

# G&M Holdings Limited

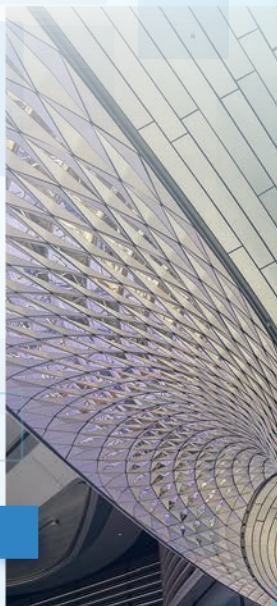
## 信越控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 6038

# 2025

## INTERIM REPORT



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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Executive Directors

Mr. Lee Chi Hung

*(Chairman and Chief Executive Officer)*

Ms. Lam Suk Yee, Patricia

### Non-executive Director

Mr. Leung Ping Kwan

### Independent Non-Executive Directors

Mr. Tai Kwok Leung, Alexander

Mr. Kwan Cheuk Kui

Dr. Liu Yuk Shing

## AUDIT COMMITTEE

Mr. Tai Kwok Leung, Alexander *(Chairman)*

Mr. Kwan Cheuk Kui

Dr. Liu Yuk Shing

## NOMINATION COMMITTEE

Mr. Lee Chi Hung *(Chairman)*

Mr. Tai Kwok Leung, Alexander

Mr. Kwan Cheuk Kui

Dr. Liu Yuk Shing

Ms. Lam Suk Yee, Patricia

## REMUNERATION COMMITTEE

Mr. Kwan Cheuk Kui *(Chairman)*

Mr. Lee Chi Hung

Mr. Tai Kwok Leung, Alexander

Dr. Liu Yuk Shing

## RISK MANAGEMENT COMMITTEE

Mr. Lee Chi Hung *(Chairman)*

Mr. Tai Kwok Leung, Alexander

Mr. Kwan Cheuk Kui

Dr. Liu Yuk Shing

## JOINT COMPANY SECRETARIES

Ms. Huen Shuk Man

Mr. Lee Baldwin

## AUTHORISED REPRESENTATIVES

Mr. Lee Chi Hung

Ms. Huen Shuk Man

## REGISTERED OFFICE

Ocorian Trust (Cayman) Limited  
Windward 3, Regatta Office Park  
P.O. Box 1350  
Grand Cayman, KY1-1108  
Cayman Islands

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

11th Floor  
Magnet Place Tower 1  
77-81 Container Port Road  
Kwai Chung, New Territories  
Hong Kong

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

## AUDITOR

BDO Limited

*Certified Public Accountants and  
Registered Public Interest  
Entity Auditor*

## PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited  
Hong Kong and Shanghai  
Banking Corporation

## COMPANY WEBSITE

[www.gm-eng.com.hk](http://www.gm-eng.com.hk)

## STOCK CODE

6038

# MANAGEMENT DISCUSSION AND ANALYSIS

The board (the “**Board**”) of directors (the “**Directors**”) of G & M Holdings Limited (the “**Company**”) is pleased to present the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 30 June 2025 (the “**Period**”), together with the comparative figures for the corresponding period in 2024 (the “**Corresponding Period**”). These information should be read in conjunction with the annual report of the Company for the year ended 31 December 2024 (the “**2024 Annual Report**”).

## BUSINESS REVIEW

The Group has 30 years history in Hong Kong and provides one-stop design and build solutions and repair and maintenance services in relation to podium facade and curtain wall works in Hong Kong.

It is still a challenging year for the Company, as the construction activities in the private sector had been affected by the sluggish real estate market and the uncertain economic outlook. We noted that less projects being launched and the customers becoming more conscious with pricing. We also observed that our competitors adopted aggressive bidding strategies to maintain operations, resulting in a further intensification of competition within the local construction industry.

Facing the worsening operating conditions, the Group is blessed to have the work portfolio to sustain a practically full scale operation for the year ending 2025. However, due to the downturn in the private property projects and the keen competition in the construction market are expected to continue for a period of time. We will strengthen our work quality, safety and cost control enhancement and keep a prudent approach on bidding new projects and maintain the quality of projects with reasonable gross profit margins.

During the Period, the Group had engaged legal advisers and commenced actions to recover the deposits paid to acquire the exclusive mining right to a coal mine in Mongolia; we shall keep shareholders informed in due course. Full provision of impairment on such deposits had been made in the previous year and management do not expect any further detrimental effect arise in relation thereto.

## MANAGEMENT DISCUSSION AND ANALYSIS

### PROSPECTS

The Group's major projects on hand as at 30 June 2025 can be summarised as follows:

No.	Type of works undertaken	Location	Expected completion date	Estimated remaining contract value as at 30 June 2025 HK\$ million
1.	Facade	West Kowloon, Kowloon	Dec 2025	70.6
2.	Facade	Shatin, New Territories	Sep 2025	33.6
3.	Facade	Central and Western, Hong Kong	Jun 2027	17.5
4.	Facade	Shap Sze Heung, New Territories	Oct 2025	10.8
				132.5

Subsequent to the end of the Period and up to the date of this report, the Group had been awarded a podium facade contract with the contract sum of approximately of HK\$48.1 million. Meanwhile, the Group is in the process of bidding for or pending the results of three sizeable podium facade project tenders with an estimated total contract value of approximately HK\$115.7 million.

### FINANCIAL REVIEW

#### Revenue

The Group's revenue increased by approximately HK\$43.3 million or 22.1% from approximately HK\$196.0 million for the Corresponding Period to approximately HK\$239.3 million for the Period, which was mainly because certain key projects are under site work and generated more revenue during the Period.

#### Gross profit and gross profit margin

The Group's gross profit increased by approximately HK\$11.1 million or 22.0% from approximately HK\$50.4 million for the Corresponding Period to approximately HK\$61.5 million for the Period as a result of increase in revenue while gross profit margin for the Period remained stable at 25.7%.

#### Administrative and other operating expenses

The Group's administrative and other operating expenses was relatively stable as compared to the Corresponding Period.

#### Profit for the Period

The Group's profit for the Period amounted to approximately HK\$39.5 million, representing an increase of approximately HK\$8.9 million or 29.1% as compared to approximately HK\$30.6 million for the Corresponding Period. The increase in profit is due to the increase in gross profit of approximately HK\$11.1 million and net off with decrease in other income of approximately HK\$2.8 million.

#### Receivable turnover days

The Group's receivable turnover days for the Period decreased to approximately 26.4 days as compared to that of approximately 64.3 days as at 31 December 2024 because there was a decrease in average trade receivables. The Group did not observe any signs of default on any of its trade receivables balance as at 30 June 2025.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Bank borrowings**

The Group had no bank borrowings as at 30 June 2025.

## **LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE**

The Group's gearing ratio, calculated by dividing total debts by total equity, as at 30 June 2025 was zero (31 December 2024: zero) as there was no bank borrowings as at 30 June 2025.

The Group's cash and cash equivalents balances as at 30 June 2025 amounted to approximately HK\$375.5 million, representing an increase of approximately HK\$152.8 million as compared to that of approximately HK\$222.7 million as at 31 December 2024.

The Group has placed fixed time deposits that over three months with aggregate amount of approximately HK\$1.0 million (31 December 2024: HK\$112.6 million). The interest rate is 3.31% (31 December 2024: 4.0%) per annum.

The Group had no bank borrowings at 30 June 2025.

## **EMPLOYEES AND REMUNERATION POLICIES**

The Group had 94 staff as at 30 June 2025 (30 June 2024: 109 staff) and the total employee benefit expenses for the Period amounted to approximately HK\$33.9 million (Corresponding Period: HK\$36.1 million). The reduction in staff headcount is mainly due to natural attrition and no intake required to service the relatively few existing projects. The Group determines the remuneration of its employees based on each employee's qualifications, experience and past performance. The remuneration committee makes recommendations to the Board on the overall remuneration policy and structure for our Directors and senior management. The Group maintains a good relationship with its employees and has not experienced any major labour disputes nor any difficulty in recruiting suitable staff.



## MANAGEMENT DISCUSSION AND ANALYSIS

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Period to date of the report.

### DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2025, the interests and short positions of Directors and the chief executive of the Company in the shares of the Company (the **"Shares"**), underlying Shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the **"SFO"**)) as recorded in the register required to be kept under section 352 of the SFO, or as notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the **"Model Code"**) as set out in Appendix C3 of the Rules Governing the Listing Securities on the Stock Exchange (the **"Listing Rules"**), are as follows:

#### (i) Directors' interests in the Company

Name of Directors	Capacity	Number of Shares/ Position	Percentage of shareholding
Mr. Lee Chi Hung ("Mr. Lee")	Interest in a controlled corporation; interest held jointly with another person (Note 1)	750,000,000 Long Position	74.8%
Mr. Leung Ping Kwan ("Mr. Leung")	Interest in a controlled corporation; interest held jointly with another person (Note 1)	750,000,000 Long Position	74.8%
Ms. Lam Suk Yee, Patricia ("Ms. Lam")	Interest of spouse (Note 2)	750,000,000 Long Position	74.8%



## MANAGEMENT DISCUSSION AND ANALYSIS

### (ii) Directors' interests in the associated corporation of the Company

Name of Directors	Name of associated corporation	Capacity	Number of shares interested	Percentage of shareholding
Mr. Lee	Luxury Booming Limited ("Luxury Booming")	Beneficial owner	3	75%
Mr. Leung	Luxury Booming	Beneficial owner	1	25%
Ms. Lam	Luxury Booming	Interest of spouse (Note 2)	3	75%

*Notes:*

1. Luxury Booming is the registered and the beneficial owner holding 74.8% of the issued shares of the Company. The issued share capital of Luxury Booming is owned as to 75% by Mr. Lee and 25% by Mr. Leung. By virtue of the concert parties confirmatory deed entered into between Mr. Lee and Mr. Leung dated 9 January 2017, each of Mr. Lee and Mr. Leung is deemed to be interested in the entire shareholding interests of Luxury Booming in the Company under SFO.
2. Ms. Lam is the spouse of Mr. Lee and is deemed or taken to be interested in all Shares in which Mr. Lee has interest under the SFO.

## MANAGEMENT DISCUSSION AND ANALYSIS

### SUBSTANTIAL SHAREHOLDERS

As at 30 June 2025, so far as the Directors are aware, the interest and short positions of the persons, other than a director or chief executive of the Company, in the Shares and underlying Shares of the Company as recorded in the register required to be kept under section 336 of the SFO are as follows:

#### Substantial shareholders' interest in the Company

Name of shareholders	Capacity	Number of Shares held/ Position	Percentage of shareholding
Luxury Booming ( <i>Note 1</i> )	Beneficial owner	750,000,000 Long Position	74.8%
Ms. Ku Nga Ping ( <i>Note 2</i> )	Interest of spouse	750,000,000 Long Position	74.8%

*Notes:*

1. Luxury Booming is the registered and beneficial owner holding 74.8% of the issued shares of the Company. The issued share capital of Luxury Booming is owned as to 75% by Mr. Lee and 25% by Mr. Leung. By virtue of the concert parties confirmatory deed entered into between Mr. Lee and Mr. Leung dated 9 January 2017, each of Mr. Lee and Mr. Leung is deemed to be interested in the entire shareholding interests of Luxury Booming in the Company under the SFO.
2. Ms. Ku Nga Ping is the spouse of Mr. Leung and is deemed, or taken to be, interested in all Shares in which Mr. Leung has interest under the SFO.

### SHARE OPTION SCHEME

No share option were granted or exercised during the six months ended 30 June 2025 and the Company had no outstanding share options that are exercisable as at 30 June 2025.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **PLEDGE OF ASSETS**

As at 30 June 2025, there is no pledged deposits.

### **MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES**

During the Period, the Group did not have any material acquisitions and disposals of subsidiaries.

### **SIGNIFICANT INVESTMENT HELD**

The Group had not held any significant investments during the Period.

### **CAPITAL COMMITMENT**

The Group had no significant capital commitment as at 30 June 2025.

### **CONTINGENT LIABILITIES**

The Group did not have any significant contingent liabilities as at 30 June 2025.

### **EVENTS AFTER END OF THE PERIOD**

No event has occurred after 30 June 2025 and up to the date of this report which would have a material effect on the Group.

### **CORPORATE GOVERNANCE**

The Company has adopted the code provisions of the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 of the Listing Rules and has complied with the CG Code throughout the Period, except in relation to provision C.2.1 of the CG Code where the roles of the Group’s Chairman and chief executive officer are both performed by Mr. Lee. The provision C.2.1 of the CG Code requires that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Please refer to the annual report for year ended 31 December 2024 for the nature of the non-compliance with the provision C.2.1 of the CG Code.

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Upon specific enquiries being made with all Directors, each of them confirmed that they have complied with the required standards set out in the Model Code for the Period and up to the date of this report.

### INTERIM DIVIDEND

The Board takes into account the Group's overall results of operation, financial position and capital requirements, among other factors, in considering the declaration of dividends.

Having considered the aforesaid, the Board does not recommend the payment of an interim dividend for the Period.

### AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") currently comprises three independent non-executive Directors, namely Mr. Tai Kwok Leung, Alexander, Mr. Kwan Cheuk Kui and Dr. Liu Yuk Shing, and is chaired by Mr. Tai Kwok Leung, Alexander.

The Audit Committee has reviewed the accounting standards and policies adopted by the Group and the unaudited condensed consolidated interim financial statements of the Group for the Period.

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
		2025 (unaudited) HK\$'000	2024 (unaudited) HK\$'000
	Notes		
<b>Revenue</b>	5	<b>239,257</b>	195,984
Cost of revenue		(177,729)	(145,607)
<b>Gross profit</b>		<b>61,528</b>	50,377
Other income, gains and losses	6	<b>3,638</b>	6,449
Administrative and other operating expenses		(19,550)	(19,805)
Fair value gain/(loss) on financial assets at fair value through profit or loss		<b>371</b>	(53)
Finance costs		(234)	(316)
<b>Profit before income tax</b>	7	<b>45,753</b>	36,652
Income tax expense	8	(6,291)	(6,059)
<b>Profit for the period</b>		<b>39,462</b>	30,593
<b>Other comprehensive income</b>			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
– Exchange difference arising from translation of foreign operation		24	(10)
<b>Total comprehensive income for the period</b>		<b>39,486</b>	30,583
		<b>HK cents</b>	<b>HK cents</b>
<b>Earnings per share</b>			
– Basic	11	<b>3.9</b>	3.1
– Diluted	11	<b>3.9</b>	3.1

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	30 June 2025 (unaudited) HK\$'000	31 December 2024 (audited) HK\$'000
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12	3,277	3,347
Right-of-use assets		1,587	2,832
		<b>4,864</b>	6,179
<b>Current assets</b>			
Inventories		1,008	1,020
Contract assets	13	81,196	80,917
Trade and other receivables, deposits and prepayments	14	23,305	64,833
Financial assets at fair value through profit or loss		1,256	886
Time deposit with original maturity over three months		1,040	112,626
Cash and bank balances		375,531	222,715
		<b>483,336</b>	482,997
<b>Current liabilities</b>			
Contract liabilities	13	113,123	137,154
Trade and other payables	15	48,985	69,715
Lease liabilities		1,414	3,058
Tax payable		8,202	2,057
		<b>171,724</b>	211,984
<b>Net current assets</b>		<b>311,612</b>	271,013
<b>Total assets less current liabilities</b>		<b>316,476</b>	276,990

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

		30 June 2025 (unaudited) HK\$'000	31 December 2024 (audited) HK\$'000
	Note		
<b>Non-current liabilities</b>			
Lease liabilities		—	202
<b>NET ASSETS</b>		<b>316,476</b>	<b>276,990</b>
<b>CAPITAL AND RESERVES</b>			
Share capital	16	10,030	10,030
Reserves		306,446	266,960
<b>TOTAL EQUITY</b>		<b>316,476</b>	<b>276,990</b>



# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Equity attributable to owners of the Company						
	Share capital HK\$'000	Share premium* HK\$'000	Merger reserve* HK\$'000	Translation reserves* HK\$'000	Share-based payment reserve* HK\$'000	Retained profits* HK\$'000	Total equity HK\$'000
At 1 January 2025	10,030	83,424	(4,592)	(233)	–	188,361	276,990
Profit for the period	–	–	–	–	–	39,462	39,462
Other comprehensive income for the period							
– Exchange difference arising from translation of foreign operation	–	–	–	24	–	–	24
<b>Total comprehensive income for the period</b>	–	–	–	24	–	39,462	39,486
At 30 June 2025 (unaudited)	10,030	83,424	(4,592)	(209)	–	227,823	316,476
At 1 January 2024	10,000	82,848	(4,592)	(183)	123	225,371	313,567
Profit for the period	–	–	–	–	–	30,593	30,593
Other comprehensive income for the period							
– Exchange difference arising from translation of foreign operation	–	–	–	(10)	–	–	(10)
<b>Total comprehensive income for the period</b>	–	–	–	(10)	–	30,593	30,583
Shares issued based on exercising share option	10	151	–	–	–	–	161
Dividends declared	–	–	–	–	–	(20,020)	(20,020)
At 30 June 2024 (unaudited)	10,010	82,999	(4,592)	(193)	123	235,944	324,291

\* The total of these equity accounts as at 30 June 2025 represent “Reserves” in the condensed consolidated statements of financial position.

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025 (unaudited) HK\$'000	2024 (unaudited) HK\$'000
Net cash generated from operating activities	40,106	56,344
Net cash generated from/(used in) investing activities	114,752	(43,696)
Net cash used in financing activities	(2,080)	(1,659)
Increase in cash and cash equivalents	152,778	10,989
Cash and cash equivalents at the beginning of period	222,715	55,939
Effect of exchange rate changes on cash and cash equivalents	38	(13)
Cash and cash equivalents at the end of period	375,531	66,915

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

## 1. GENERAL INFORMATION

G & M Holdings Limited (The “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability on 29 November 2016 under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman, KY1-1108, Cayman Islands. Its principal place of business is located at 11th Floor, Magnet Place Tower 1, 77-81 Container Port Road, Kwai Chung, New Territories, Hong Kong.

The Company is an investment holding company and the principal activities of the Company and its subsidiaries (collectively referred hereafter as the “**Group**”) are the provision of one-stop design and build solutions as well as repair and maintenance services in relation to podium facade and curtain wall works in Hong Kong.

The Company’s parent is Luxury Booming Limited (“**Luxury Booming**”), a limited liability company incorporated in the British Virgin Islands. In the opinion of the directors, Luxury Booming is also the ultimate holding company of the Company.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 2. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange. The unaudited condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements and should be read in conjunction with the annual financial statements for the year ended 31 December 2024 (“**Financial Statements 2024**”), which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA.

The condensed consolidated interim financial statements have not been audited or reviewed by the Company’s external auditor, but have been reviewed by the audit committee of the Company and approved by the Board of the Company on 27 August 2025.

The unaudited condensed consolidated interim financial statements are presented in Hong Kong dollars (“**HK\$**”), which is also the functional currency of the Company. All values are rounded to the nearest thousand except when otherwise stated.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value. Except for the adoption of the new and amended HKFRSs for annual periods beginning on 1 January 2025, the accounting policies and methods of computation used in the unaudited condensed consolidated interim financial statements are consistent with those described in the Financial Statements 2024.

#### (a) Adoption of new or revised HKFRSs effective on 1 January 2025

During the interim period, the Group has adopted all the following new and amended HKFRSs which are first effective for the reporting period and relevant to the Group.

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability
--------------------------------------	-------------------------

The adoption of these new standards and amendments to existing standards does not have any significant impact to the results and financial position of the Group and/or Group's unaudited condensed consolidated interim financial statements.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (b) New or revised HKFRSs that have been issued but are not yet effective

The following new or revised HKFRSs, potentially relevant to the Group's condensed consolidated interim financial statements, have been issued, but are not yet effective and have not been early adopted by the Group.

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

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2026.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2027.

<sup>3</sup> The amendments shall be applied prospectively to the sale or contribution of assets occurring in annual periods beginning on or after a date to be determined.

The Directors of the Company are currently assessing the possible impact of these new or revised standards on the Group's results and financial position but is not yet in a position to determine whether they will have a significant impact on the Group's results of operations and financial position.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 4. SEGMENT REPORTING

#### (a) Segment information

The Group has only one operating segment that qualifies as reporting segment under HKFRS 8 “Operating Segments”. The Group operates in Hong Kong and the People’s Republic of China (the “**PRC**”). All the Group’s revenue are derived from Hong Kong, and more than 82% of the Group’s non-current assets are located in Hong Kong. Accordingly, no separate segmental analysis is presented.

#### (b) Information about major customers

Revenue from major customers, each of them accounted for 10% or more of the Group’s revenue, is set out below:

	Six months ended 30 June	
	2025 (unaudited) HK\$'000	2024 (unaudited) HK\$'000
Customer I	205,366	127,433
Customer II	—	32,438



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 5. REVENUE

The Group is principally engaged in the provision of one-stop design and build solutions as well as repair and maintenance services in relation to podium facade and curtain wall work in Hong Kong. Revenue derived from the Group's principal activities comprises of the followings:

	Six months ended 30 June	
	2025 (unaudited) HK\$'000	2024 (unaudited) HK\$'000
<b>Revenue recognised over time:</b>		
Design and build projects		
– Podium facade and related works	222,382	183,080
– Curtain wall works	123	–
	222,505	183,080
Repair and maintenance services	16,752	12,904
	239,257	195,984

### 6. OTHER INCOME, GAINS AND LOSSES

	Six months ended 30 June	
	2025 (unaudited) HK\$'000	2024 (unaudited) HK\$'000
Bank interest income	3,811	5,425
Dividend income from financial assets at fair value through profit or loss ("FVTPL")	15	12
Gain on disposal	198	–
Loss on exchange difference	(688)	(567)
Government grants ( <i>note</i> )	302	1,579
	3,638	6,449

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 6. OTHER INCOME, GAINS AND LOSSES (Continued)

*Note:*

It represented the advanced construction technologies (“ACT”) grants obtained from the Construction Innovation and Technology Fund (“CITF”) under Construction Industry Council. Under the CITF, the Group should commit to spend the grants on ACT with specific vendors. The Group did not have other unfulfilled obligations relating to these programs.

### 7. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging the following:

	Six months ended 30 June	
	2025 (unaudited) HK\$'000	2024 (unaudited) HK\$'000
Auditor's remuneration	300	350
Cost of inventories recognised as expenses <sup>#</sup>	79,753	67,451
Depreciation charge:		
– Property, plant and equipment*	732	722
– Right-of-use assets*		
Properties and machinery leased for own use	1,451	1,443
Employee benefit expenses (including directors' emoluments)		
– Salaries, allowances and other benefits	32,796	34,714
– Share based payment	–	104
– Contributions to defined contribution retirement plan	1,152	1,284
	33,948	36,102

<sup>#</sup> Included in cost of revenue

<sup>\*</sup> Included in administrative and other operating expense

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 8. INCOME TAX EXPENSE

The amount of income tax expense in the condensed consolidated statement of comprehensive income:

	<b>Six months ended 30 June</b>	
	<b>2025 (unaudited) HK\$'000</b>	<b>2024 (unaudited) HK\$'000</b>
Hong Kong Profits Tax		
– Current tax for the period	<b>6,209</b>	6,057
PRC Enterprise Income Tax		
– Current tax for the period	<b>165</b>	2
Tax for the period	<b>6,374</b>	6,059

The Company and its Hong Kong incorporated subsidiaries are subject to Hong Kong Profits Tax which is calculated at tax rate of 16.5% on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Company which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 of assessable profits of this subsidiary are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

The Company's PRC subsidiary was eligible to be classified as small enterprise by local bureau and the corresponding assessable profits are taxed at progressive rate. The first RMB1,000,000 assessable profit is taxed at 5% and assessable profit above RMB1,000,000 but less than RMB3,000,000 is taxed at 10%. PRC Enterprise Income Tax for each of the six months ended 30 June 2025 and 2024 is calculated by applying the applicable progressive tax rate on the estimated assessable profit for the period.

## **NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

### **9. SHARE-BASED PAYMENT**

During the six months ended 30 June 2025, no share-based payment expense (six months ended 30 June 2024: HK\$104,000) was recognised in profit or loss and no corresponding amount (six months ended 30 June 2024: HK\$nil) was credited to share option reserve.

### **10. DIVIDENDS**

The Directors do not propose any payment of interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: interim dividend of HK2.0 cents and special dividend of HK4.0 cents per share).

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 11. EARNING PER SHARE

The calculation of basic and diluted earnings per share is based on following data:

	<b>Six months ended 30 June</b>	
	<b>2025 (unaudited) HK\$'000</b>	<b>2024 (unaudited) HK\$'000</b>
<b>Earnings</b>		
Profit for the period attributable to owners of the Company	<b>39,462</b>	30,593
	<b>'000</b>	'000
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purposes of basic earnings per share	<b>1,003,000</b>	1,000,074
Effect of dilutive potential ordinary shares – share options	–	273
Weighted average number of ordinary shares for the purposes of diluted earnings per share	<b>1,003,000</b>	1,000,347

For the six months ended 30 June 2025, diluted earnings per share are the same as the basic earnings per share as there were no dilutive potential ordinary shares in existence.

For the purposes of calculating diluted earnings per share for the six months ended 30 June 2024, the weighted average number of ordinary shares has been adjusted for the dilutive effect arising from the share options.

### 12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired items of property, plant and equipment with a cost of approximately HK\$646,000 (six months ended 30 June 2024: HK\$305,000). The Group disposed items of property, plant and equipment with a cost of approximately HK\$667,000 during the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

**NOTES TO THE CONDENSED CONSOLIDATED  
INTERIM FINANCIAL STATEMENTS**

**13. CONTRACT ASSETS AND CONTRACT LIABILITIES**

**(a) Contract assets**

	<b>As at 30 June 2025 (unaudited) HK\$'000</b>	<b>As at 31 December 2024 (audited) HK\$'000</b>
Contract assets are arising from:		
– Design and build contracts	<b>79,284</b>	83,471
– Repair and maintenance services	<b>5,729</b>	1,263
Contract assets (gross)	<b>85,013</b>	84,734
Less: Loss allowance	<b>(3,817)</b>	(3,817)
	<b>81,196</b>	80,917
Unbilled revenue	<b>21,823</b>	12,960
Retention receivables	<b>63,190</b>	71,774
Contract assets (gross)	<b>85,013</b>	84,734

The expected timing of recovery or settlement of gross amount of contract assets at the end of the reporting period is as follows:

	<b>As at 30 June 2025 (unaudited) HK\$'000</b>	<b>As at 31 December 2024 (audited) HK\$'000</b>
Within one year	<b>66,511</b>	50,309
More than one year	<b>18,502</b>	34,425
	<b>85,013</b>	84,734

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 13. CONTRACT ASSETS AND CONTRACT LIABILITIES

(Continued)

#### (b) Contract liabilities

	As at 30 June 2025 (unaudited) HK\$'000	As at 31 December 2024 (audited) HK\$'000
Contract liabilities are arising from:		
– Design and build contracts*	107,312	133,204
– Repair and maintenance services	5,811	3,950
	<b>113,123</b>	<b>137,154</b>

- \* Included warranty provision made for design and build projects amounting to HK\$5,000 as at 30 June 2025 (31 December 2024: HK\$5,000). During the six months ended 30 June 2025, no warranty cost (year ended 31 December 2024: HK\$nil) was incurred and charged against the warranty provision.



**NOTES TO THE CONDENSED CONSOLIDATED  
INTERIM FINANCIAL STATEMENTS**

**14. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS**

	<b>As at 30 June 2025 (unaudited) HK\$'000</b>	<b>As at 31 December 2024 (audited) HK\$'000</b>
<b>Current</b>		
Trade receivables	<b>19,124</b>	51,697
Less: Loss allowance	<b>(520)</b>	(520)
Trade receivables, net ( <i>note (b)</i> )	<b>18,604</b>	51,177
Retention receivables	<b>2,120</b>	1,700
Less: Loss allowance	<b>(68)</b>	(68)
Retention receivables, net	<b>2,052</b>	1,632
Deposits and prepayments	<b>2,649</b>	12,024
	<b>23,305</b>	64,833

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 14. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

Notes:

- (a) The credit period granted to trade debtors ranged from 20 to 60 days.
- (b) The aging analysis of trade receivables (net of loss allowance) based on the invoice date, as at the end of the reporting period is as follows:

	<b>As at 30 June 2025 (unaudited) HK\$'000</b>	As at 31 December 2024 (audited) HK\$'000
0 – 30 days	<b>15,136</b>	42,543
31 – 60 days	<b>1,238</b>	1,244
61 – 90 days	<b>720</b>	1,568
Over 90 days but less than 1 year	<b>688</b>	1,240
Over 1 year	<b>822</b>	4,582
	<b>18,604</b>	51,177

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 15. TRADE AND OTHER PAYABLES

	As at 30 June 2025 (unaudited) HK\$'000	As at 31 December 2024 (audited) HK\$'000
Trade payables ( <i>note (a)</i> )	23,201	38,467
Retention payables ( <i>note (b)</i> )	12,513	10,686
Accrued staff cost	7,622	14,984
Other payables and accruals	5,649	5,578
	<b>48,985</b>	<b>69,715</b>

*Notes:*

#### (a) Trade payables

The credit period granted by the suppliers and subcontractors is normally 0 to 60 days.

The ageing analysis of the trade payables, based on invoice date, as at the end of the reporting period is as follows:

	As at 30 June 2025 (unaudited) HK\$'000	As at 31 December 2024 (audited) HK\$'000
0 – 30 days	10,611	27,252
31 – 60 days	2,265	6,698
61 – 90 days	2,025	2,536
Over 90 days	8,300	1,981
	<b>23,201</b>	<b>38,467</b>

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 15. TRADE AND OTHER PAYABLES (Continued)

Notes: (Continued)

#### (b) Retention payables

Based on the terms and conditions agreed in relation to the release of retention monies to subcontractors and taking into account the status of rectification work, the retention payables as at the end of the reporting period are to be settled as follows:

	As at 30 June 2025 (unaudited) HK\$'000	As at 31 December 2024 (audited) HK\$'000
On demand or within one year	8,335	8,893
More than one year	4,178	1,793
	12,513	10,686

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 16. SHARE CAPITAL

The share capital balance as at 30 June 2025 and 31 December 2024 represents the issued and fully paid share capital of the Company as follows:

Ordinary share of HK\$0.01 each	Number of shares	Amount HK\$'000
<b>Authorised:</b>	10,000,000,000	100,000
<b>Issued and fully paid:</b>	<b>1,003,000,000</b>	<b>10,030</b>

### 17. GUARANTEES

The Group provided guarantee in respect of the surety bonds issued by the banks, in favour of the customers of certain construction contracts. Details of these guarantees are as follows:

	<b>As at 30 June 2025 (unaudited) HK\$'000</b>	As at 31 December 2024 (audited) HK\$'000
Aggregate value of surety bonds issued in favour of customers	<b>77,062</b>	106,962

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

### 18. LITIGATIONS

During the period ended 30 June 2025 and the year ended 31 December 2024, certain lawsuits and claims arising from the normal course of business were lodged against the Group. Claim amounts are not specified in some of the applications of these lawsuits and claims. All the claims were settled. Having considered the nature of these claims and the underlying insurance coverage, the directors assessed that outflow of significant resources in settling the claims was remote and thus no provision was made for these claims.

### 19. RELATED PARTIES TRANSACTIONS

Save as disclosed elsewhere in these condensed consolidated interim financial statements, the Group had the following transactions with its related parties:

#### Compensation of key management personnel

The remuneration of directors and other members of key management during the periods were as follows:

	Six months ended 30 June	
	2025 (unaudited) HK\$'000	2024 (unaudited) HK\$'000
Salaries, allowances and other benefits	6,441	6,943
Contributions to defined contribution retirement plan	63	72
	6,504	7,015