.

- (c) Rental income is charged in accordance with respective tenancy agreements.

17. RELATED PARTY TRANSACTIONS AND BALANCES *continued*

(b) Compensation of key management personnel

The remuneration of Directors and other members of senior management of the Group are as follows:

	Six months ended 30 June	
	2025 HK\$ million	2024 HK\$ million
Directors' fees, salaries and other short-term employee benefits	26	26
Share-based payments	1	1
Retirement benefits scheme contributions	–	–
	27	27

The remuneration of the Directors and senior management is determined by the Remuneration Committee having regard to the performance of individuals and market trends.

18. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS

(a) Financial risk management

The Group's financial risk management objectives and policies are the same as those disclosed in the Group's annual consolidated financial statements for the year ended 31 December 2024.

(b) Fair value measurements

(i) ***Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)***

The fair values of financial assets and financial liabilities measured at amortised cost are determined in accordance with generally accepted pricing models based on DCF methodology taking into account the market interest rate and credit risk of the counterparties and of the Group as appropriate.

The Directors of the Company consider that the carrying amounts of financial assets and financial liabilities measured at amortised cost in the condensed consolidated financial statements approximate their fair values, except for the carrying amount of HK\$14,461 million (31 December 2024: HK\$15,327 million) unsecured fixed rate notes (including interest payable) with fair value of HK\$13,489 million (31 December 2024: HK\$14,102 million).

The fair value of HK\$8,037 million (31 December 2024: HK\$7,828 million) of the unsecured fixed rate notes is categorised into Level 1 of the fair value hierarchy, in which the fair value was quoted prices in an active market translated at the spot foreign exchange rate of the respective currency at period end.

The fair value of HK\$5,452 million (31 December 2024: HK\$6,274 million) of the unsecured fixed rate notes is categorised into Level 2 of the fair value hierarchy, in which the fair value was measured using DCF methodology based on observable yield curves of the respective currency taking into account the credit margin of the Group as appropriate.

18. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS *continued*

(b) Fair value measurements *continued*

(ii) **Fair value of financial assets and financial liabilities that are measured at fair value on a recurring basis**

The following table provides an analysis of financial instruments that are measured at fair value on a recurring basis, grouped into Levels 1 to 3 based on the degree to which the inputs to the fair value measurements are observable.

- Level 1: fair value measurements are based on quoted prices (unadjusted) in active market for identical assets and liabilities.
- Level 2: fair value measurements are those derived from inputs other than quoted prices included with Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	As at 30 June 2025			
	Level 1	Level 2	Level 3	Total
	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Financial assets				
<i>Financial assets at FVTPL</i>				
Unlisted club debenture	–	1	–	1
Fund investment	–	–	87	87
<i>Financial assets at FVTOCI</i>				
Unlisted investments in equity securities	–	–	1,495	1,495
<i>Derivatives under hedge accounting</i>				
Cross currency swaps	–	23	–	23
Total	–	24	1,582	1,606
Financial liabilities				
<i>Derivatives under hedge accounting</i>				
Cross currency swaps	–	523	–	523
Interest rate swaps	–	34	–	34
Total	–	557	–	557

18. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS *continued*

(b) Fair value measurements *continued*

(ii) **Fair value of financial assets and financial liabilities that are measured at fair value on a recurring basis** *continued*

	As at 31 December 2024			
	Level 1	Level 2	Level 3	Total
	HK\$ million	HK\$ million	HK\$ million	HK\$ million
Financial assets				
Financial assets at FVTPL				
Unlisted club debenture	–	1	–	1
Fund investment	–	–	87	87
Financial assets at FVTOCI				
Unlisted investments in equity securities	–	–	1,570	1,570
Derivatives under hedge accounting				
Cross currency swaps	–	127	–	127
Interest rate swaps	–	10	–	10
Total	–	138	1,657	1,795
Financial liabilities				
Derivatives under hedge accounting				
Cross currency swaps	–	381	–	381
Interest rate swaps	–	206	–	206
Total	–	587	–	587

18. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS *continued*

(b) Fair value measurements *continued*

(iii) Reconciliation of Level 3 fair value measurements of financial asset

	Fund investment HK\$ million	Unlisted investments in equity securities HK\$ million
As at 1 January 2025	87	1,570
Addition	–	5
Fair value loss recognised in other comprehensive income	–	(80)
As at 30 June 2025	87	1,495

There was no transfer among Levels 1, 2 and 3 during the six months ended 30 June 2025.

(iv) Valuation techniques and inputs used in fair value measurements

Cross currency swaps are measured using DCF methodology based on observable spot and forward exchange rates as well as the yield curves of the respective currencies taking into account the credit risk of the counterparties and of the Group as appropriate.

The fair values of interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from the quoted interest rates.

Financial assets grouped in Level 3 are measured with reference to underlying assets and liabilities as at the end of the reporting period and other valuation techniques including discounted cash flows or market approach, taking into account different multiples such as price per earnings multiples of comparable listed companies, where relevant. If there is lack of marketability, a discount is applied in determining the fair value. A slight increase in lack of marketability discount would result in a slight decrease in the fair value of the unlisted investments in equity securities, vice versa.

(v) Valuation process of Level 3 fair value measurements of financial asset

At the end of the reporting period, the management of the Group obtains the valuation techniques and inputs for fair value measurements in relation to the financial assets grouped in Level 3 and their underlying assets and liabilities, where appropriate. The management of the Group also engages independent qualified professional valuer to perform valuation for investments in equity securities when necessary. Where there is a material change in the fair value of the financial assets grouped in Level 3, analysis will be performed and the causes of the fluctuations will be reported to the Directors of the Company.

Corporate Governance

Compliance with Corporate Governance Code

The board of directors (the “Board”) and management of Hysan Development Company Limited (the “Company” or “Hysan”, together with its subsidiaries, the “Group”) are committed to maintaining high standards of corporate governance. The Board has adopted Corporate Governance Guidelines to provide guidance on how corporate governance principles are applied to the Company. In addition to complying with applicable statutory requirements, the Group aims to continually review and enhance the corporate governance practices of the Group in the light of local and international best practices.

During the six months ended 30 June 2025 (the “Review Period”), the Company fully complied with the code provisions of the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). Further information on Hysan’s corporate governance practices is available at the Company’s website: www.hysan.com.hk/governance.

Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the “Model Code”) as its own code of conduct regarding the securities transactions of the directors of the Company (the “Directors”). 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.

Highlights for the first half of 2025

Hysan embraces good corporate governance as one of its core values and the foundation of achieving consistent and sustainable performance. We have been continuously seeking opportunities to enhance our corporate governance practices.

During the Review Period:

- **Hybrid Annual General Meeting:** the annual general meeting of the Company (“AGM”) held on 5 June 2025 (“2025 AGM”) was in a hybrid format, allowing shareholders of the Company (“Shareholders”) to attend the meeting in person at a principal meeting place or via the live online webcast system (“Online AGM”). Holding hybrid AGMs promotes inclusivity, engagement and transparency, facilitates Shareholders’ participation by providing convenient access overcoming geographical constraints and space limitations and protects Shareholders’ right to attend general meetings. The Online AGM enabled the Shareholders to participate in the 2025 AGM from anywhere with an internet connection and to meet with the Board, the senior management and auditors of the Company as if they were attending in person. This arrangement has broadened the reach of the AGM and provided flexibility to our Shareholders who do not wish to attend in person or for overseas Shareholders who are unable to attend in person.
- **Board and Board Committees Refreshment:** At the 2025 AGM, Mr. Poon Chung Yin Joseph (“Mr. Poon”) retired as an Independent Non-Executive Director after having served on the Board for more than 15 years. On the same day, Mr. Poon also stepped down as the chairman of the audit and risk management committee of the Company (the “Audit and Risk Management Committee”) and ceased to be a member of the nomination committee of the Company (the “Nomination Committee”). Following the retirement of Mr. Poon, Mr. Churchouse Frederick Peter was re-designated as the chairman of the Audit and Risk Management Committee and Ms. Wong Ching Ying Belinda was appointed as a member of the Nomination Committee. Details of the Board Committees refreshment are set out on P.47 of this report. The Board refreshment has refreshed the average tenure of Directors and increased the percentage of female Board representation of the Company (from 36.4% to 40%).

Our Board and Board Committees

Board

As at 30 June 2025 and up to the date of this report, the composition of the Board is set out below:

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*
Lee Tze Hau Michael*

* Non-Executive Director

** Independent Non-Executive Director

Mr. Churchouse Frederick Peter, Ms. Young Elaine Carole, Mr. Zhang Yong, Mr. Lee Anthony Hsien Pin and Mr. Lee Tze Hau Michael who stood for re-election at the 2025 AGM were re-elected by the Shareholders at the meeting.

Mr. Poon retired as an Independent Non-Executive Director with effect from the conclusion of the 2025 AGM.

Board Committees

Changes to the composition of Board Committees during the Review Period are set out below.

With effect from the conclusion of the 2025 AGM:

- Mr. Poon ceased to be the chairman of the Audit and Risk Management Committee and a member of the Nomination Committee upon his retirement as an Independent Non-Executive Director.
- Mr. Churchouse Frederick Peter was re-designated as the chairman of the Audit and Risk Management Committee.
- Ms. Wong Ching Ying Belinda was appointed as a member of the Nomination Committee.

The composition of our Board Committees as at 30 June 2025 and up to the date of this report is set out in the section "Corporate Information" of this report.

Risk Management and Internal Control

Details of Hysan's risk management and internal control systems were set out in the "Risk Management and Internal Control Report" on pages 103 to 111 of the Company's 2024 Annual Report.

The Audit and Risk Management Committee continued to review the Company's risk management and internal control systems, as well as the internal audit reports for the six months ended 30 June 2025 as submitted by the Internal Audit Department of the Company.

Updated Information on Directors Pursuant to Rule 13.51B(1) of the Listing Rules

Directors' Updated Biographical Details

Save for the changes to the Directors' other major offices as set out below, since the Company's 2024 Annual Report and up to the date of this report, there has not been any change in the information of the Directors that is required to be disclosed under Rule 13.51B(1) of the Listing Rules:

- Mr. Zhang Yong was appointed as an independent member of the board of directors of the Saudi Tourism Authority with effect from February 2025 and a member of the Mainland China Advisory Group of Hong Kong Exchanges and Clearing Limited with effect from 1 August 2025.
- Mr. Lee Chien retired as the chairman of CUHK Medical Centre with effect from 1 April 2025.
- Mr. Lui Kon Wai was appointed as a member of the Council for Carbon Neutrality and Sustainable Development of the HKSAR Government with effect from 1 May 2025.
- Ms. Lee Irene Yun-Lien retired as the independent non-executive chairman of Hang Seng Bank Limited and an independent non-executive director of The Hongkong and Shanghai Banking Corporation Limited with effect from 8 May 2025.

The biographical details of the Directors are available at the Company's website: www.hysan.com.hk/about/leadership.

Updated Information on Directors Pursuant to Rule 13.51B(1) of the Listing Rules *continued*

Executive Directors' and Senior Management's Emoluments

The Group's approach is to provide a fair market level of remuneration to attract, retain and motivate high-quality Executive Directors, senior management and employees. At the same time, rewards must be aligned with the Company's strategy, corporate culture, core values, performance and Shareholders' interests.

The following principles of remuneration for Executive Directors and senior management have been established:

- The remuneration committee of the Company ("Remuneration Committee") shall determine the overall amount of each component of remuneration, taking into account:
 - (i) both quantitative and qualitative assessments of performance;
 - (ii) the achievement of financial and operational key performance targets; and
 - (iii) behavioural competencies that align with the Group's long-term strategy, corporate culture and core values;
- Remuneration policy and practices shall be as transparent as possible and reviewed regularly, independent of executive management;
- Grantees of share schemes of the Company shall develop significant personal shareholdings through executive share incentive schemes, in order to align their interests with those of the Shareholders;
- Remuneration packages shall be set at levels that ensure comparability and competitiveness with Hong Kong-based companies competing for a similar pool of talents, with special emphasis on the real estate industry. Independent professional advice is to be sought where appropriate; and
- Pay and employment conditions elsewhere in the Group shall be taken into account.

Updated Information on Directors Pursuant to Rule 13.51B(1) of the Listing Rules *continued*

Executive Directors' and Senior Management's Emoluments *continued*

In reviewing and determining remuneration for Executive Directors and senior management, the Remuneration Committee will take into account their overall achievements with respect to the following determining factors, each with a series of measures:

Components	Determining Factors
Fixed compensation	
Base salary and allowances	<ul style="list-style-type: none">• Market trends: increments in line with general and real estate industry norms• Market benchmarks relevant to role and job scope• Company performance (with reference to the Group's turnover growth, occupancy rate, property expenses ratio, underlying profit, etc.)• Individual performance and contribution^{Note 1}, measured against annual financial and operational targets (turnover, expense ratio, earnings per share ("EPS"), portfolio year-end occupancy, achievement of key strategic initiatives, etc.)
Variable compensation	
Performance bonus	<ul style="list-style-type: none">• Company performance (with reference to the Group's turnover growth, occupancy rate, property expenses ratio, underlying profit, etc.)• Individual performance and contribution^{Note 1}, measured against annual financial and operational targets (turnover, expense ratio, EPS, portfolio year-end occupancy, achievement of key strategic initiatives, etc.)• Actual bonus payout ranges from 0–200% of target bonus, which is set as a percentage of annual base salary
Share incentives	<ul style="list-style-type: none">• Company performance (with reference to the Group's turnover growth, occupancy rate, property expenses ratio, underlying profit, etc.)• Corporate KPIs^{Note 2}, individual performance and potential, as well as long-term contribution^{Note 3} to the Company• Level of share options and/or share awards granted is based on a prescribed grant multiple of annual base salary^{Note 4}

Updated Information on Directors Pursuant to Rule 13.51B(1) of the Listing Rules *continued*

Executive Directors' and Senior Management's Emoluments *continued*

Notes:

1. Employees are required to undergo mid-year and annual performance appraisals, during which individual performance targets (financial and operational) are set. Performance is continually monitored throughout the year and evaluated against these performance targets semi-annually. Performance assessment on the achievement of performance targets and behavioural competencies that align with the Group's long-term strategy, corporate culture and core values, culminating in an individual performance rating that will determine the fixed and variable compensation outcomes.
2. The grant of share incentives is contingent upon the fulfilment of specific corporate level performance conditions, including the KPIs on Group's turnover growth, occupancy rate, property expenses ratio, and underlying profit. Under the 2024 Share Award Scheme, the vesting of Performance Shares is determined by company performance, measured as Total Shareholder Return. For details, please refer to the section headed "Long-term incentives: Share Schemes".
3. With the aim of incentivising a proper balance between business performance and long-term sustainable growth, long-term contribution is reviewed and evaluated based on, among others, the pre-determined long-term objectives and development plan, considering also the alignment with the Group's long-term strategy, corporate culture and core values, etc.
4. The size of the grant will be determined based on a multiple of the base salary and relevant individual performance metrics. The Board regularly reviews both the grant and vesting structures to ensure alignment with the goals of the share incentive schemes, as well as the long-term strategy, corporate culture and core values of the Group.

In February 2025, the Remuneration Committee held a meeting to consider the annual base salaries of Ms. Lee Irene Yun-Lien and Mr. Lui Kon Wai. The Remuneration Committee approved and recommended for the Board's approval their 2025 annual fixed base salaries of HK\$8,240,000 and HK\$5,953,000, respectively, and 2024 performance-based bonus amounts of HK\$11,124,000 and HK\$5,953,000, respectively (see pages 119 to 130 and 180 of the Company's 2024 Annual Report).

Remuneration Policy for Non-Executive Directors and Independent Non-Executive Directors

The fees payable to Non-Executive Directors and Independent Non-Executive Directors are reviewed annually, taking into account a number of factors, including the level of responsibility, experience and abilities required of the Directors, the level of care and amount of time required, employment condition elsewhere in the Group, as well as the fees offered for similar positions in comparable companies requiring the same talents.

Updated Information on Directors Pursuant to Rule 13.51B(1) of the Listing Rules *continued*

Remuneration Policy for Non-Executive Directors and Independent Non-Executive Directors *continued*

In February 2025, the Remuneration Committee agreed that the director fees payable to the Non-Executive Directors and Independent Non-Executive Directors shall be maintained at the same level as set out below (see pages 119 to 130 of the Company's 2024 Annual Report):

	Per annum HK\$
Board	
Non-Executive Director and Independent Non-Executive Director	280,000
Audit and Risk Management Committee	
Chairman	180,000
Member	108,000
Remuneration Committee	
Chairman	75,000
Member	45,000
Nomination Committee	
Chairman	50,000
Member	30,000
Sustainability Committee	
Chairman	50,000
Member	30,000

Directors' Interests in Shares, Underlying Shares and Debentures

As at 30 June 2025, the interests and short positions of the Directors in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code, are set out below:

Aggregate Long Positions in Shares and Underlying Shares of the Company

Name	Number of ordinary shares held					% of the total no. of issued shares (Note)
	Personal interests	Family interests	Corporate interests	Other interests	Total	
Lee Irene Yun-Lien	607,562	–	–	–	607,562	0.059
Lui Kon Wai	27,092	–	–	–	27,092	0.002
Young Elaine Carole	11,000	–	–	–	11,000	0.001
Lee Anthony Hsien Pin	851	–	–	–	851	0.00008
Lee Chien	1,100,000	98,000	–	–	1,198,000	0.116

Note:

The percentages were computed based on the total number of issued shares of the Company as at 30 June 2025 (i.e. 1,027,008,223 ordinary shares).

Aggregate Long Positions in Debentures of the Company

Name	Amount of Debentures (Note)				Total
	Personal interests	Family interests	Corporate interests	Other interests	
Lee Irene Yun-Lien	US\$3,000,000	–	–	–	US\$3,000,000
Lee Chien	–	US\$400,000	–	–	US\$400,000

Note:

US\$750 million Subordinated Guaranteed Perpetual Capital Securities were issued by Elect Global Investments Limited, a wholly owned subsidiary of the Company, in March 2025.

Directors' Interests in Shares, Underlying Shares and Debentures *continued*

Executive Directors have been granted (i) share options under the Company's share option scheme adopted on 10 May 2005 (the "2005 Share Option Scheme") and/or the scheme adopted on 15 May 2015 (the "2015 Share Option Scheme"); and (ii) share awards under the Company's share award scheme adopted on 19 January 2024 (the "2024 Share Award Scheme"). Please refer to the section headed "Long-term incentives: Share Schemes" below for details. These constitute interests in underlying shares of equity derivatives of the Company under the SFO.

Apart from the above, as at 30 June 2025, no other interest or short position in the shares, underlying shares or debentures of the Company or any associated corporations as defined in the SFO were recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Long-term Incentives: Share Schemes

Share Option Schemes

The Company may grant options under executive share option schemes as adopted from time to time (the "Share Option Schemes"). The purpose of such schemes is to strengthen the connection between individual employees and Shareholders' interests.

The Board may, at its discretion, appoint a scheme administrator to administer, manage and implement the Share Option Schemes according to the respective scheme rules. The Remuneration Committee is authorised by the Board to administer the Share Option Schemes, including the granting of options to management staff below the Executive Director level. The power to grant options to Executive Directors is also vested in the Remuneration Committee, with endorsement by all Independent Non-executive Directors being required under the Listing Rules.

The 2005 Share Option Scheme

The Company adopted the 2005 Share Option Scheme at its AGM held on 10 May 2005, which had a term of 10 years and expired on 9 May 2015. All outstanding options granted under the 2005 Share Option Scheme continued to be valid and exercisable in accordance with the provisions of the 2005 Share Option Scheme, and were subsequently lapsed during the Review Period. No further option will be granted under the 2005 Share Option Scheme.

The 2015 Share Option Scheme

The Company adopted the 2015 Share Option Scheme at its AGM held on 15 May 2015, which has a term of 10 years and expired on 14 May 2025. The terms of the 2015 Share Option Scheme are substantially the same as those of the 2005 Share Option Scheme. All outstanding options granted under the 2015 Share Option Scheme will continue to be valid and exercisable in accordance with the provisions of the 2015 Share Option Scheme. No further option will be granted under the 2015 Share Option Scheme.

Directors' Interests in Shares, Underlying Shares and Debentures *continued*

Long-term Incentives: Share Schemes *continued*

Movements of share options during the Review Period

Since the 2005 Share Option Scheme expired on 9 May 2015, no option was granted under the 2005 Share Option Scheme during the Review Period.

During the period from 1 January 2025 to 14 May 2025 (date of expiry of the 2015 Share Option Scheme), no option was granted under the 2015 Share Option Scheme.

As at 30 June 2025, share options exercisable into a total of 6,263,400 ordinary shares of the Company ("Shares") granted and fully vested under the 2015 Share Option Scheme remained outstanding, representing approximately 0.61% of the total number of issued shares of the Company.

Details of options granted, exercised, lapsed, cancelled and outstanding under the Share Option Schemes during the Review Period are as follows:

Name	Date of grant	Exercise price HK\$	Exercise period (Note a)	Changes during the Review Period					Outstanding options as at 30.6.2025
				Outstanding options as at 1.1.2025	Granted	Exercised	Lapsed (Note b)	Cancelled (Note c)	
2005 Share Option Scheme									
Executive Director									
Lee Irene Yun-Lien	12.3.2015	36.27	12.3.2016 – 11.3.2025	300,000	–	–	(300,000)	–	–
Other employee participants									
	31.3.2015	34.00	31.3.2016 – 30.3.2025	5,000	–	–	(5,000)	–	–
				305,000	–	–	(305,000)	–	–

Directors' Interests in Shares, Underlying Shares and Debentures *continued*

Long-term Incentives: Share Schemes *continued*

Movements of share options during the Review Period *continued*

Name	Date of grant	Exercise price HK\$	Exercise period (Note a)	Outstanding options as at 1.1.2025	Changes during the Review Period				Outstanding options as at 30.6.2025
					Granted	Exercised	Lapsed (Note b)	Cancelled (Note c)	
2015 Share Option Scheme									
Executive Directors									
Lee Irene Yun-Lien	9.3.2016	33.15	9.3.2017 – 8.3.2026	375,000	–	–	–	–	375,000
	23.2.2017	36.25	23.2.2018 – 22.2.2027	300,000	–	–	–	–	300,000
	1.3.2018	44.60	1.3.2019 – 29.2.2028	373,200	–	–	–	–	373,200
	22.2.2019	42.40	22.2.2020 – 21.2.2029	494,200	–	–	–	–	494,200
	21.2.2020	29.73	21.2.2021 – 20.2.2030	650,000	–	–	–	–	650,000
	26.2.2021	33.05	26.2.2022 – 25.2.2031	664,000	–	–	–	–	664,000
	28.2.2022	23.25	28.2.2023 – 27.2.2032	819,000	–	–	–	–	819,000
Lui Kon Wai	29.3.2018	41.50	29.3.2019 – 28.3.2028	179,000	–	–	–	–	179,000
	29.3.2019	42.05	29.3.2020 – 28.3.2029	203,000	–	–	–	–	203,000
	31.3.2020	25.20	31.3.2021 – 30.3.2030	262,000	–	–	–	–	262,000
	31.3.2021	30.40	31.3.2022 – 30.3.2031	267,000	–	–	–	–	267,000
	28.2.2022	23.25	28.2.2023 – 27.2.2032	400,000	–	–	–	–	400,000
Other employee participants									
	31.3.2016	33.05	31.3.2017 – 30.3.2026	20,000	–	–	–	–	20,000
	31.3.2017	35.33	31.3.2018 – 30.3.2027	74,000	–	–	–	–	74,000
	29.3.2018	41.50	29.3.2019 – 28.3.2028	124,000	–	–	–	–	124,000
	29.3.2019	42.05	29.3.2020 – 28.3.2029	174,000	–	–	–	–	174,000
	31.3.2020	25.20	31.3.2021 – 30.3.2030	223,000	–	–	–	–	223,000
	31.3.2021	30.40	31.3.2022 – 30.3.2031	276,000	–	–	–	–	276,000
	31.3.2022	23.36	31.3.2023 – 30.3.2032	389,000	–	–	(3,000)	–	386,000
				6,266,400	–	–	(3,000)	–	6,263,400

Directors' Interests in Shares, Underlying Shares and Debentures *continued*

Long-term Incentives: Share Schemes *continued*

Movements of share options during the Review Period *continued*

Notes:

- (a) All options granted have a vesting period of three years in equal proportions, starting from the first anniversary of the grant and becoming fully vested on the third anniversary. "Exercise period" accordingly begins with the first anniversary of the date of grant.
- (b) Options lapsed during the Review Period in accordance with the rules of the Share Option Schemes.
- (c) Options cancelled during the Review Period in accordance with the rules of the Share Option Schemes.

Save as disclosed above, there is no further information which is required to be disclosed under Rule 17.07 of the Listing Rules.

The 2024 Share Award Scheme

Terms & Purposes

The Company had on 19 January 2024 (the "Adoption Date") adopted the 2024 Share Award Scheme. With a term of 10 years from the Adoption Date, the 2024 Share Award Scheme shall remain in force until 18 January 2034, subject to any early termination as may be determined by the Board pursuant to the scheme rules. The purposes of the 2024 Share Award Scheme are (i) to attract and retain critical talents and drive long-term commitment; (ii) to drive performance and culture of excellence; and (iii) to instil a culture of accountability, engagement and sense of ownership in the Group.

Administration

The Board has delegated the administration of the 2024 Share Award Scheme to the Remuneration Committee, which consists solely of Independent Non-executive Directors. This delegation ensures proper governance when reviewing and deciding on proposed grants of the share awards, guaranteeing that the administrator of the 2024 Share Award Scheme shall not be a participant in the scheme, aligning the objectives of the 2024 Share Award Scheme with Shareholders' interests.

Eligible Participants

Pursuant to the 2024 Share Award Scheme, the Remuneration Committee, as authorised by the Board, may, from time to time, exercise its absolute discretion in selecting any employee (for this purpose only, including without limitation, any Director) of any member of the Group (other than any Excluded Employee (as defined in the Company's announcement dated 19 January 2024)) for participation (the "Selected Employee"), and grant such number of Shares (the "Awarded Shares") to any Selected Employee at no consideration and subject to such terms and conditions as it may in its absolute discretion determine.

Maximum number of Shares

The maximum number of Shares that may be awarded under the 2024 Share Award Scheme during its term is limited to 20,540,164 Shares, representing approximately 2% of the issued share capital of the Company as at the Adoption Date.

Directors' Interests in Shares, Underlying Shares and Debentures *continued*

Long-term Incentives: Share Schemes *continued*

The 2024 Share Award Scheme *continued*

Maximum entitlement

The maximum number of Awarded Shares that may be granted under the 2024 Share Award Scheme to any Selected Employee shall not exceed 0.5% of the issued share capital of the Company from time to time (being 5,135,041 Shares as at the date of this report).

Purchase of Shares by the 2024 Share Award Scheme Trustee

During the Review Period, 156,000 Shares were purchased by BOCI Trustee (Hong Kong) Limited, the trustee of the 2024 Share Award Scheme on the Stock Exchange for the purpose of the 2024 Share Award Scheme. As at 30 June 2025, 126 unvested Shares were held by BOCI Trustee (Hong Kong) Limited.

Grant and Vesting

As delegated by the Board, the Remuneration Committee has the authority to determine the granting and the vesting period of the Awarded Shares under the 2024 Share Award Scheme.

Awarded Shares comprise: (i) performance shares ("Performance Shares") and (ii) restricted shares ("Restricted Shares"). Generally, a higher proportion of Performance Shares would be granted to senior management to place greater emphasis on linking incentive with Hysan's long-term strategy and value creation for Shareholders. The Restricted Shares are to attract and retain critical talent, especially at the junior and middle levels. The vesting period and structure are carefully designed to promote these objectives:

- (i) Performance Shares will vest on the third anniversary of the date of grant subject to the achievement of Company's performance target. This target is measured by relative Total Shareholder Return ("TSR"), which takes into consideration share price performance and dividend, over a three-year performance period. Hysan's TSR is compared against a group of pre-determined peer companies to determine the percentile rank, which in turn establishes a direct linkage between the vesting percentage and shareholder value creation. The target performance level for TSR is the 50th percentile of peer companies' performance, while the maximum performance level is the 80th percentile or above of peer companies' performance, at which 150% of the target number of Performance Shares will vest.
- (ii) Restricted Shares have a vesting period of three years in equal proportions, starting from the first anniversary of the grant and becoming fully vested on the third anniversary. This enhances attraction, motivation and retention of talent through time-vesting.

The 2024 Share Award Scheme incorporates clawback mechanisms to recover, cancel, forfeit or withhold any Awarded Shares for both good and bad leaver scenarios.

In determining the number of Awarded Shares granted to Selected Employee, the following key factors are considered:

(i) individual performance rating, potential and expected long-term contribution to the Group, (ii) the financial condition and performance of the Group (such as turnover, expense ratio, EPS, portfolio year-end occupancy, achievement of key strategic initiatives, etc.), as well as (iii) alignment with the Group's long-term strategy, corporate culture and core values in the achievement of the pre-determined long-term objectives and development plan.

Directors' Interests in Shares, Underlying Shares and Debentures *continued*

Long-term Incentives: Share Schemes *continued*

The 2024 Share Award Scheme *continued*

Movement of Share Award

During the Review Period, a total of 49,255 Awarded Shares had been granted to Selected Employees at nil consideration under the 2024 Share Award Scheme. As at 30 June 2025, 19,214,570 Shares are available for grant under the 2024 Share Award Scheme, representing approximately 1.87% of the total number of issued Shares as at the date of this report.

Movements in the Awarded Shares during the Review Period are set out below:

Name	Date of Grant	Vesting period	Fair Value per Awarded Share HK\$ (Note a)	Closing price of Shares immediately before the date of grant HK\$	Unvested as at 1.1.2025	Changes during the Review Period				Unvested as at 30.6.2025
						Granted	Vested	Lapsed (Note e)	Cancelled (Note f)	
2024 Share Award Scheme										
Executive Directors										
Lee Irene Yun-Lien	1.4.2024	1.4.2025 – 1.4.2027	12.62	12.62	463,369	–	(46,337)	–	–	417,032
Lui Kon Wai	1.4.2024	1.4.2025 – 1.4.2027	12.62	12.62	269,925	–	(26,992)	–	–	242,933
Five highest paid individuals (excluding the Executive Directors) during the Review Period ("Five Highest Paid Individuals")										
	1.4.2024	1.4.2025 – 1.4.2027	12.62	12.62	259,648	–	(30,846)	–	–	228,802
	1.4.2025	1.4.2026 – 1.4.2028	12.60 ^(Note b)	12.60	–	16,204 ^(Note c)	–	–	–	16,204
Other grantees										
	1.4.2024	1.4.2025 – 1.4.2027	12.62	12.62	302,035	–	(51,699)	(18,638)	–	231,698
	1.4.2025	1.4.2026 – 1.4.2028	12.60 ^(Note b)	12.60	–	33,051 ^(Note d)	–	–	–	33,051
					1,294,977	49,255	(155,874)	(18,638)	–	1,169,720

Notes:

- The Group has adopted the accounting standard in accordance with HKFRS 2 — *Share-based Payment*. According to HKFRS 2, the fair value of the employee services received in exchange for the grant of the Awarded Shares is recognized as an expense, with a corresponding increase in equity, over the vesting period of the Awarded Shares. The amount recognized as an expense is adjusted to reflect the number of Awarded Shares for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of Awarded Shares that meet the related service and non-market performance conditions at the vesting date.
- The fair value of the Awarded Shares was calculated based on the closing price of the Shares immediately before the date of grant (i.e. 31 March 2025), which was HK\$12.60 per share.

Directors' Interests in Shares, Underlying Shares and Debentures *continued*

Long-term Incentives: Share Schemes *continued*

The 2024 Share Award Scheme *continued*

Movement of Share Award *continued*

Notes:

- (c) Among the 16,204 Awarded Shares granted to the Five Highest Paid Individuals, 4,861 Awarded Shares are Restricted Shares and 11,343 Awarded Shares are Performance Shares.
- (d) Among the 33,051 Awarded Shares granted to other grantees, 13,221 Awarded Shares are Restricted Shares and 19,830 Awarded Shares are Performance Shares.
- (e) Awarded Shares lapsed during the Review Period in accordance with the rules of the 2024 Share Award Scheme.
- (f) Awarded Shares cancelled during the Review Period in accordance with the rules of the 2024 Share Award Scheme.

Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares

As at 30 June 2025, the interests or short positions of substantial Shareholders and other persons, in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO, or as otherwise notified to the Company, were as follows:

Aggregate long positions in shares and underlying shares of the Company

Name	Capacity	Number of ordinary shares held	% of the total no. of issued shares (Note)
Lee Hysan Company Limited	Beneficial owner	433,130,735	42.17
Silchester International Investors LLP	Investment manager	60,823,000	5.92
BlackRock, Inc.	Investment manager	51,449,120	5.01

Note:

The percentages were computed based on the total number of issued shares of the Company as at 30 June 2025 (i.e. 1,027,008,223 ordinary shares).

Apart from the above, no other interest or short position in the shares or underlying shares of the Company were recorded in the register that is required to be kept under section 336 of the SFO as at 30 June 2025.

Purchase, Sale or Redemption of the Company's Listed Securities

During the Review Period, the Group repurchased and cancelled part of the US\$850 million Subordinated Guaranteed Perpetual Capital Securities (the "Securities") in the aggregate principal amount of US\$690,151,000 (approximately HK\$5,363 million), representing approximately 81.20% of the aggregate principal amount of the Securities initially issued. The Securities were issued in 2020 and are listed on the Stock Exchange, and the repurchase was carried out by way of a tender offer to purchase for cash with an aggregate purchase price of approximately HK\$5,365 million paid by the Group. This is in addition to the Securities in the aggregate principal amount of US\$99,995,000 representing approximately 11.76% of the aggregate principal amount of the Securities initially issued that were purchased by the Company and cancelled in April 2024.

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.

On 18 August 2025, the Group redeemed in whole the outstanding Securities in the principal amount of US\$59,854,000 (approximately HK\$465 million) on the Stock Exchange at an aggregate purchase price of approximately HK\$468 million in cash. Following completion of the redemption and cancellation of the Securities, there will be no Securities in issue.

Human Resources Practices

The Group aims to attract, retain and develop high-calibre individuals who are committed to attaining our objectives and aligning with Hysan's corporate culture and core values. The total number of employees of the Group as at 30 June 2025 was 493. The Group's human resources practices are aligned with our corporate objectives in order to maximize Shareholder value and achieve sustainable growth.

There has been no material change to the human resources practices, training and development programmes as set out in the "Sustainability Report 2024".

Shareholder Information

FINANCIAL CALENDAR

Interim results announced	14 August 2025
Ex-dividend date for first interim dividend	27 August 2025
Closure of register of members and record date for first interim dividend	29 August 2025
Despatch of first interim dividend warrants	(on or about) 9 September 2025

FIRST INTERIM DIVIDEND

The Board declares the payment of a first interim dividend of HK27 cents per share. The first interim dividend will be payable in cash to Shareholders whose names appear on the register of members of the Company ("Register of Members") as at Friday, 29 August 2025.

The Register of Members will be closed on Friday, 29 August 2025, for the purpose of determining Shareholders' entitlement to the first interim dividend, on which date no transfer of shares will be registered. 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 (the "Registrar") not later than 4:00 p.m. on Thursday, 28 August 2025.

Dividend warrants will be despatched to Shareholders on or about Tuesday, 9 September 2025.

SHAREHOLDER SERVICES

For enquiries about share transfer and registration, please contact the Registrar:

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong
Telephone: (852) 2980 1333
Facsimile: (852) 2810 8185

Holders of the Company's ordinary shares should notify the Registrar promptly of any change of address.

This report (English and Chinese versions) is available on our website at www.hysan.com.hk (the "Company's Website") and the Stock Exchange's website at www.hkexnews.hk (the "Stock Exchange's Website"). Shareholders and investors who would like to be notified when the Company publishes its corporate communications^{Note} on the Stock Exchange's Website can register for the News Alerts service in the Market Data section of the HKEx Market website at www.hkex.com.hk/eng/invest/user/login_e.aspx.

Note: The term "corporate communications" refers to all "corporate communications" as defined in the Listing Rules, including without limitation, Interim/Annual Reports, notices, circulars, proxy forms of the Company.

Pursuant to the Listing Rules, the Hong Kong Companies Ordinance and the articles of association of the Company, the Company provides corporate communications to Shareholders by electronic means through the Company's Website and the Stock Exchange's Website with a notification of the publication of the corporate communications to the Shareholders concerned ("Electronic Means"), provided that the relevant Shareholders have consented to receiving the corporate communications by Electronic Means.

Shareholders may at any time choose to receive this report or other corporate communications in printed form in either English or Chinese language or both or by Electronic Means. Shareholders who have chosen to receive this report or other corporate communications using Electronic Means and who for any reason have difficulty in receiving or gaining access to this report or other corporate communications will promptly upon request be sent a printed copy free of charge.

Shareholders may at any time change their choice of the language and/or means of receipt of this report or other corporate communications of the Company by notice in writing to the Company or the Registrar, or by e-mail to hysan14-ecom@vistra.com or cossec@hysan.com.hk. The Change Request Form may be downloaded from the Company's Website.

INVESTOR RELATIONS

For enquiries relating to investor relations, please e-mail to investor@hysan.com.hk or write to the Company at:

Investor Relations
Hysan Development Company Limited
50/F Lee Garden One
33 Hysan Avenue Hong Kong
Telephone: (852) 2895 5777
Facsimile: (852) 2577 5153

Corporate Information

BOARD OF DIRECTORS

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*
Lee Tze Hau Michael*

AUDIT AND RISK MANAGEMENT COMMITTEE

Churchouse Frederick Peter** (*Chairman*)
Zhang Yong**
Lee Anthony Hsien Pin*

REMUNERATION COMMITTEE

Chung Cordelia** (*Chairman*)
Churchouse Frederick Peter**
Young Elaine Carole**

NOMINATION COMMITTEE

Lee Irene Yun-Lien (*Chairman*)
Chung Cordelia**
Churchouse Frederick Peter**
Wong Ching Ying Belinda**
Lee Chien*

* Non-Executive Director

** Independent Non-Executive Director

SUSTAINABILITY COMMITTEE

Young Elaine Carole** (*Chairman*)
Wong Ching Ying Belinda**
Lee Tze Hau Michael*

COMPANY SECRETARY

Chow Lai Kwan

REGISTERED OFFICE

50/F Lee Garden One
33 Hysan Avenue
Hong Kong

OUR WEBSITE

Press releases and other information of the Group can be found at our website: www.hysan.com.hk.

SHARE LISTING

Hysan's shares are listed on the Stock Exchange. It has a sponsored American Depositary Receipts ("ADR") Programme in the New York market.

STOCK CODE

Stock Exchange: 00014
Bloomberg: 14HK
Reuters: 0014.HK
Ticker Symbol for ADR Code: HYSNY
CUSIP reference number: 449162304

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants and
Registered Public Interest Entity Auditors
35/F, One Pacific Place
88 Queensway
Hong Kong

The English version shall prevail in the case of any discrepancy or inconsistency between the English and Chinese versions.

Hysan Development Company Limited

50/F Lee Garden One, 33 Hysan Avenue, Hong Kong

T 852 2895 5777 F 852 2577 5153

www.hysan.com.hk

